

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

	Note	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
ASSETS			
Non-current assets			
Equipment		716	497
Intangible assets		9	1
Investment securities		103,668	-
		104,393	498
Current assets			
Investment securities		48,958	122,634
Derivative financial assets		857	4,191
Trade and other receivables		2,313	164
Prepayments		17	32
Tax recoverable		1,188	-
Cash and cash equivalents		42,308	76,481
		95,641	203,502
TOTAL ASSETS		200,034	204,000
LIABILITIES			
Non-current liability			
Deferred tax liability		1,598	557
Current liabilities			
Other payables and accruals		787	794
Tax payable		-	66
Borrowings	B10	-	22,000
		787	22,860
TOTAL LIABILITIES		2,385	23,417
EQUITY			
Share capital		97,872	97,872
Treasury shares, at cost	A5(a)	(4)	(3)
		97,868	97,869
Reserves		99,781	82,714
TOTAL EQUITY		197,649	180,583
TOTAL LIABILITIES AND EQUITY		200,034	204,000
Net assets per share (RM)		1.01	0.92

(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 FOURTH QUARTER ENDED 31 DECEMBER 2013
AUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2013

		Current quarter ended 31.12.2013	Comparative quarter ended 31.12.2012	Current year to date ended 31.12.2013	Comparative year to date ended 31.12.2012
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	B6	15,893	5,958	45,835	90,013
Net carrying value of investments disposed		(13,889)	(6,224)	(38,077)	(78,901)
Other income		27	1,379	233	1,446
Loss on derecognition of embedded derivative		-	(117)	-	(117)
Net fair value (loss)/gain on financial instruments		(9,793)	2,922	15,047	4,169
Administrative expenses		(770)	(767)	(3,167)	(3,428)
Finance cost		-	(263)	(440)	(1,180)
(Loss)/profit before tax	B7	(8,532)	2,888	19,431	12,002
Income tax (expense)/benefit	B8	(882)	404	(2,364)	103
(Loss)/profit after tax for the period from continuing operations		(9,414)	3,292	17,067	12,105
Profit from discontinued operation, net of tax		-	563	-	3,820
(Loss)/profit after tax for the period		(9,414)	3,855	17,067	15,925
(Loss)/profit attributable to:					
Owners of the Company		(9,414)	3,629	17,067	14,395
Non-controlling interest		-	226	-	1,530
		(9,414)	3,855	17,067	15,925
(Loss)/earning per share attributable to owners of the Company (sen):					
Basic	B14	(4.81)	1.85	8.72	7.35
Diluted	B14	(4.52)	1.85	8.19	7.35
Basic and diluted- Continuing operations	B14	-	1.68	-	6.18
Basic and diluted- Discontinued operation	B14	-	0.17	-	1.17

(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 FOURTH QUARTER ENDED 31 DECEMBER 2013
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2013**

	Current quarter ended 31.12.2013 RM'000	Comparative quarter ended 31.12.2012 RM'000	Current year to date ended 31.12.2013 RM'000	Comparative year to date ended 31.12.2012 RM'000
(Loss)/profit after tax for the period, representing total comprehensive income for the period	(9,414)	3,855	17,067	15,925
Total comprehensive income attributable to:				
Owners of the Company	(9,414)	3,629	17,067	14,395
Non-controlling interest	-	226	-	1,530
	(9,414)	3,855	17,067	15,925

(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 FOURTH QUARTER ENDED 31 DECEMBER 2013
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2013

	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 01.01.2013	97,872	(3)	84,363	3,192	-	11,255	(16,096)	180,583	-	180,583
Total comprehensive income	-	-	-	-	-	-	17,067	17,067	-	17,067
Share buybacks by the Company	-	(1)	-	-	-	-	-	(1)	-	(1)
Total transactions with owners	-	(1)	-	-	-	-	-	(1)	-	(1)
As at 31.12.2013	97,872	(4)	84,363	3,192	-	11,255	971	197,649	-	197,649
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	-	-	-	-	-	-	14,395	14,395	1,530	15,925
Dividend paid to owners of the Company	-	-	-	-	-	-	(4,894)	(4,894)	-	(4,894)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(1,057)	(1,057)
Share buybacks by the Company	-	(1)	-	-	-	-	-	(1)	-	(1)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(6,999)	(6,999)
Expiry of ESOS	-	-	-	-	(423)	-	423	-	-	-
Total transactions with owners	-	(1)	-	-	(423)	-	(4,471)	(4,895)	(8,056)	(12,951)
As at 31.12.2012	97,872	(3)	84,363	3,192	-	11,255	(16,096)	180,583	-	180,583

(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 FOURTH QUARTER ENDED 31 DECEMBER 2013
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2013

