

OSK VENTURES INTERNATIONAL BERHAD 200301033696 (636117-K)**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022**
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2022

		(Audited)
	Note	As at 31.12.2021
		As at 30.06.2022
		RM'000
ASSETS		
Equipment		335
Intangible assets		2
Investment in joint venture		376
Investment securities		168,948
Investment in funds		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
		222,409
LIABILITIES		
Deferred tax liability		559
Trade and sundry payables		1,510
Tax payable		398
Lease liability		354
TOTAL LIABILITIES		2,821
		7,850
EQUITY		
Share capital		186,267
Treasury shares, at cost	A5	(647)
		185,620
Reserves		27,691
TOTAL EQUITY		213,311
		214,559
TOTAL LIABILITIES AND EQUITY		216,132
		222,409
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 2021 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS AND STATEMENTS OF
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2022

		Current quarter ended 30.06.2022	Comparative quarter ended 30.06.2021	Current year to date ended 30.06.2022	Comparative year to date ended 30.06.2021
	Note	RM'000	RM'000	RM'000	RM'000
Income					
Net fair value (loss)/gain on financial assets	B6	(3,222)	1,810	6,093	10,677
Interest income		187	127	302	280
Dividend income		148	842	677	1,159
		<u>(2,887)</u>	<u>2,779</u>	<u>7,072</u>	<u>12,116</u>
Expense					
Staff expenses		(769)	(781)	(1,632)	(1,515)
Net foreign exchange gain		245	7	400	449
Administrative expenses		(408)	(417)	(807)	(751)
		<u>(932)</u>	<u>(1,191)</u>	<u>(2,039)</u>	<u>(1,817)</u>
Operating (loss)/profit		(3,819)	1,588	5,033	10,299
Finance cost		(2)	(3)	(4)	(6)
Share of result of a joint venture		35	(6)	63	(23)
(Loss)/profit before tax	B7	(3,786)	1,579	5,092	10,270
Income tax benefit/(expense)	B8	8	527	85	(9)
(Loss)/profit after tax for the period, representing total comprehensive (loss)/income for the period, net of tax		(3,778)	2,106	5,177	10,261
(Loss)/profit attributable to: Owners of the Company		<u>(3,778)</u>	<u>2,106</u>	<u>5,177</u>	<u>10,261</u>
(Loss)/earnings per share attributable to owners of the Company (sen):					
Basic	B13	<u>(1.92)</u>	1.07	<u>2.64</u>	5.22

(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 2021 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2022

	Attributable to owners of the Company			Total equity
	Share capital	Treasury shares	Reserves	
	RM'000	RM'000	RM'000	
As at 01.01.2022	186,267	(647)	27,691	213,311
Total comprehensive income	-	-	5,177	5,177
Dividends paid to shareholders	-	-	(3,929)	(3,929)
Total transactions with owners	-	-	(3,929)	(3,929)
As at 30.06.2022	186,267	(647)	28,939	214,559
As at 01.01.2021	186,267	(647)	(1,445)	184,175
Total comprehensive income	-	-	10,261	10,261
As at 30.06.2021	186,267	(647)	8,816	194,436

(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 2021 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2022

	Year-To-Date ended	
	30.06.2022	30.06.2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	5,092	10,270
Adjustments for:		
Amortisation of intangible assets	1	1
Depreciation of equipment	47	46
Depreciation of right-of-use asset	87	87
Equipment written off	3	-
Net fair value gain on financial assets	(6,093)	(10,677)
Effect of exchange rate changes	(175)	(362)
Interest income	(302)	(280)
Dividend income	(677)	(1,159)
Finance cost	4	6
Share of result of a joint venture	(63)	23
Operating loss before changes in working capital	(2,076)	(2,045)
Changes in working capital:		
Net changes in receivables	103	1,038
Net changes in payables	5,641	(5,294)
Proceeds from disposal of investment securities	49,393	27,065
Capital repayment from Funds	391	-
Additions in investment securities	(32,585)	(27,696)
Additions in investment in funds	(80)	(147)
Additions in notes receivables	(1,050)	-
Net cash generated from/(used in) operations	19,737	(7,079)
Dividends received	677	1,155
Interest received	107	120
Income tax paid	(490)	(213)
Net cash generated from/(used in) operating activities	20,031	(6,017)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Additions)/withdrawal from cash management fund	(836)	1,683
Purchase of equipment	(17)	(8)
Net cash (used in)/generated from investing activities	(853)	1,675
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	(3,929)	-
Payment of lease liability	(91)	(91)
Net cash used in financing activities	(4,020)	(91)

