ecmlibra

Laporan Tahunan 2008 Annual Report

ECM Libra Financial Group Berhad (713570-K)
(formerly known as ECM Libra Avenue Berhad)

contents

corporate information

DIRECTORS
Dato' Seri Kalimullah bin Masheerul Hassan (Executive Chairman & Chief Executive Officer)
Dato' Ab. Halim bin Mohyiddin (Vice Chairman)
Mr Lim Kian Onn (Managing Director)
Datuk Kamarudin bin Md Ali
Dato' Othman bin Abdullah
Encik Mahadzir bin Azizan
Mr Lum Sing Fai

SECRETARY
Ms Wong Seong Cho

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LISTING
Main Board of Bursa Malaysia Securities Berhad

directors' profile

Dato' Seri Kalimullah bin Masheerul Hassan

Executive Chairman & Chief Executive Officer/Non-Independent

Dato' Seri Kalimullah bin Masheerul Hassan, a Malaysian, aged 50, began a career in journalism in 1979 and moved on to the corporate sector in 1995. He has gained vast corporate experience, having held key positions in various Malaysian listed corporations. In September 2002, Dato' Seri Kalimullah was appointed as chairman of the national news agency, Bernama, for a two-year term by DYMM Yang di-Pertuan Agong but resigned to take on his position as Group Chief-in-Editor in The News Straits Times Press (M) Bhd ("NSTP") on 1 January 2004. He left as Group Editor-in-Chief on 31 December 2005 upon expiry of his contract and returned to his financial services business. He was appointed Deputy Chairman of NSTP on 1 January 2006. Dato' Seri Kalimullah was appointed by the Federal Government as a member of the National Unity Advisory Panel on 1 January 2005 for a two-year term. He was re-appointed for another two-year term on 1 January 2007.

Dato' Seri Kalimullah was appointed Chairman of the Board of Directors ("Board") of ECM Libra Financial Group Berhad (formerly known as ECM Libra Avenue Berhad) ("ECMLFG" or "Company") on 16 June 2006 and re-designated the Executive Chairman & Chief Executive Officer with effect from 1 May 2007. He attended all seven (7) Board meetings held during the financial year ended 31 January 2008. He was also a member of the Nomination Committee and Remuneration Committee during the financial year ended 31 January 2008.

Dato' Seri Kalimullah is the Chairman of Ekowood International Berhad and a director of ECM Libra Foundation and ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) ("ECMLIB"), a wholly-owned subsidiary of ECMLFG. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

Dato' Ab. Halim bin Mohyiddin

Vice Chairman/Independent Non-Executive

Dato' Ab. Halim bin Mohyiddin, a Malaysian, aged 62, serves on the Board of Amway (Malaysia) Holdings Berhad, Bank Pembangunan Malaysia Berhad Group, Digi.Com Berhad, HeiTech Padu Berhad, Idaman Unggul Berhad, KNM Group Berhad, MCM Technologies Berhad, Kumpulan Perangsang Selangor Berhad, Utusan Melayu Malaysia Berhad, Idris Hydraulic (Malaysia) Berhad, BI Credit & Leasing Berhad and AMDB Berhad.

Dato' Ab. Halim graduated with a Bachelor of Economics (Accounting) degree from University of Malaya in 1971 and thereafter joined Universiti Kebangsaan Malaysia as a Faculty member of the Faculty of Economics. He obtained his Masters of Business Administration degree from University of Alberta, Canada in 1973. He retired from KPMG Malaysia in October 2001, a firm he joined in 1977 and had his early accounting training in both Malaysia and United States of America. He was made partner of the firm in 1985. At the time of his retirement, he was the partner in-charge of the Assurance and Financial Advisory Services Divisions of the firm and was also looking after the Secured e-Commerce Practice of the firm.

Dato' Ab. Halim was appointed as Vice Chairman of ECMLFG on 26 March 2007. He attended four (4) Board Meetings of ECMLFG held during the financial year ended 31 January 2008. He was also appointed a member of the Nomination Committee and Remuneration Committee of ECMLFG on 6 February 2008. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

directors' profile continued

Mr Lim Kian Onn

Managing Director/Non-Independent

Mr Lim Kian Onn, a Malaysian, aged 51, is a member of the Institute of Chartered Accountants in England & Wales and the Malaysian Institute of Accountants. He served his articleship with KMG Thomson McLintock in London for four years, then joined Andersen Consulting from 1981 to 1984 as a senior consultant. Between 1984 and 1993, he was with Hong Leong Group, Malaysia as a Senior Manager in the Finance Division and subsequently as an Executive Director in the stockbroking arm responsible for corporate finance, research and institutional sales. Mr Lim founded the Libra Capital Group in 1994 and co-founded the ECM Libra Group in 2002.

Mr Lim was appointed to the Board of ECMLFG on 16 June 2006 and re-designated Managing Director with effect from 1 May 2007. He attended all seven (7) Board meetings held during the financial year ended 31 January 2008. He was also a member of the Nomination Committee and Remuneration Committee of ECMLFG during the financial year ended 31 January 2008.

Mr Lim is also the non-executive Chairman of Plato Capital Limited, a company incorporated in Singapore and listed on the Stock Exchange of Singapore and a director of ECM Libra Foundation. He was appointed Acting CEO/Executive Director of ECMLIB on 6 February 2008. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

Datuk Kamarudin bin Md Ali

Independent Non-Executive

Datuk Kamarudin bin Md Ali, a Malaysian, aged 58, is a retired police commissioner and also an Associate of the Royal College of Defense Studies UK. He holds a Masters in Science (Engineering) from University of Birmingham, UK and Bachelor of Science (Honours) (Mechanical Engineering) from University of Strathclyde Glasgow Scotland. Datuk Kamarudin retired from the Royal Malaysia Police ("RMP") on 4 May 2006 with more than 30 years experience specializing in mechanical engineering and with extensive knowledge and skills in logistic & finance management, manpower development, strategic planning, training and development, recruitment and selection, career development and crime prevention, gained through wide range of command posts and managerial capacities held during his tenure of office in RMP. He is actively involved in NGOs and is noted for his contribution in the Malaysian Crime Prevention Foundation of which he is a council member.

Datuk Kamarudin was appointed to the Board of ECMLFG on 16 June 2006. He is the Chairman of the Board Audit & Risk Management Committee and a member of the Nomination Committee. He attended all seven (7) Board meetings held during the financial year ended 31 January 2008.

Datuk Kamarudin is also a director of Ann Joo Resources Berhad, Avenue Invest Berhad and ECMLIB. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

En Mahadzir bin Azizan

Independent Non-Executive

En Mahadzir bin Azizan, a Malaysian, aged 59, is a Barrister-at-Law from Lincoln's Inn, London. He was called to the bar of England & Wales in 1978 and had since served in various capacities in government and private sectors. He served as Federal Counsel and Legal Adviser in the Ministry of Trade & Industry in 1978 to 1979 after which, he served as Assistant Company Secretary/Legal Adviser of Malaysia International Shipping Corporation Berhad. In 1983, he joined Island & Peninsular Berhad ("I&P"), a property development company within Permodalan Nasional Berhad Group as Group Company Secretary and Legal Adviser. Subsequently he was promoted as Director, Corporate Affairs in 1994. He sat on the Board of various companies within the I&P Group until his retirement in April 2007 and was also a member of the Board of Majlis Amanah Rakyat from 2000 to 2003.

En Mahadzir was appointed to the Board of ECMLFG on 16 June 2006 and attended all seven (7) Board meetings held during the financial year ended 31 January 2008. He is the Chairman of the Remuneration Committee and member of the Board Audit & Risk Management Committee of ECMLFG. Subsequent to the year end, he was also appointed a member of the Nomination Committee.

En Mahadzir is also a director of Syarikat Takaful Malaysia Berhad, Avenue Invest Berhad and ECMLIB. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

Dato' Othman bin Abdullah

Independent Non-Executive

Dato' Othman bin Abdullah, a Malaysian, aged 59, is an accountant by profession with extensive financial knowledge and skills. He began his career in 1977 as Treasury Accountant at the Accountant General's Department and held various positions in the Department. He was seconded to Sabah Electricity Board as Deputy General Manager (Finance) from 1987 to 1993 and subsequently was transferred back to the Department and was appointed as Accountant General of Malaysia from 2003 to 2005.

Dato' Othman was appointed to the Board of ECMLFG on 16 June 2006. He attended all seven (7) Board meetings held during the financial year ended 31 January 2008. He is the Chairman of the Nomination Committee and a member of the Board Audit & Risk Management Committee of ECMLFG.

Dato' Othman is also a director of Syarikat Perumahan Negara Berhad and ECMLIB. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

Mr Lum Sing Fai

Non-Independent Non-Executive

Mr Lum Sing Fai, a Malaysian, aged 44, is the Managing Director of Capital Markets for AmcorpGroup Berhad.

Mr Lum, a graduate of the University of Malaya with a Bachelor of Economics (Honours) in Business Administration, has over 20 years of extensive experience in banking and finance. As Managing Director of the Capital Markets division of AmcorpGroup Berhad, he has successfully led a broad range of financial service endeavours during his 13 years tenure.

Prior to joining Amcorp, Mr Lum was attached to Southern Bank Berhad from 1987 to 1994 working in various capacities from operations to corporate banking. He also sits on the Board of the companies within the AmcorpGroup Berhad.

Mr Lum resigned as alternate director to Mr Soo Kim Wai on 6 February 2008 and was re-appointed as director of ECMLFG on the same day. He attended three (3) Board meetings of ECMLFG held during the financial year ended 31 January 2008. He was appointed a member of the Nomination Committee and Remuneration Committee of ECMLFG with effect from 6 February 2008.

Mr Lum is also a director of ECMLIB. He has no family relationship with the other directors or major shareholders of ECMLFG, no conflict of interest with ECMLFG and has no conviction for offences within the past ten years.

board audit & risk management committee report

Constitution

The Board Audit & Risk Management Committee ("BARMC") was established on 28 June 2006 by the Board of Directors ("Board").

Composition

The members of the BARMC during the financial year ended 31 January 2008 were:

Chairman: Datuk Kamarudin bin Md Ali
(Independent Non-Executive Director)

Members: Dato' Othman bin Abdullah
(Independent Non-Executive Director)

En Mahadzir bin Azizan
(Independent Non-Executive Director)

Terms of Reference

(i) To review the following and report the same to the Board of Directors ("Board"):-

- (a) nominate and recommend a person or persons as external auditors, and review the audit fees;
- (b) with the external auditor, the audit plan;
- (c) with the external auditor, his evaluation of the system of internal accounting controls;
- (d) with the external auditor, his audit report;
- (e) the assistance given by the employees of the Group and the Company to the external auditor;
- (f) the quarterly results and year-end financial statements of the Group and the Company, focusing particularly on :-
  - changes in accounting policies and practices
  - significant adjustments arising from the audit
  - significant and unusual events
  - the going concern assumption
  - compliance with accounting standards and other legal requirements
- (g) the adequacy of the scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work; and
- (h) the findings of the Internal Audit Department on internal audits undertaken and management's response and ensure that appropriate action is taken.

(ii) To consider any related party transaction and conflict of interest situation that may arise within the Company or Group.

(iii) To review and monitor the adequacy and integrity of internal control systems, including risk management and management information systems.

(iv) To consider any other function or duty as may be agreed to by the BARMC and the Board.

board audit & risk management committee report
continued

Authority

The BARMC is authorised by the Board to investigate any matter within its terms of reference. It shall have full and unrestricted access to any information pertaining to the Group and shall have the resources it requires to perform its duties. All employees are directed to co-operate with any request made by the BARMC.

The BARMC is authorised by the Board to obtain independent legal or other external independent professional advice, if it considers necessary.

The BARMC is authorised by the Board to obtain information on any resignation of internal audit staff members. It is further authorised to provide the resigning staff member an opportunity to submit his reasons for resigning. The BARMC is authorised by the Board to approve any appointment or termination of senior staff members of the internal audit function.

Meetings

Meetings shall be held not less than four (4) times in a financial year. The external auditors may request a meeting if they consider that one is necessary. The BARMC shall meet with the external auditors without executive Board members present, at least twice in a financial year. Minutes of each meeting shall be distributed to each member of the Board.

Two (2) members, who shall be independent and non-executive directors, shall constitute a quorum for meetings.

The Company Secretary shall be the secretary of the BARMC.

The Head of Finance, the Head of Internal Audit, the Compliance Officer and a representative of the external auditors shall normally attend the meetings. Other Board members, employees and external independent professional advisers may attend the meetings upon the invitation of the BARMC.

Activities

During the financial year ended 31 January 2008, six (6) BARMC meetings were held and attended by all BARMC members.

The BARMC reviewed the quarterly financial statements and audited financial statements of the Group prior to the Board's approval and subsequent release to Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The BARMC also reviewed the external auditors' scope of work and audit plan for the Group, considered significant changes in accounting and auditing issues, reviewed the management letter and management's response and discussed applicable accounting and auditing standards. The BARMC also reviewed the resource requirements of the internal audit function, approved the internal audit plan for the financial year and revisions thereto, the internal audit programme and audit findings.

During the year, the BARMC reviewed the adequacy and integrity of internal control systems, including risk management and relevant management information systems. It also reviewed the processes put in place to identify, evaluate and manage the significant risks encountered by the Group.

In connection with the Employees' Share Option Scheme of the Group, the BARMC also verified that allocation of options was in compliance with approved criteria.

Internal Audit

The internal audit functions are organised on a Group basis while the department is established at ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) ("ECMLIB"). The core function of Internal Audit is to perform an appraisal of the Group's activity, to provide assurance on and to help management to maintain an adequate internal control system and corporate governance processes. Internal Audit Department provides periodic reports to the BARMC, reporting on the outcome of the audits conducted, effectiveness of the system of internal controls implemented and highlighting key control issues impacting the Group. This enables the BARMC to execute its oversight function by forming an opinion on the adequacy of measures undertaken by management.

During the financial year ended 31 January 2008, the Internal Audit Department had carried out its duties, primarily in ECMLIB and Avenue Invest Berhad covering business, financial, management and operational areas. The International Standards for the Professional Practice of Internal Auditing, Bursa Malaysia Berhad (Rule 511 and 1202) and Securities Commission guidelines on internal audit are used as authoritative guidelines for internal auditing procedures.

corporate governance statement

The Board of Directors ("Board") of ECM Libra Financial Group Berhad (formerly known as ECM Libra Avenue Berhad) ("ECMLFG" or "Company") is committed to manage the ECMLFG Group in line with corporate governance practices as proposed in the Malaysian Code on Corporate Governance ("Code"). The Board firmly believes that corporate accountability complements business practices that will facilitate the achievement of the Company's goals and objectives.

