

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

		(Audited)	
	Note	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
ASSETS			
Non-current assets			
Equipment		355	397
Intangible assets		12	14
Investment securities		33,674	42,027
Trade receivables		1,084	1,084
		<u>35,125</u>	<u>43,522</u>
Current assets			
Investment securities		48,791	63,015
Derivative financial assets		-	374
Debenture		13,184	13,184
Trade and other receivables		3,633	4,976
Prepayments		24	9
Tax recoverable		2,642	2,187
Cash and cash equivalents		64,373	57,096
		<u>132,647</u>	<u>140,841</u>
TOTAL ASSETS		<u>167,772</u>	<u>184,363</u>
LIABILITIES			
Non-current liability			
Deferred tax liability		1,485	2,622
Current liabilities			
Trade and sundry payables		899	1,708
TOTAL LIABILITIES		<u>2,384</u>	<u>4,330</u>
EQUITY			
Share capital		98,515	97,872
Treasury shares, at cost	A5(a)	(6)	(5)
		<u>98,509</u>	<u>97,867</u>
Reserves		66,879	82,166
TOTAL EQUITY		<u>165,388</u>	<u>180,033</u>
TOTAL LIABILITIES AND EQUITY		<u>167,772</u>	<u>184,363</u>
Net assets per share (RM)		<u>0.84</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 2014 and the accompanying explanatory notes attached to these interim financial statements)

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2015

		Current quarter ended 30.09.2015	Comparative quarter ended 30.09.2014	Current year to date ended 30.09.2015	Comparative year to date ended 30.09.2014
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	B6	3,015	32,863	29,121	76,413
Net carrying value of investments disposed		(2,028)	(30,512)	(23,562)	(69,433)
Other income		214	32	852	3,743
Net fair value (loss)/gain on financial instruments		(13,476)	9,777	(20,496)	(222)
Administrative expenses		(627)	(612)	(2,324)	(3,363)
(Loss)/profit before tax	B7	(12,902)	11,548	(16,409)	7,138
Income tax benefit/(expense)	B8	2,780	(1,839)	1,122	(2,746)
(Loss)/profit after tax for the period		(10,122)	9,709	(15,287)	4,392
(Loss)/profit attributable to: Owners of the Company		(10,122)	9,709	(15,287)	4,392
(Loss)/earnings per share attributable to owners of the Company (sen):					
Basic	B14	(5.16)	4.96	(7.79)	2.24
Diluted	B14	(5.16)	4.47	(7.79)	2.02

(The above condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements)

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	Current quarter ended 30.09.2015 RM'000	Comparative quarter ended 30.09.2014 RM'000	Current year to date ended 30.09.2015 RM'000	Comparative year to date ended 30.09.2014 RM'000
(Loss)/profit after tax for the period, representing total comprehensive (loss)/income for the period	(10,122)	9,709	(15,287)	4,392
Total comprehensive (loss)/income attributable to: Owners of the Company	(10,122)	9,709	(15,287)	4,392

(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 2014 and the accompanying explanatory notes attached to these interim financial statements)

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	Attributable to owners of the Company						Total equity
	Share capital	Treasury shares	Share premium	Capital redemption reserve	Warrant reserve	(Accumulated losses)/retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 01.01.2015	97,872	(5)	84,363	3,192	11,255	(16,644)	180,033
Total comprehensive loss	-	-	-	-	-	(15,287)	(15,287)
Shares issued pursuant to the exercise of Warrants	643	-	-	-	-	-	643
Reversal of warrants reserve upon exercise of Warrants	-	-	-	-	(148)	148	-
Shares issuance expenses	-	-	-*	-	-	-	-*
Share buybacks by the Company	-	(1)	-	-	-	-	(1)
Total transactions with owners	643	(1)	-*	-	(148)	148	642
As at 30.09.2015	98,515	(6)	84,363	3,192	11,107	(31,783)	165,388
As at 01.01.2014	97,872	(4)	84,363	3,192	11,255	971	197,649
Total comprehensive income	-	-	-	-	-	4,392	4,392
Dividends paid to owners of the Company	-	-	-	-	-	(3,915)	(3,915)
Share buybacks by the Company	-	(1)	-	-	-	-	(1)
Total transactions with owners	-	(1)	-	-	-	(3,915)	(3,916)
As at 30.09.2014	97,872	(5)	84,363	3,192	11,255	1,448	198,125

* Denotes amount less than RM1,000

(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 2014 and the accompanying explanatory notes attached to these interim financial statements)

