ecmlibra

Laporan Tahunan 2017 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 Gareth Lim Tze Xiang

SECRETARIES

Mr Ng Cheong Seng
Madam Jasmindar Kaur A/P Sarban Singh

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

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
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No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 03-2783 9299
Fax : 03-2783 9222

REGISTERED OFFICE

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

BUSINESS ADDRESS

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

WEBSITE

www.ecmlibra.com

LISTING

Main Market of Bursa Malaysia Securities Berhad

directors' profile

Dato' Seri Kalimullah bin Masheerul Hassan

Chairman/Non-Independent Non-Executive

Dato' Seri Kalimullah bin Masheerul Hassan, a Malaysian, male, aged 60, 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 six Board meetings held during the financial year ended 31 December 2017.

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 is a substantial shareholder of ECMLFG and has no family relationship with the other directors or major shareholders of ECMLFG and no conflict of interest with ECMLFG. He has no conviction for offences within the past five years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

Mr Lim Kian Onn

Managing Director/Non-Independent

Mr Lim Kian Onn, a Malaysian, male, aged 61, 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 six Board meetings held during the financial year ended 31 December 2017. 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 substantial interest in ECMLFG. He is the father of Mr Gareth Lim Tze Xiang who is also a director of ECMLFG. He has no conflict of interest with ECMLFG, no conviction for offences within the past five years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

Datuk Kamarudin bin Md Ali

Independent Non-Executive

Datuk Kamarudin bin Md Ali, a Malaysian, male, aged 67, 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 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 six Board meetings held during the financial year ended 31 December 2017. 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 five years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

En Mahadzir bin Azizan

Independent Non-Executive

En Mahadzir bin Azizan, a Malaysian, male, aged 69, 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 all six Board meetings held during the financial year ended 31 December 2017. 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, Syarikat Takaful Malaysia Am 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 five years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

Dato' Othman bin Abdullah

Independent Non-Executive

Dato' Othman bin Abdullah, a Malaysian, male, aged 69, 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 six Board meetings held during the financial year ended 31 December 2017. 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 five years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

Mr Gareth Lim Tze Xiang

Non-Independent Non-Executive

Mr Gareth Lim Tze Xiang, a Malaysian, male, aged 35, holds a Bachelor of Arts Degree in Economics from St. Catharine's College at the University of Cambridge.

Mr Gareth Lim is presently the Chief Executive Officer of Plato Capital Limited Group ("Plato Group"). He joined the Plato Group in September 2009 as Head of Investments, responsible for the formulation and implementation of the Group's overall investment strategy. Mr Gareth Lim began his career as part of Morgan Stanley's mergers and acquisitions practice in Singapore. Prior to joining the Plato Group, Mr Gareth Lim was a pioneer member of the management teams at Tune Hotels, Southeast Asia's leading chain of limited service hotels, and AirAsia X, the world's then only low cost, long haul carrier, where he was responsible for the establishment and development of each company.

Mr Gareth Lim was appointed to the Board of ECMLFG on 4 July 2016. He attended all six Board meetings held during the financial year ended 31 December 2017. He is a member of the Board Nomination Committee of ECMLFG.

Mr Gareth Lim is an alternate director of Plato Capital Limited, a company listed on the Stock Exchange of Singapore. He is the son of Mr Lim Kian Onn who is the Managing Director of ECMLFG with substantial interest in ECMLFG. He has no conflict of interest with ECMLFG, no conviction for offences within the past five years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

key senior management's profile

Mr Lim Kian Onn

Managing Director

Details of Mr Lim Kian Onn are disclosed in the Directors' profile on page 4.

Mr Ng Cheong Seng

Chief Financial Officer and Company Secretary

Mr Ng Cheong Seng, a Malaysian, male, aged 45, graduated from the University of London with a Masters in Financial Management. He is a Fellow of the Association of Chartered Certified Accountants, United Kingdom and a Fellow Member of the Institute of Chartered Accountants in England and Wales.

Mr Ng spent majority of his career with Pelikan Group (manufacturer and distributor of writing materials and stationeries) from years 2003 to 2012. He started as a Vice President of Corporate Planning Department and worked his way up to become the Chief Financial Officer ("CFO") and Board Member for one of its major subsidiary listed in Germany. During his tenure in Pelikan Group, his responsibilities included overseeing corporate exercises and end to end finance operation matters for all subsidiaries globally. In May 2013, he joined Warisan TC Holdings Berhad as the CFO. In August 2015, he joined Tien Wah Press Holdings Berhad as the Group Finance Director. As CFO and Group Finance Director, he oversaw the groups' Finance Department and was responsible for improving productivity of the operations for the groups. He worked hand in hand with the Chief Executive Officers to improve the overall performance of the groups. He has 23 years of experience in accounting and finance in various industries.

Mr Ng joined ECM Libra Financial Group Berhad ("ECMLFG") on 1 December 2016 as the CFO. He was appointed as the Company Secretary of ECMLFG on 25 October 2017. He has no directorship in public companies and listed issuers. 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 five years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

key senior management's profile continued

Mr Lee Wei Chung

Executive Director/Chief Executive Officer of Libra Invest Berhad, a wholly-owned subsidiary of ECM Libra Financial Group Berhad

Mr Lee Wei Chung, a Malaysian, male, aged 46, holds a Bachelor of Arts in Social Studies with Honours in Economics from University of Exeter, United Kingdom, a Master of Science in the Social Sciences in International Banking and Financial Studies from University of Southampton, United Kingdom and he is also a holder of the Chartered Financial Analyst designation.

Mr Lee has more than 23 years of working experience in buy and sells sides of the financial services industry. A former portfolio manager for a family office and later general manager of investment in Amanah Raya-JMF Asset Management, he has also taken roles as equity analyst and was the equity sales specialist as well as the head of dealing of Macquarie Capital Malaysia.

Mr Lee joined Libra Invest Berhad as the Co-Chief Investment Officer, Equity on 3 December 2012 and was appointed as the Executive Director and Chief Executive Officer of Libra Invest Berhad on 28 December 2015 and 19 February 2016 respectively. He has no directorship in any other public companies and listed issuers. 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 five years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

Ms Ch'ng Cheng Siew

Head of Equity of Libra Invest Berhad, a wholly-owned subsidiary of ECM Libra Financial Group Berhad

Ms Ch'ng Cheng Siew, a Malaysian, female, aged 42, holds a Bachelor of Commerce from University of Melbourne. She is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a member of Certified Practicing Accountant (Australia).

Ms Ch'ng has qualified as a chartered accountant, MIA in 2003 and went on to work for leading organisations as an auditor, financial controller, research analyst and portfolio manager. Through utilising 19 years of her industrial experience, she is equipped with commercial awareness and diverse industry knowledge. She has developed a wide skill-set in research and fund management. She has experience in research and analysis in equities listed in Malaysia, Asia Pacific ex-Japan and the United States. She is also involved in fund management with investment mandates including Malaysia, ASEAN, Asia Pacific ex-Japan and Global.

Ms Ch'ng joined Libra Invest Berhad as the Head of Equity on 15 September 2017. She has no directorship in public companies and listed issuers. She 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 five years. She has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

key senior management's profile continued

Ms Elyzza Syazreen binti Zailan

Head of Fixed Income of Libra Invest Berhad, a wholly-owned subsidiary of ECM Libra Financial Group Berhad

Ms Elyzza Syazreen binti Zailan, a Malaysian, female, aged 31, holds a Bachelor of Science in Actuarial Science (Distinction) from University of Illinois, Urbana-Champaign, United States of America.

Ms Elyzza started her career with ECM Libra Investment Bank Berhad under the management associate programme in 2009 where she completed training in treasury sales, institutional stockbroking, equity research, asset management and investment banking. Upon completing the programme, she was subsequently selected to join Libra Invest Berhad in 2010. Before she was promoted to Head of Fixed Income, she held the position of Senior Fund Manager, where she assisted the Chief Investment Officer-Fixed Income in overseeing the overall fixed income fund performance and growth of asset under management. She has 7 years of experience in fund management, economics and fixed income research. She currently holds a Capital Markets Services Representative's Licence.

Ms Elyzza was appointed as the Head of Fixed Income of Libra Invest Berhad on 1 January 2016. She has no directorship in public companies and listed issuers. She 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 five years. She has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2017.

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 December 2017 were:

Chairman	:	Datuk Kamarudin bin Md Ali (Independent Non-Executive Director)
Members	:	Dato' Othman bin Abdullah (Independent Non-Executive Director)
		En Mahadzir bin Azizan (Independent Non-Executive Director)

Terms of Reference of BARMC

The terms of reference of BARMC include the following and are available on the website of the Company at www.ecmlibra.com:

(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.

Meetings

The BARMC meets at least four (4) times in each financial year and additional meetings may be called at any time as and when necessary. During the financial year ended 31 December 2017, five (5) meetings were held and attended by all the BARMC members.

Summary of Work

The summary of work of the BARMC in the discharge of its duties and functions for the financial year ended 31 December 2017 is as below:

1. Financial Reporting

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 reporting, reliability of financial information of the Company and Group, compliance with relevant provisions of the Companies Act 2016, applicable financial reporting standards in Malaysia and Main Market Listing Requirements of Bursa Securities and prompt publication of the said statements.

Summary of Work (continued)

2. External Audit

The BARMC deliberated with the external auditors on their scope of work and audit plan for the Group for financial year ended 31 December 2017 covering, amongst others, areas of audit emphasis, audit timeline, responsibilities of auditors, directors and management. Financial reporting developments including the relevant new and amended major financial reporting standards which took effect in the current financial year or would take effect after the financial year were also discussed. The BARMC noted the amended financial reporting standards that were adopted during the financial year did not have any material effect on the financial performance and financial position of the Company and Group for the financial year ended 31 December 2017. The external auditors gave their written assurance confirming that they are independent in accordance with the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants in relation to their audit of the financial statements of the Company and Group for financial year ended 31 December 2017.

The BARMC discussed with the external auditors their audit results for the year-end financial statements of the Company and Group. The BARMC reviewed the audit fees of the external auditors for recommendation to the Board for approval.

With the feedback provided by management, the BARMC assessed the performance, suitability and independence of the external auditors for their re-appointment by taking into consideration the criteria set out in the External Auditors Assessment Policy which includes adequacy of resources of external auditors to undertake their audit, the level and quality of service provided by the external audit team, communication between the external auditors and management as well as the competence, knowledge, experience and independence of advice provided by the engagement partner. The external auditors had met the criteria and following the assessment, the BARMC recommended the re-appointment of the external auditors to the Board and for the Board to recommend the same to the shareholders for approval at the annual general meeting.

The BARMC assessed the appointment of the external auditors for non-audit services based on the criteria set out in the External Auditors Assessment Policy and reviewed fees and scope for the non-audit services provided by the external auditors prior to its recommendation to the Board for approval.

The external auditors could meet freely, regularly and on a confidential basis with the BARMC. During the financial year, the BARMC met up with the external auditors on 14 February 2017 and 22 November 2017 without the presence of the other Directors or management. There were no major issues raised by the external auditors that needed to be brought to the attention of the Board.

3. Internal Audit

The BARMC reviewed and approved the internal audit plan for the financial year proposed by the independent outsourced internal auditors ("Internal Auditors") and ensured adequate scope and coverage of internal audit on activities and operations of the Group. The BARMC also assessed that adequate time and resources were allocated by the Internal Auditors to perform the audit.

The BARMC reviewed the internal audit reports on the Internal Auditors' audit findings and recommendations, assessment on the adequacy and effectiveness of internal controls implemented and the management's responses. The BARMC ensured that actions taken by management to address the audit findings were satisfactory and within the agreed timeline.

4. Related Party Transactions

The BARMC reviewed the related party transactions entered into by the Group on a quarterly basis to ensure that these transactions were carried out in the normal course of business and transacted at arms' length basis.

board audit & risk management committee report
continued

Summary of Work (continued)

4. **Related Party Transactions** (continued)

The BARMC reviewed the proposed corporate exercise that involved inter alia the proposed acquisitions of hotels and interest in hotels, proposed business collaboration, proposed disposal of non-core assets, proposed business diversification and proposed provision of financial assistance (collectively referred to as "Proposals"). The Proposals were related party transactions. The BARMC discussed with the principal advisor, the independent advisor and the legal counsel of the Proposals on various pertinent questions to satisfy the BARMC that the Proposals were carried out on fair and reasonable terms and conditions, and the transactions were fair and reasonable and not to the detriment of minority shareholders. After due discussion with the advisors on the various matters raised, the BARMC recommended to the Board to endorse the Proposals subject to the shareholders' approval.

5. **Risk Management**

The BARMC oversees the establishment of a robust risk management framework. During the financial year, the BARMC reviewed on, a quarterly basis, the risk management reports that cover the review and management of risks in the day-to-day business operation and activities of the Group and ensured that the key risks encountered by the Group are properly managed and mitigated.

6. **Compliance**

The BARMC reviewed, on a quarterly basis, the reports of the Compliance and Risk Management Department on compliance status relating to Fund Management and Collective Investment Schemes, and Anti-Money Laundering and Counter-Financing of Terrorism, so as to ensure the activities of the Group operate within and fully comply with the relevant regulations and laws.

7. **Other Duties**

(i) The BARMC reviewed the Board Audit & Risk Management Committee Report and Statement on Risk Management & Internal Control to ensure adherence to the relevant regulatory reporting requirements prior to its recommendation to the Board for approval for inclusion in the Annual Report.

(ii) The BARMC reviewed the terms of reference of the BARMC and agreed that no update is required. The BARMC recommended the same to the Board for concurrence.

(iii) The BARMC reviewed amendments or updates made to the Compliance Manual, Policies and Procedures on Anti-Money Laundering and Anti-Terrorism Financing, Data Protection Policy and Information Security Policy presented by management before its recommendation to the Board for approval.

(iv) The BARMC reviewed the External Auditors Assessment Policy which sets out the guidelines and procedures for assessment of the external auditors and recommended the said policy to the Board for approval.

(v) The BARMC reviewed the Implementation Framework on Management of Cyber Risk and the Policies and Procedures on Management of Cyber Risk and recommended to the Board of Libra Invest Berhad ("LIB"), the fund management subsidiary of the Company, to approve the same for implementation.

(vi) The BARMC reviewed the report of Internal Auditors on the results of annual compliance due diligence conducted on marketing and distribution activities of LIB, as required by the Federation of Investment Managers Malaysia prior to its recommendation to the Board of LIB for approval.

(vii) The BARMC reviewed and recommended the Compliance Programme which sets out procedures and areas for annual compliance review to be conducted on LIB, for approval of the Board of LIB.

board audit & risk management committee report
continued

Summary of Work (continued)

7. Other Duties (continued)

For the financial year under review, the members of BARMC conducted assessment to evaluate the performance of individual members and BARMC as a whole to ensure that the BARMC and its members have discharged their responsibilities effectively. The results of assessment were tabled to the BARMC for notation and subsequently to the Board Nomination Committee and the Board for review.

The Chairman of BARMC reported to the Board the significant matters deliberated during the BARMC meetings and the key recommendation for the Board's consideration and approval. The minutes of the BARMC meetings and circular resolutions passed were tabled to the Board for notation.

Internal Audit Function

The internal audit function of the Group has been outsourced to an independent internal audit service provider who reports directly to the BARMC. During the financial year ended 31 December 2017, the Internal Auditors presented to and obtained approval from the BARMC on the internal audit plan. Following previous year internal audit review of the compliance and fund management activities, the audit for this financial year was focused on the area of anti-money laundering and counter financing of terrorism to provide assurance that processes and controls are in place and the operation of the Group are in compliance with regulatory requirements. The Internal Auditors conducted planned internal control reviews on the Group's compliance to the relevant sections of the Securities Commission Malaysia guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries.

In discharging their role, the Internal Auditors:

- mapped out the business processes and documented the workflow of key business activities from input to output process;

- evaluated whether the Group is in compliance with internal policies and procedures, applicable laws, guidelines and directives issued by regulatory authorities in respect of the compliance to the relevant sections of the Securities Commission Malaysia guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries;

- assessed the adequacy and ascertained effectiveness of internal control systems and governance processes implemented;

- reviewed the overall control environment whether there was a significant amount of implementation lapses; and

- assisted management to strengthen the control features to prevent fraud and lapses.

The Internal Auditors reported to the BARMC on the outcome of the audits conducted and their recommendations, the assessment on adequacy and effectiveness of the internal controls implemented and the action taken by management to implement improvements where applicable.

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 RM50,870.

This Report was approved by the Board on 21 February 2018.

corporate governance overview statement

The Board of Directors ("Board") of ECM Libra Financial Group Berhad ("ECMLFG" or "Company") is committed to manage the Company and its subsidiaries ("ECMLFG Group" or "Group") in line with corporate governance practices as set out in the Malaysian Code on Corporate Governance ("Code"). The Board 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 practices as set out in the Code which took effect on 26 April 2017 except as otherwise stated. The detailed application by ECMLFG for each practice as set out in the Code during the financial year ended 31 December 2017 is disclosed in the Corporate Governance Report which is available on the Company's website, www.ecmlibra.com at the dedicated section on Investor Relations.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

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.

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 Board has established three Board Committees to assist in the discharge of its duties and each Board Committee has its own specific terms of reference. Each Board Committee undertakes in-depth deliberation of the issues delegated to it before tabling its recommendations to the Board.

The Board Committees are:

1. Board Audit & Risk Management Committee;

2. Board Nomination Committee; and

3. Board Remuneration Committee.

The terms of reference of the Board Committees are set out in the Appendices I, II and III of the Board Charter.

The positions of Chairman and Managing Director of ECMLFG are held by different individuals to ensure there is a balance of power and authority. 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 overall business and providing direction in the implementation of strategies, policies and business plans approved by the Board. All matters not specifically reserved to the Board and necessary for the day-to-day operations of the Group are delegated to the Managing Director and management. The responsibilities of the Chairman and the Managing Directors are set out in the Board Charter.

The Board Charter is reviewed at least once a year and updated as and when necessary to reflect changes in the regulatory requirements and circumstances, needs of the Company and business environment. The Board reviewed and adopted the updated Board Charter on 21 February 2018.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

To ensure that 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, six (6) Board meetings were held and attended by all the Directors. All the Directors 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. 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. These 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.

All Directors of the Company have completed the Mandatory Accreditation Programme. A newly appointed Director will receive from the Company Secretaries the Company's annual report and a board induction manual to facilitate initial introduction to the Group and for ongoing reference. The contents of said manual include group structure, substantial shareholding structure, extract of Articles of Association of the Company and Listing Requirements of Bursa Securities pertaining to Directors and their powers and duties, proceedings of Directors, Board Charter, terms of reference, schedule of meetings of Board and respective Board Committees, contact details of Directors and other information as may be determined later. The Directors 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. The Board Nomination Committee oversees continuing education programmes covering areas that could strengthen Directors' contribution to the Board. During the financial year, the Directors were regularly kept informed of available training programmes related to corporate governance, risk management and internal control, regulatory development as well as business trends; and arrangements were made by the Company Secretaries for the Directors to attend the training programmes selected by them.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

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:

Director	Course Name
Dato' Seri Kalimullah bin Masheerul Hassan	Anti-Money Laundering and Counter Terrorism Financing Controls
Mr Lim Kian Onn	5th Annual J.P. Morgan Global Technology, Media and Telecom Conference in Asia
	Anti-Money Laundering and Counter Terrorism Financing Controls
Datuk Kamarudin bin Md Ali	CG Breakfast Series with Directors: Board Excellence: How to Engage and Enthuse Beyond Compliance with Sustainability
	Advocacy Session on Corporate Disclosure for Directors and Principal Officers of Listed Issuers
	Leading in a Volatile Uncertain Complex Ambiguous World
	Anti-Money Laundering and Counter Terrorism Financing Controls
	Malaysian Code on Corporate Governance - Comprehensive and Actionable Plan
Dato' Othman bin Abdullah	Board Selection - Engagement with Potential Directors
	Risk Management Programme: I am ready to manage risks
	Anti-Money Laundering and Counter Terrorism Financing Controls
En Mahadzir bin Azizan	New Malaysian Code on Corporate Governance
	Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001
	Ensuring Effective Compliance for Directors
	Anti-Money Laundering and Counter Terrorism Financing Controls
Mr Gareth Lim Tze Xiang	Anti-Money Laundering and Counter Terrorism Financing Controls

The Board members have also devoted time in non-structured continuing professional development through reading articles relating to topics relevant to the business of the Group.