In preparing this statement, the Board is pleased to report, that save as set out below, the Group has applied the principles set out in Part 1 of the Code and has complied with the best practices set out in Part 2 of the Code throughout the financial year ended 31 January 2008.

A. DIRECTORS

(i) The Board

The Company is led by a proactive Board with a blend of good management and entrepreneurial skills, supported by independent Directors who bring to the Board their different fields of training and experiences.

The Board is primarily entrusted with the responsibility of setting the goals and the direction of the Group. It also oversees the conduct of the Group's businesses, ensuring various control systems are in place as well as regularly evaluating such systems to ensure its integrity. The controls are necessary to minimise the risks associated with the businesses of the Group.

In order to ensure that the ECMLFG Group is efficiently managed, the Board meets on a quarterly basis and additionally as and when required, with a formal schedule of matters specifically reserved for its deliberation and decision. During the financial year under review, seven (7) Board meetings were held and all the Directors have complied with the requirements in respect of Board meeting attendance as provided in the Articles of Association.

Seven (7) Board meetings were held during the financial year ended 31 January 2008 and all Directors attended the said meetings except for Dato' Ab. Halim bin Mohyiddin and Mr Soo Kim Wai who were appointed on 26 March 2007. Dato' Ab. Halim bin Mohyiddin and Mr Soo Kim Wai attended four (4) and five (5) Board meetings respectively during the financial year ended 31 January 2008.

The Board collectively reviews and considers all corporate proposals prior to their implementation. Corporate proposals are put to vote after careful deliberation. The Chairman of the meeting shall have a second or casting vote in the event of a tie in votes for or against any particular proposal, except when only two Directors are competent to vote on the question in issue.

The Board is updated on ECMLFG Group's affairs at Board meetings. The Directors are encouraged to obtain information on the Group's activities by consultation with senior management at anytime. This is to ensure and enable the Board members to discharge their duties and responsibilities competently and in an informed manner.

(ii) Board Balance

For the financial year ended 31 January 2008, the Board comprised seven (7) Directors, five (5) of whom are non-executive. Of the non-executive Directors, four (4) are independent. There is a clear division of responsibilities at the head of the Company to ensure a balance of authority and power. The wide spectrum of knowledge, skills and experience of the Board members gives added strength to the leadership which is necessary for the effective stewardship of the Group.

A. DIRECTORS (continued)

(ii) Board Balance (continued)

The Board recognises the importance and contribution of its independent non-executive Directors. They represent the element of objectivity, impartiality and independent judgement of the Board. This ensures that there is adequate check and balance at the Board level. The four (4) independent Directors of the Company provide the Board with vast and varied exposure, expertise and broad business and commercial experiences.

The Executive Chairman & Chief Executive Officer leads the Board and together with the Managing Director, are responsible for the strategic direction of the Group while the Managing Director provides direction in the implementation of business plans and strategies.

The Board has identified Datuk Kamarudin bin Md Ali, the Chairman of the Board Audit & Risk Management Committee, as the independent non-executive Director to whom concerns may be conveyed, who would bring the same to the attention of the Board.

A brief profile of the Directors is set out on pages 4 to 7 of this Annual Report.

(iii) Supply of information

Board members are provided with the notice, setting out the agenda and subsequently the comprehensive Board papers in a timely manner prior to Board meetings. This is to ensure and enable the members of the Board to discharge their duties and responsibilities competently and in a well-informed manner. All members of the Board have access to the advice and services of the Company Secretary, and where necessary, independent professional advisers. They also have unlimited access to all information with regard to the activities of the ECMLFG Group.

(iv) Appointments to the Board

The Nomination Committee, which was set up on 27 September 2006 comprised three (3) independent non-executive Directors and two (2) non-independent non-executive Directors during the financial year ended 31 January 2008. The Committee is responsible for proposing and recommending new nominees to the Board as well as Directors to fill seats on Board committees; assessing, on an annual basis, the effectiveness of the Board, the Board committees and the contribution of each individual Director; and annual review of the required mix of skills, experiences and other qualities which non-executive Directors should bring to the Board.

The members of the Nomination Committee during the financial year ended 31 January 2008:

- Dato' Othman bin Abdullah (Chairman)
- Datuk Kamarudin bin Md Ali
- Dato' Seri Kalimullah bin Masheerul Hassan
- Mr Lim Kian Onn
- En Ibrahim Mahaludin bin Puteh (resigned on 1 March 2007)

Since the financial year-end, the Nomination Committee was reconstituted on 6 February 2008 as follows:

- Dato' Othman bin Abdullah (Chairman)
- Datuk Kamarudin bin Md Ali
- En Mahadzir bin Azizan
- Dato' Ab. Halim bin Mohyiddin
- Mr Lum Sing Fai

A. DIRECTORS (continued)

(v) Re-election

The Articles of Association of the Company provide that at least one-third of the Directors are subject to retirement by rotation at each Annual General Meeting and that all Directors shall retire at least once in every three years. The Articles of Association also provide that a Director who is appointed by the Board in the course of the year shall be subject to re-election at the next Annual General Meeting to be held following his appointment.

Directors over seventy years of age are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act, 1965.

(vi) Directors' Training

All Directors of the Company have completed the Mandatory Accreditation Programme. The Company does not have a formal training programme for new Directors but they receive briefings and updates on the Group businesses, operations, risk management, internal controls, finance and any new or changes to the companies and other relevant legislation, rules and regulations. The Directors are encouraged to attend briefings and seminars to keep abreast with latest developments in the industry and to enhance their skills and knowledge.

B. DIRECTORS' REMUNERATION

The Remuneration Committee, which was set up on 27 September 2006, comprised two (2) independent non-executive Directors and two (2) non-independent executive Directors during the financial year ended 31 January 2008. The members of the Committee were:

- En Mahadzir bin Azizan (Chairman)
- Mr Soo Kim Wai
- Dato' Seri Kalimullah bin Masheerul Hassan
- Mr Lim Kian Onn

Since the financial year-end, Mr Soo Kim Wai resigned as a Director on 6 February 2008 and the Remuneration Committee was reconstituted as follows:

- En Mahadzir bin Azizan (Chairman)
- Dato' Ab. Halim bin Mohyiddin
- Mr Lum Sing Fai

The Committee is responsible for recommending to the Board the remuneration of executive Directors and key senior management officers of ECMLFG Group. Directors do not participate in discussion and voting on decisions regarding their own remuneration. The aggregate annual Directors' fees as recommended by the Board must be approved by shareholders at the Annual General Meeting.

ECMLFG has an established framework to evaluate performance and reward for executive Directors and all employees. Remuneration packages for the executive Directors and employees are formulated to be competitive, with emphasis being placed on performance, which aims to attract, motivate and retain all levels of staff to manage the ECMLFG Group. For non-executive Directors, the level of remuneration would commensurate with the experience and level of responsibilities undertaken by them.

The details of the remuneration of the Directors of ECMLFG are set out in the audited financial statements on pages 49 & 50 of this Annual Report.

C. SHAREHOLDERS

The Board places emphasis on timely and equitable dissemination of information to shareholders on ECMLFG Group's performance. Pursuant to the Listing Requirements of Bursa Malaysia, timely announcements are made to the public in regard to the Group's corporate proposals, financial results and other requisite matters. The Company's Annual General Meeting serves as a forum for dialogue with shareholders. At the Annual General Meeting, shareholders are encouraged to participate in the question and answer session. The status of all resolutions proposed at the Annual General Meeting is submitted to Bursa Malaysia at the end of the meeting day.

Apart from contacts at general meetings, there is no formal programme or schedule of meetings with investors, shareholders, stakeholders and the public generally. However, the management has the option of calling for meetings with investors/analysts if it is deemed necessary. Thus far, the management is of the opinion that this arrangement has been satisfactory to all parties.

D. ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

The Board is responsible to present a balanced and comprehensive assessment of the ECMLFG Group's financial position to shareholders by means of the annual and quarterly reports and other published information. In this regard, the Board is responsible for the preparation of financial statements that present a fair and balanced report of the financial state of affairs of the ECMLFG Group.

(ii) Internal Control

The Statement on Internal Control as set out on pages 13 & 14 of this Annual Report provides an overview of the state of internal controls within the Group.

(iii) Relationship with Auditors

The Company, through the Board Audit & Risk Management Committee ("BARMC"), has an appropriate and transparent relationship with the external auditors. Key features underlying the relationship of the BARMC with the external auditors are included in the BARMC Report as set out on page 9 of this Annual Report.

E. STATEMENT ON INTERNAL CONTROL

Responsibility

The Board is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The Board recognises that the Group's system of internal control is designed to manage and not eliminate the risk of failure to achieve the Group's objectives. Hence, it can only provide reasonable and not absolute assurance against material misstatement of management and financial information or against financial losses and fraud.

E. STATEMENT ON INTERNAL CONTROL (continued)

Key Processes

There is an on-going process for identifying, evaluating and managing the significant risks faced by the Group throughout the financial year, and the said process is reviewed by the Board and accords with the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

The Board has appointed the BARMC comprising independent Directors to examine the effectiveness of the Group's risk management policies, processes and infrastructure which are established to manage various types of risks and to ensure an effective internal audit function. This is accomplished through the review of the work of the Group Risk Management & Compliance Department and the Group Internal Audit Department, which focuses on areas of priority identified through risk assessment and in accordance with the plans approved by the BARMC. The Group's risk management comprises credit risk management, market risk management and operational risk management, and the department is headed by the Chief Risk Officer. While business/operating units have the primary responsibility for managing specific risks assumed by them, Risk Management provides the central resource for developing tools and methodologies for the identification, assessment, quantification, aggregation, monitoring and control of the risks taken by the Group as a whole. Additionally, the Group Executive Committee ("EXCO") comprising members of senior management and the Board monitors risks by evaluating and approving loans, proprietary and strategic investments and policy matters relating to all credit matters of the Group.

In carrying out its responsibilities, the BARMC relies on the support of Compliance Department and Internal Audit Department in providing assurance on the adequacy of internal controls. Compliance Department provides BARMC periodic reports on conformance with relevant regulatory bodies and statutory requirements, whilst Group Internal Audit Department provides BARMC with periodic reports highlighting on any non-compliance as well as recommendations and management action plans to improve the system of internal controls.

The framework of the Group's system of internal control and key procedures include:

- A management structure exists with clearly defined lines of responsibility and the appropriate levels of delegation.

- Key functions such as finance, taxation, treasury, human resources and legal matters are controlled centrally.

- The management determines the applicability of risk monitoring and reporting procedures and is responsible for the identification and evaluation of significant risks applicable to their areas of business together with the design and operation of suitable internal controls.

- Clear definitions of limits of authority and responsibilities have been approved by the Board and subject to regular reviews and enhancements.

- Policies and procedures with embedded internal controls are documented in a series of Standard Operations Manuals, which will be subjected to annual review for updating of any changes in operational processes or regulatory requirements. Business and Support units in the Group must ensure compliance with the policies and procedures.

- Corporate values, which emphasise on ethical behaviour and quality services, are set out in the Group's Employee Handbook.

On a yearly basis, all the business units within the Group draw up their business plans and budgets for the Board's approval and the performance is tracked on a quarterly basis with the senior management team with detailed explanations of major variances.

An associated company has not been dealt with as part of the Group for purposes of applying this guidance. However, as the associated company operates within a highly regulated business environment and through periodic reporting to the Group, the Board believes that the risk management practices of this associated company have been effectively carried out by its own Board and management.

directors' responsibility statement

The Board is required by the Listing Requirements of Bursa Malaysia Securities Berhad to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results and cashflows for the year then ended. The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 31 January 2008, the Group has adopted and applied consistently appropriate accounting policies, supported by reasonable and prudent judgements and estimates. The Directors also consider that all applicable approved accounting standards in Malaysia have been followed and the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company maintains sufficient accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors also have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and the Company, and taking reasonable steps for the prevention and detection of fraud and other irregularities.

chairman's statement

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the Annual Report and audited financial statements for the financial year ended 31 January 2008.

The Group has undergone a major transformation in the past 12 months, particularly with the granting of an investment bank license to its subsidiary, ECM Libra Investment Bank Berhad by Bank Negara Malaysia and the Securities Commission on February 6, 2008. To better reflect the more comprehensive range of activities, the name of the holding company was changed from ECM Libra Avenue Berhad to ECM Libra Financial Group Berhad with effect from 31 January 2008.

Financial and Business Review

The Group registered record performance. On the back of a 42% improvement in revenues to RM205.1 million from RM144.5 million in the previous year, the Group registered a more than three-fold increase in net profit - from RM20.2 million the previous year to RM84.4 million for the period under review.

The higher revenue was largely attributed to better performance of the Group's stock broking business given the higher trading volume and market values on Bursa Malaysia Securities Berhad during the first half of year 2007. This was coupled with revenue contributions from the Group's equity capital market and principal investment activities.

Equity markets rose some 32% in 2007, while the Malaysian economy registered a 6.3% annual growth rate. The stunning performance demonstrated the resilience, flexibility and adaptability of the Malaysian corporate and public sectors, which rose to the challenge despite the uncertainties introduced in the latter half of 2007 by the U.S. financial and housing crisis.

Change in the landscape

We are in for challenging times. Fears of a global economic downturn, sparked by the subprime crisis in the United States, are rising. On the political front in Malaysia, the results of the 12th General Election have been described as a "political tsunami." Malaysia is entering uncharted waters on both the political and economic fronts. How we at ECM Libra navigate the choppy seas ahead will determine whether the Group emerges from 2008 not only unscathed, but with even stronger results.

Global growth for 2008 has been revised downwards to 4.1% from 4.8% by the International Monetary Fund. The Malaysian economy is expected to register a slower growth of 6% for the year as weaker consumer spending in the United States will adversely affect our nation's multi-billion-ringgit export industry. Private investment will possibly take a back seat this year due to the global economic uncertainties. Public investment is expected to be an important driving force this year in Malaysia, with the planned take-off of a number of major infrastructure projects. Political uncertainty, following the March 8 General Election, however, could bedevil the smooth implementation of some of these projects.

Current year prospects

The attainment of investment bank status places the Group in a stronger position to rise to the challenge. While there is no room for complacency, I am confident that the measures we have put in place, and which we will continue to adjust throughout this year, will help us emerge stronger from a year that may be full of unpredictable twists and turns. We believe that in crisis there are opportunities, and the Group's inherent strengths provide us with the confidence and capability to identity these opportunities and turn in a performance that maximizes shareholder returns.

chairman's statement continued

We have set out 2 objectives for this year:-

To focus on niche markets
With the financial services industry being more competitive, the Group will work towards introducing valued innovative financial products and services that differentiate us from the rest. This, I believe, will establish the Group as a serious niche player in the investment banking business.

