ecmlibra

Laporan Tahunan 2016 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 (Managing Director)
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
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 03-7495 8000
Fax : 03-2095 9076

SHARE REGISTRAR

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Unit 32-01, Level 32, Tower A
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Tel : 03-2783 9299
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REGISTERED OFFICE

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8 Jalan Damansara Endah
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2089 1888
Fax : 03-2096 1188

BUSINESS ADDRESS

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Tel : 03-2089 1888
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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 58, 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 & Chief Executive Officer 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 all seven Board meetings held during the financial year ended 31 January 2016.

Dato' Seri Kalimullah is also a director of 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

Managing Director/Non-Independent

Mr Lim Kian Onn, a Malaysian, aged 59, 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 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. Mr Lim was subsequently re-designated Managing Director of ECMLFG with effect from 16 July 2015. He attended all seven Board meetings held during the financial year ended 31 January 2016. He is a member of the Board Remuneration Committee of ECMLFG.

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 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 65, 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.

Datuk Kamarudin was appointed to the Board of ECMLFG on 16 June 2006. He attended all seven Board meetings held during the financial year ended 31 January 2016. He is the Chairman of the Board Audit & Risk Management Committee and a member of the Board Nomination Committee 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 67, is a Barrister-At-Law from Lincoln's Inn, London, United Kingdom and was called to the English Bar in 1978.

After graduation, En Mahadzir 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 six of the seven Board meetings held during the financial year ended 31 January 2016. He is the Chairman of the Board Remuneration Committee, a member of the Board Audit & Risk Management Committee and Board Nomination Committee of ECMLFG.

En Mahadzir is also a director of Syarikat Takaful Malaysia Berhad, RCE Capital 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.

directors' profile continued

Dato' Othman bin Abdullah

Independent Non-Executive

Dato' Othman bin Abdullah, a Malaysian, aged 67, is an accountant by profession with extensive financial knowledge and skills. He began his career in 1977 as Treasury Accountant at the Accountant General's Department and held various positions in the Department. He was seconded to Sabah Electricity Board as Deputy General Manager (Finance) from 1987 to 1993 and subsequently was transferred back to the Department and was appointed as Accountant General of Malaysia from 2003 to 2005.

Dato' Othman was appointed to the Board of ECMLFG on 16 June 2006. He attended all seven Board meetings held during the financial year ended 31 January 2016. He is the Chairman of the Board Nomination Committee and a member of the Board Audit & Risk Management Committee of ECMLFG.

Dato' Othman is also a director of 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 55, 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 seven Board meetings held during the financial year ended 31 January 2016. He is a member of the Board Nomination Committee and Board Remuneration Committee of ECMLFG.

Apart from AMCORP, his directorships in other public companies include AMMB Holdings Berhad, Amcorp Properties 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.

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 2016 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 2016, five (5) 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, reliability of financial information of the Group and Company, compliance with relevant provisions of the Companies Act, 1965 and applicable financial reporting standards in Malaysia and prompt publication of the said statements. The BARMC reviewed the related party transactions entered into by the Group on a quarterly basis and as and when required.

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 internal audit plan, audit programmes and reviewed the internal audit findings/recommendations.

board audit & risk management committee report
continued

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;

- evaluate the adequacy and effectiveness of the current Enterprise-Wide Risk Management Framework of the Group;

- 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;

- 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 RM66,837.

(ii) Risk Management

The BARMC oversees the establishment of a robust risk management framework and reviews reports of the Compliance and Risk Management Department on risk management related to the business and activities of the Group. The Compliance and Risk Management Department undertakes the group risk management function and reports to the BARMC. The Compliance and Risk Management Department is established at the asset management subsidiary and it provides the central resource for the identification, quantification, and management of the portfolio of risks taken by the Group as a whole. During the financial year, the BARMC assigned the outsourced Internal Auditors to conduct audit on the appropriateness and strength of the current Enterprise-Wide Risk Management Framework of the Group in an effort to ensure robustness of the risk management framework to mitigate the key risks of the Group. The BARMC was satisfied with the outcome as reported by the outsourced Internal Auditors.

(iii) Compliance

The BARMC reviews the reports of the Compliance and Risk Management Department on compliance status of the Fund Management, Collective Investment Schemes, Labuan operations and Anti-Money Laundering and Counter Financing of Terrorism related matters.

The BARMC is required to verify allocation of options is in compliance with approved criteria of the Employees' Share Option Scheme ("ESOS") of the Company. There was no allocation of such options during the financial year ended 31 January 2016 and the ESOS had subsequently expired on 30 November 2015.

This Report was approved by the Board on 30 March 2016.

corporate governance statement

The Board of Directors ("Board") of ECM Libra Financial Group Berhad ("ECMLFG" or "Company") is committed to manage the ECMLFG and its subsidiaries ("ECMLFG Group" or "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 2016 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 is guided by its Board Charter which is made available on the Company's website at www.ecmlibra.com. The Board Charter sets out the functions, roles and responsibilities of the Board which include:

- setting the strategic direction, approving and reviewing the business plans for the Group;
- overseeing the conduct and performance of the Group's businesses;
- identifying and managing principal risks affecting the Group;
- reviewing the adequacy and integrity of the Group's internal control systems;
- approving a succession plan for senior management appointments;
- approving the appointment and compensation of senior management staff;
- approving changes to the corporate organisation structure;
- approving the appointment of Directors and Directors' emoluments and benefits; and
- approving policies relating to public relations, investor relations and shareholder communication.

In formulating the goals and strategies of the Group, the Board is mindful of the importance of business sustainability and ensures that particular attention is given to promote sustainability. The Group has been actively involved in promoting social responsibility which is spearheaded by the ECM Libra Foundation ("Foundation"), which was funded by the founding shareholders of ECMLFG. The activities of the Foundation are elaborated in the Chairman's Statement on pages 21 to 22.

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 is delegated to the Managing Director. The Managing Director is accountable to the Board and is responsible for growing the Group's revenue streams and overall business and providing direction in the implementation of strategies, policies and business plans approved by the Board.

A. DIRECTORS (continued)

(i) **The Board** (continued)

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. The quorum, proceedings and attendance of meetings are governed by the Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ["Listing Requirements of Bursa Securities"]. During the financial year under review, seven (7) Board meetings were held and attended by all the Directors except for En Mahadzir bin Azizan who attended six (6) Board meetings and they had complied with the requirements in respect of Board meeting attendance as required under the Listing Requirements of Bursa Securities.

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. The meeting schedule for the ensuing financial year will be provided to the Directors in advance before the end of the current financial year so that the Directors are able to plan ahead and ensure sufficient time will be devoted to discharge their duties and responsibilities.

The Board sets the Group's core values and adopts proper standards to ensure that the Group operates with integrity and complies with the relevant rules and regulations. The Board observes the codes as set out in the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia and the requirements under the Companies Act, 1965 which provide guidance on the standards of conduct and prudent business practices as well as standards of ethical behavior. The salient points of the Code of Ethics for Company Directors are highlighted below:

1. should ensure at all times that the Company is properly managed and effectively controlled;

2. should stay abreast of the affairs of the Company and be kept informed of the Company's compliance with the relevant legislation and contractual requirements;

3. should disclose immediately all contractual interests whether directly or indirectly with the Company;

4. should at all times act with utmost good faith towards the Company in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties; and

5. relationship with shareholders, employees, creditors and customers

   (i) should be conscious of the interest of shareholders, employees, creditors and customers of the Company;

   (ii) should at all times promote professionalism and improve the competency of management and employees; and

   (iii) should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.

A. DIRECTORS (continued)

(i) **The Board** (continued)

The conduct of the Board is also governed by the Articles of Association of the Company and the relevant laws and regulations in Malaysia.

The Board has approved a Code of Conduct to be observed by all employees of the Group, incorporating a Code of Ethics and a Code of Practice on the Prevention and Eradication of Sexual Harassment in the Workplace. The Board has put in place the Whistle Blowing Policy to enable the Group to take necessary measures so as to minimize, discourage, detect and prevent any form of unlawful, unethical, non-compliance and questionable practices within the Group. The Board has entrusted the Board Audit & Risk Management Committee ("BARMC") to be responsible for overseeing the implementation of the Whistle Blowing Policy for the Group. The BARMC shall evaluate and make decision upon receipt of report/complaint made by employees either in writing or through oral communication together with available evidence which have been verified accordingly.

(ii) **Board Balance and Independence of Directors**

For the financial year ended 31 January 2016, the Board comprised six (6) Directors, three (3) of whom are independent. All Directors hold positions in a non-executive capacity except for Mr Lim Kian Onn who holds the position of Managing Director with effect from 16 July 2015. The Chairman of the Board, Dato' Seri Kalimullah bin Masheerul Hassan, is a non-independent non-executive member. There is a clear division of responsibilities between the Chairman and the Managing Director 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 recognizes 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 management exposure, expertise and broad business and commercial experiences.

The Board takes cognizance of the Code which recommends that the tenure of an independent Director should not exceed a cumulative term of nine (9) years. The Board is of the view that a Director's independence should not be determined solely based on the tenure of service and the continued tenure of directorship brings considerable stability to the Board. The Company benefits from Directors who have, over time, gained valuable insight into the Group. The ability and effectiveness of an independent Director is dependent on his calibre, qualification, experience, integrity and objectivity in discharging his responsibilities in good faith in the best interest of the Company and to safeguard the interests of the shareholders of the Company. Amongst various matters taken into consideration, the Board seeks to strike an appropriate balance between tenure of service, continuity of experience and the merit of refreshing the Board. In Year 2015, the Board after careful consideration, approved the policy on tenure of independent Directors which sets a cap of twelve (12) years for the tenure of independent Directors. Upon completion of twelve (12) years, such Directors can be re-designated as non-independent Directors. In line with good corporate governance practices as set out in the Code, the Board had sought and obtained approval of the shareholders at the Tenth Annual General Meeting of the Company held on 28 May 2015 for Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan, who had served as independent non-executive Directors of the Company for a cumulative term nearest to nine (9) years, to continue to serve in the same capacity until their tenure reach twelve (12) years, provided always the criteria for assessment of their independence are met and subject to the provision on Director's retirement in accordance with the Articles of Association of the Company.

The independent Directors, Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan, have declared their independence and have been assessed to be independent by the Board Nomination Committee and the Board based on the criteria set in an annual assessment of their independence. The criteria set in the annual assessment of independence are in line with the definition of independent Director as stated in the Listing Requirements of Bursa Securities, the Company's policy on tenure of independent Directors and as suggested in Exhibit 8 of the Corporate Governance Guide: Towards Boardroom Excellence (2nd Edition) issued by Bursa Securities. The independent Directors have confirmed that they can and will remain objective and independent in expressing their opinions and in participating in the decision making and act in the best interest of the Company.

A. DIRECTORS (continued)

(ii) Board Balance and Independence of Directors (continued)

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 and competent Company Secretary. The Company Secretary plays an important advisory role and is a source of information and advice to the Board on issues relating to procedural and statutory requirements affecting the Company and Group. The Company Secretary updates the Board on material changes in law and tables the regulatory development at the Board meeting for Board's notation. Where necessary, the Board shall also have access to advice of 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 who are obliged to provide the Board with complete, well-focused and adequate information in a timely manner.

(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 2016. 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 responsible to assess the independence of independent Directors based on the criteria established by the BNC in line with the Listing Requirements of Bursa Securities, the Company's policy on tenure of independent Directors and as suggested in Exhibit 8 of the Corporate Governance Guide: Towards Boardroom Excellence (2nd Edition) issued by Bursa Securities. The BNC is also responsible to oversee the appointment, management succession planning and performance evaluation of the Managing Director and other key senior management of the Group.

A summary of the main activities undertaken by the BNC in the discharge of its duties during the financial year ended 31 January 2016 is as follows:

1. Evaluated the performance of the Board and Board Committees with regard to their structure, operations and role and responsibilities;
2. Assessed the qualification, skills and experience of individual Directors;
3. Assessed the independence of Independent Directors;
4. Assessed the re-appointment of retiring Directors at the forthcoming Annual General Meeting;
5. Reviewed the appointment of key senior management;
6. Assessed the performance of key senior management; and
7. Reviewed the policy on tenure of independent Directors and the diversity policy for the Board and workforce.

A. DIRECTORS (continued)

(iv) Appointments to the Board (continued)

The assessment on the effectiveness of the Board and the Board Committees is undertaken annually via Evaluation Form comprising questions related to Board's structure, Board's operations, Board's roles and responsibilities, Board Chairman's role and responsibilities and Board Committees of the Company. The Evaluation Form is to be completed by each BNC member and kept by the Company Secretary. The findings from the Evaluation Form are compiled and tabled to the BNC for discussion. Subsequently, relevant report with views and recommendations of the BNC will be prepared and presented to the Board for consideration. The effectiveness of the Board and Board Committees is assessed in the areas of composition, mix of skills and experience, administration and process of meeting, quality of decision making, contribution and commitment.

In annual assessment of individual Directors by the BNC, the skills and experience of individual Directors are reviewed to ensure the composition of the Board is appropriate with a good mix of skills and core competencies in order to discharge its duties and responsibilities and to meet the business needs of the Group. 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 Committee meetings held during the financial year. In the case of independent Directors, their independence is assessed annually by the BNC based on the criteria established by the BNC in line with the Listing Requirements of Bursa Securities, the Company's policy on tenure of independent Directors and as suggested in Exhibit 8 of the Corporate Governance Guide: Towards Boardroom Excellence (2nd Edition) issued by Bursa Securities. The assessment is undertaken to ensure that independent Directors are able to continue to provide independent view to the deliberation and decision making of the Board and Board Committee meetings and act in the best interest of the Company. The BNC will deliberate on the outcome of the annual assessment on individual Directors and independence of independent Directors and present the outcome with their views and recommendations, to the Board for consideration.

In considering new appointments to the Board, re-appointment of retiring Directors and appointment of Managing Director 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 specific target for the appointment of women candidates in its recruitment of Directors. The Board supports a policy of non-discrimination on the basis of gender, ethnicity and age for the Board and the workforce. The Board will only set aside specific targets in relation to gender and ethnicity and age diversity if the situation so requires and if it is in the best interest of the Company to do so.

