

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2017

		(Audited)	
	Note	As at 30.06.2017 RM'000	As at 31.12.2016 RM'000
ASSETS			
Equipment		211	252
Intangible assets		11	8
Investment securities		196,950	93,107
Trade and other receivables		6,354	2,008
Prepayments		32	55
Tax recoverable		2,531	2,644
Cash, bank balances and cash management fund	A8	25,984	91,450
TOTAL ASSETS		232,073	189,524
LIABILITIES			
Deferred tax liability		3,449	1,403
Trade and sundry payables		1,221	1,201
Tax payable		142	-*
TOTAL LIABILITIES		4,812	2,604
EQUITY			
Contributed share capital		186,268	98,798
Treasury shares, at cost	A5	(66)	(66)
		186,202	98,732
Reserves		41,059	88,188
TOTAL EQUITY		227,261	186,920
TOTAL LIABILITIES AND EQUITY		232,073	189,524
Net assets per share (RM)		1.15	0.95

* Denotes amount less than RM1,000

(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 2016 and the accompanying explanatory notes attached to these interim financial statements)

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017 UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017

		Current quarter ended 30.06.2017	Comparative quarter ended 30.06.2016	Current year to date ended 30.06.2017	Comparative year to date ended 30.06.2016
	Note	RM'000	RM'000	RM'000	RM'000
Income					
Net fair value gain/(loss) on financial instruments	B6	30,075	573	45,317	(3,953)
Interest income		308	1,042	971	2,557
Dividend income		1,896	1,156	2,008	1,163
Other income		-	59	-	59
		32,279	2,830	48,296	(174)
Expense					
Staff expenses		(650)	(575)	(1,321)	(1,068)
Net foreign exchange gain/(loss)		84	392	254	(614)
Administrative expenses		(422)	(394)	(738)	(753)
		(988)	(577)	(1,805)	(2,435)
Profit/(loss) before tax	B7	31,291	2,253	46,491	(2,609)
Income tax (expense)/benefit	B8	(1,751)	123	(2,201)	147
Profit/(loss) after tax for the period		29,540	2,376	44,290	(2,462)
Profit/(loss) attributable to: Owners of the Company		29,540	2,376	44,290	(2,462)
Earnings/(loss) per share attributable to owners of the Company (sen):					
Basic	B14	14.96	1.20	22.43	(1.25)

(The above condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements)

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2017

	Current quarter ended 30.06.2017	Comparative quarter ended 30.06.2016	Current year to date ended 30.06.2017	Comparative year to date ended 30.06.2016
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) after tax for the period, representing total comprehensive income/(loss) for the period	29,540	2,376	44,290	(2,462)
Total comprehensive income/(loss) attributable to: Owners of the Company	29,540	2,376	44,290	(2,462)

(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 2016 and the accompanying explanatory notes attached to these interim financial statements)

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2017

	Attributable to owners of the Company					Total equity
	Contributed share capital	Treasury shares	Share premium	Capital redemption reserve	Retained profits/ (accumulated losses)	
	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 01.01.2017	98,798	(66)	84,278	3,192	718	186,920
Total comprehensive income	-	-	-	-	44,290	44,290
Transferred pursuant to the Companies Act 2016 ⁽¹⁾	87,470	-	(84,278)	(3,192)	-	-
Dividends paid to owners of the Company	-	-	-	-	(3,949)	(3,949)
Total transactions with owners	-	-	-	-	(3,949)	(3,949)
As at 30.06.2017	186,268	(66)	-	-	41,059	227,261
As at 01.01.2016	98,798	(6)	84,362	3,192	(7,665)	178,681
Total comprehensive loss	-	-	-	-	(2,462)	(2,462)
Shares issuance expenses	-	-	(21)	-	-	(21)
Share buybacks by the Company	-	(2)	-	-	-	(2)
Total transactions with owners	-	(2)	(21)	-	-	(23)
As at 30.06.2016	98,798	(8)	84,341	3,192	(10,127)	176,196

⁽¹⁾ With the enactment of the Companies Act 2016, any amount standing to the credit of the Group's share premium and capital redemption reserves shall become part of the Group's contributed share capital.

