

OSK VENTURES INTERNATIONAL BERHAD 200301033696 (636117-K)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021

		(Audited)
	Note	As at 31.12.2020
		As at 31.03.2021
		RM'000
		RM'000
ASSETS		
Equipment		420
Intangible assets		3
Investment in joint venture		370
Investment securities		144,393
Investment in fund		20,310
Notes receivables		7,915
Trade and other receivables		1,340
Prepayments		171
Tax recoverable		21
Right-of-use asset		-
Cash, bank balances and cash management fund	A8	16,938
TOTAL ASSETS		191,881
LIABILITIES		
Deferred tax liability		1,756
Trade and sundry payables		5,882
Tax payable		68
Lease liability		-
TOTAL LIABILITIES		7,706
EQUITY		
Contributed share capital		186,267
Treasury shares, at cost	A5	(647)
		185,620
Reserves		(1,445)
TOTAL EQUITY		184,175
TOTAL LIABILITIES AND EQUITY		191,881
Net assets per share (RM)		0.94
		0.98

* 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 2020 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS AND STATEMENTS OF
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2021**

	Note	Quarter and Year-To-Date ended	
		31.03.2021 RM'000	31.03.2020 RM'000
Income			
Net fair value gain/(loss) on financial assets	B6	8,867	(19,146)
Interest income		153	636
Dividend income		317	492
Other income		-	1
		<u>9,337</u>	<u>(18,017)</u>
Expense			
Staff expenses		(734)	(766)
Net foreign exchange gain		442	686
Administrative expenses		(334)	(290)
		<u>(626)</u>	<u>(370)</u>
Operating profit/(loss)		8,711	(18,387)
Finance cost		(3)	(1)
Share of result of a joint venture		(17)	152
Profit/(loss) before tax	B7	8,691	(18,236)
Income tax (expense)/benefit	B8	(536)	578
Profit/(loss) after tax for the period, representing total comprehensive income/(loss) for the period, net of tax		8,155	(17,658)
Profit/(loss) attributable to: Owners of the Company		<u>8,155</u>	<u>(17,658)</u>
Earnings/(loss) per share attributable to owners of the Company (sen):			
Basic	B13	<u>4.15</u>	<u>(8.99)</u>

(The above condensed consolidated income statements and statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2021**

	Attributable to owners of the Company			Total equity
	Contributed share capital	Treasury shares	Retained profits /(accumulated losses)	
	RM'000	RM'000	RM'000	
As at 01.01.2021	186,267	(647)	(1,445)	184,175
Total comprehensive income	-	-	8,155	8,155
As at 31.03.2021	186,267	(647)	6,710	192,330
As at 01.01.2020	186,267	(647)	(5,389)	180,231
Total comprehensive loss	-	-	(17,658)	(17,658)
As at 31.03.2020	186,267	(647)	(23,047)	162,573

(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 2020 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2021

	Year-To-Date ended	
	31.03.2021	31.03.2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	8,691	(18,236)
Adjustments for:		
Amortisation of intangible assets	-*	1
Depreciation of equipment	23	24
Depreciation of right-of-use asset	44	43
Net fair value gain/loss on financial assets	(8,867)	19,146
Effect of exchange rate changes	(403)	(560)
Interest income	(153)	(636)
Dividend income	(317)	(492)
Finance cost	3	1
Share of result of a joint venture	17	(152)
Operating loss before changes in working capital	(962)	(861)
Changes in working capital:		
Net changes in receivables	1,047	(3,982)
Net changes in payables	(5,098)	(195)
Proceeds from disposal of investment securities	25,123	38,604
Additions in investment securities	(12,752)	(36,510)
Additions in investment in funds	(147)	-
Net cash generated from/(used in) operations	7,211	(2,944)
Dividends received	306	183
Interest received	62	164
Income tax paid	(129)	(174)
Net cash generated from/(used in) operating activities	7,450	(2,771)
CASH FLOWS FROM INVESTING ACTIVITY		
Additions in cash management fund, representing net cash used in investing activity	(10,865)	(4,528)
CASH FLOWS FROM FINANCING ACTIVITY		
Payment of lease liability, representing net cash used in financing activity	(45)	(44)
Net decrease in cash and cash equivalents	(3,460)	(7,343)
Effect of exchange rate changes	144	176
Cash and cash equivalents at beginning of period	6,937	13,356
Cash and cash equivalents at end of period	3,621	6,189

A8

* 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 2020 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021

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 2020, 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 2020 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 2020.