Currently the Board comprised all male members who are aged between 55 and 67, of which 67% are Bumiputera and 33% are Chinese. The Group's workforce comprised 69% female and 31% male, of which 39% are Bumiputera, 57% are Chinese and 4% are Indian. The Group has a fair mix of employees in various age groups with 27% of employees below the age of 30, 31% between the age of 30 and 39, 22% between the age of 40 to 49 and 20% above the age of 50. The Board is of the view that the current workforce composition reflects adequate diversity in terms of gender, ethnicity and age; obviating the need to set specific diversity policy targets.

The BNC assesses the performance of the Managing Director and other key senior management of the Group annually based on their contribution, commitment and achievement of targets set in the business plan approved by the Board. The BNC has evaluated the performance of the Managing Director and senior management for the financial year under review and ascertained that they are fit and proper to manage the business of the Group; and the Board was informed of this accordingly.

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. The BNC has assessed independence of independent Directors based on the criteria set in the annual assessment of their independence and is satisfied with the results of the assessment. The BNC has considered the skills and experience of the Directors who are subject to retirement by rotation at the forthcoming Eleventh Annual General Meeting ("11th AGM") and assessed that the retiring Directors are fit and proper persons for re-election as Directors of the Company at the 11th AGM. There was no new appointment to the Board during the financial year.

A. DIRECTORS (continued)

(iv) Appointments to the Board (continued)

The BNC during the financial year ended 31 January 2016 comprised:

- Dato' Othman bin Abdullah (Chairman)
- Datuk Kamarudin bin Md Ali
- En Mahadzir bin Azizan
- Mr Soo Kim Wai

(v) Retirement and re-election of Directors

The Articles of Association of the Company provide that at least one-third (⅓) 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 (3) 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 (70) 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 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:

- Nominating Committee Programme Part 2: Effective Board Evaluation
- Focus Group Session On Strengthening Corporate Governance Disclosure Amongst The Listed Issuers
- Bursa Malaysia CG Breakfast Series With Directors – Bringing The Best Out In Boardrooms
- Capital Market Director Programme
- Housing & Property Development In A Challenging Market
- Strategizing Public And Community Security In A Developing Nation
- Future Of Auditor Reporting In The Game Changer For Boardroom
- Maximising Board Effectiveness Through A Strong Board Risk Oversight Role Beyond Financial Performance

A. DIRECTORS (continued)

(vi) Directors' Training (continued)

- Risk Management & Internal Control For Audit Committee: An Integrated Assurance On Risk Management And Internal Control - Is Our Line Of Defense Adequate And Effective? – Post Workshop Discussion
- Takaful Malaysia In-House Training: Great Leader, Great Teams & Great Results
- Corporate Branding/Brand Awareness Programme
- Invest Malaysia 2015
- 2015 Non-Executive Directors' Remuneration Study
- Investment Workshop & Round Table Discussion With British Prime Minister, David Cameron & UK Minister Of State For Trade & Investment, Lord Francis Maude
- Grosvenor Investor Summit 2015
- MIA Conference 2015
- Foreign Exchange Administration (FEA) Rules: Changes Affecting FEA Rules
- Anti-Money Laundering Compliance Culture Briefing
- Credit Suisse Market Outlook Seminar
- Roundtable Session: UK Diverted Profit Tax And Other Tax Developments

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 during the financial year ended 31 January 2016. The members of the BRC comprised:

- En Mahadzir bin Azizan (Chairman)
- Mr Lim Kian Onn
- Mr Soo Kim Wai

The BRC is responsible for assessing and recommending to the Board the remuneration of Directors and key senior management staff, 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.

B. DIRECTORS' REMUNERATION (continued)

ECMLFG has an established framework to evaluate performance and reward for executive Directors and all employees of the Group. 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, and aims to attract, motivate and retain the right 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 non-executive 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 page 80.

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 and complied with the relevant provisions of the Companies Act, 1965 and applicable financial reporting standards in Malaysia.

(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.

(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 7 and 8.

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. To support the annual assessment of independence of external auditors, the BARMC obtains written assurance from the external auditors confirming that they are independent in accordance with the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants, in conducting the audit of the financial statements of the Group. The contracts for provision of non-audit services will not be entered into with the external auditors if there is a conflict of interest and the task to be performed required the services of internal auditors. The appointment of the external auditors for provision of non-audit services must be assessed and reviewed by the BARMC before recommending to the Board for approval. The BARMC will ensure the provision of non-audit services by the external auditors do not interfere with the exercise of independent judgement of the external auditors and shall not be in conflict with their duties as statutory auditors.

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 and circular to shareholders together with the Board Charter, the Code of Ethics for Company Directors and other corporate information are made available on the Company'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. Notice of general meeting and related documents are sent to the shareholders within the notice period required by the relevant act and the Listing Requirements of Bursa Securities before the meeting is to be held. 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 to enable them to exercise their rights. 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. Besides that, the Board has identified the Company Secretary as the liaison person of the Company whom shareholders can refer to if they require any assistance on matters affecting their interests. The contact details of the Company Secretary are published on the website of the Company.

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 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 Compliance and Risk Management Department which is organized at the asset management subsidiary and the outsourced Internal Auditors who undertake the internal audit function for the Group. The focus are 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 Compliance and Risk Management Department provides the central resource for the identification, quantification, monitoring and management of the risks taken by the Group as a whole.

The Compliance and Risk Management Department undertakes the group risk management function and reports to the BARMC. The Compliance and Risk Management Department covers regulatory compliance risk, operational risk, financial risk and legal risk. The BARMC reviews the Risk Management Framework and Risk Management Procedure Manual applicable to the Group before recommending to the Board for approval. The Risk Management Framework and Risk Management Procedure Manual are subject to annual review or as and when there is material change in the regulatory requirements. The Risk Management Framework outlines the approach and management structure in the Group towards the management of risk. It further provides for a general framework in the methodologies and processes adopted by the Group in identifying, monitoring and reporting risk. Whilst the Risk Management Procedure Manual lays out the procedures in the Group's approach towards risk management. The Risk Management Framework covers the following:

1. identify the full spectrum of risks including potential risk; separate controllable from uncontrollable risk and identify causes for the risks to occur;

2. assess risk severity and probability and combine estimates of severity and probability in the context of existing control measures;

3. compare the risk exposures to the entity's risk appetite and identify those risk exposures that are deemed as unacceptable;

4. identify risk mitigation actions; institute an on-going review of risk and control effectiveness as the business and environment changes, with tighter monitoring for areas of greatest change and risk and assess the quality and appropriateness of mitigating actions; and

5. provide timely exception and periodic reports to facilitate informed risk management decisions.

The BARMC reviews periodic reports from the Compliance and Risk Management Department on risk management related to business and activities of the Group to ensure proper management of risks and appropriate measures are taken timely to mitigate any identified weaknesses in the control environment. During the financial year, the BARMC assigned the outsourced Internal Auditors to conduct audit on the appropriateness and strength of the current Enterprise-Wide Risk Management Framework of the Group in an effort to ensure robustness of the risk management framework to mitigate the key risks of the Group.

In carrying out its responsibilities, the BARMC relies on the support of the Compliance and Risk Management Department and the outsourced Internal Auditors who report directly to the BARMC, in providing assurance on the adequacy and effectiveness of internal controls. The Compliance and Risk Management Department provides the BARMC periodic reports on compliance with relevant regulatory and statutory requirements whilst the outsourced Internal Auditors provide the 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.

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

Key Processes (continued)

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 as set out in the Group's Employee Handbook and the Board Charter.

The Group has put in place a Whistle Blowing Policy that governs reporting and investigations of allegations of suspected improper/unethical activities, violations of the laws, regulations, internal policies, procedures, guidelines and code of ethics and the whistle blower protection. The Whistle Blowing Policy is incorporated in the Employee Handbook accessible to the employee of the Group. The BARMC has been entrusted by the Board to be responsible for overseeing the implementation of the Whistle Blowing Policy for the Group.

On a yearly basis, all the business units within the Group draw their business plan and budget for the Board's approval and their performance are tracked on a monthly basis as part of the overall management of the business risk.

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.

As required by the Listing Requirements of Bursa Securities, the external auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the Annual Report. Based on their limited assurance reviews, nothing has come to their attention that causes them to believe that the Statement on Risk Management & Internal Control is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement on Risk Management & Internal Control factually inaccurate.

The Board confirms that there is an on-going process that has been in place throughout the financial year ended 31 January 2016 for identifying, evaluating and managing significant risks faced by the Group. The Board has reviewed the adequacy and effectiveness of the risk management and internal control systems within the Group for the financial year and has taken account of any material development up to the date of approval of this Statement on Risk Management & Internal Control for inclusion in the Annual Report and is of the view that the system is adequate and sufficient to safeguard the assets and the interests of stakeholders of the Group.

The Board has received assurance from the Managing Director 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 2016, 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 30 March 2016.

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 2016.

Distribution Exercise

During the financial year, the Company has undertaken a distribution exercise to shareholders by way of a capital repayment and special dividend; being satisfied by a combination of cash distribution component of RM0.62 per ordinary share of RM1.00 par value each in the Company ("ECM Shares") and a distribution-in-specie component of two stock units in Eastern & Oriental Berhad ("E&O"), a company listed on the Main Market of Bursa Malaysia Securities Berhad, for every nine ECM Shares and two E&O warrants for every fifteen ECM Shares held by shareholders ("Distribution Exercise").

The capital repayment was via a capital reduction by cancellation of RM0.88 from the par value of each existing ordinary share of RM1.00 each pursuant to Section 64 of the Companies Act, 1965. The capital reduction was effected on 19 November 2015 and the total issued and paid-up share capital of the Company was reduced by RM252,201,392 from RM286,592,491 to RM34,391,099 based on the total issued and paid-up share capital of 286,592,491 ordinary shares after taking into account the cancellation of 1,471,900 treasury shares and the issuance of 19,842,300 ordinary shares of RM1.00 par value each pursuant to the exercise of options under the Company's Employees' Share Option Scheme. After the capital reduction, the paid-up share capital of RM34,391,099 comprised 286,592,491 ordinary shares of par value RM0.12 each.

The total value of the distribution to shareholders amounted to RM286 million or equivalent to RM0.997 for each ordinary share of RM1.00 par value, comprising a capital repayment of RM0.88 and special dividend of RM0.117 per share. The distribution-in-specie component of the Distribution Exercise was valued at RM108 million based on the last trading prices of RM1.57 for each E&O stock unit and RM0.21 for each E&O warrant as at the entitlement date of 24 November 2015. The cash component amounted to RM178 million. The Distribution Exercise was completed on 7 December 2015.

Financial and Business Review

For the financial year ended 31 January 2016, the Group recorded profit before tax of RM13.1 million and profit after tax of RM11.2 million. The profit before tax was lower than the RM29.7 million achieved in the previous year mainly attributable to the lower level of contribution from gain on disposal of securities and portfolio management fee; both of which were adversely impacted by the prevailing stock market condition. Total income for the year amounted to RM35.4 million comprising gain from disposal of securities of RM14.5 million, portfolio management fees of RM11.8 million, interest income of RM9.0 million, rental income of RM1.4 million and various other income totalling RM2.5 million; offset by the RM3.8 million foreign currency translation reserve losses recorded in prior years and reclassified from equity to profit or loss upon completion of the liquidation of a subsidiary in 2015. The unrealised revaluation loss accumulated in the available-for-sale revaluation reserve in equity, amounting to RM3.8 million, was also reclassified to profit or loss and constituted part of the RM4.2 million impairment losses on securities reported this year based on prudent fair value assessment. Whilst the reclassification from equity to profit or loss has no impact on the net asset value of the Group, said reclassification has substantially reduced the profit for the year. Total expenses for the year amounted to RM18.1 million compared to RM17.3 million the year before. During the year, we incurred expenses totalling RM0.9 million for the Distribution Exercise.

The Group has a substantially reduced earnings base after returning RM286 million to shareholders pursuant to the Distribution Exercise, with total equity amounting to RM137.3 million as at 31 January 2016. The Group will continue to derive income contribution from its existing fund management business, a smaller loan portfolio and a lower cash reserve.

Corporate Social Responsibility

The Group's corporate social responsibility related work is spearheaded by the ECM Libra Foundation ("Foundation") which was privately funded by the founding shareholders of ECM Libra Financial Group Berhad. Recognizing that education is the best way out of the vicious cycle for the very poor, ECM Libra Foundation projects are largely targeted at providing access to basic education. The Foundation focus its attention on the most marginalized segments of our community in the country, in particular the Orang Asli in the Peninsular Malaysia, the Kadazans in Sabah and the Ibans and Bidayuhs in Sarawak. The Foundation has also included the urban poor and hard core poor communities outside of the big cities such as Kapar and Kuala Selangor.

The Foundation sponsored teaching and tuition programmes (with emphasis on Bahasa Malaysia, Mathematics and English) for under-privileged children with the objective to help them stay abreast in their school work so that they do not drop out of school. The Foundation has continued to fund tuition programmes amongst the Orang Asli children in the Peninsular Malaysia, Sabah and Sarawak. During the year, the Foundation donated desks and chairs to needy schools in the rural areas, sponsored the building and equipping of resource centres such as libraries and computer rooms, and provided sports equipment and funds for building tennis and futsal courts. The Foundation believes that sports activities form part of the education process to nurture good character building. For some communities, the Foundation has provided the most basic needs of the school children, the back-to-school essentials such as uniforms, shoes, socks and school bags.

In collaboration with Institute CECE, which stands for Childhood Education-studies & Community Education (CECE), the Foundation funded fifteen indigenous pre-school teachers from the interior of Sabah to attend a training programme conducted during school holidays and spanning 30 months, to obtain the Diploma in Early Childhood Education. The new skills acquired from the training programme will equip these teachers to teach the children more effectively at their own communities.

