

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009  
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<b>Current quarter ended 31/12/2009 RM'000</b>	<b>Comparative quarter ended 31/12/2008 RM'000</b>	<b>Current year to date ended 31/12/2009 RM'000</b>	<b>Preceding year to date ended 31/12/2008 RM'000</b>
Revenue	4,145	1,568	10,408	8,628
Other income	1,709	18	1,787	46
Administrative expenses	827	(2,320)	(6,424)	(7,204)
Allowance for doubtful debts	(172)	-	(172)	-
Impairment losses, net	(67,156)	(19,255)	(62,346)	(19,255)
<b>Operating loss</b>	<b>(60,647)</b>	<b>(19,989)</b>	<b>(56,747)</b>	<b>(17,785)</b>
Finance cost	(253)	(11)	(771)	(11)
Share of losses after tax of associated companies	(41,065)	(18,535)	(54,955)	(24,094)
<b>Loss before tax</b>	<b>(101,965)</b>	<b>(38,535)</b>	<b>(112,473)</b>	<b>(41,890)</b>
Income tax expense	(22)	-	(269)	(9)
<b>Loss for the period / year</b>	<b>(101,987)</b>	<b>(38,535)</b>	<b>(112,742)</b>	<b>(41,899)</b>
Loss attributable to:				
Equity holders of the Company	(102,444)	(38,506)	(114,424)	(42,325)
Minority interests	457	(29)	1,682	426
	<b>(101,987)</b>	<b>(38,535)</b>	<b>(112,742)</b>	<b>(41,899)</b>
<b>Loss per share attributable to equity holders of the Company (sen) (Note B14):</b>				
Basic and Diluted	<b>(69.78)</b>	<b>(26.19)</b>	<b>(77.94)</b>	<b>(28.36)</b>

(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 2009  
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

	As at 31/12/2009 RM'000	(Audited) As at 31/12/2008 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	966	951
Intangible assets	557	555
Investments in associated companies	136,802	201,032
Other investments	64,279	74,079
	<b>202,604</b>	<b>276,617</b>
<b>Current assets</b>		
Other investments	6,987	2,745
Trade and other receivables	500	303
Amount due from former related companies	3,129	1,076
Amount due from associated companies	97	-
Tax recoverable	2,245	4,075
Cash, bank balances and deposits	15,892	39,361
	<b>28,850</b>	<b>47,560</b>
<b>TOTAL ASSETS</b>	<b>231,454</b>	<b>324,177</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	150,000	150,000
Less: Treasury shares, at cost	(2,725)	(2,724)
	<b>147,275</b>	<b>147,276</b>
Reserves	46,618	159,711
	<b>193,893</b>	<b>306,987</b>
<b>Minority interests</b>	<b>7,667</b>	<b>5,985</b>
<b>Total equity</b>	<b>201,560</b>	<b>312,972</b>
<b>Current liabilities</b>		
Deferred income	77	70
Sundry payables	817	1,130
Amount due to former related companies	-	5
Short term borrowing	29,000	10,000
<b>Total liabilities</b>	<b>29,894</b>	<b>11,205</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>231,454</b>	<b>324,177</b>
Net Assets per share (RM) attributable to equity holders of the Company	<b>1.32</b>	<b>2.06</b>

(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 2009  
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the Company							Minority interests	Total equity
	Share capital	Treasury shares	Share premium	Equity compensation reserve	Other reserves	Retained profits/ (Accumulated losses)	Total		
<u>Current year to date ended</u> <u>31 December 2009 (Unaudited)</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2009	150,000	(2,724)	104,396	423	50,364	4,528	306,987	5,985	312,972
Share of associated companies' reserves	-	-	-	-	1,331	-	1,331	-	1,331
Reserve realised upon disposal of shares in associated company	-	-	-	-	(970)	970	-	-	-
Total income recognised directly in equity	-	-	-	-	361	970	1,331	-	1,331
(Loss)/profit for the year	-	-	-	-	-	(114,424)	(114,424)	1,682	(112,742)
Total income / (expense) recognised for the year	-	-	-	-	361	(113,454)	(113,093)	1,682	(111,411)
Share buybacks	-	(1)	-	-	-	-	(1)	-	(1)
At 31 December 2009	<b>150,000</b>	<b>(2,725)</b>	<b>104,396</b>	<b>423</b>	<b>50,725</b>	<b>(108,926)</b>	<b>193,893</b>	<b>7,667</b>	<b>201,560</b>

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

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

	Attributable to equity holders of the Company							Minority interests	Total equity
	Share capital	Treasury shares	Share premium	Equity compensation reserve	Other reserves	Distributable Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b><u>Preceding year ended</u></b>									
<b><u>31 December 2008 (Audited)</u></b>									
At 1 January 2008	150,000	-	104,396	618	29,200	54,983	339,197	5,559	344,756
Share of associated companies' reserves	-	-	-	-	21,313	-	21,313	-	21,313
Loss on deemed disposals of shares in associated companies	-	-	-	-	(149)	-	(149)	-	(149)
Total income recognised directly in equity	-	-	-	-	21,164	-	21,164	-	21,164
(Loss)/profit for the year	-	-	-	-	-	(42,325)	(42,325)	426	(41,899)
Total income / (expense) recognised for the year	-	-	-	-	21,164	(42,325)	(21,161)	426	(20,735)
Dividends paid	-	-	-	-	-	(8,325)	(8,325)	-	(8,325)
Reserve realised upon forfeiture of ESOS	-	-	-	(195)	-	195	-	-	-
Share buybacks	-	(2,724)	-	-	-	-	(2,724)	-	(2,724)
At 31 December 2008	150,000	(2,724)	104,396	423	50,364	4,528	306,987	5,985	312,972

(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 2009  
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	<b>Current year to date ended 31/12/2009 RM'000</b>	<b>(Audited) Preceding year ended 31/12/2008 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Loss before tax	(112,473)	(41,890)
Adjustments for:-		
Share of losses of associated companies	54,955	24,094
Other non-cash and non-operating items	59,302	18,720
Operating profit before working capital changes	1,784	924
(Increase)/Decrease in operating assets		
Other investments	(23,811)	(4,054)
Other operating assets	(2,361)	1,224
Decrease in other operating liabilities	(300)	(65)
Net cash used in operations	(24,688)	(1,971)
Interest received	646	721
Income tax refund	1,647	271
Income tax paid	(87)	(2,843)
Net cash used in operating activities	(22,482)	(3,822)
<b>Cash Flows From Investing Activities</b>		
Dividends received	862	952
Proceeds from disposal of shares in associated company	3,332	-
Purchase of shares in associated companies	(23,225)	(19,047)
Purchase of equipment	(237)	(365)
Purchase of software licence	(7)	(9)
Net cash used in investing activities	(19,275)	(18,469)
<b>Cash Flows From Financing Activities</b>		
Dividend paid to shareholders	-	(8,325)
Interest paid	(781)	-
Acquisition of treasury shares	(1)	(2,724)
Drawdown of revolving credit	19,000	10,000
Net cash generated from/(used in) financing activities	18,218	(1,049)
Net decrease in cash and cash equivalents	(23,539)	(23,340)
Effects of exchange rate changes	70	929
Cash and cash equivalents at beginning of year	39,361	61,772
Cash and cash equivalents at end of year (Note)	15,892	39,361

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009  
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (Cont'd)**

	<b>Current year to date ended 31/12/2009</b>	<b>(Audited) Preceding year ended 31/12/2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash on hand and at banks	<b>607</b>	550
Deposits with licensed banks	<b>2,446</b>	30,111
Deposits with a licensed investment bank	<b>12,839</b>	8,700
	<b>15,892</b>	39,361

Note

Cash and cash equivalents at end of year comprised:

Cash on hand and at banks	<b>607</b>	550
Deposits with licensed banks	<b>2,446</b>	30,111
Deposits with a licensed investment bank	<b>12,839</b>	8,700

(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 2009

### **PART A – Explanatory Notes Pursuant to Financial Reporting Standard 134 ("FRS 134") Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Revised Guidelines on Financial Reporting for Licensed Institutions (BNM/GP8) issued by Bank Negara Malaysia ("BNM")**

#### **A1. Basis of Preparation**

The quarterly report has been prepared in accordance with the requirements of FRS 134 issued by the MASB and the "Revised Guidelines on Financial Reporting for Licensed Institutions" ("BNM/GP8"). The report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008 and the accompanying explanatory notes. 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 2008.

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 2008. The Group and the Company had not adopted the FRSs, amendments to FRSs, Issues Committee ("IC") Interpretations, Technical Releases ("TR") and Statement of Principles ("SOP") which have effective dates are as follows:

<b>FRSs, Amendments to FRSs, IC Interpretations, TR and SOP</b>		<b>Effective for financial periods beginning on or after</b>
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements (revised in 2009)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of financial Reporting Standards	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010 and 1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010 and 1 July 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendments to FRS 8	Operating Segments	1 January 2010
Amendments to FRS 107	Statements of Cash Flows	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendments to FRS 110	Events After the Reporting Period	1 January 2010
Amendments to FRS 116	Property, Plant and Equipment	1 January 2010
Amendments to FRS 117	Leases	1 January 2010

# OSK VENTURES INTERNATIONAL BERHAD (636117-K)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009

### A1. Basis of Preparation (Cont'd)

<b>FRSs, Amendments to FRSs, IC Interpretations, TR and SOP</b>		<b>Effective for financial periods beginning on or after</b>
Amendments to FRS 118	Revenue	1 January 2010
Amendments to FRS 119	Employee Benefits	1 January 2010
Amendments to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendments to FRS 123	Borrowing Costs	1 January 2010
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associates	1 January 2010
Amendments to FRS 128	Investment in Associates	1 January 2010
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendments to FRS 131	Interests in Joint Ventures	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 134	Interim Financial Reporting	1 January 2010
Amendments to FRS 136	Impairment of Assets	1 January 2010
Amendments to FRS 138	Intangible Assets	1 January 2010 and 1 July 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010 and 1 July 2010
Amendments to FRS 140	Investment Property	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010
SOP i-1	Financial Reporting from an Islamic Perspective	1 January 2010

FRS 4, Amendments to FRS 120, FRS 129 and FRS 140 and IC Interpretations 12, 13, 14 and 15 are not applicable to the Group and the Company. The other FRSs, amendments to FRSs, IC Interpretations, TR and SOP above are expected to have no significant impact on the financial statements upon their initial application except for FRS 7, FRS 101 (revised in 2009) and FRS 139. The Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.



# OSK VENTURES INTERNATIONAL BERHAD (636117-K)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009

### A1. Basis of Preparation (Cont'd.)

The adoption of FRS 101 (revised in 2009) will have the following impacts to the financial statements upon its initial application:

- Statement of changes in equity includes only transaction with owners, and all non-owner changes (i.e. other comprehensive income) are presented in a separate statement;
- Components of comprehensive income are not permitted to be presented in the statement of changes in equity;
- Entities must disclose amount reclassified to profit or loss that were previously recognized in other comprehensive and the income tax relating to each component of other comprehensive income, either in the statement of comprehensive income or in the notes;
- When entity restates its financial statements or retrospectively applies a new accounting policy, a statement of financial position must be presented as at the beginning of the earliest comparative period (i.e., a third balance sheet), with related notes, and;
- New terminologies will replace 'balance sheet' with 'statement of financial position', and 'cash flow statement' with 'statement of cash flows'.

### A2. 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 to date. However, the Group's results are influenced by, amongst others, the share of associated companies' results as well as the timing of disposal of investments by the Group.

### A3. 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.

### A4. 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 to date.

### A5. Changes in debt and equity securities

#### Executive Share Option Scheme ("ESOS")

On 11 April 2007, the Company had granted 1,314,100 options to the eligible executives and directors of the Company and its subsidiary companies. During current year to date, there were no exercise of ESOS option, the remaining options and movement in the ESOS during the current year are as follows:

Date of offer	Exercise price RM	No. of options over ordinary shares of RM1 each				
		As at 01/01/2009	Granted	Exercised	Forfeited	As at 31/12/2009
11 April 2007	2.57	900,000	-	-	-	900,000

#### Share Buybacks/ Treasury Shares of The Company

During the current year, the Company has purchased 2,000 ordinary shares of RM1 each for a total cash consideration of RM1,477 from open market at an average price of RM0.74 per share. The shares repurchased previously are being held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965. Summary of shares buybacks is as follows:

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)****QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009****A5. Changes in debt and equity securities (Cont'd.)**Share Buybacks/ Treasury Shares of The Company (Cont'd.)

	Number of shares	Highest price RM	Lowest price RM	Average cost (including transaction costs) RM	Total amount paid RM
As at 1 January 2009	3,189,600	1.55	0.55	0.85	2,723,822
May 2009	1,000	0.78	0.64	0.73	731
November 2009	1,000	0.92	0.59	0.75	746
As at 31 December 2009	3,191,600	1.55	0.55	0.85	2,725,299

Other than the above, there were no issuances, repurchase and repayments of debt and equity securities in the current year to date.

**A6. Dividend paid**

There were no payment of dividend for the current year ended 31 December 2009.

**A7. 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 2009**

**A7. Segmental information (Cont'd)**

<b><u>Current year to date ended</u></b> <b><u>31 December 2009</u></b> <b><u>(Unaudited)</u></b>	<b><u>Venture capital businesses</u></b> RM'000	<b><u>Private equity businesses and investment holding</u></b> RM'000	<b><u>Internet financial solutions businesses</u></b> RM'000	<b><u>Holding entity</u></b> RM'000	<b><u>Eliminations</u></b> RM'000	<b><u>Consolidated</u></b> RM'000
<b>Revenue</b>						
External revenue	2,764	1,021	6,450	173	-	10,408
Inter-segment revenue	4,689	-	-	-	(4,689)	-
	<b>7,453</b>	<b>1,021</b>	<b>6,450</b>	<b>173</b>	<b>(4,689)</b>	<b>10,408</b>
<b>Results</b>						
Segment results	(6,216)	(30,197)	4,355	(91,299)	66,610	(56,747)
Finance cost						(771)
Share of losses of associated companies						(54,955)
Loss before tax						(112,473)
Income tax expense						(269)
Loss for the year						(112,742)
Minority interests						(1,682)
Loss for the year attributable to equity holders of the Company						(114,424)
<b>Assets</b>						
Segment assets	65,916	5,688	19,440	1,363	-	92,407
Investments in associated companies						136,802
Unallocated assets						2,245
						<b>231,454</b>
<b>Liabilities</b>						
Segment liabilities	248	15	307	29,324	-	29,894
<b>Other information</b>						
Capital expenditure	9	-	227	-	-	236
Depreciation	105	-	116	-	-	221
Plant and equipment written off	-	-	1	-	-	1

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

**A7. Segmental information (Cont'd)**

<b><u>Preceding year to date ended</u></b> <b><u>31 December 2008</u></b> <b><u>(Audited)</u></b>	<b><u>Venture capital businesses</u></b> RM'000	<b><u>Private equity businesses and investment holding</u></b> RM'000	<b><u>Internet financial solutions businesses</u></b> RM'000	<b><u>Holding entity</u></b> RM'000	<b><u>Eliminations</u></b> RM'000	<b><u>Consolidated</u></b> RM'000
<b>Revenue</b>						
External revenue	543	401	6,295	1,389	-	8,628
Inter-segment revenue	4,257	-	2	-	(4,259)	-
	<u>4,800</u>	<u>401</u>	<u>6,297</u>	<u>1,389</u>	<u>(4,259)</u>	<u>8,628</u>
<b>Results</b>						
Segment results	(976)	(11,486)	1,071	(2,135)	(4,259)	(17,785)
Finance cost						(11)
Share of losses of associated companies						(24,094)
Loss before tax						(41,890)
Income tax expense						(9)
Loss for the year						(41,899)
Minority interests						(426)
Loss for the year attributable to equity holders of the Company						<u>(42,325)</u>
<b>Assets</b>						
Segment assets	93,423	5,686	15,323	4,638	-	119,070
Investments in associated companies						201,032
Unallocated assets						4,075
						<u>324,177</u>
<b>Liabilities</b>						
Segment liabilities	295	20	542	10,348	-	11,205
<b>Other information</b>						
Capital expenditure	355	-	9	-	-	364
Depreciation	92	-	151	-	-	243
Plant and equipment written off	1	-	-	-	-	1

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)****QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009****A7. Segmental information (Cont'd)****(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.

	<b><u>Current year to date ended 31 December 2009</u></b>		
	<b><u>(Unaudited)</u></b>		
	<u>Revenue</u> RM'000	<u>Segment assets</u> RM'000	<u>Capital expenditure</u> RM'000
Malaysia	10,361	73,084	236
Singapore	23	2,751	-
Hong Kong	24	938	-
China	-	15,634	-
	<hr/>	<hr/>	<hr/>
	10,408	92,407	236
Investments in associated companies	-	136,802	-
	<hr/>	<hr/>	<hr/>
	10,408	229,209	236
	<hr/>	<hr/>	<hr/>
	<b><u>Preceding year to date ended 31 December 2008</u></b>		
	<b><u>(Audited)</u></b>		
	<u>Revenue</u> RM'000	<u>Segment assets</u> RM'000	<u>Capital expenditure</u> RM'000
Malaysia	7,382	64,723	364
Hong Kong	69	24,939	-
China	1,177	29,408	-
	<hr/>	<hr/>	<hr/>
	8,628	119,070	364
Investments in associated companies	-	201,032	-
	<hr/>	<hr/>	<hr/>
	8,628	320,102	364
	<hr/>	<hr/>	<hr/>

**A8. Valuations of property, plant and equipment**

There were no revalued property, plant and equipment as at 31 December 2009.

**A9. Material events subsequent to the end of the quarter**

There were no significant subsequent events from 31 December 2009 to 15 February 2010 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**A10. Changes in the composition of the Group**

- (a) Delisting of GMO Limited ("GMO"), an 18.96% owned associated company of the Company from the Alternative Investment Market of the London Stock Exchange ("The Delisting")

The cancellation of dealings in the ordinary shares of GMO on the Alternative Investment Market of the London Stock Exchange had taken effect from 7.00 a.m. (U.K. time), 29 May 2009.

GMO vide its company secretary, Jordans, had, on 17 July 2009 filed the statement of Solvency C60 together with the winding up resolution passed by GMO's shareholders on 26 June 2009 with Jersey Financial Services Commission informing them of GMO's winding up summary.

GMO has completed the distribution in specie of its remaining assets comprising shares in GMO Global Limited to the remaining shareholders in GMO. GMO vide Jordans, had submitted the statement of Solvency on Completion of a Summary Winding up C61 to local authorities on 30 December 2009.

- (b) Disposal of associated company, MNC Wireless Berhad ("MNC") by the Group

On 5 June 2009, the Group via its wholly owned subsidiary company, OSK Technology Ventures Sdn Bhd, disposed its entire 20.06% equity interest in MNC.

- (c) Acquisition of Green Packet Berhad ("GPB") Rights Issue with warrants

On 16 September 2009, OSK Technology Ventures Sdn Bhd a wholly owned subsidiary company subscribed for 32.0 million Rights Issue Shares with 32.0 million detachable warrants for a total cost of RM16.0 million. The Group's equity interests in GPB remained at 16.23% upon acquisition of its rights.

**A11. Changes in contingent liabilities or contingent assets since 31 December 2009**

As at 15 February 2010 no material contingent liabilities or assets have arisen since 31 December 2009.

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

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

The Group recorded a pre-tax loss of RM101.97 million for the current quarter under review as compared to previous year corresponding quarter’s pre-tax loss of RM38.54 million in 2008. The increase in loss for the quarter was mainly due to the share of losses of associated companies and impairment of investments in associated companies and other investments.

For the financial year ended 31 December 2009, the Group recorded a pre-tax loss of RM112.47 million as compared to a pre-tax loss of RM 41.89 million in 2008 mainly due to the share of losses of associated companies and impairment of investments in associated companies and other investments.

**B2. Material changes in the quarterly loss before tax**

The Group recorded a pre-tax loss of RM101.97 million for the current quarter as compared to the immediate preceding quarter’s pre-tax loss of RM3.56 million. The increase in pre-tax loss was mainly due to the share of losses of associated companies and impairment of investments in associated companies and other investments.

**B3. (a) Current year prospects**

The Board of Directors is of the view that the year 2010 continues to be challenging as the recovery from the global financial turmoil is still uncertain. However, the Board of Directors is hopeful of achieving better financial results for the year 2010.

**(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 were 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 2009****B6. Taxation**

	Current quarter ended <u>31/12/2009</u> RM'000	Current year to date ended <u>31/12/2009</u> RM'000
In respect of the current quarter / year to date		
- Malaysian income tax	23	81
In respect of the prior year		
- Malaysian income tax	(1)	188
	<u>22</u>	<u>269</u>

The current taxation of the Group was mainly on interest income of a profitable subsidiary company.

**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 ACE 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 ACE 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>31/12/2009</u> RM'000	Current year to date ended <u>31/12/2009</u> RM'000
Total purchase consideration	<u>1,506</u>	<u>5,152</u>
Total sale proceeds	<u>1,264</u>	<u>3,482</u>
Net profit on disposals	<u>30</u>	<u>136</u>



**OSK VENTURES INTERNATIONAL BERHAD (636117-K)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

**B8. Quoted securities (Cont'd)**

(b) Investments in quoted securities as at 31 December 2009 are as follows:-

	Other Investments RM'000
Quoted in Malaysia, at cost	16,567
Quoted outside Malaysia, at cost	272
At carrying value	<u>16,839</u>
At market value	<u><u>20,737</u></u>

**B9. Status of corporate proposals announced but not completed as at 15 February 2010**

There were no corporate proposals announced but not completed as at 15 February 2010.

**B10. Borrowings and debt securities**

The Group has unsecured revolving credit facilities of RM29 million denominated in Ringgit Malaysia.

**B11. Off balance sheet financial instruments**

As at 15 February 2010 (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 15 February 2010 (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**

No dividend has been proposed or declared for the current year to date ended 31 December 2009 (31 December 2008: Nil).

**OSK VENTURES INTERNATIONAL BERHAD (636117-K)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

**B14. Earnings Per Share (“EPS”)**

<b>Basic and Diluted</b>	<b>Current quarter ended <u>31/12/2009</u></b>	<b>Comparative quarter ended <u>31/12/2008</u></b>	<b>Current year to date ended <u>31/12/2009</u></b>	<b>Preceding year to date ended <u>31/12/2008</u></b>
Loss attributable to equity holders of the Company (RM'000)	<b>(102,444)</b>	(38,506)	<b>(114,424)</b>	(42,325)
Weighted average number of ordinary shares in issue ('000)	<b>146,810</b>	147,026	<b>146,811</b>	149,249
Basic loss per share (sen)	<b>(69.78)</b>	(26.19)	<b>(77.94)</b>	(28.36)

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.

**B15. Auditors' report on preceding annual financial statements**

The auditors' report on the audited financial statements for the year ended 31 December 2008 was not qualified.

**By Order of the Board**

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**YEE CHEE WAI, PATRICK**  
**Executive Director**

Kuala Lumpur  
22 February 2010