

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

**Condensed Consolidated Statement of Financial Position as at 30 September 2023**

	<b>30-Sep-23</b>	31-Dec-22
	<b>RM'000</b>	RM'000
	<b>(Unaudited)</b>	(Audited)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>96,596</b>	98,030
Intangible assets	<b>43</b>	81
Right-of-use assets	<b>13,843</b>	13,209
Deferred tax assets	<b>2,157</b>	2,157
Investments in associates	<b>13,186</b>	21,320
Investments in joint ventures	<b>57,202</b>	56,727
	<b>183,027</b>	191,524
<b>CURRENT ASSETS</b>		
Inventories	<b>413</b>	283
Trade and other receivables	<b>11,504</b>	4,172
Contract assets	<b>247</b>	364
Tax recoverable	<b>25</b>	111
Cash and bank balances and deposits with licensed financial institutions	<b>41,996</b>	11,779
	<b>54,185</b>	16,709
<b>TOTAL ASSETS</b>	<b>237,212</b>	208,233
<b>EQUITY AND LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Loans and borrowings	<b>22,301</b>	21,258
Trade and other payables	<b>3,063</b>	3,486
Lease liabilities	<b>728</b>	386
Contract liabilities	<b>281</b>	422
	<b>26,373</b>	25,552
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>27,812</b>	(8,843)

**ECM LIBRA GROUP BERHAD (Company No. 200501031433) (713570-K)**  
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**Condensed Consolidated Statement of Financial Position as at 30 September 2023 (cont'd.)**

	<b>30-Sep-23</b>	31-Dec-22
	<b>RM'000</b>	RM'000
	<b>(Unaudited)</b>	(Audited)
<b>EQUITY AND LIABILITIES (CONT'D.)</b>		
<b>NON-CURRENT LIABILITIES</b>		
Loans and borrowings	15,676	17,165
Lease liabilities	2,999	2,475
Deferred tax liabilities	8	8
	<u>18,683</u>	<u>19,648</u>
<b>TOTAL LIABILITIES</b>	<u>45,056</u>	<u>45,200</u>
<b>NET ASSETS</b>	<u>192,156</u>	<u>163,033</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		
Share capital	107,546	107,546
Retained earnings	97,172	68,260
Reserves	(12,562)	(12,773)
<b>TOTAL EQUITY</b>	<u>192,156</u>	<u>163,033</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>237,212</u>	<u>208,233</u>
Net assets per share (RM)	<u>0.40</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 2022 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 2023**

	Note	Quarter Ended		Year-to-Date Ended	
		30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Revenue		<b>9,640</b>	6,700	<b>26,275</b>	15,721
Other income		<b>282</b>	281	<b>870</b>	786
Changes in inventories		<b>20</b>	84	<b>130</b>	101
Purchase of inventories		<b>(564)</b>	(465)	<b>(1,729)</b>	(1,337)
Operating expenses		<b>(8,031)</b>	(7,548)	<b>(24,182)</b>	(19,545)
<b>Profit/(loss) from operations</b>		<b>1,347</b>	(948)	<b>1,364</b>	(4,274)
Finance costs		<b>(652)</b>	(500)	<b>(1,928)</b>	(1,410)
Share of results of associates and joint ventures, net of tax		<b>1,272</b>	987	<b>29,554</b>	288
<b>Profit/(loss) before tax</b>	25	<b>1,967</b>	(461)	<b>28,990</b>	(5,396)
Taxation		<b>(59)</b>	5	<b>(78)</b>	(12)
Profit/(loss) for the financial period attributable to owners of the Company		<b>1,908</b>	(456)	<b>28,912</b>	(5,408)
		<b>Sen</b>	Sen	<b>Sen</b>	Sen
Basic and diluted earnings/(loss) per ordinary share attributable to owners of the Company	29	<b>0.40</b>	(0.10)	<b>6.02</b>	(1.13)

*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 2022 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 2023**

