

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015
Unaudited Condensed Consolidated Statement of Financial Position
as at 31 October 2015

		31-Oct-15	31-Jan-15
		RM'000	RM'000
ASSETS	Note		
Cash and short-term funds	9	105,377	152,533
Securities available-for-sale	10	226,132	193,430
Loans, advances and financing	11	60,268	72,000
Trade receivables	12	1,090	1,809
Other assets	13	3,545	2,492
Investment in associated company	14	7,200	7,200
Deferred tax assets		233	244
Property, plant and equipment		23,761	23,756
TOTAL ASSETS		427,606	453,464
LIABILITIES AND EQUITY			
LIABILITIES			
Trade payables	15	131	1,055
Other liabilities	16	3,036	3,870
Provision for taxation		480	92
TOTAL LIABILITIES		3,647	5,017
EQUITY			
Share capital		286,592	268,222
Reserves		137,367	180,225
TOTAL EQUITY		423,959	448,447
TOTAL LIABILITIES AND EQUITY		427,606	453,464
Net assets per share (RM)		1.48	1.67

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2015 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015
Unaudited Condensed Consolidated Statement of Comprehensive Income
for the third quarter ended 31 October 2015

		Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
	<u>Note</u>				
Revenue		5,846	25,082	33,151	36,749
Interest income	17	2,405	2,501	7,309	6,077
Non-interest income	18	3,441	22,581	25,842	30,672
Other non-operating income/(loss)	19	467	325	(2,006)	1,280
Net income		6,313	25,407	31,145	38,029
Operating expenses	20	(4,448)	(3,468)	(12,773)	(10,594)
Profit before tax		1,865	21,939	18,372	27,435
Income tax expense	31	(436)	(489)	(1,385)	(1,342)
Profit for the period		1,429	21,450	16,987	26,093
Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss:					
Net (loss)/gain on available-for-sale financial assets		(13,113)	(27,496)	(63,476)	50,703
Currency translation differences		(12)	6	-	(73)
Foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary		-	-	3,762	-
Income tax relating to components of other comprehensive income		(21)	88	(10)	(846)
Other comprehensive (loss)/income for the period, net of tax		(13,146)	(27,402)	(59,724)	49,784
Total comprehensive (loss)/income for the period		(11,717)	(5,952)	(42,737)	75,877
Earnings per share ("EPS"):					
- basic	36	Sen 0.51	Sen 8.00	Sen 6.25	Sen 9.73
- diluted	36	Sen 0.51	Sen 7.45	Sen 6.25	Sen 9.06

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2015 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)

Interim Financial Statements for the period ended 31 October 2015

**Unaudited Condensed Consolidated Statement of Changes in Equity
for the financial period ended 31 October 2015**

	<-----Non-distributable----->						Distributable		Total RM'000
	Share capital RM'000	Treasury shares RM'000	Capital redemption reserve RM'000	Foreign currency translation reserve RM'000	Available-for- sale revaluation reserve RM'000	Equity compensation reserve RM'000	General reserve RM'000	Retained profits RM'000	
As at 1 February 2015	268,222	-	2,083	(4,816)	58,116	2,789	159	121,894	448,447
Profit for the period	-	-	-	-	-	-	-	16,987	16,987
Other comprehensive income	-	-	-	-	(63,486)	-	-	-	(63,486)
Reclassification to profit or loss upon liquidation of subsidiary	-	-	-	3,762	-	-	-	-	3,762
	-	-	-	3,762	(63,486)	-	-	16,987	(42,737)
Transaction with owners:									
Issuance of shares pursuant to Employees' Share Option Scheme ("ESOS")	19,842	-	-	-	-	-	-	-	19,842
Shares buy-back by the Company	-	(1,593)	-	-	-	-	-	-	(1,593)
Cancellation of treasury shares	(1,472)	1,593	1,472	-	-	-	-	(1,593)	-
	18,370	-	1,472	-	-	-	-	(1,593)	18,249
As at 31 October 2015	286,592	-	3,555	(1,054)	(5,370)	2,789	159	137,288	423,959
As at 1 February 2014	268,222	-	2,083	(5,007)	18,244	2,737	159	93,664	380,102
Profit for the period	-	-	-	-	-	-	-	26,093	26,093
Other comprehensive income	-	-	-	(73)	49,857	-	-	-	49,784
	-	-	-	(73)	49,857	-	-	26,093	75,877
Transaction with owners:									
ESOS granted during the period	-	-	-	-	-	53	-	-	53
	-	-	-	-	-	53	-	-	53
As at 31 October 2014	268,222	-	2,083	(5,080)	68,101	2,790	159	119,757	456,032