	Current year to date ended 31.12.2013 RM'000	Comparative year to date ended 31.12.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	19,431	12,002
Profit before tax from discontinued operation	-	5,426
Profit before tax, total	19,431	17,428
Adjustments for:		
Amortisation of intangible assets	1	9
Depreciation of equipment	127	253
Net loss on disposal of equipment	1	-
Net gain on disposals of investment securities	(1,660)	(6,248)
Net (gain)/loss on disposals of derivative financial assets	(1,417)	286
Net gain on disposal of a subsidiary	-	(1,439)
Net fair value gain on financial instruments	(15,047)	(4,169)
Gain on realisation of embedded derivative	-	(1,331)
Loss on derecognition of embedded derivative	-	117
Unrealised (gain)/loss on foreign exchange	(38)	166
Interest income	(1,884)	(2,466)
Interest expense	440	1,180
Dividend income	(2,797)	(1,744)
Operating (loss)/profit before changes in working capital	(2,843)	2,042
Changes in working capital:		
Net changes in receivables	(2,248)	1,276
Net changes in payables	16	427
Proceeds from realisation of embedded derivative	-	1,214
Proceeds from disposals of investment securities	37,251	82,606
Proceeds from disposals of derivative financial assets	3,903	2,257
Net cash outflow arising from the disposal of a subsidiary	-	(4,567)
Additions in investment securities and derivative financial assets	(49,687)	(42,686)
Net cash (used in)/generated from operations	(13,608)	42,569
Dividends received	2,722	1,721
Interest received	1,959	2,308
Income tax paid	(2,463)	(1,223)
Net cash (used in)/generated from operating activities	(11,390)	45,375
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(351)	(5)
Purchase of software licences	(9)	-
Proceeds from disposal of equipment	3	-
Net cash used in investing activities	(357)	(5)

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D.)
FOR THE QUARTER ENDED 31 DECEMBER 2013**

	Current year to date ended 31.12.2013 RM'000	Comparative year to date ended 31.12.2012 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(463)	(1,172)
Purchase of treasury shares	(1)	(1)
Dividends paid on ordinary shares	-	(4,894)
Repayment of revolving credits	(22,000)	(6,000)
Dividend paid to non-controlling interest	-	(1,057)
Net cash used in financing activities	<u>(22,464)</u>	<u>(13,124)</u>
Net (decrease)/increase in cash and cash equivalents	(34,211)	32,246
Effect of exchange rate changes	38	(166)
Cash and cash equivalents at beginning of period	76,481	44,401
Cash and cash equivalents at end of period	<u>42,308</u>	<u>76,481</u>

(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 FOURTH QUARTER ENDED 31 DECEMBER 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 annual financial period beginning on or after:

Effective for annual periods commencing on or after 1 July 2012

MFRS 3	Business Combinations
MFRS 127	Consolidated and Separate Financial Statements
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income

Effective for annual periods commencing on or after 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 (revised)
MFRS 127	Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	Government Loans
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
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 1, MFRS 101, MFRS 116, MFRS 132 and MFRS 134	Annual Improvements 2009-2011 Cycle

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****1. Basis of preparation (Cont'd.)****Effective for annual periods commencing on or after 1 January 2013 (Cont'd.)**

IC Interpretation 20 Amendment to IC Interpretation 2	Stripping Costs in the Production Phase of a Surface Mine Annual Improvements 2009-2011 Cycle
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Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group.

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	To be announced
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
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	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 year to date.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****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.

5. Changes in debt and equity securities**(a) Share buybacks / Treasury shares of the Company**

During the current year, the Company has purchased 2,000 ordinary shares for a total cash consideration of RM993 from the open market at an average cost of RM0.50 per share. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 67A of Company Act, 1965. A summary of the share buyback 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	6,000			0.44	2,621
Share buyback on 20.05.2013	1,000	0.39	0.36	0.43	432
21.11.2013	1,000	0.52	0.52	0.56	561
	2,000			0.50	993
As at 31.12.2013	8,000			0.45	3,614

(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 December 2013, the number of outstanding warrants was 97,872,266.

6. Dividend Paid

No dividend was paid during the quarter ended 31 December 2013 (31 December 2012: 2.5 Sen per ordinary share).

