

**OCK GROUP BERHAD (Company No: 955915 – M)****QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>CURRENT QUARTER ENDED 30-Sep-16 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER ENDED 30-Sep-15 RM'000</b>	<b>CURRENT PERIOD TO DATE ENDED 30-Sep-16 RM'000</b>	<b>PRECEDING PERIOD TO DATE ENDED 30-Sep-15 RM'000</b>
Revenue	101,919	83,695	294,373	210,130
Cost of sales	(75,103)	(66,086)	(230,067)	(165,055)
Gross profit	26,816	17,609	64,306	45,076
Other income	1,176	242	3,646	1,633
Administrative expenses	(10,967)	(5,823)	(27,094)	(16,764)
Operating profit	17,025	12,029	40,858	29,945
Depreciation expenses	(3,484)	(2,168)	(8,319)	(6,191)
Finance costs	(2,509)	(1,060)	(6,346)	(3,087)
Profit before tax	11,032	8,801	26,193	20,667
Taxation	(3,232)	(3,023)	(7,249)	(5,837)
Profit for the financial period	7,800	5,778	18,944	14,830
Other comprehensive income, net of tax				
Realisation of revaluation reserve	-	-	-	-
Actuarial gain from employee benefits	-	-	-	-
Foreign currency translation	-	-	-	-
Total comprehensive income for the financial period	7,800	5,778	18,944	14,830
Total comprehensive income attributable to the:				
Owners of the company	5,457	4,890	14,624	13,085
Non-controlling interests	2,343	888	4,320	1,745
	7,800	5,778	18,944	14,830

**Notes:**

The Condensed Consolidated Statement of Comprehensive Income for the third quarter ended 30 September 2016 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**OCK GROUP BERHAD (Company No: 955915 – M)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016**

	UNAUDITED As at 30-Sep-16 RM RM'000	AUDITED As at 31-Dec-15 RM RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property plant and equipment	194,580	87,989
Investment properties	14,500	14,500
Deferred tax assets	148	144
Intangible assets	18,105	19,240
Non current trade receivables	26,758	31,361
	<b>254,091</b>	<b>153,234</b>
<b>Current Assets</b>		
Work in progress and inventories	68,770	30,935
Amount due from customers for contract works	15,424	16,088
Other Investments	-	41
Trade and other receivables	263,505	174,554
Tax recoverable	230	305
Derivative financial assets	32	32
Fixed deposits placed with licensed banks	61,600	137,225
Cash and bank balances	75,769	26,597
<b>Total Current Assets</b>	<b>485,330</b>	<b>385,777</b>
<b>TOTAL ASSETS</b>	<b>739,421</b>	<b>539,011</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	87,147	79,224
Share premium	157,151	102,869
Warrant reserve	84,136	84,136
Revaluation reserve	4,504	4,504
Foreign currency translation reserve	2,495	467
Reserve arising from reverse acquisition	(17,007)	(17,007)
Retained earnings	87,761	78,693
Non-controlling interest	14,714	10,370
<b>Total Equity</b>	<b>420,901</b>	<b>343,256</b>
<b>Non Current Liabilities</b>		
Loan and borrowings	69,413	41,030
Deferred tax liabilities	7,388	7,388
Non current trade payables	26,758	31,053
	<b>103,559</b>	<b>79,471</b>
<b>Current Liabilities</b>		
Amount due to customers for contract works	1,226	1,247
Trade and other payables	139,748	63,481
Loan and borrowings	71,406	48,619
Tax payables	2,581	2,937
<b>Total Current Liabilities</b>	<b>214,961</b>	<b>116,284</b>
<b>TOTAL LIABILITIES</b>	<b>318,520</b>	<b>195,755</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>739,421</b>	<b>539,011</b>

