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**Reporting Accountants' Report on Proforma Balance Sheets and Proforma Consolidated Balance Sheets
 (prepared for inclusion in the Circular to be dated 24 March 2006)**

23 March 2006

The Board of Directors
ECM Libra Berhad
 8A Floor, Wisma Genting
 Jalan Sultan Ismail
 50250 Kuala Lumpur

Dear Sirs

ECM LIBRA BERHAD - PROFORMA BALANCE SHEETS AND PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 MARCH 2005

We report on the proforma balance sheets and the proforma consolidated balance sheets as set out in Appendix III of the Circular to be dated 24 March 2006, which has been prepared for illustrative purposes only, to provide information about how the balance sheets of ECM Libra Berhad ("ECM Libra") and its subsidiaries as at 31 March 2005 that has been presented might have been affected by the following proposals had the proposals been completed on that date:

- (a) the Proposed Merger between ECM Libra and Avenue Capital Resources Berhad ("ACRB") via the proposed acquisition by Avenue International Capital Berhad ("AICB") of the operating subsidiaries of ECM Libra to be satisfied by 442 million new AICB shares to be credited as fully paid-up,
- (b) the Proposed Distribution of 433 million out of the 442 million AICB shares to be received by ECM Libra pursuant to the Proposed Merger, to the shareholders of ECM Libra on the basis of one AICB share for every one ECM Libra share held,
- (c) the Proposed Capital Reconstruction which encompasses the following:
 - (i) a reduction in the par value of each ordinary share in ECM Libra Berhad ("ECM Libra Share") under Section 64 of the Companies Act, 1965 ("the Act") by an amount equivalent to the cost of investment of each AICB share for the purpose of the Proposed Distribution;
 - (ii) a further reduction in the par value of each ECM Libra Share under Section 64 of the Act to set off the accumulated losses of ECM Libra arising from the Proposed Merger as determined by the Board of Directors of ECM Libra so as to leave a final balance of 433,000,000 ordinary shares with a par value equal to or being no lesser than RM0.014672 each (with the aggregate issued and paid-up share capital of ECM Libra being equal to or no less than RM6,352,000);

- (iii) the balance accumulated losses of ECM Libra (if any) is proposed to be further set off against the share premium account by way of a capital reduction exercise by utilizing the share premium account; and
- (iv) a proposed consolidation of the ECM Libra Shares after (i) and (ii) above, to a par value of RM0.10 each.

It is the responsibility solely of the directors of ECM Libra Berhad to prepare the proforma balance sheets and the proforma consolidated balance sheets.

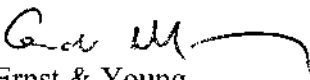
It is our responsibility to form an opinion and to report our opinion to you. Our work consisted primarily of comparing the unadjusted financial information presented with their original form, considering the adjustments and discussing the proforma balance sheets and proforma consolidated balance sheets with responsible officers of ECM Libra Berhad. Our work involved no independent examination of any of the underlying financial information other than our audit of the financial statements that included the audited balance sheet and the audited consolidated balance sheet as at 31 March 2005, on which we reported to the members of the company as of the date of our report.

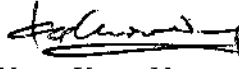
In our opinion:

- (a) the proforma balance sheets and the proforma consolidated balance sheets have been properly compiled on the bases stated; and
- (b) within the context of the assumed date of the Proposed Merger and the Proposed Capital Reconstruction:
 - (i) such bases are consistent with the accounting policies of ECM Libra Berhad; and
 - (ii) the adjustments set out are appropriate for the purposes of the proforma balance sheets pursuant to the Guidelines.

The accompanying proforma balance sheets and the proforma consolidated balance sheets and this letter have been prepared solely for the purposes stated above, in connection with the aforementioned proposals. This letter is not to be reproduced, referred to in any other document, or used for any other purpose without our prior written consent.

