ecmlibra

Laporan Tahunan 2014 Annual Report

ECM Libra Financial Group Berhad (713570-K)

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corporate information

DIRECTORS

Dato' Seri Kalimullah bin Masheerul Hassan (Chairman)
Mr Lim Kian Onn
Datuk Kamarudin bin Md Ali
Dato' Othman bin Abdullah
En Mahadzir bin Azizan
Mr Soo Kim Wai

SECRETARY

Ms Chan Soon Lee

AUDITORS

Messrs Ernst & Young
Chartered Accountants
Level 23A, Menara Milenium
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50490 Kuala Lumpur
Tel : 03-7495 8000
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REGISTRAR

Tricor Investor Services Sdn Bhd
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Fax : 03-2282 1886

REGISTERED OFFICE

2nd Floor, West Wing, Bangunan ECM Libra
8 Jalan Damansara Endah
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2089 1888
Fax : 03-2096 1188

BUSINESS ADDRESS

Ground Floor, East Wing, Bangunan ECM Libra
8 Jalan Damansara Endah
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2089 1888
Fax : 03-2096 1188

WEBSITE

www.ecmlibra.com

LISTING

Main Market of Bursa Malaysia Securities Berhad

directors' profile

Dato' Seri Kalimullah bin Masheerul Hassan

Chairman/Non-Independent Non-Executive

Dato' Seri Kalimullah bin Masheerul Hassan, a Malaysian, aged 56, began his 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 Editor-in-Chief 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 and resigned on 31 December 2008. 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 ("ECMLFG" or "Company") on 16 June 2006. He was re-designated Executive Chairman & CEO with effect from 1 May 2007, a position he held till 5 February 2010. On 6 February 2010, he was re-designated Chairman of the Company. He attended three of the four Board meetings held during the financial year ended 31 January 2014.

Dato' Seri Kalimullah is also a director of AirAsia X Berhad and UPP Holdings Limited, a company listed on the Stock Exchange of Singapore and a trustee of ECM Libra Foundation. 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 Lim Kian Onn

Non-Independent Non-Executive

Mr Lim Kian Onn, a Malaysian, aged 57, 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 and was a consultant with Andersen Consulting from 1981 to 1984. Between 1984 and 1993, he was with Hong Leong Group, Malaysia 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, a position he held till 5 August 2010. On 6 August 2010, he was re-designated Non-Executive Director of the Company. He attended three of the four Board meetings held during the financial year ended 31 January 2014. He was appointed a member of the Board Remuneration Committee ("BRC") of ECMLFG on 28 May 2013.

Mr Lim is also the non-executive Chairman of Plato Capital Limited, a company listed on the Stock Exchange of Singapore, a director of AirAsia X Berhad and Kennedy, Burkill & Company Berhad and a trustee of ECM Libra Foundation. 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 63, is a retired police commissioner. He holds a Masters in Science (Engineering) from University of Birmingham, United Kingdom and Bachelor of Science (Honours) (Mechanical Engineering) from University of Strathclyde, Glasgow, Scotland and has attended specialized courses at the Royal College of Defense Studies, United Kingdom and University of Pittsburgh in the United States. Datuk Kamarudin retired from the Royal Malaysia Police ("RMP") on 4 May 2006 with more than 30 years' experience with extensive knowledge and skills in logistics and financial management, manpower development, strategic planning, training and crime suppression and prevention, gained through a wide range of command posts and managerial capacities held during his tenure in the RMP. He is actively involved in NGOs and is noted for his contribution to the Malaysian Crime Prevention Foundation of which he is one of the three Vice Chairmen.

Datuk Kamarudin was appointed to the Board of ECMLFG on 16 June 2006. He attended all four Board meetings held during the financial year ended 31 January 2014. He is the Chairman of the Board Audit & Risk Management Committee ("BARMC") and a member of the Board Nomination Committee ("BNC") of ECMLFG.

Datuk Kamarudin is also a director of Ann Joo Resources Berhad, Gabungan AQRS Berhad and Libra Invest Berhad. 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 65, is a Barrister-At-Law from Lincoln's Inn, London, United Kingdom and was called to the English Bar in 1978.

En Mahadzir has held key positions both in the private and public sectors. After graduation, he joined the Judicial and Legal Service of the Malaysian Government as a Deputy Public Prosecutor and Federal Counsel and subsequently ventured into the private sector and served Malaysian International Shipping Corporation Berhad and Island & Peninsular Berhad, the property arm of Permodalan Nasional Berhad. Whilst in the private sector, he also served as Ahli Majlis MARA, director of Amanah Raya Berhad and Tabung Haji group of companies as well as various other directorships in government linked companies.

En Mahadzir was appointed to the Board of ECMLFG on 16 June 2006. He attended all four Board meetings held during the financial year ended 31 January 2014. He is the Chairman of the BRC, a member of the BARMC and BNC of ECMLFG.

En Mahadzir is also a director of Syarikat Takaful Malaysia Berhad and Libra Invest Berhad. 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 65, 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 four Board meetings held during the financial year ended 31 January 2014. He is the Chairman of the BNC and a member of the BARMC of ECMLFG.

Dato' Othman is also a director of Syarikat Perumahan Negara Berhad and Syarikat Takaful Malaysia Berhad. 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 Soo Kim Wai

Non-Independent Non-Executive

Mr Soo Kim Wai, a Malaysian, aged 53, is a Chartered Accountant (Malaysian Institute of Accountants), a Certified Public Accountant (Malaysian Institute of Certified Public Accountants), Fellow of the Certified Practising Accountant (CPA), Australia and Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom.

He joined Amcorp Group Berhad ("AMCORP") in 1989 as Senior Manager, Finance and has since held various positions. He was appointed as a Director of AMCORP on 13 March 1996 and subsequently as Managing Director on 1 January 1999. Before joining AMCORP, he was in the accounting profession for 5 years with Deloitte KassimChan from 1980 to 1985 and with Plantation Agencies Sdn Bhd from 1985 to 1989.

Mr Soo was appointed to the Board of ECMLFG on 28 May 2013. He attended all three Board meetings held since his appointment during the financial year ended 31 January 2014. He was also appointed a member of the BNC and BRC of ECMLFG on 28 May 2013.

Apart from AMCORP, his directorships in other public companies include AMMB Holdings Berhad, Amcorp Properties Berhad, Kesas Holdings Berhad and RCE Capital Berhad. He also sits on the Board of British Malaysian Chamber of Commerce. 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.

group chief executive officer

Ms Azlin binti Arshad

Ms Azlin binti Arshad, a Malaysian, aged 40, holds a Bachelor Degree in Accounting & Finance (Hons.) from University of Glamorgan, South Wales, United Kingdom.

Ms Azlin has extensive experience in corporate finance spanning 16 years, having been attached to the Corporate Finance Department of the then Amanah Merchant Bank Berhad (now Alliance Investment Bank Berhad) and subsequently the then Aseambankers Malaysia Berhad (now Maybank Investment Bank Berhad). She left Maybank Investment Bank Berhad in 2009 to join ECM Libra Investment Bank Berhad as Head of Corporate Finance & Director, Investment Banking and subsequently assumed the post of Deputy Chief Executive Officer in December 2010 till December 2012. She was a Qualified Senior Personnel registered with the Securities Commission. She has extensive corporate finance experience where she has been directly involved, at various levels, in initial public offerings, secondary offerings, reverse take-overs, mergers and acquisitions, listing of Real Estate Investment Trusts, general offers, and private debt securities issuance, amongst others. Her experience and network also extend into the private equity arena where she has worked with local and international firms in structuring deals.

Ms Azlin was appointed Group Chief Executive Officer of ECM Libra Financial Group Berhad ("ECMLFG") on 22 January 2013. She is a director of Avenue Capital Resources Berhad. She has no interest in the securities of ECMLFG or its subsidiaries, no family relationship with the directors or substantial 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 2014 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)

Functions and Responsibilities of the BARMC

The key functions and responsibilities of the BARMC are:

(i) to review and approve the internal and statutory audit plans and the audit reports, and evaluate internal controls, including risk management and compliance matters;

(ii) to review the quarterly interim financial statements and year-end financial statements of the Group and the Company;

(iii) to consider related party transactions and conflict of interest situations that may arise within the companies in the Group; and

(iv) to review the appointment/re-appointment of the external auditors and their fees, and the scope, competency and resources of the internal audit function.

Activities

During the financial year ended 31 January 2014, seven (7) meetings were held and were attended by all BARMC members.

The BARMC reviewed the interim financial statements and year-end financial statements of the Company and Group prior to tabling to the Board for approval and its subsequent release to Bursa Malaysia Securities Berhad ("Bursa Securities"). In reviewing the interim financial statements and year-end financial statements of the Company and Group, the BARMC ensured fair and transparent reporting and prompt publication of the said statements.

The BARMC also reviewed the external auditors' scope of work and audit plan for the Group, considered significant changes in statutory and accounting requirements, reviewed the audit results and discussed accounting and auditing issues. The BARMC met with the external auditors twice during the financial year without the presence of the other Directors or management. The BARMC also reviewed and approved the resource requirements of the internal audit function, the risk-based strategic internal audit plan, audit programmes and reviewed the internal audit findings/recommendations.

Activities (continued)

The key activities of the BARMC during the financial year under review were as follows:

(i) Internal Audit

The internal audit function of the Group has been outsourced to an independent internal audit service provider who reports directly to the BARMC. The internal audit plan was approved by the BARMC. The BARMC reviewed the audits undertaken by the outsourced Internal Auditors, reporting on the outcome of the audits conducted and the effectiveness of the internal controls implemented. In discharging their role, the outsourced Internal Auditors:

- evaluate whether the Group is in compliance with internal policies and procedures, applicable laws, guidelines and directives issued by regulatory authorities in respect of the Group's businesses;
- evaluate the quality and appropriateness of management's approach to risk and control in their framework objectives;
- assess the adequacy and effectiveness of internal control systems and governance processes implemented, i.e., accounting, system and operational controls, by giving opinions on the effectiveness of the said controls, continuity and reliability of information systems and provide assurance that sufficient controls are in place to safeguard assets;
- assess the adequacy of controls to ensure the reliability (including accuracy and completeness), integrity and timeliness of the regulatory reporting, accounting records, financial reports and management information; and
- assist the management to review and strengthen the control features to prevent fraud and recurrence of errors, lapses and omissions and other significant control weaknesses, if any.

The abovementioned enabled the BARMC to execute its oversight function and form an opinion on the adequacy of measures undertaken by management.

The total fees incurred for the internal audit function for the Group during the financial year was RM65,000.

(ii) Risk Management

The BARMC oversees the establishment of a robust risk management framework. The Group Chief Executive Officer ("Group CEO") oversees risk management for the Group and reports to the BARMC. The Group CEO provides the central resource for the identification, quantification, monitoring and management of the portfolio of risks taken by the Group as a whole.

(iii) Compliance

The BARMC reviews the reports of the Compliance Department on compliance status of the Fund Management, Asset Management, Collective Investment Schemes, offshore operations and Anti-Money Laundering and Counter Financing of Terrorism related matters. The Compliance Department is established at the asset management subsidiary.

The BARMC is required to verify allocation of options pursuant to the Employees' Share Option Scheme of the Company. During the financial year ended 31 January 2014, there was no allocation of such options.

This Report was approved by the Board on 20 March 2014.

corporate governance statement

The Board of Directors ("Board") of ECM Libra Financial Group Berhad ("ECMLFG" or "Company") is committed to manage the ECMLFG Group in line with corporate governance practices as set out in the Malaysian Code on Corporate Governance 2012 ("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 the Group has applied the principles and complied with the recommendations as set out in the Code throughout the financial year ended 31 January 2014 except as otherwise stated.

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 diverse fields of training and experiences.

The Board is primarily entrusted with the responsibility of setting the goals, strategies and the business and organisational policies 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 Board Charter approved by the Board and made available on the Company's website, has established the functions, roles and responsibilities of the Board which also sets out the code of conduct for Directors and employees of the Group. In formulating the goals and strategies of the Group, the Board ensures that particular attention is given to promote sustainability. The Group has been actively involved in promoting social responsibility through the ECM Libra Foundation, with its activities elaborated in the Chairman's Statement on pages 18 to 19.

The Chairman of the Board leads the Directors in the performance of the Board's responsibilities and oversight of management whilst the responsibility of managing the Group's business activities, implementing the Board's policies and overseeing the day-to-day management is delegated to the Group Chief Executive Officer ("Group CEO"), who is accountable to the Board.

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, four (4) Board meetings were held and all the Directors had complied with the requirements in respect of Board meeting attendance as required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ["Listing Requirements of Bursa Securities"]. All Directors attended the four (4) meetings except for Dato' Seri Kalimullah bin Masheerul Hassan and Mr Lim Kian Onn who attended three (3) meetings held during the financial year ended 31 January 2014. Mr Soo Kim Wai was appointed on 28 May 2013 and attended all three (3) Board meetings held since his appointment.

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

The Directors are aware of their responsibilities and will devote sufficient time to discharge such responsibilities. Each member of the Board holds not more than five (5) directorships in public listed companies in accordance with the Listing Requirements of Bursa Securities. The Directors will inform the Board on their new appointment as director in other companies. These ensure that their commitment, resources and time are focused on the affairs of the Company and enable them to discharge their responsibilities effectively.

A. DIRECTORS (continued)

(ii) Board Balance and Independence of Directors

For the financial year ended 31 January 2014, the Board initially comprised seven (7) Directors, four (4) of whom are independent. Later, one independent Director retired in May 2013. All Directors hold positions in a non-executive capacity. The Chairman of the Board, Dato' Seri Kalimullah bin Masheerul Hassan, is a non-independent non-executive member. The position of Group CEO is held by Ms Azlin binti Arshad who is not a Board member. There is a clear division of responsibilities between the Chairman and the Group CEO and presence of independent oversight by the independent Directors to ensure a balance of authority and power within the Board. 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.

The Board recognises the importance and contribution of its independent non-executive Directors. They represent the element of objectivity, impartiality and independent judgment of the Board. This ensures that there is adequate check and balance at the Board. The three (3) independent Directors of the Company provide the Board with vast and varied exposure, expertise and broad business and commercial experiences.

The independent Directors have declared their independence and met the criteria set in an annual assessment of their independence undertaken by the Board Nomination Committee and the Board. None of the independent Directors has served a cumulative period of nine (9) years with the Company.

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 6.

(iii) Supply of Information

Board members are provided with the notice, setting out the agenda and 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 support of suitably qualified Company Secretaries, and where necessary, independent professional advisers at the expense of the Company. The Board will discuss and collectively decide on seeking such independent advice when the need arises. They also have unlimited access to all information with regard to the activities of the ECMLFG Group during deliberations at the Board meetings as well as through regular interaction with the members of the senior management.

(iv) Appointments to the Board

The Board Nomination Committee ("BNC"), set up on 27 September 2006, comprised three (3) independent non-executive Directors and one (1) non-independent non-executive Director as at 31 January 2014. The BNC is responsible for assessing and recommending new nominees to the Board, re-appointment of retiring Directors as well as Directors to fill seats on Board committees; assessing the effectiveness of the Board and the Board committees; and review the required mix of skills, experience and other qualities which Directors should bring to the Board. The BNC is also responsible to oversee the appointment, management succession planning and performance evaluation of the Chief Executive Officer and other key senior management of the Group.

The assessment of the Board and the Board Committees based on, amongst others, their skills, experience, contribution and commitment, is undertaken annually and is formally documented. The BNC has also established the criteria in line with the Listing Requirements of Bursa Securities and the Code for annual assessment of the independence of the independent Directors. The skills and experience of individual Directors are reviewed annually to ensure the composition of the Board is appropriate with a good mix of skills and core competencies. The level of time commitment of individual Directors to discharge their responsibilities are assessed based on the record of their attendance at the Board and Board Committees' meetings held during the financial year. In considering new appointments to the Board, re-appointment of retiring Directors and appointment of Chief Executive Officer and other key senior management of the Group, due regard would be given to the skills, experience, contribution and commitment that a person would bring to the Board and the Group. Appropriate character and requisite quality of that person would also be taken into account by the BNC in assessment of appointment or re-appointment before making a recommendation to the Board for approval. Whilst the Directors recognise the contribution that women could bring to the Board, it has not established a policy or specific target for the appointment of women candidates in its recruitment of directors.

A. DIRECTORS (continued)

(iv) Appointments to the Board (continued)

For the financial year under review, the BNC has assessed the performance of the Board and the Board Committees and reviewed the skill and experience of individual Directors, and is satisfied with its current composition and that expectations have been met. There was a new appointment to the Board during the financial year.

The BNC during the financial year ended 31 January 2014 comprised:

- Dato' Othman bin Abdullah (Chairman)
- Datuk Kamarudin bin Md Ali
- En Mahadzir bin Azizan
- Mr Soo Kim Wai (Appointed on 28 May 2013)
- Dato' Ab. Halim bin Mohyiddin (Retired on 23 May 2013)
- Mr Lum Sing Fai (Resigned on 27 May 2013)

(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 ("AGM") 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 AGM 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's businesses, operations, risk management, internal controls, finance and changes to relevant legislation, rules and regulations. The Directors are encouraged to attend courses, briefings and seminars to keep themselves abreast with latest developments in the industry, regulatory updates or changes and to enhance their skills and knowledge.

During the financial year under review, individual Board members have participated in the following external training courses, briefings or seminars to keep updated on latest developments and to enhance their knowledge:

- FIDE FORUM - Towers Watson 2012 Global Insurance ERM Survey Results
- Building High Performance Directors
- Corporate Governance Symposium
- Advocacy Sessions on Corporate Disclosure for Directors of Listed Issuers

A. DIRECTORS (continued)

(vi) Directors' Training (continued)

- Briefing on Goods and Services Tax
- Strengthening the Board of Directors and Enhancing Financial Governance: Focal Point for Corporate Governance System
- Nominating Committee Program
- Leading a Learning Organization in An Age of Change
- Corporate Governance Statement Reporting Workshop
- Inaugural Asean Corporate Governance Summit 2013
- Risk Management & Internal Control: Workshops For Audit Committee Members
- 2013 Mid-Year Global Economic Outlook
- Mid-Year Market Outlook
- Real Estate Seminar in Japan
- Financial Services Act 2013 and Islamic Financial Services Act 2013
- Standard Chartered Bank Business Series 2 – Myanmar, The Last Business Frontier
- Managing Talent at Board and Management
- ACCA President's Luncheon
- Budget 2014 – Tax Budget Update
- Family Business Forum
- MIA Conference 2013

B. DIRECTORS' REMUNERATION

The Board Remuneration Committee ("BRC"), set up on 27 September 2006, comprised one (1) independent non-executive Director and two (2) non-independent non-executive Directors as at 31 January 2014. The members of the BRC during the financial year ended 31 January 2014 were:

- En Mahadzir bin Azizan (Chairman)
- Mr Lim Kian Onn (Appointed on 28 May 2013)
- Mr Soo Kim Wai (Appointed on 28 May 2013)
- Dato' Ab. Halim bin Mohyiddin (Retired on 23 May 2013)
- Mr Lum Sing Fai (Resigned on 27 May 2013)

The BRC is responsible for assessing and recommending to the Board the remuneration of Directors, key senior management officers, and the payment of performance bonus and salary increments for employees of the Group. The Directors do not participate in the discussion and voting on decisions regarding their own remuneration. The aggregate annual Directors' fees as recommended by the Board are approved by shareholders at the AGM.