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	Current year to date ended 30.09.2015 RM'000	Comparative year to date ended 30.09.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(16,409)	7,138
Adjustments for:		
Amortisation of intangible assets	2	2
Depreciation of equipment	67	91
Net gain on disposal of motor vehicle	-	(30)
Capital returns received from investment securities	(391)	(3,583)
Net gain on disposal of investment securities	(2,238)	(4,380)
Net gain on disposal of derivative financial assets	(125)	(76)
Net fair value loss on financial instruments	20,496	222
Unrealised gain on foreign exchange	(618)	(133)
Interest income	(2,084)	(839)
Dividend income	(1,112)	(1,685)
Operating loss before changes in working capital	(2,412)	(3,273)
Changes in working capital:		
Net changes in receivables	1,793	(18,178)
Net changes in payables	(808)	126
Proceeds from disposal of investment securities	25,434	73,482
Proceeds from disposal of derivative financial assets	491	407
Return of capital from investment securities	391	3,583
Additions in investment securities and derivative financial assets	(21,109)	(63,151)
Net cash generated from/(used in) operations	3,780	(7,004)
Dividends received	1,153	1,601
Interest received	1,579	840
Income tax paid	(470)	(2,403)
Net cash generated from/(used in) operating activities	6,042	(6,966)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(25)	-
Purchase of software licences	-	(8)
Proceeds from disposal of equipment	-	234
Net cash (used in)/generated from investing activities	(25)	226

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D.) FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	Current year to date ended 30.09.2015 RM'000	Comparative year to date ended 30.09.2014 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of Warrants	643	-
Purchase of treasury shares	(1)	(1)
Shares issuance expenses	- *	-
Dividend paid on ordinary shares	-	(3,915)
Net cash generated from/(used in) financing activities	642	(3,916)
Net increase/(decrease) in cash and cash equivalents	6,659	(10,656)
Effect of exchange rate changes	618	133
Cash and cash equivalents at beginning of period	57,096	42,308
Cash and cash equivalents at end of period	64,373	31,785

* Denotes amount less than RM1,000

(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 2014 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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 2014, 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 2014 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 2014.

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 2014, except for the adoption of the Amendments and Annual Improvements to Standards effective as of 1 January 2015.

Effective for annual periods commencing on or after 1 January 2015

The Group has adopted the following Amendments to MFRSs and Annual Improvement to Standards effective as of 1 January 2015.

Amendments to MFRS 2, Annual Improvements to MFRSs 2010 - 2012 Cycle
MFRS 3, MFRS 8,
MFRS 116, MFRS 124,
MFRS 138

Amendments to MFRS 3, Annual Improvements to MFRSs 2011 - 2013 Cycle
MFRS 13, MFRS 140,

Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions

Adoption of the above Amendments to MFRSs and Annual Improvements to Standards did not have any effect on the financial performance or position of the Group.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**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 2018
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 5, MFRS 7, MFRS 119, MFRS 134	Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
Amendments to MFRS 10, MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 101	Presentation of Financial Statements: Disclosure Initiative	1 January 2016
Amendments to MFRS 116, MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116, MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretations will have no material impact on the financial performance or position of the Group in the period of initial application, other than as described below.

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 (Cont'd.)

MFRS 9 Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

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.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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

On 18 May 2015, the Company has purchased 1,000 ordinary shares for a total cash consideration of RM579 from open market at an average price of RM0.58 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. 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 01.01.2015	10,000			0.49	4,941
Share buyback on 18.05.2015	1,000	0.54	0.54	0.58	579
As at 30.09.2015	11,000			0.50	5,520

(b) Exercise of Warrants 2010/2015

As at 30 September 2015, the Company has issued 1,286,640 new ordinary shares of RM0.50 each for cash at RM0.50 each pursuant to the exercise of Warrants 2010/2015 and the total cash proceeds arising from the exercise of Warrants 2010/2015 amounted to RM643,320. The details of the Warrants 2010/2015 exercised are as follows:

Allotment date	Number of Warrants exercised	Number of shares allotted	Type of issue
05.04.2015	1,076	1,076	Exercise of Warrants 2010/2015 at RM0.50 per share
14.05.2015	2,200	2,200	
22.06.2015	753,794	753,794	
01.07.2015	525,666	525,666	
05.08.2015	1,514	1,514	
18.09.2015	2,390	2,390	
Total	1,286,640	1,286,640	

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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

5. Changes in debt and equity securities (Cont'd)

(b) Exercise of Warrants 2010/2015 (Cont'd)

As a result of the exercise of the Warrants 2010/2015, the total number of issued and paid up shares of RM0.50 each of the Company has increased from 195,744,533 shares to 197,031,173 shares. The shares arising from the exercise of Warrants 2010/2015 shall rank pari passu in all respect with the existing ordinary shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or distributions, unless the exercise of warrants is effected before the book closure of the share registers for the determination of the entitlement to such rights or distributions. As at 30 September 2015, 96,585,626 units of Warrants 2010/2015 remained unexercised.

