

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED 30-Jun-22 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30-Jun-21 RM'000	CURRENT YEAR TO DATE ENDED 30-Jun-22 RM'000	PRECEDING YEAR TO DATE ENDED 30-Jun-21 RM'000
Revenue	142,164	116,455	269,566	229,810
Cost of sales	(106,621)	(86,372)	(202,990)	(169,731)
Gross profit	35,543	30,083	66,576	60,079
Other income	185	1,677	1,069	2,459
Administrative expenses	(16,591)	(15,675)	(31,078)	(30,485)
Operating profit	19,137	16,085	36,567	32,053
Finance costs	(7,728)	(6,367)	(13,823)	(12,530)
Share of results of associates/ JV	-	-	-	-
Profit before tax	11,409	9,718	22,744	19,523
Taxation	(2,070)	(1,916)	(4,268)	(3,336)
Profit for the financial period	9,339	7,802	18,476	16,187
Other comprehensive income, net of tax:				
Foreign currency translation	37,940	(1,504)	53,584	10,360
Total comprehensive income for the financial period	47,279	6,298	72,060	26,547
Profit attributable to:				
Owners of the Company	8,028	6,930	15,429	14,099
Non-controlling interests	1,311	872	3,047	2,088
	9,339	7,802	18,476	16,187
Total comprehensive income attributable to:				
Owners of the Company	40,545	5,127	58,636	18,437
Non-controlling interests	6,734	1,171	13,424	8,110
	47,279	6,298	72,060	26,547

Note:

The Condensed Consolidated Statement of Comprehensive Income for the second quarter ended 30 June 2021 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	UNAUDITED As at 30-Jun-22 RM'000	AUDITED As at 31-Dec-21 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	705,897	673,626
Investment properties	19,780	19,780
Right-of-use assets	180,412	165,388
Deferred tax assets	1,247	1,178
Intangible assets	202,601	183,558
Investment in associates	196	197
Trade and other receivables	16,019	15,368
	1,126,152	1,059,095
Current Assets		
Inventories	91,671	63,392
Contract assets	62,922	75,441
Other Investments	1,706	17,023
Trade and other receivables	218,662	166,600
Tax recoverable	2,137	1,765
Fixed deposits placed with licensed banks	10,074	29,251
Cash and bank balances	56,726	52,629
	443,898	406,101
TOTAL ASSETS	1,570,050	1,465,196
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	300,848	300,835
Warrant reserve	12,959	12,959
Share option reserve	1,057	840
Revaluation reserve	7,064	7,064
Foreign currency translation reserve	14,553	(13,855)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Other reserve	234	208
Retained earnings	316,321	306,165
	636,029	597,209
Non-controlling interests	88,680	76,726
Total Equity	724,709	673,935
Non-Current Liabilities		
Loan and borrowings	309,342	177,060
Deferred tax liabilities	19,293	19,018
Deferred income	1,969	1,811
Provision for liabilities	11,938	11,119
Post employment benefit liabilities	894	753
Lease liabilities	158,631	133,565
	502,067	343,326
Current Liabilities		
Contract liabilities	1,213	4,537
Trade and other payables	122,500	148,908
Loan and borrowings	191,203	262,418
Lease liabilities	23,940	30,011
Tax payables	4,418	2,061
	343,274	447,935
TOTAL LIABILITIES	845,341	791,261
TOTAL EQUITY AND LIABILITIES	1,570,050	1,465,196
Net assets per share attributable to owners of the Company (RM)	0.60	0.57

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Company No: 201101027780 (955915 – M)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022
(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 2021 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2022