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 FOURTH QUARTER ENDED 31 DECEMBER 2013

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

7. Segmental information (Cont'd.)

Business Segments

Current year to date ended 31 December 2013

Revenue

	Venture capital and private equity <u>businesses</u> RM'000	Holding <u>entity</u> RM'000	<u>Eliminations</u> RM'000	<u>Consolidated</u> RM'000
External revenue	43,999	1,836	-	45,835
Inter-segment revenue	6,108	-	(6,108)	-
Total	50,107	1,836	(6,108)	45,835

Results

Profit from operations with external parties	18,651	1,220	-	19,871
Add : Inter-segment revenue	6,108	2,900	(9,008)	-
Less : Inter-segment expenses	(6,108)	-	6,108	-
Segment results	18,651	4,120	(2,900)	19,871
Finance cost				(440)
Profit before tax				19,431
Tax expense				(2,364)
Profit for the period attributable to the owners of the Company				17,067

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 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 31 December 2012					
Revenue					
External revenue	88,177	8,498	1,836	(8,498)	90,013
Inter-segment revenue	15,299	-	57,000	(72,299)	-
Total	103,476	8,498	58,836	(80,797)	90,013
Results					
Profit from operations with external parties	12,048	5,426	1,134	(5,426)	13,182
Add : Inter-segment revenue	15,299	-	57,000	(72,299)	-
Less : Inter-segment expenses	(15,299)	-	(49,238)	64,537	-
Segment results	12,048	5,426	8,896	(13,188)	13,182
Finance cost					(1,180)
Profit before tax					12,002
Tax credit					103
Profit for the period attributable to the owners of the Company - continuing operations					12,105

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 6 geographical locations: Malaysia, Singapore, Thailand, Indonesia, Cambodia and China. The Group's geographical segments are based on the locations of the operations of the Group's assets.

Domestic		Foreign					Eliminations	Total	
Malaysia		Singapore	Thailand	Indonesia	Cambodia	China			
Continuing operations	Discontinued operation						RM'000	RM'000	RM'000
Revenue *	38,767	-	13,376	36	31	10	2,623	(9,008)	45,835
Profit/(loss) before tax	19,601	-	-	-	-	-	(170)	-	19,431
Segmental assets as at 31 December 2013	197,426	-	-	-	-	-	2,608	-	200,034
Preceding year to date ended 31 December 2012									
Revenue *	160,298	8,498	-	-	1,234	780	-	(80,797)	90,013
Profit/(loss) before tax	21,458	5,426	-	-	-	-	(1,694)	(13,188)	12,002
Segmental assets as at 31 December 2012	201,237	-	-	-	-	-	2,763	-	204,000

Notes:

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

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

8. Event subsequent to reporting period

On 27 December 2013, OSK Ventures International Berhad ("OSKVI") received a notice of conditional mandatory take-over offer ("Offer") by OSK Equity Holdings Sdn. Bhd. ("Offeror") through RHB Investment Bank Berhad to acquire the following:-

- (i) all the remaining ordinary shares of RM0.50 each in OSKVI ("OSKVI Share(s)") not already held by the Offeror, Tan Sri Ong Leong Huat @ Wong Joo Hwa ("Ultimate Offeror") and the persons acting in concert with them ("PACs") (excluding treasury shares);
- (ii) all the outstanding Warrants not already held by the Offeror, the Ultimate Offeror and the PACs ("Offer Warrant(s)"); and
- (iii) all the new OSKVI Shares that may be issued prior to the closing date of the Offer arising from the exercise of the outstanding Warrants;

at a cash consideration of RM0.58 per OSKVI Share and RM0.15 per Offer Warrant, respectively.

As at the closing date of the Offer on 10 February 2014, the Offeror and the PACs hold 58.81% and 51.03% of OSKVI Shares and Warrants respectively.

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 FOURTH QUARTER ENDED 31 DECEMBER 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 year to date ended <u>31.12.2013</u> RM'000	Comparative year to date ended <u>31.12.2012</u> RM'000
Revenue		
- Continuing operations	45,835	90,013
- Discontinued operation	-	8,498
	<u>45,835</u>	<u>98,511</u>
Profit after tax		
- Continuing operations	17,067	12,105
- Discontinued operation	-	3,820
	<u>17,067</u>	<u>15,925</u>

The Group posted a profit after tax of RM17.07 million for the year ended 31 December 2013, representing a 7% year-on-year increase from the corresponding year in 2012. This was attributable to the higher net fair value gain from the quoted investments in the portfolio.

Revenues for the year ended 31 December 2013 was RM45.84 million as compared to the RM98.51 million posted for the corresponding year in 2012. The decrease in revenue was mainly due to lower proceeds from disposals for the year to-date and no further revenues from the discontinued operations.

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

The Group recorded a loss before taxation of RM8.53 million in the fourth quarter of 2013 as compared to profit before tax of RM27.98 million of the preceding quarter. This was mainly due to the decreased market value in most of the major quoted investments held by the Group in the current quarter under review.