To achieve greater efficiency
The Group will continue to improve on its business model and operating structure so as to achieve greater optimization of resources and to create a pool of operating synergies.

Corporate Social Responsibility

The Group strongly believes that education is the key to breaking the poverty cycle in life. To this end, the Group, in conjunction with ECM Libra Foundation, set up by the three founding partners of the Group, has largely concentrated on activities and assistance in the field of education for the unfortunate and the less privileged children. We have built hostels, classrooms, libraries, school halls, audio visual rooms, computer labs and canteens and assisted in repairing/ upgrading infrastructures in schools all over the country. Recognizing that education should not only be restricted to the confines of bricks & mortar but that a rather more holistic approach to education is necessary, we have sponsored participation of students in the performing arts, vocational/industrial training and in programmes for character building because we believe building and nurturing the leadership skills, emotional needs as well as the artistic side of a person is equally important as is formal education. Tertiary education has become expensive and may be beyond the means of many young Malaysians. The Foundation assists in this area by providing students with interest-free and bond-free study loans to enable them to further their studies in a local institution of higher learning of their choice.

In November 2007, ECM Libra Group received Honorable Mention for Outstanding Work in Education for the Prime Minister's Corporate Social Responsibility inaugural award. A total of 316 entries were received from 161 companies of which 85 entries vied for the Education Category Award. It was indeed an honor for the Group to be recognized for its efforts and contribution to the community in the sphere of education, being overtaken only by the largest corporation in the country, Petronas, and sharing the stage with another giant, Maxis.

Dividends

The Board of Directors has recommended the payment of a final gross dividend of 3% per ordinary share, which will be partially paid out under the single tier tax system and partially after deduction of income tax of 26%. The proposed dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company and is payable in respect of all ordinary shares in issue.

Appreciation

I would like to express our heartfelt gratitude to the approximately 500 employees working in 13 offices nationwide for their commitment and contribution in securing the investment bank status and achieving the encouraging financial results. Finally, we would like to thank our shareholders who have been supporting and believing in us and who have continued to have confidence in us.

Dato' Seri Kalimullah bin Masheerul Hassan
Chairman

12 March 2008

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of ECM Libra Financial Group Berhad (formerly known as ECM Libra Avenue Berhad) ("Company") will be held at Anggerik Room, 4th Floor, Hotel Equatorial, Jalan Sultan Ismail, 50250 Kuala Lumpur on Thursday, 5 June 2008 at 10.00 a.m. in order: -

AGENDA

1. to receive the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 31 January 2008;
2. to declare a final dividend of 3 sen per share less income tax of 26% for the financial year ended 31 January 2008 to be paid on 30 June 2008 to shareholders registered in the Record of Depositors on 11 June 2008;
3. to approve the payment of Directors' fees of RM221,288.00 to be divided amongst the Directors in such manner as the Directors may determine;
4. to re-elect the following Directors retiring pursuant to the Company's Articles of Association:-
   i) Dato' Seri Kalimullah bin Masheerul Hassan;
   ii) Datuk Kamarudin bin Md Ali; and
   iii) Mr Lum Sing Fai;
5. to re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration;

   AS SPECIAL BUSINESS

   To consider and if thought fit, pass the following ordinary resolutions:-

6. **Authority To Directors To Issue Shares**

   "**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being and the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company";

7. **Proposed Renewal Of Authority To Directors For The Purchase Of Own Shares**

   "**THAT** subject to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM1.00 each in the Company's issued and paid-up share capital on Bursa Securities subject further to the following:-

   (a) the maximum number of shares which may be purchased and/or held by the Company shall be equivalent to ten percent (10%) of the issued and paid-up share capital of the Company ("Shares") for the time being;

   (b) the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the retained profits and/or the share premium account of the Company; and

   (c) the authority conferred by the resolution as set out in paragraphs (a) and (b) above will commence upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting but so as not to prejudice the completion of a purchase made before such expiry date;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares;

AND the Directors of the Company be and are hereby authorised to deal with any Shares so purchased and any existing treasury shares ("Said Shares") in the following manner:-

(a) cancel the Said Shares;

(b) retain the Said Shares as treasury shares;

(c) retain part of the Said Shares as treasury shares and cancel the remainder;

(d) distribute all or part of the Said Shares as dividends to shareholders and/or resell on Bursa Securities and/or cancel all or part of them;

or in any other manner as may be prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authority for the time being in force AND THAT the authority to deal with the Said Shares shall continue to be valid until all the Said Shares have been dealt with by the Directors of the Company";

8. to consider any other business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN that a depositor shall qualify for entitlement to the final dividend only in respect of:-

(a) shares transferred into depositor's securities account before 4.00 p.m. on 11 June 2008 in respect of ordinary transfers; and

(b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

WONG SEONG CHO
Secretary

Kuala Lumpur
14 May 2008

NOTES:

1. A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company. A member who is an authorized nominee may appoint at least one (1) proxy in respect of each securities account it holds.

2. The Form of Proxy must be deposited at the Registered Office of the Company at 8A Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time and date of the meeting or adjourned meeting.

Explanatory note on special business

1. Ordinary Resolution on authority to Directors to issue shares

   The ordinary resolution, if passed, will give authority to the Directors of the Company to issue shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

2. Ordinary Resolution on Proposed Renewal of Share Buy-Back Authority

   The ordinary resolution, if passed, will give authority to the Directors of the Company to make purchases of shares in the Company through Bursa Securities up to ten percent of the issued and paid-up share capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

statement accompanying notice of annual general meeting

(Pursuant to Paragraph 8.28(2) of the Listing Requirements of the Bursa Malaysia Securities Berhad)

1. **Directors who are standing for re-election at the Third Annual General Meeting of the Company pursuant to the Company's Articles of Association**

   Pursuant to Article 103 of the Company's Articles of Association

   Dato' Seri Kalimullah bin Masheerul Hassan
   Datuk Kamarudin bin Md Ali

   Pursuant to Article 110 of the Company's Articles of Association

   Mr Lum Sing Fai

2. **Details of attendance of Directors at Board Meetings**

   There were seven (7) Board Meetings held during the financial year ended 31 January 2008. Details of attendance of the Directors are set out in the Directors' Profile appearing on pages 4 to 7 and Corporate Governance Statement on page 10 of the Annual Report.

3. **Place, Date and Time of Third Annual General Meeting**

   The Third Annual General Meeting of the Company will be held at Anggerik Room, 4th Floor, Hotel Equatorial, Jalan Sultan Ismail, 50250 Kuala Lumpur on Thursday, 5 June 2008 at 10.00 a.m.

4. **Further details of individuals who are standing for re-election as Directors**

   (i) Directors' profile on pages 4 to 7.

   (ii) Details of interest in the securities of the Company, if any, are disclosed in Directors' Interests on page 23.

financial statements

directors' report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2008.

Change Of Name

The name of the Company was changed from ECM Libra Avenue Berhad to ECM Libra Financial Group Berhad ("ECMLFG" or "Company") with effect from 31 January 2008.

Principal Activities

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiary companies are set out in Note 14 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

Significant Events

Significant events are disclosed in Note 37 to the financial statements.

Results

	Group RM '000	**Company RM '000**
Net profit for the year	84,387	49,585

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Dividends

A final dividend in respect of the financial year ended 31 January 2007 of 1 sen less 27% tax on 830,901,953 ordinary shares, amounting to RM6,066,000 was paid on 13 July 2007.

At the forthcoming Annual General Meeting, a final dividend of 3 sen per ordinary share of RM1 each on 830,901,953 ordinary shares, in respect of the financial year ended 31 January 2008, amounting to a net dividend payable of approximately RM20,004,000 will be proposed for shareholders' approval. As at 31 January 2008, the Company has sufficient credit in the section 108 balance to pay franked dividends up to RM14,011,000 and the balance of RM5,993,000 will be distributed under the single tier system. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2009.

directors' report continued

Directors

The directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Seri Kalimullah bin Masheerul Hassan
Dato' Ab Halim bin Mohyiddin
Mr Lim Kian Onn
Datuk Kamarudin bin Md Ali
Dato' Othman bin Abdullah
En Mahadzir bin Azizan
Mr Soo Kim Wai (resigned on 6 February 2008)
Mr Lum Sing Fai (resigned as alternate director to Mr Soo Kim Wai on 6 February 2008 and re-appointed as director on the same day)
Pn Eshah binti Meor Sulaiman (resigned on 1 March 2007)
En Ibrahim Mahaludin bin Puteh (resigned on 1 March 2007)

In accordance with Article 103 of the Articles of Association of the Company, Dato' Seri Kalimullah bin Masheerul Hassan and Datuk Kamarudin bin Md Ali will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 110 of the Articles of Association of the Company, Mr Lum Sing Fai will retire at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

Directors' Interests

The Directors holding office at the end of the financial year who had beneficial interests in the ordinary shares/options* of the Company and/or related corporations during the financial year ended 31 January 2008, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	Shareholdings in which Directors have interests Number of ordinary shares / options *			
	As at 1.2.2007	**Acquired**	**Sold**	**As at 31.1.2008**
Direct interest in ECM Libra Financial Group Berhad ("ECMLFG")				
Dato' Seri Kalimullah bin Masheerul Hassan	40,000,000	-	40,000,000	-
	-	29,000,000*	-	29,000,000*
Dato' Ab Halim bin Mohyiddin	-	200,000*	-	200,000*
Mr Lim Kian Onn	92,706,000	-	16,250,000	76,456,000
	-	29,000,000*	-	29,000,000*
Datuk Kamarudin bin Md Ali	-	200,000*	-	200,000*
En Mahadzir bin Azizan	-	200,000*	-	200,000*
Dato' Othman bin Abdullah	-	200,000*	-	200,000*
Indirect Interest in ECMLFG				
Dato' Seri Kalimullah bin Masheerul Hassan	-	40,000,000	5,000,000	35,000,000
Mr Lim Kian Onn	7,000,000	-	7,000,000	-

* The options over ordinary shares were granted pursuant to the Company's Employees Share Option Scheme ("ESOS").

Directors' Benefits

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial statements or the fixed salary of a full time employee of the Company or of a related company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for Mr Lim Kian Onn who may be deemed to derive a benefit by virtue of those transactions, contracts and agreements for the acquisition and/or disposal of stocks and shares and/or the provision of services including but not limited to management and consultancy services, tenancies and/or the provision of treasury functions and the conduct of normal stockbroking business between the Company and its related corporations or corporations in which Mr Lim Kian Onn is deemed to have interests.

There were no arrangements during and at the end of the financial year which had the object of enabling the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate other than the share options granted pursuant to the Employees Share Option Scheme.

Employees Share Option Scheme

The Company's Employees Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 1 December 2005. The ESOS was implemented on 4 January 2008 and will be in force for a period of ten (10) years.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of option holders granted less than 2,000,000 options each during the year pursuant to the scheme. The names of option holders, other than directors, who had been granted options of 2,000,000 or more as at the end of the financial year are as follows:

	No. of options '000
T. Jeyaratnam	2,000
Franklin Tan Kok Pin	2,000
Ng Hoe Guan	2,000
Wong Seong Cho	2,000

The names of directors who had been granted options are disclosed in the section of Directors' Interest in this report.

The main features of the ESOS are, inter alia, as follows:-

(i) Eligible employees are those employees of the Group who had been in service for at least one year on the date of offer. The maximum allowable allotments for the directors had been approved by the shareholders of the Company in a general meeting. The Board of Directors may from time to time at its discretion select and identify suitable eligible employees to be offered options.

(ii) The aggregate number of shares to be issued under the ESOS shall not exceed 15% of the total issued and paid-up ordinary share capital of the Company for the time being.

(iii) The ESOS shall be in force for a period of 10 years from 4 January 2008.

(iv) The option price shall not be at a discount of more than ten percent (10%) (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the shares of the Company preceding the date of offer and shall in no event be less than the par value of the shares of the Company of RM1.00.

(v) An option holder may, in a particular year, exercise up to such maximum number of shares in the option certificate as determined by the Board of Directors or as specified in the option certificate.

As at 31 January 2008, there were no issuance of new shares as there were no exercise of the ESOS options granted.

Other Statutory Information

(I) As at the end of the financial year

(a) Before the income statements and balance sheets of the Group and the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and financing and the making of provision for doubtful debts and financing and had satisfied themselves that all known bad debts and financing had been written off and that adequate provision had been made for doubtful debts and financing; and

(ii) to ensure that any current assets, other than debts and financing, which were unlikely to realise their book values as shown in the accounting records in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of directors, the result of the operations of the Group and of Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

(II) From the end of the financial year to the date of this report

(a) The directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts and financing or the amount of the provision for doubtful debts and financing inadequate to any material extent;

(ii) which would render the values attributed to current assets in the financial statements misleading; and

(iii) which had arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

(b) In the opinion of the directors:

(i) the results of the operations of the Group and the Company for the financial year ended 31 January 2008 are not likely to be substantially affected by any item, transaction or event of a material and unusual nature which had arisen in the interval between the end of the financial year and the date of this report; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and the Company to meet their obligations as and when they fall due.

(III) As at the date of this report

(a) There are no charges on the assets of the Group and the Company which had arisen since the end of the financial year to secure the liabilities of any other person.

(b) There are no contingent liabilities which had arisen since the end of the financial year.

(c) The directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.

directors' report continued

Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 12 March 2008.

Dato' Seri Kalimullah bin Masheerul Hassan	Lim Kian Onn

statement by directors

(Pursuant to Section 169(15) of the Companies Act, 1965)

We, Dato' Seri Kalimullah bin Masheerul Hassan and Lim Kian Onn, being two of the directors of ECM Libra Financial Group Berhad (formerly known as ECM Libra Avenue Berhad), do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 29 to 82 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2008 and of its results and its cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 12 March 2008.