	Quarter Ended		Year-to-Date Ended	
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Profit/(loss) for the financial period	<b>1,908</b>	(456)	<b>28,912</b>	(5,408)
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	<b>(532)</b>	(212)	<b>632</b>	(114)
Share of other comprehensive loss in an associate	-	(107)	<b>(421)</b>	(223)
	<b>(532)</b>	(319)	<b>211</b>	(337)
<i>Items that will not be reclassified to profit or loss in subsequent periods, net of tax:</i>				
Fair value changes on financial assets measured at fair value through other comprehensive income	-	1,292	-	1,068
Other comprehensive (loss)/income for the financial period, net of tax	<b>(532)</b>	973	<b>211</b>	731
Total comprehensive income/(loss) for the financial period, net of tax attributable to owners of the Company	<b>1,376</b>	517	<b>29,123</b>	(4,677)

*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 2022 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 third quarter and year-to-date ended 30 September 2023**

	<-----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
<b>At 1 January 2023</b>	<b>107,546</b>	<b>(639)</b>	<b>(12,134)</b>	<b>68,260</b>	<b>163,033</b>
Gain on foreign currency translation	-	<b>632</b>	-	-	<b>632</b>
Share of comprehensive loss in an associate	-	<b>(421)</b>	-	-	<b>(421)</b>
Total other comprehensive income for the financial period	-	<b>211</b>	-	-	<b>211</b>
Profit for the financial period	-	-	-	<b>28,912</b>	<b>28,912</b>
Total comprehensive income for the financial period	-	<b>211</b>	-	<b>28,912</b>	<b>29,123</b>
<b>At 30 September 2023</b>	<b>107,546</b>	<b>(428)</b>	<b>(12,134)</b>	<b>97,172</b>	<b>192,156</b>
<b>At 1 January 2022</b>	<b>107,546</b>	<b>(23)</b>	<b>(11,768)</b>	<b>69,454</b>	<b>165,209</b>
Net change in fair value of an equity investment	-	-	1,068	-	1,068
Loss on foreign currency translation	-	(114)	-	-	(114)
Share of comprehensive loss in an associate	-	(223)	-	-	(223)
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)
<b>At 30 September 2022</b>	<b>107,546</b>	<b>(360)</b>	<b>(11,992)</b>	<b>65,338</b>	<b>160,532</b>

*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 2022 and the accompanying explanatory notes attached to these interim financial statements.*

**ECM LIBRA GROUP BERHAD (Company No. 200501031433) (713570-K)**  
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**Unaudited Condensed Consolidated Statement of Cash Flows**  
**for the third quarter and year-to-date ended 30 September 2023**

	<b>Quarter and Year-to-Date Ended</b>	
	<b>30-Sep-23</b>	<b>30-Sep-22</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax	28,990	(5,396)
Adjustments to reconcile profit/(loss) before tax to net cash flows	(24,789)	4,049
Operating profit/(loss) before changes in working capital	<u>4,201</u>	<u>(1,347)</u>
Decrease in operating assets	176	4,485
(Decrease)/increase in operating liabilities	(564)	677
Cash generated from operations	<u>3,813</u>	<u>3,815</u>
Interest received	435	459
Interest paid	(1,924)	(1,410)
Tax refunded	29	-
Tax paid	(21)	(56)
Net cash generated from operating activities	<u>2,332</u>	<u>2,808</u>
<b>Cash flows from investing activities</b>		
Advances to joint ventures	(1,226)	(1,956)
Deposit for proposed acquisitions	(7,522)	-
Purchase of property, plant and equipment	(993)	(293)
Net proceeds from financial assets	-	1,292
Purchase of additional shares in an associate	-	(6,802)
Dividend received from an associate and joint venture companies	38,650	-
Net cash generated from/(used in) investing activities	<u>28,909</u>	<u>(7,759)</u>
<b>Cash flows from financing activities</b>		
Repayment of term loans	(450)	(450)
Payment of lease liabilities - principal	(574)	(528)
Net cash used in financing activities	<u>(1,024)</u>	<u>(978)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>30,217</b>	<b>(5,929)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>11,302</b>	<b>17,228</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b><u>41,519</u></b>	<b><u>11,299</u></b>
Cash and cash equivalents comprise:		
Cash and bank balances	9,790	2,628
Deposits placements with licensed financial institutions	32,206	9,148
	<u>41,996</u>	<u>11,776</u>
Less: Monies held in Debt Service Reserve Accounts	(477)	(477)
	<u>41,519</u>	<u>11,299</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 2022 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 has been prepared under the historical cost convention and is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

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 2022. 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 2022.