The Foundation has also worked with Penang Science Cluster to sponsor the Tech-mentor Robotics & Young Innovate Programme for ten schools in Penang. The objective of this programme is to re-ignite the students' passion in Science, Technology, Engineering and Mathematics. It is a mentor-mentee programme where the students are provided with hardware, software and robotic parts for them to tinker, discover, learn and innovate on building robots and embedded systems, culminating in the creation of a solution to solve problems. Through this programme, it is hoped that the children will be able to have some hands-on experiences with tools and be mentored by some role-models to spur their interest in technical knowledge.

The SPARK leadership development programme that was started by the Foundation continued into its second year in December 2015 with eighty secondary school students from all over Malaysia being sponsored to attend. Dato' Seri Kalimullah bin Masheerul Hassan, Chairman of the Foundation's Board of Trustees and Tan Sri Tony Fernandes, guest speaker, delighted the students with their talks and encouragement. The students were thrilled when Tan Sri Tony Fernandes introduced to them visitors from his football club Queen's Park Rangers (QPR). The visitors from QPR spent time with the students, giving some football lessons and games.

Working with Global Peace Foundation for the first time, the Foundation sponsored forty secondary school children from the Segambut area in Kuala Lumpur to attend a school holiday camp. The camp was specially designed to cultivate moral and innovative leaders and to equip them with compassion for social good. The school children were taught to challenge themselves to grow and serve others. The programme offered experiential learning for participants to develop empathy and understand humanities.

Dividends

During the financial year, a special dividend of RM0.117 per ordinary share was paid on 7 December 2015 pursuant to the Distribution Exercise. Based on the paid-up capital of 286,592,491 ordinary shares, the total dividend paid amounted to RM33.5 million. The Board is not proposing any final dividend for the financial year ended 31 January 2016.

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
30 March 2016

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Eleventh 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 Wednesday, 18 May 2016 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 2016; **Resolution 1**

2. to approve the payment of Directors' fees of RM249,692.00 to be divided amongst the Directors in such manner as the Directors may determine; **Resolution 2**

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

   (a) En Mahadzir bin Azizan; and **Resolution 3**
   (b) Mr Soo Kim Wai; **Resolution 4**

4. to re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration; **Resolution 5**

   AS SPECIAL BUSINESS

   To consider and if thought fit, pass the following resolution:

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 ten percent (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."; **Resolution 6**

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

By Order of the Board

CHAN SOON LEE
Secretary

Kuala Lumpur
26 April 2016

NOTES:

1. Only a depositor whose name appears in the Record of Depositors of the Company as at 11 May 2016 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 Eleventh Annual General Meeting ("11th 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/her 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/her 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/her 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.

6. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to the Personal Data Protection Act 2010 set out below:

   By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 11th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company or its Share Registrar for the purpose of the processing and administration of proxies and representatives appointed for the 11th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 11th AGM (including any adjournment thereof), and in order for the Company or its Share Registrar to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company or its Share Registrar, the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company or its Share Registrar of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Explanatory Notes

1. **Ordinary Resolution on Re-election of En Mahadzir bin Azizan 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 En Mahadzir bin Azizan and are satisfied that En Mahadzir bin Azizan 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 in 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 ten percent (10%) of the issued and paid-up share 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 28 May 2015 and which will lapse at the conclusion of the 11th 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.

statement accompanying notice of annual general meeting

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

1. **Details of persons who are standing for election as Directors**

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

2. **Ordinary resolution on authority to Directors to issue shares**

   Further details of the authority to Directors to issue shares in the Company pursuant to Section 132D of the Companies Act, 1965 are stated in the explanatory notes of the Notice of Annual General Meeting as set out on page 25.

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 2016.

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 8 to the financial statements.

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

Distribution Exercise

During the financial year, the Company has undertaken a distribution exercise to shareholders by way of a capital repayment and special dividend; being satisfied by a combination of cash distribution component of RM0.62 per ordinary share of RM1.00 par value each in the Company ("ECM Shares") and a distribution-in-specie component of two stock units in Eastern & Oriental Berhad ("E&O"), a company listed on the Main Market of Bursa Malaysia Securities Berhad, for every nine ECM Shares and two E&O warrants for every fifteen ECM Shares held by shareholders ("Distribution Exercise").

The capital repayment was via a capital reduction by cancellation of RM0.88 from the par value of each existing ordinary share of RM1.00 each pursuant to Section 64 of the Companies Act, 1965. The capital reduction was effected on 19 November 2015 and the total issued and paid-up share capital of the Company was reduced by RM252,201,392 from RM286,592,491 to RM34,391,099 based on the total issued and paid-up share capital of 286,592,491 ordinary shares after taking into account the cancellation of 1,471,900 treasury shares and the issuance of 19,842,300 ordinary shares of RM1.00 par value each pursuant to the exercise of options under the Company's Employees' Share Option Scheme ("ESOS"). After the capital reduction, the paid-up share capital of RM34,391,099 comprised 286,592,491 ordinary shares of par value RM0.12 each.

The total value of the distribution to shareholders amounted to RM286 million or equivalent to RM0.997 for each ordinary share of RM1.00 par value, comprising a capital repayment of RM0.88 and special dividend of RM0.117 per share. The distribution-in-specie component of the Distribution Exercise was valued at RM108 million based on the last trading prices of RM1.57 for each E&O stock unit and RM0.21 for each E&O warrant as at the entitlement date of 24 November 2015. The cash component amounted to RM178 million. The Distribution Exercise was completed on 7 December 2015.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to owners of the Company	11,177	28,416

Share buy-back and cancellation

In February 2015, the Company bought back 1,471,900 units of its issued ordinary shares of RM1.00 each ("ECM Shares") from the open market. The total consideration paid for the 1,471,900 ECM Shares including transaction costs was RM1,592,894 or an average price of RM1.0822 per ECM Share and was financed by internally generated funds. The ECM Shares bought back were held as treasury shares in accordance with Section 67A(3A)(b) of the Companies Act, 1965.

Share buy-back and cancellation (continued)

On 11 September 2015, the 1,471,900 treasury shares held at a carrying amount of RM1,592,894 were cancelled. The amount of RM1,471,900 which the issued share capital was diminished was transferred to the capital redemption reserve in accordance with the requirements of Section 67A(3E) of the Companies Act, 1965. The issued share capital after cancellation of treasury shares diminished from 288,064,391 ordinary shares of RM1.00 each to 286,592,491 ordinary shares of RM1.00 each. The carrying amount of the treasury shares cancelled was set off against retained profits.

As at 31 January 2016, the Company did not hold any treasury shares.

Share capital

During the financial year, the Company:

(a) issued 19,842,300 new ordinary shares of RM1.00 each for cash arising from the exercise of share options pursuant to the ESOS at an exercise price of RM1.00 per ordinary share; and

(b) reduced its share capital by RM252,201,392 by cancellation of RM0.88 from the par value of each ordinary share of RM1.00 par value pursuant to Section 64 of the Companies Act, 1965. After the capital reduction on 19 November 2015, the paid-up share capital was reduced from RM286,592,491 comprising 286,592,491 ordinary shares of RM1.00 par value to RM34,391,099 comprising 286,592,491 ordinary shares of par value RM0.12 each. The aforementioned was pursuant to the Distribution Exercise completed on 7 December 2015.

Further information is disclosed in Note 16 to the financial statements.

Dividends

Since the last financial year ended 31 January 2015, a special dividend of RM0.117 per ordinary share was paid on 7 December 2015 pursuant to the Distribution Exercise. The total special dividend paid amounted to RM33,499,348.

The Directors do not recommend the payment of any further dividend for the financial year ended 31 January 2016.

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

In accordance with Article 103 of the Articles of Association of the Company, En Mahadzir bin Azizan and Mr Soo Kim Wai will retire at the forthcoming Annual General Meeting and being eligible, offer themselves 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 2016, 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			
	As at 1.2.2015	**Acquired**	**Sold**	**As at 31.1.2016**
Direct interest in ECM Libra Financial Group Berhad ("ECMLFG")				
Dato' Seri Kalimullah bin Masheerul Hassan	12,460,640	9,396,000*	-	21,856,640
Mr Lim Kian Onn	56,163,319	12,235,800@	-	68,399,119
Datuk Kamarudin bin Md Ali	-	200,000*	150,000	50,000
Dato' Othman bin Abdullah	-	200,000*	200,000	-
En Mahadzir bin Azizan	-	200,000*	200,000	-
Mr Soo Kim Wai	-	200,000*	-	200,000
Indirect interest in ECMLFG				
Mr Lim Kian Onn	1,437,163	-	-	1,437,163

Notes:
* Ordinary shares acquired by way of the exercise of options under the ESOS.
@ Includes the 9,396,000 ordinary shares acquired by way of the exercise of options under the ESOS.

Mr Lim Kian Onn, by virtue of his interests in the Company and pursuant to Section 6A of the Companies Act, 1965, is deemed to have interests in the shares of all the subsidiary and associated companies of the Company to the extent that the Company has an interest.

Directors' interests (continued)

	Shareholdings in which Directors have interests Number of options over ordinary shares			
	As at 1.2.2015	Granted	Exercised	As at 31.1.2016
Direct interest in ECMLFG				
Dato' Seri Kalimullah bin Masheerul Hassan	9,396,000	-	9,396,000	-
Mr Lim Kian Onn	9,396,000	-	9,396,000	-
Datuk Kamarudin bin Md Ali	200,000	-	200,000	-
Dato' Othman bin Abdullah	200,000	-	200,000	-
En Mahadzir bin Azizan	200,000	-	200,000	-
Mr Soo Kim Wai	200,000	-	200,000	-

Note:
The options over ordinary shares were granted pursuant to the ESOS that had subsequently expired on 30 November 2015.

Directors' benefits

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any 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 related corporations) 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, made by the Company and its related corporations with Mr Lim Kian Onn and 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 then existing share options granted pursuant to the ESOS.

Employees' Share Option Scheme ("ESOS")

The Company's ESOS was 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 was 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.

During the financial year, a total of 19,842,300 ordinary shares of RM1.00 each were issued pursuant to the exercise of options granted under the ESOS in previous years. The exercise price was at RM1.00 per share.

The ESOS expired on 30 November 2015. The balance of 5,700 share options that were not exercised have since expired and became null and void.

Other statutory information

(I) As at the end of the financial year

(a) Before the financial statements of the Group and of 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 loans, advances 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 statutory information (continued)

(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 of the Company misleading or inappropriate.

(b) In the opinion of the Directors:

(i) the results of the operations of the Group and of the Company for the financial year ended 31 January 2016 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 of 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 of 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
30 March 2016

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 37 to 99 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 2016 and of their results and their cash flows for the year then ended.

In the opinion of the Directors, the information set out in Note 34 on page 99 to the financial statements has been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

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
30 March 2016

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 37 to 99 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 30 March 2016

Chan Soon Lee

Before me,

Zulkifla Mohd Dahlim
Commissioner for Oaths

30 March 2016

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 2016 of the Group and of the Company, and the statements of profit or loss and other 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 37 to 99.

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 2016 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 34 on page 99 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

Yeo Beng Yean
No. 3013/10/16(J)
Chartered Accountant

Kuala Lumpur, Malaysia
30 March 2016

statements of financial position

as at 31 January 2016

	Note	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
ASSETS					
Cash and short-term funds	3	**24,883**	152,533	**11,461**	63,818
Securities available-for-sale	4	**17,327**	193,430	**15,726**	8,405
Loans, advances and financing	5	**60,279**	72,000	**-**	-
Trade receivables	6	**6,222**	1,809	**-**	-
Other assets	7	**1,555**	2,492	**885**	790
Investment in subsidiary companies	8	**-**	-	**16,937**	223,000
Investment in associated company	9	**7,200**	7,200	**7,200**	7,200
Amount owing by subsidiary companies	10	**-**	-	**57,060**	70,692
Deferred tax assets	11	**295**	244	**132**	31
Property, plant and equipment	12	**24,304**	23,756	**25,673**	25,592
Investment property	13	**4,030**	-	**4,030**	-
Total assets		**146,095**	453,464	**139,104**	399,528
LIABILITIES AND EQUITY					
Liabilities					
Trade payables	14	**334**	1,055	**-**	-
Other liabilities	15	**8,075**	3,870	**1,347**	1,736
Provision for taxation		**351**	92	**297**	27
Amount owing to subsidiary companies	10	**-**	-	**-**	20,865
Total liabilities		**8,760**	5,017	**1,644**	22,628
Equity attributable to owners of the Company					
Share capital	16	**34,391**	268,222	**34,391**	268,222
Reserves	17	**102,944**	180,225	**103,069**	108,678
Shareholders' equity		**137,335**	448,447	**137,460**	376,900
Total equity and liabilities		**146,095**	453,464	**139,104**	399,528
Commitments	27	**413**	382	**-**	-

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

statements of profit or loss and other comprehensive income

for the year ended 31 January 2016

	Note	Group		Company	
		2016	**2015**	**2016**	**2015**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	2(r)	**36,661**	48,627	**6,456**	11,229
Interest income	18	**8,992**	8,638	**4,679**	5,424
Non-interest income	19	**27,669**	39,989	**1,777**	5,805
Other non-operating (loss)/income	20	**(1,288)**	1,535	**2,173**	2,160
Gross income		**35,373**	50,162	**8,629**	13,389
Operating expenses	21	**(18,115)**	(17,297)	**(6,208)**	(5,619)
Operating profit		**17,258**	32,865	**2,421**	7,770
Dividend income from a subsidiary		**-**	-	**27,326**	-
Interim distribution income from subsidiaries		**-**	-	**41,282**	88,570
Impairment losses on investment in subsidiaries		**-**	-	**(41,227)**	(88,570)
Impairment losses on securities	23	**(4,165)**	(3,186)	**-**	-
Profit before tax		**13,093**	29,679	**29,802**	7,770
Income tax expense	24	**(1,916)**	(1,449)	**(1,386)**	(946)
Profit for the year		**11,177**	28,230	**28,416**	6,824

