

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2012

		(Audited)		
	Note	As at 30.6.2012 RM'000	As at 31.12.2011 RM'000	As at 1.1.2011 RM'000
ASSETS				
Non-current assets				
Equipment		558	1,025	1,183
Intangible assets		531	574	560
Investment securities		94,294	132,149	139,426
		95,383	133,748	141,169
Current assets				
Investment securities		20,999	18,998	33,227
Derivative financial assets		5,522	7,724	10,797
Trade and other receivables		1,211	2,672	602
Prepayments		59	70	58
Tax recoverable		-	-	2,190
Cash, bank balances and deposits		87,678	44,401	49,910
		115,469	73,865	96,784
Assets of disposal group classified as held for sale	A9	19,343	-	-
		134,812	73,865	96,784
TOTAL ASSETS		230,195	207,613	237,953
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities		2,049	1,045	1,242
Current liabilities				
Deferred income		-	23	48
Other payables and accruals		468	828	767
Tax payable		115	108	-
Borrowings	B10	22,000	28,000	29,000
		22,583	28,959	29,815
Liabilities directly associated with disposal group classified as held for sale	A9	918	-	-
		23,501	28,959	29,815
TOTAL LIABILITIES		25,550	30,004	31,057
EQUITY				
Share capital		97,872	97,872	97,872
Treasury shares, at cost	A6(b)	(2)	(2)	(1)
		97,870	97,870	97,871
Reserves		99,396	73,213	101,229
Equity attributable to owners of the Company		197,266	171,083	199,100
Non-controlling interest		7,379	6,526	7,796
TOTAL EQUITY		204,645	177,609	206,896
TOTAL LIABILITIES AND EQUITY		230,195	207,613	237,953
Net Assets per share (RM) attributable to owners of the Company		1.01	0.87	1.02

(The above condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2012

	Note	Current quarter ended 30.6.2012 RM'000	Comparative quarter ended 30.6.2011 RM'000	Current year to date ended 30.6.2012 RM'000	Preceding year to date ended 30.6.2011 RM'000
Revenue		35,464	1,966	40,115	2,932
Other income		8	20	36	350
Net fair value (loss)/gain on financial instruments		(37,618)	14,232	(9,661)	(4,910)
Administrative expenses		(730)	(743)	(3,799)	(1,472)
Finance cost		(316)	(334)	(652)	(633)
(Loss)/profit before tax from continuing operations	B6	(3,192)	15,141	26,039	(3,733)
Income tax (expense)/benefit	B7	(1,031)	457	(1,132)	49
(Loss)/profit after tax for the period from continuing operations		(4,223)	15,598	24,907	(3,684)
Profit from discontinued operation, net of tax	A9	1,299	1,032	2,129	2,362
(Loss)/profit after tax for the period		(2,924)	16,630	27,036	(1,322)
(Loss)/profit attributable to:					
Owners of the Company		(3,445)	16,216	26,183	(2,268)
Non-controlling interest		521	414	853	946
		(2,924)	16,630	27,036	(1,322)
(Loss)/earning per share attributable to owners of the Company (sen):					
Basic and diluted	B15	(1.76)	8.28	13.38	(1.16)
Basic and diluted- Continuing operation	B15	(2.16)	7.97	12.72	(1.88)
Basic and diluted- Discontinued operation	B15	0.40	0.32	0.65	0.72

(The above condensed consolidated income statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2012**

	Current quarter ended 30.6.2012 RM'000	Comparative quarter ended 30.6.2011 RM'000	Current year to date ended 30.6.2012 RM'000	Preceding year to date ended 30.6.2011 RM'000
(Loss)/profit after tax for the period, representing total comprehensive (loss)/ income for the period	(2,924)	16,630	27,036	(1,322)
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(3,445)	16,216	26,183	(2,268)
Non-controlling interest	521	414	853	946
	(2,924)	16,630	27,036	(1,322)