Dato' Seri Kalimullah bin Masheerul Hassan

Lim Kian Onn

statutory declaration

(Pursuant to Section 169(16) of the Companies Act, 1965)

I, Lau Yew Sun, being the officer primarily responsible for the financial management of ECM Libra Financial Group Berhad (formerly known as ECM Libra Avenue Berhad), do solemnly and sincerely declare that the accompanying financial statements set out on page 29 to 82 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Lau Yew Sun at
Kuala Lumpur in the Federal Territory
on 12 March 2008

Lau Yew Sun

Before me,

Soh Ah Kau
Commissioner for Oaths
12 March 2008

auditors’ report

REPORT OF THE AUDITORS TO THE MEMBERS OF ECM LIBRA FINANCIAL GROUP BERHAD

(formerly known as ECM Libra Avenue Berhad)
(Incorporated in Malaysia)

We have audited the financial statements set out on pages 29 to 82. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

(a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of:

  (i) the financial position of the Group and of the Company as at 31 January 2008 and of the results and the cash flows of the Group and of the Company for the year then ended; and

  (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and

(b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and the auditors' reports thereon of the subsidiaries of which we have not acted as auditors, as indicated in Note 14 to the financial statements, being financial statements that have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors’ reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

Ernst & Young
AF: 0039
Chartered Accountants

Gloria Goh Ewe Gim
No. 1685/04/09(J)
Partner

Kuala Lumpur, Malaysia
12 March 2008

income statements
for the year ended 31 Jan 2008

	Note	Group		Company	
		2008	**2007**	**2008**	**2007**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	3	**205,052**	144,512	**59,447**	9,685
Direct costs		**(44,990)**	(29,747)	**(100)**	-
Net revenue		**160,062**	114,765	**59,347**	9,685
Other operating income		**7,140**	5,416	**-**	-
Administrative expenses		**(12,506)**	(8,241)	**(1,020)**	(423)
Other operating expenses		**(80,936)**	(62,948)	**(4,641)**	(237)
Operating profit	4	**73,760**	48,992	**53,686**	9,025
(Loss)/gain on disposal of investments	5	**(1,184)**	2,747	**499**	-
Writeback of/(allowance for) impairment loss on investments	6	**9,211**	(18,642)	**-**	-
Rationalisation expenses	7	**-**	(17,369)	**-**	-
Share of profits of associated companies		**3,255**	6,074	**-**	-
Finance costs	8	**(2,399)**	(3,450)	**(38)**	-
Profit before taxation		**82,643**	18,352	**54,147**	9,025
Income tax expense	9	**1,744**	1,806	**(4,562)**	(2,713)
Net profit for the year		**84,387**	20,158	**49,585**	6,312
Earnings per ordinary share (sen)	10				
- Basic / fully diluted		**10.16**	2.59		

The accompanying notes form an integral part of the financial statements.

balance sheets
as at 31 Jan 2008

		Group		Company	
	Note	2008	2007	2008	2007
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current Assets					
Property, plant and equipment	11	**54,509**	57,988	**41,227**	-
Investment properties	12	**-**	1,020	**-**	-
Intangible assets	13	**284,500**	232,000	**-**	-
Investment in subsidiary companies	14	**-**	-	**887,922**	777,992
Investment in associated companies	15	**43,280**	46,389	**-**	3,918
Other investments	16	**12,304**	14,019	**-**	-
Deferred tax assets	17	**10,000**	5,000	**-**	-
		404,593	356,416	**929,149**	781,910
Current Assets					
Inventories	18	**89**	1,016	**-**	-
Marketable securities	19	**164,095**	207,670	**-**	-
Trade receivables	20	**550,845**	1,027,865	**-**	-
Loan receivables	21	**25,352**	15,284	**-**	-
Other receivables, deposit and prepayments	22	**19,423**	32,632	**304**	19
Amount owing by subsidiary companies	23	**-**	-	**60,070**	125,090
Deposits with licensed financial institutions	24	**150,432**	107,223	**-**	10,720
Cash and bank balances	25	**219,840**	172,747	**25**	123
		1,130,076	1,564,437	**60,399**	135,952
TOTAL ASSETS		**1,534,669**	1,920,853	**989,548**	917,862

The accompanying notes form an integral part of the financial statements.

balance sheets continued
as at 31 Jan 2008

	Note	Group		Company	
		2008	**2007**	**2008**	**2007**
		RM'000	**RM'000**	**RM'000**	**RM'000**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	26	**830,902**	830,902	**830,902**	830,902
Reserves	27	**106,121**	30,396	**51,324**	6,310
Total equity		**937,023**	861,298	**882,226**	837,212
Non-Current Liabilities					
Hire purchase payable		**444**	-	**444**	-
Deferred tax liabilities	17	**168**	433	**-**	-
		612	433	**444**	-
Current Liabilities					
Trade payables	28	**521,290**	872,907	**-**	-
Other payables and accrued expenses	29	**74,754**	84,697	**4,036**	962
Amount owing to subsidiary companies	23	**-**	-	**102,799**	79,308
Short term borrowings	30	**-**	100,000	**-**	-
Tax liabilities		**990**	1,518	**43**	380
		597,034	1,059,122	**106,878**	80,650
Total liabilities		**597,646**	1,059,555	**107,322**	80,650
TOTAL EQUITY AND LIABILITIES		**1,534,669**	1,920,853	**989,548**	917,862

The accompanying notes form an integral part of the financial statements.

statements of changes in equity

for the year ended 31 Jan 2008

Group	Note	Share Capital RM'000	<------------ Non-Distributable ------------> Merger Reserve RM'000	Foreign Currency Translation Reserve RM'000	Equity Compensation Reserve RM'000	<----- Distributable ------> General Reserve RM'000	Retained Profit RM'000	Total RM'000
At 1 February 2007		830,902	26,561	(2,047)	-	159	5,723	861,298
Foreign currency translation		-	-	(4,671)	-	-	-	(4,671)
Arising from share option granted during the year	26	-	-	-	2,075	-	-	2,075
Net profit for the year		-	-	-	-	-	84,387	84,387
Dividends paid	32	-	-	-	-	-	(6,066)	(6,066)
At 31 January 2008		**830,902**	**26,561**	**(6,718)**	**2,075**	**159**	**84,044**	**937,023**

Group	Note	Share Capital RM'000	<------------ Non-Distributable -------------> Share Premium RM'000	Merger Reserve RM'000	Foreign Currency Translation Reserve RM'000	<---------------- Distributable ----------------> Capital Reserve RM'000	General Reserve RM'000	Retained Profit/ (Accumulated Loss) RM'000	Total RM'000
At 1 February 2006		703,027	152,022	49,551	-	1,000	159	(184,705)	721,054
Share capital reduction pursuant to a distribution of assets-in-specie		(314,125)	-	-	-	-	-	-	(314,125)
Capital cancellation exercise undertaken by Avenue Capital Resources Berhad ("ACRB")		-	(152,022)	(102,000)	-	-	-	254,022	-
Disposal of subsidiaries		-	-	79,010	-	(1,000)	-	(78,140)	(130)
Foreign currency translation		-	-	-	(2,047)	-	-	-	(2,047)
Shares issued pursuant to the acquisition of subsidiaries		442,000	-	-	-	-	-	-	442,000
Net profit for the year		-	-	-	-	-	-	20,158	20,158
Dividends paid	32	-	-	-	-	-	-	(5,612)	(5,612)
At 31 January 2007		**830,902**	**-**	**26,561**	**(2,047)**	**-**	**159**	**5,723**	**861,298**

The accompanying notes form an integral part of the financial statements.

statements of changes in equity continued
for the year ended 31 Jan 2008

Company	Note	Share Capital RM'000	Non-Distributable Equity Compensation Reserve RM'000	Distributable Retained Profit RM'000	Total RM'000
At 1 February 2007		830,902	-	6,310	837,212
Arising from share options granted during the year	26	-	1,495	-	1,495
Net profit for the year		-	-	49,585	49,585
Dividends paid	32	-	-	(6,066)	(6,066)
At 31 January 2008		**830,902**	**1,495**	**49,829**	**882,226**

Company				
At 1 February 2006	*	-	-	*
Shares issued to shareholders of ACRB pursuant to the ACRB reorganisation exercise	849,128	-	(2)	849,126
Capital cancelled pursuant to ACRB reorganisation exercise	(146,101)	-	-	(146,101)
Share capital reduction pursuant to a distribution of assets-in-specie	(314,125)	-	-	(314,125)
Shares issued pursuant to the acquisition of subsidiaries	442,000	-	-	442,000
Net profit for the year	-	-	6,312	6,312
At 31 January 2007	**830,902**	**-**	**6,310**	**837,212**

* Represents RM2.00.

The accompanying notes form an integral part of the financial statements.

cash flow statement

for the year ended 31 Jan 2008

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation	**82,643**	18,352	**54,147**	9,025
Adjustments for:				
(Writeback of)/allowance for impairment loss on investments	**(9,211)**	18,642	**-**	-
Depreciation of property, plant and equipment	**6,214**	6,330	**372**	-
Depreciation of investment properties	**12**	21	**-**	-
Exchange translation gain	**(1,610)**	(1,168)	**-**	-
Finance cost	**2,399**	3,450	**38**	-
Property, plant and equipment written off	**318**	5,637	**-**	-
Share of results of associated companies	**(3,255)**	(6,074)	**-**	-
Gain/(loss) on disposal of:				
- marketable securities	**(21,861)**	(13,780)	**-**	-
- investments	**1,184**	(2,747)	**(499)**	-
Dividend income	**(612)**	(1,167)	**(57,244)**	(8,333)
Cost arising from Employees Share Option Scheme ("ESOS")	**2,075**	-	**1,495**	-
Allowance for doubtful debts	**540**	1,818	**-**	-
Loss on disposal of property, plant and equipment	**178**	97	**-**	-
Operating profit/(loss) before working capital changes	**59,014**	29,411	**(1,691)**	692
(Increase)/decrease in:				
Inventories	**927**	326	**-**	-
Marketable securities	**71,847**	(104,475)	**-**	-
Trade and other receivables, deposits and prepayments	**468,715**	(641,347)	**(105)**	(18)
Deposits and money held in trust/pledged	**(108,661)**	(15,130)	**-**	-
(Decrease)/increase in:				
Trade and other payables, and accrued expenses	**(361,560)**	590,204	**3,518**	4,558
Balance carried forward	**130,282**	(141,011)	**1,722**	5,232

The accompanying notes form an integral part of the financial statements.

for the year ended 31 Jan 2008

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
CASH FLOW FROM OPERATING ACTIVITIES (continued)				
Balance brought forward	**130,282**	(141,011)	**1,722**	5,232
Amount owing by/to subsidiary companies	**-**	-	**88,511**	(389)
Cash generated from/(used in) operations	**130,282**	(141,011)	**90,233**	4,843
Tax recovered	**1,468**	-	**-**	-
Tax paid	**(4,166)**	(2,087)	**(464)**	-
Net cash generated from/(used in) operating activities	**127,584**	(143,098)	**89,769**	4,843
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividend received	**612**	1,009	**52,629**	6,000
Purchase of property, plant and equipment	**(3,633)**	(3,766)	**(41,599)**	-
Payment to Bank Negara Malaysia for merchant bank licence	**(42,500)**	(10,000)	**-**	-
Net cash inflow from acquisition of subsidiary companies	**-**	103,263	**-**	-
Capital injection to a subsidiary company	**-**	-	**(109,930)**	-
Proceeds from disposal of:				
- subsidiary company	**-**	(255)	**-**	-
- associated company	**4,417**	71,424	**4,417**	-
- other investments	**1,901**	-	**-**	-
- property, plant and equipment	**402**	1,871	**-**	-
- investment property	**1,497**	-	**-**	-
Net cash (used in)/generated from investing activities	**(37,304)**	163,546	**(94,483)**	6,000

The accompanying notes form an integral part of the financial statements.

for the year ended 31 Jan 2008

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Short term borrowings (repaid)/drawndown	**(100,000)**	10,000	-	-
Dividends paid	**(6,066)**	(5,612)	**(6,066)**	-
Interest paid	**(2,399)**	(3,450)	**(38)**	-
Net cash (used in)/generated from financing activities	**(108,465)**	938	**(6,104)**	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(18,185)**	21,386	**(10,818)**	10,843
EFFECTS OF FOREIGN EXCHANGE DIFFERENCES	**(174)**	500	**-**	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**167,473**	145,587	**10,843**	-
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 31)	**149,114**	167,473	**25**	10,843

The accompanying notes form an integral part of the financial statements.

notes to the financial statements

1. CORPORATE INFORMATION

The Company is a public limited company incorporated in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The principal place of business of the Company is located at 8A Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiary companies are set out in Note 14.

There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 12 March 2008.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Group and of the Company have been prepared on a historical cost basis and comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRSs") in Malaysia.

The accounting policies adopted are consistent with those of the previous year except that the Group has adopted those FRSs and amendments to FRSs issued by Malaysian Accounting Standards Board ("MASB") that are effective for financial period beginning on or after 1 October 2006 as described in Note 2(b)(i).

ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) ("ECMLIB") had received approval from Bank Negara Malaysia ("BNM") to comply with the requirements of the Revised Guidelines on Financial Reporting for Licensed Institutions ("BNM/GP8") not later than one year from the date of inception of its investment bank status. The Group and ECMLIB has not adopted the requirements of BNM/GP8 for the current financial year ended 31 January 2008.

(b) Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs

(i) On 1 February 2007, the Group and the Company adopted FRS 117 - Leases and FRS 124 - Related Party Transactions which are mandatory for financial periods beginning on or after 1 October 2006.

The adoption of FRS 117 did not result in any significant changes in accounting policies of the Group.

The effects of the changes in accounting policies resulting from the adoption of FRS 124 are as follows:

(i) Removal of the exemption for the disclosure of related party transactions in the Company's financial statements in respect of transactions with subsidiaries.

(ii) Disclosure of the compensation of key management personnel, as shown in Note 34(b).

The MASB has also issued the following FRSs and Amendment to FRSs which will be effective for annual periods beginning on or after 1 January 2007. These FRSs and Amendments are, however, not applicable to the Group or the Company.

FRS 6 : Exploration for and Evaluation of Mineral Resources

Amendment to FRS 119_{2004} : Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs (continued)

(ii) Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following new and revised FRSs, Amendment to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

FRSs, Amendment to FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 107: Cash Flow Statements	1 July 2007
FRS 111: Construction Contracts	1 July 2007
FRS 112: Income Taxes	1 July 2007
FRS 118: Revenue	1 July 2007
FRS 120: Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007
FRS 126: Accounting and Reporting by Retirement Benefit Plans	1 July 2007
FRS 129: Financial Reporting in Hyperinflationary Economies	1 July 2007
FRS 134: Interim Financial Reporting	1 July 2007
FRS 137: Provision, Contingent Liabilities and Contingent Assets	1 July 2007
Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation	1 July 2007
IC Interpretation 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6: Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7: Applying the Restatement Approach under FRS 129_{2004} – Financial Report in Hyperinflationary Economies	1 July 2007
IC Interpretation 8: Scope of FRS 2	1 July 2007
FRS 139: Financial Instruments: Recognition and Measurement	Deferred

The above new and revised FRSs, Amendment to FRSs and Interpretations with the exception of FRS 139 are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application. The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) BNM 'Garisan Panduan' 8 ("BNM/GP8") not yet adopted

The Group has not yet adopted BNM/GP8 for the current financial year, as approved by BNM. The adoption of BNM/GP in the financial year ending 31 January 2009 will result in the reclassification of marketable securities to securities held-for-trading/available-for-sale/held-to-maturity.