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

statements of profit or loss and other comprehensive income continued

for the year ended 31 January 2016

		Group		Company	
	Note	2016	2015	2016	2015
		RM'000	RM'000	RM'000	RM'000
Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss:					
Net (loss)/gain on available-for-sale financial assets		**(62,437)**	36,388	**(476)**	(1,192)
Available-for-sale revaluation reserve losses reclassified to profit or loss upon impairment on securities		**3,810**	3,186	**-**	-
Currency translation differences		**(87)**	191	**-**	-
Foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary		**3,762**	-	**-**	-
Income tax relating to components of other comprehensive income	11	**114**	298	**114**	298
Other comprehensive (loss)/income for the year, net of tax		**(54,838)**	40,063	**(362)**	(894)
Total comprehensive (loss)/income for the year		**(43,661)**	68,293	**28,054**	5,930
Profit attributable to owners of the Company		**11,177**	28,230	**28,416**	6,824
Total comprehensive (loss)/income attributable to owners of the Company		**(43,661)**	68,293	**28,054**	5,930
Earnings per share attributable to owners of the Company:					
Basic earnings per share (sen)	25	**4.06**	10.52		
Diluted earnings per share (sen)	25	**3.90**	9.81		

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

statements of changes in equity

for the year ended 31 January 2016

Group	Share capital	Treasury shares	Capital redemption reserve	Foreign currency translation reserve/ (deficit)	Available-for-sale revaluation reserve/ (deficit)	Equity compensation reserve	General reserve	Retained profits	Total equity
	← Non-distributable						→	Distributable	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 February 2015	268,222	-	2,083	(4,816)	58,116	2,789	159	121,894	448,447
Profit for the year	-	-	-	-	-	-	-	11,177	11,177
Other comprehensive loss	-	-	-	(87)	(62,323)	-	-	-	(62,410)
- Reclassification to profit or loss upon impairment on securities	-	-	-	-	3,810	-	-	-	3,810
- Reclassification to profit or loss upon liquidation of subsidiary	-	-	-	3,762	-	-	-	-	3,762
- Reclassification to retained profits upon liquidation of subsidiary	-	-	-	-	-	-	(159)	159	-
Total comprehensive income/ (loss)	-	-	-	3,675	(58,513)	-	(159)	11,336	(43,661)
Transactions with owners:									
Issuance of shares pursuant to ESOS	19,842	-	-	-	-	(2,788)	2,788	-	19,842
ESOS expired during the year	-	-	-	-	-	(1)	-	1	-
Shares buy-back by the Company	-	(1,593)	-	-	-	-	-	-	(1,593)
Cancellation of treasury shares	(1,472)	1,593	1,472	-	-	-	-	(1,593)	-
Capital reduction	(252,201)	-	-	-	-	-	-	-	(252,201)
Dividend paid	-	-	-	-	-	-	-	(33,499)	(33,499)
	(233,831)	-	1,472	-	-	(2,789)	2,788	(35,091)	(267,451)
As at 31 January 2016	34,391	-	3,555	(1,141)	(397)	-	2,788	98,139	137,335

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

statements of changes in equity continued

for the year ended 31 January 2016

Group	Share capital	Treasury shares	Capital redemption reserve	Foreign currency translation reserve/ (deficit)	Available-for-sale revaluation reserve/ (deficit)	Equity compensation reserve	General reserve	Retained profits	Total equity
	← Non-distributable						→	Distributable	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 February 2014	268,222	-	2,083	(5,007)	18,244	2,737	159	93,664	380,102
Profit for the year	-	-	-	-	-	-	-	28,230	28,230
Other comprehensive income	-	-	-	191	36,686	-	-	-	36,877
- Reclassification to profit or loss upon impairment on securities	-	-	-	-	3,186	-	-	-	3,186
Total comprehensive income	-	-	-	191	39,872	-	-	28,230	68,293
Transactions with owners:									
ESOS granted during the year	-	-	-	-	-	53	-	-	53
ESOS lapsed during the year	-	-	-	-	-	(1)	-	-	(1)
	-	-	-	-	-	52	-	-	52
As at 31 January 2015	268,222	-	2,083	(4,816)	58,116	2,789	159	121,894	448,447

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

statements of changes in equity continued

for the year ended 31 January 2016

Company	Share capital	Treasury shares	Capital redemption reserve	Available-for-sale revaluation reserve/ (deficit)	Equity compensation reserve	General reserve	Retained profits	Total equity
	←	Non-distributable				→	Distributable	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 February 2015	**268,222**	-	**2,083**	**147**	**2,789**	-	**103,659**	**376,900**
Profit for the year	-	-	-	-	-	-	**28,416**	**28,416**
Other comprehensive loss	-	-	-	**(362)**	-	-	-	**(362)**
Total comprehensive (loss)/income	-	-	-	**(362)**	-	-	**28,416**	**28,054**
Transactions with owners:								
Issuance of shares pursuant to ESOS	**19,842**	-	-	-	**(2,746)**	**2,746**	-	**19,842**
Reversal of equity compensation reserve upon exercise/expiry of ESOS granted to employees of a subsidiary (Note 8)	-	-	-	-	**(43)**	-	-	**(43)**
Shares buy-back by the Company	-	**(1,593)**	-	-	-	-	-	**(1,593)**
Cancellation of treasury shares	**(1,472)**	**1,593**	**1,472**	-	-	-	**(1,593)**	-
Capital reduction	**(252,201)**	-	-	-	-	-	-	**(252,201)**
Dividend paid	-	-	-	-	-	-	**(33,499)**	**(33,499)**
	(233,831)	-	**1,472**	-	**(2,789)**	**2,746**	**(35,092)**	**(267,494)**
As at 31 January 2016	**34,391**	-	**3,555**	**(215)**	-	**2,746**	**96,983**	**137,460**
As at 1 February 2014	268,222	-	2,083	1,041	2,737	-	96,835	370,918
Profit for the year	-	-	-	-	-	-	6,824	6,824
Other comprehensive loss	-	-	-	(894)	-	-	-	(894)
Total comprehensive (loss)/income	-	-	-	(894)	-	-	6,824	5,930
Transactions with owners:								
ESOS granted during the year	-	-	-	-	53	-	-	53
ESOS lapsed during the year	-	-	-	-	(1)	-	-	(1)
	-	-	-	-	52	-	-	52
As at 31 January 2015	268,222	-	2,083	147	2,789	-	103,659	376,900

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

statements of cash flows

for the year ended 31 January 2016

	Note	Group		Company	
		2016	2015	2016	2015
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit before tax		**13,093**	29,679	**29,802**	7,770
Adjustments for:					
Depreciation of property, plant and equipment	21	**1,501**	1,602	**924**	974
Depreciation of investment property	21	**2**	-	**2**	-
Gain on disposal of property, plant and equipment	20	**(169)**	-	**(169)**	-
Property, plant and equipment written-off		**-**	2	**-**	2
Net unrealised (gain)/loss on revaluation of:					
- securities held-for-trading	19	**-**	(9,846)	**-**	-
- derivatives	19	**-**	9,846	**-**	-
Net gain on disposal of securities available-for-sale	19	**(14,490)**	(23,754)	**(491)**	(4,437)
Impairment losses on securities	23	**4,165**	3,186	**-**	-
Income distribution from unit trust funds	19	**(828)**	(242)	**(822)**	(242)
Cost arising from ESOS	21	**-**	52	**-**	53
Foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary	20	**3,762**	-	**-**	-
(Gain)/loss on foreign currency translation	20	**(681)**	108	**-**	-
Dividend income		**(63)**	(1,544)	**(27,326)**	-
Distribution income from subsidiaries		**-**	-	**(41,282)**	(88,570)
Gain on liquidation of subsidiary	20	**(182)**	-	**(185)**	-
Impairment losses on investment in subsidiaries		**-**	-	**41,227**	88,570
Interest income	18	**(8,992)**	(8,638)	**(4,679)**	(5,424)
Operating (loss)/profit before working capital changes		**(2,882)**	451	**(2,999)**	(1,304)
Decrease/(increase) in operating assets:					
Securities held-for-trading		**-**	32,238	**-**	-
Derivative financial instruments		**-**	(6,877)	**-**	-
Loans, advances and financing		**11,721**	(27,709)	**-**	-
Trade receivables		**(4,413)**	850	**-**	-
Other assets		**957**	1,820	**(115)**	1,031
Balance carried forward		**5,383**	773	**(3,114)**	(273)

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

	Note	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Cash flows from operating activities (continued)					
Balance brought forward		**5,383**	773	**(3,114)**	(273)
(Decrease)/increase in operating liabilities:					
Trade payables		**(721)**	(560)	**-**	-
Other liabilities		**4,205**	(64)	**(389)**	(223)
Amount owing by/to subsidiary companies		**-**	-	**(7,477)**	(96,479)
Cash generated from/(used in) operations		**8,867**	149	**(10,980)**	(96,975)
Tax refunded		**107**	-	**-**	-
Tax paid		**(1,786)**	(1,831)	**(1,126)**	(1,004)
Net cash generated from/(used in) operating activities		**7,188**	(1,682)	**(12,106)**	(97,979)
Cash flows from investing activities					
Dividend received		**63**	1,544	**27,326**	-
Purchase of investment property	13	**(4,032)**	-	**(4,032)**	-
Purchase of property, plant and equipment	12	**(2,235)**	(232)	**(1,191)**	(181)
Proceeds from disposal of property, plant and equipment		**355**	-	**355**	-
Proceeds from liquidation of subsidiary		**182**	-	**185**	-
Distribution income from subsidiaries		**-**	-	**41,282**	88,570
Redemption of units in Libra Strategic Opportunity Fund		**-**	-	**164,793**	-
Net disposal of:					
- securities available-for-sale		**128,629**	65,665	**(6,484)**	19,713
- securities held-to-maturity		**-**	47,750	**-**	47,750
Interest income received		**9,057**	8,826	**4,966**	5,320
Net cash generated from investing activities		**132,019**	123,553	**227,200**	161,172

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

statements of cash flows continued

for the year ended 31 January 2016

	Note	Group		Company	
		2016	**2015**	**2016**	**2015**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Cash flows from financing activities					
Capital reduction		**(252,201)**	-	**(252,201)**	-
Dividend paid		**(33,499)**	-	**(33,499)**	-
Purchase of treasury shares		**(1,593)**	-	**(1,593)**	-
Proceeds from issuance of shares		**19,842**	-	**19,842**	-
Net cash used in financing activities		**(267,451)**	-	**(267,451)**	-
Net (decrease)/increase in cash and cash equivalents		**(128,244)**	121,871	**(52,357)**	63,193
Effects of foreign exchange differences		**594**	83	**-**	-
Cash and cash equivalents at beginning of year		**152,533**	30,579	**63,818**	625
Cash and cash equivalents at end of year		**24,883**	152,533	**11,461**	63,818
Cash and cash equivalents comprise:					
Cash and short-term funds	3	**24,883**	152,533	**11,461**	63,818

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 and domiciled in Malaysia and is 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 8. There have been no significant changes in the nature of these activities during the year.

The financial statements of the Company and its subsidiary companies (collectively, the Group) were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 March 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

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

(b) Changes in accounting policies

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

On 1 February 2015, the Group and the Company adopted the following new and amended MFRS mandatory for financial periods beginning on or after 1 July 2014.

MFRS 119 *Employee Benefits - Defined Benefits Plans: Employee Contributions* (Amendments to MFRS 119)
Annual Improvements to MFRS 2010 - 2012 Cycle
Annual Improvements to MFRS 2011 - 2013 Cycle

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Standards issued but not yet effective

The following are accounting standards, amendments and interpretations issued by Malaysian Accouting 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 10 *Consolidated Financial Statements - Investment Entities: Applying the Consolidation Exception* (Amendments to MFRS 10)	1 January 2016
MFRS 11 *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations* (Amendments to MFRS 11)	1 January 2016
MFRS 12 *Disclosure of Interests in Other Entities - Investment Entities: Applying the Consolidation Exception* (Amendments to MFRS 12)	1 January 2016
MFRS 14 *Regulatory Deferral Accounts*	1 January 2016
MFRS 101 *Presentation of Financial Statements - Disclosure Initiative* (Amendments to MFRS 101)	1 January 2016
MFRS 116 *Property, Plant and Equipment - Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to MFRS 116)	1 January 2016
MFRS 116 *Property, Plant and Equipment - Agriculture: Bearer Plants* (Amendments to MFRS 116)	1 January 2016
MFRS 127 *Separate Financial Statements - Equity Method in Separate Financial Statements* (Amendments to MFRS 127)	1 January 2016
MFRS 128 *Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception* (Amendments to MFRS 128)	1 January 2016
MFRS 138 *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to MFRS 138)	1 January 2016
MFRS 141 *Agriculture - Agriculture: Bearer Plants* (Amendments to MFRS 141)	1 January 2016
Annual Improvements to MFRS 2012 - 2014 Cycle	1 January 2016
MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 *Revenue from Contracts with Customers*	1 January 2018
MFRS 10 *Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to MFRS 10)	To be announced by MASB
MFRS 128 *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to MFRS 128)	To be announced by MASB

The Group and the Company will adopt the above pronouncements when they become effective in the respective financial period. These pronouncements are not expected to have any significant impact to the financial statements of the Group and the Company upon their initial application, other than MFRS 9 and MFRS 15.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

In July 2014, the International Accounting Standards Board ("IASB") issued the final version of IFRS 9 *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but restatement of comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015.

MFRS 9 is issued by the MASB in respect of its application in Malaysia. It is equivalent to IFRS 9 as issued by IASB, including the effective and issuance dates. The areas with expected significant impact from application of MFRS 9 are summarised below:

(i) Classification and measurement

The classification and measurement of financial assets is determined on the basis of the contractual cash flow characteristics and the objective of the business model associated with holding the asset. Key changes include:

- The held-to-maturity ("HTM") and available-for-sale ("AFS") asset categories will be removed;

- A new asset category measured at fair value through other comprehensive income ("FVOCI") is introduced. This applies to debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a model whose objective is achieved by both collecting contractual cash flows and selling financial assets;

- A new asset category for non-traded equity investments measured at FVOCI is introduced;

- Classification of financial liabilities will remain largely unchanged, other than the fair value gains and losses attributable to changes in 'own credit risk' for financial liabilities designated and measured at fair value through profit or loss to be presented in other comprehensive income.

