

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
**Interim Condensed Financial Statements for the first quarter ended 31 March 2017**

**Unaudited Interim Condensed Consolidated Statement of Financial Position**  
**as at 31 March 2017**

	Note	31-Mar-17 RM'000	31-Dec-16 RM'000
<b>ASSETS</b>			
Cash and cash equivalents	9	24,296	22,015
Securities available-for-sale	10	36,581	37,217
Loans, advances and financing	11	58,642	58,897
Trade receivables	12	1,872	2,142
Other assets	13	1,500	1,487
Deferred tax assets		92	92
Property, plant and equipment		23,212	23,403
Investment property		4,005	4,011
<b>TOTAL ASSETS</b>		<b>150,200</b>	<b>149,264</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Trade payables	14	1,234	2,134
Other liabilities	15	2,683	2,685
Provision for taxation		118	89
Deferred tax liabilities		47	47
<b>TOTAL LIABILITIES</b>		<b>4,082</b>	<b>4,955</b>
<b>EQUITY</b>			
Share capital		37,946	34,391
Reserves		108,172	109,918
<b>TOTAL EQUITY</b>		<b>146,118</b>	<b>144,309</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>150,200</b>	<b>149,264</b>
Net assets per share (RM)		0.51	0.50

The unaudited interim condensed financial statements should be read in conjunction with the audited consolidated financial statements for the 11-month financial period ended 31 December 2016.

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
**Interim Condensed Financial Statements for the first quarter ended 31 March 2017**

**Unaudited Interim Condensed Consolidated Statements of Profit or Loss and  
Other Comprehensive Income for the first quarter ended 31 March 2017**

	Note	Individual Quarter Ended		Cumulative Period Ended	
		31-Mar-17 RM'000	31-Mar-16 RM'000	31-Mar-17 RM'000	31-Mar-16 RM'000
Revenue		<b>4,982</b>	N/A	<b>4,982</b>	N/A
Interest income	16	<b>1,217</b>	N/A	<b>1,217</b>	N/A
Non-interest income	17	<b>3,765</b>	N/A	<b>3,765</b>	N/A
Other non-operating income	18	<b>467</b>	N/A	<b>467</b>	N/A
Gross income		<b>5,449</b>	N/A	<b>5,449</b>	N/A
Operating expenses	19	<b>(4,200)</b>	N/A	<b>(4,200)</b>	N/A
Profit before tax		<b>1,249</b>	N/A	<b>1,249</b>	N/A
Income tax expense	31	<b>(284)</b>	N/A	<b>(284)</b>	N/A
Profit for the financial period		<b>965</b>	N/A	<b>965</b>	N/A
Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss:					
Net gain on available-for-sale financial assets		<b>844</b>	N/A	<b>844</b>	N/A
Other comprehensive income for the financial period, net of tax		<b>844</b>	N/A	<b>844</b>	N/A
Total comprehensive income for the financial period		<b>1,809</b>	N/A	<b>1,809</b>	N/A
Earnings per share:		<b>Sen</b>	Sen	<b>Sen</b>	Sen
- basic	36	<b>0.34</b>	N/A	<b>0.34</b>	N/A
- diluted	36	<b>0.34</b>	N/A	<b>0.34</b>	N/A

The unaudited interim condensed financial statements should be read in conjunction with the audited consolidated financial statements for the 11-month financial period ended 31 December 2016.

In the previous financial period, the Company changed its financial year end from 31 January to 31 December and the audited financial statements were made up from 1 February 2016 to 31 December 2016 covering a period of 11 months. Consequently, the quarterly financial reporting periods for the previous financial period ended 31 December 2016 do not correspond nor form a proper basis for comparison with the quarterly financial reporting periods for the current financial year ending 31 December 2017. The previous financial period quarterly results have therefore not been included in this interim report as comparative figures.