Yours faithfully


Ernst & Young
AF: 0039
Chartered Accountants


Wong Kang Hwee
No. 1116/01/08(J)
Partner

Kuala Lumpur, Malaysia

ECM LIBRA BERHAD
PROFORMA BALANCE SHEETS AS AT 31 MARCH 2005

Attachment I

	Audited 31.3.2005 RM'000	Adjustment I RM'000	Proforma I RM'000	Scenario A			Proforma II(A) RM'000	Scenario B				Proforma II(B) RM'000
				Adjustments				Adjustments				
				II(A)(i) RM'000	II(A)(ii) RM'000	II(A)(iii) RM'000		II(B)(i) RM'000	II(B)(ii) RM'000	II(B)(iii) RM'000	II(B)(iv) RM'000	
Non-Current Assets												
Property, plant and equipment	231	-	231	-	-	-	231	-	-	-	-	231
Investments in subsidiary companies	519,307	(518,807)	500	-	-	-	500	-	-	-	-	500
Other investments	4,000	293,000	297,000	(287,000)	-	-	10,000	-	(287,000)	-	-	10,000
	<u>523,538</u>	<u>(225,807)</u>	<u>297,731</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>10,731</u>	<u>-</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>10,731</u>
Current Assets												
Other receivables	813	-	813	-	-	-	813	-	-	-	-	813
Amount owing by subsidiary companies	126,078	(125,884)	194	-	-	-	194	-	-	-	-	194
Cash and short term funds	20,042	90,127	110,169	-	-	-	110,169	(60,000)	-	-	-	50,169
	<u>146,933</u>	<u>(35,757)</u>	<u>111,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,176</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,176</u>
Current Liabilities												
Other payables	14,321	-	14,321	-	-	-	14,321	-	-	-	-	14,321
Amount owing to a subsidiary	1	(1)	-	-	-	-	-	-	-	-	-	-
Tax liabilities	343	-	343	-	-	-	343	-	-	-	-	343
	<u>14,665</u>	<u>(1)</u>	<u>14,664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,664</u>
Net Current Assets	<u>132,268</u>	<u>(35,756)</u>	<u>96,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,512</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,512</u>
Non-Current Liabilities												
Borrowings	40,000	-	40,000	-	-	-	40,000	-	-	-	-	40,000
Deferred tax liabilities	1,528	-	1,528	-	-	-	1,528	(1,528)	-	-	-	-
RCULS - Liability component	54,579	-	54,579	-	-	-	54,579	(54,579)	-	-	-	-
	<u>96,107</u>	<u>-</u>	<u>96,107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,107</u>	<u>(56,107)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
	<u>559,699</u>	<u>(261,563)</u>	<u>298,136</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>11,136</u>	<u>(3,893)</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>7,243</u>
Represented by:												
Share capital	433,000	-	433,000	(287,000)	-	(139,647)	6,353	-	(287,000)	-	(139,647)	6,353
RCULS - Equity component	4,783	-	4,783	-	-	-	4,783	(4,783)	-	-	-	-
Share premium	105,491	-	105,491	-	(105,491)	-	-	-	-	(105,491)	-	-
Foreign exchange reserves	-	-	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	856	-	-	-	856
Unappropriated profits/ (Accumulated losses)	16,425	(261,563)	(245,138)	-	105,491	139,647	-	34	-	105,491	139,647	34
Shareholders' Equity	<u>559,699</u>	<u>(261,563)</u>	<u>298,136</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>11,136</u>	<u>(3,893)</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>7,243</u>
Number of ordinary shares of RMI each	<u>433,000</u>		<u>433,000</u>				<u>63,530</u>					<u>63,530</u>
Net tangible assets per share (RM)	<u>1.29</u>		<u>0.69</u>				<u>0.18</u>					<u>0.11</u>
Net assets per share (RM)	<u>1.29</u>		<u>0.69</u>				<u>0.18</u>					<u>0.11</u>

The accompanying notes form an integral part of this statement.

