

# OSK VENTURES INTERNATIONAL BERHAD 200301033696 (636117-K)

## QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023

		(Audited)
	Note	As at 31.12.2022
		As at 31.03.2023
		RM'000
		RM'000
<b>ASSETS</b>		
Equipment		243
Intangible assets		4
Investment in joint venture		490
Investments held at fair value through profit or loss:		
- Investment securities		180,782
- Investment in funds		36,098
- Notes receivables		11,362
Other receivables		73
Prepayments		250
Tax recoverable		72
Right-of-use asset		131
Cash, bank balances and cash management fund	A8	4,445
<b>TOTAL ASSETS</b>		<b>233,950</b>
<b>LIABILITIES</b>		
Trade and other payables		1,134
Tax payable		-
Lease liability		135
<b>TOTAL LIABILITIES</b>		<b>1,269</b>
<b>EQUITY</b>		
Share capital		186,267
Treasury shares, at cost	A5	(647)
		185,620
Reserves		47,061
<b>TOTAL EQUITY</b>		<b>232,681</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>233,950</b>
Net assets per share (RM)		1.18
		1.16

(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 2022 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**  
**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS AND STATEMENTS OF**  
**COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2023**

	Note	Quarter and Year-To-Date Ended	
		31.03.2023	31.03.2022
		RM'000	RM'000
<b>Income</b>			
Net fair value gain on financial assets	B6	5,126	9,315
Interest income		223	115
Dividend income		41	529
Other income		68	-
		<u>5,458</u>	<u>9,959</u>
<b>Expense</b>			
Staff expenses		(715)	(863)
Net foreign exchange (loss)/gain		(40)	155
Administrative expenses		(407)	(399)
		<u>(1,162)</u>	<u>(1,107)</u>
<b>Operating profit</b>		<b>4,296</b>	<b>8,852</b>
Finance cost		(1)	(2)
Share of result of a joint venture		38	28
<b>Profit before tax</b>	B7	<b>4,333</b>	<b>8,878</b>
Income tax (expense)/benefit	B8	(35)	77
<b>Profit after tax for the period, representing total comprehensive income for the period, net of tax</b>		<b><u>4,298</u></b>	<b><u>8,955</u></b>
Profit attributable to: Owners of the Company		<b><u>4,298</u></b>	<b><u>8,955</u></b>
<b>Earnings per share attributable to owners of the Company (sen):</b>			
Basic	B13	<b><u>2.19</u></b>	<b><u>4.56</u></b>

(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 2022 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023  
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2023**

	<b>Attributable to owners of the Company</b>			<b>Total equity</b>
	<b>Share capital</b>	<b>Treasury shares</b>	<b>Reserves</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
<b>As at 01.01.2023</b>	<b>186,267</b>	<b>(647)</b>	<b>42,763</b>	<b>228,383</b>
Total comprehensive income	-	-	<b>4,298</b>	<b>4,298</b>
<b>As at 31.03.2023</b>	<b>186,267</b>	<b>(647)</b>	<b>47,061</b>	<b>232,681</b>
As at 01.01.2022	186,267	(647)	27,691	213,311
Total comprehensive income	-	-	8,955	8,955
As at 31.03.2022	186,267	(647)	36,646	222,266

(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 2022 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 MARCH 2023**

	<b>Year-To-Date Ended</b>	
	<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>4,333</b>	8,878
Adjustments for:		
Amortisation of intangible assets	*	*
Depreciation of equipment	<b>23</b>	24
Equipment written off	<b>3</b>	1
Depreciation of right-of-use asset	<b>44</b>	44
Net fair value gain on financial assets	<b>(5,126)</b>	(9,315)
Effect of exchange rate changes	<b>(110)</b>	(120)
Interest income	<b>(223)</b>	(115)
Dividend income	<b>(41)</b>	(529)
Finance cost	<b>1</b>	2
Share of result of a joint venture	<b>(38)</b>	(28)
Operating loss before changes in working capital	<b>(1,134)</b>	(1,158)
Changes in working capital:		
Net changes in receivables	<b>(82)</b>	(172)
Net changes in payables	<b>(45)</b>	(124)
Proceeds from disposal of investment securities	-	35,977
Capital return from investment in fund	-	6
Additions in investment securities	-	(21,868)
Additions in investment in funds	<b>(1,256)</b>	-
Additions in notes receivable	<b>(1,100)</b>	(1,050)
Net cash (used in)/generated from operations	<b>(3,617)</b>	11,611
Dividends received	<b>41</b>	410
Interest received	<b>47</b>	45
Income tax paid	<b>(109)</b>	(318)
Net cash (used in)/generated from operating activities	<b>(3,638)</b>	11,748
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in cash management fund	<b>(78)</b>	(8,083)
Purchase of equipment	<b>(6)</b>	(10)
Net cash used in investing activities	<b>(84)</b>	(8,093)

\* Denotes amount less than RM1,000.

