

ECM LIBRA GROUP BERHAD (Company No. 200501031433) (713570-K)
Condensed Interim Consolidated Financial Statements

Condensed Consolidated Statement of Financial Position as at 31 December 2021

	31-Dec-21	31-Dec-20
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	100,564	103,350
Intangible assets	141	199
Right-of-use assets	14,236	15,463
Deferred tax assets	2,807	1,232
Investment in an associate	5,755	-
Investment in joint ventures	57,862	64,902
Other investments	2,470	15,488
	183,835	200,634
CURRENT ASSETS		
Inventories	205	200
Contract assets	83	77
Tax recoverable	94	103
Loans, advances and financing	5,967	5,738
Trade and other receivables	2,153	2,284
Cash and bank balances and deposits with financial institutions	17,705	16,589
	26,207	24,991
TOTAL ASSETS	210,042	225,625
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Loans and borrowings	20,820	20,754
Trade and other payables	2,136	4,442
Lease liabilities	466	699
Contract liabilities	282	131
Tax payable	10	-
	23,714	26,026
NET CURRENT ASSETS/(LIABILITIES)	2,493	(1,035)

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Condensed Consolidated Statement of Financial Position as at 31 December 2021 (cont'd.)

	31-Dec-21	31-Dec-20
	RM'000	RM'000
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES (CONT'D.)		
NON-CURRENT LIABILITIES		
Loans and borrowings	18,197	18,411
Lease liabilities	2,910	3,503
Deferred tax liabilities	12	10
	21,119	21,924
TOTAL LIABILITIES	44,833	47,950
NET ASSETS	165,209	177,675
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	107,546	107,546
Retained earnings	69,454	76,188
Reserves	(11,791)	(6,059)
TOTAL EQUITY	165,209	177,675
TOTAL LIABILITIES AND EQUITY	210,042	225,625
Net assets per share (RM)	0.34	0.37

The above unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

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Unaudited Condensed Consolidated Statement of Profit or Loss
for the fourth quarter and year-to-date ended 31 December 2021

	Note	Quarter Ended		Year-to-Date Ended	
		31-Dec-21 RM'000	31-Dec-20 RM'000	31-Dec-21 RM'000	31-Dec-20 RM'000
Revenue		5,670	3,239	13,314	12,286
Other income		6,538	1,360	7,049	1,839
Changes in inventories		(8)	55	5	187
Purchase of inventories		(653)	(431)	(1,540)	(1,422)
Impairment losses		-	(7,623)	-	(7,623)
Operating expenses		(5,981)	(4,899)	(20,233)	(22,900)
Operating profit/(loss)		5,566	(8,299)	(1,405)	(17,633)
Finance costs		(595)	(669)	(1,965)	(1,713)
Share of results of an associate/ joint ventures		(916)	187	(3,801)	(3,265)
Profit/(loss) before tax	23	4,055	(8,781)	(7,171)	(22,611)
Income tax credit		1,512	1,065	1,436	987
Profit/(loss) for the period attributable to owners of the Company		5,567	(7,716)	(5,735)	(21,624)
		Sen	Sen	Sen	Sen
Basic earning/(loss) per ordinary share	27	1.16	(1.61)	(1.19)	(4.51)

The above unaudited condensed consolidated statements of profit or loss should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

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Unaudited Condensed Consolidated Statement of Comprehensive Income
for the fourth quarter and year-to-date ended 31 December 2021

	Quarter Ended		Year-to-Date Ended	
	31-Dec-21 RM'000	31-Dec-20 RM'000	31-Dec-21 RM'000	31-Dec-20 RM'000
Profit/(loss) for the period	5,567	(7,716)	(5,735)	(21,624)
Other comprehensive loss:				
<i>Items that may be reclassified to profit or loss</i> <i>in subsequent periods (net of tax):</i>				
Exchange differences on translation of investment investment in foreign operations	140	1,196	(717)	2,158
Share of other comprehensive income of equity-accounted associate	(454)	-	(454)	-
	(314)	1,196	(1,171)	2,158
<i>Items that will not be reclassified to profit or loss</i> <i>in subsequent periods (net of tax):</i>				
Fair value changes on financial assets	(5,614)	(5,288)	(5,560)	(5,384)
Other comprehensive loss for the period, net of tax	(5,928)	(4,092)	(6,731)	(3,226)
Total comprehensive loss for the period, net of tax attributable to owners of the Company	(361)	(11,808)	(12,466)	(24,850)