ECM Libra Berhad

Notes to the Proforma Balance Sheets as at 31 March 2005

1. The proforma balance sheets have been prepared for illustrative purposes only to show the effects on the audited balance sheet of ECM Libra Berhad (“ECM Libra”) as at 31 March 2005 of the Proposed Merger and Proposed Capital Reconstruction, as stated in Notes 2 and 3 below respectively, had these been implemented and completed on that date, and by application of bases consistent with the accounting policies of ECM Libra as disclosed in its audited financial statements for the year ended 31 March 2005.
2. Proforma I incorporates adjustment column I which reflects the Proposed Merger between ECM Libra and Avenue Capital Resources Berhad (“ACRB”) via the proposed acquisition by Avenue International Capital Berhad (“AICB”) of the operating subsidiaries of ECM Libra as announced by the Boards of Directors of both ACRB and ECM Libra on 19 January 2006.

ACRB and its subsidiaries and associated companies (“ACRB Group”) are currently undertaking a series of reorganisation exercise which will ultimately result in AICB, a newly incorporated company, emerging as the new holding company of the ACRB Group. AICB will also assume the listing status of ACRB, and will be listed on the Main Board of Bursa Malaysia Securities Berhad in place of ACRB.

The Proposed Merger entails the acquisition by AICB of the entire equity interests in each of the operating subsidiaries of ECM Libra in consideration of the allotment and issuance of 442 million new AICB shares (“Consideration Shares”) credited as fully paid-up at RM1.00 each, with a proforma market valuation of RM293 million, equivalent to RM0.66 per AICB share. The said operating subsidiaries of ECM Libra to be acquired by AICB comprise the following companies:

- (i) ECM Libra Securities Sdn Bhd and its four wholly-owned subsidiaries comprising:
 - ECM Libra Securities Nominees Sdn Bhd
 - ECM Libra Securities Nominees (Tempatan) Sdn Bhd
 - ECM Libra Securities Nominees (Asing) Sdn Bhd
 - ECM Libra Securities Portfolio Management Sdn Bhd
 - (ii) ECM Libra Holdings Limited and its three wholly-owned subsidiaries comprising:
 - ECM Libra Investment Bank Limited
 - ECM Libra Investments Limited
 - ECM Libra Securities Limited
 - (iii) ECM Libra Partners Sdn Bhd
 - (iv) ECM Libra Capital Sdn Bhd
 - (v) ECM Libra Capital Markets Sdn Bhd
- (collectively called the “Acquiree Companies”)

Under the terms of the Share Sale Agreement (“SSA”) entered into between ECM Libra with ACRB and AICB for the Proposed Merger on 19 January 2006, the net tangible assets (“NTA”) value of the Acquiree Companies as at the unconditional date of the SSA shall be RM210 million:

- (i) As at 31 March 2005, the underlying NTA of the Acquiree Companies amounted to only approximately RM177.3 million. Compared with the amount of RM210 million, the resulting proforma shortfall of approximately RM32.7 million is assumed to be set off against amounts owing by the Acquiree Companies to ECM Libra, and
- (ii) As at 31 March 2005, the Acquiree Companies recorded a total amount of RM124.5 million owing due to ECM Libra. After deducting the proforma shortfall in NTA of RM32.7 million as described in Note 2(i) above, the net balance of RM91.8 million due from the Acquiree Companies is assumed to be fully recoverable in the form of cash and short term funds.

Estimated costs to be incurred by ECM Libra in relation to the Proposed Merger amounting to approximately RM1.7 million have also been recognised as an expense together with a provision of approximately RM1.369 million for amounts due from two other subsidiaries which are not disposed.

3. Scenario A - Proforma II(A) encompasses Proforma I and the effects of the following:

- (a) Adjustment column II(A)(i) reflects the proposed distribution of 433 million out of the 442 million new AICB shares received pursuant to the Proposed Merger to the shareholders of ECM Libra via a reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965 by an amount equivalent to the cost of investment of each AICB share. The proposed distribution to shareholders of ECM Libra will be undertaken at the ratio of 1 AICB share received from the Proposed Merger for every 1 share held in ECM Libra.

As at 31 March 2005, ECM Libra has a fully paid up share capital of RM433 million comprising 433 million shares of RM1 each. Consequently, the proposed distribution will result in the distribution of 433 million AICB shares, equivalent to approximately RM287 million (at the value of RM0.66 per AICB shares, as explained in Note 2 above).

Arising from the Proposed Distribution, the par value of each ordinary share in ECM Libra will be reduced from RM1 per ordinary share to approximately RM0.34 per ordinary share.