(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 2016 and the accompanying explanatory notes attached to these interim financial statements)

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2017

	Current year to date ended 30.06.2017 RM'000	Comparative year to date ended 30.06.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	46,491	(2,609)
Adjustments for:		
Amortisation of intangible assets	1	1
Depreciation of equipment	45	46
Net fair value (gain)/loss on financial instruments	(45,317)	3,953
Effect on exchange rate changes	310	550
Interest income	(971)	(2,557)
Dividend income	(2,008)	(1,163)
Operating loss before changes in working capital	(1,449)	(1,779)
Changes in working capital:		
Net changes in receivables	(3,787)	(71)
Net changes in payables	22	514
Proceeds from disposal of investment securities	48,154	13,922
Additions in investment securities	(106,681)	(29,089)
Net cash used in operations	(63,741)	(16,503)
Dividends received	1,472	854
Interest received	971	1,568
Income tax refund/(paid)	99	(31)
Net cash used in operating activities	(61,199)	(14,112)
CASH FLOWS FROM INVESTING ACTIVITIES		
Redemption from cash management fund	60,698	15,498
Purchase of equipment	(4)	(8)
Purchase of software licences	(4)	-
Net cash generated from investing activities	60,690	15,490
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of treasury shares	-	(2)
Shares issuance expenses	-	(21)
Dividend paid on ordinary shares	(3,949)	-
Net cash used in financing activities	(3,949)	(23)
Net (decrease)/increase in cash and cash equivalents	(4,458)	1,355
Effect of exchange rate changes	(310)	(550)
Cash and cash equivalents at beginning of period	12,462	14,097
Cash and cash equivalents at end of period	7,694	14,902

A8

(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 2016 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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 2016, 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 2016 and the accompanying explanatory notes. These explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2016.

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 2016, except for the adoption of the Amendments and Annual Improvements to Standards effective as of 1 January 2017.

Effective for annual periods commencing on or after 1 January 2017

The Group has adopted the following Amendments to MFRSs effective as of 1 January 2017.

Amendments to MFRS 12	Annual Improvements to MFRS Standards 2014 - 2016 Cycle
Amendments to MFRS 107	Statement of Cash Flows: Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above Amendments to MFRSs did not have any material impact on the financial statements of the Group.

MFRSs, Amendments to MFRSs and Issue Committee ("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

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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 Issue Committee ("IC Interpretation") issued but not yet effective (cont'd.)

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual periods beginning on or after
MFRS 15	Revenue from Contracts with Customers	1 January 2018
	Clarifications to MFRS 15	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 2	Share-based Payment Transactions: Classification and Measurement	1 January 2018
Amendments to MFRS 1, MFRS 128	Annual Improvements to MFRS Standards 2014 - 2016 Cycle	1 January 2018
Amendments to MFRS 4	Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 10, MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 140	Investment Property: Transfer of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretation 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.

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.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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

1. Basis of preparation (Cont'd.)

Companies Act 2016

The Companies Act 2016 ("New Act") was enacted to replace the Companies Act, 1965 in Malaysia and came into operation on 31 January 2017, except for Section 241 and Division 8 of Part III of the New Act.

In accordance with the New Act, the Group had transferred a total of RM87.47 million from its share premium and capital redemption reserve accounts to the contributed share capital.

The adoption of the New Act did not have any financial impact on the Group for the current financial year as any accounting implications will only be applied prospectively, if applicable, and the effect of adoption will mainly be on the disclosures to the annual report and financial statements of the Group for the financial year ending 31 December 2017.

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. 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.

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.

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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

5. Changes in debt and equity securities

Share buybacks / Treasury shares of the Company

There were no share buybacks during the quarter ended 30 June 2017. The shares repurchased previously are being held as treasury shares and treated in accordance with the requirements of Section 127 of the Companies Act 2016. 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 01.01.2017/30.06.2017	151,800	-	-	0.43	65,846

6. Dividend Paid

On 22 March 2017, the Company declared a final single-tier dividend of 2.0 sen per ordinary share amounting to a dividend payable of RM3.95 million in respect of the financial year ended 31 December 2016. The dividend was paid on 11 May 2017.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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.