(The above condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2012

Attributable to owners of the Company

	Share capital	Treasury shares	Share premium	Capital redemption reserve	Equity compensation reserve	Warrant reserve	Retained profits/ (accumulated losses)	Total	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1.1.2012	97,872	(2)	84,363	3,192	423	11,255	(26,020)	171,083	6,526	177,609
Total comprehensive income	-	-	-	-	-	-	26,183	26,183	853	27,036
Expiry of ESOS	-	-	-	-	(423)	-	423	-	-	-
Share buybacks by the Company	-	-*	-	-	-	-	-	-*	-	-*
Total transactions with owners	-	-	-	-	(423)	-	423	-	-	-
As at 30.6.2012	97,872	(2)	84,363	3,192	-	11,255	586	197,266	7,379	204,645
At 1.1.2011	97,872	(1)	84,483	3,192	423	11,255	1,876	199,100	7,796	206,896
Total comprehensive (loss)/income	-	-	-	-	-	-	(2,268)	(2,268)	946	(1,322)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(3,185)	(3,185)
Purchase of treasury shares	-	-*	-	-	-	-	-	-*	-	-*
Rights issue expenses	-	-	(120)	-	-	-	-	(120)	-	(120)
Total transactions with owners	-	-	(120)	-	-	-	-	(120)	(3,185)	(3,305)
As at 30.6.2011	97,872	(1)	84,363	3,192	423	11,255	(392)	196,712	5,557	202,269

* Denotes amount less than RM1,000.

(The above condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2012

	Current period ended 30.6.2012	Comparative period ended 30.6.2011
Note	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax from continuing operations	26,039	(3,733)
Profit before tax from discontinued operations	3,004	2,420
Profit/(loss) before tax, total	<u>29,043</u>	<u>(1,313)</u>
Adjustments for:		
Amortisation of intangible assets	5	4
Depreciation of equipment	136	133
Net gain on disposals of investment securities	(35,151)	(453)
Net gain on disposals of derivative financial assets	(925)	(105)
Net gain on disposal of equipment	-	(124)
Net fair value loss on financial instruments	9,661	4,910
Unrealised gain on foreign exchange	(176)	(7)
Interest income	(963)	(684)
Interest expenses	652	633
Dividend income	(1,063)	(1,920)
Operating profit before changes in working capital	<u>1,219</u>	<u>1,074</u>
Changes in working capital:		
Net changes in receivables	1,753	(145)
Net changes in payables	(153)	(93)
Proceeds from disposals of investment securities and derivative financial assets	76,955	6,025
Additions in investment securities and derivative financial assets	(12,484)	(9,586)
Net cash generated from/(used in) operations	<u>67,290</u>	<u>(2,725)</u>
Dividends received	17	-
Interest received	864	185
Income tax (paid)/refund	(306)	2,090
Net cash generated from/(used in) operating activities	<u>67,865</u>	<u>(450)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(2)	(165)
Proceeds from disposal of equipment	-	169
Net cash (used in)/generated from investing activities	<u>(2)</u>	<u>4</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(654)	(633)
Purchase of treasury shares	- *	- *
Repayment of revolving credit	(6,000)	-
Rights issue expenses	-	(120)
Dividend paid to non-controlling interest	-	(3,185)
Net cash used in financing activities	<u>(6,654)</u>	<u>(3,938)</u>

* Denote amount less than RM1,000.

(The above condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE QUARTER ENDED 30 JUNE 2012**

	Current period ended 30.6.2012 RM'000	Comparative period ended 30.6.2011 RM'000
Net increase/(decrease) in cash and cash equivalents	61,209	(4,384)
Effect of exchange rate changes	176	7
Cash and cash equivalents at beginning of period	44,401	49,910
Cash and cash equivalents at end of period	105,786	45,533
Cash and short term deposits:		
- Continuing operation	87,678	32,943
- Discontinued operation	18,108	12,590
Cash and cash equivalents	105,786	45,533

(The above condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

1. First-time adoption of Malaysian Financial Reporting Standards ("MFRS")

These condensed consolidated interim financial statements ("Condensed Report"), have been prepared in accordance with MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

This Condensed Report is MFRS compliant for the part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1: *First-Time Adoption of Malaysian Financial Reporting Standards* ("MFRS 1") has been applied.

The date of transition to MFRS framework is 1 January 2011. At the date of transition, the Group reviewed its accounting policies and considered the optional exemptions and mandatory exceptions to retrospective applications available under MFRS 1.

The impact of the transition from FRS to MFRS is described in Note 2 below.

2. Significant accounting policies and application of MFRS 1

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Condensed Report is consistent with those of the audited financial statements for the year ended 31 December 2011 except as discussed below:

(a) Business combination

MFRS 1 provides the option to apply MFRS 3: *Business Combinations*, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

2. Significant accounting policies and application of MFRS 1 (cont'd.)

(a) Business combination (cont'd.)