The above unaudited condensed consolidated statements of profit or loss should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

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Unaudited Condensed Consolidated Statement of Changes in Equity for the quarter and year-to-date ended 31 December 2021

	<-----Non-distributable----->			Distributable	
	Share capital RM'000	Foreign currency translation RM'000	Fair value changes through other comprehensive income RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2021	107,546	1,148	(7,207)	76,188	177,675
Loss for the year	-	-	-	(5,735)	(5,735)
Other comprehensive loss for the year	-	(1,171)	(5,560)	-	(6,731)
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	999	(999)	-
Total comprehensive loss for the year	-	(1,171)	(4,561)	(6,734)	(12,466)
At 31 December 2021	107,546	(23)	(11,768)	69,454	165,209
At 1 January 2020	107,546	(1,010)	(1,823)	97,812	202,525
Loss for the year	-	-	-	(21,624)	(21,624)
Other comprehensive income/(loss) for the year	-	2,158	(5,384)	-	(3,226)
Total comprehensive income/(loss) for the year	-	2,158	(5,384)	(21,624)	(24,850)
At 31 December 2020	107,546	1,148	(7,207)	76,188	177,675

The above unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

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Unaudited Condensed Consolidated Statement of Cash Flows
for the year-to-date ended 31 December 2021

	Year-to-Date Ended	
	31-Dec-21	31-Dec-20
	RM'000	RM'000
Cash flows from operating activities		
Loss before tax	(7,171)	(22,611)
Adjustments to reconcile loss before tax to net cash flows	3,501	12,610
Operating loss before changes in working capital	<u>(3,670)</u>	<u>(10,001)</u>
Decrease in operating assets	95	788
Decrease in operating liabilities	(2,155)	(3,186)
Cash used in operations	<u>(5,730)</u>	<u>(12,399)</u>
Interest received	514	1,242
Interest paid	(1,963)	(1,691)
Tax paid	(118)	(116)
Net cash used in operating activities	<u>(7,297)</u>	<u>(12,964)</u>
Cash flows from investing activities		
Advances to joint ventures	(23)	(246)
Dividend received from a joint venture company	2,336	-
Investment in joint ventures	(50)	-
Net proceeds from financial assets	7,458	20,636
Purchase of property, plant and equipment	(317)	(53,551)
Purchase of right-of-use assets	-	(12,793)
Purchase of intangible assets	(15)	(8)
Net cash generated from/(used in) investing activities	<u>9,389</u>	<u>(45,962)</u>
Cash flows from financing activities		
(Payment)/drawdown of loans and borrowings	(150)	20,207
Payment of lease liabilities - principal	(826)	(680)
Placement with bank as security pledged for borrowing	-	(477)
Net cash (used in)/generated from financing activities	<u>(976)</u>	<u>19,050</u>
Net increase/(decrease) in cash and cash equivalents	1,116	(39,876)
Cash and cash equivalents at the beginning of the financial year	16,112	55,988
Cash and cash equivalents at the end of the financial year	<u>17,228</u>	<u>16,112</u>
Cash and cash equivalents comprise:		
Cash and bank balances	8,771	12,399
Deposits with financial institutions	8,934	4,190
	<u>17,705</u>	<u>16,589</u>
Less: Cash and bank balances restricted for use	(477)	(477)
	<u>17,228</u>	<u>16,112</u>

The above unaudited condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.

Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standard 134

1 Basis of preparation

These unaudited condensed consolidated interim financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("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 requirements of the Companies Act, 2016 in Malaysia, where applicable. This Condensed Report, other than for financial assets, has been prepared under the historical cost convention. Financial assets are carried at fair value in accordance to MFRS 9 *Financial Instruments*.

The Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2020.

The accounting policies adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the year ended 31 December 2020, except for the adoption of the following accounting standards:

Effective for financial periods commencing on or after 1 January 2021

Amendment to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement*, MFRS 7 *Financial Instruments: Disclosures*, MFRS 4 *Insurance Contracts* and MFRS 16 *Leases - Interest Rate Benchmark Reform - Phase 2*

Effective for financial periods commencing on or after 1 April 2021

Amendments to MFRS 16 *Leases - COVID-19-Related Rent Concessions beyond 30 June 2021*

The adoption of the above amendments to published standards, where relevant, did not have any significant impact on the financial results of the Group.

Standards issued but not yet effective

The following standards and amendments to standards have been issued by the MASB but are not yet effective.

Effective for financial periods commencing on or after 1 January 2022

Amendments to MFRS 3 *Business Combinations - Reference to the Conceptual Framework*
Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*
Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract*
Amendments to MFRSs contained in the document entitled "*Annual Improvements to MFRS Standards 2018 - 2020*"

1 Basis of preparation (cont'd.)

Standards issued but not yet effective (cont'd.)

Effective for financial periods commencing on or after 1 January 2023

MFRS 17 *Insurance Contracts* and Amendments to MFRS 17 *Insurance Contracts*

Amendments to MFRS 4 *Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9*

Amendments to MFRS 17 *Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information*

Amendments to MFRS 101 *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current*

Amendments to MFRS 101 *Presentation of Financial Statements - Disclosure of Accounting Policies*

Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*

Amendments to MFRS 112 *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Deferred to a date to be announced by MASB

Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The above pronouncements are either not relevant or do not have any impact on the financial statements of the Group in the period of initial application.

2 Auditors' report on preceding annual financial statements

The auditors' report on the audited annual financial statements for the year ended 31 December 2020 was not qualified.

3 Comments about seasonal or cyclical factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors, apart from the general economic conditions in which it operates.

4 Unusual items due to their nature, size or incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date ended 31 December 2021.

5 Significant estimates and changes in estimates

There were no changes in estimates that have had any material effect during the current quarter and year-to-date ended 31 December 2021.

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6 Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year-to-date ended 31 December 2021.

7 Dividend paid

There was no dividend paid during the current quarter and year-to-date ended 31 December 2021.

8 Disaggregation of revenue

	Quarter Ended		Year-to-Date Ended	
	31-Dec-21 RM'000	31-Dec-20 RM'000	31-Dec-21 RM'000	31-Dec-20 RM'000
Revenue from contract with customers:				
Rental of hotel rooms	3,149	1,621	6,945	7,242
Sale of food and beverages	1,898	1,037	3,868	3,099
Management services fees	388	335	1,650	559
Others	41	39	108	93
Revenue from other sources:				
Interest income	194	206	743	1,164
Investment income	-	1	-	129
Total revenue	5,670	3,239	13,314	12,286
Timing of revenue recognition:				
At a point in time	2,133	1,283	4,719	4,485
Over time	3,537	1,956	8,595	7,801
	5,670	3,239	13,314	12,286

9 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:

- (a) Investment Holding - general investments and corporate related activities
- (b) Structured Financing - structured lending and financial services related activities
- (c) Hospitality - management and operations of hotels and restaurant and investment in hospitality related business through joint ventures

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9 Segmental reporting (cont'd.)

	Investment Holding RM'000	Structured Financing RM'000	Hospitality RM'000	Group total RM'000
Three months' results ended 31 December 2021				
Revenue	70	147	5,453	5,670
Other income	5,973	2	563	6,538
Changes in inventories	-	-	(8)	(8)
Purchase of inventories	-	-	(653)	(653)
Operating expenses	(594)	(43)	(5,344)	(5,981)
Operating profit	5,449	106	11	5,566
Finance costs	(2)	-	(593)	(595)
Share of results of an associate/joint ventures	259	-	(1,175)	(916)
Profit/(loss) before tax	5,706	106	(1,757)	4,055
Income tax (expense)/credit	(36)	(27)	1,575	1,512
Profit/(loss) after tax	5,670	79	(182)	5,567