**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 2022, except for the following which were adopted at the beginning of the current financial period. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial period.

MFRS 17 *Insurance Contracts* and Amendments to MFRS 17 *Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information*  
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 and International Tax Reform - Pillar Two Model Rules*

**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.

Effective for financial periods commencing on or after 1 January 2024  
Amendments to MFRS 16 *Leases - Lease liability in a Sale and Leaseback*  
Amendments to MFRS 101 *Presentation of Financial Statements - Non-current Liabilities with Covenants*  
Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosure - Supplier Finance Arrangements*

## **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 2025

Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

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 2022 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 2023.

## **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 2023.

## **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 2023.



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**8 Dividend paid**

There was no dividend paid during the current quarter and year-to-date ended 30 September 2023.

**9 Disaggregation of revenue**

	<b>Quarter Ended</b>		<b>Year-to-Date Ended</b>	
	<b>30-Sep-23</b>	30-Sep-22	<b>30-Sep-23</b>	30-Sep-22
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Revenue from contract with customers:</b>				
Hotel operations	<b>6,925</b>	4,645	<b>19,113</b>	10,505
Sale of food and beverages	<b>1,541</b>	1,431	<b>4,452</b>	3,461
Management services fees	<b>863</b>	568	<b>2,276</b>	1,524
	<b>9,329</b>	6,644	<b>25,841</b>	15,490
<b>Revenue from other sources:</b>				
Interest income	<b>311</b>	56	<b>434</b>	231
	<b>311</b>	56	<b>434</b>	231
	<b>9,640</b>	6,700	<b>26,275</b>	15,721
<b>Timing of revenue recognition</b>				
At a point in time	<b>1,541</b>	1,431	<b>4,452</b>	3,461
Over time	<b>7,788</b>	5,213	<b>21,389</b>	12,029
	<b>9,329</b>	6,644	<b>25,841</b>	15,490

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-related services; and
- (c) Hospitality - hotel ownership and management, management and operations of hotels and restaurant and investment in hospitality related business through joint ventures.

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**10 Segmental reporting (cont'd.)**

	<b>Investment Holding RM'000</b>	<b>Structured Financing RM'000</b>	<b>Hospitality RM'000</b>	<b>Group total RM'000</b>
<b>Three months' results ended 30 September 2023</b>				
Revenue	251	25	9,364	9,640
Other income	-	-	282	282
Changes in inventories	-	-	20	20
Purchase of inventories	-	-	(564)	(564)
Operating expenses	(555)	(16)	(7,460)	(8,031)
(Loss)/profit from operations	(304)	9	1,642	1,347
Finance costs	(8)	-	(644)	(652)
Share of results of associates and joint ventures, net of tax	559	-	713	1,272
Profit before tax	247	9	1,711	1,967
Taxation	(57)	(2)	-	(59)
Profit after tax	190	7	1,711	1,908

**Other information**

Included in the profit after tax are:

- Interest income	251	25	35	311
- Depreciation and amortisation	(68)	-	(1,001)	(1,069)

**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)
Loss from operations	(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)

**ECM LIBRA GROUP BERHAD (Company No. 200501031433) (713570-K)**  
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**10 Segmental reporting (cont'd.)**