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

- (i) The classification of former business combinations under FRS is maintained;
- (ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Estimates

The estimates at 1 January 2011 and at 31 December 2011 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions at 1 January 2011, the date of transition to MFRS and as of 31 December 2011. There were no changes in estimates of amounts reported in previous financial years that have a financial impact to the Group in the second quarter ended 30 June 2012.

Other than as described above, the transition from FRS to MFRS did not have any financial impact to the Group.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****2.1. MFRSs, Amendments to MFRSs and IC Interpretation issued by not yet effective**

At the date of authorisation of this Condensed Report, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 1	Government Loans	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****3. Seasonal or cyclical factors**

There were no significant seasonal or cyclical factors that will materially affect the business of the Group in the current period to date. However, the Group's results are largely influenced by, amongst others, the market prices of quoted investments as well as the timing of disposal of investments by the Group.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 30 June 2012.

5. Significant estimates and changes estimates

There were no significant changes in estimates that have a material effect on the quarter ended 30 June 2012.

6. Changes in debt and equity securities**(a) Executive Share Option Scheme ("ESOS") of the Company**

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:

Date of offer	Exercise price (RM)	No. of options over ordinary shares of RM0.50 each			
		As at 1.1.2012	Forfeited	Expired	As at 30.06.2012
11.4.2007	2.57	900,000	(225,000)	(675,000)	-

The ESOS has expired on 10 April 2012.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****6. Changes in debt and equity securities (Cont'd)****(b) Share buybacks / Treasury shares of the Company**

On 28 May 2012, the Company has purchased 1,000 ordinary shares for a total cash consideration of RM461 from open market at an average cost of RM0.46 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 the share buybacks is as follows:

	Number of Treasury shares	Highest price RM	Lowest price RM	Average cost (including transaction costs) RM	Total amount paid RM
As at 1.1.2012	4,000			0.43	1,719
Share buyback on 28.5.2012	1,000	0.42	0.42	0.46	461
	1,000	0.42	0.42	0.46	461
As at 30.6.2012	5,000			0.44	2,180

(c) Warrants

Warrants reserve relates to the fair value of the warrants issued. During the financial period, there was no movement in the Company's warrants. As at 30 June 2012, the number of warrants was 97,872,266.

7. Dividend Paid

No dividend was paid during the quarter ended 30 June 2012.

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

8. Segmental information

The segment information has been prepared in accordance with the disclosure requirements of MFRS 8: *Operating Segments*. For management purposes, the Group is organised into the following major business segments based services, which are regularly provided to and reviewed by the chief operating decision maker :

1. Venture Capital and Private Equity Businesses - Investment in high growth entities, management of private funds and holding of long term investments.
2. Internet Financial Solutions Business - Development and provision of internet financial solutions and related activities. This segment has been classified as discontinued operation during the current reporting period pursuant to Note 9 of Part A of this Condensed Report.
3. Holding Entity - Investment holding.

Segment revenue and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The inter-segment transactions have been entered into in the ordinary course of business at terms mutually agreed between the companies concerned and are not more favourable than those arranged with independent third parties have been eliminated to arrive at the Group's results.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

8. Segmental information (Cont'd)

Business Segments

	Venture capital and private equity businesses	Internet financial solutions business (Discontinued)	Holding entity	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Current year to date ended 30 June 2012					
Revenue					
External revenue	39,455	4,730	660	(4,730)	40,115
Inter-segment revenue	10,150	-	-	(10,150)	-
Total	<u>49,605</u>	<u>4,730</u>	<u>660</u>	<u>(14,880)</u>	<u>40,115</u>
Results					
(Loss)/profit from operations with external parties	26,308	3,004	383	(3,004)	26,691
Add : Inter segment revenue	10,150	-	-	(10,150)	-
Less : Inter segment expenses	(10,150)	-	-	10,150	-
Segment results	<u>26,308</u>	<u>3,004</u>	<u>383</u>	<u>(3,004)</u>	<u>26,691</u>
Finance cost					<u>(652)</u>
Profit before tax					<u>26,039</u>
Tax expense					<u>(1,132)</u>
Profit for the period attributable to the owners of the Company - continuing operation					<u><u>24,907</u></u>

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

8. Segmental information (Cont'd)

Business Segments (Cont'd)

