

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 30-Jun-14 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30-Jun-13 RM'000	CURRENT PERIOD TO DATE ENDED 30-Jun-14 RM'000	PRECEDING PERIOD TO DATE ENDED 30-Jun-13 RM'000
Revenue	43,430	33,317	80,034	63,960
Cost of sales	(32,797)	(24,775)	(59,722)	(47,754)
Gross profit	10,633	8,542	20,312	16,206
Other income	289	632	703	1,144
Administrative expenses	(4,043)	(3,652)	(7,484)	(7,658)
Operating profit	6,879	5,522	13,531	9,692
Depreciation expenses	(1,056)	(472)	(1,910)	(862)
Finance costs	(1,233)	(903)	(2,506)	(1,445)
Profit before tax	4,590	4,147	9,115	7,385
Taxation	(1,191)	(1,038)	(2,283)	(1,848)
Profit for the financial period	3,399	3,109	6,832	5,537
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	-	-	-	-
Total comprehensive income for the financial period	3,399	3,109	6,832	5,537
Total comprehensive income attributable to the:				
Owners of the company	3,023	2,621	6,038	4,785
Non-controlling interests	376	488	793	752
	3,399	3,109	6,832	5,537
Weighted average no.of ordinary shares in issue ('000)	296,171	259,000	288,678	259,000
Profit per share attributable to equity holders of the Company:				
a) Basic (sen) *	1.02	1.01	2.09	1.85
b) Diluted (sen)	1.02	1.01	2.09	1.85

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 Comprehensive Income for the second quarter ended 30 June 2014 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 30 JUNE 2014**

	<b>UNAUDITED</b> As at <b>30-Jun-14</b> RM'000	<b>AUDITED</b> As at <b>31-Dec-13</b> RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property plant and equipment	<b>80,574</b>	<b>68,200</b>
<b>Current Assets</b>		
Inventories	22,677	18,201
Amount due from customers for contract works	5,183	6,183
Trade and other receivables	65,965	65,559
Fixed deposits placed with licensed banks	35,620	8,227
Cash and bank balances	65,021	16,695
<b>Total Current Assets</b>	<b>194,466</b>	<b>114,865</b>
<b>TOTAL ASSETS</b>	<b>275,040</b>	<b>183,065</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	34,188	28,490
Share premium	93,451	26,739
Revaluation reserve	3,280	3,280
Foreign currency translation reserve	(101)	(25)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Retained earnings	44,096	38,258
	157,907	79,735
Non-controlling interest	4,927	3,934
<b>Total Equity</b>	<b>162,834</b>	<b>83,669</b>
<b>Non Current Liabilities</b>		
Loan and borrowings	33,787	19,512
Deferred tax liabilities	930	937
	<b>34,717</b>	<b>20,449</b>
<b>Current Liabilities</b>		
Amount due to customers for contract works	1,057	202
Trade and other payables	29,113	35,383
Loan and borrowings	45,230	40,924
Tax payables	2,089	2,438
<b>Total Current Liabilities</b>	<b>77,489</b>	<b>78,947</b>
<b>TOTAL LIABILITIES</b>	<b>112,206</b>	<b>99,396</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>275,040</b>	<b>183,065</b>
Net assets per share attributable to owners of the Company (RM)	<b>0.46</b>	<b>0.28</b>

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 SECOND QUARTER ENDED 30 JUNE 2014**

	← Attributable to owners of the Company →								
	Non-distributable					Distributable			
	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	Non- Controlling Interest RM'000	Total Equity RM'000
At 1 January 2014									
Acquisition of subsidiaries	-	-	-	-	-	(329)	(329)	262	(67)
Disposal of subsidiaries	-	-	-	-	-	129	129	(63)	66
Private placement	5,698	68,376	-	-	-	-	74,074	-	74,074
Share Issuance expenses	-	(1,663)	-	-	-	-	(1,663)	-	(1,663)
Realisation of revaluation reserve	-	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	(76)	-	-	(76)	-	(76)
Total comprehensive income for the financial period	-	-	-	-	-	6,038	6,038	793	6,831
At 30 June 2014	34,188	93,452	3,279	(101)	(17,007)	44,096	157,907	4,927	162,834
	← Attributable to owners of the Company →								
	Non-distributable					Distributable			
	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	Non- Controlling Interest RM'000	Total Equity RM'000
At 1 January 2013	25,900	17,691	3,349	(14)	(17,007)	25,898	55,817	2,079	57,896
Foreign currency translation reserve	-	-	-	(5)	-	-	(5)	-	(5)
Foreign exchange difference	-	-	-	17	-	-	17	-	17
Total comprehensive income for the financial period	-	-	-	-	-	4,784	4,784	753	5,537
At 30 June 2013	25,900	17,691	3,349	(2)	(17,007)	30,682	60,613	2,832	63,445

Notes:

- 1) The Condensed Consolidated Statements of Changes in Equity 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.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

	<b>Current Period to Date Ended 30-Jun-14 RM'000</b>	<b>Preceding Period To Date Ended 30-Jun-13 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	9,115	7,385
Adjustments for:		
Depreciation	1,910	863
Unrealised loss on foreign currency exchange	(1)	(3)
Gain on disposal of property, plant and equipment	(33)	
Gain on disposal of a subsidiary	(212)	-
Interest expenses	2,506	1,445
Interest income	(157)	(160)
	<u>13,128</u>	<u>9,530</u>
Changes in working capital		
Inventories	(5,643)	(1,820)
Receivables	(422)	(8,298)
Payables	(6,205)	(1,742)
Amount due from customer for contract works	2,896	(2,665)
	<u>3,754</u>	<u>(4,995)</u>
Tax paid	(2,639)	(987)
Interests paid	(210)	(31)
Interests received	157	160
<b>Net cash flows from operating activities</b>	<u>1,062</u>	<u>(5,853)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment	(10,918)	(5,721)
Capital development expenditure	(3,622)	(7,328)
Proceeds from disposal of property plant and equipment	33	-
Disposal of subsidiary	(35)	-
<b>Net cash flows from investing activities</b>	<u>(14,542)</u>	<u>(13,049)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interests paid	(2,296)	(1,414)
Fixed deposits held as security values	(378)	(407)
Net change in amount due from a related party	(212)	-
Repayment to the director	-	(2)
Net drawdown of borrowings	18,793	15,770
Proceed from private placement	74,074	-
Share issuance expenses	(1,663)	-
Proceed from issuance of ordinary shares of a subsidiary from Non-controlling interest	535	-
<b>Net cash flows from financing activities</b>	<u>88,853</u>	<u>13,947</u>
Net Change in cash and cash equivalents	75,373	(4,955)
Effects of exchange rate changes	(31)	(26)
Cash and cash equivalents:		
At the beginning of the financial period	18,155	11,938
At the end of the financial period	<u>93,497</u>	<u>6,957</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	65,021	6,894
Fixed deposits	35,620	7,136
	<u>100,641</u>	<u>14,030</u>
Less: Fixed deposits pledged with licensed banks	(7,144)	(7,073)
	<u>93,497</u>	<u>6,957</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 SECOND QUARTER ENDED 30 JUNE 2014**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 30 JUNE 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. Material 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 except for the issuance of 56,980,000 ordinary shares of RM0.10 each of the Company (“OCK Shares”), at an issuance price of RM1.30 per share over 2 tranches on 6 June 2014 and 24 June 2014, pursuant to the private placement exercise which was completed on 26 June 2014.

**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 30 June 2014 based on segment activities are as follows:-

Individual Quarter 30 June 2014	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	26,513	11,102	1,959	3,856	-		43,430
Inter-segment revenue	857	2	148	825	-	(1,832)	-
<b>Total Revenue</b>	<b>27,370</b>	<b>11,104</b>	<b>2,107</b>	<b>4,681</b>	<b>-</b>	<b>(1,832)</b>	<b>43,430</b>
<b>Profit before tax</b>	<b>2,985</b>	<b>767</b>	<b>575</b>	<b>441</b>	<b>(283)</b>	<b>105</b>	<b>4,590</b>
Taxation	(859)	(194)	(15)	(123)	-	-	(1,191)
<b>Profit for the financial period</b>	<b>2,126</b>	<b>573</b>	<b>560</b>	<b>318</b>	<b>(283)</b>	<b>105</b>	<b>3,399</b>

Individual Quarter 30 June 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	20,213	8,862	3,090	1,152	-		33,317
Inter-segment revenue	757	-	118	765	-	(1,640)	-
<b>Total Revenue</b>	<b>20,970</b>	<b>8,862</b>	<b>3,208</b>	<b>1,917</b>	<b>-</b>	<b>(1,640)</b>	<b>33,317</b>
<b>Profit before tax</b>	<b>3,187</b>	<b>823</b>	<b>(102)</b>	<b>241</b>	<b>(150)</b>	<b>148</b>	<b>4,147</b>
Taxation	(663)	(206)	(54)	(115)	-	-	(1,038)
<b>Profit for the financial period</b>	<b>2,524</b>	<b>617</b>	<b>(156)</b>	<b>126</b>	<b>(150)</b>	<b>148</b>	<b>3,109</b>

**A9. Segmental Information**

The segmental result of the Group for the FPE 30 June 2014 based on geographical segment are as follows:-

<b>Individual Quarter 30 June 2014</b>	<b>Malaysia RM'000</b>	<b>Singapore RM'000</b>	<b>Cambodia RM'000</b>	<b>Myanmar RM'000</b>	<b>Eliminate RM'000</b>	<b>Group RM'000</b>
<b>Revenue from</b>						
External customers	42,473	489	388	80		43,430
Inter-segment revenue	3,661	500	-	-	(4,161)	-
<b>Total Revenue</b>	<b>46,134</b>	<b>989</b>	<b>388</b>	<b>80</b>	<b>(4,161)</b>	<b>43,430</b>
<b>Profit before tax</b>	<b>4,428</b>	<b>244</b>	<b>(61)</b>	<b>(126)</b>	<b>105</b>	<b>4,590</b>
Taxation	(1,191)	-	-	-		(1,191)
<b>Profit for the financial period</b>	<b>3,237</b>	<b>244</b>	<b>(61)</b>	<b>(126)</b>	<b>105</b>	<b>3,399</b>

There is no geographical segmental comparison for the FPE 30 June 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 other than as disclosed in Note B6 and B9.

**A13. Changes in the Composition of the Group**

There are no others changes in the composition of the Group in current quarter under review.

**A14. Contingent Liabilities and Contingent Assets**

As at 30 June 2014, the contingent liabilities are as follows:

	<b>UNAUDITED</b> as at <b>30-Jun-14</b> <b>RM'000</b>	<b>AUDITED</b> as at <b>31-Dec-13</b> <b>RM'000</b>
Corporate guarantees given by OCK Group Bhd to secure credit facilities granted to:		
- OCK Setia Engineering Sdn Bhd	64,990	49,790
- Milab Marketing Sdn Bhd	6,300	-
- Steadcom Sdn Bhd	1,000	397
	<hr/>	<hr/>

**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	<b>UNAUDITED</b> as at <b>30-Jun-14</b> <b>RM'000</b>	<b>AUDITED</b> as at <b>31-Dec-13</b> <b>RM'000</b>
Consultancy fee	106	181
Equipment rental received	-	(22)
Labour and Subcon	-	10
Purchases	-	26
Rental of properties paid	141	283
Equipment rental paid	-	5
Sales	(2,507)	(2,172)
	<hr/>	<hr/>

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 quarterly period ended 30 June 2014, the Group reported revenue of RM43.43 million and profit before taxation (“PBT”) of RM4.59 million against of revenue of RM33.32 million and PBT of RM4.15 million in the previous year corresponding quarter. It is mainly due to improve contribution from telecommunication network services and green energy and power solution division.

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

Individual quarter ended 30 June 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	Eliminate RM'000	Group RM'000
Revenue	26,513	11,102	1,959	3,856	-		43,430
PBT	2,985	767	575	441	(283)	105	4,590

Individual quarter 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	Eliminate RM'000	Group RM'000
Revenue	21,390	12,572	1,509	1,133	-		36,604
PBT	3,148	664	(163)	640	(71)	307	4,525

The total revenue of RM43.43 million recorded for the current quarter was higher by RM6.83 million as compared to the revenue recorded for in the preceding quarter of RM36.60 million mainly due to higher contributions from Telecommunication Network Services segment and also from M&E Engineering Services segment.

The total PBT recorded for the current quarter at RM4.59 million was marginally higher than the immediate preceding quarter of RM4.52 million by RM0.07 million.

Revenue from the telecommunications network services segment increased by RM5.12 million as compared to the immediate preceding quarter due to more execution work required by the telecommunication operators in the second quarter of 2014. However, the PBT is lower mainly due to softer margin as a result of cost overrun for some projects.

Revenue from the green energy and power solutions segment decreased by RM1.47 million as compared to the immediate preceding quarter as the Engineering, Procurement, and Construction of 10MWp Photovoltaic Electric Installation in Sepang was completed in first quarter of 2014 despite the generator sales momentum having been sustained in this current period.

The trading segment registered an increase in revenue of RM0.45 million from RM1.51 million in the preceding quarter to RM1.96 million in the current quarter mainly due to more trading activity in the telecommunication network equipment and network security products in Singapore and Malaysia.

The M&E engineering services segment recorded an increase in revenue from RM1.13 million in the immediate preceding quarter to RM3.86 million in the current quarter, as a result of more progress billings from on-going projects. However, the PBT is lower by RM0.20 million which was contributed from the final completion of few projects during immediate preceding quarter.

**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 RM1.8 billion in investments which will benefit approximately 2.8 million 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 RM1.5 billion.

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 FYE 31 December 2014.

**B4. Profit forecast**

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

**B5. Taxation**

	<b>Current Year-To-Date Ended 30-Jun-14 RM'000</b>	<b>Corresponding Year-To-Date Ended 30-Jun-13 RM'000</b>
Estimated tax payable:		
- Current provision	2,283	1,786
Deferred Tax	-	62
Total income tax expenses	2,283	1,848

The Group’s effective tax rate for the financial period to date is 25.05% and higher 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 OCC, 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 OCC and/or persons connected to them.

**B6. Status of Corporate Proposal (Continued)**

- (i) Proposed Private Placement (Continued)
- 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.
  - d. On 6 June 2014 and 24 June 2014, the Company completed the issuance of 56,980,000 new OCK Shares at an issuance price of RM1.30 per share.
  - e. On 26 June 2014, the Proposed Private Placement was completed.
- (ii) Proposed Acquisition, 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. 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 ("Proposed Acquisition").
- b. 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.
- c. 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
- d. 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.

Circular to shareholders in relation to the above corporate proposals as well as the Proposed Bonus Issue (as defined below) have been despatched to the shareholders of OCK on 8 August 2014. These corporate proposals are subject to the shareholders' approval to be tabled at the forthcoming EGM to be held on 2 September 2014.

**B6. Status of Corporate Proposal (Continued)**

(iii) 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") ("Proposed Transfer").

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 ("Proposed Bonus Issue"); and
- c. Amendments to the Memorandum and Articles of Association of OCK.

The application in relation to the Proposed Transfer has been submitted to the SC and the Equity Compliance Unit of the SC on 8 August 2014.

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

- i) 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 30.06.2014 RM'000	Balance Utilisation %	Reason for Deviation
(i)	Working capital				
	- Expenses for regional expansion	5,000	2,892	42.16%	(1)
	- Repayment to trade creditors and other creditors (i.e. payment for inventories)	6,500	6,500	-	
	- Defrayment of general expenses	193	193	-	
(iv)	Defray estimated expenses	480	480	-	(2)
	Total gross proceeds	12,173	10,065	17.32%	

Notes:

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

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

- ii) The gross proceeds of RM74.07 million from the private placement exercise which was completed on 26 June 2014 would be utilised in the following manner:

Purposes		Proposed Utilisation RM'000	Actual Utilisation As at 30.06.2014 RM'000	Balance Utilisation %	Reason for Deviation
(i)	Business Expansion	50,000	-	100	(1)
(ii)	Repayment of borrowings	8,000	-	100	(2)
(iii)	Renovation costs	3,000	-	100	(2)
(iv)	General working capital	11,574	-	98.59	(2), (3)
(v)	Estimated expenses in relation to the Proposed Private placement	1,500	1,663	-	(4)
Total gross proceeds		74,074	1,663	97.75	

Notes:

- (1) The approved timeframe for utilisation is within twenty-four (24) months from the date of listing i.e. by 24 June 2016.  
(2) The approved timeframe for utilisation is within twelve (12) months from the date of listing i.e. by 24 June 2015.  
(3) The amount allocated to the general working capital portion will be adjusted downwards by approximately RM163,000 to approximately RM11.41 million due to the variation as mentioned below. As such, the remaining balance utilisation for the general working capital portion shall be revised to 98.59% .  
(4) The actual utilisation for the defrayment of estimated expenses in relation to the private placement exercise exceeded the proposed utilisation by approximately RM163,000 or 10.87%, due to additional placement fees incurred for the actual gross proceeds raised from the private placement exercise which was higher than the proposed amount indicated in the Circular dated 12 May 2014. Such variation amount will be adjusted accordingly from the amount allocated to the general working capital portion.

**B8. Group borrowings and debt securities**

The Group's borrowings as at 30 June 2014 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Bonds	-	2,765	2,765
Hire purchase	10,294	-	10,294
Term loans	20,728	-	20,728
	<u>31,022</u>	<u>2,765</u>	<u>33,787</u>
Short term borrowings:-			
Bankers' acceptance	14,066	-	14,066
Bonds	-	462	462
Trust receipts/LC	11	-	11
Revolving project loan	26,864	-	26,864
Hire purchase payables	2,653	-	2,653
Term loans	1,174	-	1,174
	<u>44,768</u>	<u>462</u>	<u>45,230</u>

The above borrowings are denominated in Ringgit Malaysia.

**B9. Material Litigation**

Since the preceding FYE 31 December 2013, there is no change in material litigation as at the date of this announcement except as disclosed below:

- (a) On 22 July 2014, the Company's wholly-owned subsidiary, OCK Setia Engineering Sdn Bhd ("OCK SE") was served with a Writ of Summon dated 22 July 2014 filed in the Kuala Lumpur Section Court by the solicitors acting for Ch'ng So-Fia ("the Plaintiff"), claiming the sum of RM402,550.00 together with interest thereon and costs. The claims are purportedly in respect of outstanding balance of professional fees rendered by the Plaintiff to the Company.

**B9. Material Litigation**

(b) Only 24 July 2014, the Company’s wholly-owned subsidiary, OCK SE served with a Writ of Summon filed in the Kuala Lumpur Section Court by the solicitors acting for Hooi Tuck Yin (“the Plaintiff”), claiming the sum of RM351,000.00 together with interest thereon and costs. The claims are purportedly in respect of outstanding balance of advisory fees rendered by the Plaintiff to the Company.

On 21 August 2014, both the above mentioned litigation cases have achieved an amicable settlement by both parties where the Plaintiffs for both cases had filed Notice of Discontinuance and withdraw the whole suit against OCK SE without liberty to file afresh and without cost.

**B10. Retained and Unrealised Profits/Losses**

	<b>UNAUDITED as at 30-Jun-14 RM'000</b>	<b>AUDITED as at 31-Dec-13 RM'000</b>
Total retained earnings of the Company and its subsidiary companies:		
- Realised	45,523	39,765
- Unrealised	(1,427)	(1,507)
Total Group retained profits as per consolidated accounts	44,096	38,258

**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:

	<b>Current Quarter Ended 30-Jun-14</b>	<b>Corresponding 30-Jun-13</b>	<b>Current Year-To-Date Ended 30-Jun-14</b>	<b>Corresponding 30-Jun-13</b>
Group's comprehensive income attributable to equity holders of the Company (RM'000)	3,023	2,621	6,038	4,785
Weighted Average Number of ordinary shares ('000)	296,171	259,000	288,678	259,000
Earnings per share (sen):				
- Basic ^	1.02	1.01	2.09	1.85
- Diluted*	1.02	1.01	2.09	1.85

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**

	<b>Current Quarter Ended 30-Jun-14 RM'000</b>	<b>Corresponding 30-Jun-13 RM'000</b>	<b>Current Year-To-Date Ended 30-Jun-14 RM'000</b>	<b>Corresponding 30-Jun-13 RM'000</b>
Profit before taxation is arrived at after charging/(crediting)	4,590	4,147	9,115	7,385
(a) depreciation	1,056	472	1,910	863
(b) gain on disposal of a subsidiary	-	-	(212)	-
(c) interest expenses	1,273	903	2,506	1,455
(d) interest income	(96)	(27)	(157)	(160)
(e) gain on foreign exchange	(12)	-	(17)	-
(f) loss on foreign exchange	19	4	64	4
(g) other income	8	(120)	-	(120)
(h) rental income	(189)	(365)	(316)	(365)

**B13. Dividend**

No interim dividend has been proposed or declared for the current financial quarter ended 30 June 2014.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)  
 Company Secretary  
 Kuala Lumpur  
 Date: 28 August 2014