- (b) Adjustment column II(A)(ii) reflects the proposed set-off of accumulated losses against the share premium account by way of a capital reduction exercise by utilising the entire share premium account. Arising from this proposed set-off, approximately RM105.5 million of accumulated losses of ECM Libra will be reduced against the share premium account based on the balances as at 31 March 2005.

- (c) Adjustment column II(A)(iii) reflects the further reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965. Arising from this proposed further reduction, an amount of approximately RM139.6 million of share capital will be applied against the balance of the accumulated losses. Consequently, the par value of ECM Libra shares will reduce further from approximately RM0.34 per ordinary share (after Note 3(a) above) to approximately RM0.01 per ordinary share.
- (d) Subsequent to the proposals in Notes 3(a) to (c) above, the ordinary shares of ECM Libra with a reduced par value of approximately RM0.01 per ordinary share will be consolidated back to a par value of RM0.10 each, hence reducing the number of ordinary shares from 433 million to approximately 63.5 million.

The effects of the proposals as stated in Notes 2 and 3 above can be summarised as follows:

	Number of Ordinary Shares '000	Share Capital Account RM'000	Share Premium Account RM'000	Retained Profits/ (Accumulated Losses) RM'000
Audited as at 31.3.05	433,000	433,000	105,491	16,425
Effects of Note 2 - Proposed Merger	-	-	-	(261,563)
Proforma I	433,000	433,000	105,491	(245,138)
Effects of Note 3 – Proposed Capital Reconstruction:				
3(a) – proposed distribution	-	(287,000)	-	-
3(b) – proposed set off of accumulated losses against share premium account	-	-	(105,491)	105,491
3(c) – proposed further reduction in par value	-	(139,647)	-	139,647
3(d) – further consolidation of par value of ordinary shares	(369,470)	-	-	-
Proforma II(A)	63,530	6,353	-	-

4. Scenario B – Proforma II(B) encompasses Proforma I and the effects of the following

- (a) Adjustment column II(B)(i) reflects the assumed redemption of ECM Libra's Redeemable Convertible Unsecured Loan Stocks ("RCULS") at its nominal amount of RM60 million. The effects of the proposed redemption of RCULS are as follows:

	Liability component	Equity component (after reversal of deferred tax liabilities)
	RM'000	RM'000
Carrying amount as at 31.3.05	54,579	6,311
Redemption value	54,545	5,455
Gain/Reserve arising from redemption	34	856

- (b) Adjustment column II(B)(ii) reflects the proposed distribution of 433 million out of the 442 million new AICB shares received pursuant to the Proposed Merger to the shareholders of ECM Libra via a reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965 by an amount equivalent to the cost of investment of each AICB share. The proposed distribution to shareholders of ECM Libra will be undertaken at the ratio of 1 AICB share received from the Proposed Merger for every 1 share held in ECM Libra.

As at 31 March 2005, ECM Libra has a fully paid up share capital of RM433 million comprising 433 million shares of RM1 each. Consequently, the proposed distribution will result in the distribution of 433 million AICB shares, equivalent to approximately RM287 million (at the value of RM0.66 per AICB shares, as explained in Note 2 above).

Arising from the Proposed Distribution, the par value of each ordinary share in ECM Libra will be reduced from RM1 per ordinary share to approximately RM0.34 per ordinary share.

- (c) Adjustment column II(B)(iii) reflects the proposed set-off of accumulated losses against the share premium account by way of a capital reduction exercise by utilising the entire share premium account. Arising from this proposed set-off, approximately RM105.5 million of accumulated losses of ECM Libra will be reduced against the share premium account based on the balances as at 31 March 2005.
- (d) Adjustment column II(B)(iv) reflects the further reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965, excluding the gain arising from the redemption of RCULS as explained in Note 4(a) above. Arising from this proposed further reduction, an amount of approximately RM139.6 million of share capital will be applied against the balance of the accumulated losses. Consequently, the par value of ECM Libra shares will reduce further from approximately RM0.34 per ordinary share (after Note 4(b) above) to approximately RM0.01 per ordinary share.

