

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED 31-Mar-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31-Mar-20 RM'000	CURRENT YEAR TO DATE ENDED 31-Mar-21 RM'000	PRECEDING YEAR TO DATE ENDED 31-Mar-20 RM'000
Revenue	113,355	109,186	113,355	109,186
Cost of sales	(83,359)	(79,470)	(83,359)	(79,470)
Gross profit	29,996	29,716	29,996	29,716
Other income	782	329	782	329
Administrative expenses	(14,810)	(14,095)	(14,810)	(14,095)
Operating profit	15,968	15,950	15,968	15,950
Finance costs	(6,163)	(7,560)	(6,163)	(7,560)
Share of results of associates/ JV	-	-	-	-
Profit before tax	9,805	8,390	9,805	8,390
Taxation	(1,419)	(1,373)	(1,419)	(1,373)
Profit for the financial period	8,386	7,017	8,386	7,017
Other comprehensive income, net of tax:				
Foreign currency translation	11,864	41,387	11,864	41,387
Total comprehensive income for the financial period	20,250	48,404	20,250	48,404
Profit attributable to:				
Owners of the Company	7,171	6,578	7,171	6,578
Non-controlling interests	1,215	439	1,215	439
	8,386	7,017	8,386	7,017
Total comprehensive income attributable to:				
Owners of the Company	13,311	37,082	13,311	37,082
Non-controlling interests	6,939	11,322	6,939	11,322
	20,250	48,404	20,250	48,404

Note:

The Condensed Consolidated Statement of Comprehensive Income for the first quarter ended 31 March 2020 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	UNAUDITED As at 31-Mar-21 RM'000	AUDITED As at 31-Dec-20 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	625,883	597,036
Investment properties	17,761	17,761
Right-of-use assets	165,834	173,420
Deferred tax assets	1,448	1,496
Intangible assets	186,597	180,251
Investment in joint ventures / associates	199	201
Trade and other receivables	17,776	20,438
	1,015,498	990,603
Current Assets		
Inventories	66,198	63,414
Contract assets	68,389	76,585
Other Investments	197	582
Trade and other receivables	192,772	189,160
Tax recoverable	3,887	3,620
Fixed deposits placed with licensed banks	4,921	11,944
Cash and bank balances	71,241	66,994
	407,605	412,299
TOTAL ASSETS	1,423,103	1,402,902
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	303,668	295,526
Warrant reserve	10,113	-
Share option reserve	211	-
Revaluation reserve	7,188	7,188
Foreign currency translation reserve	(21,720)	(29,146)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Other reserve	232	252
Retained earnings	288,160	279,585
	570,845	536,398
Non-controlling interests	79,308	85,073
Total Equity	650,153	621,471
Non-Current Liabilities		
Loan and borrowings	215,497	229,190
Deferred tax liabilities	20,763	19,845
Deferred income	1,491	1,936
Provision for liabilities	10,176	9,522
Post employment benefit liabilities	792	738
Lease liabilities	138,729	135,481
	387,448	396,712
Current Liabilities		
Contract liabilities	1,201	2,394
Trade and other payables	154,645	144,706
Loan and borrowings	199,646	204,437
Lease liabilities	28,191	29,510
Tax payables	1,819	3,672
	385,502	384,719
TOTAL LIABILITIES	772,950	781,431
TOTAL EQUITY AND LIABILITIES	1,423,103	1,402,902
Net assets per share attributable to owners of the Company (RM)	0.54	0.56

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021 (CONT'D)

