

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**

| | Current quarter ended 31/12/2007 RM'000 | Comparative quarter ended 31/12/2006 RM'000 | Current year to date ended 31/12/2007 RM'000 | (Audited) Preceding year to date ended 31/12/2006 RM'000 |
|---|--|---|---|---|
| Revenue | 2,272 | 4,412 | 30,825 | 42,054 |
| Other income | 8 | 3 | 30 | 26 |
| Administrative expenses | (2,554) | (1,578) | (5,791) | (4,292) |
| Share of losses/profits of associated companies | (4,101) | 4,385 | 5,493 | 17,232 |
| (Loss)/Profit before taxation | (4,375) | 7,222 | 30,557 | 55,020 |
| Income tax | 216 | 447 | (4,818) | (8,011) |
| (Loss)/Profit for the year | (4,159) | 7,669 | 25,739 | 47,009 |
| (Loss)/Profit attributable to: | | | | |
| Equity holders of the Company | (4,385) | 7,669 | 25,513 | 47,009 |
| Minority interests | 226 | - | 226 | - |
| | (4,159) | 7,669 | 25,739 | 47,009 |
| Earnings per share attributable to equity holders of the Company (sen) (Note B14): | | | | |
| Basic and Diluted | (2.92) | 5.11 | 17.01 | 31.34 |

(The accompanying explanatory notes attached to the interim financial statements form an integral part of and should be read in conjunction with this quarterly report).

OSK VENTURES INTERNATIONAL BERHAD (636117-K)**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

| | As at 31/12/2007 RM'000 | (Audited) As at 31/12/2006 RM'000 |
|---|-------------------------------|--|
| ASSETS | | |
| Non-current assets | | |
| Plant and equipment | 831 | 314 |
| Intangible assets | 549 | - |
| Investment in associated companies | 190,966 | 226,251 |
| Other investments | 80,690 | 74,957 |
| | <u>273,036</u> | <u>301,522</u> |
| Current assets | | |
| Other investments | 6,157 | - |
| Trade and other receivables | 1,356 | 1,076 |
| Amount due from related companies | 2,199 | - |
| Tax recoverable | 1,495 | 1,049 |
| Cash, bank balances and deposits | 61,772 | 27,389 |
| | <u>72,979</u> | <u>29,514</u> |
| TOTAL ASSETS | <u>346,015</u> | <u>331,036</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 150,000 | 150,000 |
| Reserves | 189,197 | 180,168 |
| | <u>339,197</u> | <u>330,168</u> |
| Minority interests | 5,559 | - |
| Total equity | <u>344,756</u> | <u>330,168</u> |
| Current liabilities | | |
| Deferred income | 85 | - |
| Sundry payables | 1,050 | 835 |
| Amount due to related companies | 124 | - |
| Income tax payable | - | 33 |
| Total liabilities | <u>1,259</u> | <u>868</u> |
| TOTAL EQUITY AND LIABILITIES | <u>346,015</u> | <u>331,036</u> |
| Net Assets per share (RM) attributable to equity holders of the Company | <u>2.26</u> | <u>2.20</u> |

(The accompanying explanatory notes attached to the interim financial statements form an integral part of and should be read in conjunction with this quarterly report).