The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's and the Company's financial assets, and may have no impact on the classification and measurement of the Group's and the Company's financial liabilities.

(ii) Impairment

The MFRS 9 impairment requirements are based on an expected credit loss model ("ECL") that replaces the incurred loss model under the current accounting standard. The Group and the Company will be generally required to recognise either a 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The ECL model will apply to financial assets measured at amortised cost or at FVOCI, irrevocable loan commitments and financial guarantee contracts, which will include loans, advances and financing and debt instruments held by the Group and the Company. MFRS 9 will change the Group's and the Company's current methodology for calculating allowances for impairment, in particular for individual and collective assessment and provisioning.

(iii) Hedge accounting

The requirements for general hedge accounting have been simplified for hedge effectiveness testing and may result in more designations of hedged items for accounting purposes.

The Group and the Company are in the process of assessing the financial implications for adopting the new standard.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

MFRS 15 *Revenue from Contracts with Customers* ("MFRS 15")

MFRS 15 replaces all existing revenue requirements (MFRS 111 *Construction Contracts*, MFRS 118 *Revenue,* IC 13 *Customer Loyalty Programmes*, IC 15 *Agreements for the Construction of Real Estate*, IC 18 *Transfers of Assets from Customers* and IC 131 *Revenue - Barter Transactions Involving Advertising Services*) in MFRS and applies to all revenue arising from contracts with customers. It also provides a model for the recognition and measurement of sales of some non-financial assets including disposals of property, equipment and intangible assets.

The standard outlines the principles an entity must apply to measure and recognise revenue. The core principle is that an entity will recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group and the Company are in the process of assessing the financial implications for adopting the new standard.

(d) Subsidiaries and basis of consolidation

(i) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 January 2016. The financial statements of the Company's subsidiaries are prepared for the same reporting date as the Company, using consistent accounting policies for transactions and events in similar circumstances.

Subsidiaries are consolidated from the date of acquisition or the date of incorporation, being the date on which the Company obtains control and continue to be consolidated until the date that such control effectively ceases. The Group controls an investee if and only if, the Group has three elements of control as below:

(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 or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

(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.

All intra-group balances, income and expenses and any unrealised gains and losses arising from intra-group transactions are eliminated in full on consolidation.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and basis of consolidation (continued)

(i) Basis of consolidation (continued)

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.

(ii) Investment in subsidiaries

Subsidiaries are entities controlled by the Company, as defined in Note 2(d)(i).

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

(iii) 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, which is 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 as incurred and included in administrative expenses.

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 previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 139 *Financial Instruments: Recognition and Measurement* ("MFRS 139"), is measured at fair value with changes in fair value recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Investment in associates

An associate is an entity over 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.

The Group's investment in associates are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of the net assets of the associate since the acquisition date. 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.

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 for the same reporting date as the Group. 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 determines whether it is necessary to recognise an 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 of disposal) 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 any impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in profit or loss.

(f) 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 initial 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 and the Company recognise such parts as individual assets with specific useful lives and depreciate them accordingly. 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.

Freehold land has an unlimited useful life and therefore is not depreciated. Work-in-progress comprises the development of software are not depreciated until the development is completed and is available for use.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment (continued)

Depreciation of other property, plant and equipment is calculated on a straight-line basis over the estimated useful lives, at the following annual rates:

Building and office renovation	2% - 10%
Furniture and fittings and office equipment	10% - 20%
Computers	20% - 33%
Motor vehicles	20%

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

The residual values, useful lives and depreciation methods 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 when the asset is derecognised.

(g) Investment properties

Investment properties are properties which are owned or held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land and buildings under construction are not depreciated. Other investment properties are depreciated on a straight-line basis over the estimated useful lives, at the following annual rates:

Building	2%

The residual values, useful lives and depreciation methods are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds, if any and the net carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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

The Group and the Company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purpose of impairment testing, 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. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Impairment losses are recognised in profit or loss. 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 unit or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An 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. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

(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.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include loans and receivables and AFS financial assets. The Group and the Company do not have any financial assets at fair value through profit or loss or HTM investments.

(i) Loans and receivables

Non-derivative 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.

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

AFS financial assets are non-derivative financial assets that are designated as available-for-sale and are those that are not classified as held-for-trading ("HFT"), loans and receivables or designated at fair value through profit or loss.

After initial recognition, AFS financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income and AFS reserve, except for impairment losses, foreign exchange gains and losses arising from monetary items and interest income calculated using the effective interest method are recognised in profit or loss. On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Dividends on AFS financial assets are recognised in profit or loss when the Group and the Company have the right to receive payment.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets (continued)

(ii) Available-for-sale ("AFS") financial assets (continued)

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 when 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.

A regular way purchase or sale is purchase or sale of a financial asset that require delivery of the asset within the period established generally by regulation or convention in the marketplace concerned. All regular way purchases or 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 financial assets that would meet the definition of loans and receivables out of the 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. For a financial asset reclassified out of the AFS categories, any previous gain or loss on that asset that has been recognised in equity is amortised to the profit or loss over the remaining life of the asset using the effective interest method. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the effective interest method. If the asset is subsequently determined to be impaired, then the amount recorded in equity is recycled to the profit or loss.

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 31.

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

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 (unadjusted) market price 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Determination of fair value (continued)

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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 the lowest level input is significant to the fair value measurement is unobservable

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) 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 instruments. All financial liabilities are measured initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost, except in the case of financial liabilities designated at fair value through profit or loss.

The Group and the Company do not have any non-derivative financial liabilities designated at fair value through profit or loss. The Group's and the Company's financial liabilities include trade payables and other liabilities.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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. The difference between the carrying amount of the original financial liability and the consideration paid is recognised in profit or loss.

(m) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position if there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) 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.

The amount of impairment loss for unquoted equity securities is recognised in profit or loss and such impairment losses are not reversed subsequent to its recognition until actual cash is received or trigger originally established as an objective indicator of impairment is reversed.

(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 other comprehensive income to profit or loss.

Impairment losses on AFS equity investments are not reversed through 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 through 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, cash on hand and deposit placements with a maturity of less than two months held for the purpose of meeting short-term commitments, and are 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.

(p) Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when 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 in profit or loss.

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 benefits will be required to settle the obligation, the provision is reversed.

(q) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period 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 Employees 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.

(iii) Employees' share option scheme

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 equity compensation 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 equity compensation reserve is transferred to retained profits upon expiry of the share options. When the options are exercised, the equity compensation reserve is transferred to general reserve.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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) Advisory, arrangement and placement fees are recognised as and when services are performed.

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

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

Revenue of the Group and of the Company comprise interest income, gains or losses on disposal of investments, unit trust and fund management fees, advisory, arrangement and placement fees and dividend income.

(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 functional currency of the Company and its subsidiaries. All values are rounded to the nearest thousand (RM'000), unless otherwise stated.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency 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.

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.

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 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Foreign currencies (continued)

(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 at 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 between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

- when 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, when 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, the carry forward of unused tax credits and any 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Income tax (continued)

(ii) Deferred tax (continued)

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 re-assessed 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 recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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.

(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 be either distributed as share dividends or reissued by resale in the open market. Where treasury shares are distributed as share 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(3E) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) 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 29, including the factors used to identify the reportable segments and the measurement basis of segment information.

(x) 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) 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. The amount of impairment loss on investments is disclosed in Notes 4 and 23.

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

(ii) 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 entities 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.

(iii) Impairment loss of receivables and investments

Based on the Group's assessment, no allowance for impairment loss on receivables were necessary based on the Group's historical loss data.

At the end of the financial year, the Group assessed whether there were any indication that investments may be impaired. Upon indication of impairment, the Group has estimated the recoverable amount of the investments and provided an allowance for impairment loss.

3. CASH AND SHORT-TERM FUNDS

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash and balances with banks and other financial institutions	**3,657**	4,693	**725**	299
Money at call and deposit placements maturing within two months	**21,218**	79,743	**10,736**	63,519
Cash belonging to a fund managed by a subsidiary	**8**	68,097	**-**	-
	24,883	152,533	**11,461**	63,818

4. SECURITIES AVAILABLE-FOR-SALE

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At fair value				
Quoted shares	**8,121**	158,657	**2,938**	-
Unquoted shares	**12,788**	-	**12,788**	-
Unit trust fund units	**583**	37,959	**-**	8,405
	21,492	196,616	**15,726**	8,405
Less: Impairment losses on securities	**(4,165)**	(3,186)	**-**	-
	17,327	193,430	**15,726**	8,405

5. LOANS, ADVANCES AND FINANCING

	Group	
	2016	**2015**
	RM'000	**RM'000**
Term loans, representing gross loans, advances and financing	**60,279**	72,000
Less: Impairment allowances	**-**	-
Total net loans, advances and financing	**60,279**	72,000

5. LOANS, ADVANCES AND FINANCING (continued)

Analysis of gross loans, advances and financing

	Group	
	2016	**2015**
	RM'000	**RM'000**
(i) By economic purpose		
Investments	**20,231**	20,000
Working capital	**-**	20,000
Others	**40,048**	32,000
Gross loans, advances and financing	**60,279**	72,000
(ii) By interest rate sensitivity		
Fixed rate		
- Term loans	**60,279**	72,000
Gross loans, advances and financing	**60,279**	72,000
(iii) By type of customer		
Domestic business enterprises	**20,231**	40,000
Individuals	**40,048**	32,000
Gross loans, advances and financing	**60,279**	72,000
(iv) By residual contractual maturity		
Within one year	**60,279**	72,000
Gross loans, advances and financing	**60,279**	72,000

6. TRADE RECEIVABLES

	Group	
	2016	**2015**
	RM'000	**RM'000**
Amount owing by trustees	**6,222**	1,809

7. OTHER ASSETS

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Interest receivable	**59**	124	**52**	95
Deposits	**340**	419	**85**	8
Tax recoverable	**545**	460	**358**	335
Other receivables and prepayments	**611**	1,489	**390**	352
	1,555	2,492	**885**	790

None of the above amounts are past due or impaired.

8. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2016	2015
	RM'000	RM'000
Unquoted shares in subsidiaries, at cost	**538,057**	538,057
Less:		
Subsidiaries dissolved during the financial year	**-***	-
Redemption of units in Libra Strategic Opportunity Fund	**(164,793)**	-
	(164,793)	-
Less: Impairment losses		
Balance at beginning of financial year	**(315,100)**	(226,530)
Impaired during the financial year	**(41,227)**	(88,570)
Balance at end of financial year	**(356,327)**	(315,100)
Add/(less): Cost of share options movements in Libra Invest Berhad:		
Balance at beginning of financial year	**43**	44
Expired/lapsed during the financial year	**(1)**	(1)
Exercise of ESOS during the financial year	**(42)**	-
Balance at end of financial year	**-**	43
	16,937	223,000

* Denotes RM1.00.

8. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

The subsidiary companies are incorporated in Malaysia, unless otherwise stated and the details are as follows:

Name of Company	Effective Percentage of Ownership 2016 %	2015 %	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	Dormant. Submitted application to be struck off
ECM Libra Holdings Limited and its subsidiaries:	**100**	100	Investment holding
- ECML Ltd	**-**	100	Dissolved during the year
- ECM Libra Investments Limited (Incorporated in British Virgin Islands)	**100**	100	Investment holding
ECM Libra Capital Sdn. Bhd.	**100**	100	Dormant
ECM Libra Partners Sdn. Bhd.	**100**	100	Provision of credit services
ECM Libra Capital Markets Sdn. Bhd.	**100**	100	In Member's Voluntary Liquidation
Avenue Capital Resources Berhad	**-**	100	Dissolved effective from 8 March 2016
ECM Libra Securities Sdn. Bhd. and its subsidiaries:	**100**	100	In Member's Voluntary Liquidation
- ECM Libra Securities Nominees (Tempatan) Sdn. Bhd.	**-**	100	Dissolved during the year
- ECM Libra Securities Nominees (Asing) Sdn. Bhd.	**-**	100	Dissolved during the year
Name of Fund			
Libra Strategic Opportunity Fund	**100**	100	Investment activities

* On 18 February 2016, Avenue Asset Management Services (Labuan) Ltd. ("AAMS") has submitted its application to the Labuan Financial Services Authority ("LFSA") for the name of AAMS to be struck off from the register of LFSA. The striking off is expected to take effect after 18 October 2016.

9. INVESTMENT IN ASSOCIATED COMPANY

	Group and Company	
	2016	**2015**
	RM'000	**RM'000**
Unquoted shares, outside Malaysia	**-***	-*
Advances	**7,200**	7,200
	7,200	7,200

* Denotes RM9.00.

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

Details of the associated company are as follows:

Name of Company	Principal activity	Year end	Effective Percentage of Ownership 2016 %	Effective Percentage of Ownership 2015 %
Positive Carry Limited (Incorporated in British Virgin Islands)	Investment holding	31 December	**30**	30

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

	Group and Company	
	2016	**2015**
	RM'000	**RM'000**
Current assets	**7,204**	7,203
Current liabilities	**(42)**	(31)
Long-term liabilities	**(7,200)**	(7,200)
Net liabilities	**(38)**	(28)
Revenue	**-**	-
Expenses	**(4)**	(5)
Loss before taxation	**(4)**	(5)
Tax credit	**-**	-
Loss for the year	**(4)**	(5)

10. AMOUNTS OWING BY/(TO) SUBSIDIARY COMPANIES

	Company	
	2016	**2015**
	RM'000	**RM'000**
Amount owing by subsidiary companies	**57,060**	70,692
Amount owing to subsidiary companies	**-**	(20,865)

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% (2015: 5.44%) per annum for the financial year. Other amounts owing by/(to) subsidiary companies are interest free.

11. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2016	**2015**
	RM'000	**RM'000**
At beginning of financial year	**244**	(300)
Recognised in profit or loss (Note 24)		
- Relating to origination and reversal of temporary differences	**(24)**	135
- (Under)/over provision of deferred tax in prior years	**(39)**	111
	(63)	246
Recognised in equity	**114**	298
At end of financial year	**295**	244

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

	Company	
	2016	**2015**
	RM'000	**RM'000**
At beginning of financial year	**31**	(217)
Recognised in profit or loss (Note 24)		
- Relating to origination and reversal of temporary differences	**17**	(69)
- (Under)/over provision of deferred tax in prior years	**(30)**	19
	(13)	(50)
Recognised in equity	**114**	298
At end of financial year	**132**	31

All movements in deferred tax assets and liabilities 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 and movements of deferred tax assets and liabilities as at the end of financial year are as follows:

Group	**AFS revaluation reserve**	**Provisions***	**Other temporary difference****	**Net deferred tax assets/ (liabilities)**
	RM'000	**RM'000**	**RM'000**	**RM'000**
2016				
At beginning of financial year	**(48)**	**445**	**(153)**	**244**
Recognised in profit or loss	**-**	**(125)**	**62**	**(63)**
Recognised in equity	**114**	**-**	**-**	**114**
At end of financial year	**66**	**320**	**(91)**	**295**
2015				
At beginning of financial year	(346)	383	(337)	(300)
Recognised in profit or loss	-	62	184	246
Recognised in equity	298	-	-	298
At end of financial year	(48)	445	(153)	244

* Relates to deferred tax assets.
** Relates to deferred tax liabilities.

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

Company	AFS revaluation reserve	Provisions*	Other temporary difference**	Net deferred tax assets/ (liabilities)
	RM'000	RM'000	RM'000	RM'000
2016				
At beginning of financial year	**(47)**	**108**	**(30)**	**31**
Recognised in profit or loss	**-**	**5**	**(18)**	**(13)**
Recognised in equity	**114**	**-**	**-**	**114**
At end of financial year	**67**	**113**	**(48)**	**132**
2015				
At beginning of financial year	(345)	149	(21)	(217)
Recognised in profit or loss	-	(41)	(9)	(50)
Recognised in equity	298	-	-	298
At end of financial year	(47)	108	(30)	31

* Relates to deferred tax assets.
** Relates to deferred tax liabilities.

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

	Group	
	2016	2015
	RM'000	RM'000
Unused tax losses	**27,955**	27,955
Unutilised capital allowances	**180**	187
	28,135	28,142

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.

Unused tax losses of RM23,663,000 and unutilised capital allowances of RM25,000 will not be available for offsetting against future taxable profits as they belong to two subsidiaries which have commenced Member's Voluntary Liquidation in the previous financial year and the process is still on-going (Note 8). The balance of unused tax losses of RM4,292,000 and unutilised capital allowances of RM155,000 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.

12. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and building and office renovation	Furniture and fittings and office equipment	Computers	Motor vehicles	Work-in progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost						
At 1 February 2015	**25,424**	**1,799**	**3,513**	**1,109**	**-**	**31,845**
Additions	**24**	**35**	**118**	**1,153**	**905**	**2,235**
Disposals	**-**	**-**	**-**	**(1,094)**	**-**	**(1,094)**
At 31 January 2016	**25,448**	**1,834**	**3,631**	**1,168**	**905**	**32,986**
Accumulated depreciation						
At 1 February 2015	**3,367**	**810**	**3,002**	**910**	**-**	**8,089**
Charge during the year (Note 21)	**734**	**147**	**396**	**224**	**-**	**1,501**
Disposals	**-**	**-**	**-**	**(908)**	**-**	**(908)**
At 31 January 2016	**4,101**	**957**	**3,398**	**226**	**-**	**8,682**
Net carrying amount						
At 31 January 2016	**21,347**	**877**	**233**	**942**	**905**	**24,304**
Cost						
At 1 February 2014	25,241	1,771	3,492	1,725	-	32,229
Additions	183	28	21	-	-	232
Disposals	-	-	-	(616)	-	(616)
At 31 January 2015	25,424	1,799	3,513	1,109	-	31,845
Accumulated depreciation						
At 1 February 2014	2,644	652	2,565	1,242	-	7,103
Charge during the year (Note 21)	723	158	437	284	-	1,602
Disposals	-	-	-	(616)	-	(616)
At 31 January 2015	3,367	810	3,002	910	-	8,089
Net carrying amount						
At 31 January 2015	22,057	989	511	199	-	23,756

12. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Freehold land and building and office renovation	Furniture and fittings and office equipment	Computers	Motor vehicles	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Cost					
At 1 February 2015	**28,509**	**277**	**35**	**1,094**	**29,915**
Additions	**24**	**14**	**-**	**1,153**	**1,191**
Disposals	**-**	**-**	**-**	**(1,094)**	**(1,094)**
At 31 January 2016	**28,533**	**291**	**35**	**1,153**	**30,012**
Accumulated depreciation					
At 1 February 2015	**3,343**	**65**	**20**	**895**	**4,323**
Charge during the year (Note 21)	**661**	**34**	**5**	**224**	**924**
Disposals	**-**	**-**	**-**	**(908)**	**(908)**
At 31 January 2016	**4,004**	**99**	**25**	**211**	**4,339**
Net carrying amount					
At 31 January 2016	**24,529**	**192**	**10**	**942**	**25,673**
Cost					
At 1 February 2014	28,362	252	26	1,710	30,350
Additions	147	25	9	-	181
Disposals	-	-	-	(616)	(616)
At 31 January 2015	28,509	277	35	1,094	29,915
Accumulated depreciation					
At 1 February 2014	2,691	31	16	1,227	3,965
Charge during the year (Note 21)	652	34	4	284	974
Disposals	-	-	-	(616)	(616)
At 31 January 2015	3,343	65	20	895	4,323
Net carrying amount					
At 31 January 2015	25,166	212	15	199	25,592

13. INVESTMENT PROPERTY

Group and Company	Freehold land and building	Total
	RM'000	RM'000
Cost		
At 1 February 2015	**-**	-
Additions	**4,032**	4,032
At 31 January 2016	**4,032**	4,032
Accumulated depreciation		
At 1 February 2015	**-**	-
Charge during the year (Note 21)	**2**	2
At 31 January 2016	**2**	2
Net carrying amount		
At 31 January 2016	**4,030**	4,030

The fair value of the vacant investment property as at 31 January 2016 was RM4,030,000. The fair value is categorised as Level 3 in the fair value hierarchy and is estimated using unobservable inputs. The Directors of the Company are of the opinion that the fair value of investment property as at reporting date approximate the carrying amount as shown in the statements of financial position in view that the purchase of the investment property was concluded in December 2015, the value is still of current market value.

14. TRADE PAYABLES

	Group	
	2016	2015
	RM'000	RM'000
Amount owing to trustees	**334**	1,055

15. OTHER LIABILITIES

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Accruals and other payables	**7,369**	3,159	**641**	1,025
Deposits received	**706**	711	**706**	711
	8,075	3,870	**1,347**	1,736

16. SHARE CAPITAL

		Number of ordinary shares of RM1.00# each		Amount	
Group and Company	**Note**	**2016**	**2015**	**2016**	**2015**
		units '000	**units '000**	**RM'000**	**RM'000**
Authorised:					
At beginning of financial year		**1,500,000**	1,500,000	**1,500,000**	1,500,000
At end of financial year		**12,500,000**	1,500,000	**1,500,000**	1,500,000
Issued and fully paid-up:					
At beginning of financial year		**268,222**	268,222	**268,222**	268,222
Issued under ESOS	(a)	**19,842**	-	**19,842**	-
Treasury shares cancelled pursuant to Section 67A	(b)	**(1,472)**	-	**(1,472)**	-
Capital reduction	(c)	**-**	-	**(252,201)**	-
At end of financial year		**286,592**	268,222	**34,391**	268,222

On 20 August 2015, shareholders approved the proposed capital reduction by way of cancellation of RM0.88 from the par value of each existing ordinary share of RM1.00 each pursuant to Section 64 of the Companies Act, 1965 ("Proposed Capital Reduction"). On 28 October 2015, the High Court of Malaya granted the order confirming the Proposed Capital Reduction. The capital reduction was effected on 19 November 2015. Consequently, the par value of each ordinary share was reduced from RM1.00 to RM0.12 each with effect from 19 November 2015.

16. SHARE CAPITAL (continued)

(a) ESOS

The Company's ESOS was 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 was 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.

	Number of share options	
	2016	**2015**
	units '000	**units '000**
At 1 February 2015/2014	**19,848**	19,245
Granted	**-**	606
Exercised	**(19,842)**	-
Expired/lapsed	**(6)**	(3)
At 31 January 2016/2015	**-**	19,848
Exercisable as at 31 January 2016/2015	**-**	19,848
Exercise price	**RM1.00**	RM1.00

The ESOS expired on 30 November 2015. Consequently, the 5,700 share options that were not exercised have since expired and became null and void.

The aggregate number of options granted to the directors at the beginning of financial year was 19,592,000. No option was granted during 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 is 49%. 19,592,000 options were fully exercised by the directors during the financial year.

16. SHARE CAPITAL (continued)

(b) Treasury shares

At an Extraordinary General Meeting held on 9 February 2015, the shareholders of the Company had approved the ordinary resolution to grant authority for the Company to buy-back its own shares. In February 2015, the Company has bought back 1,471,900 units of its issued ordinary shares of RM1.00 each ("ECM Shares") from the open market. The total consideration paid for the 1,471,900 ECM Shares including transaction costs was RM1,592,894 or an average price of RM1.0822 per ECM Share and was financed by internally generated funds. The ECM Shares bought back were held as treasury shares in accordance with Section 67A(3A)(b) of the Companies Act, 1965.

On 11 September 2015, the 1,471,900 treasury shares held at a carrying amount of RM1,592,894 were cancelled. The amount of RM1,471,900 which the issued share capital was diminished was transferred to the capital redemption reserve in accordance with the requirements of Section 67A(3E) of the Companies Act, 1965. The issued share capital after cancellation of treasury shares diminished from 288,064,391 ordinary shares of RM1.00 each to 286,592,491 ordinary shares of RM1.00 each. The carrying amount of the treasury shares cancelled was set off against retained profits.

As at 31 January 2016, the Company did not hold any treasury shares.

(c) Distribution Exercise involving capital reduction

During the financial year, the Company has undertaken a distribution exercise to shareholders by way of a capital repayment and special dividend; being satisfied by a combination of cash distribution component of RM0.62 per ordinary share of RM1.00 par value each in the Company ("ECM Shares") and a distribution-in-specie component of two stock units in Eastern & Oriental Berhad ("E&O"), a company listed on the Main Market of Bursa Malaysia Securities Berhad, for every nine ECM Shares and two E&O warrants for every fifteen ECM Shares held by shareholders ("Distribution Exercise").

The capital repayment was via a capital reduction by cancellation of RM0.88 from the par value of each existing ordinary share of RM1.00 each pursuant to Section 64 of the Companies Act, 1965. The capital reduction was effected on 19 November 2015 and the total issued and paid-up share capital of the Company was reduced by RM252,201,392 from RM286,592,491 to RM34,391,099 based on the total issued and paid-up share capital of 286,592,491 ordinary shares after taking into account the cancellation of 1,471,900 treasury shares and the issuance of 19,842,300 ordinary shares of RM1.00 par value each pursuant to the exercise of options under the Company's Employees' Share Option Scheme ("ESOS"). After the capital reduction, the paid-up share capital of RM34,391,099 comprised 286,592,491 ordinary shares of par value RM0.12 each.

The total value of the distribution to shareholders amounted to RM286 million or equivalent to RM0.997 for each ordinary share of RM1.00 par value, comprising a capital repayment of RM0.88 and special dividend of RM0.117 per share. The distribution-in-specie component of the Distribution Exercise was valued at RM108 million based on the last trading prices of RM1.57 for each E&O stock unit and RM0.21 for each E&O warrant as at the entitlement date of 24 November 2015. The cash component amounted to RM178 million. The Distribution Exercise was completed on 7 December 2015.

17. RESERVES

	Note	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Non-distributable:					
Foreign currency translation deficit	(a)	**(1,141)**	(4,816)	**-**	-
Equity compensation reserve	(b)	**-**	2,789	**-**	2,789
AFS revaluation (deficit)/reserve	(c)	**(397)**	58,116	**(215)**	147
General reserve		**2,788**	159	**2,746**	-
Capital redemption reserve		**3,555**	2,083	**3,555**	2,083
Distributable:					
Retained profits	(d)	**98,139**	121,894	**96,983**	103,659
		102,944	180,225	**103,069**	108,678

(a) Foreign currency translation deficit comprises foreign currency translation losses arising from the translation of the financial statements of foreign operations.

(b) Equity compensation reserve arose from the granting of share options to Directors of the Company and employees of the Group. Upon exercise of ESOS, the equity compensation reserve was transferred to general reserve.

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

(d) The Company may distribute dividends out of its entire retained profits under the single-tier system.

