

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED
31 MARCH 2014**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER
COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 31-Mar-14 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31-Mar-13 RM'000	CURRENT PERIOD TO DATE ENDED 31-Mar-14 RM'000	PRECEDING PERIOD TO DATE ENDED 31-Mar-13 RM'000
Revenue	36,604	30,643	36,604	30,643
Cost of sales	(26,925)	(22,979)	(26,925)	(22,979)
Gross profit	9,679	7,664	9,679	7,664
Other income	414	512	414	512
Administrative expenses	(3,441)	(4,006)	(3,441)	(4,006)
Operating profit	6,652	4,170	6,652	4,170
Depreciation expenses	(854)	(390)	(854)	(390)
Finance costs	(1,273)	(542)	(1,273)	(542)
Profit before tax	4,525	3,238	4,525	3,238
Taxation	(1,093)	(810)	(1,093)	(810)
Profit for the financial period	3,432	2,428	3,432	2,428
Other comprehensive income, net of tax Foreign currency translation differences for foreign operations	-	-	-	-
Total comprehensive income for the financial period	3,432	2,428	3,432	2,428
Total comprehensive income attributable to the:				
Owners of the company	3,056	2,164	3,056	2,164
Non-controlling interests	376	264	376	264
	3,432	2,428	3,432	2,428
Weighted average no.of ordinary shares in issue ('000)	284,900	259,000	284,900	259,000
Profit per share attributable to equity holders of the Company:				
a) Basic (sen) *	1.07	0.84	1.07	0.84
b) Diluted (sen)	1.07	0.84	1.07	0.84

Notes:

* Basic earnings per share for the quarter and financial period is calculated based on the net profit divided by the weighted average number of ordinary shares for the quarter and financial period respectively.

(1) The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2014

	UNAUDITED	AUDITED
	As at	As at
	31-Mar-14	31-Dec-13
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property plant and equipment	69,678	68,200
Current Assets		
Inventories	23,985	18,201
Amount due from customers for contract works	2,994	6,183
Trade and other receivables	62,893	65,559
Fixed deposits placed with licensed banks	8,288	8,227
Cash and bank balances	21,192	16,695
Total Current Assets	119,352	114,865
TOTAL ASSETS	189,030	183,065
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	28,490	28,490
Share premium	26,739	26,739
Revaluation reserve	3,284	3,280
Foreign currency translation reserve	(71)	(25)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Retained earnings	41,110	38,258
	82,545	79,735
Non-controlling interest	4,248	3,934
Total Equity	86,793	83,669
Non Current Liabilities		
Loan and borrowings	24,859	19,512
Deferred tax liabilities	930	937
	25,789	20,449
Current Liabilities		
Amount due to customers for contract works	72	202
Trade and other payables	31,940	35,383
Loan and borrowings	42,612	40,924
Tax payables	1,824	2,438
Total Current Liabilities	76,448	78,947
TOTAL LIABILITIES	102,237	99,396
TOTAL EQUITY AND LIABILITIES	189,030	183,065
Net assets per share attributable to owners of the Company (RM)	0.29	0.28

Notes:

- (1) The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2013 and the accompanying explanatory notes attached to this interim financial statement.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	← Attributable to owners of the Company →								
	Non-distributable					Distributable		Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Reserve arising from the Reserve Acquisition RM'000	Retained Earnings RM'000	Total RM'000		
At 1 January 2013	25,900	17,692	3,349	(14)	(17,007)	25,898	55,818		
Acquisition of subsidiaries	-	-	-	-	-	-	-	147	147
Private placement	2,590	9,583	-	-	-	-	12,173	-	12,173
Share issuance expenses	-	(536)	-	-	-	-	(536)	-	(536)
Dividends (Note 27)	-	-	-	-	-	(1,295)	(1,295)	-	(1,295)
Realisation of revaluation reserve	-	-	(70)	-	-	73	3	-	3
Foreign currency translation	-	-	-	(11)	-	-	(11)	-	(11)
Total comprehensive income for the financial year	-	-	-	-	-	13,582	13,582	1,709	15,291
At 31 December 2013	28,490	26,739	3,279	(25)	(17,007)	38,258	79,734	3,935	83,669
At 1 January 2014									
Acquisition of subsidiaries	-	-	-	-	-	(333)	(333)	-	(333)
Disposal of subsidiaries	-	-	-	-	-	129	129	(63)	66
Realisation of revaluation reserve	-	-	5	-	-	-	5	-	5
Foreign currency translation	-	-	-	(46)	-	-	(46)	-	(46)
Total comprehensive income for the financial period	-	-	-	-	-	3,056	3,056	376	3,432
At 31 March 2014	28,490	26,739	3,284	(71)	(17,007)	41,110	82,545	4,248	86,793