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
**Interim Condensed Financial Statements for the first quarter ended 31 March 2017**

**Unaudited Interim Condensed Consolidated Statement of Changes in Equity**  
**for the first quarter ended 31 March 2017**

	<-----Non-distributable----->			Distributable		Total RM'000
	Share capital RM'000	Capital redemption reserve RM'000	Available-for-sale revaluation reserve (deficit)/surplus RM'000	General reserve RM'000	Retained profits RM'000	
As at 1 January 2017	34,391	3,555	(590)	2,788	104,165	144,309
Profit for the financial period	-	-	-	-	965	965
Other comprehensive income	-	-	844	-	-	844
Total comprehensive income	-	-	844	-	965	1,809
Transaction with owners:						
Transfer pursuant to the Companies Act, 2016	3,555	(3,555)	-	-	-	-
	3,555	(3,555)	-	-	-	-
As at 31 March 2017	37,946	-	254	2,788	105,130	146,118

The unaudited interim condensed financial statements should be read in conjunction with the audited consolidated financial statements for the 11-month financial period ended 31 December 2016.

In the previous financial period, the Company changed its financial year end from 31 January to 31 December and the audited financial statements were made up from 1 February 2016 to 31 December 2016 covering a period of 11 months. Consequently, the quarterly financial reporting periods for the previous financial period ended 31 December 2016 do not correspond nor form a proper basis for comparison with the quarterly financial reporting periods for the current financial year ending 31 December 2017. The previous financial period quarterly results have therefore not been included in this interim report as comparative figures.

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
**Interim Condensed Financial Statements for the first quarter ended 31 March 2017**

**Unaudited Interim Condensed Consolidated Statement of Cash Flows**  
**for the first quarter ended 31 March 2017**

	Note	31-Mar-17 RM'000	31-Mar-16 RM'000
<b>Cash flows from operating activities</b>			
Profit before tax		1,249	N/A
Adjustments to reconcile profit before tax to net cash flows		(1,324)	N/A
		<u>(75)</u>	<u>N/A</u>
Decrease in operating assets		180	N/A
Decrease in operating liabilities		(902)	N/A
		<u>(797)</u>	<u>N/A</u>
Interest received from loans, advances and financing		1,358	N/A
Net tax paid		(158)	N/A
Net cash generated from operating activities		<u>403</u>	<u>N/A</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of securities available-for-sale		1,751	N/A
Purchase of property, plant and equipment		(100)	N/A
Interest received from deposits with financial institutions		94	N/A
Net cash generated from investing activities		<u>1,745</u>	<u>N/A</u>
<b>Net increase in cash and cash equivalents</b>		<b>2,148</b>	<b>N/A</b>
<b>Effects of foreign exchange rate changes</b>		<b>133</b>	<b>N/A</b>
<b>Cash and cash equivalents at beginning of the financial period</b>		<b>22,015</b>	<b>N/A</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>9</b>	<b>24,296</b>	<b>N/A</b>

The unaudited interim condensed financial statements should be read in conjunction with the audited consolidated financial statements for the 11-month financial period ended 31 December 2016.

In the previous financial period, the Company changed its financial year end from 31 January to 31 December and the audited financial statements were made up from 1 February 2016 to 31 December 2016 covering a period of 11 months. Consequently, the quarterly financial reporting periods for the previous financial period ended 31 December 2016 do not correspond nor form a proper basis for comparison with the quarterly financial reporting periods for the current financial year ending 31 December 2017. The previous financial period quarterly results have therefore not been included in this interim report as comparative figures.

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

**1 Basis of preparation**

This audited interim condensed 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"), Chapter 9, part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Companies Act 2016 in Malaysia that become effective on 31 January 2017. The interim financial statements are in compliance with IAS 34 *Interim Financial Reporting*.

The interim condensed financial statements should be read in conjunction with the audited financial statements of the Group for the 11-month financial period ended 31 December 2016. The explanatory notes attached to the interim condensed 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 financial period ended 31 December 2016.