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 of the Group as well as the individual, 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 Directors are paid annual fees and an allowance of RM1,000 for every Board and Board Committee meeting attended.

The details of the remuneration of the Directors of ECMLFG are set out in the audited financial statements on pages 95 and 96.

C. ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

The Board is responsible to present a balanced and comprehensive assessment of 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.

The Board has delegated the responsibility of reviewing and ensuring that the financial statements comply with applicable financial reporting standards to the Board Audit & Risk Management Committee ("BARMC"). The BARMC has ensured that the financial statements are a reliable source of financial information of the Group and Company.

(ii) Risk Management & Internal Control

The Statement on Risk Management & Internal Control as set out below provides an overview of the management of risks and state of internal controls within the Group.

C. ACCOUNTABILITY AND AUDIT (continued)

(iii) Relationship with Auditors

The Company, through the 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 pages 8 and 9.

The BARMC undertakes an annual assessment of the suitability and independence of the Group's external auditors before recommending their re-appointment to the Board and shareholders for approval. In undertaking the assessment, due consideration is given to the adequacy of resources of the external auditors to manage and undertake the audit, the level and quality of service provided by the audit team as well as the competence, knowledge, experience and independence of advice provided by the engagement partner.

D. CORPORATE DISCLOSURES

The Company is committed to provide all stakeholders with timely and equitable access to material information that is comprehensive and accurate to ensure its compliance with the disclosure requirements as set out in the Listing Requirements of Bursa Securities and other applicable laws. In line with this commitment and for transparency and accountability, material corporate disclosures are deliberated by the Board before being released to the public and the Board Charter is reviewed and updated by the Board.

To maintain transparency and to promote the timely dissemination of corporate disclosures, all information made public to Bursa Securities, such as the Company's Annual Report, the quarterly financial results, all corporate announcements, circular to shareholders and other corporate information and the Board Charter are made available on the Group's website, www.ecmlibra.com, at the dedicated section on Investor Relations.

E. SHAREHOLDERS

The Company's general meetings serve as a forum for dialogue with shareholders. At the general meetings, shareholders are encouraged to participate in the question and answer session. The Board members and management will clarify and elaborate on any issue raised by shareholders at the meeting. In accordance with the Company's Articles of Association, voting at general meetings are conducted by show of hands or by poll if so demanded by the shareholders or the Chairman of the meeting. Voting on resolutions by way of poll will also be conducted if required by the Listing Requirements of Bursa Securities. The result of all resolutions proposed at general meetings is submitted to Bursa Securities at the end of the meeting day.

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

F. STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Responsibility

The Board is responsible for managing risks of the Group and its system of internal control as well as reviewing its adequacy and integrity. The Board recognises that the Group's system of internal control is designed to manage and minimise 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. This ongoing process has been in place during the year under review and up to the date of approval of the Statement on Risk Management & Internal Control for inclusion in the Annual Report.

F. STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL (continued)

Key Processes

There is an on-going process for identifying, evaluating and managing the significant risks faced by the Group, and the said process is reviewed by the Board and accords with the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

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 CEO who oversees risk management for the Group, the Compliance Department which is organized at the asset management subsidiary and the outsourced Internal Auditors who undertake the internal audit function for the Group, which focus on areas of priority identified through risk assessment and in accordance with the plans approved by the BARMC. While business/operating units have the primary responsibility for managing specific risks assumed by them, the Group CEO provides the central resource for the identification, quantification, monitoring and management of the risks taken by the Group as a whole.

In carrying out its responsibilities, the BARMC relies on the support of the Compliance Department and the outsourced Internal Auditors who report directly to the BARMC, in providing assurance on the adequacy and effectiveness of internal controls. Compliance Department provides the BARMC periodic reports on compliance with relevant regulatory and statutory requirements whilst the outsourced Internal Auditors provide BARMC with periodic reports highlighting review on adequacy and effectiveness of internal controls and 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 with clearly defined lines of responsibility and appropriate levels of delegation;

- Key functions such as finance, credit control, 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 Policies and Procedures, which are subjected to periodic 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; and

- Corporate values, which emphasise on ethical behaviour and quality services, are formalised into a Code of Conduct incorporating a Whistle Blowing Policy, is set out in the Group's Employee Handbook and the Board Charter.

An associated company which is an indirect subsidiary of a company listed on the Stock Exchange of Singapore has not been dealt with as part of the Group for purposes of applying this guidance on the premise that its risk management and internal control practices had been carried out by its own board and management.

The Board has received assurance from the Group CEO and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

G. DIRECTORS' RESPONSIBILITY IN FINANCIAL REPORTING

The Board is required by the Listing Requirements of Bursa Securities to prepare financial statements for each financial year to 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 2014, the Group had adopted and applied consistently appropriate accounting policies, supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards in Malaysia had been followed and the financial statements had 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 expected of 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.

This Statement was approved by the Board on 20 March 2014.

chairman's statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and audited financial statements for the financial year ended 31 January 2014.

This is the first full financial year immediately following the disposal of the Group's investment banking business in December 2012. During the year, the Company completed the capital restructuring exercise that entailed a capital repayment totalling RM560.6 million via a capital reduction followed by share split and share consolidation. The paid-up capital of the Company was reduced from RM828.8 million to RM268.2 million on 28 February 2013 to commensurate with the reduced scale of operations.

Financial and Business Review

For the year ended 31 January 2014, the Group recorded a profit before tax of RM14.8 million and a profit after tax of RM12.3 million. This is mainly contributed by portfolio management fee income of RM10.9 million, investment income of RM8.0 million, fee income of RM4.6 million, interest income of RM4.4 million, rental income of RM1.4 million, share of profit of an associated company, ISR Capital Limited ("ISR"), amounting to RM1.7 million and gain on disposal of shares in ISR of RM4.0 million; partially offset by an impairment charge of RM3.2 million to mark down the carrying value of the remaining shares in ISR following the discontinuation of equity accounting for ISR when it ceased to be an associate of the Group. Total operating expenses amounted to RM17.0 million for the year.

The Group's core business continued to be in financial services whereupon the major business segments comprised corporate advisory & structured financing and fund management. After the disposal of the investment banking business and the capital restructuring exercise, the Group's cash and liquid asset position remained healthy and the Group does not carry any long term liabilities. The Group has adequate operating resources and has conserved its cash and liquid assets to provide internal funding to grow its financial services business. In this respect, the structured financing portfolio has grown from RM4.1 million at the beginning of the financial year to RM44.3 million as at year-end. For the fund management business segment, the focus for the year was to build a stronger foundation to grow the business which takes time to yield the targeted results. Efforts were directed to build on the improved performance of unit trust funds, expand the marketing programme and diversify distribution channels.

Update on Bursa Practice Note 17 status

In December 2012 upon the disposal of the investment banking business, the Company triggered Paragraph 2.1(g) of the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") by virtue of the disposal of its investment banking business which contributed more than 70% of the group revenue. After said disposal, it was deemed that the Company had insignificant revenue from its remaining businesses since the major portion was under the investment bank. The Company had on 25 November 2013, submitted an application to Bursa Securities for a waiver from having to submit a regularization plan in respect of the classification of the Company as an affected listed issuer under PN17 of the Main Market Listing Requirements, taking into consideration the positive interim financial results of the Group for the nine month period ended 31 October 2013 ("Waiver Application").

Bursa Securities has vide its letter dated 13 December 2013, informed the Company that taking into consideration the Waiver Application, Bursa Securities has deferred the suspension on the trading of the Company's securities and de-listing of the Company in accordance with paragraph 8.04 of the Main Market Listing Requirements, pending Bursa Securities' decision on the Waiver Application. The Waiver Application, if approved, will allow the Company to be uplifted from the classification as a PN17 company. As at the date of this report, the Waiver Application is pending decision from Bursa Securities.

Corporate Social Responsibility

The Group's corporate social responsibility related work is spearheaded by the ECM Libra Foundation ("Foundation"), which was funded by the founding shareholders of ECM Libra Financial Group Berhad. Through this Foundation, work continues to focus on education for the underprivileged and marginalised sectors of our community. We continue to sponsor supplemental programmes such as pre-school reading, writing and mathematics programme for poor children to ensure they have the foundation skills needed to compete.

In peninsula Malaysia, our sponsorship of Orang Asli community learning centres has been expanded to eight villages. A new learning centre was built in Kampung Teras, Perak. In addition to community learning centres, we have also provided student loans to underprivileged tertiary students to complete their diploma or degree courses. In Penang, the Foundation is building a Badminton and Youth Learning Centre and will donate it to the State Government to manage for the community in Bukit Gelugor. This centre, costing more than RM4 million, will be used to provide badminton training, tuition and language programmes for youth in this community. The Foundation continues to sponsor children from various charity homes for development programmes such as badminton training and youth leadership camps, working in collaboration with our respective partners who are professionals in their respective field. These programmes benefit children from fifteen homes in the Klang Valley.

In Sarawak, our sponsorship of community learning centres in and around Kuching has been expanded to nine villages including a new centre in Skibang. In addition to these community learning centres, the Foundation has sponsored for the second year, an UPSR coaching and preparation project in Long Lamai, a Penan village in the Baram area in Sarawak. After three years of external intervention, two of which were sponsored by the Foundation, the students have shown continuous improvement in the number of UPSR passes obtained. Because of this continuous improvement, the Education Ministry is exploring the possibility of starting a secondary school in the village for the whole district.

In Sabah, in collaboration with the Institute of Childhood Education and Community Education, the Foundation sponsored fifteen indigenous pre-school teachers for a Diploma in Early Childhood Education Programme. These teachers from Paitan and Kampung Sonsogon in Ulu Kota Marudu are currently teaching in the kindergartens set up to benefit the very poor children from these areas.

Dividends

The Board is not proposing any final dividend for the financial year ended 31 January 2014 in view of the capital repayment exercise that was completed on 4 April 2013 which returned to shareholders the equivalent of 67.6 sen per ECM share held.

Appreciation

On behalf of the Board, I would like to extend our appreciation to the management and staff of the Group for their contributions, commitment and dedication. We would also like to thank our shareholders for their continued support and confidence in us.

Dato' Seri Kalimullah bin Masheerul Hassan
Chairman
20 March 2014

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of ECM Libra Financial Group Berhad ("Company") will be held at Ground Floor, East Wing, Bangunan ECM Libra, 8 Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur on Thursday, 29 May 2014 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 2014;

2. to approve the payment of Directors' fees of RM277,252.00 to be divided amongst the Directors in such manner as the Directors may determine;

3. to re-elect the following Directors retiring pursuant to the Company's Articles of Association:

    (a) Dato' Seri Kalimullah bin Masheerul Hassan;
    (b) Datuk Kamarudin bin Md Ali; and
    (c) Mr Soo Kim Wai;

4. 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 resolutions:

5. **Ordinary Resolution on 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 and paid-up share 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.";

6. **Ordinary Resolution on Proposed Grant of Options to Datuk Kamarudin bin Md Ali**

    "**THAT** the offer and granting of 135,200 options to Datuk Kamarudin bin Md Ali, non-executive Director of the Company, to subscribe for new ordinary shares of RM1.00 each in the Company under the Company's Employees' Share Option Scheme ("ESOS"), provided always that:

    (i) the allocation of options, in aggregate, to eligible employees who are directors and senior management of the Company and/or its subsidiaries does not exceed 50% of the shares available under the ESOS; and

    (ii) the allocation of options to a director or employee who either singly or collectively through persons connected with the director or employee, holds 20% or more of the issued and paid-up share capital of the Company, does not exceed 10% of the shares available under the ESOS;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the by-laws of the ESOS, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ["Listing Requirements of Bursa Securities"] and any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time, be and is hereby approved.";

7. **Ordinary Resolution on Proposed Grant of Options to Dato' Othman bin Abdullah**

"**THAT** the offer and granting of 135,200 options to Dato' Othman bin Abdullah, non-executive Director of the Company, to subscribe for new ordinary shares of RM1.00 each in the Company under the ESOS, provided always that:

(i) the allocation of options, in aggregate, to eligible employees who are directors and senior management of the Company and/or its subsidiaries does not exceed 50% of the shares available under the ESOS; and

(ii) the allocation of options to a director or employee who either singly or collectively through persons connected with the director or employee, holds 20% or more of the issued and paid-up share capital of the Company, does not exceed 10% of the shares available under the ESOS;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the by-laws of the ESOS, Listing Requirements of Bursa Securities and any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time, be and is hereby approved.";

8. **Ordinary Resolution on Proposed Grant of Options to En Mahadzir bin Azizan**

"**THAT** the offer and granting of 135,200 options to En Mahadzir bin Azizan, non-executive Director of the Company, to subscribe for new ordinary shares of RM1.00 each in the Company under the ESOS, provided always that:

(i) the allocation of options, in aggregate, to eligible employees who are directors and senior management of the Company and/or its subsidiaries does not exceed 50% of the shares available under the ESOS; and

(ii) the allocation of options to a director or employee who either singly or collectively through persons connected with the director or employee, holds 20% or more of the issued and paid-up share capital of the Company, does not exceed 10% of the shares available under the ESOS;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the by-laws of the ESOS, Listing Requirements of Bursa Securities and any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time, be and is hereby approved.";

9. **Ordinary Resolution on Proposed Grant of Options to Mr Soo Kim Wai**

"**THAT** the offer and granting of 200,000 options to Mr Soo Kim Wai, non-executive Director of the Company, to subscribe for new ordinary shares of RM1.00 each in the Company under the Company's ESOS, provided always that:

(i) the allocation of options, in aggregate, to eligible employees who are directors and senior management of the Company and/or its subsidiaries does not exceed 50% of the shares available under the ESOS; and

(ii) the allocation of options to a director or employee who either singly or collectively through persons connected with the director or employee, holds 20% or more of the issued and paid-up share capital of the Company, does not exceed 10% of the shares available under the ESOS;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the by-laws of the ESOS, Listing Requirements of Bursa Securities and any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time, be and is hereby approved.";

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

By Order of the Board

CHAN SOON LEE
Secretary

Kuala Lumpur
7 May 2014

NOTES:

1. Only a depositor whose name appears in the Record of Depositors of the Company as at 23 May 2014 shall be regarded as a member entitled to attend, speak and vote, and appoint a proxy to attend, speak and vote on his/her behalf, at the Ninth Annual General Meeting ("9th AGM").

2. 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. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. 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.

3. Where a member appoints more than one (1) proxy to attend the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of a duly authorised officer or attorney of the corporation.

5. The Form of Proxy must be deposited at the Registered Office of the Company at 2nd Floor, West Wing, Bangunan ECM Libra, 8 Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.

Explanatory notes

1. **Ordinary Resolution on re-election of Datuk Kamarudin bin Md Ali retiring pursuant to the Company's Articles of Association**

   In line with the Malaysian Code on Corporate Governance 2012, the Board Nomination Committee and the Board of Directors have conducted an assessment on the independence of Datuk Kamarudin bin Md Ali and are satisfied that Datuk Kamaurdin bin Md Ali has met the criteria set in the assessment.

2. **Ordinary Resolution on Authority to Directors to Issue Shares**

   The ordinary resolution, if passed, will give a renewed mandate to the Directors to issue shares of the Company from time to time 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 ("Renewed Mandate"). The Renewed Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

   As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 23 May 2013 and which will lapse at the conclusion of the 9th AGM.

   In circumstances where an expansion/diversification plan requires the issue of new shares, the Renewed Mandate will enable the Directors to take prompt action and to avoid delay and cost in convening general meetings to approve such issue of shares.

3. **Ordinary Resolutions on Proposed Grant of Options to Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah, En Mahadzir bin Azizan and Mr Soo Kim Wai**

   The Company's ESOS is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 1 December 2005. The ESOS was established on 1 December 2005 and will be in force for a period of ten years.

   The ordinary resolutions, if passed, will authorise the Directors to offer and to grant options to Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah, En Mahadzir bin Azizan and Mr Soo Kim Wai (collectively known as "Interested Directors") to subscribe for new ordinary shares of RM1.00 each in the Company ("New Shares") under the ESOS.

   The option price to subscribe for New Shares under the ESOS may be at a discount of not more than 10% (or such discount as the relevant authorities shall permit) from the 5 day weighted average market price of shares of the Company preceding the offer date subject to adjustments in accordance with the by-laws of the ESOS, provided that the option price shall in no event be less than the par value of the shares of the Company.

   The New Shares to be allotted upon any exercise of the options shall, upon allotment and issue, rank pari passu in all respects in relation to voting, dividend, transfer and other rights, including those arising on a liquidation of the Company or its subsidiaries, as the case may be, with the existing issued and fully paid-up ordinary shares of RM1.00 each of the Company save and except that the New Shares will not be entitled to any dividends, rights, allotments and/or other distributions where the entitlement date precedes the relevant exercise dates of the options. For this purpose, entitlement date means the date at the close of business on which shareholders must be registered in order to participate in any dividends, rights, allotments and/or other distributions.

   The Interested Directors shall not sell, transfer or assign the New Shares allotted and issued to them pursuant to the exercise of option within 1 year from the offer date.

The Interested Directors are entitled to participate in respect of their entitlements under the Proposed Grant of Options and are therefore deemed interested in the Proposed Grant of Options by virtue of their respective entitlements under the Proposed Grant of Options. Accordingly, the Interested Directors have abstained and will continue to abstain from all deliberations and voting on their respective entitlements under the Proposed Grant of Options at the relevant Board meetings. The Interested Directors will also abstain from voting in respect of their direct and indirect shareholdings in our Company, if any, on the ordinary resolutions pertaining to their respective entitlements under the Proposed Grant of Options to be tabled at the 9th AGM. They will also ensure that any persons connected to them, if any, will abstain from voting on the relevant resolutions to be tabled at the 9th AGM.

Save for the above, none of the Directors and/or major shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Grant of Options.

The Proposed Grant of Options is to recognise and reward the Interested Directors for their contribution to our Group and also to provide them with an opportunity to participate in the equity of our Company.

The Proposed Grant of Options will increase the options held by the Interested Directors as follows:

Name of Directors	Options held as at 31 January 2014	Proposed Grant of Options	After the Proposed Grant of Options
Datuk Kamarudin bin Md Ali	64,800	135,200	200,000
Dato' Othman bin Abdullah	64,800	135,200	200,000
En Mahadzir bin Azizan	64,800	135,200	200,000
Mr Soo Kim Wai	-	200,000	200,000

statement accompanying notice of annual general meeting

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad)

Details of persons who are standing for election as Directors

No individual is seeking election as a Director at the Ninth Annual General Meeting of the Company.

financial statements

directors' report

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2014.

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 11 to the financial statements.

There have been no significant changes in the nature of these activities during the year, except as stated below:

The Company, had on 14 December 2012 announced that it was considered a Practice Note 17 ("PN17") company ("First Announcement"). Pursuant to Paragraph 8.04 and Paragraph 2.1(g) of PN17 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company is considered a PN17 company by virtue of its disposal of the investment banking business which contributed more than 70% of its group revenue. After the said disposal, it is deemed that the Company has insignificant revenue from its remaining businesses since a major portion was under the investment bank.

The Board would like to emphasize that the Company is not a financially distressed company as it has healthy cash reserves with no borrowings.

Pursuant to Paragraph 8.04(3) of the MMLR of Bursa Securities, a PN17 company must regularise its condition in the following manner:

(i) within 12 months from the date of the First Announcement:

  (a) submit a regularisation plan to the Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or

  (b) submit a regularisation plan to Bursa Securities if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Securities' approval to implement the plan; and

(ii) implement the plan within the timeframe stipulated by the SC or Bursa Securities, as the case may be.