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2021

	← Attributable to owners of the Company →									
	Non-distributable						Distributable		Non-Controlling Interests	Total Equity
	Share Capital	Warrant Reserve	Share Option Reserve	Translation / Revaluation Reserve	Reverse Acquisition Reserve	Other Reserve	Retained Earnings	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2021	295,526	-	-	(21,958)	(17,007)	252	279,585	536,398	85,073	621,471
Effect on PPA adjustments* (Note A16)	-	-	-	-	-	-	1,404	1,404	-	1,404
At 1 January 2021, restated	295,526	-	-	(21,958)	(17,007)	252	280,989	537,802	85,073	622,875
Redemption of shares by NCI in a subsidiary	-	-	-	-	-	-	-	-	(10,925)	(10,925)
Dividend paid	-	-	-	-	-	-	-	-	(1,779)	(1,779)
Employee share option	-	-	211	-	-	-	-	211	-	211
Right issue	19,171	-	-	-	-	-	-	19,171	-	19,171
Warrant Issues	(10,113)	10,113	-	-	-	-	-	-	-	-
Share issuance expenses	(916)	-	-	-	-	-	-	(916)	-	(916)
Foreign currency translation	-	-	-	7,426	-	(20)	-	7,406	5,724	13,130
Total comprehensive income for the financial year	-	-	-	-	-	-	7,171	7,171	1,215	8,386
At 31 March 2021	303,668	10,113	211	(14,532)	(17,007)	232	288,160	570,845	79,308	650,153
At 1 January 2020	295,525	-	84,134	(10,548)	(17,007)	236	169,378	521,718	62,998	584,716
Dividends paid on shares	-	-	-	-	-	-	-	-	(1,215)	(1,215)
Foreign currency translation reserve	-	-	-	19,601	-	(3)	-	19,598	10,883	30,481
Total comprehensive income for the financial year	-	-	-	-	-	-	6,578	6,578	439	7,017
At 31 March 2020	295,525	-	84,134	9,053	(17,007)	233	175,956	547,894	73,105	620,999

Note:

*Retrospective adjustment to reflect the effects of purchase price allocation (“PPA”) of Solar System & Power Sdn. Bhd. completed in February 2021. Please refer Note A16 for more detail.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021

	Current Year To Date Ended 31-Mar-21 RM'000	Preceding Year To Date Ended 31-Mar-20 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,805	8,390
Adjustments for:		
Amortisation of intangibles	1,120	725
Depreciation	20,118	19,003
Employee share option expense	211	-
Impairment losses on receivables	326	-
Interest expenses	6,163	7,560
Interest income	(175)	(356)
	<u>37,568</u>	<u>35,322</u>
Changes in working capital:		
Inventories	(2,784)	(6,585)
Receivables	(1,275)	(20,247)
Payables	8,954	(21,722)
Amount due from customer for contract works	8,196	7,250
	<u>50,659</u>	<u>(5,982)</u>
Tax paid	(4,203)	(4,202)
Interests received	175	356
Net cash flows from operating activities	<u>46,631</u>	<u>(9,828)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in pledged deposits	212	1,420
Purchase of property, plant and equipment and investment properties	(40,853)	(57,908)
Other investments	385	37,580
Net cash flows used in investing activities	<u>(40,256)</u>	<u>(18,908)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interests paid	(4,181)	(7,560)
Net repayment of borrowings	(18,227)	(10,823)
Proceed from issuance of shares	19,171	-
Share issuance expenses	(916)	-
Redemption of shares by non-controlling interests in a subsidiary	(10,924)	-
Subscription of shares by non-controlling interests in a subsidiary	-	18,284
Dividends paid to:		
- non-controlling interests	(1,779)	(1,215)
Payment of lease liabilities	(580)	14,452
Net cash flows used in financing activities	<u>(17,436)</u>	<u>13,138</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021 (CONT'D)

	Current Year To Date Ended 31-Mar-21 RM'000	Preceding Year To Date Ended 31-Mar-20 RM'000
Net change in cash and cash equivalents	(11,061)	(15,598)
Effects of exchange rate changes	8,753	5,958
Cash and cash equivalents:		
At the beginning of the financial period	46,644	26,192
At the end of the financial period	<u>44,336</u>	<u>16,552</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	71,241	79,924
Fixed deposits	4,921	4,350
Bank overdraft	<u>(26,905)</u>	<u>(63,372)</u>
	49,257	20,902
Less: Fixed deposits pledged with licensed banks	<u>(4,921)</u>	<u>(4,350)</u>
	<u>44,336</u>	<u>16,552</u>

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE QUARTER ENDED 31 MARCH 2021

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 31 MARCH 2021

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

A1. Basis of Preparation

These condensed consolidated interim financial statements (“interim financial 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 2020 and the accompanying explanatory notes attached to the interim financial statements.