As announced to Bursa Malaysia Securities Berhad on 5 September 2016, the Company changed its financial year end from 31 January to 31 December and the audited financial statements were made up from 1 February 2016 to 31 December 2016 covering a period of 11 months. Consequently, the quarterly financial reporting periods for the previous financial period ended 31 December 2016 do not correspond nor form a proper basis for comparison for the interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed consolidated statement of changes of equity, interim condensed consolidated statement of cash flows and the related notes.

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the audited annual financial statements for the 11-month financial period ended 31 December 2016, except for the adoption of the following during the current financial period:

Amendments to MFRS effective for annual periods commencing on or after 1 January 2017

Amendments to MFRS 12 *Disclosure of Interests in Other Entities*

Amendments to MFRS 107 *Disclosure Initiative*

Amendments to MFRS 112 *Recognition of Deferred Tax Assets for Unrealised Losses*

The adoption of the above Amendments to MFRS, where relevant, did not have any financial impact on the Group.

The following MFRS, Amendments to MFRS, IC Interpretation and Clarifications to MFRS have been issued by the MASB but are not yet effective:

Effective for annual periods commencing on or after 1 January 2018

Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*

Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*

Amendments to MFRS 4 *Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*

Amendments to MFRS 128 *Investments in Associates and Joint Ventures*

Amendments to MFRS 140 *Transfers of Investment Property*

IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*

## **1 Basis of preparation (cont'd.)**

Effective for annual periods commencing on or after 1 January 2018 (cont'd.)

MFRS 9 *Financial Instruments*

MFRS 15 *Revenue from Contracts with Customers*

Clarifications to MFRS 15 *Revenue from Contracts with Customers*

Effective for annual periods commencing on or after 1 January 2019

MFRS 16 *Leases*

Deferred to a date to be announced by MASB

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

Adoption of the above pronouncements when they become effective in respective financial year are not expected to have any significant impact to the financial statements upon their initial application, except as discussed below:

### **MFRS 9 *Financial Instruments* ("MFRS 9")**

The International Accounting Standards Board ("IASB") issued the final version of IFRS 9 *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.

**1 Basis of preparation (cont'd.)**

**MFRS 9 *Financial Instruments* ("MFRS 9") (cont'd.)**

(i) Classification and measurement (cont'd.)

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.

(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 generally be 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 of 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 Programmes*, IC 15 *Agreements for the Construction of Real Estate*, IC 18 *Transfers of Assets from Customers* 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 of adopting the new standard.

## **1 Basis of preparation (cont'd.)**

### ***Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions***

The amendments address three main areas:

- (i) The effects of vesting conditions on the measurement of a cash-settled share-based payment transaction;
- (ii) The classification of a share-based payment transaction with net settlement features for withholding tax obligations; and
- (iii) Accordingly where a modification to the terms and conditions of a share-based payment transactions changes its classification from cash settled to equity settled.

The amendments are effective for annual periods beginning on or after 1 January 2018, with early application permitted.

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

### ***Amendments to MFRS 140 Transfers of Investment Property***

The amendments clarify when an entity should transfer property, including property under construction or development into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of property is insufficient to support the change in use.

The amendments apply for annual periods beginning on or after 1 January 2018, with earlier application permitted. Entities are given two options to apply this amendments:

- (i) the prospective approach - apply the amendments to transfers that occur after the date of initial application and also reassess the classification of property assets held at that date; or
- (ii) the retrospective approach - apply the amendments retrospectively, but only if it does not involve the use of hindsight.

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

### ***Companies Act 2016***

The Companies Act, 2016 ("New Act") was enacted to replace the Companies Act, 1965 in Malaysia with the objectives to create a legal and regulatory structure that will facilitate business, and promote accountability as well as protection of corporate directors and shareholders, taking into consideration the interest of other stakeholders. The New Act was passed on 4 April 2016 by the Dewan Rakyat (House of Representative) and gazetted on 15 September 2016. On 26 January 2017, the Minister of Domestic Trade, Co-operatives and Consumerism announced that the date on which the New Act comes into operation, except section 241 and Division 8 of Part III of the New Act, would be 31 January 2017.