Other information

Included in the profit after tax are:

- Interest income	41	147	6	194
- Gain on bargain purchase	5,950	-	-	5,950
- Depreciation and amortisation	(96)	-	(1,418)	(1,514)

Three months' results ended 31 December 2020

Revenue	66	157	3,016	3,239
Other income	27	5	1,328	1,360
Changes in inventories	-	-	55	55
Purchase of inventories	-	-	(431)	(431)
Impairment losses	-	-	(7,623)	(7,623)
Operating expenses	(254)	(54)	(4,591)	(4,899)
Operating (loss)/profit	(161)	108	(8,246)	(8,299)
Finance costs	(5)	-	(664)	(669)
Share of results of joint ventures	-	-	187	187
(Loss)/profit before tax	(166)	108	(8,723)	(8,781)
Income tax credit/(expense)	12	(17)	1,070	1,065
(Loss)/profit after tax	(154)	91	(7,653)	(7,716)

Other information

Included in the (loss)/profit after tax are:

- Interest income	65	132	9	206
- Gain on bargain purchase	-	-	1,265	1,265
- Depreciation and amortisation	(99)	-	(1,180)	(1,279)

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9 Segmental reporting (cont'd.)

	Investment Holding RM'000	Structured Financing RM'000	Hospitality RM'000	Group total RM'000
Twelve months' results ended 31 December 2021				
Revenue	242	553	12,519	13,314
Other income	5,973	8	1,068	7,049
Changes in inventories	-	-	5	5
Purchase of inventories	-	-	(1,540)	(1,540)
Operating expenses	(1,791)	(140)	(18,302)	(20,233)
Operating profit/(loss)	4,424	421	(6,250)	(1,405)
Finance costs	(11)	-	(1,954)	(1,965)
Share of results of an associate/joint ventures	259	-	(4,060)	(3,801)
Profit/(loss) before tax	4,672	421	(12,264)	(7,171)
Income tax (expense)/credit	(36)	(103)	1,575	1,436
Profit/(loss) after tax	4,636	318	(10,689)	(5,735)

Other information

Included in the profit/(loss) after tax are:

- Interest income	184	553	6	743
- Gain on bargain purchase	5,950	-	-	5,950
- Depreciation and amortisation	(385)	-	(4,018)	(4,403)

Twelve months' results ended 31 December 2020

Revenue	756	586	10,944	12,286
Other income	23	5	1,811	1,839
Changes in inventories	-	-	187	187
Purchase of inventories	-	-	(1,422)	(1,422)
Impairment losses	-	-	(7,623)	(7,623)
Operating expenses	(2,017)	(130)	(20,753)	(22,900)
Operating (loss)/profit	(1,238)	461	(16,856)	(17,633)
Finance costs	(22)	-	(1,691)	(1,713)
Share of results of joint ventures	-	-	(3,265)	(3,265)
(Loss)/profit before tax	(1,260)	461	(21,812)	(22,611)
Income tax credit/(expense)	12	(95)	1,070	987
(Loss)/profit after tax	(1,248)	366	(20,742)	(21,624)

Other information

Included in the (loss)/profit after tax are:

- Interest income	627	528	9	1,164
- Gain on bargain purchase	-	-	1,265	1,265
- Depreciation and amortisation	(394)	-	(2,094)	(2,488)

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9 Segmental reporting (cont'd.)

	Investment Holding RM'000	Structured Financing RM'000	Hospitality RM'000	Group total RM'000
Other information as at 31 December 2021				
Investment in an associate	5,755	-	-	5,755
Investment in joint ventures	-	-	57,862	57,862
Capital expenditure	16	-	316	332
Total assets	21,001	8,090	180,951	210,042
Total liabilities	466	16	44,351	44,833
Other information as at 31 December 2020				
Investment in joint ventures	-	-	64,902	64,902
Capital expenditure	5	-	95,988	95,993
Total assets	29,749	7,762	188,114	225,625
Total liabilities	598	8	47,344	47,950

10 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and year-to-date ended 31 December 2021 except for the following:

On 21 December 2021, the Company subscribed for 297 ordinary shares in Positive Carry Sdn Bhd at an issue price of RM1 per ordinary share for cash consideration of RM297. Investment in Positive Carry Sdn Bhd was classified as an associate.