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The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2015 and the accompanying explanatory notes attached to this interim financial statement.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000	Acquisition Reverse RM'000	Retained Earnings RM'000	Total RM'000	Controlling Interest RM'000	Total Equity RM'000
<b>At 1 January 2016</b>	79,224	102,869	84,136	4,971	(17,007)	78,693	332,886	10,370	343,256
<b>Dividend paid</b>	-	-	-	-	-	(5,556)	(5,556)	-	(5,556)
<b>Increase in share capital in subsidiary</b>	-	-	-	-	-	-	-	24	24
<b>Right Issues</b>	-	-	-	-	-	-	-	-	-
<b>Bonus Issues</b>	-	-	-	-	-	-	-	-	-
<b>Warrant Issues</b>	-	-	-	-	-	-	-	-	-
<b>Private Placement</b>	7,923	56,249	-	-	-	-	64,172	-	64,172
<b>Share issuance expenses</b>	-	(1,967)	-	-	-	-	(1,967)	-	(1,967)
<b>Foreign currency translation</b>	-	-	-	2,028	-	-	2,028	-	2,028
<b>Total comprehensive income for the financial year</b>	-	-	-	-	-	14,624	14,624	4,320	18,944
<b>At 30 September 2016</b>	87,147	157,151	84,136	6,999	(17,007)	87,761	406,187	14,714	420,901
<b>At 1 January 2015</b>	52,816	84,187	-	4,962	(17,007)	53,841	178,799	8,246	187,045
<b>Foreign currency translation</b>	-	-	-	1,130	-	-	1,130	-	1,130
<b>Total comprehensive income for the financial year</b>	-	-	-	-	-	13,085	13,085	1,745	14,830
<b>At 30 September 2015</b>	52,816	84,187	-	6,092	(17,007)	66,926	193,014	9,991	203,005

Notes:

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

	<b>Current Period To Date Ended 30-Sep-16 RM'000</b>	<b>Preceding Period To Date Ended 30-Sep-15 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	26,193	20,667
Adjustments for:		
Depreciation	8,319	6,191
Amortisation of intangibles	1,135	1,438
Interest expenses	6,346	3,087
Interest income	(1,821)	(368)
	40,172	31,015
Changes in working capital		
Inventories	(37,171)	(16,184)
Receivables	(84,232)	(66,500)
Payables	71,951	34,023
Amount due from customer for contract works	(21)	(1,263)
	(9,301)	(18,909)
Tax paid	(7,609)	(7,187)
Interests received	1,821	368
<b>Net cash flows from operating activities</b>	<b>(15,089)</b>	<b>(25,728)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment	(114,910)	(23,380)
<b>Net cash flows from investing activities</b>	<b>(114,910)</b>	<b>(23,380)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interests paid	(6,346)	(3,087)
Net drawdown / (repayment) of borrowings	51,170	10,506
Proceed from private placement	64,172	-
Share issuance expenses	(1,967)	-
Dividend paid	(5,556)	-
<b>Net cash flows from financing activities</b>	<b>101,473</b>	<b>7,419</b>
Net Change in cash and cash equivalents	(28,526)	(41,689)
Effects of exchange rate changes	2,028	1,130
Cash and cash equivalents:		
At the beginning of the financial period	149,805	65,068
At the end of the financial period	<b>123,307</b>	<b>24,509</b>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	75,769	20,965
Fixed deposits	61,600	12,238
	137,369	33,203
Less: Fixed deposits pledged with licensed banks	(14,062)	(8,694)
	<b>123,307</b>	<b>24,509</b>

**Note:**

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**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 paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2015 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 2015.

**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 2015 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial periods beginning on or after 1 January 2016.

MFRS 14	Regulatory Deferred Accounts
Amendments to MFRS 10, 12, 128	Investment entities: Applying the Consolidation Exception
Amendments to MFRS 11	Accounting for Acquisition of Interests in Joint Operations
Amendments to MFRS 101	Disclosure initiative
Amendments to MFRS 116, 138	Clarification on Acceptable Methods of Depreciation And Amortization
Amendments to MFRS 101	Disclosure initiative
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Annual Improvement to MFRSs 2012 to 2014 Cycle	

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 2015.

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### 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 under review.