All members of the Board have access to the advice and support of suitably qualified and competent Company Secretaries. The Company Secretaries play an important advisory role and are a source of information and advice to the Board on issues relating to procedural and statutory requirements affecting the Company and Group. The Company Secretaries update the Board on material changes in law and tables the regulatory development at the Board meeting for Board's notation. Mr Ng Cheong Seng was appointed as additional Company Secretary of the Company on 25 October 2017 before Ms Chan Soon Lee retired as Company Secretary on 18 December 2017. Both of them are registered members of the Malaysian Institute of Accountants and are qualified to act under the Companies Act 2016. Madam Jasmindar Kaur A/P Sarban Singh has been appointed as a joint Company Secretary of the Company on 21 February 2018. She completed her requirements with the Institute of Chartered Secretaries and Administrators and is now a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

The Board members have unlimited access to all information with regard to the activities of 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. The Board members are provided with the notice, setting out the agenda and the comprehensive Board papers at least four (4) days prior to Board meetings. Board papers are the key source of information for Directors before the meeting and senior management are obliged to provide sufficient, accurate and relevant supporting information in the Board papers. The Chairman with the assistance of the Company Secretaries will ensure the integrity of the information provided and the timeliness of Board papers. This is to enable the members of the Board to discharge their duties and responsibilities competently and effectively. Any late provision of Board papers are discouraged by the Board, particularly if it involves complex matters.

Upon conclusion of the meeting, the minutes are circulated in a timely manner prior to the next meeting.

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 2016 which provide guidance on the standards of conduct and prudent business practices as well as standards of ethical behaviour. 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.

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 said code is published on the intranet of the Group and it is accessible to the employees of the Group. The Board has put in place the Whistle Blowing Policy to enable the Group to take necessary measures so as to minimise, 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 application of the Whistle Blowing Policy which is accessible to the employees of the Group. The employees are encouraged to report in good faith if they are aware of any wrongdoing, malpractice or corporate misdeed has been, is being, or is likely to be committed within the Group. They are guided by the Whistle Blowing Policy when relaying any information in relation to the abovementioned either in writing or through oral communication to designated persons stated in the said policy. Upon receipt of report made by employees together with available evidence which have been verified accordingly, the BARMC would evaluate and make decision to determine the process that is to be initiated thereafter.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition

For the financial year ended 31 December 2017, the Board comprised six (6) Directors, three (3) of whom are independent. The Board composition comprising 50% Independent Directors and all Directors hold positions in a non-executive capacity except for Mr Lim Kian Onn who holds the position of Managing Director. The Board has exercised its judgement that the current composition of the Board with six (6) members fairly reflects the investment in the Company by all the shareholders and is appropriate to protect the interest of all the shareholders. Based on the Register of Depositors as at 29 December 2017, the 39.84% equity interests of public shareholders other than major shareholders are represented by three (3) Independent Directors constituting 50% of the Board members whilst the remaining 50% of the Board members who are non-independent represent the 60.16% interests of major shareholders. The Board is of the view that the current composition is suitable to reflect and protect the interests of all the shareholders.

There is a clear division of responsibilities between the Chairman and the Managing Director and the presence of independent oversight by the Independent Directors to ensure a balance of authority and power within the Board. The wide spectrum of knowledge, skills and experience of the Board members gives added strength to the leadership which is necessary for the effective stewardship of the Group.

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

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 caliber, 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. 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.

Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan have served the Company nearest to twelve (12) years since June 2006. Upon completion of the twelve (12) years, they may continue to service on the Board subject to re-designation as Non-Independent Directors. However, in the coming Thirteenth Annual General Meeting of the Company on 25 April 2018, the Board will be proposing for shareholders' approval for the resolutions to enable Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan to continue serving as Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting of the Company, despite the Company's Policy on Tenure of Independent Directors setting a cap on the tenure of Independent Directors to a cumulative period of twelve (12) years.

The Board is recommending and supporting the resolutions for their continuing in office as Independent Non-Executive Directors, taking into consideration the on-going corporate exercise involving the acquisitions of equity interest and hotels by the Company, and based on the following justifications that the three Directors:

i. have met the criteria set in the annual assessment of their independence in line with the Listing Requirements of Bursa Securities;

ii. have vast experience gained at senior management level in their past career. Their financial management, accounting and legal background have provided support to enable the Board to discharge its duties effectively and in a competent manner;

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

iii. have acted in the best interest of the Company by providing independent view to the deliberations and decision making of the Board and Board Committee meetings;

iv. understand the Group and its businesses, the industry and challenges and therefore are able to contribute to the development of the Group;

v. are able to devote time and commitment to attend to the functions and duties as independent director, including attendance and informed participation at Board and Board Committee meetings;

vi. have confirmed that notwithstanding the twelve (12) year tenure, 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; and

vii. the on-going corporate exercise involving the acquisitions of equity interest and hotels by the Company to diversify its principal activities and not to change its business direction or policy.

Under the Equity Guidelines issued by the Securities Commission Malaysia, significant change in the business direction or policy of a listed corporation means, among others, an acquisition of assets which results in a change in the board of directors of the listed corporation. The Equity Guidelines define a change in the board of directors of the listed corporation to mean a change within a 12-month period from the date of the acquisition in:

(a) at least one-half of the membership of the board of directors of the listed corporation; or

(b) at least one-third of the membership of the board of directors of the listed corporation, including the chief executive.

The on-going corporate exercise involves acquisitions of equity interest and hotels by the Company as approved by the shareholders of the Company on 12 December 2017 is to diversify its principal activities and not to change its business direction or policy. As such, it is advisable to retain the current Board members.

Therefore, the Board will be proposing to seek shareholders' approval for the resolutions to enable Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan to continue serving as Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting of the Company. The Board is recommending and supporting the resolutions for their continuing in office as Independent Non-Executive Directors based on the above justifications. In line with Practice 4.2 of the Code, the approval of shareholders will be sought through two-tier voting process as described in the Guidance to Practice 4.2 of the Code.

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.

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 December 2017. 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 to 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 assess and recommend to the Board the appointment of Chief Executive Officer, oversee the succession of Board members and Chief Executive Officer and evaluate the performance of the Managing Director and other key senior management of the Group. The BNC facilitates board induction and oversees continuing education programmes to be provided to Board members in areas that would strengthen their contribution to the Board.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

The terms of reference of BNC is reviewed at least once a year and updated as appropriate to reflect changes to regulations and the Company's circumstances that may impact upon the responsibilities of the BNC.

The BNC is chaired by an Independent Director. The Chairman of the BNC leads in recruitment of candidates for board members and senior management and leads the annual assessment of the effectiveness of the Board and Board Committees as well as the performance of individual Directors. The Chairman of the BNC reports to the Board its proceedings after each meeting on all matters within its duties and responsibilities.

A summary of the main activities undertaken by the BNC in the discharge of its duties for the financial year ended 31 December 2017 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, level of time commitment, skills and experience of individual Directors;

3. Assessed the independence of Independent Directors;

4. Assessed the re-appointment of retiring Directors at the annual general meeting;

5. Assessed the performance of key senior management;

6. Reviewed the updated terms of reference of BNC; and

7. Made available to the Directors relevant training programme on a regular basis.

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 Secretaries. 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 would 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, the number of directorships in public listed companies held by them and their participation in continuing training programme and/or non-structured continuing professional development through reading articles relating to topics relevant to the business of the Group. 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 would 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.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

For appointment of new Directors, selection of candidates is facilitated through recommendations from the Directors or external parties including the Company's contacts in related industries, and finance, legal and accounting professions. In assessing the suitability of a new Director appointment, the BNC takes into consideration a candidate's skills, knowledge, experience, competency and other relevant factors as may be determined by the BNC which would contribute to the Board's mixed of skills. Capabilities, integrity, reputation, time commitment of a candidate to discharge his duties and responsibilities and contribution that a candidate would bring to the Board and to the Group and other appropriate character and requisite quality of that person would also be taken into account by the BNC in the assessment of appointment of new Director. Bankruptcy search would be conducted on the candidate as part of the suitability assessment. In case of appointment of new Independent Directors, independence of a candidate is assessed based on the criteria established by the BNC. A candidate that has been assessed fit and proper for the appointment to the Board would be recommended by the BNC to the Board for approval.

The consent of retiring Directors for their re-election at annual general meeting would be obtained and bankruptcy search would be conducted on them before the BNC reviews on the re-election of retiring Directors. In considering re-election of retiring Directors, due regard would be given to a Director's skill, experience, contribution at Board and Board Committee meetings and time he has devoted to discharge his duties. With the consent given by the retiring Directors for their re-election at annual general meeting, the BNC would recommend the re-appointment of retiring Directors to the Board if the results of annual assessment and bankruptcy search conducted on them and their performance and attendance at the Board and Board Committee meetings are satisfactory.

The Board aims to maintain a diversity of expertise, skills, competency, personalities and attributes among the Directors so as to provide a comprehensive range of perspectives and experiences, resulting in improved decision making. The Board members are persons of high calibre and integrity and are able to devote sufficient time to discharge their duties. The number of Board members fairly reflects the investment in the Company by all the shareholders and is suitable to protect the interest of all the shareholders. 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.

Currently the Board comprised all male members who are aged between 35 and 69, of which 67% are Bumiputera and 33% are Chinese. The Group's workforce comprised 62% female and 38% male, of which 36% are Bumiputera, 63% are Chinese and 1% are Indian. The Group has a fair mix of employees in various age groups with 24% of employees below the age of 30, 27% between the age of 30 and 39, 36% between the age of 40 to 49 and 13% 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 key 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, experience, contribution and level of time commitment of the Directors who are subject to retirement by rotation at the forthcoming Thirteenth Annual General Meeting and assessed that the retiring Directors are fit and proper persons for re-election as Directors of the Company. There was no new appointment to the Board during the financial year.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

The BNC during the financial year ended 31 December 2017 comprised:

- Dato' Othman bin Abdullah (Chairman)
- Datuk Kamarudin bin Md Ali
- En Mahadzir bin Azizan
- Mr Gareth Lim Tze Xiang

III. Remuneration

The Board Remuneration Committee ("BRC"), set up on 27 September 2006, comprised one (1) Independent Non-Executive Director and one (1) Non-Independent Executive Director as at 31 December 2017 and the members were as follows:

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

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 abstain in the discussion and voting on decisions regarding their own remuneration. ECMLFG has an established framework that entails annual performance review against Key Performance Indicator (KPI) to evaluate performance and determine 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, experience and scope of responsibilities and aims to attract, motivate and retain the right staff to manage ECMLFG Group. For Non-Executive Directors, the level of remuneration would commensurate with the experience and level of responsibilities undertaken by them. The remuneration of Executive Directors consists of salary, defined contribution plan and other benefits.

The remuneration of Non-Executive Directors comprises annual Directors' fees, an allowance of RM1,000 for every Board and Board Committee meeting attended, medical coverage and other claimable benefits. The remuneration of Non-Executive Directors shall be reviewed annually by the BRC and the Board and subject to the approval of the shareholders at the annual general meeting.

The terms of reference of BRC is reviewed at least once a year and updated as appropriate to reflect changes to regulations and the Company's circumstances that may impact upon the responsibilities of the BRC.

The details of the remuneration of the Directors of ECMLFG received/receivable from the Company and Group for financial year ended 31 December 2017 are set out below:

	Group				Company			
	Salaries and other remuneration[1] RM'000	Director fees RM'000	Others[2] RM'000	Total RM'000	Salaries and other remuneration[1] RM'000	Director fees RM'000	Others[2] RM'000	Total RM'000
Executive Director								
Mr Lim Kian Onn	965	-	145	1,110	965	-	145	1,110

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration (continued)

	Group				Company			
	Salaries and other remuneration[1] RM'000	Director fees RM'000	Others[2] RM'000	Total RM'000	Salaries and other remuneration[1] RM'000	Director fees RM'000	Others[2] RM'000	Total RM'000
Non-Executive Director								
Dato' Seri Kalimullah bin Masheerul Hassan	-	50	44	94	-	50	44	94
Datuk Kamarudin bin Md Ali	-	72	21	93	-	52	12	64
Dato' Othman bin Abdullah	-	48	12	60	-	48	12	60
En Mahadzir bin Azizan	-	70	22	92	-	50	13	63
Mr Gareth Lim Tze Xiang	-	32	7	39	-	32	7	39
	-	272	106	378	-	232	88	320
Total Directors' remuneration	965	272	251	1,488	965	232	233	1,430

Notes:

(1) "Other remuneration" represents bonus of RM241,200.
(2) "Others" represents the Company's contribution to the Employees Provident Fund for Executive Director, meeting allowances and benefits-in-kind of Dato' Seri Kalimullah bin Masheerul Hassan, and meeting allowances of the other Non-Executive Directors.

The remuneration of the senior management of ECMLFG (not including Executive Director) for financial year ended 31 December 2017 is set out below:

Range of Remuneration	Senior Management
RM450,000 to RM500,000	1
RM500,001 to RM600,000	-
RM600,001 to RM650,000	1
RM650,001 to RM750,000	-
RM750,001 to RM800,000	1
Total	**3**

corporate governance overview statement
continued

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Board Audit & Risk Management Committee ("BARMC") of the Company comprises solely Independent Directors since it was established on 28 June 2006. The position of Chairman for the Board and the BARMC are held by two different Directors. There are separations of roles and responsibilities between both the Chairmen to avoid any impairment in objectivity of the Board and BARMC. None of the members of the BARMC is a former key audit partner. A Director who is a former key audit partner will only be appointed to the BARMC after he has passed the 2 year cooling-off period. To be in line with the Code, the terms of reference of the BARMC have been amended to include all the above terms.

The Company, through the BARMC, has an appropriate and transparent relationship with the external auditors. The BARMC undertakes an annual assessment of the suitability and independence of the Group's external auditors according to the guidelines and procedures set out in the External Auditors Assessment Policy before recommending their re-appointment to the Board and shareholders for approval. The BARMC with the feedback provided by management assesses the external auditors via evaluation form comprising various questions which structured to test on the suitability and independence of external auditors. 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 external audit team, communication between the external auditors and management as well as the competence, knowledge, experience and independence of advice provided by the engagement partner. Based on the results of the evaluation, the BARMC considers and recommends the re-appointment of external auditors to the Board for consideration. 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 according to the principles and criteria set out in the External Auditors Assessment Policy 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.

During the financial year, the BARMC assessed the suitability and independence of external auditors and recommended the re-appointment of external auditors to the Board for endorsement. Based on the recommendation from the BARMC, the Board assessed and deliberated the suitability and independence of external auditors and was satisfied that the external auditors had met the criteria and recommended their re-appointment for approval of shareholders at the Twelfth Annual General Meeting held on 12 April 2017. Their tenure of appointment shall lapse at the conclusion of the Thirteenth Annual General Meeting to be held on 25 April 2018.

The members of the BARMC are kept abreast with the relevant development in accounting standards, practices and rules by the Chief Financial Officer and external auditors. All members of the BARMC are financially literate and are able to understand matters under the purview of the BARMC including the financial reporting process.

II. Risk Management and Internal Control Framework

The Statement on Risk Management & Internal Control as set out on pages 27 to 29 provides an overview of the management of risks and state of internal controls within the Group and the features of the risk management and internal control framework and the adequacy and effectiveness of this framework.

The internal audit function of the Group has been outsourced to an independent internal audit service provider ("Internal Auditors") who reports directly to the BARMC. The BARMC relies on the support of the Internal Auditors to ensure the internal audit function is effective and able to function independently. During the financial year, the BARMC reviewed and approved the internal audit plan. Based on the approved internal audit plan, the Internal Auditors scheduled and conducted internal audit reviews and subsequently provided the BARMC with reports highlighting outcome of the review and their recommendations; as well as reporting on management action taken to redress any lapses.

The internal audit personnel are not related to any of the Directors of the Company and have no conflict of interest with ECMLFG.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

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.

The Company's website, www.ecmlibra.com, serves as the main mean of communication of the Company to reach its shareholders and general public. 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, the terms of reference of Board Committees and other corporate information are made available on the Company's website at the dedicated section on Investor Relations. The Company would also publish summary of the key matters discussed at the general meeting as soon as practicable on the Company's website.

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 Secretaries 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 Secretaries are published on the website of the Company.

II. Conduct of General Meetings

The Company's general meetings serve as a forum for dialogue with shareholders. For the Twelfth Annual General Meeting of the Company held on 12 April 2017, before the Code took effect, 21 days' notice was given to the shareholders and it was within the notice period required by the Listing Requirements of Bursa Securities and the Articles of Association of the Company. The Board took cognizance of the Code which states that notice for an annual general meeting should be given to the shareholders at least 28 days prior to the meeting. Hence, for the Thirteenth Annual General Meeting of the Company to be held on 25 April 2018, the Company will dispatch the notice of annual general meeting to the shareholders at least 28 days before the meeting. The same practice will apply to future annual general meetings of the Company. As for other general meetings, the Company will comply with the relevant act and the Listing Requirements of Bursa Securities on the requirements for notice period to shareholders. Notice of general meeting is advertised in the press and made public to Bursa Securities and published on the website of the Company. The Board with the assistance of the Company Secretaries will ensure the notice of general meetings to shareholders contain sufficient information related to the resolutions set out in the notice of general meetings. The shareholders will have sufficient preparation time to attend the general meetings and make informed decision.

The date for annual general meeting is made available to the Directors in advance before the end of the financial year which allows the Directors to plan ahead with their schedule. Whilst for other general meetings, the Chairman of the Board with the assistance of the Company Secretaries will schedule the general meetings after consulting with all the Directors. These arrangements have assisted the Directors to ensure their attendance at the general meetings. The attendance of the whole Board will provide an opportunity for shareholders to communicate with each Director and for the Board to clarify and elaborate any issues raised by the shareholders at the general meetings. The Board includes the Chairmen of the Board & Audit Risk Management Committee, Board Nomination Committee and Board Remuneration Committee will also be at the general meetings to answer any shareholder questions on the respective committees' activities. Hence, the shareholders will have sufficient information to exercise their rights at the general meetings.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (continued)

II. Conduct of General Meetings (continued)

Shareholders are encouraged to attend general meetings, to communicate with the Board, to participate in the question and answer session and to vote on all resolutions set out in the notice of general meetings. Shareholders who are unable to attend meetings are encouraged to appoint proxy to attend, speak and vote on their behalf.

For the convenience of shareholders, the Company will arrange its general meetings in town area which has sufficient parking and is accessible by public transport. This will not hinder the shareholders or their proxies from attending the general meetings. With sufficient notice of general meetings given to the shareholders, shareholders who are unable to attend meetings will have sufficient time to appoint proxies to attend, speak and vote on their behalf.

This Statement was approved by the Board on 21 February 2018.

statement on risk management & internal control

Responsibility

The Board of Directors ("Board") is responsible for managing the 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 risk management & internal control is designed to manage and minimise the risk of failure to achieve the Group's objectives. Hence, it is able to only provide a reasonable and not absolute assurance against a material misstatement of management and financial information or against financial losses and fraud. This on-going process has been in place during the financial year under review and up to the date of approval of the Statement on Risk Management & Internal Control for inclusion in the Annual Report.