	<b>Investment Holding RM'000</b>	<b>Structured Financing RM'000</b>	<b>Hospitality RM'000</b>	<b>Group total RM'000</b>
<b>Nine months' results ended 30 September 2023</b>				
Revenue	279	80	25,916	26,275
Other income	30	-	840	870
Changes in inventories	-	-	130	130
Purchase of inventories	-	-	(1,729)	(1,729)
Operating expenses	(1,791)	(52)	(22,339)	(24,182)
(Loss)/profit from operations	(1,482)	28	2,818	1,364
Finance costs	(16)	-	(1,912)	(1,928)
Share of results of associates and joint ventures, net of tax	28,287	-	1,267	29,554
Profit before tax	26,789	28	2,173	28,990
Taxation	(71)	(7)	-	(78)
Profit after tax	26,718	21	2,173	28,912

**Other information**

Included in the profit after tax are:

- Interest income	279	80	75	434
- Depreciation and amortisation	(216)	-	(3,055)	(3,271)

**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)
(Loss)/profit from operations	(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)

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**10 Segmental reporting (cont'd.)**

	<b>Investment Holding RM'000</b>	<b>Structured Financing RM'000</b>	<b>Hospitality RM'000</b>	<b>Total RM'000</b>
<b>Other information as at 30 September 2023</b>				
Total assets	<b>108,331</b>	<b>3,162</b>	<b>125,719</b>	<b>237,212</b>
Total liabilities	<b>822</b>	<b>4</b>	<b>44,230</b>	<b>45,056</b>
Investments in associates	<b>13,186</b>	<b>-</b>	<b>-</b>	<b>13,186</b>
Investments in joint ventures	<b>-</b>	<b>-</b>	<b>57,202</b>	<b>57,202</b>
Capital expenditure	<b>-</b>	<b>-</b>	<b>993</b>	<b>993</b>
<b>Other information as at 31 December 2022</b>				
Total assets	79,966	5,144	123,123	208,233
Total liabilities	652	7	44,541	45,200
Investments in associates	21,320	-	-	21,320
Investments in joint ventures	-	-	56,727	56,727
Capital expenditure	5	-	527	532

**11 Changes in the composition of the Group**

The Company's 30.0%-owned associate company, Positive Carry Sdn Bhd has disposed of all the 24,000,000 ordinary shares owned in TYK Capital Sdn Bhd pursuant to the terms of the sale and purchase agreement ("SPA") dated 5 May 2023 ("Disposal"). Following the completion of SPA on 26 June 2023, the Company no longer has an effective equity interest in TYK Capital Sdn Bhd and recorded a share of profits of RM27.24 million from the Disposal.

Other than the above and as disclosed in Note 13 and Note 15, there were no other material changes in the composition of the Group during the current quarter and year-to-date ended 30 September 2023.

**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.

### **13 Significant event during the financial period**

On 8 September 2023, the Company announced that:

- (a) ECM Libra Desaru Sdn Bhd, an indirect wholly-owned subsidiary, had entered into a conditional share sale agreement with Desaru Development Holdings One Sdn Bhd for the proposed acquisition of 2 ordinary shares and 1,195,916 redeemable convertible preference shares, representing 100% equity interest in Desaru Beachfront 2 Sdn Bhd ("DB2SB") for cash consideration of RM17.05 million ("Proposed Acquisition of DB2SB"); and
- (b) ECML Beachfront Sdn Bhd, a wholly-owned subsidiary, had entered into a conditional sale and purchase agreement with Desaru Beach Parks Sdn Bhd for the proposed acquisition of a piece of leasehold land held under H.S.(D) 36682, PTD 8351, Mukim Pantai Timur, District of Kota Tinggi, State of Johor Darul Takzim, measuring in land area of approximately 44,427.00 square metres ("DBPSB Land") for cash consideration of RM19.81 million ("Proposed Acquisition of DBPSB Land"),

(collectively, Proposed Acquisition of DB2SB and Proposed Acquisition of DBPSB Land are referred to as the "Proposed Acquisitions").

Included in the trade and other receivables is deposits of RM7.52 million paid for the Proposed Acquisitions.

