

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

Condensed Consolidated Statement of Financial Position as at 30 September 2022

	30-Sep-22	31-Dec-21
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	98,536	100,564
Intangible assets	94	141
Right-of-use assets	13,446	14,236
Deferred tax assets	2,807	2,807
Investments in associates	16,982	5,755
Investments in joint ventures	57,590	57,862
Other investments	-	2,470
	189,455	183,835
CURRENT ASSETS		
Inventories	306	205
Trade and other receivables	3,328	2,153
Contract assets	61	83
Tax recoverable	128	94
Loans, advances and financing	-	5,967
Cash and bank balances and deposits with licensed financial institutions	11,776	17,705
	15,599	26,207
TOTAL ASSETS	205,054	210,042
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Loans and borrowings	20,808	20,820
Trade and other payables	2,884	2,136
Lease liabilities	476	687
Contract liabilities	211	282
Tax payable	-	10
	24,379	23,935
NET CURRENT (LIABILITIES)/ASSETS	(8,780)	2,272

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

Condensed Consolidated Statement of Financial Position as at 30 September 2022 (cont'd.)

	30-Sep-22 RM'000 (Unaudited)	31-Dec-21 RM'000 (Audited)
EQUITY AND LIABILITIES (CONT'D.)		
NON-CURRENT LIABILITIES		
Loans and borrowings	17,759	18,197
Lease liabilities	2,372	2,689
Deferred tax liabilities	12	12
	<u>20,143</u>	<u>20,898</u>
TOTAL LIABILITIES	<u>44,522</u>	<u>44,833</u>
NET ASSETS	<u>160,532</u>	<u>165,209</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	107,546	107,546
Retained earnings	65,338	69,454
Reserves	(12,352)	(11,791)
TOTAL EQUITY	<u>160,532</u>	<u>165,209</u>
TOTAL EQUITY AND LIABILITIES	<u>205,054</u>	<u>210,042</u>
Net assets per share (RM)	<u>0.33</u>	<u>0.34</u>

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

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

Unaudited Condensed Consolidated Statement of Profit or Loss
for the third quarter and year-to-date ended 30 September 2022

	Note	Quarter Ended		Year-to-Date Ended	
		30-Sep-22 RM'000	30-Sep-21 RM'000	30-Sep-22 RM'000	30-Sep-21 RM'000
Revenue		6,700	2,141	15,721	7,644
Other income		281	153	786	511
Changes in inventories		84	26	101	13
Purchase of inventories		(465)	(216)	(1,337)	(873)
Operating expenses		(7,548)	(4,421)	(19,545)	(14,266)
Operating loss		(948)	(2,317)	(4,274)	(6,971)
Finance costs		(500)	(461)	(1,410)	(1,370)
Share of results of associates and joint ventures, net of tax		987	(775)	288	(2,885)
Loss before tax	24	(461)	(3,553)	(5,396)	(11,226)
Taxation		5	(29)	(12)	(76)
Loss for the financial period attributable to owners of the Company		(456)	(3,582)	(5,408)	(11,302)
		Sen	Sen	Sen	Sen
Basic and diluted loss per ordinary share attributable to owners of the Company	28	(0.10)	(0.75)	(1.13)	(2.35)

The above unaudited condensed consolidated statement of profit or loss should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

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

Unaudited Condensed Consolidated Statement of Comprehensive Income
for the third quarter and year-to-date ended 30 September 2022

	Quarter Ended		Year-to-Date Ended	
	30-Sep-22 RM'000	30-Sep-21 RM'000	30-Sep-22 RM'000	30-Sep-21 RM'000
Loss for the financial period	(456)	(3,582)	(5,408)	(11,302)
Other comprehensive (loss)/income:				
<i>Items that may be reclassified to profit or loss in subsequent periods (net of tax):</i>				
Exchange differences on translation of investment in foreign operations	(212)	(1,040)	(114)	(857)
Share of other comprehensive loss in an associate	(107)	-	(223)	-
	(319)	(1,040)	(337)	(857)
<i>Items that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>				
Fair value changes on financial assets	1,292	-	1,068	54
Other comprehensive income/(loss) for the financial period, net of tax	973	(1,040)	731	(803)
Total comprehensive income/(loss) for the financial period, net of tax attributable to owners of the Company	517	(4,622)	(4,677)	(12,105)