In the event the Company fails to comply with the obligations to regularise its condition, all its listed securities will be suspended from trading on the next market day after five (5) market days from the date of notification of suspension by Bursa Securities and de-listing procedures shall be taken against the Company, subject to the Company's right to appeal against the de-listing.

The Company had, on 25 November 2013, submitted an application to Bursa Securities for a waiver from having to submit a regularisation plan in respect of the classification of the Company as an affected listed issuer under PN17, taking into consideration the interim financial results of the Group for the nine-month period ended 31 October 2013 ("Waiver Application").

Bursa Securities has vide its letter dated 13 December 2013 informed the Company that taking into consideration the Waiver Application, Bursa Securities has deferred the suspension on the trading of the Company's securities and de-listing of the Company in accordance with paragraph 8.04 of the MMLR, pending Bursa Securities' decision on the Waiver Application.

The Waiver Application, if approved, will allow the Company to be uplifted from the classification as a PN17 company. The Waiver Application is still pending the decision of Bursa Securities as at the date of this report.

Results

	Group RM'000	Company RM'000
Profit attributable to owners of the Company	12,287	3,587

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

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend the payment of any dividend for the current financial year ended 31 January 2014.

Reduction of share capital

Pursuant to the disposal of its entire equity interest in ECM Libra Investment Bank Berhad to Kenanga Investment Bank Berhad ("Disposal") in the previous financial year, the Company undertook a capital restructuring exercise as follows:

(i) Capital repayment to its shareholders comprising a total of RM442,647,000 in cash, 120,000,000 K & N Kenanga Holdings Berhad ("KNKH") shares valued at RM70,200,000 and RM47,750,000 Redeemable Non-convertible Unsecured Loan Stock ("RULS") issued by KNKH via a reduction of the par value of the existing shares of the Company, in accordance with Section 64 of the Companies Act, 1965 ("Capital Repayment");

(ii) Share split involving the subdivision of its shares after the Capital Repayment, to facilitate the Share Consolidation (as defined below) ("Share Split"); and

(iii) Consolidation of the Company's shares after the Share Split resulting in the Company having a reduced issued and paid-up share capital taking into account the Disposal and the Capital Repayment ("Share Consolidation").

The Company's share capital was reduced from 828,819,091 to 268,222,091 ordinary shares of RM1.00 each.

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
Mr Lim Kian Onn
Datuk Kamarudin bin Md Ali
Dato' Othman bin Abdullah
En Mahadzir bin Azizan
Mr Soo Kim Wai (appointed on 28 May 2013)
Dato' Ab Halim bin Mohyiddin (retired on 23 May 2013)
Mr Lum Sing Fai (resigned on 27 May 2013)

Directors (continued)

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 Soo Kim Wai 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 2014, 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 of RM1 each / options*			
	As at 1.2.2013	**Acquired**	**Capital restructuring exercise**	**As at 31.1.2014**
Direct interest in ECM Libra Financial Group Berhad ("ECMLFG")				
Dato' Seri Kalimullah bin Masheerul Hassan	32,969,696	1,791,000	(22,300,056)	12,460,640
	29,000,000*	-	(19,604,000)	9,396,000*
Mr Lim Kian Onn	118,846,810	22,755,400	(85,438,891)	56,163,319
	29,000,000*	-	(19,604,000)	9,396,000*
Datuk Kamarudin bin Md Ali	200,000*	-	(135,200)	64,800*
Dato' Othman bin Abdullah	200,000*	-	(135,200)	64,800*
En Mahadzir bin Azizan	200,000*	-	(135,200)	64,800*
Indirect interest in ECMLFG				
Mr Lim Kian Onn	4,440,900	-	(3,003,737)	1,437,163

* 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 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 provision of services including but not limited to management services and tenancies 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 existing share options granted pursuant to the ESOS.

Employees' Share Option Scheme ("ESOS")

The Company's ESOS is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 1 December 2005. The ESOS was established on 1 December 2005 and will be in force for a period of ten (10) years.

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

(i) The eligibility of an employee or director of the Group to participate in the ESOS shall be at the discretion of the Options Committee. The Options Committee may from time to time at its discretion select and identify suitable eligible employees to be offered options. The maximum allowable allotments for the directors had been approved by the shareholders of the Company in a general meeting.

(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 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.

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

As at 31 January 2014, there was no issuance of new shares arising from the exercise of options pursuant to the ESOS.

Other statutory information

(I) As at the end of the financial year

(a) Before the statements of comprehensive income and statements of financial position 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 allowance for doubtful debts and financing and had satisfied themselves that there were no known bad debts and financing and that no allowance for doubtful debts and financing was necessary; 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 the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the changes in accounting policies (as disclosed in Note 2(b) of the financial statements) and the capital repayment exercise (as disclosed in Note 19 of the financial statements).

(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 it necessary to write off any bad debts and financing or to make any allowance for doubtful debts and financing in the financial statements of the Group and of the Company;

(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 2014 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.

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.

Dato' Seri Kalimullah bin Masheerul Hassan

Lim Kian Onn

Kuala Lumpur, Malaysia

20 March 2014

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, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 35 to 120 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 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 2014 and of their results and their cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors.

Dato' Seri Kalimullah bin Masheerul Hassan

Lim Kian Onn

Kuala Lumpur, Malaysia

20 March 2014

statutory declaration

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

I, Chan Soon Lee, being the officer primarily responsible for the financial management of ECM Libra Financial Group Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 35 to 120 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 Chan Soon Lee at
Kuala Lumpur in the Federal Territory
on 20 March 2014.

Chan Soon Lee

Before me,

Zulkifla Mohd Dahlim
Commisioner for Oaths

20 March 2014

auditors' report

Independent auditors' report to the members of ECM Libra Financial Group Berhad

(Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of ECM Libra Financial Group Berhad, which comprise the statements of financial position as at 31 January 2014 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 35 to 119.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 January 2014 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) 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.

(c) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and in respect of the companies incorporated in Malaysia, did not include any comment required to be made under Section 174(3) of the Act.

Other reporting responsibilities

The supplementary information set out in Note 38 on page 120 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Others matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Chan Hooi Lam
No. 2844/02/16(J)
Chartered Accountant

Kuala Lumpur, Malaysia

20 March 2014

statements of financial position

as at 31 January 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000 Restated
ASSETS					
Cash and short-term funds	3	**30,579**	76,421	**625**	54,317
Securities held-for-trading	4	**22,392**	24,921	**-**	-
Securities available-for-sale	5	**198,711**	694,748	**24,631**	553,575
Securities held-to-maturity	6	**47,750**	47,750	**47,750**	47,750
Derivative financial assets	7	**2,969**	1,203	**-**	-
Loans, advances and financing	8	**44,291**	4,102	**-**	-
Trade receivables	9	**2,659**	7,849	**-**	-
Other assets	10	**4,519**	3,853	**2,036**	2,071
Investment in subsidiary companies	11	**-**	-	**311,571**	296,048
Investment in associated companies	12	**7,200**	35,579	**7,200**	7,200
Amount owing by subsidiary companies	13	**-**	-	**43,010**	30,263
Property, plant and equipment	15	**25,126**	26,371	**26,385**	27,687
Intangible assets	16	**-**	-	**-**	-
Total assets		**386,196**	922,797	**463,208**	1,018,911
LIABILITIES AND EQUITY					
Liabilities					
Trade payables	17	**1,615**	7,207	**-**	-
Other liabilities	18	**3,934**	6,015	**1,959**	4,227
Provision for taxation		**245**	58	**134**	-
Amount owing to subsidiary companies	13	**-**	-	**89,980**	86,227
Deferred tax liabilities	14	**300**	582	**217**	325
Total liabilities		**6,094**	13,862	**92,290**	90,779

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

statements of financial position continued

as at 31 January 2014

	Note	Group 2014 RM'000	Group 2013 RM'000 Restated	Company 2014 RM'000	Company 2013 RM'000 Restated
Equity attributable to equity holders of the Company					
Share capital	19	**268,222**	828,819	**268,222**	828,819
Reserves	20	**111,880**	80,116	**102,696**	99,313
Less: Treasury shares, at cost	21	**-**	-	**-**	-
Shareholders' equity		**380,102**	908,935	**370,918**	928,132
Total equity and liabilities		**386,196**	922,797	**463,208**	1,018,911

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

statements of comprehensive income

for the year ended 31 January 2014

		Group		Company	
	Note	2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000 Restated
Continuing operations					
Revenue	2(r)	**28,006**	16,774	**8,404**	1,282
Interest income	22	**4,404**	1,766	**3,214**	976
Non-interest income	23	**23,602**	15,008	**5,190**	306
Other non-operating income	24	**988**	1,628	**2,367**	1,832
Net income		**28,994**	18,402	**10,771**	3,114
Operating expenses	25	**(16,980)**	(15,646)	**(5,875)**	(4,628)
Operating profit/(loss)		**12,014**	2,756	**4,896**	(1,514)
Share of profit of an associated company		**1,658**	8,403	**-**	-
Gain on disposal of shares in an associated company and discontinuation of equity method	12	**3,994**	-	**-**	-
(Allowance for)/writeback of impairment on securities	27	**(3,019)**	-	**243**	-
Writeback of/(allowance for) impairment on loans, advances and financing	28	**140**	(140)	**-**	-
Profit/(loss) before tax		**14,787**	11,019	**5,139**	(1,514)
Income tax expense	29	**(2,500)**	(657)	**(1,552)**	95
Profit/(loss) from continuing operations		**12,287**	10,362	**3,587**	(1,419)
Discontinued operations					
Profit from discontinued operations, net of tax	30	**-**	16,298	**-**	-
(Loss)/gain on disposal of subsidiary	30	**-**	(68,652)	**-**	85,189
(Loss)/profit from discontinued operations		**-**	(52,354)	**-**	85,189
Profit/(loss) for the year		**12,287**	(41,992)	**3,587**	83,770

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

statements of comprehensive income continued

for the year ended 31 January 2014

	Note	Group 2014 RM'000	Group 2013 RM'000 Restated	Company 2014 RM'000	Company 2013 RM'000 Restated
Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss:					
Net gain/(loss) on available-for-sale financial assets		**17,933**	(29,712)	**(242)**	1,628
Impairment on available-for-sale financial assets		**3,262**	-	**-**	-
Share of other comprehensive income of an associated company		**4,281**	-	**-**	-
Share of other comprehensive income of an associated company transferred to profit or loss upon discontinuation of equity method		**(4,281)**	-	**-**	-
Currency translation differences		**(1,755)**	41	**-**	-
Income tax relating to components of other comprehensive income	14	**61**	6,369	**62**	(407)
Other comprehensive income/(loss) for the year, net of tax		**19,501**	(23,302)	**(180)**	1,221
Comprising:					
- Continuing operations					
Net gain/(loss) on available-for-sale financial assets		**22,275**	(2,813)	**(180)**	1,221
Impairment on available-for-sale financial assets		**3,262**	-	**-**	-
Share of other comprehensive income of an associated company transferred to profit or loss upon discontinuation of equity method		**(4,281)**	-	**-**	-
Currency translation differences transferred to profit or loss upon discontinuation of equity method of an associated company		**(2,727)**	-	**-**	-
Other currency translation differences		**972**	41	**-**	-
		19,501	(2,772)	**(180)**	1,221
- Discontinued operations	30	**-**	(20,530)	**-**	-
		19,501	(23,302)	**(180)**	1,221
Total comprehensive income/(loss) for the year		**31,788**	(65,294)	**3,407**	84,991

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

statements of comprehensive income continued

for the year ended 31 January 2014

	Note	Group 2014 RM'000	Group 2013 RM'000 Restated	Company 2014 RM'000	Company 2013 RM'000 Restated
Profit/(loss) attributable to owners of the Company					
- Continuing operations		**12,287**	10,362	**3,587**	(1,419)
- Discontinued operations		**-**	(52,354)	**-**	85,189
		12,287	(41,992)	**3,587**	83,770
Total comprehensive income/(loss) attributable to owners of the Company					
- Continuing operations		**31,788**	7,590	**3,407**	(198)
- Discontinued operations		**-**	(72,884)	**-**	85,189
		31,788	(65,294)	**3,407**	84,991

Earnings per share ("EPS") attributable to owners of the Company:

	Note		
Basic/diluted earnings/(loss) per share		**Sen**	**Sen**
From continuing operations	31	**3.97**	1.25
From discontinued operations	31	**-**	(6.32)

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

statements of changes in equity

for the year ended 31 January 2014

		Non-distributable					Distributable	
	Share capital RM'000	**Capital redemption reserve RM'000**	**Foreign currency translation reserve RM'000**	**Available-for-sale revaluation reserve RM'000**	**Equity compensation reserve RM'000**	**General reserve RM'000**	**Retained profits RM'000**	**Total RM'000**
Group								
As at 1 February 2013								
- As previously reported	**828,819**	**2,083**	**(3,252)**	**(1,868)**	**2,761**	**159**	**81,238**	**909,940**
- Change in accounting policies (Note 2b)	**-**	**-**	**-**	**(1,144)**	**-**	**-**	**139**	**(1,005)**
- As restated	**828,819**	**2,083**	**(3,252)**	**(3,012)**	**2,761**	**159**	**81,377**	**908,935**
Total comprehensive income	**-**	**-**	**972**	**22,275**	**-**	**-**	**12,287**	**35,534**
- Impairment on available-for-sale financial assets	**-**	**-**	**-**	**3,262**	**-**	**-**	**-**	**3,262**
- Discontinuation of equity method of an associated company (Note 12)	**-**	**-**	**(2,727)**	**(4,281)**	**-**	**-**	**-**	**(7,008)**
- Net of discontinuation of an associated company	**-**	**-**	**(1,755)**	**21,256**	**-**	**-**	**12,287**	**31,788**
Transactions with owners:								
Capital repayment (Note 19(b))	**(560,597)**	**-**	**-**	**-**	**-**	**-**	**-**	**(560,597)**
ESOS lapsed during the year	**-**	**-**	**-**	**-**	**(24)**	**-**	**-**	**(24)**
	(560,597)	**-**	**-**	**-**	**(24)**	**-**	**-**	**(560,621)**
As at 31 January 2014	**268,222**	**2,083**	**(5,007)**	**18,244**	**2,737**	**159**	**93,664**	**380,102**

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

for the year ended 31 January 2014

		Non-distributable											Distributable	
		Continuing operations								Discontinued operations				
	Note	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Capital redemption reserve RM'000	Foreign currency translation reserve RM'000	Available-for-sale revaluation reserve RM'000	Equity compensation reserve RM'000	General reserve RM'000	Available-for-sale revaluation reserve RM'000	Statutory reserve RM'000	Regulatory reserve RM'000	Retained profits RM'000	Total RM'000
Group (continued)														
As at 1 February 2012		830,902	(1,579)	26,561	-	(3,293)	(199)	3,122	159	20,530	80,787	-	64,053	1,021,043
Total comprehensive income/ (loss):														
- Continuing operations		-	-	-	-	41	(2,813)	-	-	-	-	-	10,362	7,590
- Discontinued operations		-	-	-	-	-	-	-	-	(20,530)	-	-	(52,354)	(72,884)
		-	-	-	-	41	(2,813)	-	-	(20,530)	-	-	(41,992)	(65,294)
Transactions with owners:														
Continuing operations														
ESOS lapsed during the year		-	-	-	-	-	-	(361)	-	-	-	-	-	(361)
Cash dividend paid	32	-	-	-	-	-	-	-	-	-	-	-	(19,892)	(19,892)
Cancellation of treasury shares	21	(2,083)	1,579	-	2,083	-	-	-	-	-	-	-	(1,579)	-
Discontinued operations														
Transfer to regulatory reserve		-	-	-	-	-	-	-	-	-	-	4,746	(4,746)	-
Write-off of merger reserve	30(b)	-	-	(26,561)	-	-	-	-	-	-	-	-	-	(26,561)
Disposal of ECM Libra Investment Bank Berhad	30(b)	-	-	-	-	-	-	-	-	-	(80,787)	(4,746)	85,533	-
		(2,083)	1,579	(26,561)	2,083	-	-	(361)	-	-	(80,787)	-	59,316	(46,814)
As at 31 January 2013 (Restated)		828,819	-	-	2,083	(3,252)	(3,012)	2,761	159	-	-	-	81,377	908,935

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

for the year ended 31 January 2014

		← Non-Distributable		→	Distributable	
	Share capital RM'000	Capital redemption reserve RM'000	Available-for-sale revaluation reserve RM'000	Equity compensation reserve RM'000	Retained profits RM'000	Total RM'000
Company						
As at 1 February 2013						
- As previously reported	**828,819**	**2,083**	**(1,868)**	**2,761**	**93,248**	**925,043**
- Change in accounting policies (Note 2b)	**-**	**-**	**3,089**	**-**	**-**	**3,089**
- As restated	**828,819**	**2,083**	**1,221**	**2,761**	**93,248**	**928,132**
Total comprehensive income	**-**	**-**	**(180)**	**-**	**3,587**	**3,407**
Transactions with owners:						
Capital repayment (Note 19(b))	**(560,597)**	**-**	**-**	**-**	**-**	**(560,597)**
ESOS lapsed during the year	**-**	**-**	**-**	**(24)**	**-**	**(24)**
	(560,597)	**-**	**-**	**(24)**	**-**	**(560,621)**
As at 31 January 2014	**268,222**	**2,083**	**1,041**	**2,737**	**96,835**	**370,918**

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

for the year ended 31 January 2014

	Note	Share capital RM'000	Treasury shares RM'000	← Non-Distributable Capital redemption reserve RM'000	Available-for-sale revaluation reserve RM'000	Equity compensation reserve RM'000 →	Distributable Retained profits RM'000	Total RM'000
Company (continued)								
As at 1 February 2012		830,902	(1,579)	-	-	3,122	30,949	863,394
Total comprehensive income								-
- Continuing operations		-	-	-	1,221	-	(1,419)	(198)
- Discontinued operations		-	-	-	-	-	85,189	85,189
		-	-	-	1,221	-	83,770	84,991
Transactions with owners:								
ESOS lapsed during the year		-	-	-	-	(361)	-	(361)
Cash dividend paid	32	-	-	-	-	-	(19,892)	(19,892)
Cancellation of treasury shares	21	(2,083)	1,579	2,083	-	-	(1,579)	-
		(2,083)	1,579	2,083	-	(361)	(21,471)	(20,253)
As at 31 January 2013 (Restated)		828,819	-	2,083	1,221	2,761	93,248	928,132

