

OSK Ventures International Berhad (636117-K)**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2013**

		(Audited)	
	Note	As at 31.03.2013 RM'000	As at 31.12.2012 RM'000
ASSETS			
Non-current assets			
Equipment		469	497
Intangible assets		7	1
		<u>476</u>	<u>498</u>
Current assets			
Investment securities		95,233	122,634
Derivative financial assets		3,024	4,191
Trade and other receivables		7,024	164
Prepayments		98	32
Cash, bank balances and deposits		85,426	76,481
		<u>190,805</u>	<u>203,502</u>
TOTAL ASSETS		<u>191,281</u>	<u>204,000</u>
LIABILITIES			
Non-current liability			
Deferred tax liability		699	557
Current liabilities			
Other payables and accruals		1,006	794
Tax payable		243	66
Borrowings	B10	22,000	22,000
		<u>23,249</u>	<u>22,860</u>
TOTAL LIABILITIES		<u>23,948</u>	<u>23,417</u>
EQUITY			
Share capital		97,872	97,872
Treasury shares, at cost	A5(a)	(3)	(3)
		<u>97,869</u>	<u>97,869</u>
Reserves		69,464	82,714
TOTAL EQUITY		<u>167,333</u>	<u>180,583</u>
TOTAL LIABILITIES AND EQUITY		<u>191,281</u>	<u>204,000</u>
Net assets per share (RM)		<u>0.85</u>	<u>0.92</u>

(The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2013

		Current quarter ended 31.03.2013	Comparative quarter ended 31.03.2012	Current year to date ended 31.03.2013	Comparative year to date ended 31.03.2012
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	B6	835	2,994	835	2,994
Other income		35	28	35	28
Net fair value (loss)/gain on financial instruments		(12,494)	27,334	(12,494)	27,334
Administrative expenses		(912)	(789)	(912)	(789)
Finance cost		(258)	(336)	(258)	(336)
(Loss)/profit before tax	B7	(12,794)	29,231	(12,794)	29,231
Income tax expense	B8	(456)	(101)	(456)	(101)
(Loss)/profit after tax for the period from continuing operations		(13,250)	29,130	(13,250)	29,130
Profit from discontinued operation, net of tax		-	830	-	830
(Loss)/profit after tax for the period		(13,250)	29,960	(13,250)	29,960
(Loss)/profit attributable to:					
Owners of the Company		(13,250)	29,628	(13,250)	29,628
Non-controlling interest		-	332	-	332
		(13,250)	29,960	(13,250)	29,960
(Loss)/earning per share attributable to owners of the Company (sen):					
Basic and diluted	B14	(6.77)	15.14	(6.77)	15.14
Basic and diluted- Continuing operations	B14	(6.77)	14.71	(6.77)	14.71
Basic and diluted- Discontinued operation	B14	-	0.42	-	0.42

(The above condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2013**

	Current quarter ended 31.03.2013 RM'000	Comparative quarter ended 31.03.2012 RM'000	Current year to date ended 31.03.2013 RM'000	Comparative year to date ended 31.03.2012 RM'000
(Loss)/profit after tax for the period, representing total comprehensive (loss)/ income for the period	(13,250)	29,960	(13,250)	29,960
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(13,250)	29,628	(13,250)	29,628
Non-controlling interest	-	332	-	332
	(13,250)	29,960	(13,250)	29,960

(The above condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2013

	Attributable to owners of the Company									
	Share capital	Treasury shares	Share premium	Capital redemption reserve	Equity compensation reserve	Warrant reserve	(Accumulated losses)/retained profits	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 01.01.2013	97,872	(3)	84,363	3,192	-	11,255	(16,096)	180,583	-	180,583
Total comprehensive loss	-	-	-	-	-	-	(13,250)	(13,250)	-	(13,250)
As at 31.03.2013	97,872	(3)	84,363	3,192	-	11,255	(29,346)	167,333	-	167,333
At 01.01.2012	97,872	(2)	84,363	3,192	423	11,255	(26,020)	171,083	6,526	177,609
Total comprehensive income	-	-	-	-	-	-	29,628	29,628	332	29,960
As at 31.03.2012	97,872	(2)	84,363	3,192	423	11,255	3,608	200,711	6,858	207,569