Amongst the key changes introduced in the New Act which affected the financial statements of the Company upon the commencement of the New Act on 31 January 2017 are:

- (a) Removal of the authorised share capital;
- (b) Shares of the Company will cease to have par or nominal value; and
- (c) The Company's share premium and capital redemption reserve would become part of the share capital.



**1 Basis of preparation (cont'd.)**

*Companies Act 2016 (cont'd.)*

We have accordingly transferred the RM3,554,762 from capital redemption reserve to the share capital.

The Companies Commission of Malaysia has clarified under Practice Note No 1/2017 that pursuant to the transition provision of the Companies Act 2016, a company may, within 24 months upon commencement of the Companies Act 2016, use the amount standing to the credit of its capital redemption reserve account for issuance of bonus shares to members of the Company.

**2 Auditors' report on preceding annual financial statements**

The auditors' report on the audited annual financial statements for the financial period ended 31 December 2016 was not qualified.

**3 Seasonality and cyclicity factors**

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

**4 Exceptional items/unusual events**

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows in the current quarter ended 31 March 2017.

**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 issuances, cancellations, resales and repayments of either debt or equity securities during the current quarter ended 31 March 2017.

**7 Dividend paid**

There was no dividend paid during the current quarter ended 31 March 2017.

## **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

This reporting segment represents the aggregation of two operating segments as follows:

- Investment holding - general investments and corporate related activities
- Fund managed by a subsidiary - a unit trust fund

These operating segments share similar characteristics as they are engaged in the investment holding. Management believes that it is appropriate to aggregate these two operating segments as one reporting segment due to the similarities in the nature of each operating segment.

(ii) Fund management - unit trust funds and asset management

(iii) Structured financing - structured lending and financial services related activities

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
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**8 Segmental reporting (cont'd.)**

	<b>Investment holding RM'000</b>	<b>Fund management RM'000</b>	<b>Structured financing RM'000</b>	<b>Inter- segment elimination RM'000</b>	<b>Group total RM'000</b>
<b>3-month ended 31 March 2017</b>					
Revenue	299	3,434	1,249	-	<b>4,982</b>
Interest income	28	86	1,103	-	<b>1,217</b>
Non-interest income	271	3,348	146	-	<b>3,765</b>
Other non-operating income	467	-	-	-	<b>467</b>
Gross income	766	3,434	1,249	-	<b>5,449</b>
Operating expenses	(1,334)	(2,847)	(19)	-	<b>(4,200)</b>
of which:					
- Depreciation of property, plant and equipment	(183)	(108)	-	-	<b>(291)</b>
- Depreciation of investment property	(6)	-	-	-	<b>(6)</b>
Profit before tax	<b>(568)</b>	<b>587</b>	<b>1,230</b>	-	<b>1,249</b>
<b>As at 31 March 2017</b>					
Segment assets	73,253	17,953	58,894	-	<b>150,100</b>
Additions to property, plant and equipment	-	100	-	-	<b>100</b>
Total assets	<b>73,253</b>	<b>18,053</b>	<b>58,894</b>	-	<b>150,200</b>
Total liabilities	<b>1,210</b>	<b>2,744</b>	<b>128</b>	-	<b>4,082</b>

Due to change of financial year end from 31 January to 31 December, the quarterly financial reporting periods for the previous financial period ended 31 December 2016 do not corresponded nor formed a proper basis for comparison with the quarterly financial reporting periods for the current financial year ending 31 December 2017. The previous financial period quarterly results have therefore not been included in this interim report as comparative figures.