(d) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Purchase method of consolidation

Acquisitions of subsidiaries are generally accounted for using the purchase method unless they qualify under the merger principles of accounting as explained below. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Merger principles of accounting

Business combinations involving entities under common control are accounted for using merger principles of accounting. When the merger principles of accounting is adopted, the difference between the cost of investment in the Company's records and the shareholders' equity of the subsidiaries is treated as a merger reserve or a merger deficit. The results of the subsidiary companies being merged are presented as if the merger had been effected throughout the current and previous financial years.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and Basis of Consolidation (continued)

(ii) Merger principles of accounting (continued)

The merger principles of accounting was adopted by the Group in respect of the acquisition of Avenue Capital Resources Berhad ("ACRB") and its subsidiaries pursuant to the ACRB reorganisation exercise in the previous financial year. As such, the results of the Group have been stated as if the ACRB Group have been combined with the Company throughout the current and previous accounting periods even though the Company was only incorporated on 24 October 2005. The comparative figures of the Group relate to that of the ACRB Group and adjusted for the effects arising from using the merger principles of accounting.

(e) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes. In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(f) Intangible Assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Intangible Assets (continued)

(ii) Merchant bank licence

This represents contribution to BNM for a merchant bank licence to transform ECMLIB, the Universal Broker subsidiary into an Investment Bank. The merchant bank licence has indefinite useful life and is stated at cost less accumulated impairment losses.

Merchant bank licence is not amortised but tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired. Any impairment loss is recognised in income statement.

(g) Property, Plant and Equipment, and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

	%
Land and buildings	2
Furniture and fittings and office equipment	10 - 20
Computers	20 - 25
Office renovations	10 - 20
Motor vehicles	20

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

(h) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured at cost, including transaction costs, less accumulated depreciation and impairment loss. Cost represent the cost for the construction and acquisition of investment properties.

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of Non-financial Asset

The carrying amounts of non-financial assets, other than investment properties and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises. Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

(j) Inventories

Inventories consist of stocks of units in unit trust funds held by a subsidiary of the Group. These inventories are valued at the lower of cost and market value on aggregate basis. Cost is determined using the weighted average basis.

(k) Provisions for Liabilities

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(l) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument. Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

The accounting policies for financial instruments recognised on the balance sheet are disclosed in the individual policy statements associated with each item.

(i) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(ii) Marketable securities

Marketable securities represent quoted securities and fixed income securities which are carried at the lower of cost and market value, determined on a portfolio basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values at the close of business at the balance sheet date.

Increases or decreases in the carrying amount of marketable securities are credited or charged to the income statement as allowance for impairment loss of marketable securities or as allowance written back. Allowance for write-down is made when the marketable securities become less marketable as stated in accordance with the Rules of Bursa Malaysia.

On disposal of marketable securities, the gain or loss representing the difference between net disposal proceeds and its carrying amount is credited or charged to the income statements.

(iii) Other Non-Current Investments

Other non-current investments consist of long term investments in quoted, unquoted shares and unit trusts. These investments are stated at cost less impairment losses.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

(iv) Receivables

Trade receivables relating to the stockbroking activities are carried at anticipated realisable values. Bad debts are written off when identified. When an account is classified as non-performing, interest is suspended and is subsequently recognised on a cash basis.

In accordance with the Rules of Bursa Malaysia, clients' accounts are classified as non-performing under the following circumstances:

Types of account	**Criteria for classification as non-performing**
Contra Losses	When the account remains outstanding for 16 calendar days or more from the date of contra transaction.
Overdue purchase contracts	When the account remains outstanding from T+3 market days onwards.
Margin accounts	When the value of collateral has fallen below 130% of the outstanding balance.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

(iv) Receivables (continued)

- Specific allowance

Specific allowances for bad and doubtful receivables are made for accounts which have been classified as non-performing, net of interest-in-suspense and taking into consideration any collateral held and the deposit of dealers' representatives and all amounts due to the Group, in accordance with the Rules of Bursa Malaysia.

- General allowance

General allowances are made to cover possible losses which have not been specifically identified based on a certain percentage of its total trade receivables, after deducting specific allowances and interest-in-suspense. General allowances are made based on a certain percentage of trade receivables (excluding outstanding purchase contracts which are not due for payment), net of interest-in-suspense and specific allowances already made.

Other trade, non-trade and loan receivables are carried at anticipated realisable values. Allowance for doubtful debts is made based on estimates of possible losses which may arise from non-collection of certain receivable accounts while debts considered to be uncollectible are written off.

(v) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposit placements maturing less than one month held for the purpose of meeting short term commitments and readily convertible into cash without significant risk of changes in value.

(vi) Interest Bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(vii) Payables

Trade and other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(m) Revenue and Income Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Gross brokerage is recognised upon the execution of trade on behalf of clients, computed based on a pre-determined percentage of the contract value.

(ii) Margin income comprise margin interest income and rollover fees. Margin interest income is recognised on an accrual basis except where such margin account is considered non-performing in accordance with Schedule 7A of the Rules of Bursa Malaysia, in which case recognition of such interest is suspended. Subsequent to suspension, interest is recognised upon receipt until all arrears have been paid. Rollover fees are recognised on an accrual basis. Rollover fees from non-performing margin accounts will be suspended until the accounts are reclassified as performing.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Revenue and Income Recognition (continued)

(iii) Gains or losses on disposal of investments are recognised upon confirmation of transactions by the stockbrokers.

(iv) Unit trust and fund management fees are recognised on an accrual basis.

(v) Underwriting, advisory, arrangement and placement fees are recognised as and when services are performed.

(vi) Other revenue earned by the Group are recognised on the following bases:

Dividend income - when the right to receive payment is established.

Management fee and rental income - accrual basis by reference to the agreements entered.

Other interest income - on an accrual basis unless collectibility is in doubt, in which case they are recognised on receipt basis.

(n) Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency. All values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the consolidated financial statements are translated into RM as follows:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Foreign Currencies (continued)

(iii) Foreign Operations (continued)

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;

- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and

- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

(o) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(p) Employee Benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Post-employment benefits - Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund (“EPF”).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Employee Benefits (continued)

(iii) Share-based Compensation

The Company's Employee Share Option Scheme ("ESOS"), an equity-settled, share-based compensation plan, allows the staff of the Group and directors of the companies to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the equity compensation reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the option expires, upon which it will be transferred directly to retained profit.

The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

(q) Significant Accounting Estimates and Judgements

Preparation of the financial statements involved making certain estimates, assumptions concerning the future judgements. They affect the accounting policies applied, amounts of assets, liabilities, income and expenses reported and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Changes in these estimates and assumptions by management may have an effect on the balances as reported in financial statements.

(i) Impairment of goodwill and other intangible assets

The Group determines whether goodwill and other intangible assets are impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units (“CGU”) to which goodwill and other intangible assets are allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(ii) Classification of investments

Management uses its judgement to determine the classification of its investments into current and non-current. An investment is classified as current if it is readily realisable and it is held for trading or intended by management to be realised within 12 months after the balance sheet date. All other investments are classified as non-current.

(iii) Income taxes

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available in the respective entity within the Group against which the losses and capital allowances can be utilised. Significant management judgement, which will be reviewed periodically, is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The disclosure on the deferred tax assets and unrecognised tax losses and capital allowances are in Note 17.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Significant Accounting Estimates and Judgements (continued)

(iv) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on FRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

In the current financial year, the Group has tenanted out a portion of its freehold building to a third party whilst another portion is used by certain subsidiaries of the Group as their principal place of business. The Group has not classified this portion as investment property as the portions tenanted by external parties cannot be sold separately and the portions used by the Group in the supply of goods and services is not an insignificant portion. Accordingly, this property is still classified as property, plant and equipment in the financial statements of the Group as at the end of the current financial year.

(v) Provision for ESOS-related costs

The Group and the Company made certain provisions for ESOS-related costs which are calculated using a binomial model. The fair value of equity-settled share options granted is estimated as at the date of grant using the binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the assumption inputs to the model used:

Share price (as at 25 Jan 08) (RM)	0.815
Exercise price (RM)	1.00
Expected volatility (%)	32.08%
Risk free interest rate (%)	3.50%
Dividend pay out (RM)	0.02
Average dividend yield (%)	1.50%
Historical dividend yield (%)	1.00%
Expected future dividend yield (%)	2.00%

Actual volatility in the future may differ from the expected volatility, nonetheless the expected volatility reflects the Group's best estimate of future volatility over the remaining option period.

3. REVENUE

	Group		Company	
	2008	2007	**2008**	2007
	RM'000	RM'000	**RM'000**	RM'000
Brokerage income	**120,465**	69,199	**-**	-
Management fees	**15,638**	22,237	**-**	-
Placement fees	**12,569**	6,481	**-**	-
Margin and other fees income	**15,461**	12,458	**-**	-
Corporate finance and advisory fee	**3,105**	4,345	**-**	-
Interest income				
- deposits	**14,054**	12,306	**1,331**	269
- others	**212**	2,539	**795**	1,083
Rental income	**1,075**	-	**77**	-
Gross dividend income from:				
- subsidiary company	**-**	-	**57,244**	8,333
- other investments	**612**	1,167	**-**	-
Gain on disposal of marketable securities	**21,861**	13,780	**-**	-
	205,052	144,512	**59,447**	9,685

4. OPERATING PROFIT

Other than those items disclosed in Note 3, operating profit is stated:

	Group		Company	
	2008	2007	**2008**	2007
	RM'000	RM '000	**RM'000**	RM'000
After charging:				
Staff costs (excluding directors' remuneration) (Note (i))	**34,908**	26,458	**1,831**	-
Contributions to EPF	**3,004**	2,612	**8**	-
Directors' remuneration (Note (ii))	**5,216**	8,594	**2,752**	204

4. OPERATING PROFIT/(LOSS) (continued)

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM '000**	**RM'000**	**RM'000**
After charging: (continued)				
Depreciation of:				
- property, plant and equipment	**6,214**	6,330	**372**	-
- investment properties	**12**	21	**-**	-
Rental of:				
- premises	**3,568**	3,072	**25**	-
- equipment	**-**	130	**-**	-
Auditors' remuneration:				
- statutory	**216**	221	**28**	25
- others	**70**	5	**5**	5
(Reversal of)/allowance for doubtful debts:				
- trade receivables	**(2,238)**	1,818	**-**	-
- other receivables	**2,778**	-	**-**	-
Loss on disposal of property, plant and equipment	**178**	97	**-**	-
Cost arising from Employees Share Option Scheme ("ESOS")	**2,075**	-	**1,495**	-
And crediting:				
Exchange translation gain	**1,610**	1,168	**-**	-
Bad receivables written off now recovered	**97**	272	**-**	-

Note (i) Staff costs include salaries, bonuses, cost arising from ESOS and all other staff-related expenses but excluding directors' remuneration.

Note (ii) Directors' remuneration consists of the following:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM '000**	**RM'000**	**RM'000**
Directors of the Company (Note (iii)) :				
Fees	**295**	195	**295**	195
Other emoluments	**2,457**	977	**2,457**	9
Directors of subsidiary companies:				
Fees	**196**	158	**-**	-
Other emoluments	**2,268**	7,264	**-**	-
	5,216	8,594	**2,752**	204
Estimated monetary value of benefits-in-kind received by directors	**-**	-	**-**	-

4. OPERATING PROFIT/(LOSS) (continued)

Note (iii) The total remuneration of the directors of the Company during the financial year fall within the following bands:

	Number of directors	
	2008	**2007**
Executive directors:		
RM50,000 to RM950,000	-	-
RM950,001 to RM1,000,000	1	-
RM1,000,001 to RM1,500,000	-	-
RM1,500,001 to RM1,550,000	1	-
Non-executive directors:		
Below RM50,000	3	6
RM50,000 to RM100,000	2	-
RM500,001 to RM550,000	-	2*

* Two of the non-executive directors were previously executive directors of the operating subsidiaries of ECM Libra Berhad prior to the merger.

5. (LOSS)/GAIN ON DISPOSAL OF INVESTMENTS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
(Loss)/gain on disposal of:				
- quoted investments	**-**	2,314	**-**	-
- associated companies	**941**	-	**499**	-
- subsidiary companies	**-**	433	**-**	-
- investment properties	**489**	-	**-**	-
- other investments	**(2,614)**	-	**-**	-
	(1,184)	2,747	**499**	-

6. WRITEBACK OF/(ALLOWANCE FOR) IMPAIRMENT LOSS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Writeback of/(allowance for) impairment loss on investments				
- investment in associated companies	**-**	(5,983)	**-**	-
- other investments	**9,211**	(12,659)	**-**	-
	9,211	(18,642)	**-**	-

7. RATIONALISATION EXPENSES

Rationalisation expenses in the previous financial year relate to expenses incurred by the Group to streamline its business activities following the completion of the merger exercise undertaken in the previous financial year. Included in the rationalisation expenses of the Group are:

	2007
	RM'000
Staff voluntary separation and retention schemes	10,097
Property, plant and equipment written off	5,637
Relocation expenses	1,019
Other expenses	616
	17,369

8. FINANCE COSTS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Finance costs consist of interest expense on short term borrowings	**2,399**	3,450	**38**	-

9. INCOME TAX EXPENSE

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:				
- Current year's provision	**3,240**	3,639	**4,658**	2,713
- Real property gains tax	**29**	-	**-**	-
- Under/(over) provision of tax in prior years	**252**	(445)	**(96)**	-
	3,521	3,194	**4,562**	2,713
Deferred taxation:				
- Relating to origination and reversal of temporary differences (Note 17)	**(5,265)**	(5,000)	**-**	-
	(1,744)	(1,806)	**4,562**	2,713

Domestic income tax is calculated at the Malaysian statutory tax rate of 26% (2007: 27%) of the estimated assessable profit for the year. The domestic statutory tax rate will be reduced to 25% from the current year's rate of 26%, effective year of assessment 2009. The computation of deferred tax as at 31 January 2008 has reflected these changes.