- (e) Subsequent to the proposals in Notes 4(b) to (d) above, the ordinary shares of ECM Libra with a reduced par value of approximately RM0.01 per ordinary share will be consolidated back to a par value of RM0.10 each, hence reducing the number of ordinary shares from 433 million to approximately 63.5 million.

The effects of the proposals as stated in Notes 2 and 4 above can be summarised as follows:

	Number of Ordinary Shares '000	Share Capital Account RM'000	Share Premium Account RM'000	Retained Profits/ (Accumulated Losses) RM'000
Audited as at 31.3.05	433,000	433,000	105,491	16,425
Effects of Note 2 - Proposed Merger	-	-	-	(261,563)
Proforma I	433,000	433,000	105,491	(245,138)
Effects of Note 4 – assumed redemption of RCULS and Proposed Capital Reconstruction:				
4(a) - assumed redemption of RCULS and	-	-	-	34
4(b) – proposed distribution	-	(287,000)	-	-
4(c) – proposed set off of accumulated losses against share premium account	-	-	(105,491)	105,491
4(d) – proposed further reduction in par value	-	(139,647)	-	139,647
4(e) – further consolidation of par value of ordinary shares	(369,470)	-	-	-
Proforma II(B)	63,530	6,353	-	34

5. The Proforma Balance Sheets have not been drawn up to show the effects of the Proposed Disposal of the remaining 9 million AICB shares being AICB shares received from the Proposed Merger but which have not been used in the proposed distribution. The Proposed Disposal will not have any effects on the net assets of ECM Libra until such time when they are disposed. The potential effects of the Proposed Disposal on the net assets of ECM Libra will depend on the number of the remaining shares sold at that relevant point in time and the price for which they are sold.

ECM LIBRA BERHAD
PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 31 MARCH 2005

Attachment II

	Audited 31.3.2005 RM'000	Adjustment I RM'000	Proforma I RM'000	Scenario A				Scenario B					
				Adjustments			Proforma II(A) RM'000	Adjustments				Proforma II(B) RM'000	
				II(A)(i) RM'000	II(A)(ii) RM'000	II(A)(iii) RM'000		II(B)(i) RM'000	II(B)(ii) RM'000	II(B)(iii) RM'000	II(B)(iv) RM'000		
Non-Current Assets													
Property, plant and equipment	13,265	(13,034)	231	-	-	-	231	-	-	-	-	-	231
Interest in an associate company	44,864	(44,864)	-	-	-	-	-	-	-	-	-	-	-
Other investments	4,000	293,000	297,000	(287,000)	-	-	10,000	-	(287,000)	-	-	-	10,000
Goodwill on consolidation	360,793	(360,793)	-	-	-	-	-	-	-	-	-	-	-
Deferred tax assets	1,332	(1,332)	-	-	-	-	-	-	-	-	-	-	-
	<u>424,254</u>	<u>(127,023)</u>	<u>297,231</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>10,231</u>	<u>-</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,231</u>
Current Assets													
Marketable securities	41,228	(41,228)	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	119,161	(119,161)	-	-	-	-	-	-	-	-	-	-	-
Loan receivables	51,976	(51,976)	-	-	-	-	-	-	-	-	-	-	-
Other receivables	17,753	(16,932)	821	-	-	-	821	-	-	-	-	-	821
Cash and short term funds	158,204	(47,228)	110,976	-	-	-	110,976	(60,000)	-	-	-	-	50,976
	<u>388,322</u>	<u>(276,525)</u>	<u>111,797</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,797</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,797</u>
Current Liabilities													
Borrowings	5,000	(5,000)	-	-	-	-	-	-	-	-	-	-	-
Trade payables	101,969	(101,969)	-	-	-	-	-	-	-	-	-	-	-
Other payables	30,512	(16,167)	14,345	-	-	-	14,345	-	-	-	-	-	14,345
Tax liabilities	532	(92)	440	-	-	-	440	-	-	-	-	-	440
	<u>138,013</u>	<u>(123,228)</u>	<u>14,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,785</u>
Net Current Assets	<u>250,309</u>	<u>(153,297)</u>	<u>97,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,012</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,012</u>
Non-Current Liabilities													
Borrowings	40,000	-	40,000	-	-	-	40,000	-	-	-	-	-	40,000
Deferred tax liabilities	1,528	-	1,528	-	-	-	1,528	(1,528)	-	-	-	-	-
Provision for retirement benefits	175	(175)	-	-	-	-	-	-	-	-	-	-	-
RCULS - Liability component	54,579	-	54,579	-	-	-	54,579	(54,579)	-	-	-	-	-
	<u>96,282</u>	<u>(175)</u>	<u>96,107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,107</u>	<u>(56,107)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
	<u>578,281</u>	<u>(280,145)</u>	<u>298,136</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>11,136</u>	<u>(3,893)</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,243</u>
Represented by:													
Share capital	433,000	-	433,000	(287,000)	-	(139,647)	6,353	-	(287,000)	-	(139,647)	6,353	-
RCULS - Equity component	4,783	-	4,783	-	-	-	4,783	(4,783)	-	-	-	-	-
Share premium	105,491	-	105,491	-	(105,491)	-	-	-	-	(105,491)	-	-	-
Foreign exchange reserves	(80)	80	-	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	856	-	-	-	-	856
Unappropriated profits/ (Accumulated losses)	35,087	(280,225)	(245,138)	-	105,491	139,647	-	34	-	105,491	139,647	34	-
Shareholders' Equity	<u>578,281</u>	<u>(280,145)</u>	<u>298,136</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>11,136</u>	<u>(3,893)</u>	<u>(287,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,243</u>
Number of ordinary shares of RM1 each	<u>433,000</u>		<u>433,000</u>				<u>63,530</u>						<u>63,530</u>
Net tangible assets per share (RM)	<u>0.50</u>		<u>0.69</u>				<u>0.18</u>						<u>0.11</u>
Net assets per share (RM)	<u>1.34</u>		<u>0.69</u>				<u>0.18</u>						<u>0.11</u>