Key Processes

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

The Board has appointed the Board Audit & Risk Management Committee ("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 organised at the fund management subsidiary and the independent outsourced internal auditors ("Internal Auditors") who undertake the internal audit function for the Group. The focus is on areas of priority identified through risk assessment and in accordance with the plans approved by the BARMC. In the process of risk identification and evaluation, a "bottom-up" approach is adopted. Specific risks are identified by the respective business/operating units and self-assessed with the support from the Compliance and Risk Management Department in the identification, evaluation and quantification, monitoring and management of such risks undertaken by the Group as a whole. The regular risk assessment exercise using the bottom-up approach promotes risk awareness and facilitates the effective control and management of potential risks for the Group, as risk identification, evaluation and mitigation are reported to the Compliance and Risk Management Department for review and reporting to top management and the BARMC, for high-level direction and management, where applicable.

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 review annually, or as and when there are any material changes 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. Likewise, the Risk Management Procedure Manual lays out the procedures in the Group's approach towards risk management. The Risk Management Framework encompasses the following:

1. Identifying the full spectrum of risks including potential risks; segregation of controllable from uncontrollable risks and identifying causes for the risk occurrences;

2. Assessing risk severity and probability, and combining estimates of severity and probability in the context of existing control measures;

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

4. Identifying risk mitigation actions; instituting an on-going review of risk and controlling its effectiveness as the business and environment changes, with tighter monitoring in areas of greatest change and risk and assessing the quality and appropriateness of mitigation actions; and

5. Providing 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 on a timely basis to mitigate any identified weaknesses in the control environment.

Key Processes (continued)

In carrying out its responsibilities, the BARMC relies on the support of the Compliance and Risk Management Department and the 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 with periodic reports pertaining to compliance with internal risk management policies and parameters as well as compliance with relevant regulatory and statutory requirements. The Internal Auditors conduct internal audit reviews and provide the BARMC with reports highlighting the outcome of the review on the adequacy and effectiveness of internal controls; as well as reporting on management action taken to redress lapses, if any, and to enhance the system of internal control.

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 to govern the Group's business activities to be consistent with the Group's overall business objective and risk appetite and subjected to adequate risk management and internal controls;

- clear definitions of limits of authority to cover inter alia the day-to-day operations, credit limit, investment and capital expenditure. The limits of authority have been approved by the Board and put in place to ensure control procedures and limits are implemented and complied with;

- key functions such as finance, credit control, human resources and legal matters are controlled centrally. Internal control measures such as segregation of duties, independent checks, segmented system access controls and multi-tier authorisation processes are put in place to ensure these key functions are operating within the control environment;

- 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 and operation together with the design and operation of suitable internal controls. The business and support units each undertakes periodic self-assessment to identify and assess the effectiveness of the controls put in place for all material activities, processes and systems to manage the risks identified. The undertaking of self-assessment serves as an early warning tool to drive appropriate management action before the risks materialise into losses;

- policies and procedures with embedded internal controls are documented in a series of Policies and Procedures that are subjected to periodic review for updating of any changes in operational processes or regulatory requirements. The business and support units in the Group are guided by the Policies and Procedures in performing their duties to ensure compliance with internal controls and relevant laws and regulations;

- 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 Code of Conduct provides guidance to the Directors and employees of the Group on expected moral and ethical behaviour in carrying out their duties;

- updates relating to regulatory requirements/guidelines from Bursa Malaysia Securities Berhad, Securities Commission Malaysia and other regulatory bodies are disseminated to the relevant employees of the Group on a timely manner to ensure compliance of the activities of the Group with the relevant regulatory requirements; and

- the requirement of periodical declaration of compliance by employees of the Group to meet the statutory compliance.

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 as well as whistle blower protection. The Whistle Blowing Policy is incorporated in the Employee Handbook accessible to the employees of the Group. The BARMC has been entrusted by the Board to be responsible for overseeing the application of the Whistle Blowing Policy for the Group.

On a yearly basis, all the business units within the Group draw up 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.

Key Processes (continued)

As required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the Annual Report. Based on their limited assurance review, 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 December 2017 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 system within the Group for the financial year with the support of the Compliance and Risk Management Department and Internal Auditors. From the review, no significant control weaknesses that have resulted in any material loss to the Group were identified during the financial year under review. 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.

The Board is of the view that the Group's risk management and internal control system is adequate and sufficient after taking into consideration of the on-going processes in place for identifying, evaluating and managing significant risks faced by the Group and the assurance from the management; and after taking into 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. The Board opines that the risk management and internal control system provides reasonable assurance that the structure and operation of controls are appropriate for the activities of the Group so as to safeguard the assets and the interests of stakeholders of the Group, and for the Group to achieve its objectives.

This Statement was approved by the Board on 21 February 2018.

chairman's statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the annual report and the audited financial statements for the year ended 31 December 2017.

Financial and Business Review

For the financial year ended 31 December 2017, the Group recorded profit before tax of RM2.1 million and profit after tax of RM1.0 million from continuing operations. The Proposed Disposals (as mentioned below) of the Company's Bangunan ECM Libra and investment property have resulted in the classification of the results of these assets as Disposal Group held for sale in the statements of profit or loss. Profit before tax is lower than last financial period for the 11-month ended 31 December 2016 of RM7.1 million. For the period ended 31 December 2016, there was a disposal gain on quoted investment outside Malaysia.

Group profit continues to be driven by our fund management business, structured financing and investment income; meanwhile the Group is targeting to complete the Proposed Corporate Exercise (as mentioned below) in the first half of 2018.

Proposed Corporate Exercise

During the financial year, the Company announced a corporate proposal as follows:

(a) Proposed acquisitions of:

  (i) 50% equity interest in TP Sepang Sdn Bhd ("TPSB"), TP International Pty Ltd, Yummy Kitchen Sdn Bhd and 40.005% equity interest in TP Hotel (Flinders) Trust (together with 40.005% of the rights and benefits to the total advances owing by TP Hotel (Flinders) Trust) from TP Real Estate Holdings Pte Ltd; and

  (ii) Tune Hotel Penang, Tune Hotel Kota Kinabalu and the rights to operate and maintain Tune Hotel KLIA Aeropolis;

  for an aggregated purchase consideration of RM88,600,000 to be satisfied by a combination of RM19 million cash and 193,333,332 new ordinary shares in the Company to be issued;

(b) Pursuant to the acquisition of the 50% equity interest in TPSB, the Company will be required to pledge the equity interest acquired and provide a corporate guarantee as may be required by the financier of TPSB in the proportion of the Company's equity interest in TPSB in respect of an existing loan obligation undertaken by TPSB;

(c) Proposed collaboration with Tune Hotels.Com (BVI) Limited in respect of the "Tune Hotels.Com" brand;

(d) Proposed special dividend, subject to the Proposed Disposals (as defined thereafter) becoming unconditional ("Proposed Special Dividend");

(e) Proposed disposal of the Company's non-core assets, comprising the east wing and centre wing of Bangunan ECM Libra, and the semi-detached residential property ("Semi-D"), for an aggregated cash consideration of RM28,000,000 ("Proposed Disposals"); and

(f) Proposed diversification of the existing principal activities of the Company to include the business of hotel management and ownership.

(collectively referred to as "Proposed Corporate Exercise").

The Proposed Corporate Exercise had been approved by our shareholders at the Extraordinary General Meeting on 12 December 2017. Further information on the Proposed Corporate Exercise is available in the Circular to Shareholders of the Company dated 27 November 2017.

Corporate Social Responsibility

ECM Libra Foundation ("Foundation"), which was set up with funds from the founding partners and being the philanthropic arm of the Group continues to champion the corporate social responsibility initiatives in the Group. The Foundation, in its 13th year of giving since its inception in October 2014, gave out a total of RM3.91 million for 2017 in grants, scholarships and targeted partner programmes.

Corporate Social Responsibility (continued)

Since inception, the Foundation has not wavered from the founders' desire to help underprivileged and marginalized Malaysians to get access to good education. We have stayed the course and are proud that the Foundation has been able to play a small but vital part to help fellow needy Malaysians build their future. Proficiency in English continues to be a pressing problem of young Malaysians joining the workforce. School dropouts pose another daunting challenge to our schools. There is also a continuing challenge to encourage more youth to take up science, technology, engineering and mathematics ("STEM"). Cognizant of these challenges, we have chosen to work with partners to address these areas with programmes such as sponsored science, mathematics and English tuition classes, IT programming classes and vocational skills programmes as well as youth leadership development programmes.

Partnering with Leaderonomics, EPSOM College Malaysia and Air Asia, we conducted the SPARK camp for the 4th year running in EPSOM College's campus in Bandar Enstek, Negeri Sembilan, in December 2017. 80 underprivileged and marginalized young people from all over Malaysia, including Sabah and Sarawak congregated for one-week of eye opening, live-changing, high-spirited and fun experiences and activities. In the span of 7 days, these youths learned to build their self-confidence, developed public speaking ability, and learnt project management skills which come with the important lesson of teamwork and good communication. Here, a hand-full of them who had never spoken English before were encouraged and given the opportunity to speak publicly on stage for the first time. They managed to pull it off with a lot of support and encouragement from their fellow teammates. The high point of this camp was the exercise where these youths learned to give back to fellow Malaysians who are needier. Working in teams, they planned and executed projects to help various welfare homes, be it orphanages or old-folks homes. For many of them, these experiences were very empowering, impactful and introspective; giving them great joy and satisfaction, knowing that they can and have made a difference in others' lives.

On another spectrum, we are partnering with EdVolution Enterprise ("EdVolution"), an education service provider that has started a programme to drive school transformation. EdVolution, whose founders are former teachers from Teach for Malaysia, saw the need to work with District Education Office ("PPD") officers to be able to achieve sustainable changes in our public schools. Through TEST, an acronym for Teacher Empowerment for School Transformation, EdVolution will work and train selected PPD officers in innovative teaching concepts and techniques and also provide them with updated tools they can use. EdVolution will be working together with the trained PPD officers to go to the selected schools to transfer skills to the teachers to be a catalyst of change in teaching and learning. In turn these teachers will become a coach and mentor to their peers. This is a small but brave step which we hope and envisage will drive transformation and step-change in the selected school's pedagogy skills.

For 2017, the Foundation continued to sponsor English tuition programmes in Perak and Selangor working with Universiti Tunku Abdul Rahman (UTAR) covering schools in villages around Kampar and Sungei Long. Based on success of this programme over the past two years, the Foundation expanded its sponsorship to include Bahasa Malaysia tuition and IT Scratch programming. Working with Penang Science Cluster, we sponsor their Code-on-Wheels programme where they bring IT programming classes to 40 schools in the rural areas in Penang, Kedah and Perak. We also continued to sponsor the purchase of tables and chairs and computers for poorer schools in remote towns. 2017 also saw a start of our sponsorship of Women's vocational training, including early childhood education training, sewing, cooking, hair and beauty for underprivileged young women through YWCA's Vocational Training Opportunity Centre programme. Last but not least, giving out interest free study loans to needy students for their tertiary education has and will continue to be our mainstay.

It has been a fulfilling year for both the Group and the Foundation's management and staff, for being able to continue to do our part for the communities, regardless of race, religion and creed.

Dividends

Except for the Proposed Special Dividend mentioned above, the Board is not proposing any final dividend for the financial year ended 31 December 2017.

Appreciation

On behalf of the Board and management, I would like to thank all our business associates, shareholders and stakeholders for their continued trust and confidence in us. I also wish to extend my appreciation to the management and staff for their commitments and contributions to the Group. To my fellow Board members, thank you for your continuous support and valuable advice.

Dato' Seri Kalimullah bin Masheerul Hassan
Chairman
21 February 2018

management discussion and analysis

Overview

ECM Libra Financial Group Berhad ("the Company") is a public listed company, incorporated on 24 October 2005 and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The principal activities of the Company are investment holding and provision of management services.

Proposed Corporate Exercise

During the financial year, the Company announced a corporate proposal as follows:

(a) Proposed acquisitions of:

  (i) 50% equity interest in TP Sepang Sdn Bhd ("TPSB"), TP International Pty Ltd, Yummy Kitchen Sdn Bhd and 40.005% equity interest in TP Hotel (Flinders) Trust (together with 40.005% of the rights and benefits to the total advances owing by TP Hotel (Flinders) Trust) from TP Real Estate Holdings Pte Ltd; and

  (ii) Tune Hotel Penang, Tune Hotel Kota Kinabalu and the rights to operate and maintain Tune Hotel KLIA Aeropolis;

  for an aggregated purchase consideration of RM88,600,000 to be satisfied by a combination of RM19 million cash and 193,333,332 new ordinary shares in the Company to be issued ("Proposed Acquisitions");

(b) Pursuant to the acquisition of the 50% equity interest in TPSB, the Company will be required to pledge the equity interest acquired and provide a corporate guarantee as may be required by the financier of TPSB in the proportion of the Company's equity interest in TPSB in respect of an existing loan obligation undertaken by TPSB;

(c) Proposed collaboration with Tune Hotels.Com (BVI) Limited in respect of the "Tune Hotels.Com" brand;

(d) Proposed special dividend, subject to the Proposed Disposals (as defined thereafter) becoming unconditional ("Proposed Special Dividend");

(e) Proposed disposal of the Company's non-core assets, comprising the east wing and centre wing of Bangunan ECM Libra, and the semi-detached residential property ("Semi-D"), for an aggregated cash consideration of RM28,000,000 ("Proposed Disposals"); and

(f) Proposed diversification of the existing principal activities of the Company to include the business of hotel management and ownership.

(collectively referred to as "Proposed Corporate Exercise").

The Proposed Corporate Exercise had been approved by shareholders at the Extraordinary General Meeting on 12 December 2017. Further information on the Proposed Corporate Exercise is available in the Circular to Shareholders of the Company dated 27 November 2017.

Financial Review

For the financial year ended 31 December 2017, the Company and its subsidiaries (together referred to as "the Group") recorded profit before tax of RM2.1 million and profit after tax of RM1.0 million from continuing operations. Profit before tax was lower than last financial period for the 11-month ended 31 December 2016 of RM7.1 million. For the period ended 31 December 2016, there was a disposal gain on quoted investment outside Malaysia.

Total gross income of RM20.1 million comprising portfolio management fees of RM14.1 million, interest income of RM5.0 million, gain on disposal of securities of RM0.2 million and other income of RM0.8 million. Total expenses for the year ended 31 December 2017 amounted to RM17.9 million compared to RM15.0 million in the previous period ended 31 December 2016. Meanwhile, the basic earnings per ordinary share from continuing operations for the financial year ended 31 December 2017 dropped to 0.34 sen from 2.10 sen in the previous financial period.

Financial Review (continued)

The proposed disposals of the Company's Bangunan ECM Libra and Semi-D have resulted in the classification of the results of these assets as Disposal Group held for sale in the statement of profit or loss. Disposal Group held for sale reported a loss before tax of RM0.1 million during the year ended 31 December 2017. The rental income of RM1.3 million was offset by total expenses of RM1.4 million.

The Group's cash and cash equivalents decreased by 5.5% to RM20.8 million as at 31 December 2017 from RM22.0 million as at 31 December 2016. The decrease mainly due to the Company paid cash deposit of RM3.1 million, representing 10% of purchase price upon execution of the conditional sale and purchase agreements for proposed acquisitions of Tune Hotel Penang, Tune Hotel Kota Kinabalu and the right to operate and maintain Tune Hotel KLIA Aeropolis. The Group's cash and available-for-sale financial assets decreased by 0.7% to RM58.8 million, representing 39.0% of the Group's total assets as at 31 December 2017 (2016: RM59.2 million or 39.7%).

The Group's objectives when managing capital are to safeguard its ability to continue as going concern in order to provide returns to shareholders, benefits for other stakeholders, and to maintain an optimal capital structure to reduce cost of capital. The Group had no borrowings during the financial year and continued to maintain a debt free capital structure. The Group's total equity increased by 0.9% to RM145.6 million as at 31 December 2017 from RM144.3 million as at 31 December 2016. The return on assets, return on equity and net assets per share for the financial year ended 31 December 2017 were 0.6%, 0.6% and RM0.51 respectively compared to 4.0%, 4.2% and RM0.50 respectively in the previous financial period.

Business Segments Review

Business segments review of continuing operations and Disposal Group held for sale are presented separately following the announcement of proposed disposals.

(a) Continuing operations

(i) Investment holding

Investment holding reported a total income of RM0.6 million during the year ended 31 December 2017, representing 2.8% of the Group's total income (2016: RM6.7 million or 29.1%), whilst its loss before tax was RM5.9 million during the year ended 31 December 2017 compared to profit of RM1.6 million in the previous financial year contributed by the disposal gain on quoted investment outside Malaysia.

(ii) Fund management

Fund management is operated by Libra Invest Berhad ("LIB"), which undertakes the regulated activities of fund management and the distribution of unit trust funds. LIB assists investors in achieving their medium to long-term financial goals through three main core values i.e. performance base culture, personalised client services, integrity and ethics. Fund management continued to be one of the Group's main revenue source and generated total income of RM14.5 million during the year ended 31 December 2017, representing 67.5% of the Group's total income (2016: RM11.5 million or 50.4%). In the current financial year, fund management recorded a profit before tax of RM3.1 million, compared to RM1.7 million in the previous financial period. The increase in profit was due to higher portfolio management fee income by 25.9% to RM14.1 million in the current financial year from RM11.2 million in the previous financial period, backed by a higher Assets Under Management.

As at 31 December 2017, LIB managed about RM6.6 billion of assets through unit trust funds, wholesale funds, as well as portfolios of privately managed funds on behalf of high net worth individuals, corporations and institutional clients. The funds performances are tracked against their respective benchmarks as well as peers' group through Lippers Ranking. As at 31 December 2017, 10 of LIB's unit trust funds were in the first and second quartiles of the Lippers 1-Year Fund Ranking Table.

As LIB continues to build on funds management capabilities and expertise, its efforts have been validated. The Employees Provident Fund Portfolio Managers Annual Awards named LIB as the Best Domestic Fixed Income Portfolio Manager and also Best 3-Year ROI Domestic Fixed Income Portfolio Manager. Besides, Libra AsnitaBond Fund was honoured this year at the Fundsupermart.com Recommended Unit Trust Awards 2017/2018.

Business Segments Review (continued)

(a) Continuing operations (continued)

(ii) Fund management (continued)

Despite rising market's volatility, LIB continues to leverage on the momentum that it has built in developing its products and services. LIB assesses the market's appetite and improves its products to cater the investors' requirements through capacity and capabilities enhancements in terms of distribution network, investment and operational processes. New ways of doing business in particular in relation to emerging fintech and robo advisor as a way to help investors at large will also be explored.

A Risk Management Framework has been established and is monitored by the Compliance and Risk Management Department which reports to the Board of Audit and Risk Management Committee. The Framework sensitises the organisation to risk identification, measurement, control, ongoing monitoring, responsibility and accountability. It coordinates and standardises the understanding and application of risk management throughout the organisation so that assurance can be given to the Board of Audit and Risk Management Committee that a sound risk management and internal control system are in place.

(iii) Structured financing

Structured financing generated a total income of RM5.0 million during the year ended 31 December 2017, representing 23.5% of the Group's total income (2016: RM4.7 million or 20.6%), whilst its profit before tax was RM5.0 million during the year ended 31 December 2017, mainly contributed by interest income.

(b) Disposal Group held for sale

Disposal Group held for sale generated rental income of RM1.3 million during the year ended 31 December 2017, representing 6.2% of the Group's total income, whilst its loss before tax was RM0.1 million during the year ended 31 December 2017, caused by Bangunan ECM Libra's maintenance expenses incurred by the Company.