Notes:

- The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	Current Period to Date Ended 31-Mar-14 RM'000	Preceding Period To Date Ended 31-Mar-13 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,525	3,238
Adjustments for:		
Depreciation	854	390
Unrealised loss on foreign currency exchange	(1)	(10)
Gain on disposal of a subsidiary	(212)	-
Interest expenses	1,273	542
Interest income	(62)	(27)
	<u>6,377</u>	<u>4,133</u>
Changes in working capital		
Inventories	(6,951)	96
Receivables	2,950	(4,153)
Payables	(3,525)	(5,967)
Amount due from customer for contract works	4,100	(108)
	<u>2,951</u>	<u>(5,999)</u>
Tax paid	(1,714)	(384)
Interests paid	(12)	(14)
Interests received	62	27
Net cash flows from operating activities	<u>1,287</u>	<u>(6,370)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment	(2,345)	(2,291)
Cash outflow on acquisition of a subsidiary	(333)	-
Capital development expenditure	262	(854)
Disposal of subsidiary	66	-
Net cash flows from investing activities	<u>(2,350)</u>	<u>(3,145)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interests paid	(1,260)	(528)
Fixed deposits held as security values	(54)	(53)
Net change in amount due from a related party	(309)	-
Repayment to the director	-	(4)
Net drawdown of borrowings	7,192	12,875
Net cash flows from financing activities	<u>5,569</u>	<u>12,290</u>
Net Change in cash and cash equivalents	4,506	2,775
Effects of exchange rate changes	42	(11)
Cash and cash equivalents:		
At the beginning of the financial period	17,657	11,938
At the end of the financial period	<u>22,205</u>	<u>14,702</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	21,192	14,702
Fixed deposits	8,288	6,719
	<u>29,480</u>	<u>21,421</u>
Less: Fixed deposits pledged with licensed banks	(7,275)	(6,719)
	<u>22,205</u>	<u>14,702</u>

Note:

- (1) The Condensed Consolidated Statements of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 31 MARCH 2014

A. NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS 134):

A1. Basis of Preparation

These condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B of the Bursa Securities Listing Requirements. The interim financial statements should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

The significant accounting policies and methods adopted for the audited condensed financial statements are consistent with those adopted for the audited financial statements for the FYE 31 December 2013.

A2. Summary of Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the FYE 31 December 2013 except for the newly-issued Malaysian Accounting Standards Board approved accounting framework - Malaysian Financial Reporting Standards (“MFRS”), Amendments to standards and IC Interpretations (“IC Int.”) to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2014:

Amendments/Improvements to MFRSs

MFRS 10, MFRS 12 and MFRS 127	Investment Entities
MFRS 132	Offsetting Financial Assets and Financial Liabilities
MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets
MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Int 21	Levies

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

A3. Auditors’ Report

There was no qualification on the audited financial statements of the Company and its subsidiary companies for the FYE 31 December 2013.

A4. Comments About Seasonal or Cyclical Factors

The Group’s businesses did not experience significant fluctuations due to seasonal or cyclical factors during the current quarter under review.

A5. Items of Unusual Nature and Amount

There were no unusual items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the current quarter under review.

A6. Materials Changes in Estimates

There were no changes in the estimates of amounts reported in prior interim periods that had a material effect in the current quarter under review.