The above unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

ECM LIBRA GROUP BERHAD (Company No. 200501031433) (713570-K)

Condensed Interim Consolidated Financial Statements

Unaudited Condensed Consolidated Statement of Changes in Equity for the quarter and year-to-date ended 30 September 2022

	<-----Non-distributable----->			Distributable	
	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2022	107,546	(23)	(11,768)	69,454	165,209
Net change in fair value of an equity investment	-	-	1,068	-	1,068
Loss on foreign currency translation	-	(337)	-	-	(337)
Transfer of fair value gain of equity investment at fair value through other comprehensive income to retained earnings upon dissolved	-	-	(1,292)	1,292	-
Total other comprehensive (loss)/income for the financial period	-	(337)	(224)	1,292	731
Loss for the financial period	-	-	-	(5,408)	(5,408)
Total comprehensive (loss)/income for the financial period	-	(337)	(224)	(4,116)	(4,677)
At 30 September 2022	107,546	(360)	(11,992)	65,338	160,532
At 1 January 2021	107,546	1,148	(7,207)	76,188	177,675
Loss on foreign currency translation	-	(857)	-	-	(857)
Net change in fair value of an equity investment	-	-	54	-	54
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	999	(999)	-
Total other comprehensive (loss)/income for the financial period	-	(857)	1,053	(999)	(803)
Loss for the financial period	-	-	-	(11,302)	(11,302)
Total comprehensive (loss)/income for the financial period	-	(857)	1,053	(12,301)	(12,105)
At 30 September 2021	107,546	291	(6,154)	63,887	165,570

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

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

Unaudited Condensed Consolidated Statement of Cash Flows
for the year-to-date ended 30 September 2022

	Quarter and	
	Year-to-Date Ended	
	30-Sep-22	30-Sep-21
	RM'000	RM'000
Cash flows from operating activities		
Loss before tax	(5,396)	(11,226)
Adjustments to reconcile loss before tax to net cash flows	4,049	6,595
Operating loss before changes in working capital	<u>(1,347)</u>	<u>(4,631)</u>
Decrease/(increase) in operating assets	4,485	(301)
Increase/(decrease) in operating liabilities	677	(663)
Cash generated from/(used in) operations	<u>3,815</u>	<u>(5,595)</u>
Interest received	459	458
Interest paid	(1,410)	(1,374)
Tax paid	(56)	(69)
Net cash generated from/(used in) operating activities	<u>2,808</u>	<u>(6,580)</u>
Cash flows from investing activities		
Advances to joint ventures and an associate	(1,956)	(91)
Purchase of property, plant and equipment	(293)	-
Net proceeds from financial assets	1,292	1,811
Dividend received from a joint venture company	-	2,336
Purchase of additional shares in an associate	(6,802)	-
Net cash (used in)/generated from investing activities	<u>(7,759)</u>	<u>4,056</u>
Cash flows from financing activities		
Repayment of term loans	(450)	-
Payment of lease liabilities - principal	(528)	(309)
Net cash used in financing activities	<u>(978)</u>	<u>(309)</u>
Net decrease in cash and cash equivalents	(5,929)	(2,833)
Cash and cash equivalents at beginning of the financial period	17,228	16,112
Cash and cash equivalents at end of the financial period	11,299	13,279
Cash and cash equivalents comprise:		
Cash and bank balances	2,628	2,938
Deposits placements with licensed financial institutions	9,148	10,818
	<u>11,776</u>	<u>13,756</u>
Less: Monies held in Debt Service Reserve Accounts	(477)	(477)
	<u>11,299</u>	<u>13,279</u>

The above unaudited condensed consolidated statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 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*, the International Accounting Standard 34 *Interim Financial Reporting* 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. Certain financial assets are carried at fair value in accordance to MFRS 9 *Financial Instruments*.