Subsequent to 30 September 2015, the Company has issued 565,699 new ordinary shares of RM0.50 each for cash at RM0.50 each pursuant to the exercise of Warrants 2010/2015.

Pursuant to the Notice to Warranholders in relation to the expiry and final exercise of the Warrants 2010/2015 dated 4 September 2015, Warrants 2010/2015 have expired on 7 October 2015. As at 7 October 2015, total number of Warrants 2010/2015 remained unexercised and has lapsed was 96,019,927.

6. Dividend Paid

No dividend was paid during the quarter ended 30 September 2015.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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.

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.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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 businesses RM'000	Holding entity RM'000	Eliminations RM'000	Consolidated RM'000
Current year to date ended 30 September 2015				
Revenue				
External revenue	27,560	1,561	-	29,121
Results				
(Loss)/profit from operations with external parties	(17,214)	805	-	(16,409)
Segment results	(17,214)	805	-	(16,409)
Finance cost				-
Loss before tax				(16,409)
Tax benefit				1,122
Loss for the period attributable to the owners of the Company				(15,287)

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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	Holding <u>entity</u> RM'000	<u>Eliminations</u> RM'000	<u>Consolidated</u> RM'000
Preceding year to date ended 30 September 2014				
Revenue				
External revenue	75,605	808	-	76,413
Inter-segment revenue	6,254	4,800	(11,054)	-
Total	<u>81,859</u>	<u>5,608</u>	<u>(11,054)</u>	<u>76,413</u>
Results				
Profit/(loss) from operations with external parties	7,716	(578)	-	7,138
Add : Inter-segment revenue	6,254	4,800	(11,054)	-
Less : Inter-segment expenses	(6,254)	-	6,254	-
Segment results	<u>7,716</u>	<u>4,222</u>	<u>(4,800)</u>	<u>7,138</u>
Finance cost				-
Profit before tax				<u>7,138</u>
Tax expense				(2,746)
Profit for the period attributable to the owners of the Company				<u><u>4,392</u></u>

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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

Domestic	Foreign				Total
Malaysia	Singapore	China	Indonesia	Thailand	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Current year to date ended 30 September 2015

Revenue	10,737	505	17,851	28	-	29,121
(Loss)/profit before tax	(16,483)	-	74	-	-	(16,409)
Segmental assets as at 30 September 2015	166,493	-	1,279	-	-	167,772

Preceding year to date ended 30 September 2014

Revenue	36,073	28,954	7,728	1,018	2,640	76,413
Profit before tax	3,533	-	3,605	-	-	7,138
Segmental assets as at 30 September 2014	199,395	-	2,798	-	-	202,193

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

8. Event subsequent to reporting period

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

9. Changes in the composition of the Group

There were no changes in the composition of the Group during the reporting period except for the following:

Striking off of an indirect subsidiary - VT Payment (M) Sdn. Bhd.

The Company's indirect subsidiary, VT Payment (M) Sdn. Bhd. (Co. No. 1098633-A) has on 22 September 2015 filed an application for striking off pursuant to Section 308(1) of the Companies Act, 1965 with the Companies Commission of Malaysia ("Striking Off Application").

The striking off of VT Payment (M) Sdn. Bhd. is not expected to have any material effect on the Group's net assets and earnings for the financial year ending 31 December 2015. This was announced on 22 September 2015.

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

The Group posted revenues of RM29.12 million for the nine months ended 30 September 2015 ("9M15") as compared to RM76.41 million for the nine months ended 30 September 2014 ("9M14"). This was due to lower amount of disposals of financial instruments done in 9M15 which in turn resulted in lower proceeds being derived. Meanwhile, the Group posted a loss after tax of RM16.41 million in 9M15, a decline of RM23.55 million from a profit after tax of RM7.14 million in 9M14. The net loss was due to the fair valuation losses recorded in the current period.

For the current quarter under review ("3Q15"), the Group's revenue was RM3.02 million, registering a decline of 91% or RM29.84 million as compared to RM32.86 million of the corresponding quarter in 2014 ("3Q14"). The lower revenue was mainly due to lower proceeds arising from lower disposal of financial instruments activity during the quarter. The Group posted a loss after tax of RM10.12 million in 3Q15 as compared to profit after tax of RM9.71 million in 3Q14. The loss was mainly due to fair market valuation loss of the listed portfolio of RM13.48 million in 3Q15 as compared to fair market valuation gain of RM9.78 million in 3Q14.

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 RM12.90 million in the third quarter of 2015 as compared to loss before tax of RM7.19 million of the immediate preceding quarter. This was mainly due to the decrease in market value in most of the quoted investments held by the Group for the current quarter under review.