Prospects

As disclosed in the Proposed Corporate Exercise, the Group has proposed to diversify the existing business activities to include the business of hotel management and ownership. This would enable the Group to diversify the revenue and income stream. The Group intends to continue its existing principal business activities relating to financial services in addition to being involved in the hotel business after completion of the Proposed Corporate Exercise. The Proposed Corporate Exercise is still on-going and does not have significant impact to the Group's revenue and income stream for the year ended 31 December 2017.

Dividends

Except for the Proposed Special Dividend in relation to the Proposed Corporate Exercise, the Board is not proposing any final dividend for the financial year ended 31 December 2017.

sustainability statement

This Sustainability Statement issued by ECM Libra Financial Group Berhad ("the Company") provides an overview of our sustainability practices of the Company and its subsidiaries (together referred to as "the Group") for the financial year ended 31 December 2017.

The Board of Directors is pleased to demonstrate our commitment to create long-term sustainable value and business growth for all internal and external stakeholders. We make an effort in identifying, managing and addressing economic, environmental and governance factors that are material to the business operations.

STAKEHOLDERS' ENGAGEMENT

In building long-term business growth, it is essential to understand and being responsive to the stakeholders' concerns or expectations to the Group and the Company. We strive to improve our stakeholders' engagement approach via various communication channels as follows:

Stakeholders	Mode of communication
Customers	- Face-to-face interaction - Communication through Investor Care Department - Feedback through website, e-mail and social media - Events such as investment talks, career fair
Shareholders and investors	- Quarterly reports, Annual Report, media releases - Annual General Meeting
Management	- Monthly business performance meeting - Meetings
Employees	- Internal and external staff trainings - Meetings - Staff gatherings and other engagement channels
Community	- Company website - Events such as investment talks, career fair - Media releases and interviews
Government and regulators	- Meetings and events - Advice from professionals such as lawyer, external auditor, tax agent and etc.

ECONOMIC

We focus on building sustainable relationships with stakeholders and utilise our resources to contribute to economic growth and bring value to our stakeholders. This section highlights the continual measures to support the economic sustainability of our operations by giving due attention to our customers and our employees.

i. Customers

We recognise that in order to grow sustainably, we need to ensure our customers are satisfied, not only with our products but also services. We place high priority on customer engagement with various customer feedback channels and works toward providing flexible and innovative solutions to meet their financial and investment goals.

We award eligible customers for their loyalty through BIG points and redeem it for free Air-Asia flight tickets and/or any other merchandise. We provide timely update on investment positions or holding by providing monthly statements, details of income distributions, annual statement or report, unaudited half yearly interim report and audited annual report to our customers.

ECONOMIC (continued)

ii. Cyber Security and Data Privacy

As the world becomes more digitised, we recognise there is an increasing threat of important data being accessed via unauthorised means. We continuously strive to ensure the confidentiality and protection of customers' and stakeholders' information and documents based on the requirements under the Personal Data Protection Act, 2010.

We implemented file encryption protection on all documents that contained information of our customers and also stakeholders. We installed antivirus on each workstation to prevent an uninvited threat and constantly send out alerts to staff on security threats.

iii. Employees

We recognise that employees are the key driver of an organization to ensure sustainable business growth. To achieve talent attraction and retention, we provide fair and equal opportunity based on qualification, skills and competency of employees. We are also committed to protect and respect human rights of employees in accordance with relevant laws and regulations as well as ensuring the employees safety and well-being.

We believe that the level of compensation is one of the key aspects to all employees. We open equal opportunity to all new hires regardless of gender and age group. For existing employees, the management reviews the remuneration and staff benefits at least on annual basis based on employees' job performance and reference to the market rate aiming to create a productive and motivated workforce.

We also introduced whistle-blowing policy that serves to provide a platform to employees to report in good faith and in confidence, without fear of reprisals and concerns, on any improper conduct within the Group.

iv. Training and Learning

Enhancing the skills of an employee is important towards sustainability and growth of a business enterprise. Our approach to develop our talent is to build a strong culture of learning and continuously improving their skills through on-the-job and off-the-job training in achieving high job performance, skills enhancement as well as supporting their career development.

ENVIRONMENT

We are concerned about environmental issues such as pollution and climate change which affects everyone's quality of life today and in the future. Although the financial services industry does not have a significant direct impact on the environment, we believe in playing our part in minimising as far as possible our environmental footprint by adoption of a responsible approach in terms of resource use.

We encourage our employees to conserve electricity wherever possible to promote energy conservation and efficiency. We promote eco-friendly practices in workplace such as using recycled paper and place recycle bins to promote recycling of paper, bottles, cans and other office supplies.

GOVERNANCE

Good governance is essential to ensure that the operations of the Group and the Company are managed in a manner where all stakeholders are treated fairly. A Risk Management Framework has been established and is monitored by the Compliance and Risk Management Department which reports to be Board of Audit and Risk Management Committee. In addition, all employees shall observe and adhere to the highest standard of professional conduct. The Code of Conduct is available on the Company's internal public folder.

directors' responsibility statement for the audited financial statements

The Directors are required by the Companies Act 2016 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 December 2017, 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 and in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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 2016.

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.

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of ECM Libra Financial Group Berhad ("Company") will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 25 April 2018 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 December 2017. **Please refer explanatory note 1**

2. To approve the payment of Directors' fees of RM292,500 in respect of financial year ended 31 December 2017 to be divided amongst the Non-Executive Directors in such manner as the Directors may determine. **Resolution 1**

3. To approve the payment of Directors' remuneration (excluding Directors' fees) up to an amount of RM137,000 payable to the Non-Executive Directors from 26 April 2018 until the next Annual General Meeting of the Company. **Resolution 2**

4. To re-elect the following Directors retiring pursuant to Article 103 of the Company's Articles of Association:

   (a) Mr Lim Kian Onn; and **Resolution 3**
   (b) Dato' Othman bin Abdullah. **Resolution 4**

5. 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 resolutions:

6. **Ordinary Resolutions on Continuation in Office as Independent Non-Executive Directors**

   (a) "**THAT** approval be and is hereby given to Datuk Kamarudin bin Md Ali, who has served as Independent Non-Executive Director of the Company for a cumulative term nearest to twelve years, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."; **Resolution 6**

   (b) "**THAT** subject to the passing of the Resolution 4, approval be and is hereby given to Dato' Othman bin Abdullah, who has served as Independent Non-Executive Director of the Company for a cumulative term nearest to twelve years, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."; and **Resolution 7**

(c) "**THAT** approval be and is hereby given to En Mahadzir bin Azizan, who has served as Independent Non-Executive Director of the Company for a cumulative term nearest to twelve years, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.". **Resolution 8**

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

"**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, 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 to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares 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 9**

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

By Order of the Board

NG CHEONG SENG
JASMINDAR KAUR A/P SARBAN SINGH
Secretaries

Kuala Lumpur
27 March 2018

NOTES:

1. Only a depositor whose name appears in the Record of Depositors of the Company as at 18 April 2018 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 Thirteenth Annual General Meeting ("13th AGM").

2. A member entitled to attend and vote at the 13th AGM 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. There shall be no restriction as to the qualification of the proxy(ies).

3. Where a member appoints more than one (1) proxy to attend the 13th AGM, 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 13th 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 13th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 13th 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.

7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 13th AGM will be put to vote by way of poll.

Explanatory notes

1. **To receive the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 31 December 2017**

   This agenda item is meant for discussion only as under the provision of Section 340(1) of the Companies Act 2016, the audited financial statements do not require a formal approval of the members and hence, this item will not be put forward for voting.

2. **Ordinary Resolution 1 on payment of Directors' fees of RM292,500 in respect of financial year ended 31 December 2017 to be divided amongst the Non-Executive Directors**

   The Directors' fees of RM292,500 in respect of financial year ended 31 December 2017 includes fees of RM60,000 payable to the Non-Executive Directors of Libra Invest Berhad ("LIB"), the main subsidiary of the Company.

3. **Ordinary Resolution 2 on payment of Directors' remuneration (excluding Directors' fees) up to an amount of RM137,000 payable to the Non-Executive Directors from 26 April 2018 until the next Annual General Meeting of the Company**

   The current Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors for both the Company and LIB includes meeting allowances, medical coverage and other claimable benefits.

The estimated meeting allowances payable to the Non-Executive Directors from 26 April 2018 until the next Annual General Meeting of the Company are calculated based on the number of scheduled meetings for Board of Directors ("Board") and Board Committees of the Company and LIB and the number of Non-Executive Directors involved in these meetings.

The Board will seek approval of the members at the next Annual General Meeting of the Company in the event the Directors' remuneration (excluding Directors' fees) proposed is insufficient due to an increase in the number of the Board and Board Committees meetings and/or increase in the Board size and/or revision to the existing Directors' remuneration structure.

4. Ordinary Resolution 4 on re-election of Dato' Othman bin Abdullah retiring pursuant to the Company's Articles of Association

The Board Nomination Committee and the Board have conducted an assessment on the independence of Dato' Othman bin Abdullah and are satisfied that Dato' Othman bin Abdullah has met the criteria set in the assessment.

5. Ordinary Resolutions 6, 7 and 8 on continuation in office as Independent Non-Executive Directors

The Board would like to seek shareholders' approval for the ordinary resolutions to enable Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan to continue serving as Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting of the Company, despite the Company's Policy on Tenure of Independent Directors setting a cap on the tenure of Independent Directors to a cumulative period of twelve years. In this Annual General Meeting of the Company, all of the said Independent Non-Executive Directors would have served the Company nearest to twelve years since 2006.

The Board is recommending and supporting the resolutions for their continuing in office as Independent Non-Executive Directors, taking into consideration the on-going corporate exercise involving the acquisitions of equity interest and hotels by the Company, and based on the following justifications that the three Directors:

i. have met the criteria set in the annual assessment of their independence in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

ii. have vast experience gained at senior management level in their past career. Their financial management, accounting and legal background have provided support to enable the Board to discharge its duties effectively and in a competent manner;

iii. have acted in the best interest of the Company by providing independent view to the deliberations and decision making of the Board and Board Committee meetings;

iv. understand the Group and its businesses, the industry and challenges and therefore are able to contribute to the development of the Group;

v. are able to devote time and commitment to attend to the functions and duties as independent director, including attendance and informed participation at Board and Board Committee meetings;

vi. have confirmed that notwithstanding the twelve year tenure, 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; and

vii. the on-going corporate exercise involving the acquisitions of equity interest and hotels by the Company to diversify its principal activities and not to change its business direction or policy.

Under the Equity Guidelines issued by the Securities Commission Malaysia, significant change in the business direction or policy of a listed corporation means, among others, an acquisition of assets which results in a change in the board of directors of the listed corporation. The Equity Guidelines define a change in the board of directors of the listed corporation to mean a change within a twelve-month period from the date of the acquisition in:

(a) at least one-half of the membership of the board of directors of the listed corporation; or

(b) at least one-third of the membership of the board of directors of the listed corporation, including the chief executive.

The on-going corporate exercise involves acquisitions of equity interest and hotels by the Company as approved by the shareholders of the Company on 12 December 2017 is to diversify its principal activities and not to change its business direction or policy. As such, it is advisable to retain the current Board members.

Therefore, the Board would like to seek shareholders' approval for the ordinary resolutions to enable Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan to continue serving as Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting of the Company. The Board is recommending and supporting the resolutions for their continuing in office as Independent Non-Executive Directors based on the above justifications.

The ordinary resolutions, if passed, will allow Datuk Kamarudin bin Md Ali, Dato' Othman bin Abdullah and En Mahadzir bin Azizan to continue serving as Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting of the Company.

In line with Practice 4.2 of the Malaysian Code on Corporate Governance ("MCCG"), the approval of shareholders will be sought through two-tier voting process as described in the Guidance to Practice 4.2 of the said MCCG.

6. Ordinary Resolution 9 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 to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares 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 12 April 2017 and which will lapse at the conclusion of the 13th 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 Thirteenth Annual General Meeting of the Company.

2. Ordinary Resolution 9 on authority to Directors to issue shares

Further details of the authority to Directors to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are stated in the explanatory notes of the Notice of Annual General Meeting as set out on page 42.

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financial statements

directors' report

The Directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 31 December 2017.

Principal activities

The principal activities of the Company are investment holding and provision of management services. The principal activities and other information relating to the subsidiaries are disclosed in Note 8 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the financial year attributable to owners of the Company	874	1,438

There were no material transfers to or from reserves or provisions during the financial year.

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial period. The Directors do not recommend the payment of any dividend for the current financial year ended 31 December 2017.

Issue of shares and debentures

The new Companies Act, 2016, which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, any amount standing to the credit of the capital redemption reserve account of RM3,554,762 becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Companies Act, 2016. Notwithstanding this provision, the Company may within 24 months from the commencement of the Companies Act, 2016, use the amount standing to the credit of its capital redemption reserve account of RM3,554,762 for purposes as set out in Section 618(3) of the Companies Act, 2016. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

There were no other changes in the authorised, issued and paid-up capital of the Company during the financial year.

The Company did not issue any debentures during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Directors

The Directors of the Company in office since the beginning of the financial year to the date of the 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 Gareth Lim Tze Xiang
Mr Chin Jon Wei (Alternate Director to Mr Gareth Lim Tze Xiang) (resigned on 25 May 2017)

Directors of the subsidiaries

The Directors of the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the financial year to the date of the report are:

En Khairudin bin Ibrahim
Mr Lee Wei Chung
Madam Chan Soon Lee
Ms Ong Lei Hua
Mr Ng Cheong Seng (appointed on 23 June 2017)
Mr Koh Eu-Jin (resigned on 15 January 2018)

Directors' benefits

Since the end of the previous financial period, no Director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the accounts or the fixed salary of a full time employee of the Company or of its related corporations as disclosed in Note 22 to the financial statements) 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 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.

Directors' interests

The Directors holding office at the end of the financial year who had beneficial interests in the ordinary shares of the Company and/or its related corporations during the financial year ended 31 December 2017, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

	Number of ordinary shares			
	As at 1.1.2017	**Acquired**	**Sold**	**As at 31.12.2017**
Direct interest in the Company				
Dato' Seri Kalimullah bin Masheerul Hassan	39,356,640	-	-	**39,356,640**
Mr Lim Kian Onn	-	2,674,200	-	**2,674,200**
Datuk Kamarudin bin Md Ali	50,000	-	-	**50,000**
Indirect interest in the Company				
Mr Lim Kian Onn	130,387,186	-	-	**130,387,186**

Mr Lim Kian Onn, by virtue of his interests in the Company and pursuant to Section 8(4) of the Companies Act, 2016, is deemed to have interests in the shares of all the subsidiaries of the Company to the extent that the Company has an interest.

Other than as disclosed above, none of the other Directors holding office at the end of the financial year had any interest in the shares of the Company and its related corporations during the financial year.

Indemnity and insurance costs

During the financial year, Directors and Officers of the Group are covered under the Professional Indemnity Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy. The total amount of indemnity coverage and insurance premium paid during the year, for the Directors and Officers of the Group are RM1,000,000 and RM22,027, respectively.

Directors' remuneration

The Directors' remuneration are disclosed in Note 22 to the financial statements.

Other statutory information

(I) At the end of the financial year:

(a) Before the financial statements of the Group and of the Company were prepared, 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 satisfied themselves that there were no known bad debts and financing and that no allowance for doubtful debts and financing is required; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

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

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

(i) which would render it necessary to write off any bad debts and financing or to make any allowance for doubtful debts and financing in respect of 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; or

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

(b) In the opinion of the Directors:

(i) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred 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 when they fall due.

(III) At the date of this report:

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

(b) There are no contingent liabilities which has 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.

Significant events

The significant events during the financial year are disclosed in Note 33 to the financial statements.

Auditors' remuneration

The remuneration of the auditors is as disclosed in Note 21 to the financial statements.

To the extent permitted by law, the Group and the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment was made to indemnify Ernst & Young during or since the end of the financial year.

Auditors

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

This report was approved by the Board of Directors on 21 February 2018. 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
21 February 2018

statement by directors

Pursuant to Section 251(2) of the Companies Act, 2016

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 56 to 117 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 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 December 2017 and of their results and their cash flows for the financial year then ended.

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

Dato' Seri Kalimullah bin Masheerul Hassan

Lim Kian Onn

Kuala Lumpur, Malaysia
21 February 2018

statutory declaration

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Ng Cheong Seng, 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 56 to 117 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 Ng Cheong Seng at
Kuala Lumpur in the Federal Territory
on 21 February 2018.

Ng Cheong Seng

Before me,

Tan Kim Chooi
Commissioner for Oaths

21 February 2018

Independent auditors' report

to the members of ECM Libra Financial Group Berhad
(Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ECM Libra Financial Group Berhad, which comprise the statements of financial position as at 31 December 2017 of the Group and of the Company, and 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 financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 56 to 117.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter mentioned below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Company. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Impairment of unquoted investments classified as available-for-sale financial assets

The Group and the Company hold unquoted investments which are carried at cost and classified as available-for-sale financial assets as at 31 December 2017 which amounted to RM20.24 million (2016: RM19.99 million), as disclosed in Note 4 to the financial statements.

We consider the impairment assessment of these unquoted investments as a key audit matter due to the degree of complexity involved in valuing these instruments and the significance of the judgements and estimates made by management. The significant accounting policy relating to impairment of these unquoted investments are disclosed in Note 2(h)(vi)(B) to the financial statements. The nature of the significant judgment and estimates used by management is as disclosed in Note 2(s)(iii) to the financial statements.

Report on the audit of the financial statements (continued)

Key audit matters (continued)

Impairment of unquoted investments classified as available-for-sale financial assets (continued)

Our audit procedures included the following:

- Making enquiries with management of the Company on the basis and assumptions used to determine the profit and cash flows forecasts and projections of the underlying assets,

- Compared the basis and assumptions used by management against historical evidence available for the underlying assets and publicly-available economic and market data, and

- Performed a downward sensitivity analysis on the growth rates (being the input that is most sensitive to the profit and cash flows forecasts and projections), and discount rate used by management.

