

OSK VENTURES INTERNATIONAL BERHAD 200301033696 (636117-K)

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

		(Audited)
	Note	As at 31.12.2021
		As at 31.12.2020
		RM'000
		RM'000
ASSETS		
Equipment		335
Intangible assets		2
Investment in joint venture		376
Investment securities		168,948
Investment in fund		28,607
Notes receivables		5,379
Trade and other receivables		192
Prepayments		318
Tax recoverable		21
Right-of-use asset		350
Cash, bank balances and cash management fund	A8	11,604
TOTAL ASSETS		216,132
LIABILITIES		
Deferred tax liability		559
Trade and sundry payables		1,510
Tax payable		397
Lease liability		354
TOTAL LIABILITIES		2,820
EQUITY		
Contributed share capital		186,267
Treasury shares, at cost	A5	(647)
		185,620
Reserves		27,692
TOTAL EQUITY		213,312
TOTAL LIABILITIES AND EQUITY		216,132
Net assets per share (RM)		1.09

(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 FOURTH QUARTER ENDED 31 DECEMBER 2021
 UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS AND STATEMENTS OF
 COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2021**

		Current quarter ended 31.12.2021	Comparative quarter ended 31.12.2020	Current year to date ended 31.12.2021	Comparative year to date ended 31.12.2020
	Note	RM'000	RM'000	RM'000	RM'000
Income					
Net fair value gain on financial assets	B6	8,645	8,833	27,336	4,417
Interest income		93	402	478	2,128
Dividend income		76	156	1,599	2,219
Distribution income		3,925	-	3,925	-
Other income		-	-	-	1
		12,739	9,391	33,338	8,765
Expense					
Staff expenses		(1,055)	(451)	(3,307)	(2,773)
Net foreign exchange (loss)/gain		(119)	(333)	360	115
Administrative expenses		(342)	(348)	(1,454)	(1,544)
		(1,516)	(1,132)	(4,401)	(4,202)
Operating profit		11,223	8,259	28,937	4,563
Finance cost		(2)	-*	(11)	(3)
Share of result of a joint venture		34	(16)	6	(572)
Profit before tax	B7	11,255	8,243	28,932	3,988
Income tax benefit/(expense)	B8	258	(190)	205	(44)
Profit after tax for the period, representing total comprehensive income for the period, net of tax		11,513	8,053	29,137	3,944
Profit attributable to: Owners of the Company		11,513	8,053	29,137	3,944
Earnings per share attributable to owners of the Company (sen):					
Basic	B13	5.86	4.10	14.83	2.01

* Denotes amount less than RM1,000.

(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 FOURTH QUARTER ENDED 31 DECEMBER 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2021**

	Attributable to owners of the Company			Total equity RM'000
	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	-	-	29,137	29,137
As at 31.12.2021	186,267	(647)	27,692	213,312
As at 01.01.2020	186,267	(647)	(5,389)	180,231
Total comprehensive income	-	-	3,944	3,944
As at 31.12.2020	186,267	(647)	(1,445)	184,175

(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 FOURTH QUARTER ENDED 31 DECEMBER 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2021

	Year-To-Date ended	
	31.12.2021	31.12.2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	28,932	3,988
Adjustments for:		
Amortisation of intangible assets	1	1
Depreciation of equipment	93	96
Depreciation of right-of-use asset	175	173
Net fair value gain on financial assets	(27,336)	(4,417)
Effect of exchange rate changes	(234)	121
Distribution income	(3,925)	-
Interest income	(478)	(2,128)
Dividend income	(1,599)	(2,219)
Finance cost	11	3
Share of result of a joint venture	(6)	572
Operating loss before changes in working capital	(4,366)	(3,810)
Changes in working capital:		
Net changes in receivables	903	(1,126)
Net changes in payables	(4,373)	4,718
Proceeds from disposal of investment securities	47,559	127,590
Distribution income from investment in fund	3,925	-
Proceeds from notes receivable	-	1,034
Additions in investment securities	(44,726)	(121,470)
Additions in investment in funds	(5,320)	(17,196)
Additions in notes receivable	-	(5,606)
Net cash used in operations	(6,398)	(15,866)
Dividends received	1,697	2,220
Interest received	175	750
Income tax paid	(663)	(394)
Net cash used in operating activities	(5,189)	(13,290)
CASH FLOWS FROM INVESTING ACTIVITIES		
Withdrawal from cash management fund	2,963	7,028
Purchase of equipment	(8)	(11)
Net cash generated from investing activities	2,955	7,017