This Condensed Report has also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Condensed Report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to this 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 financial year ended 31 December 2021.

2 Significant accounting policies

2.1 Adoption of Amendments to Standards

The accounting standards 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 financial year ended 31 December 2021, except for the following which were adopted at the beginning of the current financial year. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial year.

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

2.2 Standards issued but not yet effective

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective to the Group's current financial period.

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 101 *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current* and *Disclosure of Accounting Policies*
Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*

2 Significant accounting policies (cont'd.)

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

Effective for financial periods commencing on or after 1 January 2023 (cont'd.)

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

Effective for financial periods commencing on or after 1 January 2024

Amendments to MFRS 16 *Leases - Lease liability in a Sale and Leaseback*

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 material impact on the Group's financial statements.

3 Auditors' report on preceding annual financial statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2021 was not qualified.

4 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.

5 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 30 September 2022.

6 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 30 September 2022.

7 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 30 September 2022.

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

8 Dividend paid

There was no dividend paid during the current quarter and year-to-date ended 30 September 2022.

9 Disaggregation of revenue

	Quarter Ended		Year-to-Date Ended	
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
	RM'000	RM'000	RM'000	RM'000
Revenue from contract with customers:				
Hotel operations	4,645	1,003	10,505	3,796
Sale of food and beverages	1,431	554	3,461	1,970
Management services fees	568	375	1,524	1,262
Others	-	17	-	67
	6,644	1,949	15,490	7,095
Revenue from other sources:				
Interest income	56	192	231	549
	6,700	2,141	15,721	7,644
Timing of revenue recognition				
At a point in time	1,404	571	3,461	2,037
Over time	5,240	1,378	12,029	5,058
	6,644	1,949	15,490	7,095

All sales are made within Malaysia.

10 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

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

10 Segmental reporting (cont'd.)

	Investment Holding RM'000	Structured Financing RM'000	Hospitality RM'000	Group total RM'000
Three months' results ended 30 September 2022				
Revenue	15	33	6,652	6,700
Other income	18	-	263	281
Changes in inventories	-	-	84	84
Purchase of inventories	-	-	(465)	(465)
Operating expenses	(819)	(44)	(6,685)	(7,548)
Operating loss	(786)	(11)	(151)	(948)
Finance costs	-	-	(500)	(500)
Share of results of associates and joint ventures, net of tax	1,247	-	(260)	987
Profit/(loss) before tax	461	(11)	(911)	(461)
Taxation	-	5	-	5
Profit/(loss) after tax	461	(6)	(911)	(456)

Other information

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

- Interest income	15	33	8	56
- Depreciation and amortisation	(51)	-	(984)	(1,035)

Three months' results ended 30 September 2021

Revenue	46	146	1,949	2,141
Other income	-	2	151	153
Changes in inventories	-	-	26	26
Purchase of inventories	-	-	(216)	(216)
Operating expenses	(426)	(29)	(3,966)	(4,421)
Operating (loss)/profit	(380)	119	(2,056)	(2,317)
Finance costs	(2)	-	(459)	(461)
Share of results of joint ventures, net of tax	-	-	(775)	(775)
(Loss)/profit before tax	(382)	119	(3,290)	(3,553)
Taxation	-	(29)	-	(29)
(Loss)/profit after tax	(382)	90	(3,290)	(3,582)

Other information

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

- Interest income	46	146	-	192
- Depreciation and amortisation	(96)	-	(874)	(970)

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

10 Segmental reporting (cont'd.)

	Investment Holding RM'000	Structured Financing RM'000	Hospitality RM'000	Group total RM'000
Nine months' results ended 30 September 2022				
Revenue	100	119	15,502	15,721
Other income	18	1	767	786
Changes in inventories	-	-	101	101
Purchase of inventories	-	-	(1,337)	(1,337)
Operating expenses	(2,164)	(58)	(17,323)	(19,545)
Operating (loss)/profit	(2,046)	62	(2,290)	(4,274)
Finance costs	(1)	-	(1,409)	(1,410)
Share of results of associates and joint ventures, net of tax	2,368	-	(2,080)	288
Profit/(loss) before tax	321	62	(5,779)	(5,396)
Taxation	-	(12)	-	(12)
Profit/(loss) after tax	321	50	(5,779)	(5,408)