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 2020, except for the adoption of the Amendments and Annual Improvements to Standards effective as of 1 January 2021.

Effective for annual periods commencing on or after 1 January 2021

The Group has adopted the following Amendments to MFRSs effective as of 1 January 2021.

Amendments to MFRS 9, Interest Rate Benchmark Reform-Phase 2
MFRS 139, MFRS 7,
MFRS 4 and MFRS 16

Amendments to MFRS 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021

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

2. Seasonal or cyclical factors

There were no significant seasonal or cyclical factors materially affecting the business of the Group in the current period. The Group's results were largely influenced by, amongst others, the market prices of quoted investments.

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.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**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 year to date results.

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

There were no share buybacks during the quarter ended 31 March 2021. 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 01.01.2021/31.03.2021	1,151,800	-	-	0.56	646,527

6. Dividend Paid

No dividend was paid for the current quarter and year to date ended 31 March 2021.

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. Public Investment, Venture Capital and Private Equity - Investment in public equities, 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.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021
**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134")
Interim Financial Reporting**
7. Segmental information (cont'd)
Business Segments

	Public investment, 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 2021				
Income				
External income	8,665	672	-	9,337
Inter-segment income	12	324	(336)	-
Total	<u>8,677</u>	<u>996</u>	<u>(336)</u>	<u>9,337</u>
Results				
Profit from operations with external parties	8,179	7,812	(7,280)	8,711
Add : Inter-segment income	12	324	(336)	-
Less : Inter-segment expenses	(329)	(7)	336	-
Segment results	<u>7,862</u>	<u>8,129</u>	<u>(7,280)</u>	<u>8,711</u>
Finance cost				(3)
Share of result of a joint venture				<u>(17)</u>
Profit before tax				<u>8,691</u>
Tax expense				<u>(536)</u>
Profit for the period attributable to the owners of the Company				<u><u>8,155</u></u>

Preceding year to date ended 31 March 2020

Income				
External income	(17,940)	(77)	-	(18,017)
Inter-segment income	10	643	(653)	-
Total	<u>(17,930)</u>	<u>566</u>	<u>(653)</u>	<u>(18,017)</u>
Results				
Loss from operations with external parties	(18,176)	(211)	-	(18,387)
Add : Inter-segment income	10	643	(653)	-
Less : Inter-segment expenses	(648)	(5)	653	-
Segment results	<u>(18,814)</u>	<u>427</u>	<u>-</u>	<u>(18,387)</u>
Finance cost				(1)
Share of result of a joint venture				<u>152</u>
Loss before tax				<u>(18,236)</u>
Tax benefit				<u>578</u>
Loss for the period attributable to the owners of the Company				<u><u>(17,658)</u></u>

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting****7. Segmental information (cont'd)****Geographical Segments**

All of the Group's investments are managed in Malaysia, although it has investments in other geographical locations. Hence, the Group considers that it does not have separate geographical reporting segments.

8. Cash, bank balances and cash management fund

	As at <u>31.03.2021</u> RM'000	As at <u>31.12.2020</u> RM'000	As at <u>31.03.2020</u> RM'000
Cash and cash equivalents	3,621	6,937	6,189
Cash Management Fund	20,866	10,001	21,558
	<u>24,487</u>	<u>16,938</u>	<u>27,747</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 FIRST QUARTER ENDED 31 MARCH 2021

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

Financial review

	Current quarter ended 31.03.2021 RM'000	Comparative quarter ended 31.03.2020 RM'000	Changes %
Income	9,337	(18,017)	152
Profit before tax	8,691	(18,236)	148
Profit after tax	8,155	(17,658)	146
Profit attributable to owners of the Company	8,155	(17,658)	146

The Group registered a profit after tax of RM8.16 million for the three months ended 31 March 2021 as compared to a loss after tax of RM17.66 million for the preceding three months ended 31 March 2020. This was mainly due to the net fair value gain on financial assets of RM8.87 million as compared to net fair value loss on financial assets of RM19.15 million in the preceding three months ended 31 March 2020.