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the audit and risk management committee of the board report, corporate governance statement, chairman's statement, management discussion and analysis, the Director's report and the other information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Report on the audit of the financial statements (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 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. 03013/10/2018J
Chartered Accountant

Kuala Lumpur, Malaysia
21 February 2018

statements of financial position

as at 31 December 2017

	Note	Group 2017 RM'000	Group 2016 RM'000	Company 2017 RM'000	Company 2016 RM'000
Assets					
Cash and cash equivalents	3	**20,825**	22,015	**9,308**	8,683
Available-for-sale financial assets	4	**38,029**	37,217	**38,029**	37,217
Loans, advances and financing	5	**59,071**	58,897	**-**	-
Trade receivables	6	**1,910**	2,142	**-**	-
Other assets	7	**4,001**	1,487	**3,396**	752
Investment in subsidiaries	8	**-**	-	**13,171**	13,184
Amount owing by subsidiaries	9	**-**	-	**53,704**	54,828
Deferred tax assets	10	**250**	92	**134**	-
Property, plant and equipment	11	**2,438**	23,403	**734**	24,908
Investment property	12	**-**	4,011	**-**	4,011
Assets classified as held for sale	13	**24,438**	-	**27,778**	-
Total assets		**150,962**	149,264	**146,254**	143,583
Liabilities and equity					
Liabilities					
Trade payables	14	**1,274**	2,134	**-**	-
Other liabilities	15	**3,134**	2,685	**1,235**	1,138
Provision for taxation		**209**	89	**-**	-
Deferred tax liabilities	10	**-**	47	**-**	47
Liabilities classified as held for sale	13	**728**	-	**728**	-
Total liabilities		**5,345**	4,955	**1,963**	1,185
Equity attributable to owners of the Company					
Share capital	16	**37,946**	34,391	**37,946**	34,391
Reserves	17	**107,671**	109,918	**106,345**	108,007
Total equity		**145,617**	144,309	**144,291**	142,398
Total liabilities and equity		**150,962**	149,264	**146,254**	143,583

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

statements of profit or loss and other comprehensive income

for the financial year ended 31 December 2017

	Note	Group Year ended 31.12.2017 RM'000	Group Period from 1.2.2016 to 31.12.2016 RM'000	Company Year ended 31.12.2017 RM'000	Company Period from 1.2.2016 to 31.12.2016 RM'000
Continuing operations					
Revenue	2(l)	**20,208**	22,223	**7,990**	3,731
Interest income	18	**4,967**	4,683	**2,951**	2,932
Non-interest income	19	**15,241**	17,540	**5,039**	799
Other non-operating (expenses)/income	20	**(149)**	646	**(149)**	7,823
Gross income		**20,059**	22,869	**7,841**	11,554
Operating expenses	21	**(17,934)**	(14,998)	**(6,474)**	(5,172)
Operating profit		**2,125**	7,871	**1,367**	6,382
Interim distribution income from subsidiaries		**-**	-	**-**	575
Impairment loss on investment in subsidiaries		**-**	-	**-**	(1,341)
Allowance for impairment loss on securities		**-**	(754)	**-**	-
Profit before tax		**2,125**	7,117	**1,367**	5,616
Income tax expense	23	**(1,155)**	(1,091)	**(315)**	(488)
Profit from continuing operations		**970**	6,026	**1,052**	5,128
Disposal Group held for sale					
(Loss)/profit from Disposal Group held for sale	24	**(96)**	-	**386**	-
Profit for the financial year/period		**874**	6,026	**1,438**	5,128
Attributable to owners of the Company		**874**	6,026	**1,438**	5,128

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

statements of profit or loss and other comprehensive income continued

for the financial year ended 31 December 2017

	Note	Group Year ended 31.12.2017 RM'000	Group Period from 1.2.2016 to 31.12.2016 RM'000	Company Year ended 31.12.2017 RM'000	Company Period from 1.2.2016 to 31.12.2016 RM'000
Profit for the financial year/period		**874**	6,026	**1,438**	5,128
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss:					
Net fair value changes on available-for-sale financial assets		**434**	(127)	**455**	(123)
Foreign currency translation deficit reclassified to profit or loss upon liquidation of subsidiaries		**-**	1,141	**-**	-
Income tax relating to components of other comprehensive loss	10	**-**	(66)	**-**	(67)
Other comprehensive income/(loss) for the financial year/period, net of tax		**434**	948	**455**	(190)
Total comprehensive income for the financial year/period, net of tax		**1,308**	6,974	**1,893**	4,938
Attributable to owners of the Company		**1,308**	6,974	**1,893**	4,938

	Note	Sen	Sen
Basic earnings/(loss) per ordinary share:			
- from continuing operations	25	**0.34**	2.10
- from Disposal Group held for sale	25	**(0.03)**	-
		0.31	2.10

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

statements of changes in equity

for the financial year ended 31 December 2017

Group	Share capital RM'000	Capital redemption reserve RM'000	Foreign currency translation deficit RM'000	Available-for-sale revaluation deficit RM'000	General reserve RM'000	Retained profits RM'000	Total equity RM'000
	← Non-distributable				→	Distributable	
At 1 January 2017	**34,391**	**3,555**	**-**	**(590)**	**2,788**	**104,165**	**144,309**
Profit for the financial year	**-**	**-**	**-**	**-**	**-**	**874**	**874**
Other comprehensive income	**-**	**-**	**-**	**434**	**-**	**-**	**434**
Total comprehensive income	**-**	**-**	**-**	**434**	**-**	**874**	**1,308**
Transactions with owners:							
Transfer pursuant to the Companies Act, 2016 *	**3,555**	**(3,555)**	**-**	**-**	**-**	**-**	**-**
	3,555	**(3,555)**	**-**	**-**	**-**	**-**	**-**
At 31 December 2017	**37,946**	**-**	**-**	**(156)**	**2,788**	**105,039**	**145,617**
At 1 February 2016	34,391	3,555	(1,141)	(397)	2,788	98,139	137,335
Profit for the financial period	-	-	-	-	-	6,026	6,026
Other comprehensive loss	-	-	-	(193)	-	-	(193)
Reclassification to profit or loss upon liquidation of subsidiaries	-	-	1,141	-	-	-	1,141
Total comprehensive income/ (loss)	-	-	1,141	(193)	-	6,026	6,974
At 31 December 2016	34,391	3,555	-	(590)	2,788	104,165	144,309

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

for the financial year ended 31 December 2017

Company	Share capital RM'000	Capital redemption reserve RM'000	Available-for-sale revaluation (deficit)/ reserve RM'000	General reserve RM'000	Retained profits RM'000	Total equity RM'000
	← Non-distributable			→	Distributable	
At 1 January 2017	**34,391**	**3,555**	**(405)**	**2,746**	**102,111**	**142,398**
Profit for the financial year	**-**	**-**	**-**	**-**	**1,438**	**1,438**
Other comprehensive income	**-**	**-**	**455**	**-**	**-**	**455**
Total comprehensive income	**-**	**-**	**455**	**-**	**1,438**	**1,893**
Transactions with owners:						
Transfer pursuant to the Companies Act, 2016 *	**3,555**	**(3,555)**	**-**	**-**	**-**	**-**
	3,555	**(3,555)**	**-**	**-**	**-**	**-**
At 31 December 2017	**37,946**	**-**	**50**	**2,746**	**103,549**	**144,291**
At 1 February 2016	34,391	3,555	(215)	2,746	96,983	137,460
Profit for the financial period	-	-	-	-	5,128	5,128
Other comprehensive loss	-	-	(190)	-	-	(190)
Total comprehensive (loss)/income	-	-	(190)	-	5,128	4,938
At 31 December 2016	34,391	3,555	(405)	2,746	102,111	142,398

* The new Companies Act, 2016, which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, any amount standing to the credit of the capital redemption reserve account of RM3,554,762 becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Companies Act, 2016. Notwithstanding this provision, the Company may within 24 months from the commencement of the Companies Act, 2016, use the amount standing to the credit of its capital redemption reserve account of RM3,554,762 for purposes as set out in Section 618(3) of the Companies Act, 2016. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

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

statements of cash flows

for the financial year ended 31 December 2017

	Note	Group Year ended 31.12.2017 RM'000	Group Period from 1.2.2016 to 31.12.2016 RM'000	Company Year ended 31.12.2017 RM'000	Company Period from 1.2.2016 to 31.12.2016 RM'000
Cash flows from operating activities					
Profit/(loss) before tax:					
- from continuing operations		**2,125**	7,117	**1,367**	5,616
- from Disposal Group held for sale		**(96)**	-	**386**	-
Adjustments for:					
Depreciation of property, plant and equipment	11	**771**	1,194	**400**	855
Depreciation of investment property	12	**7**	19	**7**	19
Loss on disposal of property, plant and equipment	20	**-**	7	**-**	-
Property, plant and equipment written-off	21	**-**	51	**-**	-
Gain on disposal of available-for-sale financial assets	19	**(183)**	(5,521)	**(162)**	-
Allowance for impairment loss on securities		**-**	754	**-**	-
Income distribution from unit trust fund	19	**(397)**	(254)	**(397)**	(244)
Foreign currency translation deficit reclassified to profit or loss upon liquidation of subsidiaries	20	**-**	1,141	**-**	-
Loss/(gain) on foreign currency translation	20	**149**	(239)	**149**	(251)
Dividend income	19	**(28)**	(35)	**(3,928)**	(35)
Interim distribution income from subsidiaries		**-**	-	**-**	(575)
Gain on liquidation of subsidiaries	20	**-**	(153)	**-**	(5,798)
Impairment loss on investment in subsidiaries		**-**	-	**-**	1,341
Interest income	18	**(4,967)**	(4,683)	**(2,951)**	(2,932)
Operating loss before changes in working capital, representing balance carried forward		**(2,619)**	(602)	**(5,129)**	(2,004)

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

statements of cash flows continued

for the financial year ended 31 December 2017

	Note	Group		Company	
		Year ended 31.12.2017	Period from 1.2.2016 to 31.12.2016	Year ended 31.12.2017	Period from 1.2.2016 to 31.12.2016
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities (continued)					
Balance brought forward		**(2,619)**	(602)	**(5,129)**	(2,004)
Decrease in operating assets:					
Loans, advances and financing, including interest		**4,299**	5,580	**-**	-
Trade receivables		**232**	4,080	**-**	-
Other assets		**212**	22	**158**	69
Amount owing by subsidiaries		**-**	-	**1,482**	2,542
(Decrease)/increase in operating liabilities:					
Trade payables		**(860)**	1,800	**-**	-
Other liabilities		**1,177**	(5,390)	**97**	(209)
Cash generated from/(used in) operations		**2,441**	5,490	**(3,392)**	398
Tax refunded		**33**	91	**-**	78
Tax paid		**(902)**	(1,266)	**(202)**	(736)
Net cash generated from/(used in) operating activities		**1,572**	4,315	**(3,594)**	(260)
Cash flows from investing activities					
Dividend received	19	**28**	35	**3,928**	35
Deposits for proposed acquisition	7	**(3,093)**	-	**(3,093)**	-
Purchase of property, plant and equipment	11	**(240)**	(355)	**-**	(90)
Proceeds from disposal of property, plant and equipment		**-**	4	**-**	-
Proceeds from liquidation of subsidiaries		**-**	153	**13**	8,210
Interim distribution income from subsidiaries		**-**	-	**-**	575
Net disposal/(purchase) of available-for-sale financial assets		**202**	(7,796)	**202**	(14,170)
Interest income received from deposits with financial institutions		**490**	537	**126**	210
Interest income received from amount owing by a subsidiary		**-**	-	**3,192**	2,461
Net cash (used in)/generated from investing activities		**(2,613)**	(7,422)	**4,368**	(2,769)

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

statements of cash flows continued

for the financial year ended 31 December 2017

	Note	Group		Company	
		Year ended 31.12.2017	Period from 1.2.2016 to 31.12.2016	Year ended 31.12.2017	Period from 1.2.2016 to 31.12.2016
		RM'000	RM'000	RM'000	RM'000
Net (decrease)/increase in cash and cash equivalents		**(1,041)**	(3,107)	**774**	(3,029)
Effects of foreign exchange differences		**(149)**	239	**(149)**	251
Cash and cash equivalents at beginning of the financial year/period		**22,015**	24,883	**8,683**	11,461
Cash and cash equivalents at end of the financial year/period	3	**20,825**	22,015	**9,308**	8,683

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 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 subsidiaries are set out in Note 8.

The financial statements of the Company and its subsidiaries (together referred to as "the Group") were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 21 February 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared on a historical cost basis, except for available-for-sale financial assets that have been measured at fair value.

(b) Changes in accounting policies

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

On 1 January 2017, the Group and the Company adopted the following Amendments to MFRS effective for annual periods beginning on or after 1 January 2017:

Amendments to MFRS 107 *Disclosure Initiative*
Amendments to MFRS 112 *Recognition of Deferred Tax Assets for Unrealised Losses*
Annual Improvements to MFRS Standards 2014 - 2016 Cycle

Adoption of the above amendments, where relevant, 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 the Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of the Group's and the Company's financial statements:

Description	**Effective for annual periods beginning on or after**
Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
Amendments to MFRS 4 *Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*	1 January 2018
Amendments to MFRS 140 *Transfers of Investment Property*	1 January 2018
Clarifications to MFRS 15 *Revenue from Contracts with Customers*	1 January 2018
IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*	1 January 2018
MFRS 9 *Financial Instruments*	1 January 2018
MFRS 15 *Revenue from Contracts with Customers*	1 January 2018
Annual Improvements to MFRS Standards 2014 - 2016 Cycle	1 January 2018
Amendments to MFRS 9 *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*	1 January 2019
IC Interpretation 23 *Uncertainty over Income Tax Treatments*	1 January 2019
MFRS 16 *Leases*	1 January 2019
Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019
MFRS 17 *Insurance Contracts*	1 January 2021
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred to a date to be announced by MASB

The Group and the Company will adopt the abovementioned standards, amendments and interpretations, if applicable, when they become effective in the respective financial year. These pronouncements are not expected to have any 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")

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.

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 are 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; and
- 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 Group and the Company plan to adopt the new standard on the required effective date and expect impact on its statement of financial position or equity on applying the classification and measurement requirements of MFRS 9. The Group and the Company expect all financial assets currently held at fair value to continue measure at fair value through other comprehensive income ("OCI") except for investment in unit trust fund units.

Investment in unit trust fund units currently held as available-for-sale ("AFS") with gains and losses recorded in OCI will, instead, be measured at fair value through profit or loss, which will increase the volatility in recorded profit or loss. The AFS reserve of RM38,641 which is currently presented as accumulated OCI, will be reclassified to retained earnings upon initial application of MFRS 9. Moreover, unquoted investments currently measured at cost less any impairment loss will, instead, be measured at fair value through other comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

(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 will apply simplified approach and record lifetime expected losses on all financial instruments, except for loans, advances and financing. For loans, advances and financing, the Group will apply general approach.

The Group and the Company have determined that, based on the historical credit losses and secured nature of its loans, advances and financing, there will be no material impact on the loss allowance.

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

MFRS 15 replaces all existing revenue requirements (MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC Interpretation 13 *Customer Loyalty Programmes*, IC Interpretation 15 *Agreements for the Construction of Real Estate*, IC Interpretation 18 *Transfers of Assets from Customers* and IC Interpretation 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 main revenue streams of the Group within the scope of MFRS 15 are management fees and performance fees. Management fees are recognised net of any rebates (if any) on a daily basis when the management services are rendered. Performance fees are earned when the returns of a fund exceed the hurdle rate and/or high watermark over a given period. The Group currently recognises performance fees once the performance period elapses. However, in line with MFRS 15, recognition is required prior to the completion of the performance period if it becomes probable that the performance of the fund will continue to exceed the target rate at the end of the performance period. Based on the current market's volatility, the adoption of MFRS 15 is not expected to have any material impact on the recognition of performance fees.

Overall, the adoption of MFRS 15 is not expected to have any material impact on the Group and the company.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 December 2017. 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/or

(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.

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. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and basis of consolidation (continued)

(ii) 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 and general 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.

(e) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. 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 property, plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of the replaced component is derecognised to profit or loss. All other repair and maintenance costs are recognised in profit or loss as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

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

Depreciation of other property, plant and equipment is calculated on a straight-line basis on the cost less residual value 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	10% - 33 1/3%
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 profit or loss when the asset is derecognised.

(f) Investment property

Investment property is property which is 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 property is stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is not depreciated. Freehold building is depreciated on a straight-line basis over the estimated useful lives, at the annual rate of 2%. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

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

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its 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 financial year of derecognition.

(g) Impairment of non-financial assets and investments in subsidiaries

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")).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Impairment of non-financial assets and investments in subsidiaries (continued)

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.

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 financial years. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent financial year.

(h) Financial instruments

(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 available-for-sale financial assets. The Group and the Company do not have any financial assets at fair value through profit or loss or held-to-maturity investments.

(A) 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.

(B) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

(i) Financial assets (continued)

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

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 as AFS revaluation 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.

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

A financial asset or part of it is derecognised when, and only when the contractual rights to receive the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) 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 requires 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.

(ii) 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 category, any previous gain or loss on that asset that has been recognised in other comprehensive income is amortised to 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 other comprehensive income is recycled to profit or loss.

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

(iii) 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 is measured in accordance with the valuation methodologies as set out in Note 31.

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

(iii) Determination of fair value (continued)

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

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 that 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.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

(iv) Financial liabilities

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

(iv) Financial liabilities (continued)

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.

(v) 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.

(vi) 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. Losses expected as a result of future events, no matter how likely, are not recognised.

(A) 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 or the Company. 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 the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

(vi) Impairment of financial assets (continued)

(B) 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 financial 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, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed.

(i) 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.

(j) 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.

(k) Employee benefits

(i) Short-term employee benefits

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Employee benefits (continued)

(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 financial year in which the related service is performed.

(l) Revenue recognition

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

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) Arrangement and placement fees are recognised as and when services are performed.

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

Dividend income	-	when the right to receive payment is established.
Rental income	-	accrual basis by reference to the agreements entered.
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.

(m) 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 currency 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Foreign currencies (continued)

(ii) Foreign currency transactions (continued)

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 the 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 financial period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

(iii) Foreign operations

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

(A) Assets and liabilities presented are translated at the closing rate prevailing at the reporting date;

(B) Income and expenses are translated at average exchange rates for the financial year, which approximates the exchange rates at the dates of the transactions; and

(C) All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

(n) 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 and any adjustment to tax payable in respect of the previous financial years. 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

(ii) Deferred tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or a 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 financial 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.

(o) 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 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 financial year in which they are declared.

(p) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

When an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

(r) Non-current assets and disposal groups held for sale

The Group and the Company classify non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sale will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

(s) 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimates are revised and in any future financial years affected.

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 and the Company classify and account for its securities portfolio as follows:

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 other comprehensive income and impairment losses are recognised in profit or loss. The amount of impairment loss on investments is disclosed in Note 4.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Significant accounting judgments and estimates (continued)

(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. The carrying amount of the Group's and the Company's deferred tax assets and liabilities are as disclosed in Note 10.

(iii) Impairment loss on receivables and investments

At the end of the financial year, the Group and the Company assess whether there were any indication that investments may be impaired. Upon indication of impairment, the Group and the Company will estimated the recoverable amount of the investments and provided an allowance for impairment loss, if any. The carrying amount of the Group's and the Company's receivables and investments are disclosed in Notes 4, 5 and 6.

(iv) Determination of the cost of land and building

The separation of costs of land and building of the Group and the Company were determined by management based on historical valuation reports prepared by independent valuers as well as indicative values of properties in the vicinity. The breakdown of the cost and carrying amounts of land and building is as disclosed in Note 11.

3. CASH AND CASH EQUIVALENTS

	Group		Company	
	2017	**2016**	**2017**	**2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash and balances with banks and other financial institutions	**2,777**	4,327	**260**	595
Money at call and deposit placements maturing within two months	**18,048**	17,688	**9,048**	8,088
	20,825	22,015	**9,308**	8,683

Money at call and deposit placements maturing within two months comprise fixed deposits placed with licensed financial institutions. The weighted average effective interest rate and weighted average maturity period of the fixed deposits are as follows:

	Group		Company	
	2017	**2016**	**2017**	**2016**
Weighted average effective interest rate (%)	**2.39%**	2.50%	**1.36%**	0.79%
Weighted average maturity period (days)	**12**	14	**6**	6

4. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
At fair value				
Quoted shares in Malaysia	**1,566**	3,112	**1,566**	3,112
Quoted shares outside Malaysia	**-**	754	**-**	-
Add/(less): Reversal of/(allowance for) impairment loss on securities	**359**	(754)	**359**	-
	359	-	**359**	-
Unit trust fund units	**15,866**	14,117	**15,866**	14,117
	17,791	17,229	**17,791**	17,229
At cost				
Unquoted investment in Malaysia	**13,038**	12,788	**13,038**	12,788
Unquoted investment outside Malaysia	**7,200**	7,200	**7,200**	7,200
	20,238	19,988	**20,238**	19,988
Total available-for-sale financial assets	**38,029**	37,217	**38,029**	37,217

5. LOANS, ADVANCES AND FINANCING

	Group	
	2017	2016
	RM'000	RM'000
Term loans, representing gross loans, advances and financing	**59,071**	58,897
Analysis of gross loans, advances and financing		
(i) By economic purpose		
Investments	**19,071**	18,881
Others	**40,000**	40,016
Gross loans, advances and financing	**59,071**	58,897
(ii) By interest rate sensitivity		
Fixed rate	**59,071**	58,897

5. LOANS, ADVANCES AND FINANCING (continued)

	Group 2017 RM'000	Group 2016 RM'000
(iii) By type of customer		
Domestic business enterprise	**19,071**	18,881
Individual	**40,000**	40,016
Gross loans, advances and financing	**59,071**	58,897
(iv) By residual contractual maturity		
Within one year	**59,071**	58,897

6. TRADE RECEIVABLES

	Group 2017 RM'000	Group 2016 RM'000
Cancellation of units of funds	**828**	883
Management fee receivables	**1,082**	1,259
	1,910	2,142

Trade receivables have 30 days credit period and are neither past due nor impaired as at the end of the financial year.