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

statements of cash flows

for the year ended 31 January 2014

	Note	Group 2014 RM'000	Group 2013 RM'000 Restated	Company 2014 RM'000	Company 2013 RM'000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(loss) before taxation from:					
- Continuing operations		**14,787**	11,019	**5,139**	(1,514)
- Discontinued operations		**-**	(44,881)	**-**	85,189
		14,787	(33,862)	**5,139**	83,675
Adjustments for:					
Continuing operations					
Depreciation of property, plant and equipment	25	**1,511**	1,033	**927**	812
Unrealised loss/(gain) on foreign exchange transactions	24	**659**	(1)	**-**	-
Gain on disposal of subsidiary	30(b)	**-**	-	**-**	(85,189)
Gain on liquidation of subsidiary		**-**	-	**(225)**	-
Gain on disposal of an associated company	12	**(3,994)**	-	**-**	-
Share of profit of an associated company		**(1,658)**	(8,403)	**-**	-
Property, plant and equipment written-off	25	**12**	3	**8**	3
Net gain on disposal of securities available-for-sale	23	**(4,613)**	(350)	**(2,851)**	(181)
Net unrealised (gain)/loss on revaluation of:					
- securities held-for-trading	23	**2,597**	400	**-**	-
- derivatives	23	**(2,606)**	(1,204)	**-**	-
Dividend income	23	**(3,257)**	(75)	**-**	-
Cost arising from ESOS	25	**(24)**	(149)	**(16)**	26
(Writeback of)/allowance for impairment on loans, advances and financing	28	**(140)**	140	**-**	-
Allowance for/(writeback of) impairment on securities	27	**3,019**	-	**(243)**	-
Gain on disposal of property, plant and equipment	24	**(180)**	-	**(180)**	-
Income distribution from unit trust fund	23	**(117)**	-	**(117)**	-
Interest income	22	**(4,404)**	(1,766)	**(3,214)**	(976)
Balance carried forward		**1,592**	(44,234)	**(772)**	(1,830)

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

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
CASH FLOWS FROM OPERATING ACTIVITIES (continued)				
Balance brought forward	**1,592**	(44,234)	**(772)**	(1,830)
Discontinued operations (Notes 30(b) and (c))				
Writeback of impairment on investments	-	(1,528)	-	-
Depreciation of property, plant and equipment	-	4,827	-	-
Unrealised gain on foreign exchange transactions	-	(2,650)	-	-
Loss on disposal of subsidiary	-	68,652	-	-
Property, plant and equipment written-off	-	1,056	-	-
Net gain on disposal of:				
- securities held-for-trading	-	(10,037)	-	-
- securities available-for-sale	-	(17,091)	-	-
- derivatives	-	(3,396)	-	-
Net unrealised loss on revaluation of:				
- securities held-for-trading	-	1,260	-	-
- derivatives	-	6,250	-	-
Dividend income	-	(2,721)	-	-
Cost arising from ESOS	-	(212)	-	-
Allowance for losses on loans, advances and financing	-	3,728	-	-
Allowance for bad and doubtful debts	-	17	-	-
Interest income	-	(68,935)	-	-
Interest expense	-	41,577	-	-
Operating gain/(loss) before working capital changes	**1,592**	(23,437)	**(772)**	(1,830)

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

statements of cash flows continued

for the year ended 31 January 2014

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
CASH FLOWS FROM OPERATING ACTIVITIES (continued)				
Balance brought forward	**1,592**	(23,437)	**(772)**	(1,830)
(Increase)/decrease in operating assets:				
Securities held-for-trading	**(68)**	344,441	**-**	-
Derivative financial instruments	**840**	3,766	**-**	-
Loans, advances and financing	**(40,049)**	11,093	**-**	-
Trade receivables	**5,190**	(99,441)	**-**	-
Other assets	**(2,143)**	(59,803)	**(711)**	17,294
(Decrease)/increase in operating liabilities:				
Deposits from customers	**-**	(167,044)	**-**	-
Deposits and placements of banks and other financial institutions	**-**	(266,371)	**-**	-
Trade payables	**(5,592)**	(19,781)	**-**	-
Other liabilities	**(1,886)**	37,542	**(2,073)**	1,980
Amount owing by/to subsidiary companies	**-**	-	**(8,359)**	(22,490)
Cash used in operations	**(42,116)**	(239,035)	**(11,915)**	(5,046)
Tax refunded	**614**	3,932	**153**	-
Tax paid	**(1,204)**	(10,883)	**(852)**	(574)
Net cash used in operating activities	**(42,706)**	(245,986)	**(12,614)**	(5,620)

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

for the year ended 31 January 2014

	Note	Group 2014 RM'000	Group 2013 RM'000 Restated	Company 2014 RM'000	Company 2013 RM'000 Restated
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends received		**2,491**	2,796	**-**	-
Purchase of property, plant and equipment	15	**(744)**	(8,601)	**(98)**	(1,315)
Proceeds from disposal of property, plant and equipment		**451**	-	**450**	-
Disposal of subsidiary	30(e)	**-**	(204,939)	**-**	542,072
Liquidation of subsidiaries		**-**	-	**4,694**	-
Additional investment in a subsidiary		**-**	-	**(20,000)**	(148,200)
Capital repayment	19(b)	**(442,647)**	-	**(442,647)**	-
Advances to associated company		**-**	(7,200)	**-**	(7,200)
Proceeds from disposal of shares in an associated company		**24,313**	-	**-**	-
Net disposal/(acquisition) of:					
- securities available-for-sale		**410,631**	132,895	**413,884**	(316,553)
- securities held-to-maturity		**-**	160,000	**-**	-
Income distribution from fund		**117**	-	**117**	-
Recovery from impaired securities		**243**	-	**243**	-
Interest income received		**4,423**	77,082	**2,279**	982
Net cash (used in)/generated from investing activities		**(722)**	152,033	**(41,078)**	69,786
CASH FLOWS FROM FINANCING ACTIVITIES					
Placement of monies held in trust		**-**	(17,782)	**-**	-
Dividends paid	32	**-**	(19,892)	**-**	(19,892)
Interest paid		**-**	(43,361)	**-**	-
Net cash used in financing activities		**-**	(81,035)	**-**	(19,892)
Net (decrease)/increase in cash and cash equivalents		**(43,428)**	(174,988)	**(53,692)**	44,274
Effects of foreign exchange differences		**(2,414)**	2,692	**-**	-
Cash and cash equivalents at beginning of year		**76,421**	248,717	**54,317**	10,043
Cash and cash equivalents at end of year		**30,579**	76,421	**625**	54,317
Cash and cash equivalents comprise:					
Cash and short-term funds	3	**30,579**	76,421	**625**	54,317

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 Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The principal place of business of the Company is located at Ground Floor, East Wing, Bangunan ECM Libra, 8 Jalan Damansara Endah, Damansara Heights, 50490 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 11.

There have been no significant changes in the nature of these activities during the year, except as stated in the section "Principal activities" in the Company's directors' report in relation to the Company's status as a Practice Note 17 company under Bursa Securities' Main Market Listing Requirements.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 March 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared on a historical cost basis, except for securities held-for-trading, securities available-for-sale and derivative financial assets that have been stated at their fair values. The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000), unless otherwise indicated.

(b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 February 2013, the Group and the Company adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2013.

MFRS 3 *Business Combinations* (IFRS 3 Business Combinations issued by IASB in March 2004)
MFRS 127 *Consolidated and Separate Financial Statements* (IAS 27 revised by IASB in December 2003)
MFRS 10 *Consolidated Financial Statements*
MFRS 11 *Joint Arrangements*
MFRS 12 *Disclosure of Interest in Other Entities*
MFRS 13 *Fair Value Measurement*
MFRS 119 *Employee Benefits* (IAS 19 as amended by IASB in June 2011)
MFRS 127 *Separate Financial Statements* (IAS 27 as amended by IASB in May 2011)
MFRS 128 *Investment in Associate and Joint Ventures* (IAS 28 as amended by IASB in May 2011)
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
Amendments to MFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*
Annual Improvements 2009-2011 Cycle
Amendments to MFRS 1 *Government Loans*
Amendments to MFRS 10, MFRS 11 and MFRS 12 *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies (continued)

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

(i) MFRS 10 *Consolidated Financial Statements* ("MFRS 10")

MFRS 10 replaces part of MFRS 127 *Consolidated and Separate Financial Statements* ("MFRS 127") that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

Under MFRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its investment with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under MFRS 127, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

MFRS 10 includes detailed guidance to explain when an investor that owns less than 50 per cent of the voting shares in an investee has control over the investee. MFRS 10 requires the investor to take into account all relevant facts and circumstances, particularly the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders. The application of MFRS 10 has affected the accounting for the Group's interest in Libra Strategic Opportunity Fund ("LSOF"), a fund managed by a wholly owned subsidiary, Libra Invest Berhad. LSOF was not previously consolidated as a subsidiary of the Group.

The opening balances for the statement of financial position as at 1 February 2012 were not restated as investment in LSOF was only acquired on 5 December 2012. Therefore, the adoption of MFRS 10 and consolidation of LSOF did not affect the Group's financial position on 1 February 2012.

The above change in accounting policy has affected the amounts reported in the Group's and the Company's consolidated financial statements, as shown below:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies (continued)

(i) MFRS 10 *Consolidated Financial Statements* ("MFRS 10") (continued)

Reconciliation of financial position as at 31 January 2013

Group	2013 RM'000	Effect of adopting MFRS 10 RM'000	2013 RM'000 Restated
Assets			
Cash and short-term funds	73,468	2,953	76,421
Securities held-for-trading	24,921	-	24,921
Securities available-for-sale	697,656	(2,908)	694,748
Securities held-to-maturity	47,750	-	47,750
Derivative financial assets	1,203	-	1,203
Loans, advances and financing	4,102	-	4,102
Trade receivables	7,849	-	7,849
Other assets	3,857	(4)	3,853
Investment in associated companies	35,579	-	35,579
Deferred tax assets	705	(705)	-
Property, plant and equipment	26,371	-	26,371
Total assets	923,461	(664)	922,797
Liabilities and equity			
Liabilities			
Trade payables	7,207	-	7,207
Other liabilities	5,999	16	6,015
Provision for taxation	58	-	58
Deferred tax liabilities	257	325	582
Total liabilities	13,521	341	13,862
Equity attributable to equity holders of the Company			
Share capital	828,819	-	828,819
Reserves	81,121	(1,005)	80,116
Shareholders' equity	909,940	(1,005)	908,935
Total equity and liabilities	923,461	(664)	922,797

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies (continued)

(i) MFRS 10 *Consolidated Financial Statements* ("MFRS 10") (continued)

Reconciliation of comprehensive income for the year ended 31 January 2013

Group	2013 RM'000	Effect of adopting MFRS 10 RM'000	2013 RM'000 Restated
Revenue	16,579	195	16,774
Interest income	1,625	141	1,766
Non-interest income	14,954	54	15,008
Other non-operating income	1,628	-	1,628
Net income	18,207	195	18,402
Operating expenses	(15,590)	(56)	(15,646)
Operating profit	2,617	139	2,756
Share of profit of an associated company	8,403	-	8,403
Allowance for losses on loans, advances and financing	(140)	-	(140)
Profit before tax	10,880	139	11,019
Income tax expense	(657)	-	(657)
Profit from continuing operations	10,223	139	10,362
Discontinued operations			
Profit from discontinued operations, net of tax	16,298	-	16,298
Loss on disposal of subsidiary	(68,652)	-	(68,652)
Loss from discontinued operations	(52,354)	-	(52,354)
Loss for the year	(42,131)	139	(41,992)
Other comprehensive income:			
Net loss on available-for-sale financial assets	(29,598)	(114)	(29,712)
Currency translation differences	41	-	41
Income tax relating to components of other comprehensive income	7,399	(1,030)	6,369
Other comprehensive loss for the year, net of tax	(22,158)	(1,144)	(23,302)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies (continued)

(i) MFRS 10 *Consolidated Financial Statements* ("MFRS 10") (continued)

Reconciliation of financial position as at 31 January 2013

Company	2013 RM'000	Effect of adopting MFRS 10 RM'000	2013 RM'000 Restated
Assets			
Cash and short-term funds	54,317	-	54,317
Securities available-for-sale	697,656	(144,081)	553,575
Securities held-to-maturity	47,750	-	47,750
Other assets	2,071	-	2,071
Investment in subsidiary companies	147,848	148,200	296,048
Investment in associated companies	7,200	-	7,200
Amount owing by subsidiary companies	30,263	-	30,263
Deferred tax assets	705	(705)	-
Property, plant and equipment	27,687	-	27,687
Total assets	1,015,497	3,414	1,018,911
Liabilities and equity			
Liabilities			
Other liabilities	4,227	-	4,227
Amount owing to subsidiary companies	86,227	-	86,227
Deferred tax liabilities	-	325	325
Total liabilities	90,454	325	90,779
Equity attributable to equity holders of the Company			
Share capital	828,819	-	828,819
Reserves	96,224	3,089	99,313
Shareholders' equity	925,043	3,089	928,132
Total equity and liabilities	1,015,497	3,414	1,018,911

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies (continued)

(i) MFRS 10 *Consolidated Financial Statements* ("MFRS 10") (continued)

Reconciliation of comprehensive income for the year ended 31 January 2013

Company	2013 RM'000	Effect of adopting MFRS 10 RM'000	2013 RM'000 Restated
Revenue	1,282	-	1,282
Interest income	976	-	976
Non-interest income	306	-	306
Other non-operating income	1,832	-	1,832
Net income	3,114	-	3,114
Operating expenses	(4,628)	-	(4,628)
Loss before tax	(1,514)	-	(1,514)
Income tax expense	95	-	95
Loss from continuing operations	(1,419)	-	(1,419)
Discontinued operations			
Gain on disposal of subsidiary	85,189	-	85,189
Gain from discontinued operations	85,189	-	85,189
Gain for the year	83,770	-	83,770
Other comprehensive income:			
Net (loss)/gain on available-for-sale financial assets	(2,491)	4,119	1,628
Income tax relating to components of other comprehensive income	623	(1,030)	(407)
Other comprehensive (loss)/gain for the year, net of tax	(1,868)	3,089	1,221

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Changes in accounting policies (continued)

(ii) MFRS 12 *Disclosures of Interests in Other Entities* ("MFRS 12")

MFRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

(iii) MFRS 13 *Fair Value Measurement* ("MFRS 13")

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS. MFRS 13 defines fair value as an exit price. As a result of the guidance in MFRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. MFRS 13 also requires additional disclosures.

Application of MFRS 13 has not materially impacted the fair value measurement of the Group. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined.

(iv) Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*

The amendments to MFRS 101 introduce a grouping of items presented in other comprehensive income. Items that will be reclassified ("recycled") to profit or loss at a future point in time (e.g. net loss or gain on available-for-sale financial assets) have to be presented separately from items that will not be reclassified (e.g. revaluation of land and buildings). The amendments affect presentation only and have no impact on the Group's financial position or performance.

(v) MFRS 127 *Separate Financial Statements* ("MFRS 127")

As a consequence of the new MFRS 10 and MFRS 12, MFRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements. The adoption of this standard has no impact on the Group's financial position and performance.

(vi) MFRS 128 *Investments in Associates and Joint Ventures* ("MFRS 128")

As a consequence of the new MFRS 11 and MFRS 12, MFRS 128 is renamed as MFRS 128 *Investments in Associates and Joint Ventures*. This new standard describes the application of the equity method to investments in joint ventures in addition to associates. The adoption of this standard has no impact on the Group's financial position and performance.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Standards issued but not yet effective

The following are standards and interpretations issued by Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of the Group's and the Company's financial statements. The Group and the Company intend to adopt these standards and interpretations, if applicable, when they become effective:

Description	Effective for periods beginning on or after
MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in November 2009)	To be announced by MASB
MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in October 2010)	To be announced by MASB
MFRS 9 *Mandatory Effective Date of MFRS 9 and Transition Disclosures* (Amendments to MFRS 9 and MFRS 7)	To be announced by MASB
MFRS 9 *Financial Instruments* (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)	To be announced by MASB
MFRS 10 *Consolidated Financial Statements - Investment Entities* (Amendments to MFRS 10)	1 January 2014
MFRS 12 *Disclosure of Interest in Other Entities - Investment Entities* (Amendments to MFRS 12)	1 January 2014
MFRS 119 *Employee Benefits - Defined Benefits Plans: Employee Contributions* (Amendments to MFRS 119)	1 January 2014
MFRS 127 *Separate Financial Statements - Investment Entities* (Amendments to MFRS 127)	1 January 2014
MFRS 132 *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities* (Amendments to MFRS 132)	1 January 2014
MFRS 136 *Impairment of Assets - Recoverable Amount Disclosures for Non-financial Assets* (Amendments to MFRS 136)	1 January 2014
MFRS 139 *Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting* (Amendments to MFRS 139)	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Annual Improvements to MFRS 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRS 2011 - 2013 Cycle	1 July 2014

Adoption of the above standards and interpretations will not have any material impact on the financial statements of the Group and of the Company in the period of initial application, except as discussed below:

MFRS 9 *Financial Instruments* ("MFRS 9")

MFRS 9 reflects the work on the replacement of MFRS 139 and the first phase applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The first phase of the standard was initially effective for annual periods beginning on or after 1 January 2013 but Amendments to MFRS 9 *Mandatory Effective Date of MFRS 9 and Transition Disclosures*, issued in March 2012, moved the mandatory effective date to 1 January 2015 (see below for the latest amendment on the mandatory effective date). The adoption of the first phase of MFRS 9 may have an effect on the classification and measurement of the Group's and of the Company's financial assets, but will not have an impact on classification and measurement of the Group's and of the Company's financial liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Standards issued but not yet effective (continued)

MFRS 9 *Financial Instruments* ("MFRS 9") (continued)

The new hedge accounting model under phase three of the standard, together with corresponding disclosures about risk management activity under MFRS 7 were developed in response to concerns raised by preparers of financial statements about the difficulty of appropriately reflecting their risk management activities. The new model represents a substantial overhaul of hedge accounting that will enable entities to better reflect their risk management activities in their financial statements. The MFRS 9 hedge accounting model, if adopted, applies prospectively with limited exceptions.

As part of the Amendments issued in February 2014, an entity is now allowed to change the accounting for liabilities that it has to measure at fair value, before applying any of the other requirements in MFRS 9. This change in accounting would mean that gains or losses caused by a change in the entity's own credit risk on such liabilities are no longer recognised in profit or loss. The Group and the Company currently does not have any financial liabilities measured at fair value.

The Amendments in February 2014 also removed the mandatory effective date for MFRS 9. The International Accounting Standards Board ("IASB") has decided that a mandatory date of 1 January 2015 would not allow sufficient time for entities to prepare and to apply the new standard because the second phase of the standard, i.e. the impairment methodology phase of IFRS 9 has not yet been completed. On 24 July 2013, the IASB tentatively decided to defer mandatory effective date of IFRS 9 and that the mandatory effective date should be left open pending finalisation of the impairment and classification and measurement requirements. Nevertheless, IFRS 9 would still be available for early adoption.

The Group and the Company will quantify the effects of the new standard when the final standard including all phases is issued.

(d) Subsidiaries and basis of consolidation

(i) Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(A) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(B) Exposure, or rights, to variable returns from its investment with the investee; and

(C) The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for 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.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and basis of consolidation (continued)

(ii) Basis of consolidation (continued)

The Company controls an investee if and only if the Company has all the following:

(A) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(B) Exposure, or rights, to variable returns from its investment with the investee; and

(C) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(A) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(B) Potential voting rights held by the Company, other vote holders or other parties;

(C) Rights arising from other contractual arrangements; and

(D) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and basis of consolidation (continued)

(ii) Basis of consolidation (continued)

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. The accounting policy for goodwill is set out in Note 2(f).

(e) Investments in associates

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

On acquisition of an investment in associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

An associate is equity accounted for from the date on which the investee becomes an associate.

Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Investments in associates (continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group applies MFRS 139 to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 *Impairment of Assets* as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

In the Company's separate financial statements, investments in associates are accounted for 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.