### 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 September 2016 based on segment activities are as follows:-

Cummulative Quarter 30 September 2016	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 from External customers	243,497	27,496	5,817	17,563	-		294,373
Inter-segment revenue	13,481	-	4,880	2,391	-	(20,752)	-
<b>Total Revenue</b>	<b>256,978</b>	<b>27,496</b>	<b>10,697</b>	<b>19,954</b>	<b>-</b>	<b>(20,752)</b>	<b>294,373</b>
Profit before tax	24,953	1,995	1,803	628	(3,187)		26,192
Taxation	(6,191)	(470)	(428)	(146)	(13.00)		(7,248)
<b>Profit for the financial period</b>	<b>18,762</b>	<b>1,525</b>	<b>1,375</b>	<b>482</b>	<b>(3,200)</b>	<b>-</b>	<b>18,944</b>

Cummulative Quarter 30 September 2015	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 from External customers	168,319	23,218	6,926	11,667	-		210,130
Inter-segment revenue	7,674	-	1,159	106	-	(8,939)	-
<b>Total Revenue</b>	<b>175,993</b>	<b>23,218</b>	<b>8,085</b>	<b>11,773</b>	<b>-</b>	<b>(8,939)</b>	<b>210,130</b>
Profit before tax	18,744	1,013	1,406	701	(1,197)		20,667
Taxation	(4,867)	(220)	(580)	(170)	-		(5,837)
<b>Profit for the financial period</b>	<b>13,877</b>	<b>793</b>	<b>826</b>	<b>531</b>	<b>(1,197)</b>	<b>-</b>	<b>14,830</b>

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The segmental result of the Group for the FPE 30 June 2016 based on geographical segment are as follows:-

<b>Cummulative Quarter 30 September 2016</b>	<b>Malaysia RM'000</b>	<b>Regional RM'000</b>	<b>Eliminate RM'000</b>	<b>Group RM'000</b>
<b>Revenue from</b>				
<b>External customers</b>	240,088	54,285	-	294,373
<b>Inter-segment revenue</b>	20,752	-	(20,752)	-
<b>Total Revenue</b>	260,840	54,285	(20,752)	294,373
<b>Profit before tax</b>	24,163	2,029	-	26,192
<b>Taxation</b>	(5,934)	(1,314)	-	(7,248)
<b>Profit for the financial period</b>	18,229	715	-	18,944

<b>Cummulative Quarter 30 September 2015</b>	<b>Malaysia RM'000</b>	<b>Regional RM'000</b>	<b>Eliminate RM'000</b>	<b>Group RM'000</b>
<b>Revenue from</b>				
<b>External customers</b>	177,081	33,049	-	210,130
<b>Inter-segment revenue</b>	8,939	-	(8,939)	-
<b>Total Revenue</b>	186,020	33,049	(8,939)	210,130
<b>Profit before tax</b>	15,938	4,729	-	20,667
<b>Taxation</b>	(4,740)	(1,097)	-	(5,837)
<b>Profit for the financial period</b>	11,198	3,632	-	14,830

**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**

As at 30 September 2016, the capital commitments are as follows:

**Capital Commitments**

	<b>UNAUDITED as at 30-Sep-16 RM'000</b>	<b>UNAUDITED as at 30-Sep-15 RM'000</b>
Capital expenditure approved and contracted for :	204,626	-



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### **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 period under review except for the following:

The Company's wholly-owned subsidiary OCK SEA Towers Pte Ltd ("OST") and CapAsia Telecommunications Ltd had on 15 July 2016 subscribed for five (5) Ordinary shares and four (4) Ordinary Shares of USD1-00 each in OCK Vietnam Towers Pte. Ltd. ("OVT") ["the Subscriptions"] respectively. Upon the completion of the Subscriptions, OVT shall cease to be a wholly-owned subsidiary of OST and remains as a 60% owned subsidiary of OST, which in turn a sub-subsidiary of OCK. The intended principal activity of OST & OVT is tower facilities, utilities, and communication network for mobile and broadband operators.

OVT had on 30 September 2016, completed the incorporation of OCK Vietnam Towers (Labuan) Ltd ("OVT Labuan") in Labuan. OVT Labuan has issued 1,000 shares at USD1.00 each, was fully subscribed by OVT. As such OVT Labuan is a wholly-owned subsidiary of OVT, in-turn a sub-subsidiary of OCK Group. The principal activity of OVT Labuan is offshore trading and investment holding activities.