7. OTHER ASSETS

	Group		Company	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Interest receivable	**11**	7	**6**	3
Deposits *	**3,437**	327	**3,200**	91
Tax recoverable	**180**	551	**49**	343
Other receivables	**114**	257	**36**	208
Prepayments	**259**	345	**105**	107
	4,001	1,487	**3,396**	752

* Deposits as at 31 December 2017 included RM3,092,600 cash deposit paid by the Company representing 10% of purchase price upon execution of the conditional sale and purchase agreements on 4 May 2017 for proposed acquisition of Tune Hotel Penang, Tune Hotel Kota Kinabalu and the right to operate and maintain Tune Hotel KLIA Aeropolis (as disclosed in Note 33).

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2017	2016
	RM'000	RM'000
Unquoted shares in subsidiaries, at cost:	**13,746**	14,525
Less: Impairment loss	**(575)**	(1,341)
	13,171	13,184

8. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries, all incorporated in Malaysia, are as follows:

Name of Company	Effective Percentage of Ownership 2017 %	2016 %	Principal Activities
Libra Invest Berhad	**100**	100	Provision of unit trust and asset management services
ECM Libra Partners Sdn. Bhd.	**100**	100	Provision of credit services
ECM Libra Capital Sdn. Bhd.	**100**	100	In Member's Voluntary Liquidation
ECML Hotels Sdn. Bhd.	**100**	-	Dormant
ECM Libra Capital Markets Sdn. Bhd.	**-**	100	Dissolved during the financial year
Libra Strategic Opportunity Fund	**-**	100	Liquidated during the financial year

9. AMOUNT OWING BY SUBSIDIARIES

The amount owing by subsidiaries mainly represents payments made on behalf and unsecured advances which are repayable on demand. Included in this amount is an amount owing by a subsidiary, ECM Libra Partners Sdn. Bhd., which is charged an average interest rate of 5.21% (2016: 5.37%) per annum.

10. DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial year/period	**45**	295	**(47)**	132
Recognised in profit or loss (Note 23)				
- Relating to origination and reversal of temporary differences	**205**	(160)	**181**	(107)
- Under provision of deferred tax in prior financial years	**-**	(24)	**-**	(5)
	205	(184)	**181**	(112)
Recognised in other comprehensive income	**-**	(66)	**-**	(67)
At end of the financial year/period	**250**	45	**134**	(47)
Presented, after appropriate offsetting, as follows:				
Deferred tax assets	**250**	92	**134**	-
Deferred tax liabilities	**-**	(47)	**-**	(47)
	250	45	**134**	(47)

All movements in deferred tax assets and liabilities have been recognised in profit or loss except for those relating to available-for-sale ("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 the financial year/period are as follows:

Group	AFS revaluation reserve	Provisions	Other temporary difference	Net deferred tax assets/ (liabilities)
	RM'000	RM'000	RM'000	RM'000
2017				
At beginning of the financial year	**-**	**278**	**(233)**	**45**
Recognised in profit or loss	**-**	**120**	**85**	**205**
At end of the financial year	**-**	**398**	**(148)**	**250**

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

Group	AFS revaluation reserve RM'000	Provisions RM'000	Other temporary difference RM'000	Net deferred tax assets/ (liabilities) RM'000
2016				
At beginning of the financial period	66	320	(91)	295
Recognised in profit or loss	-	(42)	(142)	(184)
Recognised in other comprehensive income	(66)	-	-	(66)
At end of the financial period	-	278	(233)	45
Company				
2017				
At beginning of the financial year	**-**	**78**	**(125)**	**(47)**
Recognised in profit or loss	**-**	**90**	**91**	**181**
At end of the financial year	**-**	**168**	**(34)**	**134**
2016				
At beginning of the financial period	67	113	(48)	132
Recognised in profit or loss	-	(35)	(77)	(112)
Recognised in other comprehensive income	(67)	-	-	(67)
At end of the financial period	-	78	(125)	(47)

11. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	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	RM'000
Cost							
At 1 January 2017	**10,074**	**15,048**	**1,748**	**4,716**	**1,168**	**-**	**32,754**
Additions	**-**	**44**	**13**	**183**	**-**	**-**	**240**
Transfer to Disposal Group held for sale (Note 13)	**(10,074)**	**(15,048)**	**-**	**-**	**-**	**-**	**(25,122)**
At 31 December 2017	**-**	**44**	**1,761**	**4,899**	**1,168**	**-**	**7,872**
Accumulated depreciation							
At 1 January 2017	**-**	**4,458**	**943**	**3,513**	**437**	**-**	**9,351**
Charge during the financial year	**-**	**230**	**110**	**200**	**231**	**-**	**771**
Transfer to Disposal Group held for sale (Note 13)	**-**	**(4,688)**	**-**	**-**	**-**	**-**	**(4,688)**
At 31 December 2017	**-**	**-**	**1,053**	**3,713**	**668**	**-**	**5,434**
Net carrying amount							
At 31 December 2017	**-**	**44**	**708**	**1,186**	**500**	**-**	**2,438**
Cost							
At 1 February 2016	10,074	15,374	1,834	3,631	1,168	905	32,986
Additions	-	7	90	1,163	-	(905)	355
Disposals	-	-	(15)	-	-	-	(15)
Written-off	-	(333)	(161)	(78)	-	-	(572)
At 31 December 2016	10,074	15,048	1,748	4,716	1,168	-	32,754
Accumulated depreciation							
At 1 February 2016	-	4,101	957	3,398	226	-	8,682
Charge during the financial period	-	671	124	188	211	-	1,194
Disposals	-	-	(4)	-	-	-	(4)
Written-off	-	(314)	(134)	(73)	-	-	(521)
At 31 December 2016	-	4,458	943	3,513	437	-	9,351
Net carrying amount							
At 31 December 2016	10,074	10,590	805	1,203	731	-	23,403

11. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Freehold land	Building and office renovation	Furniture and fittings and office equipment	Computers	Motor vehicles	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost						
At 1 January 2017	**10,074**	**18,466**	**373**	**36**	**1,153**	**30,102**
Transfer to Disposal Group held for sale (Note 13)	**(10,074)**	**(18,466)**	**-**	**-**	**-**	**(28,540)**
At 31 December 2017	**-**	**-**	**373**	**36**	**1,153**	**1,562**
Accumulated depreciation						
At 1 January 2017	**-**	**4,612**	**131**	**29**	**422**	**5,194**
Charge during the financial year	**-**	**154**	**12**	**3**	**231**	**400**
Transfer to Disposal Group held for sale (Note 13)	**-**	**(4,766)**	**-**	**-**	**-**	**(4,766)**
At 31 December 2017	**-**	**-**	**143**	**32**	**653**	**828**
Net carrying amount						
At 31 December 2017	**-**	**-**	**230**	**4**	**500**	**734**
Cost						
At 1 February 2016	10,074	18,459	291	35	1,153	30,012
Additions	-	7	82	1	-	90
At 31 December 2016	10,074	18,466	373	36	1,153	30,102
Accumulated depreciation						
At 1 February 2016	-	4,004	99	25	211	4,339
Charge during the financial period	-	608	32	4	211	855
At 31 December 2016	-	4,612	131	29	422	5,194
Net carrying amount						
At 31 December 2016	10,074	13,854	242	7	731	24,908

12. INVESTMENT PROPERTY

Group and Company	Freehold land RM'000	Building RM'000	Total RM'000
Cost			
At 1 January 2017	**2,982**	**1,050**	**4,032**
Transfer to Disposal Group held for sale (Note 13)	**(2,982)**	**(1,050)**	**(4,032)**
At 31 December 2017	**-**	**-**	**-**
Accumulated depreciation			
At 1 January 2017	**-**	**21**	**21**
Charge during the financial year	**-**	**7**	**7**
Transfer to Disposal Group held for sale (Note 13)	**-**	**(28)**	**(28)**
At 31 December 2017	**-**	**-**	**-**
Net carrying amount			
At 31 December 2017	**-**	**-**	**-**
Cost			
At 1 February 2016/31 December 2016	2,982	1,050	4,032
Accumulated depreciation			
At 1 February 2016	-	2	2
Charge during the financial period	-	19	19
At 31 December 2016	-	21	21
Net carrying amount			
At 31 December 2016	2,982	1,029	4,011

The fair value of the investment property as at 31 December 2017 was RM4,000,000 (2016: RM4,475,000). The fair value is categorised as Level 3 in the fair value hierarchy and is estimated using unobservable inputs.

Description of valuation technique and inputs used	Significant unobservable inputs	Sensitivity of fair value to changes in unobservable inputs
Sales comparison approach: Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square feet.	Price per square feet (RM604 - RM644)	The estimated fair value would increase (decrease) if the price per square feet is higher (lower).

13. ASSETS/(LIABILITIES) CLASSIFIED AS HELD FOR SALE

The Company had on 4 May 2017, entered into conditional sale and purchase agreements for the proposed disposals of the east wing and centre wing of Bangunan ECM Libra and the semi-detached residential property ("Disposal Group"), for an aggregated cash consideration of RM28,000,000. Consequently, the east wing and centre wing of Bangunan ECM Libra and the semi-detached residential property are presented as a Disposal Group held for sale. The remaining part of Bangunan ECM Libra comprising the west wing and the basement car parks is currently owned by ECM Libra Foundation, a charitable organisation.

As at 31 December 2017, the assets and liabilities of the Disposal Group are as follows:

	Group	Company
	RM'000	RM'000
Assets classified as held for sale		
Property, plant and equipment	**20,434**	**23,774**
Investment property	**4,004**	**4,004**
	24,438	**27,778**
Liabilities classified as held for sale		
Rental deposits received	**(728)**	**(728)**

The carrying amount of property, plant and equipment and investment property of the Disposal Group is the same as the carrying amount before reclassified to held for sale. The details are as follows:

	Cost	Accumulated depreciation	Total
	RM'000	RM'000	RM'000
Group			
Property, plant and equipment (Note 11)	**25,122**	**(4,688)**	**20,434**
Investment property (Note 12)	**4,032**	**(28)**	**4,004**
	29,154	**(4,716)**	**24,438**
Company			
Property, plant and equipment (Note 11)	**28,540**	**(4,766)**	**23,774**
Investment property (Note 12)	**4,032**	**(28)**	**4,004**
	32,572	**(4,794)**	**27,778**

14. TRADE PAYABLES

Trade payables comprise amounts payable to the funds managed by Libra Invest Berhad for the creation of units.

15. OTHER LIABILITIES

	Group		Company	
	2017	**2016**	**2017**	**2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Accruals and other payables	**3,134**	2,002	**1,235**	455
Deposits received *	**-**	683	**-**	683
	3,134	2,685	**1,235**	1,138

* Deposits received consists of rental deposits received from tenants and is presented separately as liabilities classified as held for sale as at 31 December 2017 (as disclosed in Note 13).

16. SHARE CAPITAL

		Number of shares		Amount	
Group and Company	**Note**	**2017**	**2016**	**2017**	**2016**
		units '000	**units '000**	**RM'000**	**RM'000**
Issued and fully paid-up:					
Ordinary shares					
At beginning of the financial year/period		**286,592**	286,592	**34,391**	34,391
Transfer pursuant to the Companies Act, 2016	(a)	**-**	-	**3,555**	-
At end of the financial year/period		**286,592**	286,592	**37,946**	34,391

(a) The Companies Commission of Malaysia has clarified under Practice Note No 1/2017 that pursuant to the transition provision of the Companies Act, 2016, a company may, within 24 months upon commencement of the Companies Act, 2016, use the amount standing to the credit of its capital redemption reserve account for issuance of bonus shares to members of the Company.

17. RESERVES

	Note	Group 2017 RM'000	Group 2016 RM'000	Company 2017 RM'000	Company 2016 RM'000
Non-distributable					
AFS revaluation (deficit)/reserve	(a)	**(156)**	(590)	**50**	(405)
General reserve	(b)	**2,788**	2,788	**2,746**	2,746
Capital redemption reserve		**-**	3,555	**-**	3,555
Distributable					
Retained profits		**105,039**	104,165	**103,549**	102,111
		107,671	109,918	**106,345**	108,007

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

(b) General reserve represents exercised Employees' Share Options in the previous financial years.

18. INTEREST INCOME

	Group Year ended 31.12.2017 RM'000	Group 1.2.2016 to 31.12.2016 RM'000	Company Year ended 31.12.2017 RM'000	Company 1.2.2016 to 31.12.2016 RM'000
Loans, advances and financing	**4,473**	4,198	**-**	-
Short-term funds and deposits with financial institutions	**494**	485	**129**	161
Amount owing by a subsidiary	**-**	-	**2,822**	2,771
	4,967	4,683	**2,951**	2,932

19. NON-INTEREST INCOME

	Group		Company	
	Year ended 31.12.2017 RM'000	1.2.2016 to 31.12.2016 RM'000	Year ended 31.12.2017 RM'000	1.2.2016 to 31.12.2016 RM'000
Fee income				
Portfolio management fees	**14,081**	11,210	**-**	-
Other fee income	**552**	520	**552**	520
	14,633	11,730	**552**	520
Investment income				
Net gain arising from available-for-sale financial assets				
- Net gain on disposal of:				
- Quoted shares in Malaysia	**183**	-	**162**	-
- Quoted shares outside Malaysia	**-**	5,521	**-**	-
	183	5,521	**162**	-
- Income distribution from unit trust fund	**397**	254	**397**	244
- Dividend income from quoted shares in Malaysia	**28**	35	**28**	35
	608	5,810	**587**	279
Dividend income from a subsidiary	**-**	-	**3,900**	-
Total non-interest income	**15,241**	17,540	**5,039**	799

20. OTHER NON-OPERATING (EXPENSES)/INCOME

	Group		Company	
	Year ended 31.12.2017 RM'000	1.2.2016 to 31.12.2016 RM'000	Year ended 31.12.2017 RM'000	1.2.2016 to 31.12.2016 RM'000
Rental income	**-**	1,178	**-**	1,551
Loss on disposal of property, plant and equipment	**-**	(7)	**-**	-
(Loss)/gain on foreign currency revaluation	**(149)**	239	**(149)**	251
Foreign currency translation deficit reclassified to profit or loss upon liquidation of subsidiaries	**-**	(1,141)	**-**	-
Gain on liquidation of subsidiaries	**-**	153	**-**	5,798
Others	**-**	224	**-**	223
	(149)	646	**(149)**	7,823

21. OPERATING EXPENSES

	Group		Company	
	Year ended 31.12.2017 RM'000	1.2.2016 to 31.12.2016 RM'000	Year ended 31.12.2017 RM'000	1.2.2016 to 31.12.2016 RM'000
Personnel expenses				
Short-term employee benefits	**9,385**	7,524	**2,941**	1,715
Defined contribution plan	**1,146**	933	**357**	245
Other personnel costs	**1,058**	923	**418**	391
	11,589	9,380	**3,716**	2,351
Establishment costs				
Depreciation of property, plant and equipment	**543**	1,194	**246**	855
Depreciation of investment property	**-**	19	**-**	19
Rental of premises	**38**	62	**-**	-
Property, plant and equipment written-off (Note 11)	**-**	51	**-**	-
Other establishment costs	**44**	44	**-**	-
	625	1,370	**246**	874
Marketing and communication expenses				
Advertising expenses	**11**	4	**-**	4
Entertainment	**47**	50	**30**	33
Other marketing expenses	**1,711**	1,027	**-**	-
	1,769	1,081	**30**	37
Administrative and general expenses				
Auditors' remuneration				
- statutory audit	**83**	93	**50**	50
- overprovision in prior financial period/year	**-**	(4)	**-**	-
- regulatory-related services	**5**	5	**5**	5
- other services	**166**	28	**138**	-
Building maintenance expenses	**-**	1,073	**-**	1,073
Electricity and water charges	**70**	66	**-**	-
Insurance, postages and courier	**148**	118	**99**	71
Legal and professional fees	**1,749**	459	**1,523**	177
Printing and stationeries	**107**	128	**56**	80
Rental of network and telecommunication expenses	**225**	240	**50**	49
Travelling and accommodation	**237**	197	**105**	75
Others	**1,161**	764	**456**	330
	3,951	3,167	**2,482**	1,910
Total operating expenses	**17,934**	14,998	**6,474**	5,172

21. OPERATING EXPENSES (continued)

Included in the personnel expenses are Directors' remuneration of RM1,450,000 (2016: RM1,112,000) and RM1,392,000 (2016: RM1,043,000) of the Group and of the Company respectively.

22. DIRECTORS' REMUNERATION

Forms of remuneration in aggregate for all Directors for the financial year are as follows:

	Group				Company			
2017	Salaries and other remuneration(1)	Director fees	Others(2)	Total	Salaries and other remuneration(1)	Director fees	Others(2)	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Director								
Mr Lim Kian Onn	965	-	145	1,110	965	-	145	1,110
Non-executive Directors								
Dato' Seri Kalimullah bin Masheerul Hassan	-	50	44	94	-	50	44	94
Datuk Kamarudin bin Md Ali	-	72	21	93	-	52	12	64
Dato' Othman bin Abdullah	-	48	12	60	-	48	12	60
En Mahadzir bin Azizan	-	70	22	92	-	50	13	63
Mr Gareth Lim Tze Xiang	-	32	7	39	-	32	7	39
	-	272	106	378	-	232	88	320
Total Directors' remuneration	965	272	251	1,488	965	232	233	1,430
Directors of subsidiaries	572	20	95	687	-	-	-	-

Notes:

(1) "Other remuneration" represents bonus of RM241,200.
(2) "Others" represents the Company's contribution to the Employees Provident Fund for Executive Director, meeting allowances and benefits-in-kind of Dato' Seri Kalimullah bin Masheerul Hassan, and meeting allowances of the other Non-Executive Directors.

22. DIRECTORS' REMUNERATION (continued)

	Group				Company			
2016	**Salaries and other remuneration**	**Director fees**	**Others**	**Total**	**Salaries and other remuneration**	**Director fees**	**Others**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Executive Director								
Mr Lim Kian Onn	663	-	100	763	663	-	100	763
Non-executive Directors								
Dato' Seri Kalimullah bin Masheerul Hassan	-	50	6	56	-	50	6	56
Datuk Kamarudin bin Md Ali	-	72	21	93	-	52	12	64
Dato' Othman bin Abdullah	-	48	12	60	-	48	12	60
En Mahadzir bin Azizan	-	70	22	92	-	50	13	63
Mr Gareth Lim Tze Xiang *	-	25	3	28	-	16	1	17
Mr Soo Kim Wai ^	-	16	4	20	-	16	4	20
	-	281	68	349	-	232	48	280
Total Directors' remuneration	663	281	168	1,112	663	232	148	1,043
Directors of subsidiaries	493	20	83	596	-	-	-	-

* Appointed as Board member on 4 July 2016.
^ Resigned with effect from 4 July 2016.