(The above condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2013**

	Current period ended 31.03.2013	Comparative period ended 31.03.2012
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax from continuing operations	(12,794)	29,231
Profit before tax from discontinued operation	-	1,198
(Loss)/profit before tax, total	(12,794)	30,429
Adjustments for:		
Amortisation of intangible assets	-	3
Depreciation of equipment	30	68
Net gain on disposals of investment securities	(59)	(3,019)
Net loss on disposals of derivative financial assets	-	278
Net fair value loss/(gain) on financial instruments	12,494	(27,334)
Unrealised (gain)/loss on foreign exchange	(42)	2
Interest income	(578)	(381)
Interest expense	258	336
Dividend income	(198)	-
Operating (loss)/profit before changes in working capital	(889)	382
Changes in working capital:		
Net changes in receivables	(6,932)	(676)
Net changes in payables	217	(92)
Proceeds from disposals of investment securities	17,570	11,847
Proceeds from disposals of derivative financial assets	-	2,062
Additions in investment securities and derivative financial assets	(1,436)	-
Net cash generated from operations	8,530	13,523
Dividends received	237	-
Interest received	545	374
Income tax paid	(137)	(191)
Net cash generated from operating activities	9,175	13,706
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(2)	(3)
Purchase of software licences	(6)	-
Net cash used in investing activities	(8)	(3)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(264)	(340)
Net cash used in financing activities	(264)	(340)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D.)
FOR THE QUARTER ENDED 31 MARCH 2013**

	Current period ended 31.03.2013 RM'000	Comparative period ended 31.03.2012 RM'000
Net increase in cash and cash equivalents	8,903	13,363
Effect of exchange rate changes	42	(2)
Cash and cash equivalents at beginning of year	76,481	44,401
Cash and cash equivalents at end of year	85,426	57,762
Cash and cash equivalents at end of year comprised:		
- Continuing operations	85,426	41,318
- Discontinued operation	-	16,444
	85,426	57,762

(The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****1. Basis of preparation**

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 ACE Market 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 2012, the Group prepared its financial statements in accordance with Malaysian Financial Reporting Standards ("MFRS").

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 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 financial year ended 31 December 2012.

The significant accounting policies and methods of computation adopted by the Group in preparing this Condensed Report are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following new MFRSs, amendments to MFRSs and IC Interpretations for the Group's financial period beginning 1 January 2013:

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Consolidated and Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 1	Government Loans
Amendments to MFRS 1, MFRS 101, MFRS 116, MFRS 132 and MFRS 134	Annual Improvements 2009-2011 Cycle
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
IC Interpretation 20 Amendment to IC Interpretation 2	Stripping Costs in the Production Phase of a Surface Mine Annual Improvements 2009-2011 Cycle

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****1. Basis of preparation (Cont'd.)****MFRSs, Amendments to MFRSs and IC Interpretation issued but 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	1 January 2015
Amendments to MFRS 10, MFRS12 and MFRS 127	Investment Entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

2. 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.

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

There were no unusual items affecting the financial statements for the current period to date.

4. Significant estimates and changes estimates

There were no significant changes in estimates that have a material effect to the Group in the financial period to date results.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****5. Changes in debt and equity securities****(a) Share buybacks / Treasury shares of the Company**

There were no share buybacks during the quarter ended 31 March 2013. 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. A 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 01.01.2013/31.03.2013	6,000			0.44	2,621

(b) Warrants

Warrants reserve relates to the fair value of the warrants issued. During the financial year, there was no movement in the Company's warrants. As at 31 March 2013, the number of warrants was 97,872,266.

6. Dividend Paid

No dividend was paid during the quarter ended 31 March 2013.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

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

7. 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 management team:

1. Venture Capital and Private Equity Businesses - Investment in high growth entities, management of private funds and holding of long term investments.
2. Holding Entity - Investment holding.
3. Internet Financial Solutions Business - Development and provision of internet financial solutions and related activities. This segment has been classified as a discontinued operation in the preceeding reporting year. The disposal was completed on 14 November 2012.

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. These transactions have been eliminated to arrive at the Group's results.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting
7. Segmental information (Cont'd.)
Business Segments

	Venture capital and private equity <u>businesses</u>	Holding <u>entity</u>	<u>Eliminations</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000
Current year to date ended 31 March 2013				
Revenue				
External revenue	283	552	-	835
Inter-segment revenue	1,626	-	(1,626)	-
Total	<u>1,909</u>	<u>552</u>	<u>(1,626)</u>	<u>835</u>
Results				
(Loss)/profit from operations with external parties	(12,974)	438	-	(12,536)
Add : Inter-segment revenue	1,626	-	(1,626)	-
Less : Inter-segment expenses	(1,626)	-	1,626	-
Segment results	<u>(12,974)</u>	<u>438</u>	<u>-</u>	<u>(12,536)</u>
Finance cost				<u>(258)</u>
Loss before tax				<u>(12,794)</u>
Tax expense				<u>(456)</u>
Loss for the year attributable to the owners of the Company				<u><u>(13,250)</u></u>

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting
7. Segmental information (Cont'd.)
Business Segments (Cont'd.)