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)**  
**FOR THE QUARTER ENDED 31 MARCH 2023**

	<b>Year-To-Date Ended</b>	
	<b>31.03.2023</b>	<b>31.03.2022</b>
Note	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Payment of lease liability, representing net cash used in financing activity	(45)	(45)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,767)</b>	<b>3,610</b>
Effect of exchange rate changes	110	120
<b>Cash and cash equivalents at beginning of period</b>	<b>3,707</b>	<b>4,565</b>
<b>Cash and cash equivalents at end of period</b>	<b>50</b>	<b>8,295</b>
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 2022 and the accompanying explanatory notes attached to these interim financial statements)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

**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 2022, 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 2022 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 2022.

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 2022, except for the adoption of the MFRSs, Amendments and Annual Improvements to Standards effective as of 1 January 2023.

**Effective for annual periods commencing on or after 1 January 2023**

The Group has adopted the following MFRSs and Amendments to MFRSs effective as of 1 January 2023.

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax Related to Assets and Liabilities arising from a Single Transaction

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 valuation of 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 2023**

**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, other than in relation to valuation of investments.

**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 2023. 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 01.01.2023/31.03.2023	1,151,800	-	-	0.56	646,527

**6. Dividend Paid**

There was no dividend paid during the current quarter and year to date ended 31 March 2023. At the Annual General Meeting held on 17 April 2023, the shareholders have approved a final single-tier dividend of 2.0 sen per ordinary share for the financial year ended 31 December 2022. The dividend was paid on 16 May 2023.

**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 2023**
**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134")  
Interim Financial Reporting**
**7. Segmental information (cont'd)**
**(a) 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
<b>Current year-to-date ended 31 March 2023</b>				
<b>Income</b>				
External income	5,128	330	-	<b>5,458</b>
Inter-segment income	403	298	(701)	-
Total	<u>5,531</u>	<u>628</u>	<u>(701)</u>	<u><b>5,458</b></u>
<b>Results</b>				
Profit from operations with external parties	4,168	128	-	<b>4,296</b>
Add : Inter-segment income	403	298	(701)	-
Less : Inter-segment expenses	(594)	(107)	701	-
Segment results	<u>3,977</u>	<u>319</u>	-	<b>4,296</b>
Finance cost				<b>(1)</b>
Share of result of a joint venture				<b>38</b>
Profit before tax				<u><b>4,333</b></u>
Tax expense				<u><b>(35)</b></u>
<b>Profit for the period attributable to the owners of the Company</b>				<u><u><b>4,298</b></u></u>
<b>Preceding year-to-date ended 31 March 2022</b>				
<b>Income</b>				
External income	9,624	335	-	9,959
Inter-segment income	521	123	(644)	-
Total	<u>10,145</u>	<u>458</u>	<u>(644)</u>	<u>9,959</u>
<b>Results</b>				
Profit from operations with external parties	8,699	153	-	8,852
Add : Inter-segment income	521	123	(644)	-
Less : Inter-segment expenses	(627)	(17)	644	-
Segment results	<u>8,593</u>	<u>259</u>	-	8,852
Finance cost				(2)
Share of result of a joint venture				28
Profit before tax				<u>8,878</u>
Tax benefit				<u>77</u>
<b>Profit for the period attributable to the owners of the Company</b>				<u><u>8,955</u></u>



**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

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

**7. Segmental information (cont'd)**

**(a) Business Segments (cont'd)**

	Public investment, venture capital and private equity <u>businesses</u> RM'000	Holding <u>entity</u> RM'000	<u>Consolidated</u> RM'000
<b>Assets and Liabilities as at 31 March 2023</b>			
Segmental assets	203,937	30,013	233,950
Segmental liabilities	883	386	1,269
<b>Assets and Liabilities as at 31 March 2022</b>			
Segmental assets	197,693	26,842	224,535
Segmental liabilities	1,919	350	2,269