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2015 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015
Unaudited Condensed Consolidated Statement of Cash Flows
for the financial period ended 31 October 2015

	9 months ended	
	31-Oct-15	31-Oct-14
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	18,372	27,435
Adjustment for non-cash items	(25,595)	(20,726)
Operating (loss)/profit before working capital changes	<u>(7,223)</u>	<u>6,709</u>
Net decrease in operating assets	11,740	6,660
Net decrease in operating liabilities	(1,758)	(1,978)
Cash generated from operations	<u>2,759</u>	<u>11,391</u>
Net tax paid	(1,170)	(1,146)
Net cash generated from operating activities	<u>1,589</u>	<u>10,245</u>
Cash flows from investing activities		
Net (purchase)/sales of securities	(78,614)	58,415
Net sales/(purchase) of property, plant and equipment	164	(132)
Interest income received	7,140	5,468
Dividend income received	63	-
Net cash (used in)/generated from investing activities	<u>(71,247)</u>	<u>63,751</u>
Cash flows from financing activities		
Purchase of treasury shares	(1,593)	-
Proceeds from issuance of shares	19,842	-
Net cash generated from financing activities	<u>18,249</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(51,409)	73,996
Effects of foreign exchange rate changes	4,253	(84)
Cash and cash equivalents at beginning of the period	152,533	30,579
Cash and cash equivalents at end of the period	<u>105,377</u>	<u>104,491</u>
Cash and cash equivalents comprise:		
Cash and short-term funds	<u>105,377</u>	<u>104,491</u>

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2015 of the Group.

Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134

1 Basis of preparation

This unaudited interim financial statements of the Group has been prepared on a historical cost basis, unless otherwise disclosed in the notes to the financial statements and are in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements are in compliance with IAS 34 *Interim Financial Reporting*.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 January 2015.

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 January 2015.

The following Malaysian Financial Reporting Standards ("MFRS"), IC Interpretation and Amendments to MFRS have been issued by the MASB and are not yet effective:

Effective for annual periods commencing on or after 1 January 2016

Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Amendments to MFRS 10, MFRS 12 and MFRS 128 *Investment Entities: Applying the Consolidation Exception*

Amendments to MFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*

MFRS 14 *Regulatory Deferral Account*

Amendments to MFRS 101 *Disclosure Initiative*

Amendments to MFRS 116 and MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*

Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer plants*

Amendments to MFRS 127 *Equity Method in Separate Financial Statements*

Annual Improvements to MFRS 2012 - 2014 Cycle

Effective for annual periods commencing on or after 1 January 2018

MFRS 9 *Financial Instruments*

MFRS 15 *Revenue from Contracts with Customers*

1 Basis of preparation (cont'd.)

Adoption of the above standards and interpretations will not have any material impact on the financial statements in the period of initial application, except as discussed below:

MFRS 9 Financial Instruments ("MFRS 9")

In July 2014, the IASB issued the final version of IFRS Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but restatement of comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015.

MFRS 9 is issued by the MASB in respect of its application in Malaysia. It is equivalent to IFRS 9 as issued by IASB, including the effective and issuance dates. The areas with expected significant impact from application of MFRS 9 are summarised below:

(i) Classification and measurement

The classification and measurement of financial assets is determined on the basis of the contractual cash flow characteristics and the objective of the business model associated with holding the asset. Key changes include:

- The held-to-maturity ("HTM") and available-for-sale ("AFS") asset categories will be removed;
- A new asset category measured at fair value through other comprehensive income ("FVOCI") is introduced. This applies to debt instruments with contractual cash flow characteristics that are solely payments of principle and interest and held in a model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- A new asset category for non-traded equity investments measured at FVOCI is introduced; and
- Classification of financial liabilities will remain largely unchanged, other than the fair value gains and losses attributable to changes in 'own credit risk' for financial liabilities designated and measured at fair value through profit or loss to be presented in other comprehensive income.