11 Contingent assets and liabilities

There were no contingent assets and contingent liabilities as at 31 December 2021.

12 Property, plant and equipment

The Group's property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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13 Event after the reporting period

There was no material event subsequent to the current quarter and year-to-date ended 31 December 2021.

14 Significant event during the financial period

There was no significant event during the current quarter and year-to-date ended 31 December 2021.

15 Related party disclosures

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms during the current quarter and year-to-date ended 31 December 2021.

16 Financial instruments

(a) Categories of financial instruments

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

- (i) Financial assets measured at amortised cost ("FA");
- (ii) Financial assets at fair value through other comprehensive income ("FVOCI"); and
- (iii) Financial liabilities measured at amortised cost ("FL").

31 December 2021	Carrying amount RM'000	FA RM'000	FVOCI RM'000	FL RM'000
Financial assets				
Cash and bank balances and deposits with financial institutions	17,705	17,705	-	-
Other investments	2,470	-	2,470	-
Loans, advances and financing	5,967	5,967	-	-
Trade and other receivables	1,699	1,699	-	-
	27,841	25,371	2,470	-
Financial liabilities				
Trade and other payables	(2,136)	-	-	(2,136)
Loans and borrowings	(39,017)	-	-	(39,017)
Lease liabilities	(3,376)	-	-	(3,376)
	(44,529)	-	-	(44,529)

16 Financial instruments (cont'd.)

(b) Financial assets that are carried at fair value

The Group classifies financial assets which are 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 prices in active markets for identical assets.

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.

As at 31 December 2021, the Group's financial instruments which are measured at fair value analysed by the various levels within the fair value hierarchy are as follows:

31 December 2021	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
Financial assets at fair value through other comprehensive income				
- Unquoted investments	-	-	2,470	2,470
	-	-	2,470	2,470

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2020.

There have been no transfers between the levels of the fair value hierarchy during the current quarter and year-to-date ended 31 December 2021.

(c) Financial assets that are not carried at fair value

The carrying amount of financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values due to their short-term nature.

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

17 Status of corporate proposals announced

There are no corporate proposals announced but not completed as at the reporting date.

18 Review of performance

(a) Financial year ended 31 December 2021 compared with the previous financial year ended 31 December 2020

The Group recorded revenue of RM13.31 million in the current financial year ended 31 December 2021 ("12M FY2021") as compared to RM12.29 million in the previous financial year ended 31 December 2020 ("12M FY2020"), representing an increase of RM1.02 million or 8%.

The Group posted a lower loss after tax of RM5.74 million in 12M FY2021 as compared to a loss after tax of RM21.62 million in 12M FY2020. This represents a difference of RM15.88 million or 73% is mainly attributable to better revenue reported in 12M FY2021 and in 12M FY2020, the Group recorded one-off impairment losses of the hospitality assets of RM7.62m and non-recurring expenses of RM4.42 million incurred for the acquisition of Tune Hotel Danga Bay, Momo's Kuala Lumpur and The Chow Kit, an Ormond Hotel.

Review of segmental performance:

(i) Investment Holding

The investment holding segment revenue for 12M FY2021 was at RM0.24 million (12M FY2020: RM0.76 million). Lower revenue in 12M FY2021 was mainly due to lower distribution income from investments upon disposal of financial assets in 12M FY2020 and the drop in interest income following the drop in interest rates by the licensed banks.

The segment recorded a profit after tax of RM4.64 million in 12M FY2021 (12M FY2020: loss of RM1.25 million), mainly due to a one-off gain on bargain purchase of RM5.95 million resulted from investment in an associate.