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE QUARTER ENDED 31 DECEMBER 2021**

		Year-To-Date ended	
		31.12.2021	31.12.2020
	Note	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITY			
Payment of lease liability, representing net cash used in financing activity		(182)	(175)
Net decrease in cash and cash equivalents		(2,416)	(6,448)
Effect of exchange rate changes		44	29
Cash and cash equivalents at beginning of period		6,937	13,356
Cash and cash equivalents at end of period	A8	4,565	6,937

(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 FOURTH QUARTER ENDED 31 DECEMBER 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 FOURTH QUARTER ENDED 31 DECEMBER 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 December 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 01.01.2021/31.12.2021	1,151,800	-	-	0.56	646,527

6. Dividend Paid

No dividend was paid for the current quarter and year to date ended 31 December 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 FOURTH QUARTER ENDED 31 DECEMBER 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 December 2021				
Income				
External income	31,078	2,260	-	33,338
Inter-segment income	1,065	2,947	(4,012)	-
Total	<u>32,143</u>	<u>5,207</u>	<u>(4,012)</u>	<u>33,338</u>
Results				
Profit from operations with external parties	27,289	8,138	(6,490)	28,937
Add : Inter-segment income	1,065	2,947	(4,012)	-
Less : Inter-segment expenses	(1,965)	(47)	2,012	-
Segment results	<u>26,389</u>	<u>11,038</u>	<u>(8,490)</u>	<u>28,937</u>
Finance cost				(11)
Share of result of a joint venture				<u>6</u>
Profit before tax				<u>28,932</u>
Tax benefit				<u>205</u>
Profit for the period attributable to the owners of the Company				<u><u>29,137</u></u>

Preceding year to date ended 31 December 2020

Income				
External income	8,365	400	-	8,765
Inter-segment income	42	4,780	(4,822)	-
Total	<u>8,407</u>	<u>5,180</u>	<u>(4,822)</u>	<u>8,765</u>
Results				
Profit from operations with external parties	4,778	2,585	(2,800)	4,563
Add : Inter-segment income	42	1,980	(2,022)	-
Less : Inter-segment expenses	(2,001)	(21)	2,022	-
Segment results	<u>2,819</u>	<u>4,544</u>	<u>(2,800)</u>	<u>4,563</u>
Finance cost				(3)
Share of result of a joint venture				<u>(572)</u>
Profit before tax				<u>3,988</u>
Tax expense				<u>(44)</u>
Profit for the period attributable to the owners of the Company				<u><u>3,944</u></u>

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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>31.12.2021</u> RM'000	As at <u>31.12.2020</u> RM'000
Cash and cash equivalents	4,565	6,937
Cash Management Fund	7,039	10,001
	<u>11,604</u>	<u>16,938</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 FOURTH QUARTER ENDED 31 DECEMBER 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 31.12.2021 RM'000	Comparative quarter ended 31.12.2020 RM'000	Changes %	Current year to date ended 31.12.2021 RM'000	Comparative year to date ended 31.12.2020 RM'000	Changes %
Income	12,739	9,391	36	33,338	8,765	280
Profit before tax	11,255	8,243	37	28,932	3,988	625
Profit after tax	11,513	8,053	43	29,137	3,944	639
Profit attributable to owners of the Company	11,513	8,053	43	29,137	3,944	639

The Group registered a profit after tax of RM29.14 million for the year ended 31 December 2021 as compared to RM3.94 million for the preceding year ended 31 December 2020. This was mainly due to the net income of RM32.79 million generated from the private equity portfolio. During the same period, the public equity portfolio reported a net income of RM0.56 million resulting from dividend income after partially offset by fair value losses arising mainly from our investments in the Hong Kong and Malaysian markets.

For the current quarter under review, the Group registered a profit after tax of RM11.51 million as compared to RM8.05 million of the corresponding quarter in 2020. This was mainly due to distribution income from investment in fund of RM3.93 million and fair value gain on financial assets of RM8.65 million in the current quarter under review.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

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

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

Financial review

	Current quarter ended 31.12.2021 RM'000	Immediate preceding quarter ended 30.09.2021 RM'000	Changes %
Income	12,739	8,483	50
Profit before tax	11,255	7,407	52
Profit after tax	11,513	7,363	56
Profit attributable to owners of the Company	11,513	7,363	56

The Group reported higher contributions for the current quarter as compared to the immediate preceding quarter. The higher income and profit were attributed to the distribution income from investment in fund of RM3.93 million.