**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE QUARTER ENDED 30 JUNE 2022**

	Note	Year-To-Date Ended	
		30.06.2022	30.06.2021
		RM'000	RM'000
Net increase/(decrease) in cash and cash equivalents		15,158	(4,433)
Effect of exchange rate changes		175	112
Cash and cash equivalents at beginning of the period		4,565	6,937
Cash and cash equivalents at end of the period	A8	19,898	2,616

(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 2021 and the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

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 2021, 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 2021 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 2021.

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 2021, except for the adoption of the MFRSs, Amendments and Annual Improvements to Standards effective as of 1 January 2022.

Effective for annual periods commencing on or after 1 January 2022

The Group has adopted the following MFRSs and Amendments to MFRSs effective as of 1 January 2022.

MFRS 1, MFRS 9, MFRS 16 and MFRS 141	Annual Improvement to MFRS Standards 2018 - 2020
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract

The adoption of the above MFRSs and 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 SECOND QUARTER ENDED 30 JUNE 2022

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 30 June 2022. 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 01.01.2022/30.06.2022	1,151,800	-	-	0.56	646,527

6. Dividend Paid

On 25 May 2022, the Company paid a final single-tier dividend of 2.0 sen per ordinary share amounting to RM3.93 million in respect of financial year 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 SECOND QUARTER ENDED 30 JUNE 2022
**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 30 June 2022				
Income				
External income	5,647	1,425	-	7,072
Inter-segment income	672	237	(909)	-
Total	<u>6,319</u>	<u>1,662</u>	<u>(909)</u>	<u>7,072</u>
Results				
Profit from operations with external parties	3,967	1,066	-	5,033
Add : Inter-segment income	672	237	(909)	-
Less : Inter-segment expenses	(879)	(30)	909	-
Segment results	<u>3,760</u>	<u>1,273</u>	<u>-</u>	<u>5,033</u>
Finance cost				(4)
Share of result of a joint venture				<u>63</u>
Profit before tax				5,092
Tax benefit				<u>85</u>
Profit for the period attributable to the owners of the Company				<u><u>5,177</u></u>
Preceding year to date ended 30 June 2021				
Income				
External income	11,149	967	-	12,116
Inter-segment income	151	2,595	(2,746)	-
Total	<u>11,300</u>	<u>3,562</u>	<u>(2,746)</u>	<u>12,116</u>
Results				
Profit from operations with external parties	9,659	7,920	(7,280)	10,299
Add : Inter-segment income	151	2,595	(2,746)	-
Less : Inter-segment expenses	(731)	(15)	746	-
Segment results	<u>9,079</u>	<u>10,500</u>	<u>(9,280)</u>	<u>10,299</u>
Finance cost				(6)
Share of result of a joint venture				<u>(23)</u>
Profit before tax				10,270
Tax expense				<u>(9)</u>
Profit for the period attributable to the owners of the Company				<u><u>10,261</u></u>

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022**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>30.06.2022</u> RM'000	As at <u>31.12.2021</u> RM'000	As at <u>30.06.2021</u> RM'000
Cash and cash equivalents	19,898	4,565	2,616
Cash Management Fund	7,875	7,039	8,318
	<u>27,773</u>	<u>11,604</u>	<u>10,934</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 2022
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 30.06.2022 RM'000	Comparative quarter ended 30.06.2021 RM'000	Changes %	Current year to date ended 30.06.2022 RM'000	Comparative year to date ended 30.06.2021 RM'000	Changes %
Income	(2,887)	2,779	(204)	7,072	12,116	(42)
(Loss)/profit before tax	(3,786)	1,579	(340)	5,092	10,270	(50)
(Loss)/profit after tax	(3,778)	2,106	(279)	5,177	10,261	(50)
(Loss)/profit attributable to owners of the Company	(3,778)	2,106	(279)	5,177	10,261	(50)

The Group registered a profit after tax of RM5.18 million for the six months ended 30 June 2022 as compared to RM10.26 million for the preceding six months ended 30 June 2021. The lower profit after tax was mainly due to fair value losses arising from our public equity portfolio.