The income tax expense for the year can be reconciled to the profit before tax per income statements as follows:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit before taxation	**82,643**	18,352	**54,147**	9,025
Tax at the rate of 26% (2007: 27%)	**21,487**	4,955	**14,078**	2,437
Tax effects of:				
Non-allowable expenses	**4,429**	7,543	**1,109**	276
Non-taxable income	**(1,670)**	(5,310)	**(10,529)**	-
Under/(over) provision of tax in prior years	**252**	(445)	**(96)**	-
Real property gains tax	**29**	-	**-**	-
Deferred tax not recognised on temporary differences	**(1,037)**	-	**-**	-
Deferred tax recognised on unabsorbed tax losses	**(5,000)**	-	**-**	-
Utilisation of deferred tax assets previously not recognised	**(20,415)**	(5,867)	**-**	-
Effect of changes in tax rate on opening balance of deferred tax	**181**	(2,682)	**-**	-
	(1,744)	(1,806)	**4,562**	2,713

10. EARNING PER ORDINARY SHARE

The basic and diluted earnings per ordinary share is calculated by dividing the Group's profit after taxation of RM84,387,000 (2007: RM20,158,000) by the weighted average number of ordinary shares in issue during the year of 830,902,000 (2007: 779,402,000).

For the financial year ended 31 January 2008, outstanding ESOS have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as their conversion to ordinary shares would be anti-dilutive.

11. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and building RM'000	Furniture and fittings and office equipment RM'000	Computers RM'000	Motor vehicles RM'000	Total RM'000
Cost					
At 1 February 2007	42,557	23,299	21,603	3,840	91,299
Reclassification	(633)	(189)	821	1	-
Additions	5	1,002	1,034	1,592	3,633
Write-offs	-	(328)	(425)	-	(753)
Disposals	-	-	(85)	(1,489)	(1,574)
At 31 January 2008	41,929	23,784	22,948	3,944	92,605
Accumulated Depreciation					
At 1 February 2007	2,740	13,447	15,181	1,943	33,311
Reclassification	(68)	(367)	434	1	-
Charge during the year	803	1,912	2,790	709	6,214
Write-offs	-	(156)	(279)	-	(435)
Disposals	-	-	(85)	(909)	(994)
At 31 January 2008	3,475	14,836	18,041	1,744	38,096
Net Carrying Amount					
At 31 January 2008	38,454	8,948	4,907	2,200	54,509

11. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Freehold land and building RM'000	Furniture and fittings and office equipment RM'000	Computers RM'000	Motor vehicles RM'000	Total RM'000
Cost					
At 1 February 2006	43,240	14,764	11,335	3,466	72,805
Acquisition of subsidiaries	2	19,048	17,144	1,667	37,861
Additions	511	528	2,345	382	3,766
Write-offs	-	(9,461)	(8,671)	(125)	(18,257)
Disposal of subsidiaries	-	(1,425)	(282)	(15)	(1,722)
Disposals	(1,196)	(155)	(268)	(1,535)	(3,154)
At 31 January 2007	42,557	23,299	21,603	3,840	91,299
Accumulated Depreciation					
At 1 February 2006	1,979	7,171	8,521	1,229	18,900
Acquisition of subsidiaries	-	10,127	12,437	631	23,195
Charge during the year	863	2,052	2,470	945	6,330
Write-offs	-	(4,754)	(7,739)	(127)	(12,620)
Disposal of subsidiaries	-	(1,047)	(246)	(15)	(1,308)
Disposals	(102)	(102)	(262)	(720)	(1,186)
At 31 January 2007	2,740	13,447	15,181	1,943	33,311
Net Carrying Amount					
At 31 January 2007	39,817	9,852	6,422	1,897	57,988

11. PROPERTY, PLANT AND EQUIPMENT (continued)

Included in property, plant and equipment of the Group are the following fully depreciated property, plant and equipment which are still in use:

	Group	
	2008	**2007**
	RM'000	**RM'000**
Renovation	**3,508**	-
Computers	**11,591**	11,530
Furniture and fittings and office equipment	**4,980**	7,160
Motor vehicles	**769**	383
	20,848	19,073

Company	**Freehold land and building RM'000**	**Office equipment RM'000**	**Motor vehicles RM'000**	**Total RM'000**
Cost				
At 1 February 2007	-	-	-	-
Additions	40,005	2	1,592	41,599
At 31 January 2008	40,005	2	1,592	41,599
Accumulated Depreciation				
At 1 February 2007	-	-	-	-
Charge during the year	133	-	239	372
At 31 January 2008	133	-	239	372
Net Carrying Amount				
At 31 January 2008	39,872	2	1,353	41,227

12. INVESTMENT PROPERTIES

	Group 2008 RM'000	Group 2007 RM'000
Located in Malaysia:		
Shop offices	-	1,062
Less: Accumulated depreciation	-	(42)
Net	-	1,020

13. INTANGIBLE ASSETS

Group	Goodwill RM'000	Merchant Bank Licence RM'000	Total RM'000
2008			
Cost/Net Carrying Amount			
At 1 February 2007	232,000	-	232,000
Additions	-	52,500	52,500
At 31 January 2008	232,000	52,500	284,500

	Goodwill RM'000	Total RM'000
2007		
Cost/Net Carrying Amount		
At 1 February 2006	-	-
Arising from acquisition of subsidiaries during the financial year	232,000	232,000
At 31 January 2007	232,000	232,000

13. INTANGIBLE ASSETS (continued)

The merchant bank licence represents contribution by ECMLIB to BNM to carry on merchant banking business and is considered to have indefinite useful life, which is not amortised and is assessed for impairment annually.

During the financial year, the Group assessed the recoverable amount of goodwill and merchant bank licence, and determined that goodwill associated with the acquisition of operating subsidiaries of the Company and the merchant bank licence are sustainable based on the value-in-use after taking into consideration the future effect of the merged operations and a discount factor of 6.76% (2007: 5.00%) per annum.

The following key assumptions were used by management in assessing the recoverable amount of goodwill and the merchant bank licence:

(i) The basis used to determine the value-in-use was based on a profit budget approved by management after taking into consideration the growth rate on the budgeted profit.

(ii) The growth rate used is based on the assumption that on the movement of the Kuala Lumpur Composite Index over a period.

With regard to the assessment of value-in-use, management believes that no reasonable possible change in any of the above key assumptions would cause the carrying values to materially exceed its recoverable amounts.

14. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2008 RM'000	2007 RM'000
Unquoted shares in local corporations, at cost	887,922	777,992

The subsidiary companies, all incorporated in Malaysia except as otherwise indicated, are as follows:

Name of Company	Effective Percentage of Ownership 2008 %	2007 %	Principal Activities
ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) and its subsidiaries:	**100**	100	Stockbroking, underwriting, placement and provision of advisory services
- ECML Nominees (Tempatan) Sdn. Bhd. (formerly known as ECM Libra Avenue Nominees (Tempatan) Sdn. Bhd.)	**100**	100	Provision of nominees services for local clients
- ECML Nominees (Asing) Sdn. Bhd. (formerly known as ECM Libra Avenue Nominees (Asing) Sdn. Bhd.)	**100**	100	Provision of nominees services for foreign clients

14. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

The subsidiary companies, all incorporated in Malaysia except as otherwise indicated, are as follows (continued):

Name of Company	Effective Percentage of Ownership 2008	2007	Principal Activities
	%	%	
- Avenue Kestrel Sdn. Bhd.	**100**	100	Dormant
Avenue Invest Berhad and its subsidiary:	**100**	100	Provision of unit trust and asset management services
- Avenue Asset Management Services (Labuan) Ltd.	**100**	100	Provision of portfolio management services
Avenue Services Sdn. Bhd.	**100**	100	Provision of management services
ECM Libra Holdings Limited and its subsidiaries:	**100**	100	Investment holding and provision of advisory services
- ECM Libra Investment Bank Limited and its subsidiary:	**100**	100	Provision of offshore investment banking and related financial services
- ECM Libra Investments Limited (Incorporated in British Virgin Islands)	**100**	100	Investment holding and provision of financial services
- ECM Libra Securities Limited * (Incorporated in Hong Kong)	**100**	100	Dormant
ECM Libra Capital Sdn. Bhd.	**100**	100	Provision of management, investment advisory and investment consulting services
ECM Libra Partners Sdn. Bhd.	**100**	100	Provision of credit services

* Audited by firm other than Ernst & Young.

14. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

The subsidiary companies, all incorporated in Malaysia except as otherwise indicated, are as follows: (continued)

	Effective Percentage of Ownership		
Name of Company	**2008**	**2007**	**Principal Activities**
	%	**%**	
ECM Libra Capital Markets Sdn Bhd	**100**	100	Provision of fund management services
Avenue Capital Resources Berhad and its subsidiaries:	**100**	100	Investment holding and provision of management services
- Ultimate Acres Sdn. Bhd.	**100**	100	Dormant
- Piuco Entertainment Venture (M) Sdn. Bhd. (In members' voluntary liquidation)	**100**	100	Company dissolved on 26 January 2008
ACRB Capital Sdn. Bhd.	**100**	100	Dormant
ECM Libra Securities Sdn. Bhd. and its subsidiaries:	**100**	100	Dormant
- ECM Libra Securities Nominees (Tempatan) Sdn. Bhd.	**100**	100	Dormant
- ECM Libra Securities Nominees (Asing) Sdn. Bhd.	**100**	100	Dormant
- ECM Libra Securities Nominees Sdn. Bhd.	**100**	100	Dormant
- ECM Libra Securities Portfolio Management Sdn. Bhd.	**100**	100	Dormant

15. INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Quoted shares, outside Malaysia	**39,492**	42,380	-	-
Unquoted shares, within Malaysia	**-**	3,918	-	3,918
	39,492	46,298	-	3,918
Share in post acquisition results	**3,788**	91	-	-
	43,280	46,389	-	3,918
Less: Impairment loss	**-**	-	-	-
Net	**43,280**	46,389	-	3,918
Quoted shares, outside Malaysia				
At market value	**18,622**	27,178	-	-
At fair value	**21,459**	18,233	-	-

The carrying value of the Group's quoted investment in an associated company has exceeded the market value by approximately RM24,658,000 (2007: RM19,211,000). Based on the directors' valuation, the carrying value of the Group's investment in associated company is supported by its recoverable amount.

The associated companies, all incorporated in Malaysia, except as otherwise indicated, are as follows:

			Effective Percentage of Ownership	
Name of Company	**Principal Activities**	**Year end**	**2008**	**2007**
Westcomb Financial Group Limited (Incorporated in Singapore)	Investment holding	31 December	24	24
Muamalat Avenue Sdn. Bhd.	Provision of asset management services	31 December	-	40

On 18 December 2006, the Company entered into a conditional share sale agreement with Bank Muamalat Malaysia Berhad for the disposal of its entire 40% equity interest held in Muamalat Avenue Sdn. Bhd. for RM4.42 million. The said disposal was completed on 15 March 2007.

15. INVESTMENT IN ASSOCIATED COMPANIES (continued)

The following amounts represent the assets, liabilities, revenue and expenses of the associated companies of the Group remaining as at year end:

	Group	
	2008 RM'000	**2007 RM'000**
Property, plant and equipment	**428**	1,103
Intangible assets	**2,974**	3,119
Investments	**216**	395
Current assets	**163,031**	191,573
Current liabilities	**(74,724)**	(109,133)
Long term liabilities	**(895)**	(206)
Net Assets	**91,030**	86,851
Revenue	**48,286**	24,426
Expenses	**(32,011)**	(22,961)
Profit before taxation	**16,275**	1,465
Income tax expense	**(2,923)**	(382)
Net profit for the year	**13,352**	1,083

16. OTHER INVESTMENTS

	Group	
	2008 RM'000	**2007 RM'000**
Shares in unquoted local corporations, at cost	**2,240**	6,759
Other quoted investments	**10,624**	15,139
	12,864	21,898
Less: Impairment loss	**(560)**	(7,879)
	12,304	14,019
Market value of:		
Other quoted investments	**11,921**	16,485

17. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2008	**2007**
	RM'000	**RM'000**
At beginning of the financial year	**4,567**	(117)
Acquisition of subsidiary companies	**-**	(316)
Recognised in the income statement (Note 9)	**5,265**	5,000
At end of the financial year	**9,832**	4,567
Presented after appropriate offsetting as follows:		
Deferred tax assets	**10,000**	5,000
Deferred tax liabilities	**(168)**	(433)
	9,832	4,567

All movement in deferred tax assets and liabilities have been recognised in the income statement. The components of deferred tax liabilities and assets as at the end of the financial year are as follows:

	Group	
	2008	**2007**
	RM'000	**RM'000**
Accelerated capital allowance	**168**	983
Unutilised tax losses	**(10,000)**	(5,000)
Provisions	**-**	(197)
Others	**-**	(353)
	(9,832)	(4,567)

17. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2008	2007
	RM'000	RM'000
Unused tax losses	**169,800**	246,796
Excess of capital allowances over depreciation of property, plant and equipment	**(464)**	(3,065)
Other temporary differences	**32**	5,452
Net deferred asset	**169,368**	249,183

The unutilised tax losses and unabsorbed capital allowances of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

18. INVENTORIES

	Group	
	2008	2007
	RM'000	RM'000
At cost:		
Unit trust quoted in Malaysia - manager's stocks	**89**	1,016
Market value of trust units quoted in Malaysia	**89**	1,016

19. MARKETABLE SECURITIES

	Group	
	2008	2007
	RM'000	RM'000
At cost:		
Unquoted private debt securities	**64,373**	120,545
Less: Allowance for diminution in value	**(4,400)**	(2,115)
	59,973	118,430

19. MARKETABLE SECURITIES (continued)

	Group 2008 RM'000	Group 2007 RM'000
Quoted shares	**104,122**	98,124
Less: Allowance for diminution in value	**-**	(8,884)
	104,122	89,240
Net	**164,095**	207,670
Indicative market value of:		
Unquoted private debt securities	**66,219**	120,927
Quoted shares	**112,357**	92,756

20. TRADE RECEIVABLES

	Group 2008 RM'000	Group 2007 RM'000
Amount owing by clients	**367,731**	697,044
Amount owing by brokers	**183,847**	334,902
	551,578	1,031,946
Less: Allowance for doubtful receivables		
- specific allowance (Note (a))	**(271)**	(1,102)
- general allowance (Note (b))	**(2,775)**	(4,790)
- interest-in-suspense (Note (c))	**(725)**	(944)
	547,807	1,025,110
Amount due by Trustees	**3,038**	2,368
Other trade receivables	**-**	387
Net	**550,845**	1,027,865

20. TRADE RECEIVABLES (continued)

The trade settlement for the amounts owing by clients and brokers is 3 market days according to the Fixed Delivery and Settlement System ("FDSS") trading rules of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The trade credit terms for margin clients are set within standard margin agreements.

The trade credit terms for other trade receivables generally ranges from 30 days to 90 days. Other trade credit terms are assessed and approved on a case-by-case basis.