A7. Issuances, Cancellations, Repurchase, Resale and Repayments of Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period-to-date.

A8. Dividends Paid

There is no dividend paid in the current quarter under review.

A9. Segmental Information

The segmental result of the Group for the FPE 31 March 2014 based on segment activities are as follows:-

Individual Quarter 31 March 2014	Telecommunication			M&E	Investment	Network	Eliminate RM'000	Group RM'000
	Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	Engineering Services RM'000	Holding Company RM'000	Facilities Provider RM'000		
Revenue from								
External customers	18,199	12,572	1,509	1,133	-	3,191		36,604
Inter-segment revenue	857	2	148	825	-	-	(1,832)	-
Total Revenue	19,056	12,574	1,657	1,958	-	3,191	(1,832)	36,604
Profit before tax	1,845	664	(163)	640	(71)	1,303	307	4,525
Taxation	(456)	(164)	-	(147)	-	(326)	-	(1,093)
Profit for the financial period	1,389	500	(163)	493	(71)	977	307	3,432

Individual Quarter 31 March 2013	Telecommunication			M&E	Investment	Eliminate RM'000	Group RM'000
	Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	Engineering Services RM'000	Holding Company RM'000		
Revenue from							
External customers	20,903	4,398	3,145	2,197	-		30,643
Inter-segment revenue	863	146	335	1,828	-	(3,172)	-
Total Revenue	21,766	4,544	3,480	4,025	-	(3,172)	30,643
Profit before tax	2,605	122	265	585	(228)	(111)	3,238
Taxation	(604)	(30)	(85)	(91)	-	-	(810)
Profit for the financial period	2,001	92	180	494	(228)	(111)	2,428

The segmental result of the Group for the FPE 31 March 2014 based on geographical segment are as follows:-

Individual Quarter 31 March 2014	Malaysia RM'000	Singapore RM'000	Cambodia RM'000	Myanmar RM'000	Eliminate RM'000	Group RM'000
Revenue from						
External customers	35,825	458	321	-		36,604
Inter-segment revenue	1,832	-	-	-	(1,832)	-
Total Revenue	37,657	458	321	-	(1,832)	36,604
Profit before tax	4,334	(131)	33	(18)	307	4,525
Taxation	(1,093)	-	-	-		(1,093)
Profit for the financial period	3,241	(131)	33	(18)	307	3,432

There is no geographical segmental comparison for the FPE 31 March 2013 as contributions from overseas operations in 2013 are immaterial.

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter under review.

A11. Capital Commitments

There was no capital commitment as at the date of this report.

A12. Material subsequent event

There are no material events subsequent to the end of the current financial quarter under review.

A13. Changes in the Composition of the Group

Save as disclosed below, there are no others changes in the composition of the Group:

(i) Disposal of Smartbean System Sdn Bhd (“Smartbean”)

OCK Group Bhd (“OCK”)’s wholly-owned subsidiary, OCK Setia Engineering Sdn Bhd (“OCK SE”) had on 14 March 2014 disposed of its 51% equity interest in Smartbean, equivalent to 153,000 ordinary shares of RM1.00 each to Mr Chang Chiang Poo and Mr Chan Chow Hoo for a total consideration of Ringgit Malaysia Seventy Eight Thousand and Thirty (RM78,030.00) only (“Disposal”).

Following the Disposal, Smartbean will cease as a subsidiary of OCK SE, and will therefore cease as an indirect subsidiary of OCK.

(ii) Acquisition of Massive Connection Sdn Bhd (“MCSB”)

OCK’s wholly-owned subsidiary, OCK Ventures Sdn Bhd (“OCKVSB”), has on 18 March 2014 completed the acquisition of two (2) ordinary shares of RM1.00 each in MCSB from Yap Kian Mun and Lim Boon Huay for a total cash consideration of RM2.00 (“Acquisition”).