OCK had on 7 November 2016 completed the acquisition of the entire issued and paid up capital of PMT Asia Sdn Bhd from Mr Ooi Chin Khoon and Mr Low Hock Keong for a total cash consideration of RM2.00. Following the acquisition, PMT Asia Sdn Bhd become a wholly-owned subsidiary of OCK. The intended principal activity of PMT Asia Sdn Bhd is investment holding.

OCK had on 17 November 2016, completed establishment of Well Synergy Resources Private Limited in The Republic of the Union of Myanmar. Principal Activity of Well Synergy Resources Private Limited is engineering services, rental business, market research and management service.

### **A14. Contingent Liabilities and Contingent Assets**

As at 30 September 2016, the contingent liabilities are as follows:

	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>as at</b>	<b>as at</b>
	<b>30-Sep-16</b>	<b>30-Sep-15</b>
	<b>RM'000</b>	<b>RM'000</b>
Financial guarantees given by OCK Group Berhad to licensed banks for facilities granted to subsidiaries:	382,547	141,537
Financial guarantees given to a third party for the sales of goods to a subsidiary:	47,293	-

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### Corporate guarantees given by OCK Setia to secure credit facilities granted to:

- OCK M&E Sdn Bhd	2,180	-
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### Performance guarantees such as contracts such as performance bonds granted to telecommunications operators:

- OCK Setia Engineering Sdn Bhd	4,387	-
- El Power Technologies Sdn Bhd	53	-
- Firatel Sdn Bhd	100	-

## 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	UNAUDITED
	as at 30-Sep-16 RM'000	as at 30-Sep-15 RM'000
Sales	(7,606)	(14,166)

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

Individual Quarter	Telecommunication			M&E	Investment	Eliminate	Group
	Network Services	Green Energy and Power Solution	Trading	Engineering Services	Holding Company		
30 September 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	94,671	8,781	2,019	5,611	-	(9,163)	101,919
Profit before tax	10,961	852	193	48	(1,022)	-	11,032

Individual Quarter	Telecommunication			M&E	Investment	Eliminate	Group
	Network Services	Green Energy and Power Solution	Trading	Engineering Services	Holding Company		
30 September 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	70,514	5,771	3,792	3,618	-	-	83,695
Profit before tax	7,803	255	1,263	314	(834)	-	8,801

For the quarter ended 30 September 2016, the Group reported revenue of RM101.9 million and profit before taxation (“PBT”) of RM11.0 million against revenue of RM83.7 million and PBT of RM8.8 million in the corresponding quarter of previous year. The higher revenue is mainly due to higher revenue contribution from telecommunication network services (“TNS”). In Q2 2016, there was higher revenue and PBT contribution from contracting works in

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Malaysia and stronger growth from its regional business in Indonesia, Cambodia and Myanmar.

In addition, the Green Energy and Power Solution and M&E Engineering Services also contributed higher revenue as compare to previous year's corresponding quarter. There was a decline in Trading equipment in the current quarter due to slower market condition.

Consequently, the higher Group revenue and improved margin in the TNS segment resulted in a higher Group PBT for the quarter under review as compared to the previous year corresponding quarter.

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

Individual Quarter	Telecommunication		Trading	M&E	Investment	Eliminate	Group
	Network Services	Green Energy and Power Solution		Engineering Services	Holding Company		
30 September 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	94,671	8,781	2,019	5,611	-	(9,163)	101,919
Profit before tax	10,961	852	193	48	(1,022)	-	11,032

Individual Quarter	Telecommunication		Trading	M&E	Investment	Eliminate	Group
	Network Services	Green Energy and Power Solution		Engineering Services	Holding Company		
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	97,292	8,290	4,760	8,699	-	(5,030)	114,011
Profit before tax	8,880	610	1,187	416	(1,673)	-	9,420

### B2. Material Changes in the Current Quarter's results compared to the results of the immediate Preceding Quarter (cont'd)

The total revenue of RM101.9 million recorded for the current quarter was marginally lower as compared to the revenue recorded for in the preceding quarter of RM114.0 million mainly due to lower revenue contribution from TNS, Trading and M&E Engineering Services.

Despite lower Group revenue in this quarter, the Group recorded a higher PBT of RM11.0 million in the current quarter as compared to the preceding quarter of RM9.4 million. This was mainly due to new projects from TNS with higher margin.

### B3. Prospects

Major telecommunications companies ("Telcos") have been investing in upgrading their equipment and infrastructures to accommodate the growth in data by expanding their LTE coverage in Malaysia. The Group is expected to benefit from the increase projects coming out from the networks expansion undertaken by these Telcos.

The Group aims to grow its recurring revenue business via own-build and acquiring existing tower sites operators in ASEAN. This can be achieved is by leveraging on the Group established presence in ASEAN and its vast experiences in building telecommunication infrastructures such as tower sites and maintenance of telecommunication infrastructure. The own-build business model are based on building, owning and leasing back the tower sites to

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telecommunication operators over a long-term period. In-line with this, the Group has commenced works for the rollout of 920 telecommunication towers in Myanmar for Telenor in the current financial year.

With the Group continual investment to grow its regional business, the Group expects significant contribution from its overseas business in Indonesia, Cambodia, Myanmar and China moving forward.

The Group is in the midst of completing the acquisition of 60% of Southeast Asia Telecommunications Holdings Pte Ltd (SEATH), which owned 1,938 towers throughout Vietnam. On 8 November 2016, the Group has obtained its shareholders' approval for the acquisition of SEATH. Upon completion of this proposed acquisition, the Group would consolidate the financial results of SEATH and this will result in positive revenue and profit growth to the Group.

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.

Based on the current industry outlook and our plans as indicated above, 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 2016.

### **B4. Profit forecast**

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

### **B5. Taxation**

	<b>Current Period-To-Date Ended 30-Sep-16 RM'000</b>	<b>Corresponding Period-To-Date Ended 30-Sep-15 RM'000</b>
Taxation for the period	7,034	5,119
Under provision in prior year	219	731
Deferred Tax	(4)	(13)
Total taxation	<u>7,249</u>	<u>5,837</u>

The Group's effective tax rate for the financial period to date is 27.7% and slightly higher than statutory tax rate of 24%.

### **B6. Status of Corporate Proposal**

On 4 August, OCK Vietnam Towers Pte Ltd ("OCK Vietnam" or "Purchaser"), an indirect 60.0%-owned subsidiary company of OCK, had on 4 August 2016, entered into a conditional share sale and purchase agreement ("SPA") with Vietnam Infrastructure Limited ("VNI" or the "Vendor") for the proposed acquisition by OCK Vietnam of 42,042,702 ordinary shares in SEATH, representing the entire equity interest in SEATH at the indicative purchase consideration of USD50,000,000 (equivalent to approximately RM203,850,000) which will be fully satisfied via cash ("Proposed Acquisition").

SEATH Group operates as an independent tower operator, its Group's business model is focused on the construction and subsequent leasing out of the BTS towers and infrastructure

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to mobile network operators or MNOs operating in Vietnam which provides wireless telecommunication services to end-users in Vietnam.

Subsequently, on 8 November 2016, the Group has obtained its shareholders' approval for the acquisition of SEATH. Upon completion of this proposed acquisition, the Group would consolidate the financial results of SEATH and this will result in positive revenue and profit growth to the Group.

The acquisition is currently pending the completion of the condition precedent by both the Purchaser and Vendor.

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

The gross proceeds of RM132.04 million from the Right Issues exercise which was completed on 22 December 2015 would be utilised in the following manner:

Purposes		Proposed Utilisation RM'000	Actual Utilisation As at 30.09.2016 RM'000	Balance Utilisation %	Reason for Deviation
(i)	Business Expansion	115,000	115,000	0.0%	
(ii)	General working capital	14,690	14,690	0.0%	
(iii)	Estimated expenses in relation to the Rights Issues	2,350	1,887	19.7%	(1)
Total gross proceeds		132,040	131,577	0.4%	

Note:

(1) The approved timeframe for utilisation is within twenty-four (24) months from the date of completion, i.e. by 21 December 2017.

The gross proceeds of RM 64.172 million from the Private Placement exercise which was completed on 17 August 2016 would be utilised in the following manner:

Purposes		Proposed Utilisation RM'000	Actual Utilisation As at 30.9.2016 RM'000	Balance Utilisation %	Reason for Deviation
(i)	Business Expansion	57,712	6,000	67.3%	(2)
(ii)	General working capital	5,860	4,836	17.5%	
(iii)	Estimated expenses in relation to the Private Placement	600	1,624	-170.7%	(3)
Total gross proceeds		64,172	25,348	60.5%	

Note:

(1) Based on the Announcement of Proposed Private Placement dated 6 June 2016, in the event the actual total proceeds raised from the proposed private placement varies from the proposed amount, adjustment is to be made to the proposed utilisation for business expansion.

Any variation to the amount estimated expenses in relation to the Proposed Private Placement will result in and adjustment to the proposed general working expenses.

(2) The approved timeframe for utilisation is within twenty-four (24) months from the date of completion, i.e. by 16 August 2018.

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- (3) The over utilisation of the expenses was mainly due to the under-estimation of expenses in relation to the Private Placement.

**B8. Group borrowings and debt securities**

The Group's borrowings as at 30 September 2016 are as follows:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Long term borrowings:-			
Hire purchase	14,720	-	14,720
Term loans	54,692	-	54,692
	<u>69,412</u>	<u>-</u>	<u>69,412</u>
Short term borrowings:-			
Overdraft	24,150	-	24,150
Bankers' acceptance	10,124	-	10,124
Bonds	-	2,078	2,078
Trust receipts/LC	-	-	-
Revolving project loan	23,220	-	23,220
Hire purchase payables	6,061	-	6,061
Term loans	5,773	-	5,773
	<u>69,328</u>	<u>2,078</u>	<u>71,406</u>

Foreign currency borrowings and debt securities in RM equivalent as at 30 September 2016 were as follow:

<b>Foreign Currencies</b>	<b>UNAUDITED as at 30-Sep-16 RM'000</b>	<b>UNAUDITED as at 30-Sep-15 RM'000</b>
USD	8,956	9,620
IDR	2,533	1,220
<b>Total</b>	<u>11,489</u>	<u>10,840</u>

**B9. Material Litigation**

Since the preceding FYE 31 December 2015, there is no change in material litigation as at the date of this announcement

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

	<b>UNAUDITED as at 30-Sep-16 RM'000</b>	<b>UNAUDITED as at 30-Sep-15 RM'000</b>
Total retained earnings of the Company and its subsidiary companies:		
- Realised	88,404	70,006
- Unrealised	(740)	(3,080)
Total Group retained profits as per consolidated accounts	87,664	66,926

**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 Corresponding Quarter Ended</b>		<b>Current Corresponding Period-To-Date Ended</b>	
	<b>30-Sep-16</b>	<b>30-Sep-15</b>	<b>30-Sep-16</b>	<b>30-Sep-15</b>
Group's comprehensive income attributable to equity holders of the Company (RM'000)	5,457	4,890	14,624	13,085
Weighted average number of ordinary shares ('000)	830,992	528,161	805,253	528,161
Upon conversion of warrants	264,080	-	264,080	-
Adjusted weighted average number of ordinary shares ('000)	1,095,073	528,161	1,069,333	528,161
Earnings per share (sen):				
- Basic	0.66	0.93	1.82	2.48
- Diluted	0.50	0.93	1.37	2.48

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.

\* Diluted earnings per share for the quarter and financial period is calculated based on the net profit divided by weighted average number of ordinary shares for the quarter and financial period respectively, adjusted for the dilutive effects of the potential ordinary shares from the private placement.

**OCK GROUP BERHAD (Company No: 955915 – M)****B12. Profit for the period**

	Current Corresponding Quarter Ended		Current Corresponding Period-To-Date Ended	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Profit before taxation is arrived at after charging/(crediting)	11,032	8,801	26,193	20,667
(a) depreciation	3,484	2,168	8,319	6,191
(c) interest expenses	2,509	1,060	6,346	3,087
(d) interest income	(527)	(50)	(1,821)	(368)
(e) (gain)/loss on foreign exchange	(274)	286	(545)	61
(f) other income	(649)	(192)	(1,826)	(1,265)

**B13. Dividend**

No interim dividend has been proposed or declared for the current financial quarter ended 30 September 2016.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)  
Company Secretary  
Kuala Lumpur  
Date: 29 November 2016