### **14 Capital commitments**

As at 30 September 2023, the Group has commitments in respect of capital expenditure as follows:

	<b>RM'000</b>
Authorised and contracted for property, plant and equipment:	
- Proposed Acquisition of DB2SB	13,638
- Proposed Acquisition of DBPSB Land	15,700
	<u>29,338</u>

### **15 Event after the reporting period**

On 16 November 2023, the Company announced the completion of Proposed Acquisition of DB2SB and DB2SB has become an indirect wholly-owned subsidiary of the Company on the even date.

### **16 Contingent assets and liabilities**

There were no contingent assets and contingent liabilities as at 30 September 2023.

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**17 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 2023.

**18 Categories of financial instruments**

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

- (i) Financial assets measured at amortised cost ("FA"); and
- (ii) Financial liabilities measured at amortised cost ("FL").

<b>30 September 2023</b>	<b>Carrying amount RM'000</b>	<b>FA RM'000</b>	<b>FL RM'000</b>
<b>Financial assets</b>			
Cash and bank balances and deposits with licensed financial institutions	41,996	41,996	-
Trade and other receivables excluding prepayments	10,379	10,379	-
	<b>52,375</b>	<b>52,375</b>	<b>-</b>
<b>Financial liabilities</b>			
Trade and other payables	(3,063)	-	(3,063)
Loans and borrowings	(37,977)	-	(37,977)
Lease liabilities	(3,727)	-	(3,727)
	<b>(44,767)</b>	<b>-</b>	<b>(44,767)</b>
<b>31 December 2022</b>			
<b>Financial assets</b>			
Cash and bank balances and deposits with licensed financial institutions	11,779	11,779	-
Trade and other receivables excluding prepayments	3,600	3,600	-
	<b>15,379</b>	<b>15,379</b>	<b>-</b>
<b>Financial liabilities</b>			
Trade and other payables	(3,486)	-	(3,486)
Loans and borrowings	(38,423)	-	(38,423)
Lease liabilities	(2,861)	-	(2,861)
	<b>(44,770)</b>	<b>-</b>	<b>(44,770)</b>

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

**19 Status of corporate proposals announced**

The corporate proposals as announced by the Company on 8 September 2023 and 14 September 2023 involved the following:

- (a) ECM Libra Desaru Sdn Bhd, an indirect wholly-owned subsidiary, had entered into a conditional share sale agreement with Desaru Development Holdings One Sdn Bhd for the proposed acquisition of 2 ordinary shares and 1,195,916 redeemable convertible preference shares, representing 100% equity interest in Desaru Beachfront 2 Sdn Bhd ("DB2SB") for cash consideration of RM17.05 million ("Proposed Acquisition of DB2SB").
- (b) ECML Beachfront Sdn Bhd, a wholly-owned subsidiary, had entered into a conditional sale and purchase agreement with Desaru Beach Parks Sdn Bhd for the proposed acquisition of a piece of leasehold land held under H.S.(D) 36682, PTD 8351, Mukim Pantai Timur, District of Kota Tinggi, State of Johor Darul Takzim, measuring in land area of approximately 44,427.00 square metres ("DBPSB Land") for cash consideration of RM19.81 million ("Proposed Acquisition of DBPSB Land").

On 16 November 2023, the Company announced the completion of Proposed Acquisition of DB2SB and DB2SB has become an indirect wholly-owned subsidiary of the Company on the even date.

On 23 November 2023, the Company proposes to undertake a private placement of up to 47,992,500 new ordinary shares in the Company ("ECMLG Shares"), representing up to approximately 10% of the existing total number of issued ECMLG Shares, to independent third party investor(s) to be identified later at an issue price to be determined later ("Proposed Private Placement"). The application for the listing and quotation for the ECMLG Shares pursuant to the Proposed Private Placement will be submitted on the even date.

As at the date of this report, the Proposed Acquisition of DBPSB Land and Proposed Private Placement are on-going.

Other than the above, there were no corporate proposal announced but not completed as at 23 November 2023.