Following the Acquisition, MCSB becomes a wholly-owned subsidiary of OCK. MCSB was incorporated on 6 January 2014 under the Companies Act, 1965 with an authorised share capital of RM400,000.00 comprising 400,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of MCSB of RM2.00 comprising two (2) ordinary shares of RM1.00 each. The intended principal activity of MCSB is providing information technology services.

A14. Contingent Liabilities and Contingent Assets

As at 31March 2014, the contingent liabilities are as follows:

	UNAUDITED	AUDITED
	as at	as at
	31-Mar-14	31-Dec-13
	RM'000	RM'000
Corporate guarantees given by OCK Group Bhd to secure credit facilities granted to:		
- OCK Setia Engineering Sdn Bhd	49,790	49,790
- Steadcom Sdn Bhd	6,300	
- Milab Marketing Sdn Bhd	397	397

A15. Significant Related Party Transaction

Save as disclosed below, there was no other significant related party transactions for the current quarter under review:

Nature of Transactions	UNAUDITED as at 31-Mar-14 RM'000	AUDITED as at 31-Mar-13 RM'000
Consultancy fee	76	45
Equipment rental received	-	(18)
Purchases	-	18
Rental of properties paid	71	71
Sales	(1,550)	-

All the above transactions were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties and in the ordinary course of business of the Group.

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of Performance

For the FPE 31 March 2014, the Group reported revenue of RM36.60 million and profit before taxation (“PBT”) of RM4.53 million. The Group’s core business which comprises telecommunications network services and green energy and power solution whereby each division contributed approximately 49.72% and 34.35% respectively towards the Group’s revenue.

B2. Material Changes in the Current Quarter’s results compared to the results of the immediate Preceding Quarter

Individual quarter ended 31 March 2014								
	Telecommunication			M&E	Investment	Network		
	Network	Green Energy and		Engineering	Holding	Facilities		
	Services	Power Solution	Trading	Services	Company	Provider	Eliminate	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	18,199	12,572	1,509	1,133	-	3,192		36,604
PBT	1,845	664	(163)	640	(71)	1,303	307	4,526

Individual quarter ended 31 Dec 2013								
	Telecommunication			M&E	Investment			
	Network	Green Energy and		Engineering	Holding			
	Services	Power Solution	Trading	Services	Company		Eliminate	Group
	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue	25,098	14,035	1,828	5,235	-			46,196
PBT	6,304	1,135	700	569	(55)		(1,308)	7,345

The total revenue of RM36.60 million recorded for the current quarter was lower by RM9.59 million as compared to the revenue recorded for in the preceding quarter of RM46.19 million mainly due to lower contribution from Telecommunication Network Services segment and also from M&E Engineering Services segment.

The total PBT recorded for the current quarter at RM4.53 million was lower than the immediate preceding quarter of RM7.34 million by RM2.81 million.

Revenue from the telecommunications network services segment decreased by RM6.90 million as compared to the immediate preceding quarter due to less execution work required by the telecommunication operators in the first quarter of 2014. Telecommunication customers are more focused on site planning and site upgrading activities in first quarter of 2014.

Revenue from the green energy and power solutions segment decreased by RM1.46 million as compared to the immediate preceding quarter as the Engineering, Procurement, and Construction of 10MWp Photovoltaic Electric Installation in Sepang was reaching its completion stage in fourth quarter of 2013 and was completed in first quarter of 2014.

The trading segment registered a slight decrease in revenue of RM0.32 million from RM1.83 million in the preceding quarter to RM1.51 million in the current quarter mainly due to less trading activity in the telecommunication network equipment and network security products in Singapore and Malaysia.

The M&E engineering services segment recorded a decrease in revenue from RM5.24 million in the immediate preceding quarter to RM1.13 million in the current quarter, as a result of lower progress billings from on-going projects. However, the PBT increased by RM0.07 million which was contributed from the completion of few projects during current quarter under review.

