

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

Unaudited Condensed Consolidated Statement of Financial Position
As at 30 April 2013

	Note	30-Apr-13 RM'000	31-Jan-13 RM'000
ASSETS			
Cash and short-term funds		22,812	73,468
Securities held-for-trading	9	18,600	24,921
Securities available-for-sale	10	196,625	697,656
Securities held-to-maturity	11	47,750	47,750
Derivative financial assets		6,761	1,203
Loans, advances and financing	12	4,201	4,102
Trade receivables	13	1,404	7,849
Other assets	14	5,033	3,857
Investment in associated company		35,579	35,579
Deferred tax assets		-	705
Property, plant and equipment		26,136	26,371
TOTAL ASSETS		<u>364,901</u>	<u>923,461</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Trade payables	15	9	7,207
Other liabilities	16	5,257	5,999
Provision for taxation		73	58
Deferred tax liabilities		1,492	257
TOTAL LIABILITIES		<u>6,831</u>	<u>13,521</u>
EQUITY			
Share capital		268,222	828,819
Reserves		89,848	81,121
TOTAL EQUITY		<u>358,070</u>	<u>909,940</u>
TOTAL LIABILITIES AND EQUITY		<u>364,901</u>	<u>923,461</u>
Net assets per share (RM)		1.33	1.10

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2013 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

Unaudited Condensed Consolidated Statement of Comprehensive Income
for the first quarter ended 30 April 2013

		Current quarter ended 30-Apr-13	Corresponding quarter ended 30-Apr-12	Current year to date 30-Apr-13	Corresponding year to date 30-Apr-12
	<u>Note</u>	RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		7,395	3,552	7,395	3,552
Interest income	17	822	240	822	240
Non-interest income	18	6,573	3,312	6,573	3,312
Other non-operating income	19	572	437	572	437
Net income		7,967	3,989	7,967	3,989
Operating expenses	20	(4,091)	(3,473)	(4,091)	(3,473)
Operating profit		3,876	516	3,876	516
Share of profit of an associated company		-	(71)	-	(71)
Writeback of impairment loss	21	43	-	43	-
Profit before tax		3,919	445	3,919	445
Income tax expense	32	(978)	(442)	(978)	(442)
Profit from continuing operations		2,941	3	2,941	3
Discontinued operations					
Profit from discontinued operations, net of tax		-	6,031	-	6,031
Profit for the period		2,941	6,034	2,941	6,034
Other comprehensive income:					
Net gain/(loss) on available-for-sale financial assets		7,760	(21,131)	7,760	(21,131)
Currency translation differences		(34)	(2)	(34)	(2)
Income tax relating to components of other comprehensive income		(1,940)	5,283	(1,940)	5,283
Other comprehensive income/(loss) for the period, net of tax		5,786	(15,850)	5,786	(15,850)
Total comprehensive income/(loss) for the period		8,727	(9,816)	8,727	(9,816)
Basic/diluted earnings per share ("EPS"):					
- from continuing operations		Sen 0.67	Sen 0.00	Sen 0.67	Sen 0.00
- from discontinued operations		-	0.73	-	0.73

* Outstanding options under Employee Share Options Scheme ("ESOS") have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2013 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

Unaudited Condensed Consolidated Statement of Changes in Equity
for the financial period ended 30 April 2013

	<-----Non-distributable----->										Distributable	
	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Capital redemption reserve RM'000	Foreign currency translation reserve RM'000	Available for sale revaluation reserve RM'000	Equity compensation reserve RM'000	Statutory reserve RM'000	Regulatory reserve RM'000	General reserve RM'000	Retained profits RM'000	Total RM'000
As at 1 February 2013	828,819	-	-	2,083	(3,252)	(1,868)	2,761	-	-	159	81,238	909,940
Total comprehensive income	-	-	-	-	(34)	5,820	-	-	-	-	2,941	8,727
Transaction with owners:												
Capital distribution	(560,597)	-	-	-	-	-	-	-	-	-	-	(560,597)
ESOS lapsed during the year	-	-	-	-	-	-	-	-	-	-	-	-
Write off of merger reserve	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
	(560,597)	-	-	-	-	-	-	-	-	-	-	(560,597)
As at 30 April 2013	268,222	-	-	2,083	(3,286)	3,952	2,761	-	-	159	84,179	358,070
As at 1 February 2012												
- as previously reported	830,902	(1,579)	26,561	-	(3,293)	20,331	3,122	80,787	-	159	59,307	1,016,297
- effect of change in accounting policy	-	-	-	-	-	-	-	-	-	-	4,746	4,746
	830,902	(1,579)	26,561	-	(3,293)	20,331	3,122	80,787	-	159	64,053	1,021,043
Total comprehensive income	-	-	-	-	41	(22,199)	-	-	-	-	(42,131)	(64,289)
Transactions with owners:												
ESOS lapsed during the year	-	-	-	-	-	-	(361)	-	-	-	-	(361)
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	(19,892)	(19,892)
Cancellation of treasury shares	(2,083)	1,579	-	2,083	-	-	-	-	-	-	(1,579)	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	4,746	-	(4,746)	-
Write-off of merger reserve	-	-	(26,561)	-	-	-	-	-	-	-	-	(26,561)
Disposal of ECM Libra												
Investment Bank Berhad	-	-	-	-	-	-	-	(80,787)	(4,746)	-	85,533	-
	(2,083)	1,579	(26,561)	2,083	-	-	(361)	(80,787)	-	-	59,316	(46,814)
As at 31 January 2013	828,819	-	-	2,083	(3,252)	(1,868)	2,761	-	-	159	81,238	909,940

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2013 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

Unaudited Condensed Consolidated Statement of Cash Flow
for the financial period ended 30 April 2013

	3 months ended	
	30-Apr-13	30-Apr-12
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax from:		
- continuing operations	3,919	445
- discontinued operations	-	8,414
	<u>3,919</u>	<u>8,859</u>
Adjustment for non-cash items	(3,367)	11,478
Operating profit before working capital changes	552	20,337
Net decrease/(increase) in operating assets	5,405	(76,235)
Net (decrease)/increase in operating liabilities	(7,940)	207,024
Cash (used in)/generated from operations	(1,983)	151,126
Net tax paid	(124)	(6,493)
Net cash (used in)/generated from operating activities	<u>(2,107)</u>	<u>144,633</u>
Cash flows from investing activities		
Dividend received	-	1,125
Net sales/(purchase) of securities	394,043	(92,563)
Capital distribution	(442,647)	-
Net sales/(purchase) of property, plant and equipment	50	(1,303)
Net cash generated from/(used in) investing activities	<u>(48,554)</u>	<u>(92,741)</u>
Cash flows from financing activities		
Interest paid	-	(12,599)
Net cash used in financing activities	<u>-</u>	<u>(12,599)</u>
Net (decrease)/increase in cash and cash equivalents	(50,661)	39,293
Effects of foreign exchange rate changes	5	965
Cash and cash equivalents at beginning of the period	73,468	228,743
Cash and cash equivalents at end of the period	<u>22,812</u>	<u>269,001</u>
Cash and cash equivalents comprise:		
Cash and short-term funds	22,812	481,529
Monies held in trust for dealers' representatives	-	(212,528)
	<u>22,812</u>	<u>269,001</u>

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2013 of the Group.

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

1 Basis of preparation

This unaudited quarterly financial report of the Group has been prepared on a historical cost basis, unless otherwise disclosed in the notes to the financial statements and are in accordance with the Companies Act, 1965 and MFRS 134 "Interim Financial Reporting" in Malaysia.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2013.

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 January 2013.

The following MFRS, IC Interpretation and Amendments to MFRSs have been adopted by the Group during the current period:

Effective for annual periods commencing on or after 1 January 2013

MFRS 3 Business Combination
MFRS 10 Consolidated Financial Statements
MFRS 11 Joint Arrangements
MFRS 12 Disclosure of Interests in Other Entities
MFRS 13 Fair Value Measurement
MFRS 119 Employee Benefits (revised)
MFRS 127 Separate Financial Statements (revised)
MFRS 128 Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards - Government Loans
Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 101 Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 116 Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132 Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 134 Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 10 Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11 Joint Arrangements: Transition Guidance
Amendments to MFRS 12 Disclosure of Interests in Other Entities: Transition Guidance
IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

The adoption of the IC Interpretation and Amendments to MFRSs above generally did not have any material impact on the financial results of the Group, as they mainly help to clarify the requirements of or provide further explanations to existing MFRSs.

1 Basis of preparation (cont'd.)

The following MFRSs and IC Interpretations have been issued by the MASB and are not yet effective:

Effective for annual periods commencing on or after 1 January 2014

Amendments to MFRS 10, MFRS 12 and MFRS 127 Investment Entities

Amendments to MFRS 132 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities

Effective for annual periods commencing on or after 1 January 2015

MFRS 9 Financial Instruments

Amendments to MFRS 7 Financial Instruments: Disclosures - Mandatory Date of MFRS 9 and Transition Disclosures

The Group plans to adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are expected to have no significant impact to the financial statements of the Group upon their initial application except as described below:

(i) MFRS 9 Financial Instruments

MFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of MFRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial liabilities and financial liabilities as defined in MFRS 139 and replaces the guidance in MFRS 139.

In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The adoption of the first phase of MFRS 9 may have an effect on the classification and measurement of the Group's financial assets and financial liabilities. The Group will quantify the effect in conjunction with the other phases when the final standard including all phases is issued.

(ii) MFRS 10 Consolidated Financial Statements

MFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by MFRS 10 will require management to exercise significant judgment to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in MFRS 127 Consolidated and Separate Financial Statements and IC Interpretation 112 Special Purpose Entities. Based on the preliminary analyses performed, MFRS 10 is not expected to have any impact on the currently held investments of the Group.

1 Basis of preparation (cont'd.)

(iii) MFRS 12 Disclosure of Interests in Other Entities

MFRS 12 includes all disclosures that were previously in MFRS 127 related to consolidated financial statements as well as all of the disclosures that were previously included in MFRS 11 Joint Arrangements and MFRS 128 Investments in Associates. These disclosures related to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required but have no impact on the Group's financial position or performance.

(iv) MFRS 13 Fair Value Measurement

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value but rather provides guidance on how to measure fair value under MFRS when fair value is required or permitted. The Group is currently assessing the impact that this Standard will have on the financial position and performance of the Group but based on preliminary analyses, no material impact is expected.

2 Audit report of preceding annual financial statements

The auditors' report on the Financial Statements for the year ended 31 January 2013 of the Company was not subjected to any qualification.

3 Seasonality and cyclicity factors

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

4 Exceptional items/unusual events

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the first quarter ended 30 April 2013.

5 Variation from financial estimates reported in preceding financial period

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

6 Borrowings and debt securities

There was no issuance, cancellation, resale and repayment of either borrowings or debt securities during the quarter under review.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

7 Dividend paid

There was no dividend paid during the quarter ended 30 April 2013.

8 Segmental reporting

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

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

During the previous financial year, the Company disposed of the entire equity interest in ECM Libra Investment Bank Berhad and its subsidiaries to Kenanga Investment Bank Berhad and K & N Kenanga Holdings Berhad. The segmental reporting for the comparative period included the investment banking business of the Group, reported under Discontinued Operations. The said disposal was completed on 14 December 2012 and the discontinued segments were eliminated in the current financial year.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

8 Segmental reporting (cont'd.)

3 months ended 30 April 2013	Investment holding and Capital market operations RM'000	Fund management RM'000	Corporate advisory and Structured financing RM'000	Group total RM'000
Revenue	3,786	2,784	825	7,395
Interest income	678	45	99	822
Non-interest income	3,108	2,739	726	6,573
Other non-operating income	572	-	-	572
Net income	4,358	2,784	825	7,967
Operating expenses	(1,479)	(2,603)	(9)	(4,091)
Operating profit	2,879	181	816	3,876
Writeback of impairment loss	43	-	-	43
Profit by segments	2,922	181	816	3,919
Share of profit of an associated company				-
Profit before tax				3,919
Segment assets	310,354	13,838	5,130	329,322
Investment in associated company				35,579
Total assets				364,901

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

Interim Financial Statements for the period ended 30 April 2013

8 Segmental reporting (cont'd.)

	<--Continuing operations-->		<-----Discontinued operations----->						
	Investment holding and Capital market operations RM'000	Fund management RM'000	Stockbroking RM'000	Investment banking and Structured financing RM'000	Treasury and Capital market operations RM'000	Others RM'000	Total RM'000	Inter-segment elimination RM'000	Group total RM'000
3 months ended 30 April 2012									
Revenue from external customers	454	3,098	15,361	12,118	13,980	754	45,765	-	45,765
Inter-segment revenue	-	-	2	-	14,284	7	14,293	(14,293)	-
	454	3,098	15,363	12,118	28,264	761	60,058	(14,293)	45,765
Net interest income	163	77	421	4,925	997	129	6,712	-	6,712
Non-interest income	291	3,021	12,784	3,597	5,444	499	25,636	-	25,636
Other non-operating income	437	-	86	6	(361)	11	179	-	179
Net income	891	3,098	13,291	8,528	6,080	639	32,527	-	32,527
Operating expenses	(1,334)	(2,139)	(12,433)	(1,150)	(5,872)	(797)	(23,725)	-	(23,725)
Operating profit	(443)	959	858	7,378	208	(158)	8,802	-	8,802
(Allowance for)/writeback of losses on loans, advances and financing	-	-	-	45	-	-	45	-	45
(Allowance for)/writeback of impairment allowance for bad and doubtful debts	-	-	(30)	-	5	-	(25)	-	(25)
Writeback of/(allowance for) impairment loss	-	-	-	-	108	-	108	-	108
Profit/(loss) by segments	(443)	959	828	7,423	321	(158)	8,930	-	8,930
Share of loss of an associated company									(71)
Profit before tax									8,859
Segment assets	67,921	20,272	481,303	383,585	1,904,154	77,197	2,934,432	(47,876)	2,886,556
Investment in associated company									19,906
Intangible assets									284,500
Total assets									3,190,962

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

9 Securities held-for-trading

	30-Apr-13	31-Jan-13
	RM'000	RM'000
At fair value		
Quoted shares	18,600	24,921
	18,600	24,921

10 Securities available-for-sale

	30-Apr-13	31-Jan-13
	RM'000	RM'000
At fair value		
Quoted shares	-	69,600
Unquoted securities		
- Private debt securities	-	48,070
Trust fund units	196,625	579,986
	196,625	697,656

The balance of securities that were reclassified from held-for-trading to available-for-sale during a previous financial year:

	30-Apr-13	31-Jan-13
	RM'000	RM'000
Carrying value as at beginning of financial period/year	-	3,045
Disposal of securities	-	(3,045)
Carrying value as at end of financial period/year	-	-

11 Securities held-to-maturity

	30-Apr-13	31-Jan-13
	RM'000	RM'000
At cost		
Redeemable Non-convertible Unsecured Loan Stock	47,750	47,750
	47,750	47,750

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

12 Loans, advances and financing

	30-Apr-13	31-Jan-13
	RM'000	RM'000
Term loans	4,341	4,242
Gross loans, advances and financing	4,341	4,242
Less: Collective assessment allowance	(140)	(140)
Total net loans, advances and financing	4,201	4,102

Analysis of gross loans, advances and financing

By residual contractual maturity

More than three years	4,341	4,242
Gross loans, advances and financing	4,341	4,242

By economic purpose

Others	4,341	4,242
Gross loans, advances and financing	4,341	4,242

By interest rate sensitivity

Fixed rate		
- Share margin financing, term loans and revolving credit	4,341	4,242
Gross loans, advances and financing	4,341	4,242

By type of customer

Domestic business enterprises	4,341	4,242
Gross loans, advances and financing	4,341	4,242

Movements in allowance for losses on loans and financing

	31-Jan-13	31-Jan-12
	RM'000	RM'000
Collective assessment allowance		
Balance at beginning of financial year		
- as previously reported	140	8,704
- effect of change in accounting policy	-	(6,328)
	140	2,376
Allowance made during the year		
- Continuing operations	-	140
- Discontinued operations	-	3,728
Disposal of subsidiary	-	(6,104)
Balance at end of financial year	140	140
As % of gross loans, advances and financing less individual assessment allowance	3.2%	3.3%

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

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

Individual assessment allowance

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

13 Trade receivables

	30-Apr-13	31-Jan-13
	RM'000	RM'000
Amount owing by trustees	1,404	7,849
	1,404	7,849

14 Other assets

	30-Apr-13	31-Jan-13
	RM'000	RM'000
Interest receivable	925	331
Deposits	417	416
Tax recoverable	817	1,654
Other receivables and prepayments	2,874	1,456
	5,033	3,857

15 Trade payables

	30-Apr-13	31-Jan-13
	RM'000	RM'000
Amount owing to trustees	9	7,207
	9	7,207

16 Other liabilities

	30-Apr-13	31-Jan-13
	RM'000	RM'000
Accruals and deposits received	1,530	1,684
Other payables	3,727	4,315
	5,257	5,999

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

17 Interest income

	Current quarter ended 30-Apr-13 RM'000	Corresponding quarter ended 30-Apr-12 RM'000	Current year to date 30-Apr-13 RM'000	Corresponding year to date 30-Apr-12 RM'000
Loans and advances	99	-	99	-
Short-term funds and deposits with financial institutions	141	240	141	240
Securities:				
- held-to-maturity	582	-	582	-
	822	240	822	240

18 Non-interest income

	Current quarter ended 30-Apr-13 RM'000	Corresponding quarter ended 30-Apr-12 RM'000	Current year to date 30-Apr-13 RM'000	Corresponding year to date 30-Apr-12 RM'000
Fee income				
- Fees on loans and advances	227	-	227	-
- Portfolio management fees	2,658	2,985	2,658	2,985
- Other fee income	812	327	812	327
	3,697	3,312	3,697	3,312
Investment and trading income				
Net loss arising from securities held-for-trading				
- Unrealised loss on revaluation	(6,390)	-	(6,390)	-
	(6,390)	-	(6,390)	-
Net gain arising from securities available-for-sale				
- Net gain on disposal	2,851	-	2,851	-
- Income distribution from fund	29	-	29	-
	2,880	-	2,880	-
Net gain arising from derivatives				
- Gain on revaluation	6,386	-	6,386	-
	6,386	-	6,386	-
Total non-interest income	6,573	3,312	6,573	3,312

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

19 Other non-operating income

	Current quarter ended 30-Apr-13 RM'000	Corresponding quarter ended 30-Apr-12 RM'000	Current year to date 30-Apr-13 RM'000	Corresponding year to date 30-Apr-12 RM'000
Rental income	346	435	346	435
Gain on disposal of motor vehicle	180	-	180	-
Gain on foreign exchange translations	39	2	39	2
Others	7	-	7	-
	572	437	572	437

20 Operating expenses

	Current quarter ended 30-Apr-13 RM'000	Corresponding quarter ended 30-Apr-12 RM'000	Current year to date 30-Apr-13 RM'000	Corresponding year to date 30-Apr-12 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	1,980	1,604	1,980	1,604
Contributions to defined contribution plan	242	176	242	176
Other personnel costs	193	149	193	149
	2,415	1,929	2,415	1,929
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	364	255	364	255
Property, plant and equipment written off	1	-	1	-
Rental of premises	45	79	45	79
Rental of network and equipment	44	61	44	61
Other establishment costs	20	6	20	6
	474	401	474	401
<u>Marketing and communication expenses</u>				
Advertising expenses	-	3	-	3
Entertainment	33	29	33	29
Other marketing expenses	129	106	129	106
	162	138	162	138
<u>Administrative and general expenses</u>				
Audit fees	24	20	24	20
Legal and professional fees	196	456	196	456
Printing and stationery	32	10	32	10
Insurance, postages and courier	105	5	105	5
Electricity and water charges	72	35	72	35
Telecommunication expenses	48	32	48	32
Others	563	447	563	447
	1,040	1,005	1,040	1,005
Total operating expenses	4,091	3,473	4,091	3,473

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

21 Writeback of impairment loss

	Current quarter ended 30-Apr-13 RM'000	Corresponding quarter ended 30-Apr-12 RM'000	Current year to date 30-Apr-13 RM'000	Corresponding year to date 30-Apr-12 RM'000
Writeback of impairment loss:				
- Private debt securities:				
• Available-for-sale	43	-	43	-
	<hr/>	<hr/>	<hr/>	<hr/>

22 Valuation of property, plant and equipment

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

23 Material subsequent event

There were no material events subsequent to 30 April 2013.

24 Changes in the composition of the Group

There are no changes in the composition of the Group during the quarter under review.

25 Commitments and contingencies

Capital commitments

As at 30 April 2013, the Group has commitments in respect of capital expenditure as follows: -

Authorised and contracted for	RM'000
	1,352
	<hr/>

26 Additional disclosure - Redeemable Non-convertible Unsecured Loan Stocks ("RULS") held on behalf of shareholders

At the Extraordinary General Meeting of the Company held on 31 July 2012, shareholders have approved by way of poll the following special resolutions:

- i) Proposed disposal of the Company's 100% equity interest in ECM Libra Investment Bank Berhad ("ECMLIB") to Kenanga Investment Bank Berhad ("KIBB") ("Proposed Disposal");
- ii) Proposed business merger of the businesses of ECMLIB and KIBB ("Proposed Business Merger"); and
- iii) Proposed capital restructuring comprising the following:
 - a) Proposed capital repayment to shareholders of the Company comprising cash, ordinary shares of RM1.00 each in K & N Kenanga Holdings Berhad ("KNKH") and redeemable non-convertible unsecured loan stocks ("RULS") issued by KNKH ("Proposed Capital Repayment");
 - b) Proposed share split involving the subdivision of the ordinary shares in the Company after the Proposed Capital Repayment to facilitate the Proposed Share Consolidation (defined below) ("Proposed Share Split"); and
 - c) Proposed consolidation of the ordinary shares in the Company after the Proposed Share Split resulting in the Company having a reduced issued and paid-up share capital comprising ordinary shares of RM1.00 each, taking into account the Proposed Disposal and Proposed Capital Repayment.

The Proposed Disposal and Proposed Business Merger were completed on 14 December 2012.

In a notice to shareholders dated 20 February 2013, all entitled shareholders were required to furnish the Company with details of their Scripless Securities Trading System ("SSTS") accounts in order to facilitate the distribution of the RULS. If an entitled shareholder does not wish to open a SSTS account, the Company will hold their entitlement to the RULS on their behalf. In such instance, the entitled shareholder will authorise the Company to exercise all their rights in respect of the RULS, including but not limited to, giving instructions to the Trustee (as defined herein) to convene meeting(s) of the RULS holders and voting at any meetings of the RULS holders convened under the Trust Deed dated 30 November 2012 between TMF Trustees Malaysia Berhad ("Trustee") and KNKH ("Trust Deed"). Where the Company holds the RULS on behalf of the entitled shareholders, the Company will remit to the entitled shareholders the interest and the redemption amount for the RULS as soon as practicable upon receipt from KNKH.

Some entitled shareholders have opted for the Company to hold the RULS on their behalf. The distribution of RULS was completed on 4 April 2013. As at 30 April 2013, the Company holds RM28,116,584 nominal value RULS on behalf of shareholders. The cost of administering the RULS are borne by the Company.

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

27 Status of corporate proposals announced

There are no corporate proposals announced but not completed as at 30 April 2013.

28 Performance review on the results of the Group

For the financial period ended 30 April 2013, the Group recorded a profit before tax of RM3.9 million and a profit after tax of RM2.8 million. This is mainly contributed by portfolio management fees income of RM2.9 million, investment income of RM2.9 million, fee income of RM1.0 million, interest income of RM0.8 million and rental income of RM0.4 million; partially offset by operating expenses of RM4.1 million.

i) Investment holding and capital market operations

Investment holding and capital market operations comprising capital market related operations and general investments, generates interest income, rental income, investment and other income.

Investment holding and capital market operations reported a profit before tax of RM2.9 million for the financial period ended 30 April 2013. Profit was mainly generated from investment and other income of RM3.1 million, interest income of RM0.7 million, rental income of RM0.3 million and gain on disposal of motor vehicle of RM0.2 million; offset by operating and corporate expenses of RM1.5 million.

Investment holding and capital market operations reported a higher profit before tax in the current quarter ended 30 April 2013 of RM2.9 million from RM1.3 million in the previous quarter ended 31 January 2013. The increase in profit is mainly due to higher investment and other income of RM3.1 million in the current quarter compared to RM1.1 million in the previous quarter.

(ii) Fund management

Fund management comprising unit trust funds and asset management, mainly generates management fees.

Fund management reported a profit before tax of RM0.2 million for the financial period ended 30 April 2013, largely contributed by portfolio management and portfolio performance fees income of RM2.7 million; partially offset by operating expenses of RM2.6 million.

Profit before tax for the current quarter of RM181 thousand increased from RM93 thousand in the previous quarter ended 31 January 2013 mainly due to lower operating expenses of RM2.6 million in the current quarter compared to RM3.2 million in the previous quarter. Portfolio management fees amounted to RM2.7 million in the current quarter compared to RM3.3 million in the previous quarter.

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

(iii) Corporate advisory and structured finance

Corporate advisory and structured financing which consist mainly of corporate advisory and structured lending activities, generates corporate advisory and related fees and interest income.

Corporate advisory and structured financing reported a profit before tax of RM0.8 million for the financial period ended 30 April 2013, largely contributed by fee income of RM0.7 million and interest income of RM0.1 million.

In the previous quarter ended 31 January 2013 the activities relating to corporate advisory and structured financing were organised under the investment banking business reported under Discontinued Operations.

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

For the financial quarter under review, the Group achieved a profit before tax of RM3.9 million as compared to RM9.9 million reported for the immediate preceding quarter.

In the previous quarter, the Group reported a share of profit of an associated company of RM8.6 million. For the current quarter, the Group reported higher investment income at RM2.9 million compared to RM1.0 million in the previous quarter and lower operating expenses at RM4.1 million compared to RM4.7 million in the previous quarter. Fee income amounted to RM3.7 million for the current quarter and RM3.9 million for the previous quarter.

30 Group's prospects

The Company is considered a Bursa Practice Note 17 (PN17) company by virtue of its disposal of the investment banking business which contributed more than 70% of its group revenue. The Board would like to emphasize that the Company is not a financially distressed company as it has healthy cash reserves with no borrowings. After the said disposal, it is deemed that the Company has insignificant revenue from its remaining businesses since a major portion was under the investment bank. In this regard, the revenue from the remaining businesses represents less than 5% of its time weighted average capital in issue. As part of the capital restructuring exercise, the Company has returned excess capital to shareholders and the capital in issue was reduced from RM828,819,091 to RM268,222,091 with effect from 28 February 2013.

Concurrent with exploring and assessing various business opportunities for business expansion, the Company is focusing on delivering group profitability. The Company ensured that financial and operational resources are in place to manage the business effectively. The Company is evaluating various options to regularize its financial condition to uplift the PN17 status and has up to 13 December 2013 to submit its regularisation plan to the authorities for approval.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

31 Profit forecast

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

32 Income tax expense

	Current quarter ended 30-Apr-13 RM'000	Corresponding quarter ended 30-Apr-12 RM'000	Current year to date 30-Apr-13 RM'000	Corresponding year to date 30-Apr-12 RM'000
Income tax expense on continuing operations	978	442	978	442
Income tax expense on discontinued operations	-	2,382	-	2,382
Total income tax expense	978	2,824	978	2,824
Major component of income tax expense include:				
Income tax:				
Current period provision	978	827	978	827
Under provision of tax in prior years	-	112	-	112
	978	939	978	939
Deferred taxation:				
Transfer from deferred tax	-	1,885	-	1,885
	978	2,824	978	2,824

The Group's effective tax rate for the first quarter ended 30 April 2013 was higher than statutory tax rate due to certain expenses not deductible for tax purposes.

33 Group borrowings

The Group has no borrowings and debt securities as at 30 April 2013.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

34 Realised and unrealised retained profits

The breakdown of the retained profits of the Group as at 30 April 2013 and 31 January 2013 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Securities dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Current year to date 30-Apr-13 RM'000	Previous year ended 31-Jan-13 RM'000
Total retained profits of the Group		
- Realised	90,739	87,010
- Unrealised	(319)	489
	90,420	87,499
Total share of retained profits from associate		
- Realised	9,002	9,002
	99,422	96,501
Add: Consolidation adjustments	(15,243)	(15,263)
Retained profits as per financial statements	84,179	81,238

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

35 Material litigations

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

36 Dividend

No dividend has been proposed for the quarter ended 30 April 2013.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 30 April 2013

37 Earnings per share

	Current quarter ended 30-Apr-13	Corresponding quarter ended 30-Apr-12	Current year to date 30-Apr-13	Corresponding year to date 30-Apr-12
Profit from: (RM'000)				
Continuing operations	2,941	3	2,941	3
Discontinued operations	-	6,031	-	6,031
Weighted average number of ordinary shares in issue ('000)	438,291	828,819	438,291	828,819
Basic/diluted* earnings per share (sen)				
From continuing operations	0.67	0.00	0.67	0.00
From discontinued operations	-	0.73	-	0.73

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

* Outstanding ESOS have been excluded from the computation of fully diluted earnings per RM1 ordinary share as the average market price of the ordinary shares is currently below the exercise price of the options.

Date : 18 June 2013