(ii) Merchant bank licence

This represents contribution to BNM for a merchant bank licence to transform ECM Libra Investment Bank Berhad, 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 profit or loss.

(g) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, 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.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment (continued)

Work-in-progress comprises the renovation work of buildings which have not been completed and therefore it is not depreciated.

Freehold land has an unlimited useful life and therefore is not depreciated.

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:

Building	2%
Furniture and fittings and office equipment	10% - 20%
Computers	20% - 25%
Motor vehicles	20%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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 the profit or loss.

(h) Impairment of non-financial assets, investments in subsidiaries and associates

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset 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 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.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. Other than goodwill, a previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

(i) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held-for-trading ("HFT") or are designated as such upon initial recognition. Financial assets HFT are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences on monetary items, interest and dividend income. Exchange differences on monetary items, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(ii) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(iii) Held-to-maturity ("HTM") investments

Financial assets with fixed or determinable payments and fixed maturity are classified as HTM when the Group and the Company have the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, HTM investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the HTM investments are derecognised or impaired, and through the amortisation process.

HTM investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets (continued)

(iv) Available-for-sale ("AFS") financial assets

AFS financial assets are non-derivative financial assets that are designated as available-for-sale and are not classified in any of the three preceding categories.

After initial recognition, AFS financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an AFS instrument are recognised in profit or loss when the Group's and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

AFS financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

(j) Reclassification of financial assets

The Group and the Company may choose to reclassify non-derivative assets out from the HFT category, in rare circumstances, where the financial assets are no longer held for the purpose of selling or repurchasing in the short term. In addition, the Group and the Company may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the HFT or AFS categories if the Group and the Company have the intention and ability to hold the financial asset for the foreseeable future or until maturity.

Reclassifications are made at fair value as at the reclassification date, whereby the fair value becomes the new cost or amortised cost, as applicable. Any fair value gains or losses previously recognised in profit or loss are not reversed.

As at reporting date, the Group and the Company have not made any such reclassification of financial assets.

(k) Determination of fair value

All financial instruments are recognised initially at fair value. At initial recognition, the fair value of a financial instrument is the transaction price, i.e. the fair value of the consideration given or received. Subsequent to initial recognition, the fair value of the financial instruments measured at fair value are measured in accordance with the valuation methodologies as set out in Note 37.

Investments in unquoted equity instruments whose fair value cannot be reliably measured are measured at cost, and assessed for impairment at each reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Determination of fair value (continued)

MFRS 7 *Financial Instruments: Disclosures* requires the classification of financial instruments held at fair value according to a hierarchy that reflects the significance of inputs used in making the measurements, in particular, whether the inputs used are observable or unobservable. The following hierarchy is used for determining and disclosing the fair value of financial instruments:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

Refers to instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.

Level 2: Valuation techniques for which all significant inputs are, or are based on, observable market data

Refers to inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds, illiquid equities and consumer loans and financing with homogeneous or similar features in the market.

Level 3: Valuation techniques for which significant inputs are not based on observable market data

Refers to instruments where fair value is measured using significant unobservable market data. The valuation technique is consistent with the Level 2. The chosen valuation technique incorporates the Group's and the Company's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets, private equity investments and loans and financing priced primarily based on internal credit assessment.

For financial instruments measured at fair value, where available, quoted and observable market prices in an active market or dealer price quotations are used to measure fair value. These include listed equity securities and broker quotes from Bloomberg and Reuters.

Where such quoted and observable market prices are not available, fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observable prices exist and other valuation techniques. Valuation techniques used incorporate assumptions regarding discount rates, interest rate yield curves, estimates of future cash flows and other factors.

Changes in these assumptions could materially affect the fair values derived. The Group and the Company generally use widely recognised valuation techniques with market observable inputs for the determination of fair value due to the low complexity of the financial instruments held.

(l) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and to settle the liability simultaneously. This is not generally the case with master netting agreements and therefore, the related assets and liabilities are presented on a gross basis in the statements of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Trade and other receivables and other financial assets carried at amortised cost

Trade receivables are carried at anticipated realisable values. Impaired accounts are written off after taking into consideration the realisable values of collaterals, if any, when in the judgment of the management, there is no prospect of recovery.

Individual impairment assessment allowances for receivables are made for accounts which are considered doubtful or which have been classified as impaired, net of interest-in-suspense and after taking into consideration any collateral held by the Group. Collective impairment assessment allowance is made if necessary based on historical loss experience based on a certain percentage of trade receivables (excluding outstanding purchase contracts which are not due for payment), net of individual impairment assessment allowances. When an account is classified as impaired, interest is suspended and is recognised on a cash basis for trade receivables. Interest-in-suspense forms part of the individual impairment assessment allowances.

Other receivables and other financial assets are carried at anticipated realisable values. Impaired accounts are written off after taking into consideration the realisable values of collaterals, if any, when in the opinion of the management, there is no prospect of recovery. An estimate is made for impairment allowance based on review of all outstanding amounts as at reporting date.

(ii) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) AFS financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as AFS financial assets are impaired.

If an AFS financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on AFS equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For AFS debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and deposit placements maturing less than one month held for the purpose of meeting short-term commitments, and readily convertible to known amount of cash, which are subject to an insignificant risk of changes in value, and excluding monies held in trust for clients and dealers' representatives.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are measured at amortised cost. The Group and the Company do not have any non-derivative financial liabilities designated at fair value through profit or loss. Financial liabilities measured at amortised cost include trade payables and other liabilities.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(q) 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) Defined contribution plans

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Employee benefits (continued)

(iii) Employee share option plans

Employees of the Group receive remuneration in the form of share options of the holding company as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to capital reserve.

(r) 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 Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

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

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

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

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

Dividend income	-	when the right to receive payment is established.
Rental income	-	accrual basis by reference to the agreements entered.
Other interest income	-	on an accrual basis using the effective interest method unless collectability is in doubt, in which case they are recognised on receipt basis.

(s) 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 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Foreign currencies (continued)

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

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:

- Assets and liabilities presented are translated at the closing rate prevailing at the reporting date;

- Income and expenses 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.

(t) Income tax

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Income tax (continued)

(ii) Deferred tax (continued)

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(u) Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Treasury shares

Treasury shares are shares repurchased and accounted for using the treasury stock method. The treasury shares are measured and carried at the cost of purchase which comprise the amount of the consideration paid and direct attributable costs.

The carrying amount of the treasury shares is offset against equity. The excess of the carrying amount over the share premium account is considered as a reduction of any other reserves.

The treasury shares can either be distributed as share dividends or reissued by resale in the open market. Where treasury shares are distributed as shares dividends, the cost of the treasury shares is accounted for as a reduction of the share premium and/or distributable reserves in accordance with Section 67A(3D) of the Companies Act, 1965. Where treasury shares are resold in the open market, no gain or loss is recognised and the differences between the sales considerations and the carrying amount of the treasury shares is recorded as a movement in equity.

Cancellation of treasury shares is dealt with in accordance with Section 67A of the Companies Act, 1965. The issued and paid-up share capital of the Company is reduced by the shares cancelled and the same amount of which is transferred to the Capital Redemption Reserve.

(w) Significant accounting judgments and estimates

The preparation of the Group's and the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

In the process of applying the Group's and the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the 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 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

The Group classifies and accounts for its securities portfolio as follows:

- Securities HFT, to be stated at fair value with gain or loss recognised in profit or loss.

- Securities AFS, to be stated at fair value or cost (where fair value cannot be determined with reasonable certainty) less any impairment loss. Fair value gains or losses are recognised in equity and impairment losses are recognised in profit or loss.

- Securities HTM, to be stated at amortised cost, less any impairment losses. Amortisation and impairment losses are recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Significant accounting judgments and estimates (continued)

(iii) Deferred tax assets

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 judgment, 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.

(iv) 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:

	As at				
	6 January 2012	24 August 2009	22 August 2009	7 April 2009	25 January 2009
Share price (RM)	0.785	0.663	0.525	0.670	0.815
Exercise price (RM)	1.00	1.00	1.00	1.00	1.00
Expected volatility (%)	37.26	37.89	38.82	40.00	32.08
Risk free interest rate (%)	3.20	3.76	3.75	3.67	3.50
Dividend pay out (RM)	0.00	0.00	0.00	0.00	0.02
Average dividend yield (%)	0.00	0.00	0.00	0.00	1.50
Historical dividend yield (%)	2.00	2.00	1.00	1.00	1.00
Expected future dividend yield (%)	0.00	0.00	0.00	0.00	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.

(x) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 36, including the factors used to identify the reportable segments and the measurement basis of segment information.

3. CASH AND SHORT-TERM FUNDS

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
		Restated		
Cash and balances with banks and other financial institutions	**4,873**	12,762	**75**	3,787
Money at call and deposit placements maturing within one month	**6,250**	60,706	**550**	50,530
Cash belonging to a fund managed by a subsidiary	**19,456**	2,953	**-**	-
	30,579	76,421	**625**	54,317

4. SECURITIES HFT

	Group	
	2014	2013
	RM'000	RM'000
		Restated
At fair value		
Quoted shares	**22,392**	24,921

5. SECURITIES AFS

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
At fair value, or at cost for certain securities				
Quoted shares	**152,936**	193,877	**-**	69,600
Unquoted securities				
- Private debt securities	**-**	48,070	**-**	48,070
Unit trust funds	**45,689**	452,801	**24,631**	435,905
	198,625	694,748	**24,631**	553,575
Less: Writeback of impairment loss on securities	**86**	-	**-**	-
	198,711	694,748	**24,631**	553,575

5. SECURITIES AFS (continued)

At 31 January 2013, included in securities AFS of the Group and of the Company were 120,000,000 K & N Kenanga Holdings Berhad ("KNKH") ordinary shares of RM1.00 each and 47,750,000 redeemable non-convertible unsecured loan stocks ("RULS") issued by KNKH which were distributed to shareholders as part of the Company's capital repayment exercise. The capital repayment exercise was completed on 4 April 2013. At 31 January 2013, fair value loss on KNKH shares and coupon from RULS of RM600,000 and RM320,000 respectively were included in other receivables (Note 10).

The securities that were reclassified out from HFT to AFS in previous year are as follows:

	Group	
	2014	**2013**
	RM'000	**RM'000**
At fair value		
Carrying value as at beginning of financial year	-	3,045
Disposal of securities	-	(3,045)
Carrying value as at end of financial year	-	-

6. SECURITIES HTM

	Group and Company	
	2014	**2013**
	RM'000	**RM'000**
At amortised cost		
RULS	**47,750**	47,750

7. DERIVATIVE FINANCIAL ASSETS

	Group	
	2014	**2013**
	RM'000	**RM'000**
Equity related contracts - Options		
- Notional amount	**25,361**	26,123
- Fair value	**2,969**	1,203
Total fair value of derivative assets	**2,969**	1,203

8. LOANS, ADVANCES AND FINANCING

	Group 2014 RM'000	Group 2013 RM'000
Term loans, representing gross loans, advances and financing	**44,291**	4,242
Less: Collective assessment allowance	**-**	(140)
Total net loans, advances and financing	**44,291**	4,102

Analysis of gross loans, advances and financing

	Group 2014 RM'000	Group 2013 RM'000
(i) By economic purpose		
Working capital	**20,000**	-
Others	**24,291**	4,242
Gross loans, advances and financing	**44,291**	4,242
(ii) By interest rate sensitivity		
Fixed rate		
- Share margin financing, term loans, revolving credit and bridging loans	**44,291**	4,242
Gross loans, advances and financing	**44,291**	4,242
(iii) By type of customer		
Domestic business enterprises	**20,000**	4,242
Individuals	**24,291**	-
Gross loans, advances and financing	**44,291**	4,242

8. LOANS, ADVANCES AND FINANCING (continued)

Analysis of gross loans, advances and financing (continued)

	Group	
	2014	**2013**
	RM'000	**RM'000**
(iv) Movements in allowance for impairment on loans, advances and financing		
Collective assessment allowance		
Balance at beginning of financial year	**140**	2,376
(Writeback)/allowance made during the year		
- Continuing operations (Note 28)	**(140)**	140
- Discontinued operations (Note 30(c))	**-**	3,728
Disposal of subsidiaries	**-**	(6,104)
Balance at end of financial year	**-**	140
As % of gross loans, advances and financing less individual assessment allowance	**0.0%**	3.3%

Individual assessment allowance

As at 31 January 2014/2013, there is no individual assessment allowance made as there is no impaired loan during and at the end of the current and previous year.

9. TRADE RECEIVABLES

	Group	
	2014	**2013**
	RM'000	**RM'000**
Amount owing by trustees	**2,659**	7,849

Movements in the allowance for impaired accounts are as follows:

	Group	
	2014	**2013**
	RM'000	**RM'000**
Individual assessment allowance:		
Balance at beginning of financial year	**-**	1,044
Disposal of subsidiaries	**-**	(1,044)
Balance at end of financial year	**-**	-

10. OTHER ASSETS

	Group 2014 RM'000	Group 2013 RM'000 Restated	Company 2014 RM'000	Company 2013 RM'000
Interest receivable	**312**	331	**308**	329
Deposits	**428**	416	**8**	8
Tax recoverable	**477**	1,654	**335**	1,102
Other receivable and prepayments	**3,302**	1,452	**1,385**	632
	4,519	3,853	**2,036**	2,071

At 31 January 2013, included in other receivables and prepayments of the Group and of the Company were unrealised revaluation loss on KNKH shares net of accrual of coupon on RULS issued by KNKH of RM280,000 which is directly attributable to shareholders. The KNKH shares and the RULS were part of the sale consideration for the disposal of subsidiaries referred in Note 30, and which were held in trust by the Company as part of the Company's capital repayment exercise. The capital repayment exercise was completed on 4 April 2013.

11. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2014 RM'000	Company 2013 RM'000 Restated
Unquoted shares in subsidiaries, at cost	**542,526**	1,036,121
Less:		
Subsidiaries dissolved/disposed during the year	**(4,469)**	(513,595)
Impairment loss	**(226,530)**	(226,530)
	(230,999)	(740,125)
Add/(less) share options movements:		
Balance at beginning of financial year	**52**	439
Lapsed during the year	**(8)**	(387)
Balance at end of financial year	**44**	52
	311,571	296,048

11. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

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

Name of Company	Effective Percentage of Ownership 2014 %	2013 %	Principal Activities
Libra 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	Dissolved during the year
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 Labuan 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 Capital Sdn. Bhd.	**100**	100	Provision of investment research services
ECM Libra Partners Sdn. Bhd.	**100**	100	Provision of credit services
ECM Libra Capital Markets Sdn. Bhd.	**100**	100	Dormant
Avenue Capital Resources Berhad	**100**	100	Investment holding and provision of management services
ACRB Capital Sdn. Bhd.	**-**	100	Dissolved during the year
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
Name of Fund			
Libra Strategic Opportunity Fund	**100**	100	Investment activities

* As at the date of this report, ECM Libra Investment Bank Limited ("ELIBL") has made an application to Labuan Financial Services Authority ("LFSA") to grant approval for the surrender of ELIBL's Labuan investment bank license pursuant to Section 169 of the Labuan Financial Services and Securities Act 2010 and for LFSA to appoint a date on which the surrender of licence is to take effect.

12. INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Unquoted shares, outside Malaysia	**-***	-*	**-***	-*
Advances	**7,200**	7,200	**7,200**	7,200
	7,200	7,200	**7,200**	7,200
Quoted shares, outside Malaysia	**43,544**	43,544	**-**	-
Share of other reserves	**4,281**	-	**-**	-
Share in post-acquisition results	**10,660**	9,002	**-**	-
	58,485	52,546	**-**	-
Less: Impairment loss	**(24,167)**	(24,167)	**-**	-
	34,318	28,379	**-**	-
Less:				
Disposed during the year	**(16,284)**	-	**-**	-
Transferred to AFS during the year	**(18,034)**	-	**-**	-
	-	28,379	**-**	-
Total investment in associated companies	**7,200**	35,579	**7,200**	7,200
Quoted shares, outside Malaysia				
At market value	**-**	19,987	**-**	-
At fair value	**-**	29,421	**-**	-

* Denotes RM9.

The advances to an associated company is unsecured and interest free.

12. INVESTMENT IN ASSOCIATED COMPANIES (continued)

Details of the associated companies are as follows:

Name of Companies	Principal activities	Year end	Effective Percentage of Ownership 2014 %	2013 %
Positive Carry Limited (Incorporated in British Virgin Islands)	Investment holding	31 December	**30**	30
ISR Capital Limited (Incorporated in Singapore)	Investment holding	31 December	**N/A**	24

During the financial year, the Group disposed 21,766,000 shares in ISR Capital Limited ("ISR") for a total consideration of SGD9,510,352. Following the reduced interest in ISR arising from said disposal of shares and the Group's nominee's resignation from the board of ISR on 30 October 2013, ISR ceased to be an associate of the Group effective from 30 October 2013.

The gain arising from the disposal and upon discontinuation of equity method is as follows:

	2014 RM'000
Proceeds from disposal of shares in associated company	**24,313**
Fair value of remaining shares in associated company as at 30 October 2013	**6,991**
Amount transferred from reserves to profit or loss upon discontinuation of equity method of the associated company	
- other reserves	**4,281**
- foreign exchange reserves	**2,727**
	38,312
Carrying amount of associated company as at 30 October 2013	**(34,318)**
Gain on disposal of shares in an associated company	**3,994**

12. INVESTMENT IN ASSOCIATED COMPANIES (continued)

The following amounts represent the assets, liabilities, revenue and expenses of the associates, not adjusted for the proportion of ownership interest held by the Group:

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Property, plant and equipment	**-**	265	**-**	-
Securities AFS	**-**	19,328	**-**	-
Current assets	**7,708**	113,733	**7,708**	7,153
Current liabilities	**(7,730)**	(12,508)	**(7,730)**	(7,169)
Long-term liabilities	**-**	(108)	**-**	-
Net (liabilities)/assets	**(22)**	120,710	**(22)**	(16)
Revenue	**-**	42,010	**-**	-
Expenses	**(5)**	(6,042)	**(5)**	(16)
Profit before taxation	**(5)**	35,968	**(5)**	(16)
Tax credit	**-**	1,116	**-**	-
(Loss)/profit from continuing operations	**(5)**	37,084	**(5)**	(16)
Loss from discontinued operations, net of tax	**-**	(2,329)	**-**	-
(Loss)/profit for the year	**(5)**	34,755	**(5)**	(16)

13. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

	Company	
	2014	**2013**
	RM'000	**RM'000**
Amount owing by subsidiary companies	**43,010**	30,263
Amount owing to subsidiary companies	**(89,980)**	(86,227)

The amounts owing by/(to) subsidiary companies mainly represent payments made on behalf and unsecured advances which are repayable on demand. Amount owing by a subsidiary, ECM Libra Partners Sdn. Bhd. is charged an average interest rate of 5.43% per annum (2013: Nil) for the financial year. Other amounts owing by/(to) subsidiary companies are interest free.