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

| | Attributable to equity holders of the Company | | | | | | Minority interests | Total equity |
|--|---|---------------|-----------------------------|----------------|------------------|----------|--------------------|--------------|
| | Share capital | Share premium | Equity compensation reserve | Other reserves | Retained profits | Total | | |
| <u>Current year ended</u> <u>31 December 2007 (Unaudited)</u> | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 January 2007 | 150,000 | 104,396 | - | 32,148 | 43,624 | 330,168 | - | 330,168 |
| Acquisition of a subsidiary company | - | - | - | - | - | - | 5,499 | 5,499 |
| Loss on deemed disposals of shares in associated companies | - | - | - | (114) | - | (114) | - | (114) |
| Share of associated companies' reserves | - | - | - | (563) | - | (563) | - | (563) |
| Reserves realised on disposal of shares in associated companies | - | - | - | (2,271) | 2,271 | - | - | - |
| Net income and expense recognised directly in equity | - | - | - | (2,948) | 2,271 | (677) | - | (677) |
| Profit for the year | - | - | - | - | 25,513 | 25,513 | 226 | 25,739 |
| Total income and expense recognised for the year | - | - | - | (2,948) | 27,784 | 24,836 | 226 | 25,062 |
| Dividends paid | - | - | - | - | (16,425) | (16,425) | - | (16,425) |
| Dividends paid to minority interests | - | - | - | - | - | - | (166) | (166) |
| Share options of the Company | - | - | 618 | - | - | 618 | - | 618 |
| At 31 December 2007 | 150,000 | 104,396 | 618 | 29,200 | 54,983 | 339,197 | 5,559 | 344,756 |

(The accompanying explanatory notes attached to the interim financial statements form an integral part of and should be read in conjunction with this quarterly report).

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)

| | Attributable to equity holders of the Company | | | | |
|--|--|----------------------|-----------------------|-------------------------|---------------------|
| | Share capital | Share premium | Other reserves | Retained profits | Total equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Preceding year ended</u> | | | | | |
| <u>31 December 2006 (Audited)</u> | | | | | |
| At 1 January 2006 | 150,000 | 104,180 | 4,827 | 27,256 | 286,263 |
| Net gain on deemed disposals of shares in associated companies | - | - | 28,444 | - | 28,444 |
| Share of associated companies' reserves | - | - | (1,072) | - | (1,072) |
| Reserves realised on disposal of shares in an associated company | - | - | (51) | 51 | - |
| Expense pursuant to ESOS | - | (63) | - | - | (63) |
| Reversal of unutilised share issue expense | - | 279 | - | - | 279 |
| Net income recognised directly in equity | - | 216 | 27,321 | 51 | 27,588 |
| Profit for the year | - | - | - | 47,009 | 47,009 |
| Total income recognised for the year | - | 216 | 27,321 | 47,060 | 74,597 |
| Dividends paid | - | - | - | (30,692) | (30,692) |
| At 31 December 2006 | 150,000 | 104,396 | 32,148 | 43,624 | 330,168 |

(The accompanying explanatory notes attached to the interim financial statements form an integral part of and should be read in conjunction with this quarterly report).

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

| | Current year to date ended 31/12/2007 RM'000 | (Audited) Preceding year to date ended 31/12/2006 RM'000 |
|--|---|---|
| Cash Flows From Operating Activities | | |
| Profit before taxation | 30,557 | 55,020 |
| Adjustments for:- | | |
| Share of profits of associated companies | (5,493) | (17,232) |
| Other non-cash and non-operating items | (27,815) | (36,297) |
| Operating (loss)/profit before working capital changes | (2,751) | 1,491 |
| Changes in working capital :- | | |
| Net change in current assets | (685) | 149 |
| Net change in current liabilities | 8 | 622 |
| Net cash (used in)/generated from operations | (3,428) | 2,262 |
| Proceeds from disposal of investments in shares | 36,702 | 18,352 |
| Purchase of investments in shares/loan notes | (44,812) | (70,383) |
| Dividends received | 4,365 | 1,389 |
| Interest received | 2,898 | 3,089 |
| Income tax refund | 468 | - |
| Income tax paid | (5,500) | (9,988) |
| Net cash used in operating activities | (9,307) | (55,279) |
| Cash Flows From Investing Activities | | |
| Net cash inflow from acquisition of subsidiary company | 5,103 | - |
| Proceeds from disposal of shares in associated companies | 56,925 | 31,233 |
| Purchase of shares in associated companies | (2,212) | (40,075) |
| Purchase of plant and equipment | (25) | (40) |
| Purchase of software licence | (20) | - |
| Proceeds from disposal of plant and equipment | 4 | - |
| Net cash generated from/(used in) investing activities | 59,775 | (8,882) |
| Cash Flows From Financing Activities | | |
| Expense pursuant to ESOS | - | (62) |
| Dividends paid shareholders | (16,425) | (30,692) |
| Dividends paid to minority interests | (166) | - |
| Net cash used in financing activities | (16,591) | (30,754) |
| Net change in cash and cash equivalents | 33,877 | (94,915) |
| Effects of exchange rate changes | 506 | - |
| Cash and cash equivalents at beginning of year | 27,389 | 122,304 |
| Cash and cash equivalents at end of year (Note) | 61,772 | 27,389 |