	Attributable to owners of the Company							Total	Non-Controlling Interests	Total Equity
	Non-distributable				Distributable					
	Share Capital	Warrant Reserve	Share Option Reserve	Translation / Revaluation Reserve	Reverse Acquisition Reserve	Other Reserve	Retained Earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	300,835	12,959	840	(6,791)	(17,007)	208	306,165	597,209	76,726	673,935
Dividend paid	-	-	-	-	-	-	(5,273)	(5,273)	(1,470)	(6,743)
Employee share option	-	-	220	-	-	-	-	220	-	220
Exercise of ESOS	13	-	(3)	-	-	-	-	10	-	10
Foreign currency translation	-	-	-	28,408	-	26	-	28,434	10,377	38,811
Total comprehensive income for the financial period	-	-	-	-	-	-	15,429	15,429	3,047	18,476
At 30 June 2022	300,848	12,959	1,057	21,617	(17,007)	234	316,321	636,029	88,680	724,709
At 1 January 2021	295,526	-	-	(21,958)	(17,007)	252	280,989	537,802	85,073	622,875
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(1,134)	(1,134)
Redemption of shares by NCI in a subsidiary	-	-	-	-	-	-	2	2	(10,923)	(10,921)
Dividends paid	-	-	-	-	-	-	-	-	(1,779)	(1,779)
Employee share option	-	-	420	-	-	-	-	420	-	420
Right Issues	19,171	-	-	-	-	-	-	19,171	-	19,171
Warrant Issues	(10,112)	10,112	-	-	-	-	-	-	-	-
Exercise of ESOS	8	-	-	-	-	-	-	8	-	8
Share Issuance Expenses	(916)	-	-	-	-	-	-	(916)	-	(916)
Foreign currency translation reserve	-	-	-	5,214	-	(20)	-	5,194	6,022	11,216
Transfer to warrant reserve	4	-	-	-	-	-	-	4	-	4
Total comprehensive income for the financial period	-	-	-	-	-	-	14,099	14,099	2,088	16,187
At 30 June 2021	303,681	10,112	420	(16,744)	(17,007)	232	295,090	575,784	79,347	655,131

Note:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED
30 JUNE 2022**

	Current Year To Date Ended 30-Jun-22 RM'000	Preceding Year To Date Ended 30-Jun-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	22,744	19,523
Adjustments for:		
Bad debts written off	-	3
Depreciation	47,310	41,432
Amortisation of intangibles	1,816	2,345
Fair value loss on investment properties	-	211
Gain on disposal of a subsidiary	-	(950)
Employee share option expense	217	420
Impairment losses on receivables	117	357
Interest expenses	13,823	12,530
Interest income	(840)	(274)
	<u>85,187</u>	<u>75,597</u>
Changes in working capital:		
Inventories	(28,279)	(2,590)
Receivables	(52,829)	5,405
Payables	(25,663)	15,864
Amount due from customer for contract works	9,194	16,929
	<u>(12,390)</u>	<u>111,205</u>
Tax paid	(2,077)	(4,947)
Interest received	840	274
Net cash flows used in operating activities	<u>(13,627)</u>	<u>106,532</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries	-	(50)
Change in pledged deposits	18,649	209
Purchase of property, plant and equipment and investment properties	(60,986)	(59,077)
Other investments	15,317	384
Net cash flows used in investing activities	<u>(27,020)</u>	<u>(58,534)</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED
30 JUNE 2022 (CONT'D)**

	Current Year To Date Ended 30-Jun-22 RM'000	Preceding Year To Date Ended 30-Jun-21 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(9,391)	(8,432)
Net drawdown of borrowings	41,595	(37,712)
Proceed from issuance of shares pursuant to ESOS	13	19,183
Share issuance expenses	-	(916)
Subscription of shares by non-controlling interests in a subsidiary	-	(10,920)
Dividends paid on:		
- ordinary shares	(5,273)	-
- non-controlling interests	(1,470)	(1,779)
Net payment of lease liabilities	(18,824)	(14,254)
Net cash flows used in financing activities	<u>6,650</u>	<u>(54,830)</u>
Net change in cash and cash equivalents	(33,997)	(6,832)
Effects of exchange rate changes	18,095	6,309
Cash and cash equivalents:		
At the beginning of the financial period	<u>23,485</u>	<u>46,644</u>
At the end of the financial period	<u>7,583</u>	<u>46,121</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	56,726	75,589
Fixed deposits	10,074	4,924
Bank overdraft	(49,143)	(29,468)
	<u>17,657</u>	<u>51,045</u>
Less: Fixed deposits pledged with licensed banks	(10,074)	(4,924)
	<u>7,583</u>	<u>46,121</u>

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE QUARTER ENDED 30 JUNE 2022

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 30 JUNE 2022

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 2021 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 2021.

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 2021 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial year beginning on or after 1 January 2022:

Amendments/Improvements to MFRSs:

MFRS 1	First-time Adoption of Malaysia Financial Reporting Standards
MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 116	Property, Plant and Equipment
MFRS 137	Provision, Contingent Liabilities and Contingent Assets

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 2021.