	Venture capital and private equity businesses RM'000	Internet financial solutions business (Discontinued) RM'000	Holding entity RM'000	Eliminations RM'000	Consolidated RM'000
Preceding year to date ended 30 June 2011					
Revenue					
External revenue	2,486	4,574	446	(4,574)	2,932
Inter-segment revenue	2,799	-	-	(2,799)	-
Total	5,285	4,574	446	(7,373)	2,932
Results					
Profit/(loss) from operations with external parties	(3,175)	2,420	75	(2,420)	(3,100)
Add : Inter segment revenue	2,799	-	-	(2,799)	-
Less : Inter segment expenses	(2,799)	-	-	2,799	-
Segment results	(3,175)	2,420	75	(2,420)	(3,100)
Finance cost					(633)
Loss before tax					(3,733)
Tax expense					49
Loss for the period attributable to the owners of the Company - continuing operation					(3,684)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

8. Segmental information (Cont'd)

Geographical Segments

The Group operates in 4 geographical locations: Malaysia, Indonesia, Cambodia and China and Hong Kong. The Group's geographical segments are based on the locations of the operations of the Group's assets.

Domestic		Foreign				Total	
Malaysia		Indonesia	Cambodia	China and Hong Kong			
Continuing Operations	Discontinued Operation						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Current year to date ended 30 June 2012							
Revenue *	38,995	4,730	340	780	-	(4,730)	40,115
Profit/(loss) before tax	27,281	3,004	-	-	(1,242)	(3,004)	26,039
Segmental assets as at 30 June 2012	207,637	19,343	- #	- #	3,215	(19,343)	210,852
Preceding year to date ended 30 June 2011							
Revenue	2,932	4,574	-	-	-	(4,574)	2,932
(Loss)/profit before tax	(4,502)	2,420	-	-	769	(2,420)	(3,733)
Segmental assets as at 30 June 2011	212,046	14,178	-	-	6,960	(14,178)	219,006

Notes:

* Revenue by geographical segment is based on income derived from those assets in the respective segments.

The investments were fully disposed in the current quarter.

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting**9. Event during the reporting period**

Proposed disposal of Finexasia.com Sdn. Bhd. (Discontinued operation and disposal group classified as held for sale).

On 28 May 2012, the Company announced that its wholly-owned subsidiary, OSK Venture Equities Sdn. Bhd. ("OSKVE"), had entered into a Conditional Share Purchase Agreement ("CSPA") with RHB Capital Berhad ("RHBC") in relation to the Proposed Disposal of 6,811,111 ordinary shares of RM1.00 each representing 59.95% equity interest in Finexasia.com Sdn Bhd. ("Finexasia"), for a cash consideration of RM12,500,000. The completion of CSPA is subject to the fulfillment of the conditions precedent (unless waived in accordance with the terms of CSPA). As at the reporting date, the conditions precedent of the CSPA have not been fully met. The proposed disposal is expected to be completed in the second half of 2012.

Finexasia was previously reported in the internet financial solutions business segment. As such, the proposed disposal construes as discontinued operation and disposal group classified as held for sale from the Group's perspective.

As at 30 June 2012, the assets and liabilities related to Finexasia have been presented in the statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale", and its results are presented separately on the statement of comprehensive income as "Profit from discontinued operation, net of tax".

Statements of financial position disclosures

The major classes of assets and liabilities of Finexasia classified as held for sale as at 30 June 2012 are as follow:-

	<u>Group</u> RM'000
Assets:	
Equipment	334
Intangible assets	37
Trade and other receivables	771
Prepayment	93
Cash and bank balances	18,108
Assets of disposal group classified as held for sale	<u>19,343</u>
Liabilities:	
Trade and other payables	(228)
Tax payable	(667)
Deferred tax	(23)
Liabilities directly associated with disposal group classified as held for sale	<u>(918)</u>
Net assets directly associated with disposal group classified as held for sale	<u>18,425</u>

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****9. Event during the reporting period (Cont'd)**

Proposed disposal of Finexasia.com Sdn. Bhd. (Discontinued operation and disposal group classified as held for sale) (cont'd).