**(b) 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>31.03.2023</u> RM'000	As at <u>31.12.2022</u> RM'000	As at <u>31.03.2022</u> RM'000
Cash and cash equivalents	50	3,707	8,295
Cash Management Fund	4,395	4,317	15,121
	4,445	8,024	23,416

**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 2023**

**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 31.03.2023 RM'000	Comparative quarter ended 31.03.2022 RM'000	Changes %
Income	5,458	9,959	(45)
Profit before tax	4,333	8,878	(51)
Profit after tax	4,298	8,955	(52)
Profit attributable to owners of the Company	4,298	8,955	(52)

The Group registered a profit after tax of RM4.30 million for the three months ended 31 March 2023 as compared to RM8.96 million for the corresponding quarter ended 31 March 2022. This was mainly due to lower fair value gain on financial assets of RM5.13 million as compared to RM9.32 million of the corresponding quarter ended 31 March 2022.

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

**Financial review**

	Current quarter ended 31.03.2023 RM'000	Immediate preceding quarter ended 31.12.2022 RM'000	Changes %
Income	5,458	5,222	5
Profit before tax	4,333	3,659	18
Profit after tax	4,298	3,641	18
Profit attributable to owners of the Company	4,298	3,641	18

The Group reported higher profit before tax for the current quarter as compared to the immediate preceding quarter. This was mainly due to higher valuation gain contributed from the private equity portfolio.

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

**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**

Notwithstanding the surge in consumer spending causing an optimistic tone, longer term concerns surrounding the banking industry, inflation and geopolitical risks continue to set the scene for businesses working hard to shore up capital for rainy days ahead. Our portfolio remains resilient given the strong market positioning and growth across the underlying digitalisation megatrend and our investment pipeline will convert into a number of good additions within the enterprise technology sector by the end of the year. As we ride on the tailwinds of investor interests in the alternative asset class, we are cautiously optimistic for our performance in 2023.

**(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 gain on financial assets**

	Quarter and Year-To-Date Ended	
	<u>31.03.2023</u>	<u>31.03.2022</u>
	RM’000	RM’000
Proceeds from disposal of investments	-	35,977
Less: Cost of investment	-	(33,100)
Gain on disposal of investments	-	2,877
Less: Fair value gain recognised in prior year for realised investments	-	(7,196)
Fair value loss recognised in current year for realised investments	-	(4,319)
Add: Fair value gain recognised in current year for unrealised investments	5,126	13,634
Net fair value gain on financial assets	<u>5,126</u>	<u>9,315</u>

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

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

**7. Profit before tax**

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

	Quarter and Year-To-Date Ended	
	<u>31.03.2023</u>	<u>31.03.2022</u>
	RM'000	RM'000
Net fair value gain on financial assets	(5,126)	(9,315)
Interest income	(223)	(115)
Dividend income	(41)	(529)
Other income	(68)	-
Finance cost	1	2
Equipment written off	3	1
Depreciation and amortisation	23	24
Depreciation of right-of-use asset	44	44
Net foreign exchange loss/(gain)	40	(155)

**8. Income tax (expense)/benefit**

	Quarter and Year-To-Date Ended	
	<u>31.03.2023</u>	<u>31.03.2022</u>
	RM'000	RM'000
Provision for the current quarter/period to date:		
Malaysian income tax	(35)	(421)
Deferred tax	-	498
	<u>(35)</u>	<u>77</u>

**9. Corporate proposals**

**Status of corporate proposals announced but not completed as at 10 May 2023 (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 10 May 2023.

**10. Borrowings**

As at 31 March 2023, there were no borrowings outstanding and the Group had not issued any debt securities.

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023****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 10 May 2023 (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 17 April 2023, the shareholders have approved a final single-tier dividend of 2.0 sen per ordinary share for the financial year ended 31 December 2022. The dividend was paid on 16 May 2023.

No interim dividend was declared for the current quarter ended 31 March 2023.

**13. Earnings per share attributable to owners of the Company**

	Quarter and Year-To-Date Ended	
	<u>31.03.2023</u>	<u>31.03.2022</u>
<b>Basic earnings per share</b>		
Earnings attributable to owners of the Company (RM'000)	4,298	8,955
Weighted average number of ordinary shares in issue ('000 shares)	196,445	196,445
Basic earnings per share (sen)	<u>2.19</u>	<u>4.56</u>

**14. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2022 was unqualified.

**By Order of the Board**

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**ONG YEE MIN**  
**Executive Director/Chief Executive Officer**

Kuala Lumpur  
17 May 2023