14. DEFERRED TAX (LIABILITIES)/ASSETS

	Group	
	2014	**2013**
	RM'000	**RM'000**
		Restated
At beginning of the financial year	**(582)**	(7,306)
Recognised in profit or loss (Note 29)		
- Relating to origination and reversal of temporary differences		
- Continuing operations	**267**	307
- Discontinued operations	**-**	(2,538)
- (Under)/over provision of tax in prior years		
- Continuing operations	**(46)**	4
- Discontinued operations	**-**	159
	221	(2,068)
Recognised in equity	**61**	6,369
Discontinued operations	**-**	3,168
Other movement	**-**	(745)
At end of the financial year	**(300)**	(582)
Presented after appropriate offsetting as follows:		
Deferred tax assets	**-**	-
Deferred tax liabilities	**(300)**	(582)
	(300)	(582)

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

	Company 2014 RM'000	Company 2013 RM'000 Restated
At beginning of the financial year	**(325)**	(571)
Recognised in profit or loss (Note 29)		
- Relating to origination and reversal of temporary differences	**65**	650
- (Under)/over provision of tax in prior years	**(19)**	3
	46	653
Recognised in equity	**62**	(407)
At end of the financial year	**(217)**	(325)
Presented after appropriate offsetting as follows:		
Deferred tax assets	**-**	-
Deferred tax liabilities	**(217)**	(325)
	(217)	(325)

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

All movements in deferred tax liabilities and assets have been recognised in profit or loss except for those relating to AFS revaluation reserve, where the movement is recognised in other comprehensive income. The components of deferred tax liabilities and assets as at the end of the financial year are as follows:

Group	AFS revaluation reserve RM'000	Provisions RM'000	Other temporary difference RM'000	Total RM'000
31 January 2014				
At beginning of the financial year	**(407)**	**80**	**(255)**	**(582)**
Recognised in profit or loss	**-**	**303**	**(82)**	**221**
Recognised in equity	**61**	**-**	**-**	**61**
At end of the financial year	**(346)**	**383**	**(337)**	**(300)**
31 January 2013 (Restated)				
At beginning of the financial year				
- as previously reported	(6,682)	8,915	(9,539)	(7,306)
- effect of adoption of MFRS 10	(1,030)	-	-	(1,030)
	(7,712)	8,915	(9,539)	(8,336)
Recognised in profit or loss	-	(196)	507	311
Recognised in equity	623	-	-	623
Discontinued operations	6,682	(8,639)	8,777	6,820
At end of the financial year	(407)	80	(255)	(582)

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

Company	AFS revaluation reserve RM'000	Provisions RM'000	Other temporary difference RM'000	Total RM'000
2014				
At beginning of the financial year	**(407)**	**80**	**2**	**(325)**
Recognised in profit or loss	**-**	**69**	**(23)**	**46**
Recognised in equity	**62**	**-**	**-**	**62**
At end of the financial year	**(345)**	**149**	**(21)**	**(217)**
2013 (Restated)				
At beginning of the financial year	-	81	(652)	(571)
Recognised in profit or loss	-	(1)	654	653
Recognised in equity	(407)	-	-	(407)
At end of the financial year	(407)	80	2	(325)

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

	Group 2014 RM'000	Group 2013 RM'000
Unused tax losses	**33,240**	33,240
Unutilised capital allowances	**180**	188
	33,420	33,428

Deferred tax assets have not been recognised as there is uncertainty that sufficient taxable profit will be available against which the deductible temporary differences of certain subsidiaries can be utilised.

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.

15. PROPERTY, PLANT AND EQUIPMENT

Group	Work-In-Progress RM'000	Freehold land and building and office renovation RM'000	Furniture and fittings and office equipment RM'000	Computers RM'000	Motor vehicles RM'000	Total RM'000
Cost						
At 1 February 2013	**197**	**25,411**	**1,672**	**2,958**	**1,905**	**32,143**
Additions	**-**	**98**	**112**	**534**	**-**	**744**
Write-offs	**-**	**-**	**(12)**	**-**	**-**	**(12)**
Disposals	**(197)**	**(268)**	**(1)**	**-**	**(180)**	**(646)**
At 31 January 2014	**-**	**25,241**	**1,771**	**3,492**	**1,725**	**32,229**
Accumulated depreciation						
At 1 February 2013	**-**	**1,989**	**498**	**2,187**	**1,098**	**5,772**
Charge during the year (Note 25)	**-**	**655**	**154**	**378**	**324**	**1,511**
Disposals	**-**	**-**	**-**	**-**	**(180)**	**(180)**
At 31 January 2014	**-**	**2,644**	**652**	**2,565**	**1,242**	**7,103**
Net carrying amount						
At 31 January 2014	**-**	**22,597**	**1,119**	**927**	**483**	**25,126**

15. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Work-In-Progress RM'000	Freehold land and building and office renovation RM'000	Furniture and fittings and office equipment RM'000	Computers RM'000	Motor vehicles RM'000	Total RM'000
Cost						
At 1 February 2012	586	23,673	20,050	25,292	4,732	74,333
Additions	612	4,029	1,640	2,021	299	8,601
Transfer	(1,001)	933	68	-	-	-
Write-offs:						
- Continuing operations (Note 25)	-	-	-	(7)	-	(7)
- Discontinued operations (Note 30(c))	-	(11)	(184)	(6,663)	(130)	(6,988)
Disposals	-	-	-	-	(748)	(748)
Discontinued operations	-	(3,213)	(19,902)	(17,685)	(2,248)	(43,048)
At 31 January 2013	197	25,411	1,672	2,958	1,905	32,143
Accumulated depreciation						
At 1 February 2012	-	1,722	6,627	18,626	2,442	29,417
Charge during the year:						
- Continuing operations (Note 25)	-	575	78	167	213	1,033
- Discontinued operations (Note 30(c))	-	1,307	734	2,383	403	4,827
Write-offs:						
- Continuing operations (Note 25)	-	-	-	(4)	-	(4)
- Discontinued operations (Note 30(c))	-	(1)	(99)	(5,702)	(130)	(5,932)
Disposals	-	-	-	-	(449)	(449)
Discontinued operations	-	(1,614)	(6,842)	(13,283)	(1,381)	(23,120)
At 31 January 2013	-	1,989	498	2,187	1,098	5,772
Net carrying amount						
At 31 January 2013	197	23,422	1,174	771	807	26,371

15. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Work-In-Progress RM'000	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 2013	**197**	**28,597**	**200**	**21**	**1,890**	**30,905**
Additions	**-**	**33**	**60**	**5**	**-**	**98**
Disposal	**(197)**	**(268)**	**-**	**-**	**(180)**	**(645)**
Write-off	**-**	**-**	**(8)**	**-**	**-**	**(8)**
At 31 January 2014	**-**	**28,362**	**252**	**26**	**1,710**	**30,350**
Accumulated depreciation						
At 1 February 2013	**-**	**2,114**	**9**	**11**	**1,084**	**3,218**
Charge during the year (Note 25)	**-**	**577**	**22**	**5**	**323**	**927**
Disposal	**-**	**-**	**-**	**-**	**(180)**	**(180)**
At 31 January 2014	**-**	**2,691**	**31**	**16**	**1,227**	**3,965**
Net carrying amount						
At 31 January 2014	**-**	**25,671**	**221**	**10**	**483**	**26,385**
Cost						
At 1 February 2012	586	27,389	3	28	1,591	29,597
Additions	612	275	129	-	299	1,315
Write-off	-	-	-	(7)	-	(7)
Transfer	(1,001)	933	68	-	-	-
At 31 January 2013	197	28,597	200	21	1,890	30,905
Accumulated depreciation						
At 1 February 2012	-	1,526	1	9	874	2,410
Charge during the year (Note 25)	-	588	8	6	210	812
Write-off	-	-	-	(4)	-	(4)
At 31 January 2013	-	2,114	9	11	1,084	3,218
Net carrying amount						
At 31 January 2013	197	26,483	191	10	806	27,687

16. INTANGIBLE ASSETS

Group	Goodwill RM'000	Merchant bank licence RM'000	Total RM'000
2014			
Cost/Net carrying amount			
At 1 February 2013/At 31 January 2014	-	-	-
2013			
Cost/Net carrying amount			
At 1 February 2012	232,000	52,500	284,500
Disposal of subsidiaries (Note 30)	(232,000)	(52,500)	(284,500)
At 31 January 2013	-	-	-

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

Upon disposal of the investment bank subsidiary, the merchant bank license has been written off. Goodwill associated with the acquisition of operating subsidiaries of the Group was also written off in the previous financial year.

17. TRADE PAYABLES

	Group	
	2014 **RM'000**	**2013** **RM'000**
Amount owing to trustees	**1,615**	7,207

18. OTHER LIABILITIES

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000 Restated	RM'000	RM'000
Accruals and deposits received	**2,001**	1,684	**430**	403
Other payables	**1,933**	4,331	**1,529**	3,824
	3,934	6,015	**1,959**	4,227

19. SHARE CAPITAL

	Number of ordinary shares of RM1 each		Amount	
Group and Company	2014	2013	2014	2013
	units '000	units '000	RM'000	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	**828,819**	830,902	**828,819**	830,902
Treasury shares cancelled pursuant to Section 67A (Note 21)	**-**	(2,083)	**-**	(2,083)
Capital repayment (Note (b))	**(560,597)**	-	**(560,597)**	-
At end of year	**268,222**	828,819	**268,222**	828,819

(a) ESOS

The Company's ESOS is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 1 December 2005. The ESOS was established on 1 December 2005 and will be in force for a period of ten (10) years.

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

(i) The eligibility of an employee or director of the Group to participate in the ESOS shall be at the discretion of the Options Committee. The Options Committee may from time to time at its discretion select and identify suitable eligible employees to be offered options. The maximum allowable allotments for the directors had been approved by the shareholders of the Company in a general meeting.

(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.

19. SHARE CAPITAL (continued)

(a) ESOS (continued)

(iii) 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.

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

As at 31 January 2014, there has not been issuance of new shares arising from the exercise of options pursuant to the ESOS.

A summary of the movements in the number of ESOS granted to employees and directors of the Group are as follows:

	Number of share options	
	2014	**2013**
	units '000	**units '000**
At 1 February 2013/2012	**59,700**	72,668
Effect of Share Split and Share Consolidation (Note 19(b))	**(40,359)**	-
	19,341	72,668
Lapsed	**(96)**	(12,968)
At 31 January	**19,245**	59,700
Exercisable as at 31 January	**19,245**	59,700
Exercise price	**RM1.00**	RM1.00

The aggregate number of options granted to the directors at the beginning of the financial year was 58,800,000. After the share split and share consolidation and options lapsed, the aggregate number of options was reduced to 18,986,400 which remained outstanding at the end of the financial year. In accordance with the by-laws of the ESOS, the aggregate maximum allocation of options to the directors and senior management is 50%. The actual percentage of options granted to the directors and senior management at the commencement of the scheme was 50% whilst during the financial year was 47%.

There were no options granted to or exercised by the non-executive directors during the financial year.

19. SHARE CAPITAL (continued)

(b) Capital repayment

Pursuant to the disposal of its entire equity interest in ECM Libra Investment Bank Berhad to Kenanga Investment Bank Berhad ("Disposal") in the previous financial year, the Company undertook a capital restructuring exercise as follows:

(i) Capital repayment to its shareholders comprising a total of RM442,647,000 in cash, 120,000,000 K & N Kenanga Holdings Berhad ("KNKH") shares valued at RM70,200,000 and RM47,750,000 Redeemable Non-convertible Unsecured Loan Stock ("RULS") issued by KNKH via a reduction of the par value of the existing shares of the Company, in accordance with Section 64 of the Companies Act, 1965 ("Capital Repayment");

(ii) Share split involving the subdivision of its shares after the Capital Repayment, to facilitate the Share Consolidation (as defined below) ("Share Split"); and

(iii) Consolidation of the Company's shares after the Share Split resulting in the Company having a reduced issued and paid-up share capital taking into account the Disposal and the Capital Repayment ("Share Consolidation"),

The Capital Repayment exercise was completed on 4 April 2013.

20. RESERVES

		Group		Company	
	Note	**2014 RM'000**	**2013 RM'000 Restated**	**2014 RM'000**	**2013 RM'000 Restated**
Non-distributable:					
Foreign currency translation reserve		**(5,007)**	(3,252)	**-**	-
Equity compensation reserve	(a)	**2,737**	2,761	**2,737**	2,761
AFS revaluation reserve	(b)	**18,244**	(3,012)	**1,041**	1,221
General reserve		**159**	159	**-**	-
Capital redemption reserve		**2,083**	2,083	**2,083**	2,083
Distributable:					
Retained profits	(c)	**93,664**	81,377	**96,835**	93,248
		111,880	80,116	**102,696**	99,313

20. RESERVES (continued)

(a) Equity compensation reserve arose from the granting of share options to directors of the Company and management personnel of the Group.

(b) AFS revaluation reserve represents unrealised gains or losses arising from changes in fair values of securities classified as AFS.

(c) Prior to the year of assessment 2008, Malaysian companies adopted 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, which has expired 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 locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act, 2007.

As at 31 January 2014, the Section 108 balance of the Company is Nil (2013: Nil). The Company may distribute dividends out of its entire retained profits under the single-tier system.

21. TREASURY SHARES

The shareholders of the Company approved, at the Extraordinary General Meeting held on 31 January 2008, the Company to buy-back its own shares of up to 10% of the total issued and paid-up share capital of the Company at any point in time, in accordance with Section 67A of the Companies Act, 1965.

The directors of the Company were committed to enhancing the value of the Company to its shareholders and believed that the share buy-back could be applied in the best interests of the Company and its shareholders.

During the previous financial year, the Company cancelled all 2,082,862 treasury shares brought forward from an earlier financial year with a carrying amount of RM1,578,943 or an average price of RM0.7581 per share. The amount of the share capital cancelled was transferred to capital redemption reserve in accordance with the requirement of Section 67A of the Companies Act, 1965.

As at 31 January 2014/2013, the Company does not hold any treasury shares.

22. INTEREST INCOME

	Group		Company	
	2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000
Loans and advances	**824**	175	**-**	-
Short-term funds and deposits with financial institutions	**1,192**	1,270	**191**	656
Securities HTM	**2,388**	321	**2,388**	320
Amount due from subsidiaries	**-**	-	**635**	-
	4,404	1,766	**3,214**	976

23. NON-INTEREST INCOME

	Group		Company	
	2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000
Fee income				
- Fees on loans and advances	**912**	125	**912**	125
- Portfolio management fees	**10,950**	11,751	**-**	-
- Other fee income	**3,744**	1,903	**1,310**	-
	15,606	13,779	**2,222**	125
Investment and trading income				
Net gain arising from securities HFT				
- Unrealised loss on revaluation	**(2,597)**	(400)	**-**	-
	(2,597)	(400)	**-**	-
Net gain arising from securities AFS				
- Net gain on disposal	**2,855**	350	**2,851**	181
- Income distribution from unit trust fund	**117**	-	**117**	-
	2,972	350	**2,968**	181
Net gain arising from derivatives				
- Unrealised gain on revaluation	**2,606**	1,204	**-**	-
	2,606	1,204	**-**	-

23. NON-INTEREST INCOME (continued)

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000 Restated	RM'000	RM'000
Income generated by a fund managed by a subsidiary				
Net gain arising from securities AFS				
- Net gain on disposal	**1,758**	-	**-**	-
- Gross dividend income	**3,257**	75	**-**	-
	5,015	75	**-**	-
Total non-interest income	**23,602**	15,008	**5,190**	306

24. OTHER NON-OPERATING INCOME

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Rental income	**1,390**	1,593	**1,945**	1,831
Gain on disposal of property, plant and equipment	**180**	-	**180**	-
(Loss)/gain on foreign exchange transactions, net	**(659)**	1	**-**	-
Others	**77**	34	**242**	1
	988	1,628	**2,367**	1,832

25. OPERATING EXPENSES

	Group		Company	
	2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000
Personnel expenses				
Salaries, allowance and bonus	**8,879**	7,443	**2,117**	316
Contributions to defined contribution plan	**982**	808	**207**	43
Cost arising from ESOS	**(24)**	(149)	**(16)**	26
Other personnel costs	**556**	798	**52**	22
	10,393	8,900	**2,360**	407
Establishment costs				
Depreciation of property, plant and equipment (Note 15)	**1,511**	1,033	**927**	812
Property, plant and equipment written off	**12**	3	**8**	3
Rental of premises	**179**	297	**3**	-
Rental of network and equipment	**103**	206	**19**	-
Other establishment costs	**67**	34	**-**	-
	1,872	1,573	**957**	815
Marketing and communication expenses				
Advertising expenses	**7**	3	**-**	2
Entertainment	**167**	107	**72**	-
Other marketing expenses	**457**	501	**-**	-
	631	611	**72**	2

25. OPERATING EXPENSES (continued)

	Group		Company	
	2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000
Administrative and general expenses				
Auditors' remuneration				
- statutory audit	**104**	109	**46**	54
- overprovision in prior year	**(10)**	-	**(10)**	-
- regulatory-related services	**5**	5	**5**	5
- other services	**27**	-	**27**	-
Building maintenance expenses	**874**	896	**874**	896
Legal and professional fees	**507**	1,158	**282**	942
Printing and stationery	**156**	290	**85**	250
Insurance, postages and courier	**213**	174	**160**	145
Electricity and water charges	**60**	40	**-**	-
Telecommunication expenses	**199**	120	**51**	6
Travelling and accommodation	**258**	92	**213**	65
Others	**1,691**	1,678	**753**	1,041
	4,084	4,562	**2,486**	3,404
Total operating expenses	**16,980**	15,646	**5,875**	4,628

Included in the operating expenses are directors' remuneration of RM388,000 (2013: RM859,000) of the Group and RM330,000 (2013: RM779,000) of the Company.

26. DIRECTORS' REMUNERATION

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Non-executive directors:				
Fees	**317**	622	**277**	300
Other remuneration	**71**	4,732	**53**	4,586
	388	5,354*	**330**	4,886*

* Included in the directors' remuneration of the Company is an amount of RM4,107,000 (2014: RM Nil) paid by a subsidiary.

26. DIRECTORS' REMUNERATION (continued)

The directors' remuneration from continuing operations and discontinued operations are as follows:

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Continuing operations	**388**	859	**330**	779
Discontinued operations	**-**	4,495	**-**	4,107
	388	5,354	**330**	4,886

The total remuneration of the directors of the Company for the financial year fall within the following bands:

	Number of directors	
	2014	2013
Non-executive directors:		
Below RM50,001	**4**	-
RM50,001 to RM100,000	**4**	1
RM100,001 to RM150,000	**-**	1
RM150,001 to RM200,000	**-**	3
RM200,001 to RM1,000,000	**-**	-
RM1,000,001 to RM2,500,000	**-**	2

27. (ALLOWANCE FOR)/WRITEBACK OF IMPAIRMENT ON SECURITIES

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Writeback of impairment during the financial year	**243**	-	**243**	-
Allowance for impairment during the financial year	**(3,262)**	-	**-**	-
	(3,019)	-	**243**	-

28. (WRITEBACK OF)/ALLOWANCE FOR IMPAIRMENT ON LOANS, ADVANCES AND FINANCING

	Group	
	2014 RM'000	2013 RM'000
Collective assessment allowance		
- (Writeback)/allowance made during the financial year (Note 8(iv))	**(140)**	140

29. INCOME TAX EXPENSE

	Group		Company	
	2014 RM'000	2013 RM'000 Restated	2014 RM'000	2013 RM'000
Income tax:				
- Current year's provision	**2,176**	5,558	**986**	450
- Under provision of tax in prior years	**545**	504	**612**	108
	2,721	6,062	**1,598**	558
Deferred taxation (Note 14):				
- Relating to origination and reversal of temporary differences	**(267)**	2,231	**(65)**	(650)
- Under/(over) provision of deferred tax in prior years	**46**	(163)	**19**	(3)
	(221)	2,068	**(46)**	(653)
	2,500	8,130	**1,552**	(95)
Income tax expense on:				
- Continuing operations	**2,500**	657	**1,552**	(95)
- Discontinued operations (Note 30(c))	**-**	7,473	**-**	-
Total income tax expense	**2,500**	8,130	**1,552**	(95)

Income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) of the estimated assessable profit for the year. The statutory tax rate will be reduced to 24% from the current year's tax rate of 25% effective year of assessment 2016.