23. INCOME TAX EXPENSE

	Group		Company	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Income tax				
Current financial year's/period's provision	**1,360**	925	**496**	377
Over provision of income tax in prior financial years	**-**	(18)	**-**	(1)
	1,360	907	**496**	376
Deferred tax (Note 10)				
Relating to origination and reversal of temporary differences	**(205)**	160	**(181)**	107
Under provision of deferred tax in prior financial years	**-**	24	**-**	5
	(205)	184	**(181)**	112
Total income tax expense	**1,155**	1,091	**315**	488

A reconciliation of income tax expense applicable to profit before tax 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	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) before tax:				
- from continuing operations	**2,125**	7,117	**1,367**	5,616
- from Disposal Group held for sale	**(96)**	-	**386**	-
	2,029	7,117	**1,753**	5,616
Tax at Malaysian statutory rate of 24% (2016: 24%)	**487**	1,708	**421**	1,348
Tax effects of:				
Non-allowable expenses	**1,033**	977	**971**	793
Non-taxable income	**(365)**	(1,600)	**(1,077)**	(1,657)
(Over)/under provision in prior financial years				
- income tax	**-**	(18)	**-**	(1)
- deferred tax	**-**	24	**-**	5
	1,155	1,091	**315**	488

24. (LOSS)/PROFIT FROM DISPOSAL GROUP HELD FOR SALE

The Disposal Group held for sale comprise the east wing and centre wing of Bangunan ECM Libra and the semi-detached residential property (as disclosed in Note 13).

(Loss)/profit attributable to the Disposal Group held for sale are as follow:

	Group		Company	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Results of Disposal Group held for sale				
Rental income	**1,330**	-	**1,737**	-
Expenses	**(1,426)**	-	**(1,351)**	-
(Loss)/profit before tax	**(96)**	-	**386**	-
Income tax expense	**-**	-	**-**	-
(Loss)/profit for the financial year/period	**(96)**	-	**386**	-
Included in (loss)/profit before tax are depreciation of:				
- Property, plant and equipment	**228**	-	**154**	-
- Investment property	**7**	-	**7**	-

25. EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Basic earnings/(loss) per ordinary share

The basic earnings/(loss) per ordinary share is calculated by dividing the Group's profit/(loss) for the financial year/period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year/period.

	Group	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016
Profit/(loss) for the financial year/period attributable to owners of the Company (RM'000):		
- from continuing operations	**970**	6,026
- from Disposal Group held for sale	**(96)**	-
Weighted average number of ordinary shares in issue (units '000)	**286,592**	286,592

25. EARNINGS/(LOSS) PER ORDINARY SHARE (continued)

(a) Basic earnings/(loss) per ordinary share (continued)

	Group	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	Sen	Sen
Basic earnings/(loss) per ordinary share:		
- from continuing operations	**0.34**	2.10
- from Disposal Group held for sale	**(0.03)**	-
	0.31	2.10

(b) Diluted earnings/(loss) per ordinary share

The diluted earnings/(loss) per ordinary share for the financial year ended 31 December 2017 and 31 December 2016 was not presented as there is no potential dilutive ordinary share.

26. DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period. The Directors do not recommend the payment of any dividend for the current financial year ended 31 December 2017.

27. COMMITMENTS

	Group	
	2017	2016
	RM'000	RM'000
Approved and contracted for computer software	**131**	225

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) 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:

	Group		**Company**	
	Year ended 31.12.2017	**1.2.2016 to 31.12.2016**	**Year ended 31.12.2017**	**1.2.2016 to 31.12.2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income/(expenses):				
Interest income from a subsidiary	**-**	-	**2,822**	2,771
Rental income from:				
- related parties	**172**	167	**172**	167
- a subsidiary	**-**	-	**407**	373
Dividend income from a subsidiary	**-**	-	**3,900**	-
Management fee received from Director	**-**	14	**-**	-
Loyalty programme expenses charged by a related party	**(12)**	(8)	**-**	-

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 Directors and key management personnel

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

	Group		Company	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Fees and meeting allowances	**378**	349	**320**	280
Short-term employee benefits	**3,658**	2,270	**2,616**	1,430
Defined contribution plan	**515**	335	**359**	209
	4,551	2,954	**3,295**	1,919

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

	Group		Company	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Directors' remuneration (Note 22)	**1,488**	1,112	**1,430**	1,043

29. SEGMENTAL REPORTING

Business segments

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

For the current financial year, this reporting segment represents the aggregation of two previous operating segments as follows:

(i) Investment holding - general investments and corporate related activities

(ii) Fund managed by a subsidiary - a unit trust fund

These operating segments share similar characteristics as they are engaged in investment holding. Management believes that it is appropriate to aggregate these two operating segments as one reporting segment due to the similarities in the nature of each operating segment.

On 20 June 2017, the Company has liquidated its entire interest in the Fund managed by a subsidiary - a unit trust fund. Consequently, this segment ceased with effect from 20 June 2017.

29. SEGMENTAL REPORTING (continued)

Business segments (continued)

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

(c) Structured financing - structured lending and financial services related activities.

(d) Disposal Group held for sale

The Company had on 4 May 2017, entered into conditional sale and purchase agreements for the proposed disposals of the east wing and centre wing of Bangunan ECM Libra and the semi-detached residential property ("Disposal Group") for aggregate cash consideration of RM28,000,000. Consequently, for the current financial year, part of Investment Holding segment has been classified as Disposal Group held for sale.

Group	Fund management RM'000	Investment holding RM'000	Structured financing RM'000	Disposal Group held for sale RM'000	Inter-segment elimination RM'000	Group total RM'000
2017						
Revenue	**14,446**	**737**	**5,025**	**-**	**-**	**20,208**
Interest income	**365**	**129**	**4,473**	**-**	**-**	**4,967**
Non-interest income	**14,081**	**608**	**552**	**-**	**-**	**15,241**
Other non-operating income/(expenses)	**-**	**(149)**	**-**	**1,330**	**-**	**1,181**
Gross income	**14,446**	**588**	**5,025**	**1,330**	**-**	**21,389**
Operating expenses of which:	**(11,368)**	**(6,495)**	**(71)**	**(1,426)**	**-**	**(19,360)**
- Depreciation of property, plant and equipment	**(297)**	**(246)**	**-**	**(228)**	**-**	**(771)**
- Depreciation of investment property	**-**	**-**	**-**	**(7)**	**-**	**(7)**
Profit/(loss) before tax	**3,078**	**(5,907)**	**4,954**	**(96)**	**-**	**2,029**
Segment assets	**15,271**	**51,650**	**59,363**	**24,438**	**-**	**150,722**
Additions to property, plant and equipment	**240**	**-**	**-**	**-**	**-**	**240**
Total assets	**15,511**	**51,650**	**59,363**	**24,438**	**-**	**150,962**
Total liabilities	**3,143**	**1,250**	**224**	**728**	**-**	**5,345**

29. SEGMENTAL REPORTING (continued)

Business segments (continued)

Group	Fund management RM'000	Investment holding RM'000	Structured financing RM'000	Fund managed by LIB RM'000	Inter-segment elimination RM'000	Group total RM'000
2016						
Revenue	11,496	6,010	4,717	-	-	22,223
Interest income	286	199	4,198	-	-	4,683
Non-interest income	11,210	5,811	519	-	-	17,540
Other non-operating income	25	642	-	(21)	-	646
Gross income	11,521	6,652	4,717	(21)	-	22,869
Operating expenses of which:	(9,866)	(5,057)	(68)	(7)	-	(14,998)
- Depreciation of property, plant and equipment	(414)	(780)	-	-	-	(1,194)
- Depreciation of investment property	-	(19)	-	-	-	(19)
Operating profit	1,655	1,595	4,649	(28)	-	7,871
Allowance for impairment loss on securities	-	-	-	(754)	-	(754)
Profit before tax	1,655	1,595	4,649	(782)	-	7,117
Segment assets	18,306	71,421	59,161	21	-	148,909
Additions to property, plant and equipment	265	90	-	-	-	355
Total assets	18,571	71,511	59,161	21	-	149,264
Total liabilities	3,630	1,200	102	23	-	4,955

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Group and the Company are exposed to a variety of financial risks, which include credit risk, market risk and liquidity risk.

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

The Group's and the Company'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 and the Company'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 and the Company'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 and the Company manage 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 and the Company will only place deposits in reputable licensed financial institutions.

(iv) Inter-company loans and advances

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of subsidiaries regularly. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. There was no indication that the amount owing by subsidiaries is not recoverable.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

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

Gross loans, advances and financing are analysed as follows:

	Group	
	2017	**2016**
	RM'000	**RM'000**
Neither past due nor impaired	**58,500**	58,897
Past due but not impaired	**571**	-
Impaired	**-**	-
	59,071	58,897

(i) Neither past due nor impaired

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

	Group	
	2017	**2016**
	RM'000	**RM'000**
Domestic business enterprise	**18,500**	18,881
Individual	**40,000**	40,016
	58,500	58,897

(ii) Past due but not impaired

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

Gross loans, advances and financing which are past due but not impaired are analysed as follows:

	Group	
	2017	**2016**
	RM'000	**RM'000**
Domestic business enterprise	**571**	-

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

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

(iii) Impaired

For all loans, advances and financing 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, advance and financing 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; and/or

(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.

At the reporting date, there were no impaired loans, advances and financing.

(iv) The credit risk of financial assets of the Group is mitigated by the collateral held against the financial assets. At the reporting date, the value of the collateral held by the Group exceeds the carrying amount of the loans, advances and financing.

(v) 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. At the reporting date, there was no repossessed collateral.

(c) Credit quality of financial assets

The table below presents an analysis on the Group's and the Company's financial assets, based on ratings from external credit ratings agencies:

Group	Cash and cash equivalents	Available-for-sale financial assets	Loans, advances and financing	Amount Owing by subsidiaries	Trade receivables	Others assets	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2017							
AAA	**2,765**	-	-	-	-	-	**2,765**
AA+ to AA-	**5**	-	-	-	-	-	**5**
A+ to A-	**18,052**	-	-	-	-	-	**18,052**
Not rated	**3**	**38,029**	**59,071**	-	**1,910**	**3,742**	**102,755**
	20,825	**38,029**	**59,071**	-	**1,910**	**3,742**	**123,577**

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

(c) Credit quality of financial assets (continued)

Group	Cash and cash equivalents	Available-for-sale financial assets	Loans, advances and financing	Amount Owing by subsidiaries	Trade receivables	Others assets	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2016							
AAA	4,288	-	-	-	-	100	4,388
AA+ to AA-	1	-	-	-	-	-	1
A+ to A-	17,723	-	-	-	-	-	17,723
Not rated	3	37,217	58,897	-	2,142	1,042	99,301
	22,015	37,217	58,897	-	2,142	1,142	121,413
Company							
2017							
AAA	**228**	**-**	**-**	**-**	**-**	**-**	**228**
A+ to A-	**9,078**	**-**	**-**	**-**	**-**	**-**	**9,078**
Not rated	**2**	**38,029**	**-**	**53,704**	**-**	**3,291**	**95,026**
	9,308	**38,029**	**-**	**53,704**	**-**	**3,291**	**104,332**
2016							
AAA	558	-	-	-	-	100	658
A+ to A-	8,123	-	-	-	-	-	8,123
Not rated	2	37,217	-	54,828	-	545	92,592
	8,683	37,217	-	54,828	-	645	101,373

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.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

Market risk is the risk of losses in on and off-balance sheet positions arising from movements in market prices. Market risk is the risk that the Group's and the Company'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 and equity prices.

(a) Equity price 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 and the Company through the fund managers of Libra Invest Berhad monitors and manages equity price risk exposure via regular stock review and portfolio rebalancing.

A 10% (2016: 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 and the Company's quoted equity investments moved in correlation with the FBMKLCI, would have increased the Group's and the Company's equity by RM193,000 (2016: RM311,000) for quoted equity investments classified as available-for-sale. A 10% (2016: 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 Group is also exposed to IRR through loans, advances and financing to its customers, whilst the Company is also exposed to IRR through loans to a subsidiary, ECM Libra Partners Sdn. Bhd..

The interest rate profile of the Group's and the Company's interest-bearing financial instruments based on the carrying amounts as at the end of the reporting period was:

	Group		**Company**	
	2017	**2016**	**2017**	**2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Financial assets				
Fixed rate instruments				
Loans, advances and financing	**59,071**	58,897	**-**	-
Money at call and deposit placements maturing within two months	**18,048**	17,688	**9,048**	8,088
Other assets	**-**	100	**-**	100
	77,119	76,685	**9,048**	8,188
Floating rate instruments				
Amount owing by a subsidiary	**-**	-	**53,700**	54,820

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

(b) Interest rate risk ("IRR") (continued)

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	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Increase in profit after tax				
Fixed rate instruments	**147**	146	**17**	16
Floating rate instruments	**-**	-	**102**	104
	147	146	**119**	120

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.

(c) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on short-term placements with financial institutions and available-for-sale financial assets (quoted shares outside Malaysia) that are denominated in a currency other than RM. The currencies giving rise to this risk are primarily Singapore Dollar ("SGD") and Great Britain Pound ("GBP").

The Group and the Company do not hedge its foreign currency risk. The Group's and the Company's exposure to foreign currency risk, based on the carrying amounts as at the end of the reporting period was:

	Denominated in SGD		Denominated in GBP	
Group and Company	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents	**6,346**	6,476	**-**	-
Available-for-sale financial assets	**-**	-	**359**	-
Net exposure	**6,346**	6,476	**359**	-

A 10% strengthening of RM against the following currencies at the end of the reporting period would have decreased the Group's and the Company's profit after tax and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period with all other variables held constant.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

(c) Foreign currency risk (continued)

	Group		Company	
	Year ended 31.12.2017	1.2.2016 to 31.12.2016	Year ended 31.12.2017	1.2.2016 to 31.12.2016
	RM'000	RM'000	RM'000	RM'000
Decrease in profit after tax	**482**	492	**27**	492

A 10% weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Liquidity risk

Liquidity risk is the risk that the Group and the Company are 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 including 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.

Group	Up to 7 days	> 7 days - 1 month	> 1 - 3 months	> 3 - 6 months	> 6 - 12 months	> 1 year	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2017							
Trade payables	**1,274**	**-**	**-**	**-**	**-**	**-**	**1,274**
Accruals and other payables	**511**	**363**	**1,827**	**415**	**18**	**-**	**3,134**
Total financial liabilities	**1,785**	**363**	**1,827**	**415**	**18**	**-**	**4,408**
2016							
Trade payables	2,134	-	-	-	-	-	2,134
Accruals and other payables	394	232	925	430	21	-	2,002
Deposits received	-	-	-	-	-	683	683
Total financial liabilities	2,528	232	925	430	21	683	4,819

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
2017							
Accruals and other payables	**-**	**69**	**868**	**298**	**-**	**-**	**1,235**
Total financial liabilities	**-**	**69**	**868**	**298**	**-**	**-**	**1,235**
2016							
Accruals and other payables	-	67	93	295	-	-	455
Deposits received	-	-	-	-	-	683	683
Total financial liabilities	-	67	93	295	-	683	1,138

31. FINANCIAL INSTRUMENTS

This note provides information on fair value measurement for financial instruments and is structured as follows:

(a) Valuation principles
(b) Valuation techniques
(c) Categories of financial instruments
(d) Fair value information

(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.

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 internally with periodic reviews to ensure the model remains suitable for their intended use.

31. FINANCIAL INSTRUMENTS (continued)

(b) Valuation techniques

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

Available-for-sale financial assets

Generally, the fair values of available-for-sale financial assets are determined by reference to prices quoted by independent data providers and independent broker quotations.

It was not practicable to estimate the fair value of the Group's and the Company's unquoted investments due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

(c) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Loans and receivables ("L&R");
(ii) Available-for-sale financial assets ("AFS"); and
(iii) Financial liabilities measured at amortised cost ("FL").

Group	Carrying amount RM'000	L&R/(FL) RM'000	AFS RM'000
2017			
Financial assets			
Cash and cash equivalents	**20,825**	**20,825**	-
Available-for-sale financial assets	**38,029**	-	**38,029**
Loans, advances and financing	**59,071**	**59,071**	-
Trade receivables	**1,910**	**1,910**	-
Other assets (less prepayments)	**3,742**	**3,742**	-
	123,577	**85,548**	**38,029**
Financial liabilities			
Trade payables	**(1,274)**	**(1,274)**	-
Other liabilities	**(3,134)**	**(3,134)**	-
	(4,408)	**(4,408)**	-

31. FINANCIAL INSTRUMENTS (continued)

(c) Categories of financial instruments (continued)

Group	Carrying amount RM'000	L&R/(FL) RM'000	AFS RM'000
2016			
Financial assets			
Cash and cash equivalents	22,015	22,015	-
Available-for-sale financial assets	37,217	-	37,217
Loans, advances and financing	58,897	58,897	-
Trade receivables	2,142	2,142	-
Other assets (less prepayments)	1,142	1,142	-
	121,413	84,196	37,217
Financial liabilities			
Trade payables	(2,134)	(2,134)	-
Other liabilities	(2,685)	(2,685)	-
	(4,819)	(4,819)	-
Company			
2017			
Financial assets			
Cash and cash equivalents	**9,308**	**9,308**	**-**
Available-for-sale financial assets	**38,029**	**-**	**38,029**
Other assets (less prepayments)	**3,291**	**3,291**	**-**
Amount owing by subsidiaries	**53,704**	**53,704**	**-**
	104,332	**66,303**	**38,029**
Financial liabilities			
Other liabilities	**(1,235)**	**(1,235)**	**-**
	(1,235)	**(1,235)**	**-**

31. FINANCIAL INSTRUMENTS (continued)

(c) Categories of financial instruments (continued)

Company	Carrying amount	L&R/(FL)	AFS
	RM'000	RM'000	RM'000
2016			
Financial assets			
Cash and cash equivalents	8,683	8,683	-
Available-for-sale financial assets	37,217	-	37,217
Other assets (less prepayments)	645	645	-
Amount owing by subsidiaries	54,828	54,828	-
	101,373	64,156	37,217
Financial liabilities			
Other liabilities	(1,138)	(1,138)	-
	(1,138)	(1,138)	-

(d) Fair value information

The carrying amounts of cash and cash equivalents, loans, advances and financing, amount owing by subsidiaries, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses financial instruments carried at fair value, together with their carrying amounts shown in the statements of financial position:

Group	Fair value of financial instruments carried at fair value				
	Level 1	Level 2	Level 3	Total	Carrying amount
	RM'000	RM'000	RM'000	RM'000	RM'000
2017					
Available-for-sale financial assets					
Quoted shares	**1,925**	**-**	**-**	**1,925**	**1,925**
Unit trust fund units	**-**	**15,866**	**-**	**15,866**	**15,866**
	1,925	**15,866**	**-**	**17,791**	**17,791**

31. FINANCIAL INSTRUMENTS (continued)

(d) Fair value information (continued)

Group	Fair value of financial instruments carried at fair value Level 1	Level 2	Level 3	Total	Carrying amount
	RM'000	RM'000	RM'000	RM'000	RM'000
2016					
Available-for-sale financial assets					
Quoted shares	3,112	-	-	3,112	3,112
Unit trust fund units	-	14,117	-	14,117	14,117
	3,112	14,117	-	17,229	17,229
Company					
2017					
Available-for-sale financial assets					
Quoted shares	**1,925**	**-**	**-**	**1,925**	**1,925**
Unit trust fund units	**-**	**15,866**	**-**	**15,866**	**15,866**
	1,925	**15,866**	**-**	**17,791**	**17,791**
2016					
Available-for-sale financial assets					
Quoted shares	3,112	-	-	3,112	3,112
Unit trust fund units	-	14,117	-	14,117	14,117
	3,112	14,117	-	17,229	17,229

No fair value information for the Group's and the Company's unquoted investments was disclosed as it was not practical to estimate the fair value of the unquoted investments due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured. Thus, the Group's and the Company's unquoted investments were stated at cost less any impairment loss.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2016: no transfer in either directions).