Statement of comprehensive income disclosures

The results of Finexasia for the period ended 30 June 2012 are as follows:

	Current period ended 30.6.2012 RM'000	Comparative period ended 30.6.2011 RM'000
Revenue	4,730	4,574
Expenses	(1,726)	(2,154)
Profit before tax from discontinued operation	3,004	2,420
Income tax expense	(875)	(58)
Profit from discontinued operation, net of tax	2,129	2,362

Statement of cash flows disclosures

The cash flows attributable to Finexasia are as follow:

	Current period ended 30.6.2012 RM'000	Comparative period ended 30.6.2011 RM'000
Operating	2,043	1,905
Investing	(3)	(157)
Financing	-	(7,953)
Net cash inflows/(outflows)	2,040	(6,205)

10. Event subsequent to reporting period

There was no material event subsequent to the end of the current quarter.

11. Changes in the composition of the Group

There were no changes in the composition of the Group during the reporting period.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market
1 Review of the performance of the Company and its subsidiaries

	Current period ended <u>30.6.2012</u> RM'000	Comparative period ended <u>30.6.2011</u> RM'000
Revenue		
- Continuing operation	40,115	2,932
- Discontinued operation	4,730	4,574
	<u>44,845</u>	<u>7,506</u>
Profit/(loss) after tax		
- Continuing operation	24,907	(3,684)
- Discontinued operation	2,129	2,362
	<u>27,036</u>	<u>(1,322)</u>

The Group’s revenue for the six months ended 30 June 2012 was RM44.85 million compared to RM7.51 million of the corresponding period in year 2011. The increase in revenue was mainly due to the completion of disposal of investment in eBworx Berhad in the current quarter under review.

The Group posted a profit after tax of RM27.04 million for the period ended 30 June 2012 compared to loss after tax of RM1.32 million of the corresponding period in 2011. This was mainly attributable to higher revenue arising from divestments in current quarter. The Group’s financial performance is generally influenced by the market price movements of its quoted investments as at the reporting date pursuant to Fair Value Through Profit or Loss approach under MFRS139.

2 Material change in quarterly results before taxation for the current quarter compared with the immediate preceding quarter

	Current quarter ended <u>30.6.2012</u> RM'000	Preceding quarter ended <u>31.3.2012</u> RM'000
(Loss)/profit before tax		
- Continuing operation	(3,192)	29,231
- Discontinued operation	1,806	1,198
	<u>(1,386)</u>	<u>30,429</u>

The Group recorded a loss before taxation of RM1.39 million for the second quarter under review as compared to the preceding quarter's profit before tax of RM30.43 million. This was mainly due to decline in market value in most of the quoted investments held by the Group.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market
3 Current year prospects and progress on previously announced revenue or profit forecast
(a) Current year prospects

The Malaysian economic growth is expected to be moderate in 2012. With the current global economy conditions, we expect market volatility to continue to persist in the local bourse. In light of this, the Board is of the view that the Group's financial performance will remain challenging.

Despite the challenges ahead, the Group remains committed to its effort to look for new investment and divestment opportunities as well as to improve the business performance of its key investee companies.

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

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

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

Not applicable.

5 Profit forecast / profit guarantee

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

6 Profit/(loss) before tax

Profit/(loss) before tax is arrived at after (crediting)/charging the following:

	Current period ended <u>30.6.2012</u> RM'000	Comparative period ended <u>30.6.2011</u> RM'000
Interest income	(963)	(684)
- Continuing operation	(696)	(454)
- Discontinued operation	(267)	(230)
Fees from internet financial solutions - discontinued operation	(4,463)	(4,344)
Dividend income	(1,063)	(1,920)
Realised gain on disposal of investment securities	(35,151)	(453)
Realised gain on disposal of derivatives financial assets	(925)	(105)
Net gain on disposal of motor vehicle	-	(124)
Depreciation and amortisation	141	137
- Continuing operation	62	62
- Discontinued operation	79	75
Realised foreign exchange loss	168	33
Unrealised foreign exchange gain	(176)	(7)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

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

7 Income tax expense

	Current period ended <u>30.6.2012</u> RM'000	Comparative period ended <u>30.6.2011</u> RM'000
Provision for the period to date:-		
Malaysian income tax		
- Continuing operation	(128)	(120)
- Discontinued operation	(852)	(58)
Deferred tax		
- Continuing operation	(1,004)	169
- Discontinued operation	(23)	-
	<u>(2,007)</u>	<u>(9)</u>

The deferred tax mainly arose from net fair value changes on investment securities.

8 Purchase or disposal of quoted securities

Particulars of purchase and disposal of quoted securities and derivatives by the Group for the period under review are as follows:

(a) Total purchase consideration, sale proceeds and net gain on disposal are as follow:-

	Current Quarter ended <u>30.6.2012</u> RM'000	Current year ended <u>30.6.2012</u> RM'000
Total purchase consideration	12,484	12,484
Total sale proceeds	63,047	76,956
Net gain on disposal	33,958	36,076

(b) Investments in quoted securities as at 30 June 2012 are as follows:-

	Quoted Investment Securities <u>RM'000</u>
Quoted in Malaysia, at cost	170,763
Impairment loss	(26,208)
Changes in fair values	(26,270)
At carrying value	<u>118,285</u>
At fair value	<u>118,285</u>

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for ACE Market****9 Status of corporate proposals and utilisation of proceeds****(a) Status of corporate proposals announced but not completed as at 1 August 2012 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report)**

Other than as disclosed in Note 9 of Part A, there were no corporate proposals previously announced but not completed as at 1 August 2012.

(b) Status of utilisation of proceeds raised by the Company

During the reporting period, the Company had fully utilised the proceeds raised from a Rights Issue which was completed in October 2010. Details of the utilisation are as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe	Progress	Explanations
	RM'000	RM'000		%	
Working capital	23,868	23,868	3 years	100%	Completed
Corporate exercise expenses	600	600	1 month	100%	Completed
	<u>24,468</u>	<u>24,468</u>			

10 Borrowings

As at 30 June 2012, the borrowings represent unsecured revolving credit facilities of RM22 million.

11 Disclosure of derivatives

On 18 November 2011, the Group entered into a loan agreement with a third party ("the borrower") which entitles the Group to full principal repayment of SGD1 million (or RM2.48 million equivalent) from the borrower and equity participation in a listing entity if it is successfully listed in the stock exchange in Hong Kong within six months from the date of agreement.

The loan agreement contains an embedded derivative, of which the fair value of the whole contract was bifurcated into fair value of the host contract and the fair value of embedded derivative. As at the reporting date, the Directors are of the view that the fair value of the host contract approximates the fair value of the whole contract and the embedded derivative has nil value. The host contract was classified as loans and receivables.

During the reporting period, the Group had received full repayment of SGD1 million from the borrower.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market****12 The retained profits of the Group as at end of reporting period**

The disclosure of realised and unrealised profits is solely for the compliance with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

The breakdown of retained profits/(accumulated losses) of the Group as at the reporting date is as follows:

Analysed by:	As at <u>30.6.2012</u> RM'000	As at <u>31.12.2011</u> RM'000
Realised accumulated losses	(18,637)	(46,022)
Unrealised retained profits *	19,223	20,002
Retained profits/(accumulated losses)	<u>586</u>	<u>(26,020)</u>

* Unrealised retained profits comprise unrealised foreign exchange gains or losses, net unrealised market price gain for investments securities and derivative financial assets and credits or charges relating to the recognition of deferred tax at the reporting date.

13 Material litigation

As at 1 August 2012 (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.

14 Dividend

No dividend has been proposed or declared for the quarter ended 30 June 2012 (30 June 2011: Nil).

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012
PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market
15 (Loss)/earning per share attributable to owners of the Company

	Current quarter ended 30.6.2012	Comparative quarter ended 30.6.2011	Current period to date ended 30.6.2012	Preceding year to date ended 30.6.2011
Basic (loss)/earning per share *				
(Loss)/profit attributable to owners of the Company (RM'000)	(3,445)	16,216	26,183	(2,268)
(Loss)/profit attributable to owners of the Company (RM'000)-Continuing Operation	(4,223)	15,598	24,907	(3,684)
Profit/(loss) attributable to owners of the Company (RM'000)-Discontinued Operation	778	618	1,276	1,416
Weighted average number of ordinary shares in issue ('000 shares)	195,740	195,742	195,740	195,742
Basic (loss)/earning per share (sen)	(1.76)	8.28	13.38	(1.16)
Basic (loss)/earning per share-Continuing operation (sen)	(2.16)	7.97	12.72	(1.88)
Basic earning per share-Discontinued operation (sen)	0.40	0.32	0.65	0.72

* For the quarter ended 30 June 2012, the outstanding warrants have been excluded from the computation of diluted loss per ordinary share as their effect is antidilutive.

16 Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the financial year ended 31 December 2011 was unqualified.

By Order of the Board

YEE CHEE WAI
Executive Director

Kuala Lumpur
8 August 2012