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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	Holding entity	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
Current year to date ended 30 June 2017				
Income				
External income	47,364	932	-	48,296
Inter-segment income	49	715	(764)	-
Total	<u>47,413</u>	<u>1,647</u>	<u>(764)</u>	<u>48,296</u>
Results				
Profit from operations with external parties	45,968	523	-	46,491
Add : Inter-segment income	49	715	(764)	-
Less : Inter-segment expenses	(721)	(43)	764	-
Profit before tax	<u>45,296</u>	<u>1,195</u>	<u>-</u>	<u>46,491</u>
Tax expense				<u>(2,201)</u>
Profit for the period attributable to the owners of the Company				<u><u>44,290</u></u>

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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 June 2016				
Income				
External income	(1,663)	1,489	-	(174)
Inter-segment income	95	-	(95)	-
Total	<u>(1,568)</u>	<u>1,489</u>	<u>(95)</u>	<u>(174)</u>
Results				
(Loss)/profit from operations with external parties	(3,736)	1,127	-	(2,609)
Add : Inter-segment income	95	-	(95)	-
Less : Inter-segment expenses	(40)	(55)	95	-
(Loss)/profit before tax	<u>(3,681)</u>	<u>1,072</u>	<u>-</u>	<u>(2,609)</u>
Tax benefit				147
Loss for the period attributable to the owners of the Company				<u><u>(2,462)</u></u>

OSK Ventures International Berhad (636117-K)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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. Income by geographical segment is based on income derived from those assets.

Domestic	Foreign					Total
Malaysia	Singapore	Hong Kong	Indonesia	United States of America	British Virgin Island	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Current year to date ended 30 June 2017

Income	44,439	(68)	1,907	58	1,959	1	48,296
Profit/(loss) before tax	46,498	-	(7)	-	-	-	46,491
Segmental assets as at 30 June 2017	232,042	-	31	-	-	-	232,073

Preceding year to date ended 30 June 2016

Income	174	753	(1,073)	4	36	(68)	(174)
Loss before tax	(2,523)	-	(86)	-	-	-	(2,609)
Segmental assets as at 30 June 2016	178,454	-	619	-	-	-	179,073

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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

8. Cash, bank balances and cash management fund

	As at <u>30.06.2017</u> RM'000	As at <u>31.12.2016</u> RM'000	As at <u>30.06.2016</u> RM'000
Cash and cash equivalents	7,694	12,462	14,902
Cash Management Fund	18,290	78,988	71,424
	<u>25,984</u>	<u>91,450</u>	<u>86,326</u>

9. Event subsequent to reporting period

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

10. 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 2017

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 registered a profit after tax of RM44.29 million for the six months ended 30 June 2017, as compared to a loss after tax of RM2.46 million for the preceding six months ended 30 June 2016. This was due to the net fair value gain on financial instruments of RM45.32 million recorded in the current period. During the preceding financial period, the loss was attributed to a net fair value loss on financial instruments of RM3.95 million.

For the current quarter under review, the Group posted a profit after tax of RM29.54 million as compared to a profit after tax of RM2.38 million of the corresponding quarter in 2016. This was mainly due to higher income earned in the current quarter and net fair value gain on financial instruments of RM30.08 million as compared to RM0.57 million in the corresponding quarter in 2016.

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

The Group recorded a profit before tax of RM31.29 million in the second quarter of 2017 as compared to a profit before tax of RM15.20 million in the immediate preceding quarter. This was mainly due to higher income derived from net fair value gain on financial instruments earned in the current quarter under review.