The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, and may have no impact on the classification and measurement of the Group's financial liabilities.

1 Basis of preparation (cont'd.)

MFRS 9 (cont'd.)

(ii) Impairment

The MFRS 9 impairment requirements are based on an expected credit loss model (“ECL”) that replaces the incurred loss model under the current accounting standard. The Group will be generally required to recognise either a 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The ECL model will apply to financial assets measured at amortised cost or at FVOCI, irrevocable loan commitments and financial guarantee contracts, which will include loans, advances and financing and debt instruments held by the Group. MFRS 9 will change the Group’s current methodology for calculating allowances for impairment, in particular for individual and collective assessment and provisioning.

(iii) Hedge accounting

The requirements for general hedge accounting have been simplified for hedge effectiveness testing and may result in more designations of hedged items for accounting purposes.

The Group is in the process of assessing the financial implications for adopting the new standard.

MFRS 15 Revenue from Contracts with Customers ("MFRS 15")

MFRS 15 replaces all existing revenue requirements (MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC 13 *Customer Loyalty Programme s*, IC 15 *Agreements for the Construction of Real Estate*, IC 18 *Transfers of Assets from Customer s* and IC 131 *Revenue – Barter Transactions Involving Advertising Services*) in MFRS and applies to all revenue arising from contracts with customers. It also provides a model for the recognition and measurement of sales of some non-financial assets including disposals of property, equipment and intangible assets.

The standard outlines the principles an entity must apply to measure and recognise revenue. The core principle is that an entity will recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group is in the process of assessing the financial implications for adopting the new standard.

2 Audit report of preceding annual financial statements

The auditors’ report on the Financial Statements for the year ended 31 January 2015 of the Group was not subjected to any qualification.

3 Seasonality and cyclicity factors

The operations of the Group were not materially affected either by seasonal or cyclical factors.

4 Exceptional items/unusual events

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the third quarter ended 31 October 2015.

5 Variation from financial estimates reported in preceding financial period

There were no changes in estimates of amounts reported in the preceding financial period that would have a material effect in the current quarter results.

6 Debt and equity securities

There were no issuance, cancellation, resale and repayment of either debt or equity securities during the period under review except for the following:

(i) Issuance of ordinary shares pursuant to ESOS

The issued and paid-up share capital increased from 268,222,091 ordinary shares of RM1.00 each as at 31 January 2015 to 288,064,391 ordinary shares of RM1.00 each as at 31 August 2015 via issuance of 19,842,300 new ordinary shares of RM1.00 each arising from exercise of options pursuant to the ESOS.

(ii) Shares buy back & cancellation of treasury shares

The total number of shares bought back, all of which were held as treasury shares during the financial period amounted to 1,471,900 shares, at an average price per share of RM1.0822.

On 11 September 2015, the 1,471,900 treasury shares held at a carrying amount of RM1,592,894 were cancelled. The amount of which the issued share capital was diminished was transferred to the capital redemption reserve in accordance with the requirements of Section 67A of the Companies Act, 1965. The issued share capital after cancellation of treasury shares diminished from 288,064,391 ordinary shares of RM1.00 each to 286,592,491 ordinary shares of RM1.00 each as at 31 October 2015. The cost of the treasury shares cancelled was set off against retained earnings.

As at 31 October 2015, the Company does not hold any treasury shares.