29. INCOME TAX EXPENSE (continued)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2014 RM'000	**2013 RM'000 Restated**	**2014 RM'000**	**2013 RM'000**
Profit before taxation from:				
- Continuing operations	**14,787**	11,019	**5,139**	(1,514)
- Discontinued operations	**-**	(44,881)	**-**	85,189
	14,787	(33,862)	**5,139**	83,675
Tax at Malaysian statutory rate of 25% (2013: 25%)				
- Continuing operations	**3,697**	2,755	**1,285**	(379)
- Discontinued operations	**-**	(11,220)	**-**	21,297
Tax effects of:				
Non-allowable expenses				
- Continuing operations	**1,537**	936	**454**	57,462
- Discontinued operations	**-**	19,095	**-**	-
Non-taxable income				
- Continuing operations	**(3,325)**	(3,102)	**(818)**	(78,580)
- Discontinued operations	**-**	(675)	**-**	-
Under/(over) provision in prior years				
- tax expenses				
- Continuing operations	**545**	107	**612**	108
- Discontinued operations	**-**	397	**-**	-
- deferred tax				
- Continuing operations	**46**	(4)	**19**	(3)
- Discontinued operations	**-**	(159)	**-**	-
	2,500	8,130	**1,552**	(95)

30. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES

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

As part of the SPA, the Company shall purchase or procure any member of its Group to purchase a portfolio of securities from ECMLIB on mutually acceptable terms for cash by way of a sale to be effected on the closing date of disposal.

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

(a) Loss after tax from discontinued operations

	RM'000
Loss after tax from discontinued operations arising from:	
Results of discontinued operations	16,298
Loss on disposal of subsidiary companies (Note 30(b))	(68,652)
	(52,354)

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

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

	RM'000
Cash proceeds	659,614
120,000,000 ordinary shares of RM1.00 each in KNKH	120,000
95,500,000 KNKH's RULS of nominal value of RM1.00 each	95,500
	875,114
Revaluation of KNKH shares at 14 December 2012	(49,800)
	825,314
Less: Cost of investment in subsidiary (Note 11)	(513,595)
	311,719
Reduction in cash proceeds for purchase of securities from ECMLIB	(117,542)
Carrying amount of securities purchased from ECMLIB	117,542
Less: Writedown of subsidiaries to net tangible assets	(226,530)
Gain on disposal at Company level	85,189

30. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (continued)

(b) The effects of the disposal on the Company's and the Group's financial statements (continued)

	RM'000
Gain on disposal before writedown of subsidiaries to net tangible assets	311,719
Realisation of statutory reserve	(80,787)
Realisation of regulatory reserve	(4,746)
Post acquisition reserves recognised up to the date of disposal	(89,399)
	136,787
Goodwill, net of merger reserves of RM26,561,000, written off	(205,439)
Loss on disposal at Group level	(68,652)

(c) Statement of comprehensive income for discontinued operations:

The financial results of ECMLIB Group which were included in the consolidated statements of comprehensive income up to 14 December 2012, the completion date of the disposal, are as follows:

	Group 1.2.2012 to 14.12.2012 RM'000
Revenue	148,830
Interest income	68,935
Interest expense	(41,577)
Net interest income	27,358
Non-interest income	79,895
Other non-operating income	1,380
Net income	108,633
Operating expenses	(82,645)
Operating profit	25,988
Allowance for losses on loans, advances and financing	(3,728)
Allowance for impairment allowance for bad and doubtful debts	(17)
Writeback of impairment loss	1,528
Profit before tax	23,771
Income tax expense (Note 29)	(7,473)
Profit from discontinued operations	16,298

30. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (continued)

(c) Statement of comprehensive income for discontinued operations (continued):

	Group 1.2.2012 to 14.12.2012 RM'000
Other comprehensive loss:	
Net loss on AFS financial assets	(27,372)
Income tax relating to components of other comprehensive income	6,842
Other comprehensive loss for the year, net of tax	(20,530)
Total comprehensive loss for the year	(4,232)
Total comprehensive loss attributable to owners of the Company	(4,232)

Other operating expenses

Included in the income statements of discontinued operations are the following items credited/(charged):

	Group 1.2.2012 to 14.12.2012 RM'000
Cost arising from ESOS	212
Depreciation (Note 15)	(4,827)
Directors' remuneration	(4,577)
Dividend income	2,721
Interest income	68,911
Interest expense	(41,674)
Merchant bank license written off	(52,500)
Net gain on disposal of:	
- securities HFT	10,037
- securities AFS	17,091
- derivatives	3,396

30. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (continued)

(c) Statement of comprehensive income for discontinued operations (continued):

Other operating expenses (cont'd.)

	Group 1.2.2012 to 14.12.2012 RM'000
Net unrealised loss on revaluation of:	
- securities HFT	(1,260)
- derivatives	(6,250)
Allowance for losses on loans, advances and financing (Note 8(iv))	(3,728)
Allowance for bad and doubtful debts	(17)
Writeback of impairment on investments	1,528
Property, plant and equipment written off	(1,056)
Unrealised gain on foreign exchange transactions	2,650

(d) Statement of cash flows for discontinued operations

	Group 2013 RM'000
Cash flows (used in)/generated from disposed subsidiary	
Net cash used in operating activities	(1,197,447)
Net cash generated from investing activities	976,432
Net cash used in financing activities	(11,550)
Effect on cash flows	(232,565)

30. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (continued)

(e) The disposal had the following effects on the financial position of the Group:

	As at 14 December 2012 RM'000
Assets	
Cash and short-term funds	746,516
Deposits and placements with financial institutions	495
Securities available-for-sale	72,282
Securities held-to-maturity	40,000
Derivative financial instrument (asset)	48
Loans, advances and financing	537,507
Trade receivables	455,075
Other assets	81,463
Statutory deposit with BNM	24,720
Property, plant and equipments	20,227
Total assets of ECMLIB	1,978,333
Liabilities	
Deposits from customers	914,440
Deposits and placements of banks and other financial institutions	75,000
Trade payables	297,425
Derivative financial instrument (liabilities)	36
Other liabilities	52,237
Deferred tax liabilities	3,168
Total liabilities of ECMLIB	1,342,306

30. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (continued)

(e) The disposal had the following effects on the financial position of the Group (continued):

	As at 14 December 2012 RM'000
Net Assets of ECMLIB	(636,027)
Merchant bank license	(52,500)
	(688,527)
Consideration received	825,314
Goodwill, net of merger reserves written off	(205,439)
Loss on disposal at Group level	(68,652)
Cash portion of consideration	659,614
Less: cost of purchase of securities from ECMLIB	(117,542)
Net cash proceeds from disposal	542,072
Cash and cash equivalents of ECMLIB	(746,516)
Deposits and placements of ECMLIB with financial institutions	(495)
Net cash outflow from disposal	(204,939)

31. EARNINGS PER ORDINARY SHARE

The basic and diluted earnings per ordinary share is calculated by dividing the Group's profit after taxation from continuing operations of RM12,287,000 (2013: RM10,362,000) and profit after taxation from discontinued operations of RM Nil (2013: loss of RM52,354,000) by the weighted average number of ordinary shares in issue during the year of 309,690,910 (2013: 828,819,091).

For both the financial years ended 31 January 2014 and 31 January 2013, outstanding ESOS have been excluded from the computation of fully diluted earnings per RM1.00 ordinary share as their conversion to ordinary shares would be anti-dilutive.

32. DIVIDENDS

	2014 RM'000	2013 RM'000
Final dividend for 2012:		
- Single-tier dividend of 2.4 sen, on 828,819,091 ordinary shares (excluding treasury shares of 2,082,862 ordinary shares) paid on 14 August 2012	-	19,892
	-	19,892

The directors do not propose any dividend for the current financial year ended 31 January 2014.

33. COMMITMENTS

	Group	
	2014 RM'000	2013 RM'000
Capital commitments		
Approved and contracted for:		
Purchase of property, plant and equipment	**821**	1,946

34. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related parties and relationships

The related parties of, and their relationship (other than those disclosed in Note 11 and Note 12 to the financial statements) with the Group and the Company are as follows:

Relationship	Related parties
Key management personnel	All directors of the Company and members of management committee who make critical decisions in relation to the strategic direction of the Group and of the Company.
Related parties of key management personnel (deemed as related to the Group)	Close family members and dependants of key management personnel and entities that are controlled or significantly influenced by, or for which significant voting power in such entity reside with, directly, or indirectly by key management personnel or its close family members.

34. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(b) Significant related party transactions and balances

In addition to the transactions detailed elsewhere in the financial statements, set out below are the Group's and the Company's other significant related party transactions and balances:

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Income				
Interest income from:				
- a substantial shareholder	**-**	5,466	**-**	-
- subsidiaries	**-**	-	**635**	-
Rental income from a related party	**120**	-	**120**	-
Brokerage fee income from a related party	**-**	28	**-**	-
Rental income from a subsidiary	**-**	-	**555**	238
Management fee from directors	**11**	25	**-**	-
Expenditure				
Interest on deposits and placements to related parties	**-**	300	**-**	-
Rental expenses charged by a related party	**-**	1,870	**-**	-
Project management fee charged by a related party	**-**	267	**-**	-

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.

(c) Compensation of key management personnel

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

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Fees and meeting allowances	**443**	1,048	**330**	406
Short-term employee benefits	**2,920**	12,177	**1,346**	4,144
Defined contribution plan	**426**	1,136	**202**	499
	3,789	14,361	**1,878**	5,049

34. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel (continued)

Included in the total compensation of directors and key management personnel are:

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors' remuneration (Note 26)	**388**	5,354	**330**	4,886

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Group is exposed to a variety of financial risks, which include credit risk, market risk and liquidity risk mainly through the activities of its subsidiaries, Libra Invest Berhad ("LIB") and ECM Libra Partners Sdn. Bhd. ("ELP").

The Board of Directors is responsible for managing the Group's financial risks and has appointed the Board Audit and Risk Management Committee ("BARMC") to oversee the effectiveness of the Group risk management policies and processes.

The Group's overall risk management is carried out through internal control processes and is being separately set out below to reflect the substantial component of the Group's financial risks.

Credit risk

Credit risk is the potential loss of revenue as a result of failure by the borrowers or counterparties to meet their contractual financial obligations. The Group's exposure to credit risk is primarily from its lending activities, and credit risk is the risk of loss arising from the actual or perceived declining credit quality and actual default of an obligor, counterparty or customers. The Group manages the credit risk by undertaking credit evaluation to minimise such risk.

(a) Risk management approach

(i) Lending to individuals

The credit granting to individuals is individually underwritten, which amongst others, includes the assessment of the historical repayment track record, the current repayment capacity of the customer and types of facilities including the collaterals offered. The credit approving authority has the responsibility to ensure that credit risk is properly assessed and all crucial credit information of the customer, facility type and collaterals offered are included in the loan application.

(ii) Lending to corporate customers

Credit granting to corporate customers is individually underwritten. Credit officers identify and assess the credit risks of the corporate customers, taking into consideration their financial and business profiles, industry and economic factors, or other credit support.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(a) Risk management approach (continued)

(iii) Placements with licensed financial institutions

Credit risk arising from placements on deposits in licensed financial institutions is managed by ensuring the Group will only place deposits in reputable licensed financial institutions.

(iv) Counterparty credit risk on derivative financial instruments

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group has a gain in a contract.

There have been no changes since the end of the previous financial year in respect of the following:

(i) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;

(ii) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and

(iii) the related accounting policies.

As at 31 January 2014, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts was RM25,361,000 (2013: RM26,123,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices. Derivative financial instruments at their contractual and fair value amounts are as follows:

	2014		2013	
Group	**Notional amount RM'000**	**Fair value RM'000**	**Notional amount RM'000**	**Fair value RM'000**
Equity related contracts, options purchased and embedded derivatives	**25,361**	**2,969**	26,123	1,203

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(b) Credit quality of gross loans and advances

All loans and financing are secured by collaterals in cash, shares or properties.

Gross loans, advances and financing are analysed as follows:

	Group	
	2014	**2013**
	RM'000	**RM'000**
Neither past due nor impaired	**44,291**	4,242

(i) Neither past due nor impaired

Gross loans, advances and financing which are neither past due nor impaired are analysed as follows:

	Group	
	2014	**2013**
	RM'000	**RM'000**
Retail loans/financing	**24,291**	-
Corporate loans/financing	**20,000**	4,242
	44,291	4,242

(ii) Past due but not impaired

Past due but not impaired loans are loans where the customer has failed to make a principal or interest payment when contractually due, and includes loans, advances and financing which are due one or more days after the contractual due date but less than three (3) months.

As at 31 January 2014/2013, there are no balances which are past due but not impaired.

(iii) Impaired loans

For all loans that are considered individually significant, the Group assesses on a case-by-case basis at each reporting date whether there is any objective evidence that a loan is impaired. The criteria that the Group use to determine that there is objective evidence of impairment include:

(A) the principal or interest or both is past due for more than 90 days or 3 months;

(B) the amount is past due or the outstanding amount has been in excess of the approved limit for 90 days or 3 months or less, whereby the facility or borrower exhibits credit quality weaknesses arising from the Group's internal credit risk rating assessment exercise;

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(b) Credit quality of gross loans and advances (continued)

(iii) Impaired loans (continued)

(C) for loan facilities with repayments of principal or interest or both that is scheduled on intervals of 3 months or longer, the loan is classified as impaired as soon as a default occurs unless there are strong mitigating factors. However, should the facility remains past due for a further 90 days or 3 months, the loan and financing is immediately classified as impaired.

As at 31 January 2014, there are no impaired loans.

(iv) Rescheduled/restructured loans, advances and financing

Rescheduled/restructured loans and financing include extended payment arrangements, and the modification and deferral of payments.

At 31 January 2014/2013, there were no restructured loans.

(v) The credit risk of financial asset of the Group is mitigated by the collaterals held against the financial asset.

No loans, advances and financing were subject to individual assessment impairment review as at the current and previous financial year end. The collateral mitigates credit risk and would reduce the extent of impairment allowance for the asset subject to impairment review.

(vi) Repossessed collateral

These are assets obtained by taking possession of collateral held as security against loans, advances and financing.

Repossessed collaterals are sold as soon as practicable. Repossessed collaterals are recognised in other assets on the statement of financial position. As at 31 January 2014/2013, there was no repossessed collateral.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(c) Credit quality of financial investments

Set out below are analysis of rated financial investments analysed by ratings from external credit ratings agencies:

	Financial Assets		Financial Investments				
	Placements with financial institutions*		HFT	AFS		HTM	Total
	At amortised cost	At fair value	At fair value	At amortised cost	At fair value	At amortised cost	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group							
2014							
AAA	**23,872**	**-**	**-**	**-**	**-**	**-**	**23,872**
AA+ to AA-	**47**	**-**	**-**	**-**	**-**	**-**	**47**
A+ to A-	**6,658**	**-**	**-**	**-**	**-**	**-**	**6,658**
Not rated	**2**	**-**	**22,392**	**-**	**198,711**	**47,750**	**268,855**
	30,579	**-**	**22,392**	**-**	**198,711**	**47,750**	**299,432**
Group							
2013 (Restated)							
AAA	8,038	-	-	-	-	-	8,038
AA+ to AA-	1	-	-	-	-	-	1
A+ to A-	62,176	-	-	-	-	-	62,176
Not rated	6,206	-	24,921	-	694,748	47,750	773,625
	76,421	-	24,921	-	694,748	47,750	843,840

* Comprises of money at call and deposits placed.

The ratings shown for money market instruments (e.g. negotiable instruments of deposit) are based on the ratings assigned to the respective financial institution issuing the financial instruments.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

Market risk is the risk of losses in on and off-balance sheet positions arising from movements in market prices. Market risk is the risk that the Group's earnings and capital, or its ability to meet its business objectives, will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices and/or credit spreads.

(a) Equity risk

Market risk on equities is the potential loss in the value of the investment in shares and interest-in-shares due to the changes in market price.

The Group through the fund managers of LIB monitors and manages equity risk exposure via regular stock review and portfolio rebalancing.

(b) Interest rate risk ("IRR")

IRR arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities.

The Group and the Company's exposure to IRR is mainly confined to short-term placements with financial institutions. The Group and the Company mitigates IRR exposure by way of maintaining deposits on short-term basis.

A 25 basis point increase in interest rates based on currently observable market environment with all other variables held constant, would have the following effect on the Group and the Company's profit after tax and equity:

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Increase in profit after tax	**48**	119	**1**	95

An equivalent decrease in interest rates shown above would result in an equivalent, but opposite impact. The projection assumes a constant financial position and that all positions run to maturity.

Liquidity risk

Liquidity risk is the risk that the Group is unable to maintain sufficient liquid assets to meet its financial commitments and obligations when they fall due or securing the funding requirements at excessive cost.

Liquidity risk is managed on a projected cash flow basis and funds management includes the maintenance of a portfolio of highly liquid assets that can be easily liquidated as buffer against any unforeseen interruption to cash flow.

The following tables show the contractual undiscounted cash flows payable for financial liabilities and off-balance sheet commitments by remaining contractual maturities. The contractual maturity profile does not necessarily reflect the behavioural cash flows.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Group 2014	Up to 7 days RM'000	> 7 days - 1 month RM'000	> 1 - 3 months RM'000	> 3 - 6 months RM'000	> 6 - 12 months RM'000	> 1 year RM'000	No specific maturity RM'000	Total RM'000
Trade payables	**1,615**	**-**	**-**	**-**	**-**	**-**	**-**	**1,615**
Financial liabilities	**201**	**77**	**234**	**1,314**	**175**	**-**	**-**	**2,001**
Other payables	**2**	**322**	**80**	**692**	**159**	**678**	**545**	**2,478**
Total liabilities	**1,818**	**399**	**314**	**2,006**	**334**	**678**	**545**	**6,094**
Total off-balance sheet items	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total liabilities and off-balance sheet items	**1,818**	**399**	**314**	**2,006**	**334**	**678**	**545**	**6,094**
2013								
Trade payables	7,207	-	-	-	-	-	-	7,207
Financial liabilities	1,210	80	68	314	28	-	-	1,700
Other payables	59	502	689	2,016	371	678	640	4,955
Total liabilities	8,476	582	757	2,330	399	678	640	13,862
Total off-balance sheet items	-	-	-	-	-	-	-	-
Total liabilities and off-balance sheet items	8,476	582	757	2,330	399	678	640	13,862

36. SEGMENTAL REPORTING

Business segments

The Group determines and presents operating segments based on the information provided to senior management of the Group.

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

(a) Investment holding and capital market operations - general investments and capital market related operations.

(b) Fund management - unit trust funds and asset management.

(c) Fund managed by Libra Invest Berhad ("LIB") - a unit trust fund.

(d) Corporate advisory and structured financing - corporate advisory, structured lending and financial services related activities.