Other information

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

- Interest income	100	119	12	231
- Depreciation and amortisation	(228)	-	(2,930)	(3,158)

Nine months' results ended 30 September 2021

Revenue	172	406	7,066	7,644
Other income	-	6	505	511
Changes in inventories	-	-	13	13
Purchase of inventories	-	-	(873)	(873)
Operating expenses	(1,197)	(97)	(12,972)	(14,266)
Operating (loss)/profit	(1,025)	315	(6,261)	(6,971)
Finance costs	(9)	-	(1,361)	(1,370)
Share of results of joint ventures, net of tax	-	-	(2,885)	(2,885)
(Loss)/profit before tax	(1,034)	315	(10,507)	(11,226)
Taxation	-	(76)	-	(76)
(Loss)/profit after tax	(1,034)	239	(10,507)	(11,302)

Other information

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

- Interest income	143	406	-	549
- Depreciation and amortisation	(289)	-	(2,600)	(2,889)

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

10 Segmental reporting (cont'd.)

	Investment Holding RM'000	Structured Financing RM'000	Hospitality RM'000	Group total RM'000
Other information as at 30 September 2022				
Total assets	78,379	5,132	121,543	205,054
Total liabilities	275	9	44,238	44,522
Investments in associates	16,982	-	-	16,982
Investments in joint ventures	-	-	57,590	57,590
Capital expenditure	-	-	293	293
Other information as at 31 December 2021				
Total assets	78,863	8,090	123,089	210,042
Total liabilities	466	16	44,351	44,833
Investment in an associate	5,755	-	-	5,755
Investments in joint ventures	-	-	57,862	57,862
Capital expenditure	16	-	316	332

11 Changes in the composition of the Group

There were no material changes in the composition of the Group during the current quarter and year-to-date ended 30 September 2022.

12 Contingent assets and liabilities

There were no contingent assets and contingent liabilities as at 30 September 2022.

13 Property, plant and equipment

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

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

14 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 30 September 2022.

15 Event after the reporting period

There was no material event subsequent to the current quarter and year-to-date ended 30 September 2022.

16 Significant event during the financial period

There was no significant event during the current quarter and year-to-date ended 30 September 2022.

17 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").

30 September 2022	Carrying amount RM'000	FA RM'000	FVOCI RM'000	FL RM'000
Financial assets				
Cash and bank balances and deposits with licensed financial institutions	11,776	11,776	-	-
Trade and other receivables excluding prepayments	2,399	2,399	-	-
	14,175	14,175	-	-
Financial liabilities				
Trade and other payables	(2,884)	-	-	(2,884)
Loans and borrowings	(38,567)	-	-	(38,567)
Lease liabilities	(2,848)	-	-	(2,848)
	(44,299)	-	-	(44,299)

17 Financial instruments (cont'd.)

(a) Categories of financial instruments (cont'd.)

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 licensed financial institutions	17,705	17,705	-	-
Other investments	2,470	-	2,470	-
Loans, advances and financing	5,967	5,967	-	-
Trade and other receivables excluding prepayments	1,699	1,699	-	-
	<u>27,841</u>	<u>25,371</u>	<u>2,470</u>	<u>-</u>
Financial liabilities				
Trade and other payables	(2,136)	-	-	(2,136)
Loans and borrowings	(39,017)	-	-	(39,017)
Lease liabilities	(3,376)	-	-	(3,376)
	<u>(44,529)</u>	<u>-</u>	<u>-</u>	<u>(44,529)</u>

(b) Financial assets that are carried at fair value

Financial assets at FVOCI are measured at different measurement hierarchies (i.e. Levels 1, 2 and 3). The hierarchies are reflecting the significance of inputs used in making the fair value measurements.

(i) Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

The Group does not have any financial assets measured at Level 1 as at 30 September 2022 and 31 December 2021.