	Venture capital and private equity <u>businesses</u> RM'000	Internet financial solutions business <u>(Discontinued)</u> RM'000	Holding <u>entity</u> RM'000	<u>Eliminations</u> RM'000	<u>Consolidated</u> RM'000
Preceding year to date ended 31 March 2012					
Revenue					
External revenue	2,746	2,283	248	(2,283)	2,994
Inter-segment revenue	2,169	-	-	(2,169)	-
Total	4,915	2,283	248	(4,452)	2,994
Results					
Profit from operations with external parties	29,449	1,198	118	(1,198)	29,567
Add : Inter-segment revenue	2,169	-	-	(2,169)	-
Less : Inter-segment expenses	(2,169)	-	-	2,169	-
Segment results	29,449	1,198	118	(1,198)	29,567
Finance cost					(336)
Profit before tax - continuing operations					29,231
Tax expense - continuing operations					(101)
Profit for the year attributable to the owners of the Company - continuing operations					29,130

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting
7. Segmental information (Cont'd.)
Geographical Segments

The Group operates in 3 geographical locations: Malaysia, Singapore and China. The Group's geographical segments are based on the locations of the operations of the Group's assets.

Domestic		Foreign			Total	
Malaysia		Singapore	China			
Continuing operations	Discontinued operation					Eliminations
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Current year to date ended 31 March 2013						
Revenue *	2,514	-	(299)	246	(1,626)	835
Loss before tax	(11,815)	-	-	(979)	-	(12,794)
Segmental assets as at 31 March 2013	189,489	-	-	1,792	-	191,281
Preceding year to date ended 31 March 2012						
Revenue *	2,989	2,283	-	5	(2,283)	2,994
Profit/(loss) before tax	29,275	1,198	-	(44)	(1,198)	29,231
Segmental assets as at 31 March 2012	215,774	17,572	-	4,409	-	237,755

Notes:

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

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

8. Event subsequent to reporting period

There were no subsequent events from 31 December 2012 to 8 May 2013 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

9. 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 FIRST QUARTER ENDED 31 MARCH 2013
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>31.03.2013</u> RM'000	Comparative period ended <u>31.03.2012</u> RM'000
Revenue		
- Continuing operations	835	2,994
- Discontinued operation	-	2,283
	<u>835</u>	<u>5,277</u>
(Loss)/profit after tax		
- Continuing operations	(13,250)	29,130
- Discontinued operation	-	830
	<u>(13,250)</u>	<u>29,960</u>

The Group’s revenue for the quarter ended 31 March 2013 was RM0.84 million compared to RM5.28 million of year 2012. The decrease in revenue was mainly due to lower net gain on disposal and no revenue from discontinued operation for the current quarter under review.

The Group posted a loss after tax of RM13.25 million for the quarter ended 31 March 2013 compared to a profit after tax of RM29.96 million of the corresponding period in 2012. This was mainly attributable to net fair value losses arising from quoted investments. 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>31.03.2013</u> RM'000	Preceding quarter ended <u>31.12.2012</u> RM'000
(Loss)/profit before tax		
- Continuing operations	(12,794)	2,888
- Discontinued operation	-	801
	<u>(12,794)</u>	<u>3,689</u>

The Group recorded a loss before taxation of RM12.79 million in the first quarter of 2013 as compared to the preceding quarter's profit before tax of RM3.69 million. This was mainly due to decline in market value in one of the major quoted investments held by the Group.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**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**

We expect most Asian economies will remain favourable. The Malaysian economy will also remain stable. With the post-election result, we expect the government initiated projects will continue to stimulate local economy. However, the global economy will continue to remain volatile if the Euro zone economy uncertainties continue to persist.

For the year 2013, the Group will continue to focus on improving the business performance of its key investee companies as well as looking for investment and divestment opportunities.

(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. Revenue

	Current period ended <u>31.03.2013</u> RM’000	Comparative period ended <u>31.03.2012</u> RM’000
Interest income	578	253
Dividend income	198	-
Gain on disposal of financial instruments *	59	2,741
	<u>835</u>	<u>2,994</u>

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013
PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market
6. Revenue (Cont'd.)