(ii) Structured Financing

The structured financing segment recorded a profit of RM0.32 million in 12M FY2021 (12M FY2020: RM0.37 million). This marked a slight decrease of RM0.05 million or 14% due to lower late payment interest income.

(iii) Hospitality

The hospitality segment recorded higher revenue of RM12.52 million in 12M FY2021 (12M FY2020: RM10.94 million) in line with higher room occupancies and higher contribution from food and beverage revenue, resulted from the relaxation of movement restrictions, particularly interstate travels.

18 Review of performance (cont'd.)

(a) Financial year ended 31 December 2021 compared with the previous financial year ended 31 December 2020 (cont'd.)

(iii) Hospitality (cont'd.)

The hospitality segment suffered a loss of RM10.69 million in 12M FY2021 (12M FY2020: RM20.74 million). The reduction in loss in 12M FY2021 was mainly attributable to a one-off impairment losses of the hospitality assets of RM7.62m and non-recurring expenses of RM4.42 million incurred for the acquisition of Tune Hotel Danga Bay, Momo's Kuala Lumpur and The Chow Kit, an Ormond Hotel in 12M FY2020.

(b) Quarter ended 31 December 2021 compared with quarter ended 31 December 2020

The Group recorded revenue of RM5.67 million in the current financial quarter ended 31 December 2021 ("Q4 FY2021") as compared to RM3.24 million in the preceding year corresponding quarter ended 31 December 2020 ("Q4 FY2020"). Higher revenue of RM2.43 million or 75% was mainly due to the improved performance of the hospitality segment.

The Group posted a profit after tax of RM5.57 million in Q4 FY2021 as compared to a loss after tax of RM7.72 million in Q4 FY2020, mainly contributed by a one-off gain on bargain purchase of RM5.95 million resulted from investment in an associate in Q4 FY2021 and one-off impairment losses of the hospitality assets of RM7.62m in Q4 FY2020.

Review of segmental performance:

(i) Investment Holding

The investment holding segment posted a profit after tax of RM5.67 million in Q4 FY2021 (Q4 FY2020: loss of RM0.15 million), mainly due to a one-off gain on bargain purchase of RM5.95 million resulted from investment in an associate.

(ii) Structured Financing

The structured financing segment recorded a slight decrease in profit to RM0.08 million in Q4 FY2021 from RM0.09 million in Q4 FY2020, resulted from lower interest income.

(iii) Hospitality

The hospitality segment recorded higher revenue of RM5.45 million in Q4 FY2021 (Q4 FY2020: RM3.02 million) in line with higher room occupancies and higher contribution from food and beverage revenue, resulted from the relaxation of movement restrictions, particularly interstate travels.

The hospitality segment posted a loss after tax of RM0.18 million Q4 FY2021 (Q4 FY2020: loss of RM7.65 million). Lower loss was mainly due to a one-off impairment losses of the hospitality assets of RM7.62m in Q4 FY2020.

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

	Current quarter	Immediate
	31-Dec-21	preceding quarter
	RM'000	30-Sep-21
		RM'000
Revenue	5,670	2,141
Other income	6,538	153
Changes in inventories	(8)	26
Purchase of inventories	(653)	(231)
Operating expenses	(5,981)	(4,406)
Operating income/(loss)	5,566	(2,317)
Finance costs	(595)	(461)
Share of results of an associate/joint ventures	(916)	(775)
Profit/(loss) before tax	4,055	(3,553)
Income tax credit/(expense)	1,512	(29)
Profit/(loss) for the period attributable to owners of the Company	5,567	(3,582)

The Group recorded a revenue of RM5.67 million in the current quarter ("Q4 FY2021"), an increase of RM3.53 million as compared with revenue of RM2.14 million in the immediate preceding quarter ("Q3 FY2021"). Higher revenue in Q4 FY2021 in line with higher room occupancies and higher contribution from food and beverage revenue, resulted from the relaxation of movement restrictions, particularly interstate travels.