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
**Interim Condensed Financial Statements for the first quarter ended 31 March 2017**

**9 Cash and cash equivalents**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
Cash and balances with banks and other financial institutions	<b>3,724</b>	4,327
Money at call and deposit placements maturing within two months	<b>20,572</b>	17,688
	<b>24,296</b>	22,015

**10 Securities available-for-sale**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
<b>At fair value</b>		
Quoted shares in Malaysia	<b>2,358</b>	3,112
Quoted shares outside Malaysia	-	754
Less: Impairment losses on securities	-	(754)
	-	-
Unit trust fund units	<b>14,235</b>	14,117
	<b>16,593</b>	17,229
<b>At cost</b>		
Unquoted shares in Malaysia	<b>12,788</b>	12,788
Unquoted investments outside Malaysia	<b>7,200</b>	7,200
	<b>19,988</b>	19,988
<b>Total securities available-for-sale</b>	<b>36,581</b>	37,217

**11 Loans, advances and financing**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
Term loans, representing gross loans, advances and financing	<b>58,642</b>	58,897
<b>Analysis of gross loans, advances and financing</b>		
<b>By residual contractual maturity</b>		
Within one year	<b>58,642</b>	58,897
<b>By economic purpose</b>		
Investments	<b>18,634</b>	18,881
Others	<b>40,008</b>	40,016
Gross loans, advances and financing	<b>58,642</b>	58,897

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
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**11 Loans, advances and financing (cont'd.)**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
<b>Analysis of gross loans, advances and financing (cont'd.)</b>		
<b>By interest rate sensitivity</b>		
Fixed rate	<b>58,642</b>	58,897
<b>By type of customer</b>		
Domestic business enterprise	<b>18,634</b>	18,881
Individual	<b>40,008</b>	40,016
Gross loans, advances and financing	<b>58,642</b>	58,897

**12 Trade receivables**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
Cancellation of units of funds	<b>622</b>	883
Management fee receivables	<b>1,250</b>	1,259
	<b>1,872</b>	2,142

Trade receivables have 30 days credit period and are neither past due nor impaired as at the end of the reporting period.

**13 Other assets**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
Interest receivable	<b>27</b>	7
Deposits	<b>328</b>	327
Tax recoverable	<b>454</b>	551
Other receivables	<b>302</b>	257
Prepayments	<b>389</b>	345
	<b>1,500</b>	1,487

**14 Trade payables**

Trade payables comprise amounts payable to the funds managed by Libra Invest Berhad for the creation of units.

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**15 Other liabilities**

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
Accruals and other payables	<b>2,000</b>	2,002
Deposits received	<b>683</b>	683
	<b>2,683</b>	2,685

**16 Interest income**

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	31-Mar-16	<b>31-Mar-17</b>	31-Mar-16
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Loans, advances and financing	<b>1,103</b>	N/A	<b>1,103</b>	N/A
Short-term funds and deposits with financial institutions	<b>114</b>	N/A	<b>114</b>	N/A
	<b>1,217</b>	N/A	<b>1,217</b>	N/A

**17 Non-interest income**

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	31-Mar-16	<b>31-Mar-17</b>	31-Mar-16
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Fee income</b>				
Portfolio management fees	<b>3,348</b>	N/A	<b>3,348</b>	N/A
Other fee income	<b>146</b>	N/A	<b>146</b>	N/A
	<b>3,494</b>	N/A	<b>3,494</b>	N/A
<b>Investment income</b>				
Net gain arising from securities available-for-sale				
Net gain on disposal of:				
- Quoted shares in Malaysia	<b>170</b>	N/A	<b>170</b>	N/A
Income distribution from unit trust fund	<b>101</b>	N/A	<b>101</b>	N/A
	<b>271</b>	N/A	<b>271</b>	N/A
<b>Total non-interest income</b>	<b>3,765</b>	N/A	<b>3,765</b>	N/A

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**  
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**18 Other non-operating income**

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	31-Mar-16	<b>31-Mar-17</b>	31-Mar-16
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Rental income	334	N/A	334	N/A
Gain on foreign currency translation	133	N/A	133	N/A
	<b>467</b>	N/A	<b>467</b>	N/A