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the FYE 31 December 2020.

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 2020 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial year beginning on or after 1 January 2021:

Amendments/Improvements to MFRSs:

MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above did not have any significant effects on the interim financial report of the Group.

A3. Auditors’ Report

There was no qualification on the audited financial statements of the Company and its subsidiary companies for the FYE 31 December 2020.

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.

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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 year 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 in the current quarter under review other than the issuance of 95,857,296 Rights Shares at RM0.20 per Rights Share and 95,857,296 Warrants B during the quarter under review.

A8. Dividends Paid

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

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A9. Segmental Information

The segmental results of the Group for the FPE 31 March 2021 based on segment activities are as follows:

Cumulative Quarter 31 March 2021	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	Elimination RM'000	Group RM'000
Revenue from External customers	103,636	7,213	1,500	1,006	-	-	113,355
Inter-segment revenue	5,548	753	28	-	-	(6,329)	-
Total Revenue	109,184	7,966	1,528	1,006	-	(6,329)	113,355
Profit before tax	11,191	561	744	(1,082)	10,515	(12,124)	9,805
Taxation	(2,255)	-	(179)	-	(15)	1,030	(1,419)
Profit for the financial year	8,936	561	565	(1,082)	10,500	(11,094)	8,386

Cumulative Quarter 31 March 2020	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	Elimination RM'000	Group RM'000
Revenue from External customers	99,463	5,509	586	3,628	-	-	109,186
Inter-segment revenue	3,241	741	997	2,017	-	(6,996)	-
Total Revenue	102,704	6,250	1,583	5,645	-	(6,996)	109,186
Profit before tax	10,299	55	769	189	12,797	(15,719)	8,390
Taxation	(1,321)	(33)	(185)	(45)	(122)	333	(1,373)
Profit for the financial year	8,978	22	584	144	12,675	(15,386)	7,017

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A9. Segmental Information (Cont'd)

The segmental results of the Group for the FPE 31 March 2021 based on geographical segment are as follows:

Cumulative Quarter	Malaysia	Regional	Elimination	Group
31 March 2021	RM'000	RM'000	RM'000	RM'000
Revenue from				
External customers	48,743	64,612	-	113,355
Inter-segment revenue	6,023	306	(6,329)	-
Total Revenue	54,766	64,918	(6,329)	113,355
Profit before tax	14,285	7,644	(12,124)	9,805
Taxation	(1,015)	(1,434)	1,030	(1,419)
Profit for the financial year	13,270	6,210	(11,094)	8,386

Cumulative Quarter	Malaysia	Regional	Elimination	Group
31 March 2020	RM'000	RM'000	RM'000	RM'000
Revenue from				
External customers	50,118	59,068	-	109,186
Inter-segment revenue	6,681	315	(6,996)	-
Total Revenue	56,799	59,383	(6,996)	109,186
Profit before tax	13,798	10,311	(15,719)	8,390
Taxation	(609)	(1,097)	333	(1,373)
Profit for the financial period	13,189	9,214	(15,386)	7,017

A10. Valuation of property, plant and equipment

There are no changes in property, plant and equipment valuation in the current quarter under review.

A11. Capital Commitments

As at 31 March 2021, the capital commitments are as follows:

	UNAUDITED	UNAUDITED
	as at	as at
	31-Mar-21	31-Mar-20
	RM'000	RM'000
In respect of capital expenditure:		
Property, plant and equipment		
- approved and contracted for	170,238	129,593
- approved but not contracted for	189,240	125,155
	<u> </u>	<u> </u>
In respect of acquisition of a subsidiary		
- approved and contracted for	-	23,694
	<u> </u>	<u> </u>

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

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

A14. Contingent Liabilities and Contingent Assets

As at 31 March 2021, the contingent liabilities are as follows:

Contingent Liabilities

	UNAUDITED	UNAUDITED
	as at	as at
	31-Mar-21	31-Mar-20
	RM'000	RM'000
Financial guarantees given by OCC Group Berhad to licensed banks for facilities granted to subsidiaries	418,919	475,250
	<u> </u>	<u> </u>

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-21 RM'000	UNAUDITED as at 31-Mar-20 RM'000
Consultancy fee	82	-
Interest expense	128	-
Purchases	100	29
Sales	(7)	(193)

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.