The accompanying notes form an integral part of this statement.

ECM Libra Berhad

Notes to the Proforma Consolidated Balance Sheets as at 31 March 2005

1. The proforma consolidated balance sheets have been prepared for illustrative purposes only to show the effects on the audited consolidated balance sheet of ECM Libra Berhad (“ECM Libra”) as at 31 March 2005 of the Proposed Merger and Proposed Capital Reconstruction, as stated in Notes 2 and 3 below respectively, had these been implemented and completed on that date, and by application of bases consistent with the accounting policies of ECM Libra as disclosed in its audited financial statements for the year ended 31 March 2005.
2. Proforma I incorporates adjustment column I which reflects the Proposed Merger between ECM Libra and Avenue Capital Resources Berhad (“ACRB”) via the proposed acquisition by Avenue International Capital Berhad (“AICB”) of the operating subsidiaries of ECM Libra as announced by the Boards of Directors of both ACRB and ECM Libra on 19 January 2006.

ACRB and its subsidiaries and associated companies (“ACRB Group”) are currently undertaking a series of reorganisation exercise which will ultimately result in AICB, a newly incorporated company, emerging as the new holding company of the ACRB Group. AICB will also assume the listing status of ACRB, and will be listed on the Main Board of Bursa Malaysia Securities Berhad in place of ACRB.

The Proposed Merger entails the acquisition by AICB of the entire equity interests in each of the operating subsidiaries of ECM Libra in consideration of the allotment and issuance of 442 million new AICB shares (“Consideration Shares”) credited as fully paid-up at RM1.00 each, with a proforma market valuation of RM293 million, equivalent to RM0.66 per AICB share. The said operating subsidiaries of ECM Libra to be acquired by AICB comprise the following companies:

- (i) ECM Libra Securities Sdn Bhd and its four wholly-owned subsidiaries comprising:
 - ECM Libra Securities Nominees Sdn Bhd
 - ECM Libra Securities Nominees (Tempatan) Sdn Bhd
 - ECM Libra Securities Nominees (Asing) Sdn Bhd
 - ECM Libra Securities Portfolio Management Sdn Bhd
 - (ii) ECM Libra Holdings Limited and its three wholly-owned subsidiaries comprising:
 - ECM Libra Investment Bank Limited
 - ECM Libra Investments Limited
 - ECM Libra Securities Limited
 - (iii) ECM Libra Partners Sdn Bhd
 - (iv) ECM Libra Capital Sdn Bhd
 - (v) ECM Libra Capital Markets Sdn Bhd
- (collectively called the “Acquiree Companies”)