For the current quarter under review, the Group registered a loss after tax of RM3.78 million as compared to a profit after tax of RM2.11 million of the corresponding quarter in 2021. The current quarter losses was mainly due to downward valuation in both public and private equity portfolios.

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

	Current quarter ended 30.06.2022 RM'000	Immediate preceding quarter ended 31.03.2022 RM'000	Changes %
Income	(2,887)	9,959	(129)
(Loss)/profit before tax	(3,786)	8,878	(143)
(Loss)/profit after tax	(3,778)	8,955	(142)
(Loss)/profit attributable to owners of the Company	(3,778)	8,955	(142)

The Group recorded a loss before tax of RM3.79 million in the current quarter as compared to a profit before tax of RM8.88 million in the immediate preceding quarter. The losses were attributed to the downward valuation in both public and private equity portfolios.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

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

With the markets downturn reflecting investor pullbacks amidst the heightened geopolitical risks, inflationary pressures and tightening monetary environment, we take a cautious approach to our public equity portfolio to ride out the volatility for the current year ahead. Our private investment portfolio in the meantime will have new investments completed by December 2022 and we expect to achieve satisfactory results for the current 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.

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

	Current period ended <u>30.06.2022</u> RM’000	Comparative period ended <u>30.06.2021</u> RM’000
Proceeds from disposal of investment securities	49,393	27,065
Less: Cost of investment	(46,564)	(14,905)
Gain on disposal	<u>2,829</u>	<u>12,160</u>
Less: Fair value gain recognised in prior year for realised investments	(7,447)	(10,593)
Fair value (loss)/gain recognised in current year for realised investments	<u>(4,618)</u>	<u>1,567</u>
Add: Fair value gain recognised in current year for unrealised investments	<u>10,711</u>	<u>9,110</u>
Net fair value gain on financial assets	<u><u>6,093</u></u>	<u><u>10,677</u></u>

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022

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>30.06.2022</u> RM'000	Comparative period ended <u>30.06.2021</u> RM'000
Interest income	(302)	(280)
Dividend income	(677)	(1,159)
Finance cost	4	6
Net fair value gain on financial assets	(6,093)	(10,677)
Depreciation and amortisation	48	47
Depreciation of right-of-use asset	87	87
Net foreign exchange gain	(400)	(449)

8. Income tax benefit/(expense)

	Current quarter ended <u>30.06.2022</u> RM'000	Comparative quarter ended <u>30.06.2021</u> RM'000	Current period ended <u>30.06.2022</u> RM'000	Comparative period ended <u>30.06.2021</u> RM'000
Provision for the current quarter/period to date:				
Malaysian income tax	(53)	(75)	(474)	(136)
Under provision for prior year	-	(3)	-	(3)
Deferred tax	61	605	559	130
	<u>8</u>	<u>527</u>	<u>85</u>	<u>(9)</u>

The deferred tax benefit for the current quarter ended 30 June 2022 of RM0.06 million mainly arose from fair value changes on financial assets.

9. Corporate proposals

Status of corporate proposals announced but not completed as at 22 August 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 22 August 2022.

10. Borrowings

As at 30 June 2022, there were no borrowings outstanding and the Group had not issued any debt securities.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2022**PART B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for ACE Market****11. Material litigation**

As at 22 August 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 declaration

At the Annual General Meeting held on 27 April 2022, the shareholders have approved a final single-tier dividend of 2.0 sen per ordinary share for the financial year ended 31 December 2021. The dividend was paid on 25 May 2022.

No interim dividend was declared for the current quarter.

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

	Current quarter ended <u>30.06.2022</u>	Comparative quarter ended <u>30.06.2021</u>	Current period ended <u>30.06.2022</u>	Comparative period ended <u>30.06.2021</u>
Basic (loss)/earnings per share				
(Loss)/earnings attributable to owners of the Company (RM'000)	(3,778)	2,106	5,177	10,261
Weighted average number of ordinary shares in issue ('000 shares)	196,445	196,445	196,445	196,445
Basic (loss)/earnings per share (sen)	<u>(1.92)</u>	<u>1.07</u>	<u>2.64</u>	<u>5.22</u>

14. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the financial year ended 31 December 2021 was unqualified.

By Order of the Board

ONG YEE MIN
Executive Director / Chief Executive Officer

Kuala Lumpur
22 August 2022