## **20 Review of performance**

### **(a) Financial period ended 30 September 2023 compared with the previous financial period ended 30 September 2022**

The Group recorded total revenue of RM26.28 million in the current financial period ended 30 September 2023 ("9M FY2023") representing an increase of 67% compared with total revenue of RM15.72 million recorded in the previous financial period ended 30 September 2022 ("9M FY2022"). The improved revenue attributed mainly by the better performance of the hospitality segment as a result of higher room occupancies and food and beverage revenue.

The Group reported a profit before tax of RM28.99 million in 9M FY2023 compared to a loss before tax of RM5.40 million in 9M FY2022. The improvement was mainly due to higher share of profits from associates and joint ventures of RM29.55 million in 9M FY2023 (9M FY2022: share of profit of RM0.29 million) resulted from the disposal of shares in TYK Capital Sdn Bhd by an associate company as disclosed in Note 11 during the year.

Review of segmental performance:

#### **(i) Investment Holding**

The investment holding segment recorded a profit before tax of RM26.79 million in 9M FY2023 (9M FY2022: profit before tax of RM0.32 million) mainly due to higher share of profits from associates and joint ventures of RM28.29 million in 9M FY2023 (9M FY2022: RM2.37 million) resulted from the disposal of shares in TYK Capital Sdn Bhd by an associate company as disclosed in Note 11 during the year.

#### **(ii) Structured Financing**

The structured financing segment recorded a lower segment profit of RM0.03 million in 9M FY2023, a decrease of 50% from RM0.06 million in 9M FY2022 due to lower interest income. The Group has not extended any loans to any party during the financial period ended 30 September 2023 in its ordinary course of business as a licensed money lender.

#### **(iii) Hospitality**

The hospitality segment's revenue rose by 67% to RM25.92 million in 9M FY2023 (9M FY2022: RM15.50 million) mainly due to overall rise in occupancies across the hospitality assets and higher food and beverage revenue in 9M FY2023. A profit before tax of RM2.17 million in 9M FY2023 was recorded, an encouraged improvement from a loss before tax of RM5.78 million in 9M FY2022.



**20 Review of performance (cont'd.)**

**(b) Financial quarter ended 30 September 2023 compared with the previous financial quarter ended 30 September 2022**

The Group's revenue for the current financial quarter ended 30 September 2023 ("Q3 FY2023") was RM9.64 million, an increase of 44% from RM6.70 million in the preceding year corresponding quarter ended 30 September 2022 ("Q3 FY2022") with the hospitality segment being the main contributor to the higher revenue.

Consequently, the Group reported a profit before tax of RM1.97 million in Q3 FY2023 compared to a loss before tax of RM0.46 million in Q3 FY2022.

Review of segmental performance:

**(i) Investment Holding**

The investment holding segment recorded a profit before tax of RM0.25 million in Q3 FY2023, a decrease of 46% from RM0.46 million, mainly due to lower share of profits from associates and joint ventures of RM0.69 million in Q3 FY2023 as compared to Q3 FY2022, mitigate by lower operating expenses of RM0.26 million.

**(ii) Structured Financing**

The structured financing recorded a rather consistent segment revenue in Q3 FY2023 against Q3 FY2022 mainly due to no new term loans arising for the financial period ended 30 September 2023.

**(iii) Hospitality**

The hospitality segment's revenue rose by 41% to RM9.36 million in Q3 FY2023 (Q3 FY2022: RM6.65 million), reflecting stronger leisure demand. The overall rise in occupancies across the hospitality assets and higher food and beverage revenue resulted in a pre-tax profit of RM1.71 million in Q3 FY2023 compared to a pre-tax loss of RM0.91 million in Q3 FY2022.