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

Financial review

	Current quarter ended 31.03.2021 RM'000	Immediate preceding quarter ended 31.12.2020 RM'000	Changes %
Income	9,337	9,391	(1)
Profit before tax	8,691	8,243	5
Profit after tax	8,155	8,053	1
Profit attributable to owners of the Company	8,155	8,053	1

The Group recorded a profit before tax of RM8.69 million in the first quarter of 2021 as compared to RM8.24 million in the immediate preceding quarter. Current quarter performance is consistent with the immediate preceding quarter.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021

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

3. Current prospects and progress on previously announced financial estimate

(a) Current prospects

Major economies of the world continue to show recovery with the United States (“US”) and China leading the way. This is mainly due to policies managing the Covid-19 pandemic and the various historically large stimulus packages being implemented by these countries. Despite the increasing pace of vaccination particularly in the US, the pandemic concerns including new variants remain as the infection rate continues to rise and stay at high levels in many parts of the world including India, Europe, South America, Africa and here in Malaysia. These developments are bound to impact adversely on the economic growth trajectory.

We expect the performance of our public portfolio to benefit from the recovery of the global economy.

As consumer and enterprise digital adoption continues to trend, we forecast this to be beneficial towards the majority of our private portfolio companies and in turn, to our portfolio valuation for the rest of the year.

(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.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021
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 assets

	Quarter and Year-To-Date ended	
	<u>31.03.2021</u>	<u>31.03.2020</u>
	RM'000	RM'000
Proceeds from disposal of investment securities	25,123	38,604
Less: Cost of investment	(13,276)	(40,630)
Gain/(loss) on disposal	<u>11,847</u>	<u>(2,026)</u>
Less: Fair value recognised in prior year for realised investments	(10,286)	(1,155)
Fair value recognised in current year for realised investments	<u>1,561</u>	<u>(3,181)</u>
Add/(Less): Fair value recognised in current year for unrealised investments	7,306	(15,965)
Net fair value gain/(loss) on financial assets	<u><u>8,867</u></u>	<u><u>(19,146)</u></u>

7. Profit/(loss) before tax

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

	Quarter and Year-To-Date ended	
	<u>31.03.2021</u>	<u>31.03.2020</u>
	RM'000	RM'000
Interest income	(153)	(636)
Dividend income	(317)	(492)
Finance cost	3	1
Net fair value (gain)/loss on financial assets	(8,867)	19,146
Depreciation and amortisation	23	25
Depreciation of right-of-use asset	44	43
Other income	-	(1)
Net foreign exchange gain	<u>(442)</u>	<u>(686)</u>

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**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**

	Quarter and Year-To-Date ended	
	<u>31.03.2021</u>	<u>31.03.2020</u>
	RM'000	RM'000
Provision for the current quarter/period to date:		
Malaysian income tax	(61)	(141)
Deferred tax	(475)	719
	<u>(536)</u>	<u>578</u>

The deferred tax liability for the current quarter ended 31 March 2021 of RM0.48 million mainly arose from net fair value changes on financial assets.

9. Corporate proposals

Status of corporate proposals announced but not completed as at 6 May 2021 (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 6 May 2021.

10. Borrowings

As at 31 March 2021, there were no borrowings outstanding and the Group had not issued any debt securities.

11. Material litigation

As at 6 May 2021 (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.

12. Dividend

There was no dividend proposed in the current quarter ended 31 March 2021 (31 March 2020: Nil).

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market****13. Earnings/(loss) per share attributable to owners of the Company**

	Quarter and Year-To-Date ended	
	<u>31.03.2021</u>	<u>31.03.2020</u>
Basic earnings/(loss) per share		
Earnings/(loss) attributable to owners of the Company (RM'000)	8,155	(17,658)
Weighted average number of ordinary shares in issue ('000 shares)	196,445	196,445
Basic earnings/(loss) per share (sen)	<u>4.15</u>	<u>(8.99)</u>

14. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the financial year ended 31 December 2020 was unqualified.

By Order of the Board

YEE CHEE WAI
Executive Director / Chief Operating Officer

Kuala Lumpur
10 May 2021