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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 year that had a material effect in the current quarter under review.

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

During the financial period ended 30 June 2022, there were no ordinary shares issued pursuant to the exercise of the Employees' Share Option Scheme (ESOS). Detail of the issued and paid up capital of the Company as at 30 June 2022 are as follows:

	No. of Shares Unit'000	RM'000
As at 31 March 2022	1,054,508	300,848
Ordinary shares issued pursuant to the ESOS	-	-
As at 30 June 2022	1,054,508	300,848

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current quarter and financial year ended 30 June 2022.

A8. Dividends Paid

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

A9. Segmental Information

The segmental results of the Group for the FPE 30 June 2022 based on segment activities are as follows:

Cumulative Quarter 30 June 2022	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	238,691	25,122	5,146	607	-	-	269,566
Inter-segment revenue	10,033	1,767	2,324	-	-	(14,124)	-
Total Revenue	248,724	26,889	7,470	607	-	(14,124)	269,566
Profit before tax	21,731	2,419	2,018	(793)	7,030	(9,661)	22,744
Taxation	(3,912)	(546)	(489)	-	(47)	726	(4,268)
Profit for the financial period	17,819	1,873	1,529	(793)	6,983	(8,935)	18,476

Cumulative Quarter 30 June 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	208,031	17,863	2,771	1,145	-	-	229,810
Inter-segment revenue	10,311	1,528	97	-	-	(11,936)	-
Total Revenue	218,342	19,391	2,868	1,145	-	(11,936)	229,810
Profit before tax	20,617	1,402	1,495	(2,268)	10,679	(12,402)	19,523
Taxation	(4,452)	(121)	(359)	-	(64)	1,660	(3,336)
Profit for the financial period	16,165	1,281	1,136	(2,268)	10,615	(10,742)	16,187

A9. Segmental Information (Cont'd)

The segmental results of the Group for the FPE 30 June 2022 based on geographical segment are as follows:

Cumulative Quarter 30-June-22	Malaysia RM'000	Regional RM'000	Elimination RM'000	Group RM'000
Revenue from				
External customers	144,626	124,940	-	269,566
Inter-segment revenue	14,928	(804)	(14,124)	-
Total Revenue	159,554	124,136	(14,124)	269,566
Profit before tax	17,469	14,936	(9,661)	22,744
Taxation	(2,402)	(2,592)	726	(4,268)
Profit for the financial period	15,067	12,344	(8,935)	18,476

Cumulative Quarter 30-June-21	Malaysia RM'000	Regional RM'000	Elimination RM'000	Group RM'000
Revenue from				
External customers	104,402	125,408	-	229,810
Inter-segment revenue	11,321	615	(11,936)	-
Total Revenue	115,723	126,023	(11,936)	229,810
Profit before tax	19,439	12,486	(12,402)	19,523
Taxation	(2,244)	(2,752)	1,660	(3,336)
Profit for the financial period	17,195	9,734	(10,742)	16,187

A10. Valuation of property, plant and equipment

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

A11. Capital Commitments

As at 30 June 2022, the capital commitments are as follows:

	UNAUDITED	UNAUDITED
	as at	as at
	30-Jun-22	30-Jun-21
	RM'000	RM'000
In respect of capital expenditure:		
Property, plant and equipment		
- approved and contracted for	182,721	169,193
- approved but not contracted for	229,951	207,365
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In respect of acquisition of a subsidiary		
- approved and contracted for	-	-
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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 changes in the composition of the Group in the current quarter under review, except as follows:

Global Technical Infrastructure One Member Company Limited (GTI) which was incorporated on 16 December 2014 with a paid-up capital of VND 30 Billion was acquired by Global Infrastructure Investment Company Limited, the subsidiary of Eastern Tower Company Limited on 21st April 2022. The Principal Activities for GTI is Provision of tower facilities, utilities and communication network for mobile and broadband.

On 11th May 2022, the Company's wholly-owned subsidiary, OCC Setia Engineering Sdn. Bhd. had completed the acquisition of Mercu Sepadu Sdn. Bhd. ("Mercu Sepadu") representing 51% equity interest at nominal value of RM51.