7 Dividend paid

There was no dividend paid during the 9 months ended 31 October 2015.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

8 Segmental reporting

The Group's reportable operating segments are identified based on business units which are engaged in providing different services and products, as follows:

- (i) Investment holding and capital market operations - general investments and capital market related operations
- (ii) Fund management - unit trust funds and asset management
- (iii) Fund managed by a subsidiary - a unit trust fund
- (iv) Corporate advisory and structured financing - corporate advisory, structured lending and financial services related activities

3 months ended 31 October 2015	Investment holding and capital market operations	Fund management	Fund managed by a subsidiary	Corporate advisory and structured financing	Inter-segment elimination	Group total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	656	2,738	954	1,498	-	5,846
Inter-segment revenue	-	52	-	-	(52)	-
	656	2,790	954	1,498	(52)	5,846
Interest income	75	71	902	1,357	-	2,405
Non-interest income/(loss)	581	2,719	52	141	(52)	3,441
Other non-operating income	467	-	-	-	-	467
Net income/(loss)	1,123	2,790	954	1,498	(52)	6,313
Operating expenses	(1,608)	(2,789)	(91)	(12)	52	(4,448)
Profit/(loss) before tax	(485)	1	863	1,486	-	1,865
9 months ended 31 October 2015						
Revenue	1,741	8,107	18,762	4,541	-	33,151
Inter-segment revenue/(expenses)	-	168	-	-	(168)	-
	1,741	8,275	18,762	4,541	(168)	33,151
Interest income	915	214	1,963	4,217	-	7,309
Non-interest income/(loss)	826	8,061	16,799	324	(168)	25,842
Other non-operating (loss)/income	(2,393)	-	387	-	-	(2,006)
Net income/(loss)	(652)	8,275	19,149	4,541	(168)	31,145
Operating expenses	(4,667)	(7,912)	(337)	(25)	168	(12,773)
Profit/(loss) before tax	(5,319)	363	18,812	4,516	-	18,372
Segment assets	135,350	15,847	208,016	61,193	-	420,406
Investment in associated company						7,200
Total assets						427,606

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

8 Segmental reporting (cont'd.)

9 months ended 31 October 2014	Investment holding and capital market operations RM'000	Fund management RM'000	Fund managed by a subsidiary RM'000	Corporate advisory and structured financing RM'000	Inter- segment elimination RM'000	Group total RM'000
Revenue	2,671	8,083	21,792	4,203	-	36,749
Inter-segment revenue	-	178	-	-	(178)	-
	2,671	8,261	21,792	4,203	(178)	36,749
Interest income	1,952	171	931	3,023	-	6,077
Non-interest income	719	7,912	20,861	1,180	-	30,672
Other non-operating income	1,280	-	-	-	-	1,280
Net income	3,951	8,083	21,792	4,203	-	38,029
Operating expenses	(3,868)	(6,582)	(108)	(36)	-	(10,594)
Profit before tax	83	1,501	21,684	4,167	-	27,435
Segment assets	114,188	16,236	258,737	64,764	-	453,925
Investment in associated company						7,200
Total assets						461,125

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

9 Cash and short-term funds

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Cash	13,768	84,436
Cash belonging to a fund managed by a subsidiary	91,609	68,097
	105,377	152,533

10 Securities available-for-sale

	31-Oct-15	31-Jan-15
	RM'000	RM'000
At fair value		
Quoted shares	119,786	158,657
Unquoted shares	12,788	-
Unit trust funds	96,744	37,959
	229,318	196,616
Less: Allowance for impairment loss on securities	(3,186)	(3,186)
	226,132	193,430

11 Loans, advances and financing

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Term loans, representing gross loans, advances and financing	60,268	72,000
Less: Collective assessment allowance	-	-
Total net loans, advances and financing	60,268	72,000

Analysis of gross loans, advances and financing

By residual contractual maturity

Maturity within one year	60,268	72,000
Gross loans, advances and financing	60,268	72,000

By economic purpose

Investments	20,268	20,000
Working capital	-	20,000
Others	40,000	32,000
Gross loans, advances and financing	60,268	72,000

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

11 Loans, advances and financing (cont'd.)

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Analysis of gross loans, advances and financing (cont'd.)		
<u>By interest rate sensitivity</u>		
Fixed rate		
- Term loans and revolving credit	60,268	72,000
Gross loans, advances and financing	60,268	72,000
<u>By type of customer</u>		
Domestic business enterprises	20,268	40,000
Individuals	40,000	32,000
Gross loans, advances and financing	60,268	72,000

Individual assessment allowance

There is no individual assessment allowance made as there are no impaired loans during and at the end of the period.