B2. Material Changes in the Current Period's results compared to the results of the Preceding Period

Period ended 31 March 2014								
	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000	Network Facilities Provider RM'000	Eliminate RM'000	Group RM'000
Revenue	18,199	12,572	1,509	1,133	-	3,192		36,604
PBT	1,845	664	(163)	640	(71)	1,303	307	4,526

Period ended 31 March 2013								
	Telecommunication Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000	M&E Engineering Services RM'000	Investment Holding Company RM'000		Eliminate RM'000	Group RM'000
Revenue	20,903	4,398	3,145	2,197	-			30,643
PBT	2,605	122	265	585	(228)		(111)	3,238

The total revenue of RM36.60 million recorded for the current period was higher by RM5.96 million as compared to the revenue recorded for in the preceding period of RM30.64 million mainly due to higher contribution from green energy and power solution segment and also from network facilities provider Segment.

The total PBT recorded for the current period at RM4.53 million was higher than the preceding period of RM3.24 million by RM1.29 million. It was mainly contributed from better effective cost management.

Revenue from the telecommunications network services segment decreased by RM2.70 million as compared to the preceding period as there were substantial work done and completed in this quarter but pending customers work acceptance for certain projects. In tandem with the decrease in revenue, the PBT for telecommunications network services segment is RM0.76 million lower than the preceding period.

Revenue from the green energy and power solutions segment increased by RM8.17 million as compared to the preceding period due to the completion of the Engineering, Procurement, and Construction of 10MWp Photovoltaic Electric Installation in Sepang and also increase of generator sales in the current period.

The trading segment registered decreased in revenue of RM1.64 million from RM3.15 million in the preceding period to RM1.51 million in the current period due to fewer trading activities. As a result, trading segment recorded loss before tax of approximate RM0.16 million in the current period.

The M&E engineering services segment recorded decreased in revenue from RM2.20 million in the preceding period to RM1.13 million in the current period. Despite the decrease in revenue, the PBT increased by RM0.05 million which was contributed from the completion of a few projects in current period.

B3. Prospects

Major telecommunications companies which were awarded LTE – 4G / 2,600MHz spectrum by the Malaysian Communications and Multimedia Commission (MCMC) in the year 2012 have begun investing in upgrading their equipment and infrastructures to accommodate the rising usage of data under the current 3G/4G environment. These major companies have started the implementation of their 4G (LTE) services in year 2013 and are expected to continue investing and developing 3G HSPA+ sites in addition to further expanding their LTE coverage to other parts of Malaysia in the near future. In accordance with the announcement of the Budget 2014 plan, the Government has implemented the High-Speed Broadband (HSBB) project under the National Broadband Initiative. The Government will implement the second phase of HSBB in collaboration with the private sector involving RM1.8billion in investments which will benefit approximately 2.8million households by providing more coverage to urban areas. The Government has also allocated plans to build 1,000 new telecommunications towers in Malaysia over the next 3 years at a cost of RM1.5billion.

Apart from focusing on the Group’s telecommunication business, the Group is also sourcing for more business and/or investment opportunities in the sustainable energy sector that is rapidly growing in demand. Sustainable Energy Development Authority Malaysia (“SEDA”) releases quotas for solar energy under the Feed in Tariff (“FiT”) programme annually. Therefore, involvement in renewable energy such as solar energy will bring forth an increase in additional values in terms of monetary, corporate image and corporate social responsibility value.

Based on the current industry outlook and our plans as indicated above and given there is no unforeseen circumstances, the Board of Directors is of the opinion that the business and performance of the group are expected to remain positive for the financial year ending 31 December 2014.

B4. Profit forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Taxation

	Current Year-To-Date Ended 31-Mar-14 RM'000	Corresponding Year-To-Date Ended 31-Mar-13 RM'000
Estimated tax payable:		
- Current provision	1,093	748
Deferred Tax	-	62
Total income tax expenses	1,093	810

The Group’s effective tax rate for the financial period to date is 24.15% and lower than statutory tax rate of 25%.