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (Cont'd)**

| | Current | (Audited) |
|---|---------------------|--------------|
| | year to date | Preceding |
| | ended | year to date |
| | 31/12/2007 | ended |
| | RM'000 | 31/12/2006 |
| | RM'000 | RM'000 |
| <u>Note</u> | | |
| Cash and cash equivalents at end of year comprised: | | |
| Cash on hand and at banks | 1,803 | 51 |
| Deposits with licensed banks | 56,510 | 27,338 |
| Deposits with a licensed investment bank | 3,459 | - |
| | 61,772 | 27,389 |

(The accompanying explanatory notes attached to the interim financial statements form an integral part of and should be read in conjunction with this quarterly report).

PART A – Explanatory Notes Pursuant to Financial Reporting Standard 134 (“FRS 134”) Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”)

A1. Accounting policies

The quarterly report has been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting issued by the MASB. The report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2006. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2006.

The significant accounting policies and methods of computation adopted by the Group in this quarterly report are consistent with those of the annual financial statements for the year ended 31 December 2006 except for the adoption of the following new, revised and Amendments to FRSS issued by MASB that are effective for financial statements commencing 1 January 2007:-

| | |
|--------------------------------------|--|
| FRS 6 | Exploration for and Evaluation of Mineral Resources |
| FRS 117 | Leases |
| Amendment to FRS 119 ₂₀₀₄ | Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures |
| FRS 124 | Related Party Disclosures |

The Group has adopted early the Amendment to FRS 121:

| | |
|----------------------|---|
| Amendment to FRS 121 | The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation |
|----------------------|---|

FRS 6 is not relevant to the Group’s operations. The adoption of FRS 117, Amendment to FRS 119₂₀₀₄, FRS 124 and Amendment to FRS 121 did not have a significant financial impact on the Group.

A2. Auditors’ report on preceding annual financial statements

The auditors’ report on the audited financial statements for the year ended 31 December 2006 was not qualified.

A3. Seasonal or cyclical factors

There were no significant seasonal or cyclical factors that will materially affect the business of the Group in the current year. However, the Group’s profit is influenced by, amongst others, the share of profits of associated companies as well as the timing of disposal of investments by the Group.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A5. Material changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods or prior years that have a material effect in the current year.

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A6. Changes in debt and equity securities

Executive Share Option Scheme (“ESOS”)

During the current year, the Company has granted 1,314,100 options to the eligible executives and directors of the Company and its subsidiary companies. The movement in the ESOS during the current year is as follows:

| Date of offer | Exercise price RM | No. of options over ordinary shares of RM1 each | | | | |
|---------------|----------------------|---|-----------|-----------|-----------|---------------------|
| | | As at 1/1/2007 | Granted | Exercised | Forfeited | As at 31/12/2007 |
| 11 April 2007 | 2.57 | - | 1,314,100 | - | - | 1,314,100 |

Other than the above, there were no issuances, repurchases, cancellations, resale and repayments of debt and equity securities in the current year.

A7. Dividend paid

For the year ended 31 December 2006, final dividend of 5 sen less 27% income tax per share amounting to RM5,475,000 was paid on 18 May 2007.