Under the terms of the Share Sale Agreement (“SSA”) entered into between ECM Libra with ACRB and AICB for the Proposed Merger on 19 January 2006, the net tangible assets (“NTA”) value of the Acquiree Companies as at the unconditional date of the SSA shall be RM210 million:

- (i) As at 31 March 2005, the underlying NTA of the Acquiree Companies amounted to only approximately RM177.3 million. Compared with the amount of RM210 million, the resulting proforma shortfall of approximately RM32.7 million is assumed to be set off against amounts owing by the Acquiree Companies to ECM Libra, and
- (ii) As at 31 March 2005, the Acquiree Companies recorded a total amount of RM124.5 million owing due to ECM Libra. After deducting the proforma shortfall in NTA of RM32.7 million as described in Note 2(i) above, the net balance of RM91.8 million due from the Acquiree Companies is assumed to be fully recoverable in the form of cash and short term funds.

Estimated costs to be incurred by ECM Libra in relation to the Proposed Merger amounting to approximately RM1.7 million have also been recognised as an expense.

3. Scenario A - Proforma II(A) encompasses Proforma I and the effects of the following:

- (a) Adjustment column II(A)(i) reflects the proposed distribution of 433 million out of the 442 million new AICB shares received pursuant to the Proposed Merger to the shareholders of ECM Libra via a reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965 by an amount equivalent to the cost of investment of each AICB share. The proposed distribution to shareholders of ECM Libra will be undertaken at the ratio of 1 AICB share received from the Proposed Merger for every 1 share held in ECM Libra.

As at 31 March 2005, ECM Libra has a fully paid up share capital of RM433 million comprising 433 million shares of RM1 each. Consequently, the proposed distribution will result in the distribution of 433 million AICB shares, equivalent to approximately RM287 million (at the value of RM0.66 per AICB shares, as explained in Note 2 above).

Arising from the Proposed Distribution, the par value of each ordinary share in ECM Libra will be reduced from RM1 per ordinary share to approximately RM0.34 per ordinary share.

- (b) Adjustment column II(A)(ii) reflects the proposed set-off of accumulated losses against the share premium account by way of a capital reduction exercise by utilising the entire share premium account. Arising from this proposed set-off, approximately RM105.5 million of accumulated losses of ECM Libra will be reduced against the share premium account based on the balances as at 31 March 2005.

- (c) Adjustment column II(A)(iii) reflects the further reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965. Arising from this proposed further reduction, an amount of approximately RM139.6 million of share capital will be applied against the balance of the accumulated losses. Consequently, the par value of ECM Libra shares will reduce further from approximately RM0.34 per ordinary share (after Note 3(a) above) to approximately RM0.01 per ordinary share.
- (d) Subsequent to the proposals in Notes 3(a) to (c) above, the ordinary shares of ECM Libra with a reduced par value of approximately RM0.01 per ordinary share will be consolidated back to a par value of RM0.10 each, hence reducing the number of ordinary shares from 433 million to approximately 63.5 million.

The effects of the proposals as stated in Notes 2 and 3 above can be summarised as follows:

	Number of Ordinary Shares '000	Share Capital Account RM'000	Share Premium Account RM'000	Retained Profits/ (Accumulated Losses) RM'000
Audited as at 31.3.05	433,000	433,000	105,491	35,087
Effects of Note 2 - Proposed Merger	-	-	-	(280,225)
Proforma I	433,000	433,000	105,491	(245,138)
Effects of Note 3 – Proposed Capital Reconstruction:				
3(a) – proposed distribution	-	(287,000)	-	-
3(b) – proposed set off of accumulated losses against share premium account	-	-	(105,491)	105,491
3(c) – proposed further reduction in par value	-	(139,647)	-	139,647
3(d) – further consolidation of par value of ordinary shares	(369,470)	-	-	-
Proforma II(A)	63,530	6,353	-	-