36. SEGMENTAL REPORTING (continued)

Business segments (continued)

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

Group 2014	Investment holding and capital market operations RM'000	Fund management RM'000	Fund managed by LIB RM'000	Corporate advisory and structured financing RM'000	Inter-segment elimination RM'000	Group total RM'000
Revenue from external customers	6,677	11,559	5,648	4,122	-	28,006
Inter-segment revenue	-	186	-	-	(186)	-
	6,677	11,745	5,648	4,122	(186)	28,006
Net interest income	2,777	170	633	824	-	4,404
Non-interest income	3,900	11,389	5,015	3,298	-	23,602
Other non-operating income	988	-	-	-	-	988
Net income	7,665	11,559	5,648	4,122	-	28,994
Operating expenses	(6,067)	(10,525)	(327)	(61)	-	(16,980)
Operating profit	1,598	1,034	5,321	4,061	-	12,014
Writeback of impairment on loans, advances and financing	-	-	-	140	-	140
Allowance for impairment on securities	(3,019)	-	-	-	-	(3,019)
(Loss)/profit by segments	(1,421)	1,034	5,321	4,201	-	9,135
Share of profit of an associated company						1,658
Gain on disposal of shares in an associated company and discontinuation of equity method						3,994
Profit before tax						14,787
Segment assets	128,372	16,159	189,936	44,724	-	379,191
Investment in associated companies						7,200
Total assets						386,391

36. SEGMENTAL REPORTING (continued)

Business segments (continued)

Group 2013 Restated	Continuing operations: Investment holding and capital market operations RM'000	Continuing operations: Fund management RM'000	Continuing operations: Fund managed by LIB RM'000	Discontinued operations: Stockbroking RM'000	Discontinued operations: Investment banking and structured finance RM'000	Discontinued operations: Treasury and capital market operations RM'000	Others RM'000	Total RM'000	Inter-segment elimination RM'000	Group total RM'000
Revenue from external customers	4,221	12,337	216	48,045	43,097	52,437	3,290	163,643	-	163,643
Inter-segment revenue	-	-	-	20	-	43,236	12	43,268	(43,268)	-
	4,221	12,337	216	48,065	43,097	95,673	3,302	206,911	(43,268)	163,643
Net interest income	1,370	255	141	2,584	18,009	6,123	644	29,126	-	29,126
Non-interest income	2,851	12,082	75	37,115	11,668	27,893	2,058	93,742	-	93,742
Other non-operating income/(loss)	1,628	-	-	514	45	(328)	53	1,912	-	1,912
Net income	5,849	12,337	216	40,213	29,722	33,688	2,755	124,780	-	124,780
Operating expenses	(5,766)	(9,824)	(56)	(43,650)	(4,459)	(30,151)	(2,130)	(96,036)	-	(96,036)
Operating profit/(loss)	83	2,513	160	(3,437)	25,263	3,537	625	28,744	-	28,744
(Allowance for)/writeback of impairment on loans, advances and financing	(140)	-	-	-	(4,080)	352	-	(3,868)	-	(3,868)
(Allowance for)/writeback of bad and doubtful debts	-	-	-	(104)	-	87	-	(17)	-	(17)
Writeback of impairment on securities	-	-	-	-	-	1,528	-	1,528	-	1,528
Profit/(loss) by segments	(57)	2,513	160	(3,541)	21,183	5,504	625	26,387	-	26,387
Share of profit of an associated company										8,403
Loss on disposal of subsidiaries										(68,652)
Loss before tax										(33,862)
Segment assets	701,754	21,338	164,126	-	-	-	-	887,218	-	887,218
Investment in associated companies										35,579
Total assets										922,797

37. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

This note provides fair value measurement information for both financial instruments and non-financial assets and liabilities and is structured as follows:

(a) Valuation principles;
(b) Valuation techniques;
(c) Fair value measurements and classification within the fair value hierarchy;
(d) Movements of Level 3 instruments;
(e) Sensitivity of fair value measurements to changes in unobservable input assumptions; and
(f) Financial instruments not measured at fair value.

(a) Valuation principles

Fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market as of the measurement date. The Group and the Company determine the fair value by reference to quoted prices in active markets or by using valuation techniques based on observable inputs or unobservable inputs. Management judgment is exercised in the selection and application of appropriate parameters, assumptions and modelling techniques where some or all of the parameter inputs are not observable in deriving fair value. The Group has also established a framework and policies that provide guidance concerning the practical considerations, principles and analytical approaches for the establishment of prudent valuation for financial instruments measured at fair value.

Valuation adjustment is also an integral part of the valuation process. Valuation adjustment is to reflect the uncertainty in valuations generally for products that are less standardised, less frequently traded and more complex in nature. In making a valuation adjustment, the Group and the Company follow methodologies that consider factors such as bid-offer spread, unobservable prices/inputs in the market and uncertainties in the assumptions/parameters.

The Group and the Company continuously enhance their design, validation methodologies and processes to ensure the valuations are reflective. The valuation models are validated both internally and externally, with periodic reviews to ensure the model remains suitable for their intended use.

For disclosure purposes, the level in the hierarchy within which the instruments is classified in its entirety is based on the lowest level input that is significant to the position's fair value measurements:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

  Refers to instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.

- Level 2: Valuation techniques for which all significant inputs are, or are based on, observable market data

  Refers to inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds, illiquid equities and consumer loans and financing with homogeneous or similar features in the market.

- Level 3: Valuation techniques for which significant inputs are not based on observable market data

  Refers to instruments where fair value is measured using significant unobservable market data. The valuation technique is consistent with the Level 2. The chosen valuation technique incorporates the Group's and the Company's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets, private equity investments and loans and financing priced primarily based on internal credit assessment.

37. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

(b) Valuation techniques

The valuation techniques used for both financial instruments and non-financial assets and liabilities that are not determined by reference to quoted prices (Level 1) are described below:

Derivatives, loans and financing and financial liabilities

The fair values of the Group's and the Company's derivative instruments, loans and financing and financial liabilities are derived using discounted cash flows analysis, option pricing and benchmarking models.

Financial assets designated at fair value through profit or loss, HFT financial assets, AFS financial assets and HTM financial assets

The fair values of financial assets and financial investments are determined by reference to prices quoted by independent data providers and independent broker quotations.

Certain AFS financial assets were fair valued based on management's own internal assessment and the fair value is classified under Level 3 of the fair value hierarchy.

(c) Fair value measurements and classification within the fair value hierarchy

The classification in the fair value hierarchy of the Group's and the Company's financial and non-financial assets measured at fair value is summarized in the table below:

Group 2014	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
HFT financial assets				
- Non-money market instruments	**22,392**	**-**	**-**	**22,392**
AFS financial assets				
- Non-money market instruments	**149,424**	**45,775**	**3,512**	**198,711**
Derivative assets				
- Non-money market instruments	**-**	**2,969**	**-**	**2,969**
Total financial assets measured at fair value	**171,816**	**48,744**	**3,512**	**224,072**

37. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

(c) Fair value measurements and classification within the fair value hierarchy (continued)

Group **2013 (Restated)**	**Level 1** **RM'000**	**Level 2** **RM'000**	**Level 3** **RM'000**	**Total** **RM'000**
HFT financial assets				
- Non-money market instruments	24,921	-	-	24,921
AFS financial assets				
- Non-money market instruments	69,600	625,148	-	694,748
Derivative assets				
- Non-money market instruments	-	1,203	-	1,203
Total financial assets measured at fair value	94,521	626,351	-	720,872

Company **2014**	**Level 1** **RM'000**	**Level 2** **RM'000**	**Level 3** **RM'000**	**Total** **RM'000**
AFS financial assets				
- Non-money market instruments	**-**	**24,631**	**-**	**24,631**
Total financial assets measured at fair value	**-**	**24,631**	**-**	**24,631**
2013 (Restated)				
AFS financial assets				
- Non-money market instruments	69,600	483,975	-	553,575
Total financial assets measured at fair value	69,600	483,975	-	553,575

37. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

(d) Movements of Level 3 instruments

The following tables present additional information about Level 3 assets measured at fair value on a recurring basis.

	Group	
	2014 RM'000	2013 RM'000
At 1 February 2013/2012	**-**	-
Transfer into Level 3	**6,805**	-
Total impairment losses recognised in profit or loss	**(3,262)**	-
Exchange differences	**(32)**	-
At 31 January 2014/2013	**3,511**	-

During the financial year ended 31 January 2014, the Group disposed off shares in an associated company which reduced the Group's interest from 20.45% to 10.28%. Following said disposal and the resignation of the Group's nominee from the board of the associated company, the Group discontinued equity method for the associated company and recognised the remaining shares as AFS financial assets. The shares were recognised at fair value. However, due to negative outlook on the former associated company, the fair value of the shares were revised downwards based on internal assessment and transferred from Level 1 into Level 3 of the fair value hierarchy. Prior to the transfer, the fair value of the shares was determined using observable market transactions or binding broker quotes.

(e) Sensitivity of fair value measurements to changes in unobservable input assumptions

Changing one or more of the inputs to reasonable alternative assumptions would change the value significantly for the financial assets and financial liabilities in Level 3 of the fair value hierarchy.

(f) Financial instruments not measured at fair value

The on-balance sheet financial assets and financial liabilities of the Group and the Company whose fair values are required to be disclosed in accordance with MFRS 132 comprise all their assets and liabilities with the exception of investments in subsidiaries, interest in associates and joint ventures, property, plant and equipment and provision for current and deferred taxation.

For loans, advances and financing to customers, where such market prices are not available, various methodologies have been used to estimate the fair values of such instruments. These methodologies are significantly affected by the assumptions used and judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors. Changes in the assumptions could significantly affect these estimates and the resulting fair value estimates. Therefore, for a significant portion of the Group's and the Company's financial instruments, including loans, advances and financing to customers, their respective fair value estimates do not purport to represent, nor should they be construed to represent, the amounts that the Group and the Company could realise in a sale transaction at the reporting date. The fair value information presented herein should also in no way be construed as representative of the underlying value of the Group and the Company as a going concern.

The estimated fair values of those on-balance sheet financial assets as at the reporting date approximate their carrying amounts as shown in the statement of financial position.

Fair values of securities that are actively traded is determined by quoted bid prices. For non-actively traded securities, independent broker quotations are obtained. Fair values of equity securities are estimated using a number of methods, including earnings multiples and discounted cash flows analysis. Where discounted cash flows technique is used, the estimated future cash flows are discounted using applicable prevailing market or indicative rates of similar instruments at the reporting date.

38. SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 31 January 2014 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**RM'000**	**RM'000**
		Restated		
Total retained profits of the Group and its subsidiaries				
- Realised	**107,311**	87,149	**96,705**	93,166
- Unrealised	**55**	489	**130**	82
	107,366	87,638	**96,835**	93,248
Total share of retained profits from associated companies				
- Realised	**1,796**	9,002	**-**	-
	109,162	96,640	**96,835**	93,248
Add: Consolidation adjustments	**(15,498)**	(15,263)	**-**	-
Retained profits as per financial statements	**93,664**	81,377	**96,835**	93,248

other information

1. MATERIAL CONTRACTS

There are no material contracts including contracts relating to loans (not being contracts entered into in the ordinary course of business) which had been entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

2. NON-AUDIT FEES

The amount of non-audit fees paid and payable by the Company and its subsidiaries to the external auditors for the financial year ended 31 January 2014 was RM33,200.

3. ANALYSIS OF SHAREHOLDERS AS AT 31 MARCH 2014

Authorised share capital	:	RM1,500,000,000.00
Issued & paid-up capital	:	RM268,222,091
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	Number of shareholders	%	Number of shares	%
Less than 100	5,471	34.50	162,159	0.06
100 – 1,000	5,212	32.87	2,096,163	0.78
1,001 – 10,000	4,174	26.32	12,989,493	4.84
10,001 – 100,000	862	5.44	23,322,975	8.70
100,001 – less than 5% of issued shares	134	0.84	100,005,333	37.28
5% and above of issued shares	4	0.03	129,645,968	48.34
	15,857	100.00	268,222,091	100.00

3. ANALYSIS OF SHAREHOLDERS AS AT 31 MARCH 2014 (continued)

Thirty Largest Shareholders:

	Name of shareholders	Number of shares	%
1.	Amsec Nominees (Tempatan) Sdn Bhd - Fulcrum Asset Management Sdn Bhd for Equity Vision Sdn Bhd	43,506,036	16.22
2.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Kian Onn	43,125,426	16.08
3.	Citigroup Nominees (Asing) Sdn Bhd - exempt an for Citibank NA, Singapore (Julius Baer)	26,500,332	9.88
4.	Hikkaya Jaya Sdn Bhd	16,514,174	6.16
5.	Lim Kian Onn	13,037,893	4.86
6.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account – AmBank (M) Berhad for Kalimullah bin Masheerul Hassan	11,647,640	4.34
7.	Amcorp Group Berhad	9,134,030	3.41
8.	Citigroup Nominees (Tempatan) Sdn Bhd - exempt an for OCBC Securities Private Limited	4,837,007	1.80
9.	Arab-Malaysian (CSL) Sdn Bhd	4,397,533	1.64
10.	Lim Su Tong @ Lim Chee Tong	3,636,270	1.36
11.	Yu Kok Ann	3,238,000	1.21
12.	DB (Malaysia) Nominee (Asing) Sdn Bhd - Deutsche Bank AG Singapore for British and Malayan Trustees Limited	2,625,000	0.98
13.	Citigroup Nominees (Asing) Sdn Bhd - CBNY for Dimensional Emerging Markets Value Fund	2,242,050	0.84
14.	Cimsec Nominees (Tempatan) Sdn Bhd - exempt an for CIMB Securities (Singapore) Pte Ltd	2,175,012	0.81
15.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for CIMB Islamic Trustee Berhad for Libra Value Opportunity Fund	2,168,252	0.81
16.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Thevandran a/l K Ragavan	1,952,200	0.73
17.	Soo Ngik Gee @ Soo Yeh Joo	1,790,595	0.67
18.	Quek Siow Leng	1,437,163	0.54
19.	Cartaban Nominees (Asing) Sdn Bhd - SSBT Fund J728 for SPDR S&P Emerging Asia Pacific ETF	1,274,131	0.48
20.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Siew Lean	1,200,000	0.45

3. ANALYSIS OF SHAREHOLDERS AS AT 31 MARCH 2014 (continued)

Thirty Largest Shareholders: (continued)

Name of shareholders	Number of shares	%
21. Tan Kim Kee @ Tan Kee	1,181,212	0.44
22. Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Yeap Gek @ Yeap Poh Chim	1,115,200	0.42
23. Sharikat Kim Loong Sendirian Berhad	1,000,000	0.37
24. Kalimullah bin Masheerul Hassan	813,000	0.30
25. RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Choong Foong Ming	810,100	0.30
26. Chan Yoke Meng	769,600	0.29
27. Carol Euyang	763,000	0.28
28. Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ng Boon Hock	728,106	0.27
29. Chow Soi Wah	710,000	0.26
30. Liew Khee Chong	695,831	0.26

Substantial Shareholders:

	Direct interest		Deemed interest	
Name of shareholders	Number of shares	%	Number of shares	%
Mr Lim Kian Onn	56,163,319	20.94	1,437,163 (1)	0.54
Hikkaya Jaya Sdn Bhd	16,514,174	6.16	-	-
Equity Vision Sdn Bhd	43,506,036	16.22	-	-
Tan Sri Dato' Azman Hashim	-	-	73,551,773 (2)	27.42
Amcorp Group Berhad	9,134,030	3.41	16,514,174 (3)	6.16
Amcorp Capital Markets Sdn Bhd	-	-	16,514,174 (3)	6.16
Clear Goal Sdn Bhd	-	-	30,045,737 (4)	11.20

Note:

(1) Indirect interest through spouse pursuant to Section 134(12)(c) of the Companies Act, 1965

(2) Deemed interest of 27.42% by virtue of Section 6A of the Companies Act, 1965 held through Amcorp Group Berhad (9,134,030), Hikkaya Jaya Sdn Bhd (16,514,174), Arab-Malaysian (CSL) Sdn Bhd (4,397,533) and Equity Vision Sdn Bhd (43,506,036)

(3) Deemed interest of 6.16% by virtue of Section 6A of the Companies Act, 1965 held through Hikkaya Jaya Sdn Bhd (16,514,174) and Arab-Malaysian (CSL) Sdn Bhd (4,397,533)

(4) Deemed interest of 11.20% by virtue of Section 6A of the Companies Act, 1965 held through Amcorp Group Berhad (9,134,030), Hikkaya Jaya Sdn Bhd (16,514,174) and Arab-Malaysian (CSL) Sdn Bhd (4,397,533)

4. DIRECTORS' INTERESTS AS AT 31 MARCH 2014

Subsequent to the financial year ended 31 January 2014, there was no change to the Directors' interests in the shares of the Company and/or its related corporations.

5. PROPERTIES

Location & Description	Description/ Existing use	Tenure	Built up area (sq. ft.)	Age of property (years)	Net book value (RM'000)	Date of acquisition
Bangunan ECM Libra Centre & East Wings 8 Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur	Building	Freehold	48,115	18	21,296	08.09.2004

ecmlibra

ECM Libra Financial Group Berhad (713570-K)
(Incorporated in Malaysia)

FORM OF PROXY

I/We ____________________________________ (NRIC No./Co. No.) ____________________

of ____ being a member/members

of ECM Libra Financial Group Berhad hereby appoint ____________________________________

(NRIC No.) ____________________ of ____________________________________

or failing him/her ____________________________________ (NRIC No.) ____________________

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 Ninth Annual General Meeting ("9th AGM") of the Company to be held at Ground Floor, East Wing, Bangunan ECM Libra, 8 Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur on Thursday, 29 May 2014 at 10.00 a.m. and at any adjournment thereof.

My/Our proxy/proxies is/are 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 approve the payment of Directors' fees		
3.	To re-elect the following as Directors:		
	(a) Dato' Seri Kalimullah bin Masheerul Hassan		
	(b) Datuk Kamarudin bin Md Ali		
	(c) Mr Soo Kim Wai		
4.	To re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration		
5.	To approve the Authority to Directors to Issue Shares		
6.	To approve the Proposed Grant of Options to Datuk Kamarudin bin Md Ali		
7.	To approve the Proposed Grant of Options to Dato' Othman bin Abdullah		
8.	To approve the Proposed Grant of Options to En Mahadzir bin Azizan		
9.	To approve the Proposed Grant of Options to Mr Soo Kim Wai		

Dated this __________ day of ____________________ 2014

Number of shares held

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:		
	No. of shares	**Percentage**
Proxy 1		
Proxy 2		
Total		**100%**

____
Signature(s) / Common Seal of Member(s)

Notes:

1. Only a depositor whose name appears in the Record of Depositors of the Company as at 23 May 2014 shall be regarded as a member entitled to attend, speak and vote, and appoint a proxy to attend, speak and vote on his/her behalf, at the 9th AGM.
2. 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. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. 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.
3. Where a member appoints more than one (1) proxy to attend the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of a duly authorised officer or attorney of the corporation.
5. The Form of Proxy must be deposited at the Registered Office of the Company at 2nd Floor, West Wing, Bangunan ECM Libra, 8 Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.

AFFIX
STAMP

Company Secretary
ECM Libra Financial Group Berhad (713570-K)
2nd Floor, West Wing, Bangunan ECM Libra,
8 Jalan Damansara Endah,
Damansara Heights,
50490 Kuala Lumpur.