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

The Group does not have any financial assets measured at Level 2 as at 30 September 2022 and 31 December 2021.

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

The Group does not have any financial assets measured at Level 3 as at 30 September 2022. As at 31 December 2021, unquoted investments are measured at Level 3 and the fair value have been estimated based on the net assets of the investees, which are used as a proxy for their fair value.

(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 ("Bursa")

18 Status of corporate proposals announced

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

19 Review of performance

(a) Financial period ended 30 September 2022 compared with the previous financial period ended 30 September 2021

The Group recorded total revenue of RM15.72 million in the current financial period ended 30 September 2022 ("9M FY2022") representing an increase of 106% compared with the total revenue of RM7.64 million recorded in the previous financial period ended 30 September 2021 ("9M FY2021") with the hospitality segment being the main contributor to the higher revenue. Loss for the period of RM5.41 million in 9M FY2022 is lower than 9M FY2021, corresponding to the increase in 9M FY2022 total revenue.

Review of segmental performance:

(i) Investment Holding

The investment holding segment posted a profit after tax for 9M FY2022 of RM0.32 million (9M FY2021: loss after tax of RM1.03 million), mainly contributed by a share of profit of RM2.37 million from investments in associates in 9M FY2022, offset against higher operating expenses by RM0.97 million.

(ii) Structured Financing

The structured financing segment recorded a lower profit after tax of RM0.05 million in 9M FY2022 from RM0.24 million in 9M FY2021, resulting from lower interest income. The outstanding term loan was settled and repayment was received in full in January 2022.

(iii) Hospitality

The hospitality segment recorded revenue of RM15.50 million in 9M FY2022, an increase of 119% or RM8.43 million from 9M FY2021 contributed by the overall improved performance across the Group's hospitality properties in the current financial period.

The hospitality segment showed an overall improved occupancy with the increase in domestic and international leisure and business travel following the easing of containment measures on transitioning to the endemic phase followed by the full opening of international borders in 9M FY2022.

19 Review of performance (cont'd.)

(b) Financial quarter ended 30 September 2022 compared with the previous financial quarter ended 30 September 2021

The Group recorded total revenue of RM6.70 million in the current financial quarter ended 30 September 2022 ("Q3 FY2022") as compared to RM2.14 million in the preceding year corresponding quarter ended 30 September 2021 ("Q3 FY2021") with the hospitality segment being the main contributor to the higher revenue.

The Group posted a lower loss after tax of RM0.46 million in Q3 FY2022 as compared to a loss after tax of RM3.58 million in Q3 FY2021, corresponding to the increase in Q3 FY2022 total revenue.

In Q3 FY2022, Malaysia and all neighbouring countries had fully opened their borders and lifted travel restrictions, which contributed positively to the hospitality segment. This resulted in higher Group revenue of RM4.70 million or 241% and lower loss after tax of RM2.38 million or 72% in Q3 FY2022 as compared to Q3 FY2021.

Review of segmental performance:

(i) Investment Holding

The investment holding segment posted a profit after tax of RM0.46 million in Q3 FY2022 (Q3 FY2021: loss of RM0.38 million), mainly contributed by a share of profit of RM1.25 million from investment in associates in Q3 FY2022, offset against higher operating expenses by RM0.39 million.

(ii) Structured Financing

The structured financing segment recorded a loss after tax of RM0.01 million in Q3 FY2022 from RM0.09 million in Q3 FY2021, resulting from lower interest income. The outstanding term loan was settled and repayment was received in full in January 2022.

(iii) Hospitality

The hospitality segment recorded higher revenue of RM6.65 million in Q3 FY2022 (Q3 FY2021: RM1.95 million) and posted a lower loss after tax of RM0.91 million in Q3 FY2022 (Q3 FY2021: loss of RM3.29 million). Lower loss in Q3 FY2022 due to higher revenue as a result of higher occupancy and room rates and higher food and beverage revenue with easing of travel restrictions and full opening of borders across the world and South East Asia in particular.