The Group posted a profit after tax of RM5.57 million in Q4 FY2021 (Q3 FY2021: loss of RM3.58 million). The profit for the period recorded was due to higher revenue contribution and a one-off gain on bargain purchase of RM5.95 million resulted from investment in an associate.

20 Group's prospects

Management is cautiously optimistic that the gradual re-opening of international borders will benefit the financial and operating performance of the Group's hospitality assets.

21 Profit forecast

The Group did not issue any profit forecast or profit guarantee for the current quarter and year-to-date ended 31 December 2021.

22 Dividend

There was no dividend declared in respect of the current quarter and the corresponding quarter in the previous year.

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23 Loss before tax

	Quarter Ended		Year-to-Date Ended	
	31-Dec-21 RM'000	31-Dec-20 RM'000	31-Dec-21 RM'000	31-Dec-20 RM'000
Loss before tax for the period is stated after charging/(crediting):				
Auditors' remuneration				
- statutory audit	-	94	96	171
- regulatory-related services	-	5	5	5
Net allowances for expected credit losses				
on receivables	-	47	-	47
Bad debt written off	-	25	-	25
Amortisation of intangible assets	33	33	73	33
Depreciation of property, plant and equipment	1,107	529	3,103	1,445
Depreciation of right-of-use assets	374	717	1,227	1,010
Loss/(gain) on foreign exchange translation	17	(7)	25	3
Impairment loss on:				
- property, plant and equipment	-	3,380	-	3,380
- right-of-use assets	-	1,644	-	1,644
- intangible assets	-	2,599	-	2,599
Interest expense on:				
- loans and borrowings	444	494	1,763	1,453
- lease liabilities	151	175	202	260
Loss on disposal of property, plant and equipment	-	-	-	4
Employee benefits expense	2,324	2,039	7,941	7,439
Non-executive Directors' remuneration	263	151	263	151
Acquisition-related transaction costs	-	-	-	2,485
Rental income of premises	(64)	(82)	(240)	(259)
Net gain on financial assets at fair value through profit or loss	-	-	-	(129)
Gain on bargain purchase	(5,950)	(1,265)	(5,950)	(1,265)
Interest income	(194)	(206)	(743)	(1,164)

Other than the above items, there were no other investment income, write off of receivables, gain or loss on disposal of properties, impairment of assets and exceptional items for the current quarter and year-to-date ended 31 December 2021.

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24 Income tax expense

	Quarter Ended		Year-to-Date Ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	RM'000	RM'000	RM'000	RM'000
In respect of current period				
Total income tax expense, representing current period's provision				
- Current tax	61	17	137	95
- Deferred tax	(1,573)	(1,082)	(1,573)	(1,082)
Total income tax expense	(1,512)	(1,065)	(1,436)	(987)

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current and previous corresponding periods.

The effective tax rates of the Group for the current and previous corresponding periods were lower than the statutory tax rate of the respective periods principally due to current year tax losses incurred.

25 Group Borrowings

The Group's borrowings as at 31 December 2021 are as follows:

	RM'000
Current	
Secured term loan	612
Secured revolving credit	20,208
	20,820
Non-current	
Secured term loan	18,197
Total borrowings	39,017

The Company has provided corporate guarantee for the Group Borrowings disclosed above.

26 Changes in material litigation

There was no material litigation against the Group as at the reporting date.

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27 Earning/(loss) per ordinary share

(a) Basic earning/(loss) per ordinary share

The basic earning/(loss) per ordinary share is calculated by dividing the Group's profit/(loss) for the reporting period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the reporting period.

	Quarter Ended		Year-to-Date Ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
Profit/(loss) for the period attributable to owners of the Company (RM'000)	5,567	(7,716)	(5,735)	(21,624)
Weighted average number of ordinary shares in issue ('000)	479,926	479,926	479,926	479,926
Basic earning/(loss) per ordinary share (sen)	1.16	(1.61)	(1.19)	(4.51)

(b) Diluted earning/(loss) per ordinary share

The Group has no dilution in its earning/(loss) per ordinary share in the current quarter and year-to-date ended 31 December 2021 as there are no dilutive potential ordinary share.

Date: 25 February 2022