4. Scenario B – Proforma II(B) encompasses Proforma I and the effects of the following

- (a) Adjustment column II(B)(i) reflects the assumed redemption of ECM Libra's Redeemable Convertible Unsecured Loan Stocks ("RCULS") at its nominal amount of RM60 million. The effects of the proposed redemption of RCULS are as follows:

	Liability component	Equity component (after reversal of deferred tax liabilities)
	RM'000	RM'000
Carrying amount as at 31.3.05	54,579	6,311
Redemption value	54,545	5,455
Gain/Reserve arising from redemption	34	856

- (b) Adjustment column II(B)(ii) reflects the proposed distribution of 433 million out of the 442 million new AICB shares received pursuant to the Proposed Merger to the shareholders of ECM Libra via a reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965 by an amount equivalent to the cost of investment of each AICB share. The proposed distribution to shareholders of ECM Libra will be undertaken at the ratio of 1 AICB share received from the Proposed Merger for every 1 share held in ECM Libra.

As at 31 March 2005, ECM Libra has a fully paid up share capital of RM433 million comprising 433 million shares of RM1 each. Consequently, the proposed distribution will result in the distribution of 433 million AICB shares, equivalent to approximately RM287 million (at the value of RM0.66 per AICB shares, as explained in Note 2 above).

Arising from the Proposed Distribution, the par value of each ordinary share in ECM Libra will be reduced from RM1 per ordinary share to approximately RM0.34 per ordinary share.

- (c) Adjustment column II(B)(iii) reflects the proposed set-off of accumulated losses against the share premium account by way of a capital reduction exercise by utilising the entire share premium account. Arising from this proposed set-off, approximately RM105.5 million of accumulated losses of ECM Libra will be reduced against the share premium account based on the balances as at 31 March 2005.
- (d) Adjustment column II(B)(iv) reflects the further reduction in the par value of each ECM Libra share under Section 64 of the Companies Act, 1965, excluding the gain arising from the redemption of RCULS as explained in Note 4(a) above. Arising from this proposed further reduction, an amount of approximately RM139.6 million of share capital will be applied against the balance of the accumulated losses. Consequently, the par value of ECM Libra shares will reduce further from approximately RM0.34 per ordinary share (after Note 4(b) above) to approximately RM0.01 per ordinary share.

- (e) Subsequent to the proposals in Notes 4(b) to (d) above, the ordinary shares of ECM Libra with a reduced par value of approximately RM0.01 per ordinary share will be consolidated back to a par value of RM0.10 each, hence reducing the number of ordinary shares from 433 million to approximately 63.5 million.

The effects of the proposals as stated in Notes 2 and 4 above can be summarised as follows:

	Number of Ordinary Shares '000	Share Capital Account RM'000	Share Premium Account RM'000	Retained Profits/ (Accumulated Losses) RM'000
Audited as at 31.3.05	433,000	433,000	105,491	35,087
Effects of Note 2 - Proposed Merger	-	-	-	(280,225)
Proforma I	433,000	433,000	105,491	(245,138)
Effects of Note 4 – assumed redemption of RCULS and Proposed Capital Reconstruction:				
4(a) - assumed redemption of RCULS and	-	-	-	34
4(b) – proposed distribution	-	(287,000)	-	-
4(c) – proposed set off of accumulated losses against share premium account	-	-	(105,491)	105,491
4(d) – proposed further reduction in par value	-	(139,647)	-	139,647
4(e) – further consolidation of par value of ordinary shares	(369,470)	-	-	-
Proforma II(B)	63,530	6,353	-	34

5. The Proforma Consolidated Balance Sheets have not been drawn up to show the effects of the Proposed Disposal of the remaining 9 million AICB shares being AICB shares received from the Proposed Merger but which have not been used in the proposed distribution. The Proposed Disposal will not have any effects on the net assets of ECM Libra until such time when they are disposed. The potential effects of the Proposed Disposal on the net assets of ECM Libra will depend on the number of the remaining shares sold at that relevant point in time and the price for which they are sold.