Mercu Sepadu was incorporated on 6th January 2022 with a paid-up share capital of RM100. The Principal Activities for Mercu Sepadu is in the Provision of Telecommunication Network Services (TNS).

A14. Contingent Liabilities and Contingent Assets

As at 30 June 2022, the contingent liabilities are as follows:

	UNAUDITED	UNAUDITED
	as at	as at
	30-Jun-22	30-Jun-21
	RM'000	RM'000
Financial guarantees given by OCC Group Berhad to licensed banks for facilities granted to subsidiaries	503,121	401,618
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A15. Significant Related Party Transaction

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

Nature of Transactions	UNAUDITED as at 30-Jun-22 RM'000	UNAUDITED as at 30-Jun-21 RM'000
Consultancy fee	123	144
Interest expense	205	253
Purchases	88	219
Sales	(8)	(7)

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. Employees' Share Option Scheme ("ESOS")

The Company has implemented an ESOS scheme to attract and retain qualified and experienced employees. The shareholders approved the scheme at an Extraordinary General Meeting held on 11 November 2020 and shall be in force for five years until 12 November 2025. Accordingly, in compliance with Malaysia Financial Reporting Standard, MFRS 2 on Share-based payment, a total ESOS cost for share options that amounted to RM1,541,100 was charged to income statements for the current financial period of RM1,063,379.

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of Performance

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
30 June 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	130,937	13,598	4,445	353	-	(7,169)	142,164
Profit before tax	8,876	1,169	1,086	(270)	7,921	(7,373)	11,409

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
30 June 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	109,158	11,426	1,339	139	-	(5,607)	116,455
Profit before tax	9,426	841	752	(1,186)	164	(279)	9,718

For the current quarter ended 30 June 2022, the Group reported a higher revenue as compared to the corresponding quarter of the previous year, mainly due to higher revenue contribution from Telecommunication Network Services, Green Energy and Power Solution and Trading segments.

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

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
30 June 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	130,937	13,598	4,445	353	-	(7,169)	142,164
Profit before tax	8,876	1,169	1,086	(270)	7,921	(7,373)	11,409

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
31 March 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	117,787	13,291	3,025	254	-	(6,955)	127,402
Profit before tax	12,855	1,250	932	(523)	(891)	(2,288)	11,335

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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 RM142.2 million recorded for the current quarter was higher as compared to the revenue in the preceding quarter of RM127.4 million, mainly contribute from Telecommunication Network Services, Green Energy and Power Solution and Trading segments.

B3. Prospects

As global businesses are almost back to normal, OCK Group Berhad ("OCK" or the "Group") remains optimistic that telecommunication infrastructures will undoubtedly stand to benefit from the accelerated digitalisation which is further fuelled by the ever-growing reliance on internet and data across the globe. This along with the inevitable approach of 5G technologies well underway only further signals the significance of building strong telecommunication infrastructures to advance into the digital economy in which OCK is prepared and ready to deliver.

Shifting the focus towards a greener economy, the Group supports Malaysia's commitment goals in being carbon-neutral by 2050 as detailed under the 12th Malaysia Plan. OCK has been reducing our carbon footprint through our solar segments since 2012. As an engineering, procurement, construction and commissioning contractor and solar farm owner, the Group is optimistic that there will be more upcoming projects from the public and private sector to meet Malaysia's carbon neutral goals.

Telecommunication Network Services (TNS)

The Malaysian government has continued to make progress to upgrade the telecommunication technology and infrastructure. As the largest telecommunication network solutions ("TNS") provider in Malaysia, OCK's financial performance in the TNS segment has been thriving due to the delivery of contracts for the national digital infrastructure plan or more commonly referred to by its abbreviation in Malay, *JENDELA*.

Under the JENDELA programme, OCK has been awarded additional orders of more than RM170 million indirectly from clients such as OCK's Satellite Broadband Project and mobile network operators. Overall, OCK currently has an order book of more than RM280 million.

Advancing forward, OCK will actively continue to partake in tenders for more projects under this programme that are related to 5G, telecommunication infrastructure works, CME and others. This is further supported by Digital National Bhd's ("DNB") plans to ramp up 5G coverage to 38% of populated areas which will include parts of Johor, Penang, Sabah, Sarawak, Selangor, Negri Sembilan, Melaka and Perak by end of 2022. In the quarter under review, the Group's TNS business remained robust with a growth of 7.9% over the same quarter in 2021.