B6. Status of Corporate Proposal

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this announcement:

- (i) Proposed Private Placement
 - a. On 15 April 2014, RHB Investment Bank Berhad (“RHBIB”) had, on behalf of the Board, announced that the Company proposes to undertake a private placement of up to 20% of the issued and paid-up share capital of OCK, at an issue price to be determined later.
 - b. On 28 April 2014, RHBIB had announced that the Board wished to vary certain salient terms of the Proposed Private Placement made on 15 April 2014 pertaining to the allocation of the Placement Shares and the interest of directors and/ or major shareholders of OCK and/ or persons connected to them.

B6. Status of Corporate Proposal

- c. On 9 May 2014, RHBIB had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 9 May 2014, resolved to approve the listing of and quotation for up to 59,025,454 OCK Shares, representing up to 20% of the enlarged issued and paid-up share capital of OCK (excluding treasury shares) subject to the shareholders approval.

(ii) Proposed Acquisition

On 29 April 2014, RHBIB had, on behalf of the Board, announced, amongst others, that OCK International Sdn Bhd ("OCKISB"), a wholly-owned subsidiary company of OCK had, on 29 April 2014, entered into a conditional share sale agreement with Song Chin Yew and Lim Hooi Seeh ("collectively, the Vendors") for the proposed acquisition by OCK International Sdn Bhd of 85% equity interest in PT Putra Mulia Telecommunication from the Vendors for a purchase consideration of RM21,250,000 ("Purchase Consideration"). The Purchase Consideration is to be fully satisfied via a combination of RM10.00 million in cash and issuance of 10,227,272 new OCK Shares at an issue price of RM1.10 per OCK Share.

(iii) Proposed Employees' Share Option Scheme ("ESOS"), Proposed Increased in Authorised Share Capital and Proposed Amendments

On 29 April 2014, RHBIB had, on behalf of the Board, announced the following:

- a. Proposed establishment of an ESOS of up to 10% of the issued and paid-up share capital of OCK ("Proposed ESOS");

The Proposed ESOS involves the granting of ESOS options to the employees and Directors of OCK and its subsidiaries, which are not dormant, who meet the criteria of eligibility for participation in the Proposed ESOS as set out in the by-laws of the Proposed ESOS ("By-Laws") ("Eligible Person(s)") to subscribe for new OCK Shares at specified prices to be determined in the manner set out below:

- i. The subscription price shall be the higher of:-
The five (5)-day weighted average market price of OCK Shares immediately preceding the date on which an offer is made by the ESOS Committee in writing ("Date of Offer"), with a discount of not more than 10% at the ESOS Committee's discretion; or the par value of OCK Shares.
- ii. The Proposed ESOS will be administered by a committee to be appointed and duly authorised by the Board ("ESOS Committee") and shall be governed by the By-Laws.
- b. Proposed increase in authorised share capital of OCK from RM50,000,000 comprising 500,000,000 OCK Shares to RM100,000,000 comprising 1,000,000,000 OCK Shares; and
- c. Proposed amendments to the Memorandum and Articles of Association of OCK to facilitate, amongst others, the implementation of the Proposed Increase in Authorised Share Capital.

B6. Status of Corporate Proposal

(iv) Proposed Transfer and Proposed Bonus Issue

On 14 May 2014, RHBIB had, on behalf of the Board, announced that the Company proposes to undertake the following:-

- a. A transfer of the listing of and quotation for the entire issued and paid-up share capital of OCK from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")

The Proposed Transfer entails the transfer of the listing of and quotation for the entire issued and paid-up share capital of OCK from the ACE Market to the Main Market of Bursa Securities. OCK has met the requirements for the transfer to the Main Market of Bursa Securities as set out in the Equity Guidelines issued by the Securities Commission Malaysia ("SC") and the Main Market Listing Requirements of Bursa Securities.

- b. A bonus issue of up to 177,076,363 Bonus Shares to be credited as fully paid-up on the basis of one (1) Bonus Share for every two (2) existing OCK Shares held on an entitlement date to be determined later; and
- c. Amendments to the Memorandum and Articles of Association of OCK.