12 Trade receivables

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Amount owing by trustees	1,090	1,809

13 Other assets

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Interest receivable	293	124
Deposits	913	419
Tax recoverable	633	460
Other receivables and prepayments	1,706	1,489
	3,545	2,492

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

14 Investment in associated company

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Unquoted shares, outside Malaysia	-*	-*
Advances	7,200	7,200
Total investment in associated company	7,200	7,200

* denotes RM9

15 Trade payables

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Amount owing to trustees	131	1,055

16 Other liabilities

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Accruals and redemption of units of funds	1,611	2,887
Other payables	1,425	983
	3,036	3,870

17 Interest income

	Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
Loans and advances	1,358	1,182	4,219	3,023
Short-term funds and deposits with financial institutions	1,047	717	3,090	1,268
Securities held-to-maturity	-	602	-	1,786
	2,405	2,501	7,309	6,077

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

18 Non-interest income

	Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
Fee income				
- Fees on loans and advances	-	181	-	538
- Portfolio management fees	2,642	2,668	7,791	7,494
- Other fee income	164	283	425	1,599
	2,806	3,132	8,216	9,631
Investment and trading income				
Net gain arising from securities held-for-trading				
- Unrealised gain on revaluation	-	-	-	9,846
	-	-	-	9,846
Net income from securities available-for-sale				
- Income distribution from fund	582	62	827	180
	582	62	827	180
Net income from securities available-for-sale of fund managed by a subsidiary				
- Net gain on disposal	53	17,864	16,736	19,317
- Dividend income	-	1,523	63	1,544
	53	19,387	16,799	20,861
Net loss arising from derivatives				
- Unrealised loss on revaluation	-	-	-	(9,846)
	-	-	-	(9,846)
Total non-interest income	3,441	22,581	25,842	30,672

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

19 Other non-operating income/(loss)

	Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
Rental income	341	329	1,074	1,017
Gain on disposal of motor vehicles	-	-	169	-
Gain /(loss) on foreign exchange translation	104	(4)	491	(11)
Foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary (refer Note)	-	-	(3,762)	-
Others	22	-	22	274
	467	325	(2,006)	1,280

Note:

Following the conclusion of the member's voluntary winding-up of ECML Ltd, the foreign currency translation losses recognised in other comprehensive income and accumulated as foreign currency translation reserve in equity was reclassified to profit or loss in the consolidated income statements and the said reclassification had no adverse impact on the group's net assets position (Refer Note 23).

20 Operating expenses

	Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	1,701	1,755	5,874	5,176
Contributions to defined contribution plan	254	240	788	704
Other personnel costs	504	88	889	386
	2,459	2,083	7,551	6,266
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	383	395	1,139	1,231
Rental of premises	35	35	106	115
Other establishment costs	12	16	38	49
	430	446	1,283	1,395

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

20 Operating expenses (cont'd.)

	Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
<u>Administrative and general expenses</u>				
Audit fees	22	21	72	63
Building maintenance expenses	266	228	742	646
Legal and professional fees	474	58	884	272
Marketing and communication expenses	102	70	395	332
Printing and stationery	20	15	120	96
Rental of network and equipment and telecommunication expenses	36	40	118	157
Insurance, postages and courier	30	23	114	82
Others	609	484	1,494	1,285
	1,559	939	3,939	2,933
Total operating expenses	4,448	3,468	12,773	10,594

21 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment of the Group in the quarter under review.

22 Material subsequent event

There were no material events subsequent to 31 October 2015, except for the Proposed Distribution to shareholders by way of capital reduction and special dividend completed in December 2015. Please see Note 26 for further details.

23 Changes in the composition of the Group

In the previous financial year, the Group commenced member's voluntary winding-up of the following dormant wholly-owned subsidiaries:

- a) ECM Libra Securities Nominees (Asing) Sdn Bhd
- b) ECM Libra Securities Nominees (Tempatan) Sdn Bhd
- c) ECM Libra Capital Markets Sdn Bhd
- d) Avenue Capital Resources Berhad
- e) ECML Ltd (formerly known as ECM Libra Investment Bank Limited)
- f) ECM Libra Securities Sdn Bhd

On 30 July 2015, the Liquidator of ECML Ltd (formerly known as ECM Libra Investment Bank Limited) convened the Final Meeting to conclude the member's voluntary winding-up and ECML Ltd was dissolved effective from 29 October 2015.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