**19 Operating expenses**

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	31-Mar-16	<b>31-Mar-17</b>	31-Mar-16
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Personnel expenses</b>				
Short-term employee benefits	2,117	N/A	2,117	N/A
Defined contribution plan	281	N/A	281	N/A
Other personnel costs	266	N/A	266	N/A
	<b>2,664</b>	N/A	<b>2,664</b>	N/A
<b>Establishment costs</b>				
Depreciation of property, plant and equipment	291	N/A	291	N/A
Depreciation of investment property	6	N/A	6	N/A
Rental of premises	10	N/A	10	N/A
Other establishment costs	10	N/A	10	N/A
	<b>317</b>	N/A	<b>317</b>	N/A
<b>Administrative and general expenses</b>				
Audit fees	20	N/A	20	N/A
Building maintenance expenses	270	N/A	270	N/A
Legal and professional fees	74	N/A	74	N/A
Marketing and communication expenses	462	N/A	462	N/A
Printing and stationery	15	N/A	15	N/A
Rental of network and equipment and telecommunication expenses	74	N/A	74	N/A
Insurance, postages and courier	34	N/A	34	N/A
Others	270	N/A	270	N/A
	<b>1,219</b>	N/A	<b>1,219</b>	N/A
<b>Total operating expenses</b>	<b>4,200</b>	N/A	<b>4,200</b>	N/A

There were no provision for and write off of receivables, gain or loss on disposal of properties and other exceptional items during the current quarter ended 31 March 2017.

## **20 Valuation of property, plant and equipment**

There was no valuation of property, plant and equipment of the Group in the current quarter ended 31 March 2017.

## **21 Material subsequent event**

There was no material event subsequent to 31 March 2017 except as disclosed in Note 26.

## **22 Changes in the composition of the Group**

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

- a) ECM Libra Capital Markets Sdn Bhd
- b) ECM Libra Capital Sdn Bhd
- c) ECM Libra Holdings Limited

On 22 December 2016, the liquidator of ECM Libra Holdings Limited ("ELHL") convened the final meeting to conclude the member's voluntary winding-up. A Return by Liquidator Relating to Final Meeting of ELHL was lodged on 23 December 2016 with Labuan Financial Services Authority ("LFSA") and ELHL was dissolved effective from 23 March 2017 as per letter of LFSA dated 23 December 2016. ELHL received a final notice from LFSA which confirmed that ELHL has been dissolved on 23 March 2017.

Apart from abovementioned, the member's voluntary winding-up of the other dormant wholly-owned subsidiaries were on-going as at 31 March 2017.

## **23 Commitments and contingencies**

### **Capital commitments**

As at 31 March 2017, the Group has commitments in respect of capital expenditure as follows: -

Authorised and contracted for

**RM'000**

**141**

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## **24 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 current quarter ended 31 March 2017.



**25 Financial instruments**

**(i) Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as follows:

- (i) Loans and receivables ("L&R");
- (ii) Available-for-sale financial assets ("AFS"); and
- (iii) Financial liabilities measured at amortised cost ("FL").

	<b>Carrying amount RM'000</b>	<b>L&amp;R/ (FL) RM'000</b>	<b>AFS RM'000</b>
<b>31-Mar-17</b>			
<b>Financial assets</b>			
Cash and cash equivalents	24,296	24,296	-
Securities available-for-sale	36,581	-	36,581
Loans, advances and financing	58,642	58,642	-
Trade receivables	1,872	1,872	-
Other assets less prepayments	1,111	1,111	-
	<b>122,502</b>	<b>85,921</b>	<b>36,581</b>
<b>Financial liabilities</b>			
Trade payables	(1,234)	(1,234)	-
Other liabilities	(2,683)	(2,683)	-
Provision for taxation	(118)	(118)	-
	<b>(4,035)</b>	<b>(4,035)</b>	<b>-</b>
<b>31-Dec-16</b>			
<b>Financial assets</b>			
Cash and cash equivalents	22,015	22,015	-
Securities available-for-sale	37,217	-	37,217
Loans, advances and financing	58,897	58,897	-
Trade receivables	2,142	2,142	-
Other assets less prepayments	1,142	1,142	-
	<b>121,413</b>	<b>84,196</b>	<b>37,217</b>
<b>Financial liabilities</b>			
Trade payables	(2,134)	(2,134)	-
Other liabilities	(2,685)	(2,685)	-
Provision for taxation	(89)	(89)	-
	<b>(4,908)</b>	<b>(4,908)</b>	<b>-</b>