B7. Utilisation of Proceeds Arising from Corporate Exercise(s)

The gross proceeds of RM12.17 million from the private placement exercise which was completed on 19 August 2013 would be utilised in the following manner:

Purposes		Proposed Utilisation RM'000	Actual Utilisation As at 31.03.2014 RM'000	Balance Utilisation %	Reason for Deviation
(i)	Working capital				(1)
	- Expenses for regional expansion	5,000	2,257	54.86%	
	- Repayment to trade creditors and other creditors (i.e. payment for inventories)	6,500	6,500	0.00%	
	- Defrayment of general expenses	193	193	0.00%	
(iv)	Defray estimated expenses	480	480	0.00%	(2)
	Total gross proceeds	12,173	9,430	22.53%	

Notes:

- (1) The approved timeframe for utilisation is within twelve (12) months from the date of listing i.e. by 18 August 2014.
- (2) The approved timeframe for utilisation is within one (1) month from the date of listing i.e. by 18 September 2013.

B8. Group borrowings and debt securities

The Group's borrowings as at 31 March 2014 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Bonds	-	2,857	2,857
Hire purchase	999	-	999
Term loans	21,003	-	21,003
	<u>22,002</u>	<u>2,857</u>	<u>24,859</u>
Short term borrowings:-			
Bankers' acceptance	14,337	-	14,337
Bonds	-	451	451
Trust receipts/LC	11	-	11
Revolving project loan	26,035	-	26,035
Hire purchase payables	610	-	610
Term loans	1,168	-	1,168
	<u>42,161</u>	<u>451</u>	<u>42,612</u>

The above borrowings are denominated in Ringgit Malaysia.

B9. Material Litigation

As at the date of this announcement, neither the Company nor any of its subsidiary companies are engaged in any material litigation and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position or of the Company or its subsidiary companies and the Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might and adversely affect the financial position or business of the Company or its subsidiary companies.

B10. Retained and Unrealised Profits/Losses

	UNAUDITED as at 31-Mar-14 RM'000	AUDITED as at 31-Dec-13 RM'000
Total retained earnings of the Company and its subsidiary companies:		
- Realised	42,618	39,765
- Unrealised	(1,508)	(1,507)
Total Group retained profits as per consolidated accounts	<u>41,110</u>	<u>38,258</u>

B11. Earnings Per Share

The basic and diluted earnings per share is calculated based on the Group's comprehensive income attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Current Quarter Ended 31-Mar-14	Corresponding 31-Mar-13	Current Year-To-Date Ended 31-Mar-14	Corresponding 31-Mar-13
Group's comprehensive income attributable to equity holders of the Company (RM'000)	3,056	2,164	3,056	2,164
Weighted average number of ordinary shares ('000)	284,900	259,000	284,900	259,000
Earnings per share (sen):				
- Basic ^	1.07	0.84	1.07	0.84
- Diluted*	1.07	0.84	1.07	0.84

Notes:

^ Basic earnings per share for the quarter and financial period is calculated based on the net profit divided by the weighted average number of ordinary shares for the quarter and financial period respectively.

* The Group does not have any outstanding/convertible securities.

B12. Profit for the period

	Current Quarter Ended 31-Mar-14 RM'000	Corresponding 31-Mar-13 RM'000	Current Year-To-Date Ended 31-Mar-14 RM'000	Corresponding 31-Mar-13 RM'000
Profit before taxation is arrived at after charging/(crediting)	4,525	3,238	4,525	3,238
(a) depreciation	854	390	854	390
(b) gain on disposal of a subsidiary	(212)	-	(212)	-
(c) interest expenses	1,273	542	1,273	542
(d) interest income	(62)	(27)	(62)	(27)
(e) gain on foreign exchange	(5)	-	(5)	-
(f) loss on foreign exchange	45	-	45	-
(g) other income	(8)	(120)	(8)	(120)
(h) rental income	(128)	(365)	(128)	(365)

B13. Dividend

No interim dividend has been proposed or declared for the current financial quarter ended 31 March 2014.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)
Company Secretary
Kuala Lumpur
Date: 29 May 2014