23 Changes in the composition of the Group (cont'd.)

On 7 October 2015, the Liquidator of ECM Libra Securities Nominees (Asing) Sdn Bhd ("ELSN(A)") and ECM Libra Securities Nominees (Tempatan) Sdn Bhd ("ELSN(T)") convened the respective Final Meeting to conclude the member's voluntary winding-up. The Returns by Liquidator Relating to Final Meeting of ELSN(A) and ELSN(T) were lodged on 8 October 2015 with the Companies Commission of Malaysia and the Official Receiver, and upon the expiry of three months from 8 October 2015, ELSN(A) and ELSN(T) will be dissolved.

As at 31 October 2015, the member's voluntary winding-up of the remaining 3 subsidiaries is still on-going.

24 Commitments and contingencies

Capital commitments

As at 31 October 2015, the Group has commitments in respect of capital expenditure as follows: -

Authorised and contracted for	RM'000 3,883
-------------------------------	-------------------------------

25 Significant related party transactions

The Group has no significant related party transactions which would have a significant impact on the financial position and business of the Group for the quarter ended 31 October 2015.

Part B – Additional information required by the listing requirements of Bursa Malaysia

26 Status of corporate proposals announced

At the Extraordinary General Meeting held on 20 August 2015, the shareholders of the Company ("ECMLFG") approved the resolutions relating to the Proposed Distribution by way of a proposed capital reduction of RM0.88 per ECMLFG share of RM1.00 par value each pursuant to Section 64 of the Companies Act, 1965 and a special dividend. The Proposed Distribution is to be satisfied by a combination of cash and distribution-in-specie of two stock units in Eastern & Oriental Berhad ("E&O") for every nine ECMLFG shares and two E&O warrants for every fifteen ECMLFG shares held by the entitled shareholders ("Distribution-In-Specie").

On 28 August 2015, the Company filed a petition to the High Court of Malaya to obtain a Court order to confirm the Proposed Capital Reduction pursuant to Section 64 of the Companies Act, 1965.

At the hearing held on 28 October 2015, pursuant to Section 64 of the Companies Act, 1965, the High Court of Malaya granted the order confirming the Proposed Capital Reduction. Thereafter, all requisite approvals in relation to the Proposed Distribution have been obtained on 28 October 2015.

On 4 November 2015, the Company announced that the cash distribution component under the Proposed Distribution was determined to be equivalent to RM0.62 per ECMLFG share of RM1.00 each.

On 6 November 2015, the Company announced the Entitlement Date and Payment Date to be on 24 November 2015 and 7 December 2015 respectively.

On 19 November 2015, the Company lodged with the Companies Commission of Malaysia, the office copy of the sealed order of the High Court of Malaya confirming the Proposed Capital Reduction. On the lodgement of the said order, the resolution for the Proposed Capital Reduction as confirmed by the said order takes effect accordingly pursuant to Section 64 of the Companies Act, 1965. Consequently, the par value of the ECMLFG share was reduced from RM1.00 to RM0.12.

On 24 November 2015 (Entitlement Date), the total value of the Distribution was determined and an announcement was made accordingly. Based on the Company's existing issued and paid-up capital of 286,592,491 shares, the Distribution-In-Specie comprised 63,687,220 E&O stock units and 38,212,332 E&O warrants. Based on the last trading price of RM1.57 for each E&O stock unit and RM0.21 for each E&O warrant as at Entitlement Date, the total value of the Distribution was approximately RM285.70 million, comprising RM177.69 million cash and RM108.01 million in the form of the Distribution-In-Specie. The Distribution value is equivalent to RM0.997 per ECMLFG share comprising RM0.62 cash and Distribution-In-Specie valued at RM0.377. The capital repayment portion is RM0.88 per ECMLFG share and the special dividend portion is RM0.117 per ECMLFG share.

The despatch of the cheque payment or credit advice and the crediting of E&O stocks and warrants to the entitled shareholders of the Company was performed on 7 December 2015. The Distribution exercise was accordingly concluded on 7 December 2015.