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**21 Review of performance of current financial quarter against immediate preceding financial quarter**

	<b>Current quarter 30-Sep-23 RM'000</b>	Immediate preceding quarter 30-Jun-23 RM'000
Revenue	<b>9,640</b>	8,629
Other income	<b>282</b>	314
Changes in inventories	<b>20</b>	65
Purchase of inventories	<b>(564)</b>	(525)
Operating expenses	<b>(8,031)</b>	(7,932)
<b>Profit from operations</b>	<b>1,347</b>	551
Finance costs	<b>(652)</b>	(689)
Share of results of associates and joint ventures, net of tax	<b>1,272</b>	27,830
<b>Profit before tax</b>	<b>1,967</b>	27,692
Taxation	<b>(59)</b>	(15)
<b>Profit for the period attributable to owners of the Company</b>	<b>1,908</b>	27,677

The Group recorded a profit before tax of RM1.97 million in Q3 FY2023, representing a lower profit of RM25.72 million compared with profit before tax of RM27.69 million in the previous quarter ended 30 June 2023. The higher profit reported in the immediate preceding quarter was mainly due to higher share of profits from associates and joint ventures of RM27.83 million resulted from non-recurring share of profits pertaining to the disposal of shares in TYK Capital Sdn Bhd by an associate company as disclosed in Note 11.

**22 Group's prospects**

The Group expects the recovery in the hospitality sector to continue in year 2024 with demand for affordable hotel rooms remaining strong. Whilst the Group's recent acquisition of development lands in Desaru are not expected to contribute to earnings in the near term, it will enable us to expand our offering to a new resort market and allow for a wider target audience.

**23 Profit forecast**

The Group did not issue any profit forecast or profit guarantee for the current quarter and year-to-date ended 30 September 2023.

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**24 Dividend**

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

**25 Profit/(loss) before tax**

	Quarter Ended		Year-to-Date Ended	
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
<b>Profit/(loss) before tax for the period is arrived at after charging/(crediting):</b>				
Auditors' remuneration	24	25	72	76
Amortisation of intangible assets	11	14	38	47
Depreciation of property, plant and equipment	773	758	2,427	2,321
Depreciation of right-of-use assets	285	263	806	790
Employee benefits expense	2,846	2,765	8,672	7,224
Unrealised loss on foreign exchange translation	3	-	16	-
Interest expense on:				
- loans and borrowings	645	495	1,899	1,389
- lease liabilities	7	5	29	21
Rental income of premises	(44)	(48)	(132)	(161)
Interest income	(311)	(56)	(434)	(231)

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 2023.

**26 Income tax expense**

	Quarter Ended		Year-to-Date Ended	
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
<b>In respect of current period</b>				
Total income tax expense, representing current period's provision				
- Current tax	59	(5)	78	12
Total income tax expense	59	(5)	78	12

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 share of results of associates and joint ventures was net of tax.

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**27 Group Borrowings**

The Group's borrowings as at 30 September 2023 are as follows:

	<b>RM'000</b>
<b>Current</b>	
Secured term loan	2,093
Secured revolving credit	20,208
	<u>22,301</u>
<b>Non-current</b>	
Secured term loan	15,676
<b>Total borrowings</b>	<u>37,977</u>

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

**28 Changes in material litigation**

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

**29 Earnings/(loss) per ordinary share**

**(a) Basic earnings/(loss) per ordinary share**

The basic earnings/(loss) per ordinary share is calculated by dividing the Group's earnings/(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.

	<b>Quarter Ended</b>		<b>Year-to-Date Ended</b>	
	<b>30-Sep-23</b>	30-Sep-22	<b>30-Sep-23</b>	30-Sep-22
Profit/(loss) for the financial period attributable to owners of the Company (RM'000)	<u>1,908</u>	(456)	<u>28,912</u>	(5,408)
Weighted average number of ordinary shares in issue (units '000)	<u>479,926</u>	479,926	<u>479,926</u>	479,926
Basic earnings/(loss) per ordinary share (sen)	<u>0.40</u>	(0.10)	<u>6.02</u>	(1.13)

**(b) Diluted earnings/(loss) per ordinary share**

The Group has no dilution in its earnings/(loss) per ordinary share in the current quarter and year-to-date ended 30 September 2023 as there are no dilutive potential ordinary shares.

**Date: 23 November 2023**