Towerco

To date, OCK has garnered a strong presence in the Southeast Asia region, owning a telecommunication tower portfolio of more than 4,800 sites. We are expanding our existing telecommunication tower business both locally and regionally via organic and inorganic means.

B3. Prospects (Cont'd)

In Malaysia, we foresee abundance of jobs through the implementation of 5G nationwide by DNB which is expected to deploy 3,000 to 4,000 5G telecommunication sites in 2022. We are optimistic that we will be able to obtain more build to suit site orders directly that will increase the size of our tower portfolio. Through this, OCK will also be able to increase the tenancy ratio of existing sites.

In Vietnam, the Group has a pipeline of 800 telecommunication towers to be acquired.

In Myanmar, OCK will continue to build and deliver the remaining on hand order book in 2022.

Managed Services

OCK's managed services business are in Indonesia and Malaysia.

Indonesia continues to be the largest market for OCK where revenue for FY2021 increased by 16% as compared to FY2020. OCK is one of the largest independent managed services companies there with 49,200 telecommunication sites under management, which make up almost 45% of the total telecommunication sites in Indonesia and this is expected to continue growing.

In Malaysia, OCK manages approximately 5,300 telecommunication sites, equivalent to approximately 15% of the total telecommunication sites in Malaysia. Through DNB and the JENDELA programme, there will be at least 3,000 to 4,000 more sites to be built, in which OCK is optimistic of securing a sizable portion of these sites.

As OCK seeks to increase its market share in Indonesia and Malaysia, it will explore other regions for related opportunities.

GREEN ENERGY SOLUTIONS

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.

OCK is actively participating in the government agencies' initiatives on large scale solar projects to expand its renewable energy footprint, including opportunities under the Net Energy Metering ("NEM") scheme with large corporations and local authorities. To date, OCK owns 17 solar farms in Malaysia with total capacity of 11.3MW. On an ongoing basis, OCK will look for viable additional targeted Solar Sites to be acquired.

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	
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
	RM'000	RM'000	RM'000	RM'000
Taxation for the period	2,738	2,332	5,459	4,686
Deferred Tax	(668)	(416)	(1,191)	(1,350)
Total taxation	<u>2,070</u>	<u>1,916</u>	<u>4,268</u>	<u>3,336</u>

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

B6. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this announcement.

B7. Group borrowings and debt securities

The Group's borrowings as at 30 June 2022 are as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Long term borrowings:-			
Term loans	345,670	-	345,670
Short term borrowings:-			
Overdraft	49,143	-	49,143
Bankers' acceptance	25,863	-	25,863
Revolving credit	13,229	-	13,229
Revolving project loan	30,470	-	30,470
Term loans	36,170	-	36,170
	<u>154,875</u>	<u>-</u>	<u>154,875</u>
			<u>500,545</u>

The above borrowings are denominated in Ringgit Malaysia, except for term loans amounting to RM271.7 million and RM6.9 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	
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
Group's profit attributable to equity holders of the Company (RM'000)	8,028	6,930	15,429	14,099
Weighted average number of ordinary shares ('000)	1,054,508	1,054,452	1,054,508	1,054,452
Upon conversion of warrants ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	1,054,508	1,054,452	1,054,508	1,054,452
Earnings per share (sen):				
- Basic ^	0.76	0.66	1.46	1.34
- Diluted *	0.76	0.66	1.46	1.34

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	
	30-Jun-22 RM'000	30-Jun-21 RM'000	30-Jun-22 RM'000	30-Jun-21 RM'000
Profit before tax is arrived at after charging/(crediting):	11,409	9,718	22,744	19,523
- depreciation and amortisation	26,207	22,539	49,126	43,777
- interest expenses	7,728	6,367	13,823	12,530
- interest income	(685)	(99)	(840)	(274)
- (gain)/loss on foreign exchange	1,067	(98)	(1,529)	(761)
- other income	500	(628)	(229)	(1,235)
- net gain on disposal of subsidiary company	-	(950)		(950)

B11. Declared Dividend

No interim dividend has been proposed or declared for the current financial period ended 30 June 2022.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)
Company Secretary
Kuala Lumpur
Date: 29 August 2022