31. FINANCIAL INSTRUMENTS (continued)

(d) Fair value information (continued)

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	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
At beginning of the year/period	-	243	-	-
Disposal	-	(243)	-	-
At end of the year/period	-	-	-	-

32. CAPITAL RISK MANAGEMENT

The Group's and the Company's objectives when managing capital are to safeguard the Group's and 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. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The Company had on 4 May 2017 announced a corporate proposal and further announcements were made on 21 June 2017, 3 July 2017, 8 August 2017, 30 August 2017, 26 October 2017 and 21 November 2017, 24 November 2017, 27 November 2017, 12 December 2017 and 21 December 2017 to provide further updates. The corporate proposals comprise the following:

(a) Proposed acquisitions of:

(i) 50% equity interest in TP Sepang Sdn Bhd ("TPSB"), TP International Pty Ltd, Yummy Kitchen Sdn Bhd and 40.005% equity interest in TP Hotel (Flinders) Trust (together with 40.005% of the rights and benefits to the total advances owing by TP Hotel (Flinders) Trust) from TP Real Estate Holdings Pte Ltd ("Share Purchase Agreement"); and

(ii) Tune Hotel Penang, Tune Hotel Kota Kinabalu and the rights to operate and maintain Tune Hotel KLIA Aeropolis;

for an aggregated purchase consideration of RM88,600,000 to be satisfied by a combination of RM19 million cash and 193,333,332 new ordinary shares in the Company to be issued ("Consideration Shares") ("Proposed Acquisitions");

(b) Pursuant to the acquisitions of the 50% equity interest in TPSB, the Company will be required to pledge the equity interest acquired and provide a corporate guarantee as may be required by the financier of TPSB in the proportion of the Company's equity interest in TPSB in respect of an existing loan obligation undertaken by TPSB ("Proposed Provision of Financial Assistance");

33. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (continued)

(c) Proposed collaboration with Tune Hotels.Com (BVI) Limited in respect of the "Tune Hotels.Com" brand;

(d) Proposed special dividend, subject to the Proposed Disposals (as defined thereafter) becoming unconditional ("Proposed Special Dividend");

(e) Proposed disposal of the Company's non-core assets, comprising the east wing and centre wing of Bangunan ECM Libra, and the semi-detached residential property ("Semi-D"), for an aggregated cash consideration of RM28,000,000 ("Proposed Disposals"); and

(f) Proposed diversification of the existing principal activities of the Company to include the business of hotel management and ownership.

(collectively referred to as " Proposed Corporate Exercise").

At the Extraordinary General Meeting of the Company held on 12 December 2017, the shareholders had approved the Proposed Corporate Exercise.

The conditions precedent of the Share Purchase Agreement and Sale and Purchase Agreement for Bangunan ECM Libra and Semi-D have been fulfilled and has become unconditional on 21 December 2017.

The Proposed Corporate Exercise is on-going as at the date of this report.

other information

1. MATERIAL CONTRACTS

By referring to Note 33 to the financial statements, the Company had on 4 May 2017 announced a corporate proposal and further announcements were made on 21 June 2017, 3 July 2017, 8 August 2017, 30 August 2017, 26 October 2017 and 21 November 2017, 24 November 2017, 27 November 2017, 12 December 2017 and 21 December 2017 to provide further updates. The corporate proposal was approved by the shareholders at the Extraordinary General Meeting held on 12 November 2017. For more details, refer to Note 33 to the financial statements.

Pursuant to the corporate proposal, the material contracts that were entered into by the Company are as follows:

(i) Sale and Purchase Agreement dated 4 May 2017 supplemented by the supplemental letter dated 26 October 2017 between the Company and Noblemen Holdings Sdn Bhd ("Noblemen") for the disposal of the east wing and centre wing of Bangunan ECM Libra together with existing tenancies for a cash consideration of RM24,000,000; and

Sale and Purchase Agreement dated 4 May 2017 supplemented by the supplemental letter dated 26 October 2017 between the Company and Noblemen for the disposal of the semi-detached residential property for a cash consideration of RM4,000,000.

(collectively referred to as "Proposed Disposals")

(ii) Share Purchase Agreement dated 4 May 2017 supplemented by the supplemental letters dated 21 June 2017, 30 August 2017 and 26 October 2017 between the Company and TPRE for the acquisition of 50% equity interest in TP Sepang Sdn Bhd ("TPSB"), TP International Pty Ltd and Yummy Kitchen Sdn Bhd, and 40.005% equity interest in TP Hotel (Flinders) Trust (together with 40.005% of the rights and benefits to the total advances owing by TP Hotel (Flinders) Trust) for an aggregated purchase consideration of RM57,674,000, to be satisfied entirely via the allotment and issuance of 160,255,555 new ordinary shares in the Company ("TPRE Consideration Shares") at an issue price of RM0.36 per ordinary share ("Proposed Acquisitions from TPRE").

Pursuant to the acquisition of the 50% equity interest in TPSB, the Company required to pledge the equity interest acquired and provide a corporate guarantee as may be required by the financier of TPSB in the proportion of the Company's equity interest in TPSB in respect of an existing loan obligation undertaken by TPSB ("Proposed Provision of Financial Assistance").

(iii) Collaboration Agreement dated 4 May 2017 between the Company and Tune Hotels.Com (BVI) Limited in respect of the "Tune Hotels.Com" franchise ("Proposed Collaboration").

(iv) Sale and Purchase Agreement dated 4 May 2017 supplemented by the supplemental letters dated 30 August 2017 and 26 October 2017 between the Company and Tune Hotels Sdn Bhd ("THSB") for the acquisition of Tune Hotel Penang, together with existing tenancies for a purchase consideration of RM21,000,000, to be satisfied via allotment and issuance of 33,127,777 new ordinary shares in the Company ("Tune Hotel Penang Consideration Shares") at an issue price of RM0.36 per ordinary share and cash consideration of RM9,074,000;

Sale and Purchase Agreement dated 4 May 2017 supplemented by the supplemental letter dated 26 October 2017 between the Company and Tune Hotels Sdn Bhd for the acquisition of Tune Hotel Kota Kinabalu, together with existing tenancies for a cash consideration of RM9,000,000; and

Sale and Purchase Agreement dated 4 May 2017 supplemented by the supplemental letter dated 26 October 2017 between the Company and Tune Hotels Sdn Bhd for the acquisition of the rights to operate and maintain Tune Hotel KLIA Aeropolis, together with existing tenancies for a cash consideration of RM926,000.

(collectively referred to as "Proposed Tune Hotels Acquisitions")

1. MATERIAL CONTRACTS (continued)

Interests of directors and major shareholders

(a) Proposed Disposals

Mr Lim Kian Onn, being a director and shareholder of the Company, is also a director of Noblemen and he has 60% effective interest in Noblemen. Dato' Seri Kalimullah bin Masheerul Hassan ("Dato' Seri Kalimullah"), being a director and shareholder of the Company, is also a director of Noblemen and he has 40% effective interest in Noblemen. Accordingly, Mr Lim Kian Onn and Dato' Seri Kalimullah are deemed interested in the Proposed Disposals.

Mr Gareth Lim Tze Xiang, being a director of the Company, is deemed interested in the Proposed Disposals, by virtue of him being the son of Mr Lim Kian Onn.

Truesource Pte Ltd, one of the Company's major shareholders, is deemed interested in the Proposed Disposals by virtue of it being a wholly-owned subsidiary of Plato Capital Limited, which is ultimately controlled by Mr Lim Kian Onn.

Garynma MY Capital Limited, one of the Company's major shareholders, is deemed interested in the Proposed Disposals by virtue of Mr Lim Kian Onn having a deemed interest in it.

(b) Proposed Acquisitions from TP Real Estate Holdings Pte Ltd ("TPRE"), Proposed Provision of Financial Assistance and Proposed Collaboration

Mr Lim Kian Onn and Dato' Seri Kalimullah, being the directors and shareholders of the Company, are also directors and shareholders of Tune Hotels.Com Limited, who will be receiving the TPRE Consideration Shares under the Proposed Acquisitions from TPRE through a proposed plan of arrangement to be implemented by TPRE. In addition, Mr Lim Kian Onn is the controlling shareholder of Plato Capital Limited, which has a 50% interest in TPRE. Accordingly, Mr Lim Kian Onn and Dato' Seri Kalimullah are deemed interested in the Proposed Acquisitions from TPRE, including the Proposed Provision of Financial Assistance and the Proposed Collaboration.

Mr Gareth Lim Tze Xiang, being a director of the Company, is also a director of TPRE, TP Sepang Sdn Bhd and TP International Pty Ltd. He is also deemed interested in the Proposed Acquisitions from TPRE, including the Proposed Provision of Financial Assistance and the Proposed Collaboration, by virtue of him being the son of Mr Lim Kian Onn.

Truesource Pte Ltd, one of the Company's major shareholders, is deemed interested in the Proposed Acquisitions from TPRE, including the Proposed Provision of Financial Assistance and the Proposed Collaboration by virtue of it being a wholly-owned subsidiary of Plato Capital Limited, which is ultimately controlled by Mr Lim Kian Onn.

Garynma MY Capital Limited, one of the Company's major shareholders, is deemed interested in the Proposed Acquisitions from TPRE, including the Proposed Provision of Financial Assistance and the Proposed Collaboration by virtue of Mr Lim Kian Onn having a deemed interest in it.

(c) Proposed Tune Hotels Acquisitions

Mr Lim Kian Onn and Dato' Seri Kalimullah, being the directors and shareholders of the Company, are also directors and shareholders of Tune Hotels.Com Limited, who will be receiving the Tune Hotel Penang Consideration Shares under the Proposed Tune Hotels Acquisitions through a proposed plan of arrangement to be implemented by THSB. Accordingly, Mr Lim Kian Onn and Dato' Seri Kalimullah are deemed interested in the Proposed Tune Hotels Acquisitions.

Mr Gareth Lim Tze Xiang, being a director of the Company, is deemed interested in the Proposed Tune Hotels Acquisitions, by virtue of him being the son of Mr Lim Kian Onn.

1. MATERIAL CONTRACTS (continued)

Interests of directors and major shareholders (continued)

(c) Proposed Tune Hotels Acquisitions (continued)

Truesource Pte Ltd, one of the Company's major shareholders, is deemed interested in the Proposed Tune Hotels Acquisitions by virtue of it being a wholly-owned subsidiary of Plato Capital Limited, which is ultimately controlled by Mr Lim Kian Onn.

Garynma MY Capital Limited, one of the Company's major shareholders, is deemed interested in the Proposed Tune Hotels Acquisitions by virtue of Mr Lim Kian Onn having a deemed interest in it.

Apart from the abovementioned material contracts, there were no other 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 period.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable by the Company and the Group to the external auditors for the financial year ended 31 December 2017 are as follows:

	Company (RM)	**Group (RM)**
Statutory audit fees	50,000	83,300
Non-audit fees		
- Review of Statement on Risk Management & Internal Control	5,000	5,000
- Agreed upon Procedures - Client Assets Requirements under the Capital Markets and Services Act, 2007 and Guidelines on Compliance Function for Fund Management Companies	-	28,000
- Review of Proforma Statement of Financial Position for financial year ended 31 December 2016 and report on tax and legal matters (Proposed Corporate Exercise)	137,807	137,807
Total	192,807	254,107

3. ANALYSIS OF SHAREHOLDERS AS AT 28 FEBRUARY 2018

Total no. of issued shares : 286,592,491
Class of shares : Ordinary shares
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	5,329	40.61	157,807	0.05
100 – 1,000	4,096	31.22	1,599,681	0.56
1,001 – 10,000	2,933	22.35	9,573,509	3.34
10,001 – 100,000	690	5.26	19,493,453	6.80
100,001 – less than 5% of issued shares	71	0.54	57,456,332	20.05
5% and above of issued shares	3	0.02	198,311,709	69.20
Total	13,122	100.00	286,592,491	100.00

Thirty largest shareholders:

	Name of shareholders	Number of shares	%
1.	HSBC Nominees (Asing) Sdn Bhd - exempt an for Bank Julius Baer & Co. Ltd	103,073,096	35.97
2.	Kenanga Nominees (Asing) Sdn Bhd - Truesource Pte Ltd	56,694,973	19.78
3.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account – AmBank (M) Berhad for Kalimullah bin Masheerul Hassan	38,543,640	13.45
4.	Maybank Securities Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tan Ching Ching	11,666,200	4.07
5.	Tan Han Chuan	4,762,800	1.66
6.	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA for Wilgain Holdings Pte Ltd	4,000,000	1.40
7.	Teo Kwee Hock	3,876,700	1.35
8.	Kenanga Nominees (Tempatan) Sdn Bhd - Libra Invest Berhad for ECM Libra Foundation	3,699,255	1.29
9.	Cimsec Nominees (Tempatan) Sdn Bhd - exempt an for CIMB Securities (Singapore) Pte Ltd	3,674,948	1.28
10.	Lim Su Tong @ Lim Chee Tong	3,636,270	1.27
11.	Lim Kian Onn	3,101,100	1.08
12.	Sumberama Sdn Bhd	1,500,000	0.52

3. ANALYSIS OF SHAREHOLDERS AS AT 28 FEBRUARY 2018 (continued)

Thirty largest shareholders: (continued)

Name of shareholders		Number of shares	%
13.	Quek Siow Leng	1,437,163	0.50
14.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Teo Siew Lai	1,390,400	0.49
15.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - exempt an for UOB Kay Hian Pte Ltd	907,106	0.32
16.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Kalimullah bin Masheerul Hassan	813,000	0.28
17.	Citigroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Leong Chin Chye	650,000	0.23
18.	Tan Swan Po @ Dolly Tan	554,933	0.19
19.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Teo Kwee Hock	542,900	0.19
20.	RHB Capital Nominees (Tempatan) Sdn Bhd - Yong Loy Huat	500,000	0.17
21.	Yong Loy Huat	500,000	0.17
22.	Detik Jalur Sdn Bhd	485,430	0.17
23.	Citigroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Vijaya Alphonsus Rajadurai	410,500	0.14
24.	Yu Sze Yung	400,000	0.14
25.	Affin Hwang Nominees (Tempatan) Sdn Bhd - DBS Vickers Secs (S) Pte Ltd for Goon Tuck Khoon	398,900	0.14
26.	Sharikat Kim Loong Sendirian Berhad	375,000	0.13
27.	Ong Soo Lew	358,800	0.13
28.	Amsec Nominees (Tempatan) Sdn Bhd - AmBank (M) Berhad for Lim Su Tong @ Lim Chee Tong	317,600	0.11
29.	Binasudi Sendirian Berhad	317,393	0.11
30.	Seow Hoon Hin	309,700	0.11

Note: The analysis of shareholders is based on the Record of Depositors of the Company as at 28 February 2018 and does not take into account shares transacted but pending settlement through Bursa Malaysia Securities Berhad.

3. ANALYSIS OF SHAREHOLDERS AS AT 28 FEBRUARY 2018 (continued)

Substantial shareholders as per Register of Substantial Shareholders of the Company as at 28 February 2018:

	Direct interest		Deemed interest	
Name of substantial shareholders	**Number of shares**	**%**	**Number of shares**	**%**
Mr Lim Kian Onn	3,101,100	1.08	130,387,186(1)	45.50
Dato' Seri Kalimullah bin Masheerul Hassan	39,356,640	13.73	-	-
Truesource Pte Ltd	56,694,973	19.78	-	-
Plato Capital Limited	-	-	56,694,973(2)	19.78
Garynma MY Capital Limited	72,255,050	25.21	-	-
Garynma MY Holdings Limited	-	-	72,255,050(3)	25.21
Julius Baer Trust Company (Singapore) Limited	-	-	72,255,050(4)	25.21

Notes:

(1) Deemed interest of 45.50% by virtue of his interest in Plato Capital Limited and his interest via Garynma Trust which holds all the shares in Garynma MY Holdings Limited pursuant to Section 8(4) of the Companies Act 2016 and his spouse's shareholding pursuant to Section 59(11)(c) of the Companies Act 2016.

(2) Deemed interest of 19.78% by virtue of Plato Capital Limited, being the holding company of Truesource Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.

(3) Deemed interest of 25.21% by virtue of Garynma MY Holdings Limited, being the holding company of Garynma MY Capital Limited pursuant to Section 8(4) of the Companies Act 2016.

(4) Deemed interest of 25.21% by virtue of Julius Baer Trust Company (Singapore) Limited, being the trustee of Garynma Trust which holds all the shares in Garynma MY Holdings Limited pursuant to Section 8(4) of the Companies Act 2016.

4. DIRECTORS' INTERESTS IN THE COMPANY AND/OR ITS RELATED CORPORATIONS AS AT 28 FEBRUARY 2018

Other than as disclosed below, none of the other Directors of the Company has any interest in the Company and/or its related corporations:

	Direct interest		Deemed interest	
Name of directors	**Number of shares**	**%**	**Number of shares**	**%**
Dato' Seri Kalimullah bin Masheerul Hassan	39,356,640	13.73	-	-
Mr Lim Kian Onn	3,101,100	1.08	130,387,186(1)	45.50
Datuk Kamarudin bin Md Ali	50,000	0.02	-	-

Note:

(1) Deemed interest of 45.50% by virtue of his interest in Plato Capital Limited and his interest via Garynma Trust which holds all the shares in Garynma MY Holdings Limited pursuant to Section 8(4) of the Companies Act 2016 and his spouse's shareholding pursuant to Section 59(11)(c) of the Companies Act 2016.

Mr Lim Kian Onn, by virtue of his interests in the Company and pursuant to Section 8(4)(c) of the Companies Act 2016, is deemed to have interests in the shares of all the subsidiaries of the Company to the extent that the Company has an interest.

5. LIST OF PROPERTIES AS AT 31 DECEMBER 2017

The following properties are presented as a Disposal Group held for sale. For more details, refer to Note 13 to the financial statements.

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	Office building	Freehold	48,350 (build up area)	22	20,434	08.09.2004
No. 9 Persiaran Damansara Endah Damansara Heights 50490 Kuala Lumpur	Residential building	Freehold	6,211 (land area)	32	4,004	01.12.2015

ecmlibra

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

FORM OF PROXY

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

of ____

being a member/members of ECM Libra Financial Group Berhad hereby appoint

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 Thirteenth Annual General Meeting ("13th AGM") of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 25 April 2018 at 10.00 a.m. and at any adjournment thereof.

My/Our proxy/proxies is/are to vote as indicated below with an "X":

	RESOLUTIONS	**FOR**	**AGAINST**
1.	To approve the payment of Directors' fees		
2.	To approve the payment of Directors' remuneration (excluding Directors' fees)		
	To re-elect the following as Directors:		
3.	(a) Mr Lim Kian Onn		
4.	(b) Dato' Othman bin Abdullah		
5.	To re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration		
	To approve the continuation in office of the following as Independent Non-Executive Directors:		
6.	(a) Datuk Kamarudin bin Md Ali		
7.	(b) Dato' Othman bin Abdullah		
8.	(c) En Mahadzir bin Azizan		
9.	To approve the authority to Directors to issue shares		

Dated this _________day of ____________________2018

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 18 April 2018 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 13th AGM.
2. A member entitled to attend and vote at the 13th AGM 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. There shall be no restriction as to the qualification of the proxy(ies).
3. Where a member appoints more than one (1) proxy to attend the 13th AGM, 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 13th AGM dated 27 March 2018.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 13th AGM will be put to vote by way of poll.

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.