18. INTEREST INCOME

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Loans, advances and financing	**5,378**	4,222	**-**	-
Short-term funds and deposits with financial institutions	**3,614**	2,362	**871**	314
Securities held-to-maturity	**-**	2,054	**-**	2,054
Amount owing from a subsidiary	**-**	-	**3,808**	3,056
	8,992	8,638	**4,679**	5,424

19. NON-INTEREST INCOME

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Fee income				
- Fees on loans, advances and financing	-	576	-	576
- Portfolio management fees	**11,824**	12,530	-	-
- Other fee income	**464**	1,343	**464**	550
	12,288	14,449	**464**	1,126
Investment and trading income				
Net gain arising from securities HFT				
- Realised gain on disposal	-	9,846	-	-
	-	9,846	-	-
Net gain arising from securities AFS				
- Net gain on disposal	**491**	4,437	**491**	4,437
- Income distribution from unit trust fund	**828**	242	**822**	242
	1,319	4,679	**1,313**	4,679
Net loss arising from derivatives				
- Realised loss on disposal	-	(9,846)	-	-
	-	(9,846)	-	-
Income generated by a fund managed by a subsidiary				
Net gain arising from securities AFS				
- Net gain on disposal	**13,999**	19,317	-	-
- Dividend income	**63**	1,544	-	-
	14,062	20,861	-	-
Total non-interest income	**27,669**	39,989	**1,777**	5,805

20. OTHER NON-OPERATING (LOSS)/INCOME

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Rental income	**1,389**	1,369	**1,796**	1,886
Gain on disposal of property, plant and equipment	**169**	-	**169**	-
Gain/(loss) on foreign currency translation	**681**	(108)	**-**	-
Foreign currency translation reserve losses reclassified to profit or loss upon liquidation of subsidiary	**(3,762)**	-	**-**	-
Gain on liquidation of subsidiary	**182**	-	**185**	-
Others	**53**	274	**23**	274
	(1,288)	1,535	**2,173**	2,160

21. OPERATING EXPENSES

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Personnel expenses				
Salaries, allowances and bonus	**8,639**	8,330	**1,980**	1,825
Defined contribution plan	**1,039**	940	**241**	228
Cost arising from ESOS	**-**	52	**-**	53
Other personnel costs	**1,178**	945	**481**	389
	10,856	10,267	**2,702**	2,495
Establishment costs				
Depreciation of property, plant and equipment (Note 12)	**1,501**	1,602	**924**	974
Depreciation of investment property (Note 13)	**2**	-	**2**	-
Rental of premises	**141**	151	**-**	-
Other establishment costs	**47**	59	**-**	-
	1,691	1,812	**926**	974

21. OPERATING EXPENSES (continued)

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Marketing and communication expenses				
Advertising expenses	**80**	43	**18**	8
Entertainment	**59**	63	**40**	27
Other marketing expenses	**1,282**	1,540	**-**	-
	1,421	1,646	**58**	35
Administrative and general expenses				
Auditors' remuneration				
- statutory audit	**103**	111	**48**	48
- regulatory-related services	**5**	5	**5**	5
- other services	**58**	121	**30**	-
Building maintenance expenses	**1,016**	924	**1,016**	924
Electricity and water charges	**75**	79	**-**	-
Insurance, postages and courier	**148**	145	**93**	82
Legal and professional fees	**1,092**	301	**634**	82
Printing and stationeries	**136**	110	**83**	49
Rental of network and telecommunication expenses	**156**	203	**60**	91
Travelling and accommodation	**209**	116	**54**	69
Others	**1,149**	1,457	**499**	765
	4,147	3,572	**2,522**	2,115
Total operating expenses	**18,115**	17,297	**6,208**	5,619

Included in the operating expenses are Directors' remuneration of RM829,000 (2015: RM369,000) of the Group and RM773,000 (2015: RM313,000) of the Company.

22. DIRECTORS' REMUNERATION

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Executive Director:				
Short-term employee benefits	**392**	-	**392**	-
Defined contribution plan	**59**	-	**59**	-
	451	-	**451**	-
Non-executive Directors:				
Fees	**290**	308	**250**	268
Other remuneration	**88**	61	**72**	45
	378	369	**322**	313
Total	**829**	369	**773**	313

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

	Number of Directors	
	2016	2015
Executive Director:		
Below RM500,001	**1***	-
Non-executive Directors:		
Below RM50,001	**1**	2
RM50,001 to RM100,000	**4**	4

* During the year, a Non-executive Director was re-designated as Executive Director.

23. IMPAIRMENT LOSSES ON SECURITIES

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Securities AFS:				
- Impairment losses made during the financial year	**4,165**	3,186	**-**	-

24. INCOME TAX EXPENSE

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:				
- Current year's provision	**1,814**	1,683	**1,350**	979
- Under/(over) provision of tax in prior years	**39**	12	**23**	(83)
	1,853	1,695	**1,373**	896
Deferred taxation (Note 11):				
- Relating to origination and reversal of temporary differences	**24**	(135)	**(17)**	69
- Under/(over) provision of deferred tax in prior years	**39**	(111)	**30**	(19)
	63	(246)	**13**	50
	1,916	1,449	**1,386**	946

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	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit before tax	**13,093**	29,679	**29,802**	7,770
Tax at Malaysian statutory rate of 24% (2015: 25%)	**3,142**	7,420	**7,152**	1,943
Tax effects of:				
Non-allowable expenses	**3,089**	1,276	**11,047**	214
Non-taxable income	**(4,393)**	(7,148)	**(16,866)**	(1,109)
Under/(over) provision in prior years				
- tax expenses	**39**	12	**23**	(83)
- deferred tax	**39**	(111)	**30**	(19)
	1,916	1,449	**1,386**	946

25. EARNINGS PER ORDINARY SHARE ("EPS")

(a) Basic EPS

The basic EPS is calculated by dividing the Group's profit for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2016	**2015**
Profit for the year attributable to owners of the Company (RM'000)	**11,177**	28,230
Weighted average number of ordinary shares in issue (units '000)	**275,462**	268,222
Basic EPS (sen)	**4.06**	10.52

(b) Diluted EPS

The diluted EPS is calculated by dividing the Group's profit for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year, taking into account the outstanding options under the ESOS.

	Group	
	2016	**2015**
Profit for the year attributable to owners of the Company (RM'000)	**11,177**	28,230
Weighted average number of ordinary shares in issue (units '000)	**275,462**	268,222
Effect of options if exercised under ESOS (units '000)	**11,178**	19,645
	286,640	287,867
Diluted EPS (sen)	**3.90**	9.81

26. DIVIDENDS

Since the last financial year ended 31 January 2015, a special dividend of RM0.117 per ordinary share was paid on 7 December 2015 pursuant to the Distribution Exercise. The total special dividend paid amounted to RM33,499,348.

The Directors do not recommend the payment of any further dividend for the financial year ended 31 January 2016.

27. COMMITMENTS

	Group 2016 RM'000	Group 2015 RM'000
Approved and contracted for:		
Purchase of property, plant and equipment	**413**	382

28. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related parties and relationships

The related parties of, and their relationships (other than those disclosed in Note 8 and Note 9 to the financial statements) with the Group and the Company are as follows:

Related parties	Relationships
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 dependents of key management personnel and entities that are controlled or significantly influenced by, or for which significant voting power in such entities reside with, directly, or indirectly by key management personnel or its close family members.

(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	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Income				
Interest income from a subsidiary	**-**	-	**3,808**	3,056
Rental income from:				
- related parties	**142**	129	**142**	129
- a subsidiary	**-**	-	**407**	517
Dividend income from a subsidiary	**-**	-	**27,326**	-
Management fee received from Directors	**29**	22	**-**	-
Loyalty programme expenses charged by a related party	**11**	-	**-**	-

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

28. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel

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

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Fees and meeting allowances	**378**	369	**322**	313
Short-term employee benefits	**2,748**	3,107	**1,364**	1,351
Defined contribution plan	**403**	453	**204**	203
Share-based payment	**-**	53	**-**	53
	3,529	3,982	**1,890**	1,920

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

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors' remuneration (Note 22)	**829**	369	**773**	313

29. 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.

29. SEGMENTAL REPORTING (continued)

Business segments (continued)

Group	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
2016						
Revenue from external customers	**2,594**	**12,120**	**16,104**	**5,843**	**-**	**36,661**
Inter-segment revenue	**-**	**177**	**-**	**-**	**(177)**	**-**
	2,594	**12,297**	**16,104**	**5,843**	**(177)**	**36,661**
Interest income	**1,277**	**296**	**2,041**	**5,378**	**-**	**8,992**
Non-interest income	**1,317**	**12,001**	**14,063**	**465**	**(177)**	**27,669**
Other non-operating (loss)/income	**(1,854)**	**30**	**536**	**-**	**-**	**(1,288)**
Gross income	**740**	**12,327**	**16,640**	**5,843**	**(177)**	**35,373**
Operating expenses	**(6,156)**	**(11,689)**	**(369)**	**(78)**	**177**	**(18,115)**
Operating (loss)/profit	**(5,416)**	**638**	**16,271**	**5,765**	**-**	**17,258**
Impairment losses on securities	**(206)**	**-**	**(3,959)**	**-**	**-**	**(4,165)**
(Loss)/profit before tax	**(5,622)**	**638**	**12,312**	**5,765**	**-**	**13,093**
Segment assets	**56,646**	**21,114**	**803**	**60,332**	**-**	**138,895**
Investment in associated company						**7,200**
Total assets						**146,095**
Total liabilities	**1,866**	**6,804**	**23**	**67**	**-**	**8,760**

29. SEGMENTAL REPORTING (continued)

Business segments (continued)

Group	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
2015						
Revenue from external customers	7,845	12,768	22,448	5,566	-	48,627
Inter-segment revenue	-	238	-	-	(238)	-
	7,845	13,006	22,448	5,566	(238)	48,627
Interest income	2,590	238	1,588	4,222	-	8,638
Non-interest income	5,255	12,768	20,860	1,344	(238)	39,989
Other non-operating income/(loss)	1,583	(48)	-	-	-	1,535
Gross income	9,428	12,958	22,448	5,566	(238)	50,162
Operating expenses	(5,690)	(11,363)	(432)	(50)	238	(17,297)
Operating profit	3,738	1,595	22,016	5,516	-	32,865
Impairment losses on securities	(3,186)	-	-	-	-	(3,186)
Profit before tax	552	1,595	22,016	5,516	-	29,679
Segment assets	103,977	16,845	252,717	72,725	-	446,264
Investment in associated company						7,200
Total assets						453,464
Total liabilities	2,044	2,949	18	6	-	5,017

30. 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's 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 customer. 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 customers, types of facilities and collaterals offered. The credit approving authority has the responsibility to ensure that credit risk is properly assessed and all crucial credit information of the customers, types of facilities 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 supports.

(iii) Placements with licensed financial institutions

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

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(b) Credit quality of gross loans, advances and financing

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

Gross loans, advances and financing are analysed as follows:

	Group	
	2016	**2015**
	RM'000	**RM'000**
Neither past due nor impaired	**60,279**	72,000

(i) Loans, advances and financing that are "neither past due nor impaired"

Analysis of gross loans, advances and financing are disclosed in Note 5.

(ii) Loans, advances and financing that are "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 2016/2015, there were no loans which are past due but not impaired.

(iii) Impaired loans, advances and financing

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 assessment;

(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 2016/2015, there were no impaired loans.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

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

(iv) Rescheduled/restructured loans, advances and financing

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

As at 31 January 2016/2015, there were no rescheduled/restructured loans.

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

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 statements of financial position. As at 31 January 2016/2015, there was no repossessed collateral.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(c) Credit quality of financial assets

The table below presents analysis on financial assets, based on ratings from external credit ratings agencies:

Group	Cash and short-term funds* At amortised cost	Loans, advances and financing At amortised cost	Trade receivables At amortised cost	Securities AFS At fair value	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
2016					
AAA	**3,662**	**-**	**-**	**-**	**3,662**
AA+ to AA-	**1**	**-**	**-**	**-**	**1**
A+ to A-	**21,218**	**-**	**-**	**-**	**21,218**
Not rated	**2**	**60,279**	**6,222**	**17,327**	**83,830**
	24,883	**60,279**	**6,222**	**17,327**	**108,711**
2015					
AAA	24,658	-	-	-	24,658
AA+ to AA-	47,711	-	-	-	47,711
A+ to A-	80,162	-	-	-	80,162
Not rated	2	72,000	1,809	193,430	267,241
	152,533	72,000	1,809	193,430	419,772

* Comprises money at call and deposits placed.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(c) Credit quality of financial assets (continued)

Company	Cash and short-term funds* At amortised cost	Loans, advances and financing At amortised cost	Securities AFS At fair value	Total
	RM'000	RM'000	RM'000	RM'000
2016				
AAA	**724**	**-**	**-**	**724**
AA+ to AA-	**-**	**-**	**-**	**-**
A+ to A-	**10,736**	**-**	**-**	**10,736**
Not rated	**1**	**57,060**	**15,726**	**72,787**
	11,461	**57,060**	**15,726**	**84,247**
2015				
AAA	297	-	-	297
AA+ to AA-	-	-	-	-
A+ to A-	63,520	-	-	63,520
Not rated	1	70,692	8,405	79,098
	63,818	70,692	8,405	142,915

* Comprises 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 institutions issuing the financial instruments.

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.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

(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.

A 10% (2015: 10%) strengthening in FTSE Bursa Malaysia KLCI ("FBMKLCI") at the end of the reporting period with all other variables held constant and assuming the Group's equity investments moved in correlation with the FBMKLCI, would have increased the Group's equity by RM396,000 (2015: RM18,503,000) for equity investments classified as AFS. A 10% (2015: 10%) weakening in FBMKLCI would have had an equal but opposite effect on equity.

(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's and the Company's exposure to IRR is mainly confined to short-term placements with financial institutions. The Group and the Company mitigate IRR exposure by way of maintaining deposits on short-term basis. The Company is also exposed to IRR through loans to a subsidiary.

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's and the Company's profit after tax and equity:

	Group		**Company**	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Increase in profit after tax	**40**	150	**129**	251

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 flows 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 flows.

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.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Group	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	Total RM'000
2016							
Trade payables	**334**	**-**	**-**	**-**	**-**	**-**	**334**
Accruals and other payables	**5,257**	**349**	**1,033**	**564**	**517**	**-**	**7,720**
Deposits received	**-**	**-**	**-**	**-**	**-**	**706**	**706**
Total liabilities	**5,591**	**349**	**1,033**	**564**	**517**	**706**	**8,760**
Total off-balance sheet items	**-**	**-**	**-**	**-**	**413**	**-**	**413**
Total liabilities and off-balance sheet items	**5,591**	**349**	**1,033**	**564**	**930**	**706**	**9,173**
2015							
Trade payables	1,055	-	-	-	-	-	1,055
Accruals and other payables	48	421	416	1,883	437	46	3,251
Deposits received	-	-	-	-	-	711	711
Total liabilities	1,103	421	416	1,883	437	757	5,017
Total off-balance sheet items	-	-	-	-	382	-	382
Total liabilities and off-balance sheet items	1,103	421	416	1,883	819	757	5,399

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Company	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	Total RM'000
2016							
Accruals and other payables	-	111	174	356	297	-	938
Deposits received	-	-	-	-	-	706	706
Total liabilities	-	111	174	356	297	706	1,644
Total off-balance sheet items	-	-	-	-	-	-	-
Total liabilities and off-balance sheet items	-	111	174	356	297	706	1,644
2015							
Accruals and other payables	-	376	173	413	90	-	1,052
Deposits received	-	-	-	-	-	711	711
Total liabilities	-	376	173	413	90	711	1,763
Total off-balance sheet items	-	-	-	-	-	-	-
Total liabilities and off-balance sheet items	-	376	173	413	90	711	1,763

31. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

This note provides information on fair value measurement 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.