For the year ended 31 December 2007, the following dividends have been paid:

- (i) An interim dividend of 5 sen less 27% income tax per share on 27 September 2007; and
- (ii) A special dividend of 5 sen less 27% income tax per share on 27 September 2007.

Total dividends paid for the current year are 10 sen less 27% income tax per share.

A8. Segmental information

The primary segment reporting is determined to be business segment as the Group’s risk and rate of returns are affected predominantly by its business activities. Secondary information is reported by the geographical location of the operations of the assets.

(a) Business Segments

The Group is organised into four major business segments:-

- (i) Venture capital businesses, which includes incubating high technology and high growth companies and management of investments in securities of venture companies;
- (ii) Private equity businesses and investment holding;
- (iii) Internet financial solutions businesses; and
- (iv) Holding entity.

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

| <u>12 months ended</u> <u>31 December 2007</u> <u>(Unaudited)</u> | Venture capital businesses RM'000 | Private equity businesses and investment holding RM'000 | Internet financial solutions businesses RM'000 | Holding entity RM'000 | Eliminations RM'000 | Consolidated RM'000 |
|--|---|---|--|-------------------------------------|-------------------------------|-------------------------------|
| Revenue | | | | | | |
| External revenue | 35,733 | 303 | 1,680 | 1,401 | (8,292) | 30,825 |
| Inter-segment revenue | 10,452 | - | - | 27,350 | (37,802) | - |
| | <u>46,185</u> | <u>303</u> | <u>1,680</u> | <u>28,751</u> | <u>(46,094)</u> | <u>30,825</u> |
| Results | | | | | | |
| Segment results | 34,886 | (954) | 207 | 26,907 | (35,982) | 25,064 |
| Share of profits of associated companies | | | | | | <u>5,493</u> |
| Profit before taxation | | | | | | 30,557 |
| Income tax expense | | | | | | <u>(4,818)</u> |
| Profit for the year | | | | | | 25,739 |
| Minority interests | | | | | | <u>(226)</u> |
| Profit for the year attributable to equity holders of the Company | | | | | | <u>25,513</u> |
| Assets | | | | | | |
| Segment assets | 102,192 | 5,222 | 14,293 | 31,847 | - | 153,554 |
| Investments in associated companies | | | | | | <u>190,966</u> |
| | | | | | | <u>344,520</u> |
| Liabilities | | | | | | |
| Segment liabilities | 381 | 26 | 506 | 346 | - | 1,259 |
| Other information | | | | | | |
| Capital expenditure | 32 | - | - | - | - | 32 |
| Depreciation | 67 | - | 45 | - | - | 112 |
| Plant and equipment written off | - | - | 4 | - | - | 4 |

OSK VENTURES INTERNATIONAL BERHAD (636117-K)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

| <u>12 months ended</u> <u>31 December 2006</u> <u>(Audited)</u> | Venture capital businesses RM'000 | Private equity businesses and investment holding RM'000 | Holding entity RM'000 | <u>Eliminations</u> RM'000 | <u>Consolidated</u> RM'000 |
|--|--|---|-----------------------------|-------------------------------|-------------------------------|
| Revenue | | | | | |
| External revenue | 36,876 | 916 | 4,262 | - | 42,054 |
| Inter-segment revenue | 6,508 | - | 29,000 | (35,508) | - |
| | <u>43,384</u> | <u>916</u> | <u>33,262</u> | <u>(35,508)</u> | <u>42,054</u> |
| Results | | | | | |
| Segment results | 39,850 | 891 | 3,555 | (6,508) | 37,788 |
| Share of profits of associated companies | | | | | <u>17,232</u> |
| Profit before taxation | | | | | 55,020 |
| Income tax expense | | | | | <u>(8,011)</u> |
| Profit for the year | | | | | <u><u>47,009</u></u> |
| Assets | | | | | |
| Segment assets | 93,190 | 3,372 | 7,174 | - | 103,736 |
| Investments in associated companies | | | | | <u>226,251</u> |
| | | | | | <u><u>329,987</u></u> |
| Liabilities | | | | | |
| Segment liabilities | 566 | 16 | 253 | - | 835 |
| Other information | | | | | |
| Capital expenditure | 40 | - | - | - | 40 |
| Depreciation | 66 | - | - | - | 66 |