A16. Completion of Purchase Price Allocation

During the current financial period, the Group has completed the purchase price allocation (“PPA”) exercise to determine the fair values of the net assets of Solar Sytem & Power Sdn. Bhd. (“SSP”), an indirect wholly-owned subsidiary company within the stipulated time period, i.e. twelve (12) months from the respective acquisition date of 12 February 2020, in accordance with MFRS 3 “Business Combinations”. Below are the effects of the final PPA adjustments in accordance with MFRS 3:

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
As at 31 December 2020			
Consolidated Statement of Financial Position			
<u>Non-Current Assets</u>			
Intangible Assets	40,604	6,791	47,395
Goodwill on consolidation	139,647	(3,757)	135,890
<u>Non-Current Liabilities</u>			
Deferred tax liabilities	-	(1,630)	1,630
Consolidated Statement of Changes in Equity			
Retained earnings	169,159	(1,404)	170,563

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B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**B1. Review of Performance**

Cumulative Quarter	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	Elimination RM'000	Group RM'000
31 March 2021							
Total Revenue	109,184	7,966	1,528	1,006	-	(6,329)	113,355
Profit before tax	11,191	561	744	(1,082)	10,515	(12,124)	9,805

Cumulative Quarter	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	Elimination RM'000	Group RM'000
31 March 2020							
Total Revenue	102,704	6,250	1,583	5,645	-	(6,996)	109,186
Profit before tax	10,299	55	769	189	12,797	(15,719)	8,390

For the current quarter ended 31 March 2021, the Group reported a higher revenue as compared to the corresponding quarter of previous year, mainly due to higher revenue contribution from Telecommunication Network Services and Green Energy and Power Solution.

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

Cumulative Quarter	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	Elimination RM'000	Group RM'000
31 March 2021							
Total Revenue	109,184	7,966	1,528	1,006	-	(6,329)	113,355
Profit before tax	11,191	561	744	(1,082)	10,515	(12,124)	9,805

Individual Quarter	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	Elimination RM'000	Group RM'000
31 December 2020							
Total Revenue	143,192	13,417	2,142	5,410	-	(25,083)	139,078
Profit before tax	12,763	(678)	938	(1,761)	(7,968)	6,230	9,524

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

The total revenue of RM113.3 million recorded for the current quarter was lower as compared to the revenue in the preceding quarter of RM139.0 million mainly due to lower revenue contribution from Telecommunication Network Services, Green Energy and Power Solution and M&E Engineering Services in the current quarter.

B3. Prospects

We foresee that this year will still be full of challenges, but we remain confident that OCK will be standing strong with steady recurring income contributions to the Group. The COVID-19 pandemic has in ways accelerated the adoption of new technologies. With this view, OCK is optimistic about the telecommunication industry's outlook where new technologies will require increased telecommunication infrastructure and speed such as 5G.

As Malaysia continues to strive in the transition to 5G, infrastructures have to be prepared. The government has announced plans such as the national digital infrastructure plan or more commonly referred to by its abbreviation in Malay, *JENDELA*; with an expected RM21 billion budget to lay the foundation for the transition to 5G, as well as investing a total of RM15 billion over 10 years for 5G implementation nationwide. To date, OCK has obtained additional new orders in excess of RM60 million under this Jendela Program. In this view, as one of Malaysia's largest telecommunication network services provider, OCK is optimistic of the telecommunication sector as a whole.