**25 Financial instruments (cont'd.)**

**(ii) Fair value measurement**

The Group classifies its financial instruments measured at fair value according to the following hierarchy, reflecting the significance of inputs used in making the fair value measurements:

Level 1: Quoted (unadjusted) market price in active markets for identical assets and liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**Transfers between Level 1 and Level 2 fair values**

There has been no transfer between Level 1 and Level 2 fair values during the current quarter ended 31 March 2017.

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**25 Financial instruments (cont'd.)**

**(ii) Fair value measurement (cont'd.)**

The carrying amounts of cash and cash equivalents, loans, advances and financing, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. The table below analyses financial instruments carried at fair value, together with their carrying amounts shown in the interim condensed consolidated statement of financial position.

	Fair value of financial instruments carried at fair value				Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
<b>31-Mar-17</b>					
<b>AFS financial assets</b>					
Quoted shares	2,358	-	-	2,358	2,358
Unit trust fund units	-	14,235	-	14,235	14,235
	<u>2,358</u>	<u>14,235</u>	<u>-</u>	<u>16,593</u>	<u>16,593</u>
<b>31-Dec-16</b>					
<b>AFS financial assets</b>					
Quoted shares	3,112	-	-	3,112	3,112
Unit trust fund units	-	14,117	-	14,117	14,117
	<u>3,112</u>	<u>14,117</u>	<u>-</u>	<u>17,229</u>	<u>17,229</u>

No fair value information for the Group's investment in unquoted shares was disclosed as it was not practical to estimate the fair value of the investment in unquoted shares due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured. Thus, the Group's investment in unquoted shares were stated at cost less any impairment loss.

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

**26 Status of corporate proposals announced**

On 13 April 2017, the Company ("ECM") announced that ECM had submitted a proposal to the Standing Cabinet Appointed Procurement Committee, Minister of Transport & Civil Aviation, Sri Lanka, for the establishment and operation of an airport hotel at Bandaranaike International Airport, Katunayake, Sri Lanka on 7 December 2016. As at the date of this report, the Company has not been awarded the project. In the event that the project is awarded to the Company, the award is non-binding as it is subject to further evaluation/due diligence and contract negotiations.

On 4 May 2017 the Company announced the following:

(i) Proposed acquisitions of:

(a) 50% equity interest in TP Sepang Sdn Bhd, TP Hotel (Flinders) Trust (together with 50% of the rights and benefits to the shareholders' advances owing by TP Flinders), TP International Pty Ltd and Yummy Kitchen Sdn Bhd; and

(b) Tune Hotel Penang, Tune Hotel KK and Tune Hotel KLIA Aeropolis,

for an aggregated purchase consideration of RM88,600,000;

(ii) a proposed special dividend, subject to the completion of the proposed disposals as described in (iii) below; and

(iii) the proposed disposal of non-core assets, comprising part of Bangunan ECM Libra, and a semi-detached residential property for an aggregated disposal consideration of RM28,000,000.

(collectively referred to as " Proposed Corporate Exercise").

As at the date of this report, the Proposed Corporate Exercise is on-going.

Other than the above, there were no corporate proposals announced but not completed as at 18 May 2017.