Movements in the allowance for bad and doubtful receivables and interest-in-suspense accounts are as follows:

	Group	
	2008 RM'000	**2007 RM'000**
(a) Specific Allowance:		
Balance at beginning of year	**1,102**	164
Acquired from business merger	-	562
Allowance made during the year	**695**	376
Allowance no longer required	**(918)**	-
Amount written off	**(608)**	-
Balance at end of year	**271**	1,102
(b) General Allowance:		
Balance at beginning of year	**4,790**	3,095
Acquired from business merger	**-**	253
Allowance made during the year	**3,063**	1,442
Written back	**(5,078)**	-
Balance at end of year	**2,775**	4,790
(c) Interest-in-suspense:		
Balance at beginning of year	**944**	435
Acquired from business merger	**-**	710
Suspended during the year	**465**	-
Written back	**(684)**	(201)
Balance at end of year	**725**	944

20. TRADE RECEIVABLES (continued)

The classification of non-performing accounts in accordance with Rule 1104.1, Schedule 7A of the Rules of Bursa Malaysia is as follows:

	Group	
	2008	**2007**
	RM'000	**RM'000**
Non-performing accounts, classified as doubtful	**126**	111
Non-performing accounts, classified as bad	**1,242**	3,023
Total non-performing accounts	**1,368**	3,134

21. LOAN RECEIVABLES

All of the Group's loan receivables are secured, bear interest rate ranging from 9.0% to 10.0% per annum (2007: 9.5% to 11.0% per annum) and mature within a year.

22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Tax recoverable	**7,233**	9,427	**180**	-
Deposits and prepayments	**6,905**	17,340	**100**	13
Other receivables	**5,285**	5,865	**24**	6
	19,423	32,632	**304**	19

Included in deposits of the Group in the previous financial year was an amount of RM10,000,000 which represents deposit paid to the Government of Malaysia for the issuance of a merchant bank licence as one of the pre-conditions for the proposed transformation of ECMLIB into an investment bank. This deposit is non-interest bearing. With the payment of RM42.5 million by ECMLIB being the balance payment for the merchant bank licence, the said deposit has been reclassified to intangible assets as disclosed in note 13.

23. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES

	Company	
	2008	**2007**
	RM'000	**RM'000**
Amount owing by subsidiary companies	**60,070**	125,090
Amount owing to subsidiary companies	**102,799**	79,308

The amount owing by/to subsidiary companies mainly represent payments made on behalf and unsecured advances, which are interest free with no fixed terms of repayment except for amount owing by a subsidiary company totalling RM28,840,000 (2007: RM37,500,000) which bear interest ranging from 3.5% to 4.5% (2007: 3.5% to 4.5%) per annum.

24. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Deposits with:				
Licensed banks	**150,432**	106,290	**-**	10,720
Other financial institutions	**-**	933	**-**	-
	150,432	107,223	**-**	10,720

Included in deposits with licensed financial institutions of the Group are:

(a) deposits amounting to RM600,000 (2007: RM600,000) pledged to the financial institutions for credit facilities granted to subsidiary companies; and

(b) short term deposits of RM21,781,000 (2007: RM58,171,000) held in trust on behalf of a subsidiary company's remisiers and clients.

24. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS (continued)

The range of effective interest rates of deposits as at the balance sheet date were as follows:

	Group		Company	
	2008 RM'000 %	**2007 RM'000 %**	**2008 RM'000 %**	**2007 RM'000 %**
Deposits with:				
Licensed banks	**2.4 to 4.9**	2.3 to 5.3	**2.5 to 3.1**	3.0 to 3.1
Other financial institutions	-	3	-	-

The average maturities of deposits as at the end of the financial year were as follows:

	Group		Company	
	2008 Days	**2007 Days**	**2008 Days**	**2007 Days**
Deposits with:				
Licensed banks	**13**	68	29	31
Other financial institutions	-	14	-	-

25. CASH AND BANK BALANCES

Included under cash and bank balances of the Group is an amount of RM198,777,000 (2007: RM53,726,000) in respect of money held in trust accounts for remisiers and clients of a subsidiary company.

26. SHARE CAPITAL

Group	Number of Ordinary Shares of RM1 Each 2008 '000	2007 '000	Amount 2008 RM'000	2007 RM'000
Authorised:				
At beginning/end of year	**1,500,000**	1,500,000	**1,500,000**	1,500,000
Issued and fully paid-up:				
At beginning of year	**830,902**	703,027	**830,902**	703,027
Cancellation arising from capital reduction	-	(314,125)	-	(314,125)
Issuance	-	442,000	-	442,000
At end of year	**830,902**	830,902	**830,902**	830,902
Company				
Authorised:				
At beginning/end of year	**1,500,000**	1,500,000	**1,500,000**	1,500,000
Issued and fully paid-up:				
At beginning of year	**830,902**	*	**830,902**	*
Issuance pursuant to the ACRB reorganisation exercise	-	849,128	-	849,128
Reduction pursuant to distribution of assets-in-specie	-	(314,125)	-	(314,125)
Cancellation by way of a capital reduction exercise	-	(146,101)	-	(146,101)
Issuance pursuant to acquisition of subsidiaries	-	442,000	-	442,000
At end of year	**830,902**	830,902	**830,902**	830,902

* Represent RM2.00.

The Company's Employees Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 1 December 2005. The ESOS was implemented on 4 January 2008 and will be in force for a period of ten (10) years.

26. SHARE CAPITAL (continued)

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of option holders granted less than 2,000,000 options each during the year pursuant to the scheme. The names of option holders, other than directors, who had been granted options of 2,000,000 or more as at the end of the financial year are as follows:

	No. of options '000
T. Jeyaratnam	2,000
Franklin Tan Kok Pin	2,000
Ng Hoe Guan	2,000
Wong Seong Cho	2,000

The names of directors who had been granted options are disclosed in the section of Directors' Interest in this report.

The main features of the ESOS are, inter alia, as follows:

(i) Eligible employees are those employees of the Group who had been in service for at least one year on the date of offer. The maximum allowable allotments for the directors had been approved by the shareholders of the Company in a general meeting. The Board of Directors may from time to time at its discretion select and identify suitable eligible employees to be offered options.

(ii) The aggregate number of shares to be issued under the ESOS shall not exceed 15% of the total issued and paid-up ordinary share capital of the Company for the time being.

(ii) The ESOS shall be in force for a period of 10 years from 4 January 2008.

(iv) The option price shall not be at a discount of more than ten percent (10%) (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the shares of the Company preceding the date of offer and shall in no event be less than the par value of the shares of the Company of RM1.00.

(v) An option holder may, in a particular year, exercise up to such maximum number of shares in the option certificate as determined by the Board of Directors or as specified in the option certificate.

As at 31 January 2008, there was no issuance of new shares arising from the exercise of options pursuant to the ESOS.

27. RESERVES

	Group		Company	
	2008 RM'000	**2007 RM'000**	**2008 RM'000**	**2007 RM'000**
Non-distributable:				
Merger reserves	**26,561**	26,561	**-**	-
Foreign exchange translation reserve	**(6,718)**	(2,047)	**-**	-
Equity compensation reserve	**2,075**	-	**1,495**	-
Distributable:				
Retained profits	**84,044**	5,723	**49,829**	6,310
General reserve	**159**	159	**-**	-
	106,121	30,396	**51,324**	6,310

27. RESERVES (continued)

Merger reserve arose upon taking over of the listing status of a subsidiary company where the results and the financial position of the Group have been combined under the merger principles of accounting, as described in the accounting policies.

General reserve arose from the redemption of redeemable non-convertible preference shares in a subsidiary company.

Equity compensation reserve arose from the granting of share options to directors and employees of the Company.

In the past, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the section 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the section 108 balance to be section locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the section 108 balance as at 31 January 2008 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 January 2008, the Company has sufficient credit in the section 108 balance to pay franked dividends amounting to RM14,011,000 (2007: RM6,000,000) out of its retained earnings. If the balance of the retained earnings were to be distributed as dividends, the Company may distribute such dividends under the single tier system.

28. TRADE PAYABLES

	Company	
	2008	**2007**
	RM'000	**RM'000**
Amount owing to clients	**221,982**	550,995
Amount owing to brokers	**131,217**	234,237
Clients' trust monies	**165,525**	85,615
Amount owing to trustees	**2,566**	2,060
	521,290	872,907

The trade credit term for non-margin clients and brokers is 3 market days according to FDSS trading rules of Bursa Malaysia.

29. OTHER PAYABLES AND ACCRUED EXPENSES

	Group		**Company**	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Other payables and accrued expenses	**46,831**	65,540	**1,840**	520
Remisiers and dealers trust accounts	**25,727**	18,458	**-**	-
Deposits received	**2,196**	699	**2,196**	442
	74,754	84,697	**4,036**	962

30. SHORT TERM BORROWINGS

	Company	
	2008	2007
	RM'000	RM'000
Term loan - unsecured	-	40,000
Interbank borrowing	-	60,000
	-	100,000

The unsecured term loan during the previous financial year which carried a fixed interest rate of 8% per annum was fully settled upon maturity in the current financial year ended 31 January 2008.

The interbank borrowing from a licensed bank in the previous financial year was unsecured, bore interest of 3.70% per annum and was fully settled upon maturity in the current financial year ended 31 January 2008.

31. CASH AND CASH EQUIVALENTS

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed financial institutions	**150,432**	107,223	**-**	10,720
Cash and bank balances	**219,840**	172,747	**25**	123
	370,272	279,970	**25**	10,843
Less:				
Short term deposits held in trust (Note 24)	**21,781**	58,171	**-**	-
Deposits pledged with financial institutions (Note 24)	**600**	600	**-**	-
Cash and bank balances held in trust (Note 25)	**198,777**	53,726	**-**	-
	221,158	112,497	**-**	-
	149,114	167,473	**25**	10,843

32. DIVIDENDS

A final dividend of 1 sen, less 27% tax, amounting to RM6,066,000 proposed in respect of the financial year ended 31 January 2007, was paid on 13 July 2007.

At the forthcoming Annual General Meeting, a final dividend of 3 sen per ordinary share of RM1 each on 830,901,953 ordinary shares, in respect of the financial year ended 31 January 2008, amounting to a net dividend payable of approximately RM20,004,000 will be proposed for shareholders' approval. As at 31 January 2008, the Company has sufficient credit in the section 108 balance to pay franked dividends up to RM14,011,000 and the balance of RM5,993,000 will be distributed under the single tier system. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2009.

33. COMMITMENTS

	Group	
	2008 RM'000	**2007 RM'000**
Operational Commitments		
Approved but not contracted for:		
Underwriting commitments	**-**	3,401
Capital Commitments		
Approved but not contracted for:		
Purchase of property, plant and equipment	**418**	933
Non-cancellation operating lease commitments		
Future minimum rentals payable		
Not later than 1 year	-	1,901
Later than 1 year and not later than 5 years	-	212
	-	2,113
Other Commitments		
Approved but not contracted for:		
Balance of payment to the Government of Malaysia for transformation of a subsidiary into an investment bank *	-	**42,500**

* On 6 February 2008, ECMLIB, a subsidiary of the Company, was granted a merchant bank licence by the Minister of Finance to allow ECMLIB to carry on merchant banking business.

34. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group	
	2008 RM'000	**2007 RM'000**
Transaction with a company in which a director and shareholder of holding company has interest in:		
Project management fee	**439**	263

The directors of the Company are of the opinion that the above transactions had been entered into in the normal course of business and had been established under terms that are no less favourable than those arranged with independent third parties.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	Group		Company	
	2008 RM'000	**2007 RM'000**	**2008 RM'000**	**2007 RM'000**
Short-term employee benefits	**5,640**	8,441	**3,628**	209
Defined contribution plan	**669**	338	**412**	186
	6,309	8,779	**4,040**	395

Included in the total key management personnel are:

	Group		Company	
	2008 RM'000	**2007 RM'000**	**2008 RM'000**	**2007 RM'000**
Directors' remuneration (Note 4(ii))	**5,216**	8,594	**2,752**	204

35. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

The operations of the Group are subject to a variety of financial risks, including interest rate risk, credit risk, liquidity risk, cash flow risk and price risk. The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

(b) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing fixed deposits and bank borrowings. The interest rate of fixed deposits and short term borrowings are disclosed in Note 24 and 30 respectively.

(c) Credit risk

Credit risk is the potential loss of revenue and principal losses in the form of specific provisions as a result of partial or total default or debts and/or margin financing.

Experienced key personnel are appointed to high level management committees to establish overall credit risk limits, margin financing assessment, collateral and prudent lending policies.

The Group is exposed to credit risk mainly from trade receivables. The Group extends credit to its clients upon careful evaluation of the clients so as to limit high credit concentration in a client or clients from a particular market.

(d) Liquidity risk

Liquidity risk relates to the ability to maintain sufficient liquid assets to meet its financial commitments and obligations as and when they fall due at a reasonable cost.

Liquidity risk is controlled through the Capital Adequacy Requirements of Bursa Malaysia and the Group liquidity risk management policy.

(e) Cash flow risk

The Group reviews its cash flow position regularly to manage its exposure to fluctuations in future cash flows associated with its monetary financial instruments.

(f) Price risk

The proprietary position of private debt securities and equities are subjected price risk. Such positions were marked-to-market daily and the price risk was controlled by investing in high quality stocks and highly rated PDS as well as cut-loss should the expected prices decline substantially. For those instruments held to maturity, adequate provisions were made when there is permanent dimunition in value.

35. FINANCIAL INSTRUMENTS (continued)

(g) Fair value of financial assets and financial liabilities

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximated their fair values except for the followings:

		Group		Company	
	Note	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
2008					
Financial Assets					
Investment in associated company					
- quoted	15	43,280	21,459	-	-
Amounts owing by subsidiary companies	23	-	-	60,070	*
Financial Liabilities					
Amounts owing to subsidiary companies	23	-	-	102,799	*
2007					
Financial Assets					
Investment properties	12	1,020	1,386	-	-
Investment in associated company					
- quoted	15	42,913	18,233	-	-
- unquoted	15	3,476	4,417	3,918	4,417
Amounts owing by subsidiary companies	23	-	-	125,090	*
Financial Liabilities					
Amounts owing to subsidiary companies	23	-	-	79,308	*

* It is not practicable within the constraints of timeliness and cost to estimate the fair value of the amounts owing from/to subsidiary companies principally due to the lack of fixed repayment terms. However, the Group does not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be received or settled.

35. FINANCIAL INSTRUMENTS (continued)

(g) Fair value of financial assets and financial liabilities (continued)

The methods and assumptions used by management to determine fair values of financial instruments other than those whose carrying amounts reasonably approximate their fair values are as follows:

(i) Quoted investments (non-current assets)/Marketable securities/Inventories (unit trusts quoted in Malaysia)

The fair value of these financial assets is determined by reference to stock exchange quoted market prices at the close of business on the balance sheet date.

(ii) Unquoted investment / Loan and other receivables

It is not practical to estimate the fair value of unquoted investments, loan receivables and other receivables.