With the new and recent launch by the government, it is expected that a Total of RM15 billion will be invested over the next 10 years for 5G implementation nationwide. This is followed by the announcement of the launch of a Malaysia Special Purpose Vehicle ("GOMSPV") that will be the entity to oversee the deployment of 5G infrastructure and network roll out nationwide. We are now engaging with the GOMSPV for the new Towers construction commercials and BTS leasing terms and conditions. OCK will stand to benefit from these government 5G initiatives directly or indirectly as a key player in the deployment of 5G in Malaysia.

5G

OCK is proud to announce that the Group has developed a smart pole proven to be able to support the large scale rollout of the 5G network. To date, the Group has demo telecommunication sites erected in Langkawi and Sarawak as part of Malaysia's 5G trials. As a turnkey telecommunication network solutions provider, OCK is ready in terms of technical know-how and equipment solutions to support this next wave of technological expansion.

With the advancement of 5G in the future, OCK is in a prime position to secure more projects. With the implementation of 5G, the demand for telecommunication sites will increase by 3-4 times as compared to the number of 4G sites. The functionality for 5G is vast which includes smart solutions to various industries such as smart city, smart agriculture, smart traffic solutions and many more. The Group has positioned itself to capture future opportunities arising from this advancement through the partnership with China United Network Communications Group Co Ltd as they have proven track record in implementing smart city platforms and applications in a few cities in China which can be tailored to meet the Malaysian market's needs.

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B3. Prospects (Cont'd)

TOWERCO

OCK is poised to adopt a two-prong strategy to grow its telecommunication tower business whereby the number of telecommunication towers under its portfolio will be increased as well as to further expand its existing Tower Portfolio regionally.

To date OCK has a telecommunication tower portfolio of more than 4,300 towers across Myanmar, Vietnam and Malaysia. Its towerco recurring revenue stream provides a commendable contribution to the Group. With that said, the Group's recurring income from this segment will continue to grow as OCK continues to increase its tower portfolio across the region.

In Vietnam, OCK is the largest independent telecommunication towerco with over 2,700 telecommunication sites. The Group has a pipeline of targeted telecommunication sites to be acquired in 2021 as part of its brownfield expansion plans in Vietnam.

In Myanmar, OCK provides telecommunication infrastructure and resource supply services to its clients with a track record of completing and owning more than 1,100 telecommunication sites. The Group is aggressively building and acquiring more sites in this greenfield telecommunication market.

In Malaysia, OCK owns close to 500 telecommunication sites to date. OCK will still continue its growth plan at a slower pace and will also continue to add additional towers into its local portfolio.

GREEN ENERGY SOLUTIONS

In line with the Government's initiatives for the green renewable energy sector, the Group is enhancing its solar renewable energy segment via acquisition of solar farms to fortify its secondary recurring income stream. OCK is actively participating in the Government's initiatives on large scale solar projects. We will continue to grow our Green Energy Business segment through acquisitions and also look into proposed joint ventures with State Governments to expand our renewable energy footprint. As a turnkey solutions provider in the solar business, OCK is well equipped with engineering, procurement and construction capabilities to build as well as own solar farms.

One of OCK's aspirations is to reduce the carbon footprint as it continues to expand its businesses. The solar renewable energy segment provides OCK with the platform to do so, as well as build a secondary recurring income base via our solar farms through greenfield and brownfield opportunities.

To date, OCK owns 17 solar farm with a total capacity of 11.3MW.

B4. Profit forecast

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

B5. Taxation

	Quarter Ended		Year-To-Date Ended	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
	RM'000	RM'000	RM'000	RM'000
Taxation for the period	2,353	2,014	2,353	2,014
Deferred Tax	(934)	(641)	(934)	(641)
Total taxation	1,419	1,373	1,419	1,373

The Group's effective tax rate for the current quarter is lower than the statutory tax rate 24%.

B6. Status of Corporate Proposal

Save for the following, there was no corporate proposal announced but not completed as at the date of this announcement.

Rights Issue with Warrants

On 3 July 2020, OCK Group Berhad ("OCK" or "the Company") announced a proposed renounceable rights issue of up to 122,264,591 new ordinary shares in OCK ("OCK Share(s)" or "Share(s)") ("Rights Shares") on the basis of 1 Rights Share for every 10 existing OCK Shares held, together with up to 122,264,591 free detachable warrants in OCK ("Warrant(s) B") on the basis of 1 Warrant B for every 1 Rights Share subscribed for on an entitlement date.