Other than the above, there were no other corporate proposals announced but not completed at the date of this report.

27 Performance review on the results of the Group

For the nine month period ended 31 October 2015, the Group recorded a profit before tax of RM18.37 million and a profit after tax of RM16.99 million. This was mainly contributed by gain on disposal of securities available-for-sale of RM16.74 million, portfolio management fees income of RM7.79 million, interest income of RM7.31 million, rental income of RM1.07 million, investment income of RM0.83 million, gain on revaluation of foreign exchange translation of RM0.49 million and other fee income of RM0.43 million; partially offset by operating expenses of RM12.77 million and foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary of RM3.76 million.

The performance of the respective operating business segments for the nine month period ended 31 October 2015 is analysed as follows:

(i) Investment holding and capital market operations

Investment holding and capital market operations reported a loss before tax of RM5.32 million for the period ended 31 October 2015. Income for the period generated from rental income of RM1.07 million, interest income of RM0.91 million, investment income of RM0.83 million, gain on disposal of motor vehicles of RM0.17 million and gain on revaluation of foreign exchange translation of RM0.11 million. Income was offset by operating and corporate expenses of RM4.67 million and foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary of RM3.76 million.

(ii) Fund management

Fund management reported a profit before tax of RM0.36 million for the period ended 31 October 2015, largely contributed by fee income of RM8.06 million and interest income of RM0.21 million; partially offset by operating expenses of RM7.91 million.

(iii) Corporate advisory and structured finance

Corporate advisory and structured finance reported a profit before tax of RM4.52 million for the period ended 31 October 2015, largely contributed by interest income of RM4.22 million and other income of RM0.32 million; partially offset by operating expenses of RM0.02 million.

(iv) Fund managed by a subsidiary

The fund managed by a subsidiary reported a profit before tax of RM18.81 million for the period ended 31 October 2015, largely contributed by gain on disposal of securities of RM16.74 million, interest income of RM1.96 million and foreign currency translation gains of RM0.39 million; partially offset by operating expenses of RM0.34 million.

28 Review of performance of current financial quarter against immediate preceding financial quarter

For the financial quarter under review, the Group achieved a profit before tax of RM1.87 million compared to RM14.67 million reported for the immediate preceding quarter.

In the current quarter, the Group reported portfolio management fees income of RM2.64 million, interest income of RM2.41 million, investment income of RM0.58 million, rental income of RM0.34 million, other fee income of RM0.17 million and gain on revaluation of foreign exchange translation of RM0.11 million; partially offset by operating expenses of RM4.45 million.

The decrease in profit before tax in the current quarter was mainly due to lower gain on disposal of securities of RM0.05 million compared to RM16.68 million in the previous quarter.

Performance of the respective operating business segments for the current quarter ended 31 October 2015 is analysed as follows:

(i) Investment holding and capital market operations

Investment holding and capital market operations reported a lower loss before tax of RM0.49 million in the current quarter ended 31 October 2015 compared to loss before tax of RM4.54 million in the previous quarter ended 31 July 2015. The lower loss was mainly due to non-recurrence of the foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary of RM3.76 million reported in the last quarter. Operating expenses for the current quarter was RM1.61 million compared to RM1.70 million in the previous quarter.

(ii) Fund management

Fund management reported a lower profit before tax of RM0.001 million in the current quarter ended 31 October 2015 compared to RM0.04 million in the previous quarter ended 31 July 2015. The decrease was mainly contributed by higher operating expenses of RM2.79 million in the current quarter compared to RM2.76 million in the previous quarter and lower interest and non-interest income of RM2.79 million in the current quarter compared to RM2.80 million in the previous quarter.

(iii) Corporate advisory and structured finance

Corporate advisory and structured financing reported a lower profit before tax of RM1.49 million in the current quarter ended 31 October 2015 compared to RM1.55 million in the previous quarter ended 31 July 2015. The decrease was due to loan redemption during the quarter that resulted in lower interest income of RM1.36 million in the current quarter compared to RM1.48 million in the previous quarter.