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

(a) Current year prospects

Based on the 2016 Malaysian Budget that was recently announced in October 2015, the Malaysian economy is forecasted to grow at a rate of 4% - 5% in 2016, driven mainly by domestic demand with private expenditure being the main anchor.

Despite the current headwinds, we envision that there will be pockets of opportunities from businesses operating within our focus sectors seeking funding for rapid expansion which will ultimately lead to potential transactions. With our current positive cash balances, we are cautiously active in seeking out these opportunities. We expect to close a few Private Equity / Venture Capital transactions within our focus sectors by next year. In terms of our current listed portfolio, we are continuing our efforts to realise and manage these investments.

The Board and management will continue to be diligent in optimising the performance of the Group and to ensure long-term sustainability.

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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 period ended <u>30.09.2015</u> RM’000	Comparative period ended <u>30.09.2014</u> RM’000
Interest income	2,084	839
Dividend income	1,112	1,685
Proceeds from disposal of financial instruments *	25,925	73,889
	<u>29,121</u>	<u>76,413</u>

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

	Current period ended <u>30.09.2015</u> RM’000	Comparative period ended <u>30.09.2014</u> RM’000
Proceeds from disposal	25,925	73,889
Less: Cost of investment	(33,153)	(63,643)
(Loss)/gain on disposal	(7,228)	10,246
Less: Previously recognised fair value changes	9,591	(5,790)
Gain on disposal	<u>2,363</u>	<u>4,456</u>

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

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 period ended <u>30.09.2015</u> RM'000	Comparative period ended <u>30.09.2014</u> RM'000
Interest income	(2,084)	(839)
Dividend income	(1,112)	(1,685)
Gain on disposal of financial instruments	(2,363)	(4,456)
Depreciation and amortisation	69	93
Capital Return from investment securities	(391)	(3,583)
Other income	(65)	(130)
Gain on disposal of motor vehicle	-	(30)
Realised foreign exchange (gain)/loss	(396)	319
Unrealised foreign exchange gain	(618)	(133)

8. Income tax benefit/(expense)

	Current quarter ended <u>30.09.2015</u> RM'000	Comparative quarter ended <u>30.09.2014</u> RM'000	Current period ended <u>30.09.2015</u> RM'000	Comparative period ended <u>30.09.2014</u> RM'000
Provision for the current quarter/ period to date:				
Malaysian income tax	(6)	(331)	(22)	(1,172)
Over/(under) provision for prior year	7	(18)	7	(18)
Deferred tax	2,779	(1,490)	1,137	(1,556)
	<u>2,780</u>	<u>(1,839)</u>	<u>1,122</u>	<u>(2,746)</u>

The deferred tax benefit for the current quarter ended 30 September 2015 of RM2.78 million mainly arose from net fair value loss on financial instruments.

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

9. Corporate proposals

Status of corporate proposals announced but not completed as at 9 November 2015 (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 9 November 2015.

10. Borrowings

As at 30 September 2015, there were no borrowings outstanding and the Group had not issued any debt securities.

11. The accumulated losses of the Group

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
	30.09.2015	31.12.2014
	RM'000	RM'000
Realised accumulated losses	(52,452)	(36,557)
Unrealised retained profits *	20,669	19,913
Accumulated losses	<u>(31,783)</u>	<u>(16,644)</u>

* Unrealised retained profits comprised 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 9 November 2015 (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

There was no dividend proposed in the current quarter ended 30 September 2015 (30 September 2014: Nil).

OSK Ventures International Berhad (636117-K)

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

14. (Loss)/earnings per share attributable to owners of the Company

	Current quarter ended <u>30.09.2015</u>	Comparative quarter ended <u>30.09.2014</u>	Current period ended <u>30.09.2015</u>	Comparative period ended <u>30.09.2014</u>
Basic/ Diluted Loss per share				
(Loss)/earnings attributable to owners of the Company (RM'000)	(10,122)	9,709	(15,287)	4,392
Weighted average number of ordinary shares in issue ('000 shares)	196,189	195,736	196,189	195,736
Effect of dilution on assumed exercise of warrants ('000 units)	-	21,410	-	21,410
Adjusted weighted average number of ordinary shares in issue and issueable ('000 shares)	196,189	217,146	196,189	217,146
Basic (loss)/earnings per share (sen)	<u>(5.16)</u>	<u>4.96</u>	<u>(7.79)</u>	<u>2.24</u>
Diluted (loss)/earnings per share (sen)	<u>(5.16)</u>	<u>4.47</u>	<u>(7.79)</u>	<u>2.02</u>

15. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2014 was unqualified.

By Order of the Board

YEE CHEE WAI
Executive Director / Chief Operating Officer

Kuala Lumpur
16 November 2015