3. Future prospects and progress on previously announced financial estimate

(a) Future prospects

This year began with record cases of Covid-19 infections globally mainly caused by the emergence of the more infectious but less severe Omicron variant. Despite this, many economies have been reopening with no major disruptions except for China which is still adopting the zero Covid-19 policy. This Chinese policy has impacted the global supply chain as the country is the world's largest manufacturer. On the geopolitical front, the escalating tension in Europe between Russia and Ukraine are causing bouts of volatility in the global equity market and pushing crude oil price higher.

Meanwhile, inflation will remain a continuing concern in the coming months resulting from unresolved supply chain issues, increasing commodity prices and labour shortages. The US Federal Reserve (US Fed) and other major central banks will continue taking measures to tighten liquidity and raise interest rates to control inflation while minimising the impact on economic growth. These measures would be impacted in the event the Russian invasion of Ukraine ignites a wider conflagration.

On a base case scenario for the year ahead, we project the global economy to continue opening up, shoring up confidence for new businesses to be set up and thus translating into a stronger investment pipeline for our private portfolio. With strong continued interest in the alternative investment space, we expect the benefit of upward revaluations to our current portfolio contributing to a positive performance in 2022. Meanwhile, we are cautiously optimistic on the performance of our public portfolio performance.

(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.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

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

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.

6. Net fair value gain on financial assets

	Current year to date ended <u>31.12.2021</u> RM’000	Comparative year to date ended <u>31.12.2020</u> RM’000
Proceeds from disposal of investments	47,559	127,590
Less: Cost of investment	(34,726)	(120,137)
Gain on disposal of investments	<u>12,833</u>	<u>7,453</u>
Less: Fair value recognised in prior year for realised investments	(15,126)	(6,788)
Fair value recognised in current year for realised investments	(2,293)	665
Add: Fair value recognised in current year for unrealised investments	<u>29,629</u>	<u>3,752</u>
Net fair value gain on financial assets	<u><u>27,336</u></u>	<u><u>4,417</u></u>

7. Profit before tax

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

	Current year to date ended <u>31.12.2021</u> RM’000	Comparative year to date ended <u>31.12.2020</u> RM’000
Interest income	(478)	(2,128)
Dividend income	(1,599)	(2,219)
Distribution income	(3,925)	-
Finance cost	11	3
Net fair value gain on financial assets	(27,336)	(4,417)
Depreciation and amortisation	94	97
Depreciation of right-of-use asset	175	173
Other income	-	(1)
Net foreign exchange gain	<u>(360)</u>	<u>(115)</u>

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 benefit/(expense)

	Current quarter ended <u>31.12.2021</u> RM'000	Comparative quarter ended <u>31.12.2020</u> RM'000	Current year to date ended <u>31.12.2021</u> RM'000	Comparative year to date ended <u>31.12.2020</u> RM'000
Provision for the current quarter/period to date:				
Malaysian income tax	(633)	(69)	(989)	(418)
Under provision for prior year	-	-	(3)	(1)
Deferred tax	891	(121)	1,197	375
	<u>258</u>	<u>(190)</u>	<u>205</u>	<u>(44)</u>

The deferred tax benefit for the current quarter ended 31 December 2021 of RM0.89 million mainly arose from fair value changes on financial assets.

9. Corporate proposals

Status of corporate proposals announced but not completed as at 23 February 2022 (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 23 February 2022.

10. Borrowings

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

11. Material litigation

As at 23 February 2022 (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

The Board of Directors recommends a final single-tier dividend of 2.0 sen (31 December 2020: Nil) per ordinary share for the year ended 31 December 2021. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting. The entitlement date for the final single-tier dividend shall be determined later by the Board of Directors.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 per share attributable to owners of the Company**

	Current quarter ended <u>31.12.2021</u>	Comparative quarter ended <u>31.12.2020</u>	Current year to ended <u>31.12.2021</u>	Comparative year to ended <u>31.12.2020</u>
Basic earnings per share				
Earnings attributable to owners of the Company (RM'000)	11,513	8,053	29,137	3,944
Weighted average number of ordinary shares in issue ('000 shares)	196,445	196,445	196,445	196,445
Basic earnings per share (sen)	<u>5.86</u>	<u>4.10</u>	<u>14.83</u>	<u>2.01</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
23 February 2022