OSK VENTURES INTERNATIONAL BERHAD (636117-K)**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007****(b) Geographical Segments**

The Group's geographical segments are based on the location of the operations of the Group's assets. Revenue by geographical segment is based on income derived from those assets.

| | <u>12 months ended 31 December 2007 (Unaudited)</u> | | |
|-------------------------------------|--|---------------------------------|--------------------------------------|
| | <u>Revenue</u> RM'000 | <u>Segment assets</u> RM'000 | <u>Capital expenditure</u> RM'000 |
| Malaysia | 23,333 | 76,437 | 32 |
| Singapore | 5,285 | - | - |
| Hong Kong | 890 | 40,158 | - |
| China | 1,317 | 36,959 | - |
| | <hr/> | <hr/> | <hr/> |
| | 30,825 | 153,554 | 32 |
| Investments in associated companies | - | 190,966 | - |
| | <hr/> | <hr/> | <hr/> |
| | 30,825 | 344,520 | 32 |

| | <u>12 months ended 31 December 2006 (Audited)</u> | | |
|-------------------------------------|--|---------------------------------|--------------------------------------|
| | <u>Revenue</u> RM'000 | <u>Segment assets</u> RM'000 | <u>Capital expenditure</u> RM'000 |
| Malaysia | 38,742 | 55,266 | 40 |
| Singapore | 831 | 21,837 | - |
| China | 6 | 15,225 | - |
| Australia | 2,475 | 11,408 | - |
| | <hr/> | <hr/> | <hr/> |
| | 42,054 | 103,736 | 40 |
| Investments in associated companies | - | 226,251 | - |
| | <hr/> | <hr/> | <hr/> |
| | 42,054 | 329,987 | 40 |

A9. Valuations of property, plant and equipment

There were no revalued property, plant and equipment as at 31 December 2007.

A10. Material events subsequent to the end of the quarter

There were no significant subsequent events from 31 December 2007 to 12 February 2008 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

A11. Changes in the composition of the Group**(i) Acquisition of entire equity interest in OSK Infrastructure Investments Limited ("OSKII")**

The Company had on 29 June 2007, acquired one (1) ordinary share of HK\$1.00 in OSKII, representing the entire issued and paid-up share capital in OSKII for a cash consideration of HK\$1.00 from B. & McK. Nominees Limited. OSKII was incorporated in Hong Kong on 22 June 2007 as a limited company with an authorised share capital of HK\$10,000 comprising 10,000 shares of HK\$1.00 each. The principal activity of OSKII is that of investment holding and private equity business. By virtue of the acquisition, OSKII has become a wholly-owned subsidiary of the Company.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

(ii) Acquisition of additional shares in Finexasia.com Sdn Bhd ("FINEX")

A subsidiary company of the Company had on 5 October 2007 acquired additional shares in FINEX, previously an associated company. Pursuant to the acquisition, the equity interest in FINEX increased from 47.97% to 59.95%.

The acquisition had the following effect on the Group's financial results for the current year:

The acquisition resulted in net cash inflow to the Group as follows:

| | RM'000 |
|--|-----------------------|
| Purchase consideration satisfied by cash | 1,606 |
| Cash and cash equivalents of subsidiary company acquired | <u>(6,709)</u> |
| Net cash inflow of the Group | <u><u>(5,103)</u></u> |

The new subsidiary has contributed the following financial results to the Group:

| | 5.10.2007 to 31.12.2007 RM'000 |
|-----------------------|--------------------------------------|
| Revenue | 1,597 |
| Profit for the period | <u><u>656</u></u> |