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

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

	Current 30-Sep-22 RM'000	Immediate preceding 30-Jun-22 RM'000
Revenue	6,700	5,160
Other income	281	246
Changes in inventories	84	8
Purchase of inventories	(465)	(447)
Operating expenses	(7,548)	(6,335)
Operating loss	(948)	(1,368)
Finance costs	(500)	(458)
Share of results of associates and joint ventures, net of tax	987	(360)
Loss before tax	(461)	(2,186)
Taxation	5	(8)
Loss for the period attributable to owners of the Company	(456)	(2,194)

The Group's total revenue of RM6.70 million in the current quarter ("Q3 FY2022") represented an increase of 30% compared with total revenue of RM5.16 million recorded in the immediate preceding quarter ("Q2 FY2022") with the hospitality segment being the main contributor to the higher revenue. Revenue from the hospitality segment improved resulting from higher room occupancy and room rates and higher contribution from food and beverage revenue in Q3 FY2022.

Consequently, the loss for the period of RM0.46 million in Q3 FY2022 is lower than Q2 FY2022 in line with the increase in revenue and also contributed by share of profits from associates and joint ventures of RM0.99 million in Q3 FY2022, offset against higher operating expenses by RM1.21 million.

21 Group's prospects

Management expects the economic uncertainty prevalent domestically and across the globe and cost and inflationary pressures to dampen travel sentiment and present challenges to occupancies and revenues across its hotels. Management is focused on maintaining quality and consistency of service across its hospitality portfolio in order to differentiate its offering, preserve rates and maintain profitability despite the pipeline of new keys and increasingly competitive hotel market in Malaysia. Management does not expect to commence development of its Melbourne asset in the near to medium term in light of the challenging environment present in the Australian market.

22 Profit forecast

The Group did not issue any profit forecast or profit guarantee for the current quarter and year-to-date ended 30 September 2022.

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

23 Dividend

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

24 Loss before tax

	Quarter Ended		Year-to-Date Ended	
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
	RM'000	RM'000	RM'000	RM'000
Loss before tax for the period is arrived at after charging/(crediting):				
Auditors' remuneration	25	(6)	76	107
Amortisation of intangible assets	14	20	47	40
Depreciation of property, plant and equipment	758	676	2,321	1,996
Depreciation of right-of-use assets	263	274	790	853
Employee benefits expense	2,765	1,712	7,224	5,617
Net unrealised (gain)/loss on foreign exchange translation	-	(2)	-	8
Interest expense on:				
- loans and borrowings	495	448	1,389	1,319
- lease liabilities	5	13	21	51
Rental income of premises	(48)	(54)	(161)	(176)
Interest income	(56)	(192)	(231)	(549)

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 30 September 2022.

25 Income tax expense

	Quarter Ended		Year-to-Date Ended	
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
	RM'000	RM'000	RM'000	RM'000
In respect of current period				
Total income tax expense, representing current period's provision				
- Current tax	(5)	29	12	76
Total income tax expense	(5)	29	12	76

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.

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

26 Group Borrowings

The Group's borrowings as at 30 September 2022 are as follows:

	RM'000
Current	
Secured term loan	600
Secured revolving credit	20,208
	<u>20,808</u>
Non-current	
Secured term loan	17,759
Total borrowings	<u>38,567</u>

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

27 Changes in material litigation

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

28 Loss per ordinary share

(a) Basic loss per ordinary share

The basic loss per ordinary share is calculated by dividing the Group's 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	
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
Loss for the financial period attributable to owners of the Company (RM'000)	<u>(456)</u>	(3,582)	<u>(5,408)</u>	(11,302)
Weighted average number of ordinary shares in issue (units '000)	<u>479,926</u>	479,926	<u>479,926</u>	479,926
Basic loss per ordinary share (sen)	<u>(0.10)</u>	(0.75)	<u>(1.13)</u>	(2.35)

(b) Diluted loss per ordinary share

The Group has no dilution in its loss per ordinary share in the current quarter and year-to-date ended 30 September 2022 as there are no dilutive potential ordinary shares.

Date: 24 November 2022