3. Current year prospects and progress on previously announced revenue or profit forecast

(a) Current year prospects

With the economic recovery in developed markets and continued volatility of capital flows in and out of Asia Pacific, the region's equity markets continue to remain under pressure with varying timelines for recovery but similar to 2013, Malaysia's economic fundamentals and growth are expected to remain intact in the year ahead with a projected GDP growth of 5.5% in 2014. Despite the weakening in some subsectors of the consumer industry, domestic demand will continue to remain the key driver of growth and is expected to be sustained by the accelerated implementation of on-going ETP projects, an increase in tourist dollars from Visit Malaysia Year 2014 and strong private investments. As such, barring any unforeseen circumstances, the Board and management expect the Group to continue with its current positive growth momentum and its strong focus on Asian markets for this year.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 (Cont'd.)
(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 year to date ended <u>31.12.2013</u> RM’000	Comparative year to date ended <u>31.12.2012</u> RM’000
Interest income	1,884	1,967
Dividend income	2,797	1,744
Gain on disposal of a subsidiary	-	1,439
Proceeds from disposal of financial instruments *	41,154	84,863
	<u>45,835</u>	<u>90,013</u>

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

	Current year to date ended <u>31.12.2013</u> RM’000	Comparative year to date ended <u>31.12.2012</u> RM’000
Proceeds from disposal	41,154	84,863
Less: Cost of investment	(40,727)	(47,570)
Gain on disposal	427	37,293
Less: Previously recognised fair value changes	2,650	(31,331)
Net gain on disposal (as reported)	<u>3,077</u>	<u>5,962</u>

Gain or loss on disposal of financial instruments represents the difference between an instrument's cost of investment and disposal proceeds.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013
PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market
7. (Loss)/profit before tax

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

	Current year to date ended <u>31.12.2013</u> RM'000	Comparative year to date ended <u>31.12.2012</u> RM'000
Interest income	(1,884)	(2,466)
- Continuing operations	(1,884)	(1,967)
- Discontinued operation	-	(499)
Fees from internet financial solutions - discontinued operation	-	(7,999)
Dividend income	(2,797)	(1,744)
Gain on disposal of investment securities	(1,660)	(6,248)
(Gain)/loss on disposal of derivatives financial assets	(1,417)	286
Gain on disposal of unquoted subsidiaries	-	(1,439)
Gain on realisation of embedded derivative	-	(1,331)
Depreciation and amortisation	128	262
- Continuing operations	128	124
- Discontinued operation	-	138
Other income	(90)	(1,446)
Realised foreign exchange (gain)/loss	(143)	174
Unrealised foreign exchange (gain)/loss	(38)	166

8. Income tax (expense)/benefit

	Current quarter ended <u>31.12.2013</u> RM'000	Comparative quarter ended <u>31.12.2012</u> RM'000	Current year to date ended <u>31.12.2013</u> RM'000	Comparative year to date ended <u>31.12.2012</u> RM'000
Provision for the current quarter/ year to date:				
Malaysian income tax				
- Continuing operations	(280)	(112)	(1,238)	(372)
- Discontinued operation	-	(238)	-	(1,437)
Under provision for prior year				
- Continuing operations	-	-	(84)	(13)
- Discontinued operation	-	-	-	(169)
Deferred tax				
- Continuing operations	(602)	516	(1,042)	488
	<u>(882)</u>	<u>166</u>	<u>(2,364)</u>	<u>(1,503)</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.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**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**

Status of corporate proposals announced but not completed as at 11 February 2014 (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 11 February 2014.

10. Borrowings

As at 31 December 2013, the Company had fully settled its 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 retained profits/(accumulated losses) of the Group as at the reporting date is as follows:

Analysed by:	As at	As at
	<u>31.12.2013</u>	<u>31.12.2012</u>
	RM'000	RM'000
Realised accumulated losses	(19,651)	(25,800)
Unrealised retained profits *	20,622	9,704
Retained profits/(accumulated losses)	<u>971</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 11 February 2014 (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 December 2013 (31 December 2012: 2.5 Sen per ordinary share).

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 31.12.2013	Comparative quarter ended 31.12.2012	Current year to date ended 31.12.2013	Comparative year to date ended 31.12.2012
Basic (loss)/earning per share				
(Loss)/profit attributable to owners of the Company (RM'000)	(9,414)	3,629	17,067	14,395
(Loss)/profit attributable to owners of the Company (RM'000)-Continuing Operations	(9,414)	3,292	17,067	12,105
Profit attributable to owners of the Company (RM'000)-Discontinued Operation	-	337	-	2,290
Weighted average number of ordinary shares in issue ('000 shares)	195,738	195,738	195,738	195,740
Effect of dilution on assumed exercise of warrants ('000 units)	12,766	-	12,766	-
Adjusted weighted average number of ordinary shares in issue and issueable ('000 shares)	208,504	195,738	208,504	195,740
Basic (loss)/earning per share (sen)	(4.81)	1.85	8.72	7.35
Diluted (loss)/earning per share (sen)	(4.52)	1.85	8.19	7.35
Basic and diluted earning per share-Continuing operations (sen)	-	1.68	-	6.18
Basic and diluted earning per share-Discontinued operation (sen)	-	0.17	-	1.17

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
17 February 2014