If the acquisition had been effected on 1 January 2007, the financial results contributed by the new subsidiary for the year ended 31 December 2007 would have been:

| | RM'000 |
|---------------------|---------------------|
| Revenue | 5,806 |
| Profit for the year | <u><u>3,589</u></u> |

The fair values of assets and liabilities, which is also the acquiree's carrying amount, recognised upon acquisition are as follows:

| | 4.10.2007 RM'000 |
|---------------------------------|----------------------|
| Plant and equipment | 604 |
| Other investments | 4,754 |
| Trade and other receivables | 1,808 |
| Tax recoverable | 264 |
| Cash, bank balances and deposit | <u><u>6,710</u></u> |
| | <u><u>14,140</u></u> |

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| | 4.10.2007 RM'000 |
|--|---------------------|
| Deferred liabilities | (96) |
| Other payables and accruals | (312) |
| | <u>(408)</u> |
| Fair value of total net assets | 13,732 |
| Less: Minority interests | (5,499) |
| Group's share of net assets | 8,233 |
| Less: Carrying amount of investment in FINEX as an associated company | (7,156) |
| | <u>1,077</u> |
| Add: Goodwill on acquisition | 529 |
| Total cost of acquisition | <u><u>1,606</u></u> |

A12. Changes in contingent liabilities or contingent assets since 31 December 2006

As at 12 February 2008, no material contingent liabilities or assets have arisen since 31 December 2006.

PART B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for MESDAQ MARKET

B1. Review of the performance of the Company and its principal subsidiaries

The Group achieved a pre-tax loss of RM4.38 million for the current quarter under review as compared to previous year corresponding quarter pre-tax profit of RM7.22 million. This was mainly due to the reduction of realization of investments and the share of losses of associated companies.

The Group achieved a lower pre-tax profit of RM30.56 million for the year as compared to previous year of RM55.02 million and this was mainly attributable to the same reasons mentioned in the preceding paragraph.

B2. Material changes in the quarterly profit before taxation

The Group recorded a pre-tax loss of RM4.38 million for the current quarter as compared to the immediate preceding quarter’s pre-tax profit of RM2.79 million mainly due to the reduction of realization of investments and the share of losses of associated companies.

B3. (a) Current year prospects

The uncertainties in the global economy and financial markets will have a bearing on the near term earnings of the Group. As expected, realization of investments has slowed and certain of our key investments in the telecommunication industry are striving to transform their businesses to higher levels of resilience.

Nevertheless, the strength of our financial position and quality of our network will enable the Group to continuously explore new investment opportunities. The Group will also assist our platform companies to strengthen their performance to enhance the Group’s performance and shareholders’ value.

Despite the challenging environment, the Board of Directors expects the performance of the Group to improve in second half of year 2008.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection and internal targets previously announced

There was no revenue or profit forecast announced by the Group.

B4. Statement of the Board of Directors’ opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

There was no revenue or profit forecast announced by the Group.

B5. Profit forecast / profit guarantee

There was no profit forecast or profit guarantee issued by the Group.

OSK VENTURES INTERNATIONAL BERHAD (636117-K)**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007****B6. Taxation**

| | Current quarter ended <u>31/12/2007</u> RM'000 | Current year to date ended <u>31/12/2007</u> RM'000 |
|--|---|--|
| In respect of the current quarter / year to date | | |
| - Malaysian income tax | (216) | 4,798 |
| In respect of the prior year | | |
| - Malaysian income tax | - | 20 |
| | <u>(216)</u> | <u>4,818</u> |

The effective tax rate of the Group for the year under review is lower than the statutory tax rate of 27% mainly due to the share of profits of certain associated companies that are exempted from tax.

B7. Sale of unquoted investments and/or properties

(a) Pursuant to the waiver obtained from Bursa Securities in compliance with Chapter 10 of the Listing Requirements of Bursa Securities for MESDAQ Market (Chapter 4 of the previous Listing Requirements of Bursa Securities for MESDAQ Market), disclosure on the purchase and sale of unquoted investments as well as its net effect is exempted.