On 24 July 2020, the Company has decided not to proceed with the Proposed Exemption and pursuant thereto, the Company has determined to revise the minimum level of funds the Company intends to raise from the Proposed Rights Issue with Warrants from RM6,527,343 to RM5,626,330 ("Minimum Subscription Level").

On 21 August 2020, the Company has decided to undertake the Proposed Rights Issue with Warrants on a maximum subscription level basis ("Maximum Subscription Level") to raise the maximum proceeds possible from the Proposed Rights Issue with Warrants of up to RM24,452,918.

The Company had on 26 August 2020 submitted the application to Bursa Malaysia and approval was received from Bursa on 13 October 2020.

On 8 January 2021, 95,857,296 Rights Shares and 95,857,296 Warrants B issued pursuant to the Rights Issue with Warrants were listed and quoted on the Main Market of Bursa Malaysia, marking the completion of the Rights Issue with Warrants.

B6. Status of Corporate Proposal (Cont'd)

The gross proceeds of RM19.17 million from the Rights Issue exercise would be utilised in the following manner:

Purposes	Original Proposed Utilisation RM'000	Actual Utilisation As at 31.03.2021 RM'000	Remaining Balance RM'000	Balance After The Change RM'000	Intended Timeframe for Utilisation
(i) Repayment of loan	10,000	10,000	-	-	Within 12 months
(ii) General working capital	7,971	8,255	(284)	-	Within 12 months
(iii) Estimated expenses in relation to the Rights Issue	1,200	916	* 284	-	Upon completion
Total gross proceeds	19,171	19,171	-	-	

Note:

* Being the excess of rights issue expenses of RM284,000.

B7. Group borrowings and debt securities

The Group's borrowings as at 31 March 2021 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Term loans	215,497	-	215,497
Short term borrowings:-			
Overdraft	26,904	-	26,904
Bankers' acceptance	7,086	-	7,086
Revolving credit	12,815	-	12,815
Revolving project loan	52,845	-	52,845
Term loans	99,996	-	99,996
	199,646	-	199,646

The above borrowings are denominated in Ringgit Malaysia, except for term loans amounting to RM248.8 million and RM3.5 million which are denominated in USD and IDR, respectively.

B8. Material Litigation

As at the date of this report, the Group was not engaged in any material litigation.

B9. Earnings Per Share

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

	Quarter Ended		Year-To-Date Ended	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Group's profit attributable to equity holders of the Company (RM'000)	7,171	6,578	7,171	6,578
Weighted average number of ordinary shares ('000)	1,054,440	958,574	1,054,440	958,573
Upon conversion of warrants ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	1,054,440	958,574	1,054,440	958,573
Earnings per share (sen):				
- Basic ^	0.68	0.69	0.68	0.69
- Diluted *	0.68	0.69	0.68	0.69

Notes:

^ Basic earnings per share are based on the profit attributable to owners of the Company and weighted average number of ordinary shares outstanding during the quarter.

* Diluted earnings per share are based on the profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the quarter plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

B10. Profit for the period

	Quarter Ended		Year-To-Date Ended	
	31-Mar-21 RM'000	31-Mar-20 RM'000	31-Mar-21 RM'000	31-Mar-20 RM'000
Profit before tax is arrived at after charging/(crediting):	9,805	8,390	9,805	8,390
- depreciation and amortisation	21,238	19,728	21,238	19,728
- interest expenses	6,163	7,560	6,163	7,560
- interest income	(175)	(356)	(175)	(356)
- (gain)/loss on foreign exchange	(663)	(949)	(663)	(949)
- other income	(607)	27	(607)	27

OCK GROUP BERHAD

Registration No: 201101027780 (955915 – M)

B11. Dividend

No interim dividend has been proposed or declared for the current financial year ended 31 March 2021.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)

Company Secretary

Kuala Lumpur

Date: