

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2013

Unaudited Condensed Consolidated Statement of Financial Position
As at 31 January 2013

		31-Jan-13	31-Jan-12	1-Feb-11
ASSETS	<u>Note</u>	RM'000	RM'000	RM'000
Cash and short-term funds		73,468	252,020	245,155
Deposits with financial institutions	9	-	20,631	21,489
Securities held-for-trading	10	24,921	360,985	353,818
Securities available-for-sale	11	697,656	675,033	519,479
Securities held-to-maturity	12	47,750	200,000	70,000
Derivative financial assets		1,203	6,688	9,552
Loans, advances and financing	13	4,102	556,570	658,351
Trade receivables	14	7,849	363,500	485,318
Other assets	15	3,857	29,443	21,760
Statutory deposit with Bank Negara Malaysia		-	27,165	8,834
Investment in associated company		35,579	19,976	19,757
Deferred tax assets		705	735	11,687
Property, plant and equipment		26,371	44,916	42,451
Intangible assets		-	284,500	284,500
TOTAL ASSETS		<u>923,461</u>	<u>2,842,162</u>	<u>2,752,151</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from customers	16	-	1,081,483	1,046,806
Deposits and placements of banks and other financial institutions	17	-	341,371	201,008
Derivative financial liabilities		-	57	-
Trade payables	18	7,207	324,413	428,095
Other liabilities	19	5,999	61,299	73,865
Provision for taxation		58	4,455	2,160
Deferred tax liabilities		257	8,041	958
Liabilities classified as held for sale	16	-	-	-
TOTAL LIABILITIES		<u>13,521</u>	<u>1,821,119</u>	<u>1,752,892</u>
EQUITY				
Share capital		828,819	830,902	830,902
Reserves		81,121	191,720	176,243
Less: Treasury shares, at cost	6	-	(1,579)	(7,886)
TOTAL EQUITY		<u>909,940</u>	<u>1,021,043</u>	<u>999,259</u>
TOTAL LIABILITIES AND EQUITY		<u>923,461</u>	<u>2,842,162</u>	<u>2,752,151</u>
Net assets per share (RM)		1.10	1.23	1.22

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2012 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2013

Unaudited Condensed Consolidated Statement of Comprehensive Income
for the fourth quarter ended 31 January 2013

	Current quarter ended 31-Jan-13	Corresponding quarter ended 31-Jan-12	Current year to date 31-Jan-13	Corresponding year to date 31-Jan-12
Note	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	5,744	3,254	16,579	13,980
Interest income	20 816	243	1,625	1,079
Non-interest income	21 4,928	3,011	14,954	12,901
Other non-operating income	22 349	509	1,628	1,541
Net income	6,093	3,763	18,207	15,521
Operating expenses	23 (4,749)	(4,135)	(15,590)	(13,755)
Operating profit /(loss)	1,344	(372)	2,617	1,766
Share of profit of an associated company	8,556	1,090	8,403	219
Writeback of/(allowance on) losses on loans, advances and financing	24 3	-	(140)	-
Profit before tax	9,903	718	10,880	1,985
Income tax expense	37 357	(95)	(657)	(797)
Profit from continuing operations	10,260	623	10,223	1,188
Discontinued operations				
Profit from discontinued operations, net of tax	25 2,384	468	16,298	28,759
Loss on disposal of subsidiary	25 (68,652)	-	(68,652)	-
(Loss)/profit for the period	(56,008)	1,091	(42,131)	29,947
Other comprehensive income:				
Net (loss)/gain on available-for-sale financial assets	(20,906)	19,663	(29,598)	26,217
Currency translation differences	38	2	41	2
Income tax relating to components of other comprehensive income	5,226	(5,675)	7,399	(6,604)
Other comprehensive (loss)/income for the period, net of tax	(15,642)	13,990	(22,158)	19,615
Total comprehensive income for the period	(71,650)	15,081	(64,289)	49,562
Basic/diluted earnings/(loss) per share ("EPS"):				
- from continuing operations	1.24	0.08	1.23	0.14
- from discontinued operations	(8.00)	0.06	(6.32)	3.50

* 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 2012 of the Group.

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

Interim Financial Statements for the period ended 31 January 2013

Unaudited Condensed Consolidated Statement of Changes in Equity

for the financial period ended 31 January 2013

	Non-distributable						Distributable					Total
	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	
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)
Transaction with owners:												
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	4,746	-	(4,746)	-
ESOS lapsed during the year	-	-	-	-	-	-	(361)	-	-	-	-	(361)
Write off of merger reserve	-	-	(26,561)	-	-	-	-	-	-	-	-	(26,561)
Disposal of ECM Libra Investment Bank Berhad	-	-	-	-	-	-	-	(80,787)	(4,746)	-	85,533	-
Revaluation of shares	-	-	-	-	-	-	-	-	-	-	-	-
Cancellation of treasury shares	(2,083)	1,579	-	2,083	-	-	-	-	-	-	(1,579)	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	(19,892)	(19,892)
	(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
As at 1 February 2011												
- as previously reported	830,902	(7,886)	26,561	-	(3,295)	718	3,526	65,720	-	159	76,501	992,906
- effect of change in accounting policy	-	-	-	-	-	-	-	-	-	-	6,353	6,353
	830,902	(7,886)	26,561	-	(3,295)	718	3,526	65,720	-	159	82,854	999,259
Total comprehensive income	-	-	-	-	2	19,613	-	-	-	-	29,947	49,562
Transactions with owners:												
Arising from the Company's ESOS vested during the year	-	-	-	-	-	-	186	-	-	-	-	186
ESOS lapsed during the year	-	-	-	-	-	-	(590)	-	-	-	-	(590)
Share buy-back by the Company	-	(12,170)	-	-	-	-	-	-	-	-	-	(12,170)
Transfer to statutory reserve	-	-	-	-	-	-	-	15,067	-	-	(15,067)	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	(15,204)	(15,204)
Share dividend	-	18,477	-	-	-	-	-	-	-	-	(18,477)	-
	-	6,307	-	-	-	-	(404)	15,067	-	-	(48,748)	(27,778)
As at 31 January 2012	830,902	(1,579)	26,561	-	(3,293)	20,331	3,122	80,787	-	159	64,053	1,021,043

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2012 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2013

Unaudited Condensed Consolidated Statement of Cash Flow
for the financial period ended 31 January 2013

	12 months ended	
	31-Jan-13	31-Jan-12
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax from:		
- continuing operations	10,880	1,985
- discontinued operations	(44,881)	49,630
	(34,001)	51,615
Adjustment for non-cash items	87,723	8,551
Operating profit before working capital changes	53,722	60,166
Net decrease in operating assets	199,911	211,992
Net (decrease)/increase in operating liabilities	(433,452)	63,303
Cash (used in)/generated from operations	(179,819)	335,461
Net tax paid	(6,951)	(3,849)
Net cash (used in)/generated from operating activities	(186,770)	331,612
Cash flows from investing activities		
Dividend received	2,721	1,533
Net sales/(purchase) of securities	290,101	(247,420)
Purchase of treasury shares	-	(12,170)
Disposal of subsidiary (Note 25)	(204,939)	-
Advances to associated company	(7,200)	-
Net purchase of property, plant and equipment	(8,601)	(5,688)
Net cash generated from/(used in) investing activities	72,082	(263,745)
Cash flows from financing activities		
Dividend paid	(19,892)	(15,204)
Interest paid	(43,361)	(47,870)
Net cash used in financing activities	(63,253)	(63,074)
Net (decrease)/increase in cash and cash equivalents	(177,941)	4,793
Effects of foreign exchange rate changes	2,692	3,752
Cash and cash equivalents at beginning of the period	248,717	240,172
Cash and cash equivalents at end of the period	73,468	248,717
Cash and cash equivalents comprise:		
Cash and short-term funds	73,468	252,020
Deposits with licensed financial institutions	-	20,631
Monies held in trust for dealers' representatives	-	(23,934)
	73,468	248,717

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2012 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 2012.

Since the previous annual audited financial statements as at 31 January 2012 were issued, the Group has adopted the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards as issued by the International Accounting Standards Board with effect from 1 February 2012. The Group has also adopted Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 18 Monies Held in Trust by Participating Organisation at Bursa Malaysia Securities Berhad ("FRSIC 18") during the financial year. The financial effects of convergence to the MFRS framework and any consequential changes in accounting policies as a result of the convergence are discussed in Note 31 Changes in accounting policies.

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

IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
Amendments to MFRS 1 Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to MFRS 7 Disclosures – Transfers of Financial Assets
Amendments to MFRS 112 Deferred Tax: Recovery of Underlying Assets
Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income

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.

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 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

1 Basis of preparation (cont'd.)

Effective for annual periods commencing on or after 1 January 2013 (cont'd.)

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

Effective for annual periods commencing on or after 1 January 2014

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 Financial Instruments: Recognition and Measurement ("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.

1 Basis of preparation (cont'd.)

(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.

(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 2012 of the Company was not subjected to any qualification.

3 Seasonality and cyclical 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 fourth quarter ended 31 January 2013 other than the disposal of ECM Libra Investment Bank Berhad and its subsidiaries (as disclosed in Note 32).

5 Variation from financial estimates reported in preceding financial period

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

6 Debt and equity securities

There was no issuance, cancellation, resale and repayment of either debt or equity securities during the quarter under review except for the following:

Treasury Shares

On 1 October 2012, the Company cancelled 2,082,862 treasury shares with a carrying amount of RM1,578,943 or an average price of RM0.7581 per share. The share capital cancelled was transferred to capital redemption reserve in accordance with the requirement of Section 67A of the Companies Act, 1965.

As at 31 January 2013, the Company did not hold any treasury shares.

7 Dividend paid

There was no dividend paid during the quarter ended 31 January 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 - treasury activities including money market operations, foreign exchange and general investments
- (ii) Fund management - unit trust funds and asset management

ECM Libra Financial Group Berhad ("ECMLFG") had on 15 June 2012 entered into a conditional share purchase agreement with Kenanga Investment Bank Berhad and K & N Kenanga Holdings Berhad for the proposed disposal by ECMLFG of the entire equity interest in ECM Libra Investment Bank Berhad ("ECMLIB"). The transaction was completed on 14 December 2012. The following segments of ECMLIB have been classified as discontinued from June 2012 onwards (note 30):

- (i) Stockbroking - stockbroking, share margin financing and dealing in securities
- (ii) Investment banking and structured financing - corporate finance advisory, equity capital markets services, debt capital markets and structured lending activities
- (iii) Treasury and capital market operations - treasury activities including money market operations, foreign exchange and proprietary investments
- (iv) Others - not significant to be individually disclosed

Treasury and capital market operations under ECM Libra Investment Bank Berhad, has been classified as discontinued from June onwards, therefore, the results of this operating segment has been split into continuing and discontinued operations.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2013

8 Segmental reporting (cont'd.)

	<--Continuing operations-->		<-----Discontinued operations----->						Inter-segment elimination	Group total
	Investment holding and Capital market operations	Fund management	Stockbroking	Investment banking and Structured financing	Treasury and Capital market operations	Others	Total	RM'000		
12 months ended 31 January 2013	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Revenue from external customers	4,221	12,358	48,045	43,097	52,437	3,290	163,448	-	163,448	
Inter-segment revenue	-	-	20	-	43,236	12	43,268	(43,268)	-	
	4,221	12,358	48,065	43,097	95,673	3,302	206,716	(43,268)	163,448	
Net interest income	1,370	255	2,584	18,009	6,123	644	28,985	-	28,985	
Non-interest income	2,851	12,103	37,115	11,668	27,893	2,058	93,688	-	93,688	
Other non-operating income	1,628	-	514	45	(328)	53	1,912	-	1,912	
Net income	5,849	12,358	40,213	29,722	33,688	2,755	124,585	-	124,585	
Operating expenses	(5,766)	(9,824)	(43,650)	(4,459)	(30,150)	(2,130)	(95,979)	-	(95,979)	
Operating profit/(loss)	83	2,534	(3,437)	25,263	3,538	625	28,606	-	28,606	
(Allowance for)/writeback of losses on loans, advances and financing	(140)	-	-	(4,080)	352	-	(3,868)	-	(3,868)	
(Allowance for)/writeback of impairment allowance for bad and doubtful debts	-	-	(104)	-	87	-	(17)	-	(17)	
Writeback of impairment loss	-	-	-	-	1,528	-	1,528	-	1,528	
(Loss)/profit by segments	(57)	2,534	(3,541)	21,183	5,505	625	26,249	-	26,249	
Share of profit of an associated company									8,403	
Loss on disposal of subsidiary									(68,652)	
Loss before tax									(34,000)	
Segment assets	866,544	21,338	-	-	-	-	887,882	-	887,882	
Investment in associated company									35,579	
Total assets									923,461	

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

Interim Financial Statements for the period ended 31 January 2013

8 Segmental reporting (cont'd.)

12 months ended 31 January 2012 (Restated)	<--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
Revenue from external customers	2,499	11,481	57,330	45,283	59,757	1,937	178,287	-	178,287
Inter-segment revenue	-	-	-	-	50,077	241	50,318	(50,318)	-
	2,499	11,481	57,330	45,283	109,834	2,178	228,605	(50,318)	178,287
Net interest income	806	273	2,769	20,797	11,146	384	36,175	-	36,175
Non-interest income	1,693	11,208	48,890	8,497	24,795	1,126	96,209	-	96,209
Other non-operating income	1,541	-	2,712	67	(219)	180	4,281	-	4,281
Net income	4,040	11,481	54,371	29,361	35,722	1,690	136,665	-	136,665
Operating expenses	(4,833)	(8,922)	(50,616)	(4,990)	(18,041)	(5,340)	(92,742)	-	(92,742)
Operating profit	(793)	2,559	3,755	24,371	17,681	(3,650)	43,923	-	43,923
(Allowance for)/writeback of losses on loans, advances and financing	-	-	(311)	(406)	-	46	(671)	-	(671)
(Allowance for)/writeback of impairment allowance for bad and doubtful debts	-	-	110	(73)	6,456	-	6,493	-	6,493
Writeback of/(allowance for) impairment loss	87	(87)	-	-	1,651	-	1,651	-	1,651
Profit/(loss) by segments	(706)	2,472	3,554	23,892	25,788	(3,604)	51,396	-	51,396
Share of loss of an associated company									219
Profit before tax									51,615
Segment assets	51,500	15,141	471,430	446,468	1,510,224	75,836	2,570,599	(32,913)	2,537,686
Investment in associated company									19,976
Intangible assets									284,500
Total assets									2,842,162

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
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9 Deposits with financial institutions

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Licensed banks	-	20,631	1,489
Licensed investment banks	-	-	20,000
	-	20,631	21,489

10 Securities held-for-trading

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
At fair value			
Malaysian Government Securities	-	60,708	-
Bankers' acceptances	-	194,977	304,060
Bank Negara Malaysia Notes	-	93,225	49,758
Quoted shares	24,921	2,001	-
Quoted Private Debt Securities	-	10,074	-
	24,921	360,985	353,818

11 Securities available-for-sale

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
At fair value			
Malaysian Government Securities	-	254,019	70,973
Malaysian Government Investment Issuance	-	89,122	-
Cagamas bonds	-	40,278	60,014
Bank Negara Malaysia Notes	-	-	149,498
Quoted shares	69,600	147,398	46,247
Unquoted securities			
- Private debt securities	48,070	130,027	195,251
- Shares	-	2,200	2,200
Trust fund units	579,986	15,042	-
	697,656	678,086	524,183
Less: Impairment loss on securities	-	(3,053)	(4,704)
	697,656	675,033	519,479

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
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11 Securities available-for-sale (cont'd.)

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

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Carrying value as at beginning of financial period/year	3,045	3,926	49,282
Disposal of securities	(3,045)	-	(47,215)
Loss on revaluation			
- recognised in available-for-sale revaluation reserves	-	(881)	(1,082)
Deferred tax under-recognised	-	-	2,941
Carrying value as at end of financial period/year	-	3,045	3,926

12 Securities held-to-maturity

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
At cost			
Redeemable Non-convertible Unsecured Loan Stock	47,750	-	-
Negotiable instruments of deposit	-	200,000	70,000

13 Loans, advances and financing

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Share margin financing	-	360,591	319,135
Term loans	4,242	189,649	276,004
Revolving credit	-	8,706	5,882
Bridging loans	-	-	59,035
Gross loans, advances and financing	4,242	558,946	660,056
Less: Collective assessment allowance	(140)	(2,376)	(1,705)
Total net loans, advances and financing	4,102	556,570	658,351

Analysis of gross loans, advances and financing

By residual contractual maturity

Maturity within one year	-	511,947	660,056
More than one year to three years	-	46,999	-
More than three years	4,242	-	-
Gross loans, advances and financing	4,242	558,946	660,056

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

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
<u>By economic purpose</u>			
Purchase of securities	-	404,530	473,531
Working capital	-	79,367	111,469
Others	4,242	75,049	75,056
Gross loans, advances and financing	4,242	558,946	660,056
<u>By interest rate sensitivity</u>			
Fixed rate			
- Share margin financing, term loans and revolving credit	4,242	558,946	660,056
Gross loans, advances and financing	4,242	558,946	660,056
<u>By type of customer</u>			
Domestic business enterprises	4,242	417,999	377,112
Individuals	-	122,275	240,128
Domestic non-bank financial institutions	-	18,672	42,816
Gross loans, advances and financing	4,242	558,946	660,056

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	8,704	10,176
- effect of change in accounting policy	(6,328)	(8,471)
	2,376	1,705
Allowance made during the year		
- Continuing operations (Note 31)	140	-
- Discontinued operations	3,728	671
Disposal of subsidiary	(6,104)	-
Balance at end of financial year	140	2,376
As % of gross loans, advances and financing less individual assessment allowance	3.3%	0.4%

Individual assessment allowance

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

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14 Trade receivables

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Amount owing by clients	-	165,279	217,143
Amount owing by brokers	-	196,574	265,989
	<u>-</u>	<u>361,853</u>	<u>483,132</u>
Less: Impairment allowance for bad and doubtful receivables			
Individual assessment allowance	-	(1,044)	(1,010)
	<u>-</u>	<u>360,809</u>	<u>482,122</u>
Amount owing by trustees	7,849	2,691	3,196
	<u>7,849</u>	<u>363,500</u>	<u>485,318</u>

15 Other assets

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Interest receivable	331	7,653	3,813
Deposits	416	6,410	5,066
Tax recoverable	1,654	1,448	5,636
Other receivables and prepayments	1,456	16,208	9,696
	<u>3,857</u>	<u>31,719</u>	<u>24,211</u>
Less: Individual assessment allowance	-	(2,276)	(2,451)
	<u>3,857</u>	<u>29,443</u>	<u>21,760</u>

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16 Deposits from customers

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
<u>By type of deposits</u>			
Short-term deposits	-	1,064,920	1,043,290
Negotiable instruments of deposit	-	16,563	3,516
	<u>-</u>	<u>1,081,483</u>	<u>1,046,806</u>
<u>By type of customers</u>			
Government and statutory bodies	-	116,300	70,000
Domestic business enterprises	-	177,508	173,913
Domestic other entities	-	600	-
Individuals	-	26,991	22,133
Non-bank financial institutions	-	760,084	780,760
	<u>-</u>	<u>1,081,483</u>	<u>1,046,806</u>
Maturity structure of short-term deposits and negotiable instruments of deposit are as follows:			
Due within six months	-	1,061,720	1,007,513
More than six months to one year	-	19,763	39,293
	<u>-</u>	<u>1,081,483</u>	<u>1,046,806</u>

17 Deposits and placements of banks and other financial institutions

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Licensed banks	-	266,409	201,008
Licensed investment banks	-	74,962	-
	<u>-</u>	<u>341,371</u>	<u>201,008</u>

18 Trade payables

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Amount owing to clients	-	102,743	178,563
Amount owing to brokers	-	221,589	248,295
Amount owing to trustees	7,207	81	1,237
	<u>7,207</u>	<u>324,413</u>	<u>428,095</u>

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19 Other liabilities

	31-Jan-13	31-Jan-12	1-Feb-11
	RM'000	RM'000	RM'000
Interest payables	-	2,585	4,552
Accruals and deposits received	1,684	8,968	14,196
Remisiers' and dealers' trust accounts	-	20,710	19,531
Other payables	4,315	29,036	35,586
	5,999	61,299	73,865

20 Interest income

	Current	Corresponding	Current	Corresponding
	quarter ended	quarter ended	year to date	year to date
	31-Jan-13	31-Jan-12	31-Jan-13	31-Jan-12
	RM'000	RM'000	RM'000	RM'000
Loans and advances	103	-	175	-
Short-term funds and deposits with financial institutions	392	243	1,129	1,077
Securities:				
- held-to-maturity	321	-	321	-
Others	-	-	-	2
	816	243	1,625	1,079

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21 Non-interest income

	Current quarter ended 31-Jan-13 RM'000	Corresponding quarter ended 31-Jan-12 RM'000	Current year to date 31-Jan-13 RM'000	Corresponding year to date 31-Jan-12 RM'000
Fee income				
- Fees on loans and advances	125	-	125	-
- Portfolio management fees	3,173	2,534	11,772	10,431
- Other fee income	645	457	1,903	1,966
	3,943	2,991	13,800	12,397
Investment and trading income				
Net loss arising from securities held-for-trading				
- Unrealised loss on revaluation	(400)	-	(400)	-
	(400)	-	(400)	-
Net gain arising from securities available-for-sale				
- Net gain on disposal	181	-	350	484
- Gross dividend income	-	20	-	20
	181	20	350	504
Net gain arising from derivatives				
- Gain on revaluation	1,204	-	1,204	-
	1,204	-	1,204	-
Gain on foreign exchange transactions	-	-	-	-
Total non-interest income	4,928	3,011	14,954	12,901

22 Other non-operating income

	Current quarter ended 31-Jan-13 RM'000	Corresponding quarter ended 31-Jan-12 RM'000	Current year to date 31-Jan-13 RM'000	Corresponding year to date 31-Jan-12 RM'000
Rental income	345	432	1,593	1,358
Gain on disposal of property, plant and equipment	-	-	-	91
Gain on foreign exchange translations	4	4	1	(1)
Others	-	73	34	93
	349	509	1,628	1,541

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23 Operating expenses

	Current quarter ended 31-Jan-13 RM'000	Corresponding quarter ended 31-Jan-12 RM'000	Current year to date 31-Jan-13 RM'000	Corresponding year to date 31-Jan-12 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	2,499	2,238	7,443	6,618
Contributions to defined contribution plan	231	163	808	645
Other personnel costs	53	119	649	647
	2,783	2,520	8,900	7,910
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	316	251	1,033	835
Property, plant and equipment written off	-	-	3	-
Rental of premises	68	60	297	291
Rental of network and equipment	44	(51)	212	130
Other establishment costs	17	5	34	19
	445	265	1,579	1,275
<u>Marketing and communication expenses</u>				
Advertising expenses	-	29	3	138
Entertainment	34	40	107	130
Other marketing expenses	158	124	501	444
	192	193	611	712
<u>Administrative and general expenses</u>				
Audit fees	48	27	104	83
Legal and professional fees	145	346	1,160	1,045
Printing and stationery	17	10	42	42
Insurance, postages and courier	35	7	83	49
Electricity and water charges	22	7	40	28
Telecommunication expenses	28	31	114	121
Travelling and accomodation	76	2	92	14
Others	958	727	2,865	2,476
	1,329	1,157	4,500	3,858
Total operating expenses	4,749	4,135	15,590	13,755

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24 Writeback of/(allowance on) losses on loans, advances and financing

	Current quarter ended 31-Jan-13 RM'000	Corresponding quarter ended 31-Jan-12 RM'000	Current year to date 31-Jan-13 RM'000	Corresponding year to date 31-Jan-12 RM'000
Collective assessment allowance				
- Writeback/(allowance) made during the financial period	3	-	(140)	-

25 Discontinued operations/Disposal of subsidiaries

The Company had on 15 June 2012, entered into a conditional share purchase agreement with Kenanga Investment Bank Berhad and K & N Kenanga Holdings Berhad ("KNKH") for the proposed disposal by ECMLFG of the entire equity interest in ECM Libra Investment Bank Berhad and its subsidiaries ("ECMLIB Group") for a total disposal consideration of RM875,114,000.

The subsidiary was not a discontinued operations or classified as held for sale as at 31 January 2012 and the comparative consolidated statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operations separately from continuing operations.

Profit attributable to the discontinued operation were as follows:

	Current year to date 31-Jan-13 RM'000	Corresponding year to date 31-Jan-12 RM'000
Results of discontinued operation		
Net income	108,633	123,584
Expenses	(84,862)	(73,954)
Results from operating activities	<u>23,771</u>	<u>49,630</u>
Tax expense	(7,473)	(20,871)
Profit for the year	<u>16,298</u>	<u>28,759</u>
Loss on disposal of subsidiary	<u>(68,652)</u>	<u>-</u>
Included in results from operating activities are:		
Depreciation of property, plant and equipment	<u>4,157</u>	<u>4,068</u>

The profit from discontinued operation of RM16,298,000 (2012: RM28,759,000) is attributable entirely to owners of the Company.

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25 Discontinued operations/Disposal of subsidiaries (cont'd.)

Statement of cash flows for discontinued operations

	12 months ended	
	31-Jan-13	31-Jan-12
	RM'000	RM'000
Cash flows (used in)/generated from disposed subsidiary		
Net cash (used in)/generated from operating activities	(1,197,447)	250,194
Net cash generated from/(used in) investing activities	976,432	(167,546)
Net cash used in financing activities	(11,550)	(85,027)
Effect on cash flows	(232,565)	(2,379)

The effects of the disposal on the Company's and the Group's financial statements

The disposal of ECMLIB Group gave rise to a gain of RM85,189,000 at the Company level and loss of RM68,652,000 at the Group level. Details of the disposal are as follows:

	RM'000
Cash proceeds	659,614
120,000,000 ordinary shares of RM1.00 each in KNKH	120,000
95,500,000 KNKH's Redeemable Non-Convertible Unsecured Loan Stock of RM1.00 each	95,500
Total consideration as per share purchase agreement	875,114
Revaluation of KNKH shares at 14 December 2012 based on market closing price of 58.5 sen	(49,800)
	825,314
Less: Cost of investment in subsidiary	(513,595)
	311,719
Less: Writedown of subsidiaries to net tangible assets	(226,530)
Gain on disposal at Company level	85,189
Gain on disposal before writedown of subsidiaries to net tangible assets	311,719
Realisation of statutory reserve	(80,787)
Realisation of regulatory reserve	(4,746)
Post acquisition reserves recognised up to the date of disposal	(89,399)
	136,787
Goodwill written off	(205,439)
Loss on disposal at Group level	(68,652)
<u>Cash flow from investing activities - Disposal of subsidiary</u>	
Cash proceeds	659,614
Less: cost of purchase of securities from ECMLIB effected on closing date of disposal	(117,542)
Net cash proceeds from disposal	542,072
Cash and cash equivalents of ECMLIB	746,516
Deposits and placements of ECMLIB with financial institutions	495
Net cash outflow from disposal	(204,939)

26 Capital adequacy

As disclosed in Note 29, the ECM Libra Financial Group Berhad ("the Company") has disposed of ECM Libra Investment Bank Berhad and its subsidiaries ("ECMLIB Group") on 14 December 2012. Upon disposal of ECMLIB Group, the Company is no longer a financial holding company and therefore, does not fall within the purview of Bank Negara Malaysia. The capital adequacy position reported in the previous financial quarter was in respect of the financial position of ECMLIB. The reporting on capital adequacy is no longer applicable as at 31 January 2013.

27 Valuation of property, plant and equipment

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

28 Material subsequent event

There were no material events subsequent to 31 January 2013 except as disclosed in Note 32.

29 Changes in the composition of the Group

On 15 June 2012, ECM Libra Financial Group Berhad ("ECMLFG") entered into a conditional share purchase agreement with Kenanga Investment Bank Berhad and K & N Kenanga Holdings Berhad for the proposed disposal of the entire equity interest in ECM Libra Investment Bank Berhad, together with its subsidiary companies ECML Nominees (Tempatan) Sdn. Bhd., ECML Nominees (Asing) Sdn. Bhd. and Avenue Kestrel Sdn. Bhd. ("ECMLIB Group"). ECMLIB Group, being the investment banking subsidiary of the Group, represents a major component of the Group. On 14 December 2012, the disposal of ECMLIB Group was completed.

On 10 May 2012, the Liquidator of ECM Libra Securities Nominees Sdn Bhd ("ECMLN"), a dormant wholly-owned subsidiary, had convened the Final Meeting to conclude the member's voluntary winding-up of ECMLN. The Return by Liquidator Relating to Final Meeting of ECMLN has been lodged on 11 May 2012 with Companies Commission of Malaysia ("CCM") and the Official Receiver, and upon the expiration of 3 months from 11 May 2012, ECMLN was dissolved.

On 29 March 2012, the Liquidator of ECM Libra Securities Portfolio Management Sdn Bhd ("ECMLSPM") and Ultimate Acres Sdn Bhd ("UASB"), dormant wholly-owned subsidiaries, had convened the Final Meeting to conclude the member's voluntary winding-up of ECMLSPM and UASB. The Return by Liquidator Relating to Final Meeting of ECMLSPM and UASB have been lodged on 30 March 2012 with CCM and the Official Receiver, and upon the expiration of 3 months from 30 March 2012, ECMLSPM and UASB were dissolved.

30 Commitments and contingencies

(a) Capital commitments

As at 31 January 2013, the Group has commitments in respect of capital expenditure as follows: -

Authorised and contracted for

RM'000
1,946

30 Commitments and contingencies (cont'd.)

(b) Other commitments and contingencies

In the normal course of business of the then investment banking subsidiary, ECM Libra Investment Bank Berhad ("ECMLIB") made various commitments and incurred certain contingent liabilities with legal recourse to its customers.

As the sale transaction of ECMLIB was completed on 14 December 2012, the Group no longer bears such commitments or incurs such contingent liability with legal recourse in its normal course of business as at financial year ended 31 January 2013.

31 Changes in accounting policies

(a) Transition to the MFRS Framework

These unaudited interim financial statements are for part of the period covered by the Group's first annual financial statements prepared under the MFRS framework. Accordingly, the Group has applied MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards in their transition to the MFRS framework on 1 February 2012. The policy elections made on transition date are listed in the audited financial statements of the Group for the financial year ended 31 January 2012. The MFRS did not result in any financial impact to the Group other than the financial impact arising from the change in accounting policy on collective assessment allowance, as the accounting policies adopted under the previous FRS framework were already in line with the requirements of the MFRS framework.

The transition to the MFRS framework has resulted in the following changes:

(i) MFRS 139 Financial Instruments: Recognition and Measurement ("MFRS 139") - Accounting policy on collective assessment allowance for loans, advances and financing ("loans")

Prior to the transition to MFRS 139, the Group had maintained its collective assessment allowance at 1.5% of total outstanding loans, net of individual assessment allowance, in line with Bank Negara Malaysia ("BNM")'s transitional provisions under its Guidelines on Classification and Impairment Provisions for Loans/Financing. Upon the transition to MFRS 139 on 1 February 2012, these transitional provisions, which were allowed under the previous FRS framework, were removed and the Group has applied the requirements of MFRS 139 in the determination of collective assessment allowance.

Under MFRS 139, collective assessment is performed on loans which are not individually significant based on the incurred loss approach. Loans which are individually assessed and where there is no objective evidence of impairment are also included in the group of loans for collective assessment. These loans are pooled into groups with similar credit risk characteristics and the future cash flows for each group is estimated on the basis of the historical loss experience for such assets and discounted to present value. Collective assessment allowance is made on any shortfall in these discounted cash flows against the carrying value of the group of loans.

31 Changes in accounting policies (cont'd.)

(a) Transition to the MFRS Framework (cont'd.)

(i) **MFRS 139 Financial Instruments: Recognition and Measurement ("MFRS 139") - Accounting policy on collective assessment allowance for loans, advances and financing ("loans") (cont'd.)**

This change in accounting policy has been accounted for retrospectively and has resulted in a decrease in the collective assessment allowance charged in the income statement and a writeback of collective assessment allowance to the opening retained profits and opening collective assessment allowance in the statement of financial position. BNM requires ECM Libra Investment Bank Berhad ("Bank") to classify the writeback of collective assessment allowance into regulatory reserve until the validation is completed. A summary of the financial impact of the change in accounting policy on the financial statements of the Group are as follows:

Statement of Financial Position	31-Jan-12	1-Feb-11
	RM'000	RM'000
<u>Loans, advances and financing - collective assessment allowance</u>		
As previously stated	8,704	10,176
Effect of change in accounting policy	(6,328)	(8,471)
As restated	<u>2,376</u>	<u>1,705</u>
<u>Retained profits</u>		
As previously stated	59,307	76,501
Effect of change in accounting policy	4,746	6,353
As restated	<u>64,053</u>	<u>82,854</u>

(ii) **FRSIC Consensus 18 Monies Held in Trust by Participating Organisations of Bursa Malaysia Securities Berhad**

FRSIC Consensus 18 was developed by the FRSIC and issued by the Malaysian Institute of Accountants ("MIA" or "Institute") on 18 September 2012.

FRSIC 18 provides that the trust monies do not constitute as part of the participating organisation's assets because it does not have any control over the trust monies to obtain the future economic benefits embodied in trust monies. Although a participating organisation is required to maintain the trust monies pursuant to Capital Markets Services Act, 2007 ("CMSA 2007") and Bursa Securities Rules, it does not have any contractual or statutory obligation to its clients on the trust monies that would result in an outflow of resources embodying economic benefits from it. However, a liability will be recognised in the event of a loss of trust monies which would result in the payment of any compensation by the participating organisation to its client.

In accordance with FRSIC Consensus 18, it was suggested that the recognition of the trust monies as assets of the participating organisation with corresponding liabilities may not be appropriate from the context of the MFRS. FRSIC Consensus 18 provides guidance on the accounting of monies held in trust by a participating organisation of Bursa Malaysia Securities Berhad pursuant to the provisions of CMSA 2007 and the Rules of Bursa Malaysia Securities Berhad ("Bursa Securities Rules").

31 Changes in accounting policies (cont'd.)

(a) Transition to the MFRS Framework (cont'd.)

(ii) FRSIC Consensus 18 Monies Held in Trust by Participating Organisations of Bursa Malaysia Securities Berhad (cont'd.)

Hence, the recognition of the trust monies as part of the participating organisation's assets with corresponding liabilities is inappropriate from the context of MFRS. As such, pursuant to the issued guidance, the Group has implemented the guidance accordingly.

This change due to FRSIC 18 has been accounted for retrospectively and has resulted in a decrease in the opening cash and balances with banks and other liabilities respectively in the statement of financial position. A summary of the financial impact of the change in accounting policy on the financial statements of the Group is as follows:

Statement of Financial Position	31-Jan-12 RM'000	1-Feb-11 RM'000
<u>Cash and balances with banks</u>		
As previously stated	410,566	394,897
Effect of change due to FRSIC 18	(158,546)	(149,742)
As restated	<u>252,020</u>	<u>245,155</u>
<u>Trade payables</u>		
As previously stated	482,959	577,837
Effect of change due to FRSIC 18	(158,546)	(149,742)
As restated	<u>324,413</u>	<u>428,095</u>

31 Changes in accounting policies (cont'd.)

(b) Financial impact of changes in accounting policies

In the preparation of the Group's opening MFRS statements of financial position, the amounts previously reported in accordance with the previous FRS framework have been adjusted for the financial effects of the adoption of the MFRS framework. A reconciliation of these changes is summarised in the following tables:

(i) Statement of Financial Position

As at 31 January 2012	Under the FRS Framework RM'000	Effect of transition to MFRS 139 RM'000	Effect of adopting FRSIC 18 RM'000	Under the MFRS Framework RM'000
ASSETS				
Cash and short-term funds	410,566		(158,546)	252,020
Deposits with financial institutions	20,631			20,631
Securities held-for-trading	360,985			360,985
Securities available-for-sale	675,033			675,033
Securities held-to-maturity	200,000			200,000
Derivative financial assets	6,688			6,688
Loans, advances and financing	550,242	6,328		556,570
Trade receivables	363,500			363,500
Other assets	29,443			29,443
Statutory deposit with Bank				
Negara Malaysia	27,165			27,165
Investment in associated company	19,976			19,976
Deferred tax assets	735			735
Property, plant and equipment	44,916			44,916
Intangible assets	284,500			284,500
TOTAL ASSETS	2,994,380			2,842,162
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from customers	1,081,483			1,081,483
Deposits and placements of banks and other financial institutions	341,371			341,371
Derivative financial liabilities	57			57
Trade payables	482,959		(158,546)	324,413
Other liabilities	61,299			61,299
Provision for taxation	2,873	1,582		4,455
Deferred tax liabilities	8,041			8,041
TOTAL LIABILITIES	1,978,083			1,821,119
EQUITY				
Share capital	830,902			830,902
Reserves	186,974	4,746		191,720
Less: Treasury shares, at cost	(1,579)			(1,579)
TOTAL EQUITY	1,016,297			1,021,043
TOTAL LIABILITIES AND EQUITY	2,994,380			2,842,162
Net assets per share (RM)	1.23			1.23

31 Changes in accounting policies (cont'd.)

(b) Financial impact of changes in accounting policies (cont'd.)

(i) Statement of Financial Position (cont'd.)

As at 1 February 2011	Under the FRS Framework RM'000	Effect of transition to MFRS 139 RM'000	Effect of adopting FRSIC 18 RM'000	Under the MFRS Framework RM'000
ASSETS				
Cash and short-term funds	394,897		(149,742)	245,155
Deposits with financial institutions	21,489			21,489
Securities held-for-trading	353,818			353,818
Securities available-for-sale	519,479			519,479
Securities held-to-maturity	70,000			70,000
Derivative financial assets	9,552			9,552
Loans, advances and financing	649,880	8,471		658,351
Trade receivables	485,318			485,318
Other assets	21,760			21,760
Statutory deposit with Bank Negara Malaysia	8,834			8,834
Investment in associated company	19,757			19,757
Deferred tax assets	11,687			11,687
Property, plant and equipment	42,451			42,451
Intangible assets	284,500			284,500
TOTAL ASSETS	<u>2,893,422</u>			<u>2,752,151</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from customers	1,046,806			1,046,806
Deposits and placements of banks and other financial institutions	201,008			201,008
Derivative financial liabilities	-			-
Trade payables	577,837		(149,742)	428,095
Other liabilities	73,865			73,865
Provision for taxation	42	2,118		2,160
Deferred tax liabilities	958			958
TOTAL LIABILITIES	<u>1,900,516</u>			<u>1,752,892</u>
EQUITY				
Share capital	830,902			830,902
Reserves	169,890	6,353		176,243
Less: Treasury shares, at cost	(7,886)			(7,886)
TOTAL EQUITY	<u>992,906</u>			<u>999,259</u>
TOTAL LIABILITIES AND EQUITY	<u>2,893,422</u>			<u>2,752,151</u>
Net assets per share (RM)	1.21			1.22

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

32 Status of corporate proposals announced

Status of corporate proposal announced but not completed as at 20 March 2013 (being the date of issue of this Quarterly Report) is as follows:

On 15 June 2012, ECM Libra Financial Group Berhad ("ECMLFG" or "the Company") announced that:

- i) ECMLFG had entered into a conditional share purchase agreement with Kenanga Investment Bank Berhad ("KIBB") and K&N Kenanga Holdings Berhad ("KNKH") for the disposal by ECMLFG of the entire equity interest in ECM Libra Investment Bank Berhad ("ECMLIB") to KIBB for a total disposal consideration of RM875,114,000 ("Proposed Disposal"); and
- ii) Pursuant to the Proposed Disposal, ECMLIB simultaneously entered into a business merger agreement with KIBB for the proposed business merger of the businesses of ECMLIB and KIBB ("Proposed Business Merger").

In conjunction with and arising from the above, ECMLFG also announced that the Company proposed to undertake a capital restructuring as follows:

- i) Proposed capital repayment to the shareholders of ECMLFG comprising a total of RM442,647,000 in cash, 120,000,000 KNKH Shares and RM47,750,000 Redeemable Unsecured Loan Stock ("RULS") via a reduction of the par value of the existing ECMLFG Shares by an amount to be determined, in accordance with Section 64 of the Act ("Proposed Capital Repayment");
- ii) Proposed share split involving the subdivision of the ECMLFG Shares after the Proposed Capital Repayment, to facilitate the Proposed Share Consolidation (as defined below) ("Proposed Share Split"); and
- iii) Proposed consolidation of the ECMLFG Shares after the Proposed Share Split resulting in ECMLFG having a reduced issued and paid-up share capital taking into account the Proposed Disposal and the Proposed Capital Repayment ("Proposed Share Consolidation"),

(collectively referred to as the "Proposals"). The Proposed Share Split and Proposed Share Consolidation are undertaken in conjunction with the Proposed Capital Repayment.

At the Extraordinary General Meeting of ECMLFG held on 31 July 2012, the shareholders of ECMLFG had approved all the Proposals, the details of which are set out in the Circular to Shareholders dated 9 July 2012.

On 5 November 2012, the Company announced that the Securities Commission ("SC") had via its letter dated 2 November 2012, granted its approval under section 212(5) of the Capital Markets and Services Act 2007, for the proposed distribution of the KNKH Shares and RULS to all shareholders of ECMLFG by way of distribution-in-specie, pursuant to the Proposed Capital Repayment in conjunction with the Proposed Disposal and Proposed Business Merger.

The approval granted by SC for the proposed distribution-in-specie is subject to the following terms:

- i) Distribution-in-specie of 120,000,000 KNKH Shares to all shareholders of ECMLFG; and
- ii) Distribution-in-specie of RM47,750,000 RULS to all shareholders of ECMLFG.

32 Status of corporate proposals announced (cont'd.)

On 14 December 2012, ECMLFG announced that the Proposed Disposal and Proposed Business Merger had been completed and further that the Proposed Capital Repayment by ECMLFG based on the closing price of KNKH shares of RM0.585 per KNKH Share on 14 December 2012 ("KNKH Share Closing Price") shall comprise:

- i) a cash distribution of RM442,647,000;
- ii) distribution-in-specie of 120,000,000 KNKH Shares valued at RM70,200,000; and
- iii) distribution-in-specie of RM47,750,000 in nominal value of RULS,

(collectively referred to as the "Capital Repayment"),

amounting to RM560,597,000. The Capital Repayment will be effected via a reduction of the par value of the ordinary shares of ECMLFG ("ECM Shares") from RM1.00 to RM0.324.

ECMLFG will undertake the Proposed Share Split where every one (1) remaining ordinary share of RM0.324 each in ECMLFG shall be subdivided into 32.4 ECM Shares of RM0.01 each in ECMLFG ("Share Split").

Thereafter, ECMLFG will undertake the Proposed Share Consolidation where one hundred (100) ECM Shares of RM0.01 each in ECMLFG shall be consolidated into one (1) ECM Share of RM1.00 each, resulting in the issued and paid-up share capital of ECMLFG being RM268,222,091 comprising 268,222,091 ECM Shares of RM1.00 each ("Share Consolidation").

On 20 December 2012, ECMLFG announced that Bursa Securities had informed that ECMLFG is not considered a Cash Company pursuant to Paragraph 8.03(1) of the Main Market Listing Requirements of Bursa Securities subject to the Company completing the Capital Repayment via the cash distribution and distribution-in-specie of the KNKH Shares and RULS as mentioned above to the Entitled Shareholders of the Company.

On 7 February 2013, ECMLFG announced that ECMLFG has obtained the order of the High Court of Malaya on 7 February 2013 confirming the reduction of the par value of the ECM Shares from RM1.00 to RM0.324 ("Capital Reduction").

On 28 February 2013, ECMLFG announced the filing of an office copy of the High Court Order for capital reduction with the Companies Commission of Malaysia on 28 February 2013 and that the Capital Reduction was effective thereafter on 28 February 2013.

On 14 March 2013, ECMLFG announced that the Share Split, Share Consolidation and the payment/distribution of the cash and KNKH Shares were completed on 14 March 2013.

The Capital Repayment exercise is on track to be completed upon distribution of the RULS on 4 April 2013.

33 Performance review on the results of the Group

Performance review of continuing operations and discontinued operations is presented separately following the conditional share purchase agreement entered into in June 2012 with Kenanga Investment Bank Berhad (“KIBB”) and K & N Kenanga Holdings Berhad for the proposed disposal by ECM Libra Financial Group Berhad (“ECMLFG”) of the entire equity interest in ECM Libra Investment Bank Berhad (“ECMLIB”) to KIBB. The disposal of ECMLIB was completed on 14 December 2012. Results of ECMLIB up to 13 December 2012 has been consolidated into the Group's results for the current financial period ended 31 January 2013 and is reported under discontinued operations.

a) Continuing operations

For the financial year ended 31 January 2013, the Group recorded a profit before tax of RM10.9 million and a profit after tax of RM10.2 million. This is mainly contributed by portfolio management fees income of RM11.8 million, interest income of RM1.6 million, rental income of RM1.6 million, other fee income of RM1.9 million, investment income of RM1.2 million and share of profit of an associated company of RM8.4 million; partially offset by operating expenses of RM15.6 million.

i) Investment holding and capital market operations

Investment holding and capital market operations comprising money market operations, foreign exchange and general investments, generates interest income and investment and rental income.

Investment holding and capital market operations reported a loss before tax of RM57 thousand for the financial year ended 31 January 2013. Revenue generated included net interest income of RM1.3 million, rental income of RM1.6 million, investment income of RM1.1 million and fee income of RM1.7 million; offset by operating and corporate expenses of RM5.8 million.

Investment holding and capital market operations reported a profit before tax in the current quarter ended 31 January 2013 of RM1.3 million from a loss of RM0.2 million in the quarter ended 31 October 2012. Profit was mainly generated from higher investment income of RM1.1 million current quarter and higher net interest income of RM0.7 million in the current quarter compared to RM0.2 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 RM2.5 million for the financial year ended 31 January 2013, largely contributed by portfolio management and portfolio performance fees income of RM11.8 million; partially offset by operating expenses of RM9.8 million.

Profit before tax decreased from RM0.7 million in the previous quarter ended 31 October 2012 to RM93 thousand in the current quarter ended 31 January 2013 mainly due to higher operating expenses of RM3.2 million in the current quarter compared to RM2.2 million in the previous quarter. This is partially offset by higher performance fees of RM0.4 million in the current quarter compared to nil in the previous quarter.

b) Discontinued operations

For the financial year ended 31 January 2013, ECMLIB Group achieved a profit before tax of RM23.8 million and a profit after tax of RM16.3 million. Revenue generated during the period included net brokerage of RM36.9 million, other fee income of RM12.6 million, net interest income of RM27.4 million, net gain from trading and investment securities of RM27.7 million and gain on foreign exchange transactions of RM2.7 million; partially offset by operating expenses of RM82.6 million.

The sale of ECMLIB Group resulted in a loss of RM68.7 million for ECMLFG Group. Consequently, results of the discontinued operations showed a loss before tax of RM44.9 million and a loss after tax of RM52.4 million.

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

b) Discontinued operations (cont'd.)

i) Stockbroking

Stockbroking comprising stockbroking, share margin financing and dealing in securities mainly generates brokerage income. The performance of the segment is therefore influenced by Bursa Malaysia's market volume.

Stockbroking reported a loss before tax of RM3.5 million for the financial year ended 31 January 2013. Revenue generated included net brokerage of RM36.9 million, net interest income of RM2.6 million and gain from foreign exchange transactions of RM0.9 million; offset by operating expenses of RM43.7 million.

Stockbroking reported a loss before tax of RM1.6 million in the current quarter ended 31 January 2013 compared to last quarter's loss before tax of RM2.2 million. The reduction in loss before tax was mainly due to higher interest income generated in the current quarter compared to the previous quarter ended 31 October 2012. The brokerage income remained stable at RM4.5 million for one and a half months to 14 December 2012 in the current quarter compared to RM9.9 million last quarter.

ii) Treasury and capital market operations

Treasury and capital market operations comprising money market operations, foreign exchange and proprietary investments, generates interest income and investment and trading income.

Treasury and capital market operations reported a profit before tax of RM5.5 million for the financial year ended 31 January 2013, largely contributed by net interest income of RM6.1 million, gain from trading and investment securities of RM27.4 million and gain on foreign exchange transactions of RM1.7 million; offset by operating expenses of RM30.1 million.

Treasury and capital markets reported a profit before tax of RM2.8 million in the current quarter ended 31 January 2013 from RM4.2 million in the quarter ended 31 October 2012. Trading and investment income generated in the current quarter was RM17.1 million compared to RM5.0 million in the last quarter. The higher income was however offset by higher operating expenses of RM14.6 million.

iii) Investment banking and structured financing

Investment banking and structured financing which consist mainly of corporate finance advisory, equity capital markets services and structured lending activities, generates corporate advisory and related fees, loan related fees and interest income.

Investment banking and structured financing reported a profit before tax of RM21.2 million for the financial year ended 31 January 2013, largely contributed by net interest income of RM18.0 million and fee income of RM11.7 million; partially offset by allowance on losses on loans and financing of RM4.1 million and operating expenses of RM4.5 million.

Profit before tax decreased from RM4.7 million in the previous quarter ended 31 October 2012 to RM3.0 million in the current quarter ended 31 January 2013 mainly due to lower fee income. Revenue generated in the current quarter comprised net interest income of RM2.9 million and fee income of RM0.5 million.

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

a) Continuing operations

For the financial quarter under review, the Group achieved a profit before tax of RM9.9 million as compared to RM0.4 million reported for the immediate preceding quarter.

For the current quarter, the Group reported a share of profit of an associated company of RM8.6 million. Fee income was higher at RM3.9 million compared to RM3.4 million in the previous quarter and investment income was also higher at RM1.0 million compared to RM0.2 million in the previous quarter. The higher income was however offset by higher expenses totalling RM4.7 million compared to RM3.6 million last quarter.

b) Discontinued operations

For the financial quarter under review, profit from ECMLIB Group stood at RM2.4 million compared to RM7.0 million reported for the immediate preceding quarter. The disposal of ECMLIB Group was completed during the quarter and resulted in a loss of RM68.7 million for ECMLFG Group. Consequently, results of the discontinued operations for the quarter showed a loss of RM64.2 million before tax and a loss of RM66.3 million after tax.

For the current quarter, the results of ECMLIB Group is for one and a half months to 14 December 2012. ECMLIB Group reported higher investment and trading income of RM12.1 million compared to RM5.6 million in the last quarter ended 31 October 2012. The increase was offset by lower brokerage income of RM4.5 million compared to RM9.9 million recorded for three months in the last quarter.

35 Group's prospects

Upon completion of the disposal of ECMLIB on 14 December 2012 ("the Disposal"), the Company is considered a PN17 company pursuant to Paragraph 8.04 and Paragraph 2.1(g) of Practice Note 17 ("PN17") of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad. The Company triggered Paragraph 2.1(g) of the PN17 criteria by virtue of the disposal of its investment banking business which contributed more than 70% of the group revenue. Arising from the Disposal, the Company has a healthy cash position and also does not carry any long term liabilities.

The Company is evaluating various options in its endeavour to formulate a plan to regularise the Company's financial condition ("Regularisation Plan") to uplift the PN17 status. The Company has 12 months ending 13 December 2013 to submit its Regularisation Plan to the authorities for approval.

Consequent to the Disposal, the Company has proceeded with a capital restructuring exercise to return excess capital to shareholders. The issued capital of the Company was reduced from RM828,819,091 to RM268,222,091 on 28 February 2013 to commensurate with the reduced scale of business after the Disposal. In this respect, the Company and its subsidiaries ("the Group") continue to have the financial and operational resources to carry on the Group's remaining business operations.

The Group has existing licences that enable the Group to continue to operate financial services related businesses. Over time the group intends to use its resources to grow the business. The Group will continue to nurture its fund management business which is operated under Libra Invest Berhad. The Group has reactivated its structured financing activity and has started to generate loan income. The Group also derives income from its investment portfolio and property. Additionally, the Group will continue to get involved in areas relating to financial services where the Group has expertise.

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36 Profit forecast

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

37 Income tax expense

	Current quarter ended 31-Jan-13 RM'000	Corresponding quarter ended 31-Jan-12 RM'000	Current year to date 31-Jan-13 RM'000	Corresponding year to date 31-Jan-12 RM'000
Income tax expense on continuing operations	(357)	95	657	797
Income tax expense on discontinued operations	2,148	3,256	7,473	20,871
Total income tax expense	1,791	3,351	8,130	21,668
Major component of income tax expense include:				
Income tax:				
Current period provision	2,513	1,875	5,558	3,395
Under provision of tax in prior years	2	171	504	6,979
	2,515	2,046	6,062	10,374
Deferred taxation:				
Transfer from deferred tax	(561)	(1,085)	2,231	8,904
Over provision of prior years	(163)	2,390	(163)	2,390
	1,791	3,351	8,130	21,668

The Group's effective tax rate for the fourth quarter ended 31 January 2013 was lower than statutory tax rate due to certain gains not subjected to taxation.

38 Group borrowings

The Group has no borrowings and debt securities as at 31 January 2013.

39 Realised and unrealised retained profits

The breakdown of the retained profits of the Group as at 31 January 2013 and 31 January 2012 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 31-Jan-13 RM'000	Previous year ended 31-Jan-12 RM'000
Total retained profits of the Group		
- Realised	87,010	64,835
- Unrealised	489	(3,322)
	87,499	61,513
Total share of retained profits from associate		
- Realised	9,002	600
	96,501	62,113
Add: Consolidation adjustments	(15,263)	1,940
Retained profits as per financial statements	81,238	64,053

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.

40 Material litigations

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

41 Dividend

No dividend has been proposed for the quarter ended 31 January 2013.

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42 Earnings per share

	Current quarter ended 31-Jan-13	Corresponding quarter ended 31-Jan-12	Current year to date 31-Jan-13	Corresponding year to date 31-Jan-12
Profit/(loss) from: (RM'000)				
Continuing operations	10,260	623	10,223	1,188
Discontinued operations	(66,268)	468	(52,354)	28,759
Weighted average number of ordinary shares in issue ('000)	828,819	828,819	828,819	822,706
Basic/diluted* earnings/(loss) per share (sen)				
From continuing operations	1.24	0.08	1.23	0.14
From discontinued operations	(8.00)	0.06	(6.32)	3.50

The basic earnings/(loss) per ordinary share is calculated by dividing the net profit/(loss) 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 : 20 March 2013