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

(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.

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

(b) Valuation techniques

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

Loans and financing

The fair values of the Group's and the Company's loans and financing are derived using discounted cash flows analysis.

AFS financial assets

Generally, the fair values of AFS financial assets 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 assets measured at fair value is summarised in the table below:

Group	**Level 1**	**Level 2**	**Level 3**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**
2016				
AFS financial assets				
- Non-money market instruments	**3,713**	**583**	**13,031**	**17,327**
Total financial assets measured at fair value	**3,713**	**583**	**13,031**	**17,327**
2015				
AFS financial assets				
- Non-money market instruments	155,058	37,959	413	193,430
Total financial assets measured at fair value	155,058	37,959	413	193,430

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

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

Company	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2016				
AFS financial assets				
- Non-money market instruments	**2,938**	**-**	**12,788**	**15,726**
Total financial assets measured at fair value	**2,938**	**-**	**12,788**	**15,726**
2015				
AFS financial assets				
- Non-money market instruments	-	8,405	-	8,405
Total financial assets measured at fair value	-	8,405	-	8,405

(d) Movements of Level 3 instruments

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
At 1 February 2015/2014	**413**	3,512	**-**	-
Purchases	**12,788**	-	**12,788**	-
Impairment losses recognised in profit or loss	**(206)**	(3,186)	**-**	-
Exchange differences	**36**	87	**-**	-
At 31 January 2016/2015	**13,031**	413	**12,788**	-

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

Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets and financial liabilities in Level 3 of the fair value hierarchy.

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

(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 subsidiary companies, investment in associated company, property, plant and equipment, provision for current and deferred taxation and investment property.

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 and financial liabilities as at reporting date approximate their carrying amounts as shown in the statements of financial position due to the short-term maturity of these financial instruments or the effect of discounting is not significant.

32. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or buy-back shares from the open market to be held as treasury shares and cancellation of treasury shares.

33. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 24 February 2016, the Company ("ECM") announced that the Board has received a Notification of Potential Mandatory General Offer from Mr Lim Kian Onn. The Board was informed that a conditional Share Sale Agreement ("Agreement") has been executed on 23 February 2016 between Amcorp Group Berhad, Hikkaya Jaya Sdn Bhd, Arab-Malaysian (CSL) Sdn Bhd and Equity Vision Sdn Bhd as vendors ("Vendors") and Truesource Sdn Bhd as purchaser ("Purchaser") with respect to 74,194,973 ordinary shares in ECM ("Sale Shares"). The Purchaser is a subsidiary of Plato Capital Limited.

Mr Lim Kian Onn is a director and substantial shareholder of both ECM and Plato Capital Limited.

The Board was informed that under the Agreement, there are conditions precedent which are required to be satisfied in order for the Purchaser to complete the sale and purchase of the Sale Shares. Pursuant to the Malaysian Code on Take-Overs and Mergers, 2010, the Purchaser and/or parties acting in concert will be obliged to undertake a mandatory general offer ("MGO") to acquire all the remaining shares in ECM not already owned by the Purchaser and parties acting in concert when the Agreement becomes unconditional. Mr Lim Kian Onn has informed that upon the Agreement becoming unconditional, he will undertake the MGO in accordance with the provisions of the Malaysian Code on Take-Overs and Mergers, 2010.

33. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD (continued)

On 25 February 2016, ECM announced further information received pertaining to the Notification of Potential MGO as follows:

(i) The purchase consideration is RM0.37 per share for the 74,194,973 ordinary shares of par value RM0.12 each in ECM to be purchased by Truesource Sdn Bhd, a 100% owned subsidiary of Plato Capital Limited.

(ii) The conditions precedent of the Agreement dated 23 February 2016 include the following:

(a) resolutions being passed at a general meeting of Plato Capital Limited approving (i) the issuance of redeemable convertible unsecured loan stocks ("RCULS") of an aggregate value up to SGD10,000,000.00 to Mr Lim Kian Onn to raise proceeds to enable Truesource Sdn Bhd to satisfy the purchase consideration; and (ii) the transaction on the terms and conditions contained in the Agreement; and

(b) all regulatory approvals being obtained for issuance of the RCULS by Plato Capital Limited.

It is envisaged that the conditions precedent set out in the Agreement would be fulfilled by 31 May 2016 and there is no financial impact to the financial position of the Company.

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

The breakdown of the retained profits of the Group and of the Company as at 31 January 2016/2015 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	
	2016	**2015**	**2016**	**2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total retained profits of the Group and its subsidiaries				
- Realised	**152,495**	142,760	**96,919**	104,029
- Unrealised	**169**	(1,508)	**64**	(370)
	152,664	141,252	**96,983**	103,659
Add: Consolidation adjustments	**(54,525)**	(19,358)	**-**	-
Retained profits as per financial statements	**98,139**	121,894	**96,983**	103,659

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 2016 was RM63,000.

3. SANCTIONS/PENALTIES

On 15 December 2015, the Securities Commission Malaysia imposed a fine of RM7,000 on Libra Invest Berhad in respect of breach of the Capital Markets and Services Act 2007 read together with the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework in connection with a delay in submitting statistical returns.

4. ANALYSIS OF SHAREHOLDERS AS AT 31 MARCH 2016

Authorised share capital	:	RM1,500,000,000 divided into 12,500,000,000 ordinary shares of RM0.12 each
Issued & paid-up capital	:	RM34,391,098.92 divided into 286,592,491 ordinary shares of RM0.12 each
Class of shares	:	Ordinary shares of RM0.12 each
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	5,505	37.31	164,082	0.06
100 – 1,000	4,735	32.09	1,887,291	0.66
1,001 – 10,000	3,638	24.65	11,683,329	4.08
10,001 – 100,000	765	5.18	21,097,421	7.36
100,001 – less than 5% of issued shares	109	0.74	81,973,246	28.60
5% and above of issued shares	5	0.03	169,787,122	59.24
Total	14,757	100.00	286,592,491	100.00

4. ANALYSIS OF SHAREHOLDERS AS AT 31 MARCH 2016 (continued)

Thirty Largest Shareholders:

	Name of shareholders	Number of shares	%
1.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Kian Onn	55,361,226	19.32
2.	Amsec Nominees (Tempatan) Sdn Bhd - Fulcrum Asset Management Sdn Bhd for Equity Vision Sdn Bhd	43,506,036	15.18
3.	HSBC Nominees (Asing) Sdn Bhd - exempt an for Bank Julius Baer & Co. Ltd	33,362,046	11.64
4.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account – AmBank (M) Berhad for Kalimullah bin Masheerul Hassan	21,043,640	7.34
5.	Hikkaya Jaya Sdn Bhd	16,514,174	5.76
6.	Lim Kian Onn	13,037,893	4.55
7.	Amcorp Group Berhad	9,777,230	3.41
8.	Arab-Malaysian (CSL) Sdn Bhd	4,397,533	1.53
9.	HSBC Nominees (Asing) Sdn Bhd - exempt an for J.P. Morgan Bank Luxembourg S.A.	4,000,000	1.40
10.	Kenanga Nominees (Tempatan) Sdn Bhd - Libra Invest Berhad for ECM Libra Foundation	3,699,255	1.29
11.	Cimsec Nominees (Tempatan) Sdn Bhd - exempt an for CIMB Securities (Singapore) Pte Ltd	3,675,012	1.28
12.	Lim Su Tong @ Lim Chee Tong	3,636,270	1.27
13.	Yu Kok Ann	3,238,800	1.13
14.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Siew Lean	2,350,000	0.82
15.	Soo Ngik Gee @ Soo Yeh Joo	2,244,795	0.78
16.	Sumberama Sdn Bhd	2,000,000	0.70
17.	Citigroup Nominees (Asing) Sdn Bhd - CBNY for Dimensional Emerging Markets Value Fund	1,957,522	0.68
18.	Quek Siow Leng	1,437,163	0.50
19.	Teo Kwee Hock	1,233,200	0.43
20.	Tan Kim Kee @ Tan Kee	1,181,212	0.41
21.	Kalimullah bin Masheerul Hassan	813,000	0.28
22.	Citigroup Nominees (Tempatan) Sdn Bhd - exempt an for OCBC Securities Private Limited	709,339	0.25
23.	Citigroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Leong Chin Chye	650,000	0.23

4. ANALYSIS OF SHAREHOLDERS AS AT 31 MARCH 2016 (continued)

Thirty Largest Shareholders: (continued)

Name of shareholders	Number of shares	%
24. Cimsec Nominees (Tempatan) Sdn Bhd - CIMB Bank for Goalkey System Sdn Bhd	605,000	0.21
25. Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ritz Crest Sdn Bhd	581,600	0.20
26. Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Chin Kiam Hsung	568,854	0.20
27. Tan Swan Po @ Dolly Tan	554,933	0.19
28. Chin Kian Fong	516,100	0.18
29. AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tee Chee Chiang	501,021	0.17
30. Lee Sek Tah	500,021	0.17

Note: The analysis of shareholders is based on the Record of Depositors of the Company as at 31 March 2016 and does not take into account shares transacted but pending settlement through Bursa Malaysia Securities Berhad.

Substantial Shareholders as per Register of Substantial Shareholders of the Company as at 31 March 2016:

	Direct interest		Deemed interest	
Name of shareholders	Number of shares	%	Number of shares	%
Mr Lim Kian Onn	68,399,119	23.87	1,437,163 (1)	0.50
Dato' Seri Kalimullah bin Masheerul Hassan	21,856,640	7.63	-	-
Hikkaya Jaya Sdn Bhd	16,514,174	5.76	-	-
Equity Vision Sdn Bhd	43,506,036	15.18	-	-
Tan Sri Azman Hashim	-	-	74,194,973 (2)	25.89
Amcorp Group Berhad	9,777,230	3.41	16,514,174 (3)	5.76
Clear Goal Sdn Bhd	-	-	30,688,937 (4)	10.71

Notes:

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

(2) Deemed interest of 25.89% by virtue of Section 6A of the Companies Act, 1965 held through Amcorp Group Berhad (9,777,230), 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 5.76% by virtue of Section 6A of the Companies Act, 1965 held through Hikkaya Jaya Sdn Bhd (16,514,174).

(4) Deemed interest of 10.71% by virtue of Section 6A of the Companies Act, 1965 held through Amcorp Group Berhad (9,777,230), Hikkaya Jaya Sdn Bhd (16,514,174) and Arab-Malaysian (CSL) Sdn Bhd (4,397,533).

5. DIRECTORS' INTERESTS IN THE COMPANY AND/OR ITS RELATED CORPORATIONS AS AT 31 MARCH 2016

	Direct interest		Deemed interest	
Name of directors	**Number of shares**	**%**	**Number of shares**	**%**
Dato' Seri Kalimullah bin Masheerul Hassan	21,856,640	7.63	-	-
Mr Lim Kian Onn	68,399,119	23.87	1,437,163 (1)	0.50
Datuk Kamarudin bin Md Ali	50,000	0.02	-	-
Dato' Othman bin Abdullah	-	-	-	-
En Mahadzir bin Azizan	-	-	-	-
Mr Soo Kim Wai	200,000	0.07	-	-

Note:

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

Mr Lim Kian Onn, by virtue of his interests in the Company and pursuant to Section 6A of the Companies Act, 1965, is deemed to have interests in the shares of all the subsidiaries and associated companies of the Company to the extent that the Company has an interest.

6. SHARE BUY-BACK SCHEDULE FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2016

The authority for the Company to buy-back its own shares was given by the shareholders at the Extraordinary General Meeting of the Company held on 9 February 2015.

During the financial year ended 31 January 2016, the Company purchased 1,471,900 shares that were held as treasury shares. Save as disclosed below, there were no purchases for other months during the financial year.

Monthly breakdown	Number of shares purchased and retained as treasury shares	Lowest price paid per share (RM)	Highest price paid per share (RM)	Average price paid per share* (RM)	Total consideration paid (RM)	Number of treasury shares cancelled
February 2015	1,471,900	1.06	1.08	1.08	1,592,894.26	-
September 2015	-	-	-	-	-	1,471,900
Total	**1,471,900**				**1,592,894.26**	**1,471,900**

* *Average price includes stamp duty, brokerage and clearing fees.*

On 11 September 2015, all the 1,471,900 treasury shares were cancelled by the Company. Consequently, the balance of treasury shares held by the Company as at 31 January 2016 was nil.

7. LIST OF PROPERTIES AS AT 31 JANUARY 2016

Location	Description/ Existing use	Tenure	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 (build up area)	20	20,317	08.09.2004
No. 9 Persiaran Damansara Endah Damansara Heights 50490 Kuala Lumpur	Residential building	Freehold	6,211 (land area)	30	4,030	01.12.2015

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

Name	Address	NRIC No.	Proportion of shareholdings to be represented by proxy (%)

and/or

Name	Address	NRIC No.	Proportion of shareholdings to be represented by proxy (%)

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 Eleventh Annual General Meeting ("11th 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 Wednesday, 18 May 2016 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		
	To re-elect the following as Directors:		
3.	(a) En Mahadzir bin Azizan		
4.	(b) Mr Soo Kim Wai		
5.	To re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration		
6.	To approve the Authority to Directors to Issue Shares		

Dated this __________ day of ___________________ 2016

Number of shares held

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

Please refer to next page on the notes.

Notes:

1. Only a depositor whose name appears in the Record of Depositors of the Company as at 11 May 2016 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 11th 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/her 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/her 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/her 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.
6. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to the Personal Data Protection Act 2010 set out in the Notice of 11th AGM dated 26 April 2016.

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.