(iii) Cash and cash equivalents, trade, loan and other receivables, trade and other payables, and current borrowings

The carrying amounts approximate fair value because of the short maturity of these instruments.

36. SEGMENTAL REPORTING

Business segments

The Group is organised into the following operating divisions:

(a) Financial services which include stockbroking activities, investment banking activities, asset management, unit trusts management, credit services and custodian services; and

(b) Investment holdings which include provision of management services, investment in associated companies and other investments.

No geographical segmental information is provided as the Group operates principally in Malaysia.

36. SEGMENTAL REPORTING (continued)

Group	Financial services RM'000	Investment holdings RM'000	Eliminations RM'000	Consolidated RM'000
2008				
Revenue	203,644	78,313	(76,905)	205,052
Results				
Segment results	87,624	68,677	(82,541)	73,760
Share of profits of associated companies				3,255
Loss on disposal of investments				(1,184)
Writeback of impairment loss on investments				9,211
Finance costs				(2,399)
Profit before tax				82,643
Income tax expense				1,744
Net profit for the year				84,387

	Financial services RM'000	Investment holdings RM'000	Consolidated RM'000
2008			
Assets			
Segment assets	1,228,264	263,125	1,491,389
Investment in associated companies	43,280	-	43,280
Consolidated total assets			1,534,669
Liabilities			
Segment liabilities	513,145	84,501	597,646
Other Information			
Capital additions	2,039	1,594	3,633
Depreciation of:			
- property, plant and equipment	5,702	512	6,214
- investment properties	-	12	12

36. SEGMENTAL REPORTING (continued)

Group	Financial services RM'000	Investment Holdings RM'000	Eliminations RM'000	Consolidated RM'000
2007				
Revenue	142,934	19,725	(18,147)	144,512
Results				
Segment results	49,470	17,669	(18,147)	48,992
Share of profits of associated companies				6,074
Rationalisation expenses				(17,369)
Gain on disposal of investments				2,747
Impairment loss on investments				(18,642)
Finance costs				(3,450)
Profit before tax				18,352
Income tax expense				1,806
Net profit for the year				20,158

	Financial services RM'000	Investment holdings RM'000	Consolidated RM'000
2007			
Assets			
Segment assets	1,848,549	25,915	1,874,464
Investment in associated companies	42,913	3,476	46,389
Consolidated total assets			1,920,853
Liabilities			
Segment liabilities	1,056,365	3,190	1,059,555
Other Information			
Capital additions	3,670	96	3,766
Depreciation of:			
- property, plant and equipment	6,152	178	6,330
- investment properties	-	21	21

37. SIGNIFICANT EVENTS

(a) On 18 December 2006, the Company entered into a conditional share sale agreement with Bank Muamalat Malaysia Berhad for the disposal of its entire 40% equity interest held in an associated company, namely Muamalat Avenue Sdn. Bhd. for RM4.42 million. The said disposal was completed on 15 March 2007.

(b) The Company changed its name from ECM Libra Avenue Berhad to ECM Libra Financial Group Berhad with effect from 31 January 2008.

(c) ECM Libra Avenue Securities Berhad, a subsidiary of the Company, changed its name to ECM Libra Investment Bank Berhad with effect from 31 January 2008 to facilitate the transformation from a Universal Broker to an Investment Bank.

38. EVENT SUBSEQUENT TO BALANCE SHEET DATE

Subsequent to the financial year end, on 6 February 2008, ECMLIB was granted a merchant bank licence by the Minister of Finance to allow ECMLIB to carry on merchant banking business.

39. COMPARATIVES

Certain comparative figures have been reclassified to conform with the current year's presentation.

	As Restated RM'000	Adjustment RM'000	As Previously Reported RM'000
Group			
Income Statements (Extract):			
Revenue	144,512	24,876	119,636
Gain on disposal of investment income	2,747	(13,780)	16,527
Other operating income	5,416	(11,096)	16,512
Balance sheet (Extract)			
Note 15 - Investment in associated companies			
Quoted shares, outside Malaysia			
At fair value	18,233	(24,680)	42,913

39. COMPARATIVES (continued)

	As Restated RM'000	Adjustment RM'000	As Previously Reported RM'000
Group			
Balance sheet (Extract) (Continued)			
Note 19 - Marketable securities			
Unquoted private debt securities			
Allowance for diminution in value	(2,115)	2,021	(4,136)
Quoted shares			
Allowance for diminution in value	(8,884)	(2,021)	(6,863)
	(10,999)	-	(10,999)
Indicative market value of:			
Unquoted private debt securities	120,927	(16,484)	137,411
Quoted shares	92,756	839	91,917
Note 35 - Financial Instruments			
(g) Fair value of financial assets and financial liabilities			
Quoted shares, outside Malaysia			
At fair value	18,233	(24,680)	42,913

other information

1. MATERIAL CONTRACT

There were no material contracts (not being contract entered into in the ordinary course of business) which had been entered into by the Company and its subsidiaries involving the interest of directors and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year pursuant to Item 21, Part A, Appendix 9C of the Listing Requirements of Bursa Malaysia.

2. NON-AUDIT FEES

The amount of non-audit fees paid to External Auditors, Messrs. Ernst & Young, by the Group for the financial year amounted to RM70,500.

3. ANALYSIS OF SHAREHOLDERS AS AT 15 APRIL 2008

Authorised share capital	:	RM1,500,000,000.00
Issued & paid-up capital	:	RM830,901,953.00
Class of shares	:	Ordinary Shares of RM1.00
Voting rights		
- on show of hands	:	1 vote
- on a poll	:	1 vote for each share held

Distribution schedule of shareholdings:

Size of Holdings	No. of Shareholders	%	No. of Shares	%
Less than 100	2,690	9.88	126,627	0.01
100 - 1,000	6,711	24.65	3,887,246	0.47
1,001 - 10,000	12,931	47.50	59,018,061	7.10
10,001 - 100,000	4,347	15.97	135,411,217	16.30
100,001 - less than 5% of issued shares	542	1.99	427,982,983	51.51
5% and above of issued shares	2	0.01	204,475,819	24.61
	27,223	100.00	830,901,953	100.00

Thirty Largest Shareholders:

Name of Shareholders	No. of Shares	%
1. Equity Vision Sdn Bhd	128,019,819	15.41
2. Lim Kian Onn	76,456,000	9.20

3. ANALYSIS OF SHAREHOLDERS AS AT 15 APRIL 2008 (continued)

Thirty Largest Shareholders (continued):

	Name of Shareholders	No. of Shares	%
3.	Citigroup Nominees (Asing) Sdn Bhd - exempt an for Citibank NA, Singapore (Julius Baer)	41,078,800	4.94
4.	ECML Nominees (Tempatan) Sdn Bhd - ECM Libra Capital Markets Sdn Bhd for ECM Libra Holdings Sdn Bhd	35,000,000	4.21
5.	Hikkaya Jaya Sdn Bhd	26,467,220	3.18
6.	CIMB Group Nominees (Tempatan) Sdn Bhd - AmcorpGroup Berhad for Hikkaya Jaya Sdn Bhd	22,126,992	2.66
7.	Multi-Purpose Holdings Berhad	17,223,484	2.07
8.	Sumberama Sdn Bhd	16,926,400	2.04
9.	Cartaban Nominees (Asing) Sdn Bhd - exempt an for Caceis Bank Luxembourg	10,396,000	1.25
10.	Lim Su Tong @ Lim Chee Tong	10,200,000	1.23
11.	Kenanga Nominees (Tempatan) Sdn Bhd - Kenanga Capital Sdn Bhd for BH Builders Sdn Bhd	8,200,400	0.99
12.	HSBC Nominees (Asing) Sdn Bhd - exempt an for Credit Suisse	7,796,872	0.94
13.	CIMB Group Nominees (Tempatan) Sdn Bhd - AmcorpGroup Berhad for Mezzanine Capital (Malaysia) Sdn Bhd	6,880,972	0.83
14.	Citigroup Nominees (Asing) Sdn Bhd - UBS AG Singapore for Yuji Holdings Limited	6,644,300	0.80
15.	Multi-Purpose Insurans Bhd	6,618,000	0.80
16.	Citigroup Nominees (Asing) Sdn Bhd - CBNY for DFA Emerging Markets Fund	6,220,730	0.75
17.	CIMB Group Nominees (Tempatan) Sdn Bhd - AmcorpGroup Berhad for Corporateview Sdn Bhd	6,059,100	0.73
18.	Citigroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gooi Seong Heen	4,300,000	0.52
19.	HDM Nominees (Tempatan) Sdn Bhd - UOB Kay Hian Pte Ltd for Gooi Seong Lim	3,900,000	0.47
20.	Loo Geok Eng	3,850,000	0.46
21.	Chow Soi Wah	3,849,300	0.46

3. ANALYSIS OF SHAREHOLDERS AS AT 15 APRIL 2008 (continued)

Thirty Largest Shareholders (continued):

Name of Shareholders	No. of Shares	%
22. Gan Seong Liam	3,642,100	0.44
23. ABB Nominee (Tempatan) Sdn Bhd - Affin Bank Berhad	3,320,506	0.40
24. Soo Ngik Gee @ Soo Yeh Joo	3,176,100	0.38
25. HDM Nominees (Tempatan) Sdn Bhd - OCBC Securities Pte Ltd for Gooi Seong Lim	3,100,000	0.37
26. Public Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gooi Seong Heen	3,000,000	0.36
27. RHB Nominees (Asing) Sdn Bhd - OCBC Securities Private Limited for OCBC PB A/C Primevest Holdings Pte Ltd	3,000,000	0.36
28. Citigroup Nominees (Tempatan) Sdn Bhd - Uni. Asia Life Assurance Berhad	2,932,400	0.35
29. Citigroup Nominees (Asing) Sdn Bhd - CBNY for DFA Emerging Markets Small Cap Series	2,398,877	0.29
30. ECML Nominees (Tempatan) Sdn Bhd - ECM Libra Foundation	2,253,000	0.27

Substantial Shareholders:

	Direct Interest		Deemed Interest	
Name of Shareholders	**No. of shares**	**%**	**No. of Shares**	**%**
Mr Lim Kian Onn	76,456,000	9.20	-	-
Hikkaya Jaya Sdn Bhd	48,594,212	5.85	-	-
Equity Vision Sdn Bhd	128,019,819	15.41	-	-
Tan Sri Dato' Azman Hashim	-	-	189,554,103[(1)]	22.81
AmcorpGroup Berhad (formerly known as Arab-Malaysian Corporation Berhad)	-	-	61,534,284[(2)]	7.40
Clear Goal Sdn Bhd	-	-	61,534,284[(2)]	7.40

Note:

(1) Deemed interest of 22.81% by virtue of Section 6A of the Companies Act, 1965 held through Hikkaya Jaya Sdn Bhd (48,594,212), Corporateview Sdn Bhd (6,059,100), Mezzanine Capital (Malaysia) Sdn Bhd (6,880,972) and Equity Vision Sdn Bhd (128,019,819)

(2) Deemed interest of 7.4% by virtue of Section 6A of the Companies Act, 1965 held through Hikkaya Jaya Sdn Bhd (48,594,212), Corporateview Sdn Bhd (6,059,100) and Mezzanine Capital (Malaysia) Sdn Bhd (6,880,972)

4. DIRECTORS' INTERESTS AS AT 15 APRIL 2008:

Subsequent to the financial year ended 31 January 2008, there is no change to the directors' interests in the shares of the Company and/or its related corporations.

5. LIST OF PROPERTIES

Location & Description	Description/ Existing Use	Tenure	Built up Area Sq. ft	Age of Property (years)	Net Book Value RM'000	Date of Acquisition
1. 111, Jalan Macalister 10400 Penang	Land & office premises	Freehold	28,201	11	6,555	27.08.1997
2. Unit 6-01, Level 06 Wisma Pantai premises 12200 Butterworth Penang	Investment property	Freehold	1,285	14	175	24.12.2001
3. Block C6, Unit 64 Parcel 64-G, 64-1, 64-2 No. 2831 Chinatown Bandar Baru Prai Penang	Investment property	Freehold	3,373	12	438	24.12.2001
4. Bangunan Avenue 8 Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur	Building	Freehold	183,076	15	39,872	08.09.2004

6. REVALUATION POLICY ON LANDED PROPERTIES

The Group has not adopted a policy of regular revaluation on landed properties.

ecmlibra

ECM Libra Financial Group Berhad (713570-K)
(formerly known as ECM Libra Avenue Berhad)
(Incorporated in Malaysia)

FORM OF PROXY

I/We____of ____
______________________________________being a member/members of ECM Libra Financial Group Berhad (formerly known as ECM Libra Avenue Berhad) hereby appoint____
of____
or failing him/her____
of____

or failing him/her, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Third Annual General Meeting of the Company to be held at Anggerik Room, 4th Floor, Hotel Equatorial, Jalan Sultan Ismail, 50250 Kuala Lumpur on Thursday, 5 June 2008 at 10.00 a.m. and at any adjournment thereof.

My/Our proxy/proxies is to vote either on show of hands or on a poll as indicated below with an "X" :

	RESOLUTIONS	FOR	AGAINST
1.	To receive the audited financial statements and reports		
2.	To declare a final dividend of 3 sen less income tax of 26%		
3.	To approve the payment of Directors' fees		
4.	To re-elect the following as Directors:		
	4.1 Dato' Seri Kalimullah bin Masheerul Hassan		
	4.2 Datuk Kamarudin bin Md Ali		
	4.3 Mr Lum Sing Fai		
5.	To re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration		
6.	To approve the ordinary resolution pursuant to Section 132D of the Companies Act, 1965		
7.	To approve the Proposed Renewal of Share Buy-Back Authority		

Dated this __________ day of ___________________ 2008

_________________________________ _________________________________

Number of shares held Signature of Member(s)

Notes

1. If you wish to appoint other person(s) to be your proxy, delete the words "the Chairman of the meeting" and insert the name(s) and address(es) of the person(s) desired in the space so provided.
2. If there is no indication as to how you wish your vote(s) to be cast, the proxy will vote or abstain at his/her discretion.
3. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
4. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting provided that where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a member appoints more than one (1) proxy to attend the same meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.
5. In the case where a member is a corporation, this Form of Proxy must be executed under its Common Seal or under the hand of its Attorney.
6. All Forms of Proxy must be duly executed and deposited at the Registered Office of the Company at 8A Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time and date for holding the meeting or adjourned meeting.

AFFIX
STAMP

The Company Secretary
ECM Libra Financial Group Berhad (713570-K)
8A Floor, Wisma Genting,
Jalan Sultan Ismail,
50250 Kuala Lumpur.