(iv) Fund managed by a subsidiary

Fund managed by a subsidiary reported a lower profit before tax of RM0.86 million in the current quarter ended 31 October 2015 compared to profit before tax of RM17.61 million in the previous quarter ended 31 July 2015. The lower profit was mainly due to lower gain on disposal of securities of RM0.05 million in the current quarter compared to RM16.68 million in the previous quarter.

29 Group's prospects

Pursuant to the Distribution exercise outlined in Note 26, the total value distributed to shareholders in the last quarter of the financial year amounted to RM285.70 million. Said distribution resulted in, inter alia, the partial redemption of the Group's loan portfolio and redemption and realisation of investments held by Libra Strategic Opportunity Fund ("LSOF"), a fund managed by a subsidiary. After completion of the Distribution exercise, the Group ceased to derive income from LSOF and have a substantially reduced earnings base; with income contribution from its existing fund management business, a smaller loan portfolio and a lower cash reserve. The redemption and realisation of investments in LSOF has resulted in a one-off loss that is expected to adversely impact on the full year results of the Group for the financial year; in view that the timing of the realisation of investments was constrained to match the requirements of the Distribution exercise.

30 Profit forecast

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.

31 Income tax expense

	Current quarter ended 31-Oct-15 RM'000	Corresponding quarter ended 31-Oct-14 RM'000	Current year to date ended 31-Oct-15 RM'000	Corresponding year to date ended 31-Oct-14 RM'000
Income tax:				
Current period's provision	397	481	1,346	1,330
Under provision of tax in prior years	39	8	39	12
	436	489	1,385	1,342

The Group's effective tax rate for the period ended 31 October 2015 was lower than statutory tax rate due to certain income not subjected to taxation.

32 Group borrowings

The Group has no borrowings and debt securities as at 31 October 2015.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

33 Realised and unrealised retained profits

The breakdown of the retained profits of the Group as at 31 October 2015 and 31 January 2015 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

	31-Oct-15	31-Jan-15
	RM'000	RM'000
Total retained profits of the Group		
- Realised	192,873	142,760
- Unrealised	-	(1,508)
	192,873	141,252
Less: Consolidation adjustments	(55,585)	(19,358)
Retained profits as per financial statements	137,288	121,894

The unrealised retained profits of the Group as disclosed above excludes translation gains and losses on monetary items denominated in a currency other than the functional currency, as these translation gains and losses are incurred in the ordinary course of business of the Group, and are hence deemed as realised.

34 Material litigations

There is no pending material litigation for the Group as at the date of this report.

35 Dividend

As outlined in Note 26, the Distribution exercise was by way of a capital reduction and special dividend. Based on the Distribution value determined on 24 November 2015 (Entitlement Date), the special dividend amounted to RM0.117 per ordinary share paid on 7 December 2015.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 October 2015

36 Earnings per share

(a) Basic

The basic earnings per ordinary share is calculated by dividing the net profit for the reporting period by the weighted average number of ordinary shares in issue during the reporting period.

The computation of the weighted average number of ordinary shares in issue is net of treasury shares.

	Current quarter ended 31-Oct-15	Corresponding quarter ended 31-Oct-14	Current year to date ended 31-Oct-15	Corresponding year to date ended 31-Oct-14
Net profit (RM'000)	1,429	21,450	16,987	26,093
Weighted average number of ordinary shares in issue ('000)	281,055	268,222	271,711	268,222
Basic earnings per share (sen)	0.51	8.00	6.25	9.73

(b) Diluted

The diluted earnings per ordinary share is calculated by dividing the net profit for the reporting period by the weighted average number of ordinary shares in issue during the reporting period, taking into account the outstanding options under the Employees' Share Option Scheme ("ESOS") as at 31 October 2015.

	Current quarter ended 31-Oct-15	Corresponding quarter ended 31-Oct-14	Current year to date ended 31-Oct-15	Corresponding year to date ended 31-Oct-14
Net profit (RM'000)	1,429	21,450	16,987	26,093
Weighted average number of ordinary shares in issue ('000)	281,055	268,222	271,711	268,222
Effect of options if exercised under ESOS ('000)	6	19,848	6	19,848
	281,061	288,070	271,717	288,070
Diluted earnings per share (sen)	0.51	7.45	6.25	9.06

Date: 10 December 2015