3. Current prospects and progress on previously announced financial estimate

(a) Current prospects

Companies with strong growth prospects continued to be our focus for our private investment portfolio, of which we have seen another new addition since the last quarterly reporting in May 2017. We expect further additions to the portfolio during this financial year. On the public investment portfolio, we have seen a steady growth in the share price performance. We will continue to strive to optimise our performance to ensure long-term sustainability and profitability through continuous efforts to seek new opportunities for both our portfolios.

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

There was no financial forecast previously announced by the Group.

4. Statement of the Board of Directors’ opinion on achievability of financial estimate, forecast, projection and internal targets previously announced

Not applicable.

5. Financial estimate, forecast or projection / profit guarantee

There was no financial estimate, forecast or projection and profit guarantee issued by the Group.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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

6. Net fair value gain/(loss) on financial instruments

	Current period ended <u>30.06.2017</u> RM'000	Comparative period ended <u>30.06.2016</u> RM'000
Realised fair value gain on financial instruments *	2,990	733
Unrealised fair value gain/(loss) on financial instruments	42,327	(4,686)
	<u>45,317</u>	<u>(3,953)</u>

* Realised fair value gain on financial instruments is arrived at based on the following:

	Current period ended <u>30.06.2017</u> RM'000	Comparative period ended <u>30.06.2016</u> RM'000
Proceeds from disposal of financial instruments	48,154	13,922
Less: Cost of investment	(80,358)	(16,877)
Loss on disposal	(32,204)	(2,955)
Less: Previously recognised fair value changes	35,194	3,688
Realised fair value gain on financial instruments	<u>2,990</u>	<u>733</u>

7. Profit/(loss) before tax

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

	Current period ended <u>30.06.2017</u> RM'000	Comparative period ended <u>30.06.2016</u> RM'000
Interest income	(971)	(2,557)
Dividend income	(2,008)	(1,163)
Net fair value (gain)/loss on financial instruments	(45,317)	3,953
Depreciation and amortisation	46	47
Other income	-	(59)
Net foreign exchange (gain)/loss	(254)	614

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

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)/benefit

	Current quarter ended <u>30.06.2017</u> RM'000	Comparative quarter ended <u>30.06.2016</u> RM'000	Current period ended <u>30.06.2017</u> RM'000	Comparative period ended <u>30.06.2016</u> RM'000
Provision for the current quarter/ period to date:				
Malaysian income tax	(110)	(2)	(155)	(7)
Deferred tax	(1,641)	125	(2,046)	154
	<u>(1,751)</u>	<u>123</u>	<u>(2,201)</u>	<u>147</u>

The deferred tax liability for the current quarter ended 30 June 2017 of RM1.64 million mainly arose from net fair value gain on financial instruments.

9. Corporate proposals

Status of corporate proposals announced but not completed as at 8 August 2017 (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 August 2017.

10. Borrowings

As at 30 June 2017, there were no borrowings outstanding and the Group had not issued any debt securities.

11. The retained profits 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 retained profits of the Group as at the reporting date is as follows:

Analysed by:	As at <u>30.06.2017</u> RM'000	As at <u>31.12.2016</u> RM'000
	Realised accumulated losses	(19,798)
Unrealised retained profits *	60,857	16,460
Retained profits	<u>41,059</u>	<u>718</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.

PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market**12. Material litigation**

As at 8 August 2017 (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 June 2017 (30 June 2016: Nil).

14. Earnings/(loss) per share attributable to owners of the Company

	Current quarter ended <u>30.06.2017</u>	Comparative quarter ended <u>30.06.2016</u>	Current period ended <u>30.06.2017</u>	Comparative period ended <u>30.06.2016</u>
Basic earnings/(loss) per share				
Earnings/(loss) attributable to owners of the Company (RM'000)	29,540	2,376	44,290	(2,462)
Weighted average number of ordinary shares in issue ('000 shares)	197,445	197,584	197,445	197,584
Basic earnings/(loss) per share (sen)	<u>14.96</u>	<u>1.20</u>	<u>22.43</u>	<u>(1.25)</u>

15. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2016 was unqualified.

By Order of the Board

YEE CHEE WAI**Executive Director / Chief Operating Officer**

Kuala Lumpur
15 August 2017