**27 Performance review on the results of the Group**

For the current quarter ended 31 March 2017, the Group recorded a profit before tax of RM1.25 million and a profit after tax of RM0.97 million. The income was contributed by portfolio management fees income of RM3.35 million, interest income of RM1.22 million, rental income of RM0.33 million, gain on disposal of securities of RM0.17 million and other income of RM0.38 million; offset by the operating expenses of RM4.20 million.

The performance of the respective operating business segments for the current quarter ended 31 March 2017 is analysed as follows:

**(i) Investment holding**

Investment holding reported a loss before tax of RM0.57 million due to operating expenses of RM1.33 million were higher than income contributed by rental income of RM0.33 million, gain on disposal of securities of RM0.19 million, other income of RM0.21 million and interest income of RM0.03 million.

**27 Performance review on the results of the Group (cont'd.)**

**(ii) Fund management**

Fund management reported a profit before tax of RM0.59 million, contributed by portfolio management fee income of RM3.35 million, interest income of RM0.09 million; offset by operating expenses of RM2.85 million.

**(iii) Structured financing**

Structured financing reported a profit before tax of RM1.23 million, contributed by interest income of RM1.10 million and fee income of RM0.15 million; offset by operating expenses of RM0.02 million.

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

In the previous financial period, the financial year end was changed from 31 January to 31 December and the audited financial statements were made up from 1 February 2016 to 31 December 2016 covering a period of 11 months. Consequently, the Group's results for the current quarter ended 31 March 2017 is not comparable with the results of the preceding 2-month financial period ended 31 December 2016.

**29 Group's prospects**

Pending completion of the Proposed Corporate Exercise disclosed in Note 26, the Group will continue to derive income contribution from its existing fund management business and structured lending activities, whilst the contribution from investments in securities would be opportunistic in nature.

**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**

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Income tax</b>				
Current period's provision	<b>284</b>	N/A	<b>284</b>	N/A
	<b>284</b>	N/A	<b>284</b>	N/A

The Group's effective tax rate for the current quarter ended 31 March 2017 was lower than the statutory tax rate due to certain income were not subjected to taxation.

**32 Group borrowings**

The Group has no borrowings and debt securities as at 31 March 2017.

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**33 Realised and unrealised retained profits**

The breakdown of the retained profits of the Group as at 31 March 2017 and 31 December 2016 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.

	<b>31-Mar-17</b>	31-Dec-16
	<b>RM'000</b>	RM'000
Total retained profits of the Group		
- Realised	<b>105,085</b>	104,120
- Unrealised	<b>45</b>	45
Retained profits as per financial statements	<b><u>105,130</u></b>	<u>104,165</u>

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**

No dividend has been proposed for the current quarter ended 31 March 2017.

**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.

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	31-Mar-16	<b>31-Mar-17</b>	31-Mar-16
Net profit (RM'000)	<b><u>965</u></b>	N/A	<b><u>965</u></b>	N/A
Weighted average number of ordinary shares in issue ('000)	<b><u>286,592</u></b>	N/A	<b><u>286,592</u></b>	N/A
Basic earnings per share (sen)	<b><u>0.34</u></b>	N/A	<b><u>0.34</u></b>	N/A

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**36 Earnings per share (cont'd.)**

**(b) Diluted**

The Group do not have any existing Employees' Share Option Scheme. Consequently the diluted earnings per share is same as the basic earnings per share.

	<b>Individual Quarter Ended</b>		<b>Cumulative Period Ended</b>	
	<b>31-Mar-17</b>	31-Mar-16	<b>31-Mar-17</b>	31-Mar-16
Net profit (RM'000)	<b>965</b>	N/A	<b>965</b>	N/A
Weighted average number of ordinary shares in issue ('000)	<b>286,592</b>	N/A	<b>286,592</b>	N/A
	<b>286,592</b>	N/A	<b>286,592</b>	N/A
Diluted earnings per share (sen)	<b>0.34</b>	N/A	<b>0.34</b>	N/A

Date: 18 May 2017