* Gain on disposal of financial instruments is arrived at based on the following:

	Current period ended <u>31.03.2013</u> RM'000	Comparative period ended <u>31.03.2012</u> RM'000
Proceeds from disposal	17,570	13,909
Less: Original cost	(15,904)	(11,791)
Realised gain on disposal	<u>1,666</u>	<u>2,118</u>
(Less)/Add: Previously recognised fair value changes	(1,607)	623
Net gain on disposal (as reported)	<u><u>59</u></u>	<u><u>2,741</u></u>

Realised gain or loss on disposal of financial instruments represents the difference between an instrument's original cost and disposal proceeds.

7. (Loss)/profit before tax

(Loss)/profit before tax is arrived at after (crediting)/charging the following:

	Current period ended <u>31.03.2013</u> RM'000	Comparative period ended <u>31.03.2012</u> RM'000
Interest income	(578)	(381)
- Continuing operations	(578)	(253)
- Discontinued operation	-	(128)
Fees from internet financial solutions - discontinued operation	-	(2,155)
Dividend income	(198)	-
Net realised gain on disposal of investment securities	(59)	(3,019)
Net realised loss on disposal of derivatives financial assets	-	278
Depreciation and amortisation	30	71
- Continuing operations	30	31
- Discontinued operation	-	40
Other income	(15)	(28)
Realised foreign exchange gain	(20)	-
Unrealised foreign exchange (gain)/loss	<u><u>(42)</u></u>	<u><u>2</u></u>

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market****8. Income tax expense**

	Current quarter ended <u>31.03.2013</u> RM'000	Comparative quarter ended <u>31.03.2012</u> RM'000	Current period ended <u>31.03.2013</u> RM'000	Comparative period ended <u>31.03.2012</u> RM'000
Provision for the current quarter/ period to date:				
Malaysian income tax				
- Continuing operations	(314)	(45)	(314)	(45)
- Discontinued operation	-	(368)	-	(368)
Deferred tax	(142)	(56)	(142)	(56)
	<u>(456)</u>	<u>(469)</u>	<u>(456)</u>	<u>(469)</u>

The deferred tax liability mainly arose from net fair value gain on financial instruments.

The income tax liability mainly arose from management fees income derived in a subsidiary where the Venture Capital Company tax exemption status expired in 2012.

9. Status of corporate proposals and utilisation of proceeds

Status of corporate proposals announced but not completed as at 8 May 2013 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report)

There were no corporate proposals previously announced but not completed as at 8 May 2013.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market****10. Borrowings**

As at 31 March 2013, the borrowings represent unsecured revolving credit facilities of RM22 million.

11. 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 accumulated losses of the Group as at the reporting date is as follows:

Analysed by:	As at	As at
	<u>31.03.2013</u>	<u>31.12.2012</u>
	RM'000	RM'000
Realised accumulated losses	(38,694)	(25,800)
Unrealised retained profits *	9,348	9,704
Accumulated losses	<u>(29,346)</u>	<u>(16,096)</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.

12. Material litigation

As at 8 May 2013 (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.

13. Dividend

No dividend has been proposed or declared for the quarter ended 31 March 2013 (31 March 2012: Nil).

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market****14. (Loss)/earning per share attributable to owners of the Company**

	Current quarter ended 31.03.2013	Comparative quarter ended 31.03.2012	Current period ended 31.03.2013	Comparative period ended 31.03.2012
Basic (loss)/earning per share *				
(Loss)/profit attributable to owners of the Company (RM'000)	(13,250)	29,628	(13,250)	29,628
(Loss)/profit attributable to owners of the Company (RM'000)-Continuing Operations	(13,250)	28,798	(13,250)	28,798
Profit attributable to owners of the Company (RM'000)-Discontinued Operation	-	830	-	830
Weighted average number of ordinary shares in issue ('000 shares)	195,739	195,741	195,739	195,741
Basic (loss)/earning per share (sen)	(6.77)	15.14	(6.77)	15.14
Basic (loss)/earning per share-Continuing operations (sen)	(6.77)	14.71	(6.77)	14.71
Basic earning per share-Discontinued operation (sen)	-	0.42	-	0.42

* For the quarter ended 31 March 2013, the outstanding warrants have been excluded from the computation of diluted (loss)/earning per ordinary share as their effect is antidilutive.

15. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the financial year ended 31 December 2012 was unqualified.

By Order of the Board

YEE CHEE WAI
Executive Director

Kuala Lumpur
15 May 2013