(b) There were no sale of properties during the current year.

B8. Quoted securities

Particulars of purchase and disposal of quoted securities by the Group are as follows:

(a) Pursuant to the waiver obtained from Bursa Securities in compliance with Chapter 10 of the Listing Requirements of Bursa Securities for MESDAQ Market (Chapter 4 of the previous Listing Requirements of Bursa Securities for MESDAQ Market), disclosure on the purchase and sale of quoted securities as well as its net effect is exempted except for the investments managed by a related fund management company which are as follows:

| | Current quarter ended <u>31/12/2007</u> RM'000 | Current year to date ended <u>31/12/2007</u> RM'000 |
|------------------------------|---|--|
| Total purchase consideration | <u>15,295</u> | <u>15,295</u> |
| Total sale proceeds | <u>13,518</u> | <u>13,518</u> |
| Net profit on disposals | <u>189</u> | <u>189</u> |

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

- (b) Investments in quoted securities (including listed associated companies) as at 31 December 2007 are as follows:-

| | Associated Companies RM'000 | Other Investments RM'000 |
|------------------------------------|-----------------------------------|--------------------------------|
| Quoted in Malaysia, at cost | 130,290 | 12,803 |
| Quoted outside Malaysia, at cost | 5,588 | 1,417 |
| | <hr/> | <hr/> |
| | 135,878 | 14,220 |
| Share of post-acquisition reserves | 55,088 | - |
| At carrying value | <hr/> | <hr/> |
| | 190,966 | 14,220 |
| | <hr/> | <hr/> |
| At market value | 196,903 | 16,714 |

Investments in listed associated companies comprise investments in Green Packet Berhad, MNC Wireless Berhad, eBworx Berhad, mTouche Technology Berhad and GMO Limited.

B9. Status of corporate proposals announced but not completed as at 12 February 2008

There were no corporate proposals announced but not completed as at 12 February 2008.

B10. Borrowings and debt securities

The Group has no borrowings or debt securities as at 31 December 2007.

B11. Off balance sheet financial instruments

As at 12 February 2008 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), the Group did not enter into any off balance sheet financial instruments.

B12. Material litigation

As at 12 February 2008 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), the Group was not engaged in any material litigation either as plaintiff or defendant and the directors are not aware of any proceeding pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

B13. Dividend

- (a) The Board of Directors has recommended a final dividend of 7.50 sen less 26% income tax per share for the year ended 31 December 2007 (2006: 5 sen less 27% income tax per share). The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting. The entitlement date to the final dividend shall be determined by the Board of Directors at a subsequent date.
- (b) Total dividend for the current year is 17.50 sen less income tax (2006: 20 sen per share which comprises 0.79 sen tax exempt and 19.21 sen less income tax) per share.

OSK VENTURES INTERNATIONAL BERHAD (636117-K)**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007****B14. Earnings Per Share (“EPS”)**

| Basic and Diluted | Current quarter ended <u>31/12/2007</u> | Comparative quarter ended <u>31/12/2006</u> | Current year to date ended <u>31/12/2007</u> | Preceding year to date ended <u>31/12/2006</u> |
|---|--|--|---|---|
| (Loss)/Profit attributable to equity holders of the Company (RM'000) | (4,385) | 7,669 | 25,513 | 47,009 |
| Weighted average number of ordinary shares in issue ('000) | 150,000 | 150,000 | 150,000 | 150,000 |
| Basic earnings/(loss) per share (sen) | (2.92) | 5.11 | 17.01 | 31.34 |

For the year ended 31 December 2007, the outstanding share options have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as their conversion to ordinary shares would be antidilutive.

By Order of the Board

YAP YUH FOH, EDDIE
Executive Director

Kuala Lumpur
19 February 2008