

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

	<b>CURRENT QUARTER ENDED 30-Jun-16 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER ENDED 30-Jun-15 RM'000</b>	<b>CURRENT PERIOD TO DATE ENDED 30-Jun-16 RM'000</b>	<b>PRECEDING PERIOD TO DATE ENDED 30-Jun-15 RM'000</b>
Revenue	114,011	70,273	192,454	126,435
Cost of sales	(92,093)	(56,042)	(154,965)	(98,968)
Gross profit	21,918	14,231	37,489	27,467
Other income	1,137	497	2,470	1,391
Administrative expenses	(9,070)	(4,842)	(16,126)	(10,941)
Operating profit	13,985	9,886	23,833	17,917
Depreciation expenses	(2,516)	(2,078)	(4,835)	(4,023)
Finance costs	(2,049)	(1,117)	(3,837)	(2,027)
Profit before tax	9,420	6,691	15,160	11,867
Taxation	(2,812)	(1,671)	(4,016)	(2,814)
Profit for the financial period	6,608	5,020	11,144	9,053
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	6,608	5,020	11,144	9,053
Total comprehensive income attributable to the:				
Owners of the company	5,457	5,133	9,167	8,197
Non-controlling interests	1,151	(113)	1,977	856
	6,608	5,020	11,144	9,053

**Notes:**

The Condensed Consolidated Statement of Comprehensive Income for the first quarter ended 30 June 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 JUNE 2016**

	UNAUDITED As at 30-Jun-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	94,418	87,989
Investment properties	14,500	14,500
Deferred tax assets	142	144
Intangible assets	18,483	19,240
Non current trade receivables	26,758	31,361
	<b>154,301</b>	<b>153,234</b>
<b>Current Assets</b>		
Work in progress and inventories	46,231	30,935
Amount due from customers for contract works	17,401	16,088
Other Investments	-	41
Trade and other receivables	221,512	174,554
Tax recoverable	464	305
Derivative financial assets	32	32
Fixed deposits placed with licensed banks	16,014	137,225
Cash and bank balances	104,603	26,597
<b>Total Current Assets</b>	<b>406,257</b>	<b>385,777</b>
<b>TOTAL ASSETS</b>	<b>560,558</b>	<b>539,011</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	79,224	79,224
Share premium	102,578	102,869
Warrant reserve	84,136	84,136
Revaluation reserve	4,504	4,504
Foreign currency translation reserve	403	467
Reserve arising from reverse acquisition	(17,007)	(17,007)
Retained earnings	82,304	78,693
Non-controlling interest	12,346	10,370
<b>Total Equity</b>	<b>348,488</b>	<b>343,256</b>
<b>Non Current Liabilities</b>		
Loan and borrowings	40,565	41,030
Deferred tax liabilities	7,388	7,388
Non current trade payables	26,758	31,053
	<b>74,711</b>	<b>79,471</b>
<b>Current Liabilities</b>		
Amount due to customers for contract works	1,226	1,247
Trade and other payables	77,086	63,481
Loan and borrowings	55,608	48,619
Tax payables	3,439	2,937
<b>Total Current Liabilities</b>	<b>137,359</b>	<b>116,284</b>
<b>TOTAL LIABILITIES</b>	<b>212,070</b>	<b>195,755</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>560,558</b>	<b>539,011</b>
Net assets per share attributable to owners of the Company (RM)	<b>0.44</b>	<b>0.43</b>

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

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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2016

	← Attributable to owners of the Company →								
	Non-distributable				Distributable		Non- Controlling Interest	Total Equity	
	Share Capital	Share Premium	Warrant Reserve	Translation / Revaluation Reserve	Reverse Acquisition Reverse	Retained Earnings			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	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>Share issuance expenses</b>	-	(291)	-	-	-	-	(291)	-	(291)
<b>Foreign currency translation</b>	-	-	-	(64)	-	-	(64)	-	(64)
<b>Total comprehensive income for the financial year</b>	-	-	-	-	-	9,167	9,167	1,976	11,143
<b>At 30 June 2016</b>	79,224	102,578	84,136	4,907	(17,007)	82,304	336,142	12,346	348,488
<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>	-	-	-	769	-	-	769	-	769
<b>Total comprehensive income for the financial year</b>	-	-	-	-	-	8,197	8,197	856	9,053
<b>At 30 June 2015</b>	52,816	84,187	-	5,731	(17,007)	62,038	187,765	9,102	196,867

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.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2016**

	<b>Current Period To Date Ended 30-Jun-16 RM'000</b>	<b>Preceding Period To Date Ended 30-Jun-15 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	15,160	11,867
Adjustments for:		
Depreciation	4,835	4,023
Amortisation of intangibles	757	1,008
Interest expenses	3,837	2,027
Interest income	(1,293)	(318)
	<u>23,296</u>	<u>18,607</u>
Changes in working capital		
Inventories	(16,609)	(13,550)
Receivables	(42,473)	(23,666)
Payables	10,536	1,970
Amount due from customer for contract works	(1,247)	(1,263)
	<u>(26,497)</u>	<u>(17,902)</u>
Tax paid	(3,512)	(2,828)
Interests received	1,293	318
<b>Net cash flows from operating activities</b>	<u>(28,716)</u>	<u>(20,412)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment	(11,264)	(19,939)
Proceeds from disposal of property plant and equipment	-	-
Other investments	-	-
<b>Net cash flows from investing activities</b>	<u>(11,264)</u>	<u>(19,939)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interests paid	(3,837)	(2,027)
Net drawdown / (repayment) of borrowings	6,523	9,528
Share issuance expenses	(291)	-
Dividend paid	(5,556)	-
<b>Net cash flows from financing activities</b>	<u>(3,161)</u>	<u>7,501</u>
Net Change in cash and cash equivalents	(43,141)	(32,850)
Effects of exchange rate changes	(64)	769
Cash and cash equivalents:		
At the beginning of the financial period	149,805	65,068
At the end of the financial period	<u>106,600</u>	<u>32,987</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	104,603	28,175
Fixed deposits	16,014	13,506
	<u>120,617</u>	<u>41,681</u>
Less: Fixed deposits pledged with licensed banks	(14,017)	(8,694)
	<u>106,600</u>	<u>32,987</u>

**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.

**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 30 JUNE 2016**

**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.

**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.

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

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

Cumulative Quarter 30 June 2016	Telecommunication			M&E Engineering Services RM'000	Investment Holding Company RM'000	Eliminate RM'000	Group RM'000
	Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000				
Revenue from External customers	155,506	18,715	4,301	13,932	-		192,454
Inter-segment revenue	6,801	-	4,377	411	-	(11,589)	-
<b>Total Revenue</b>	<b>162,307</b>	<b>18,715</b>	<b>8,678</b>	<b>14,343</b>	<b>-</b>	<b>(11,589)</b>	<b>192,454</b>
Profit before tax	13,992	1,143	1,610	580	(2,165)		15,160
Taxation	(3,231)	(266)	(383)	(136)	-		(4,016)
<b>Profit for the financial period</b>	<b>10,761</b>	<b>877</b>	<b>1,227</b>	<b>444</b>	<b>(2,165)</b>	<b>-</b>	<b>11,144</b>

Cumulative Quarter 30 June 2015	Telecommunication			M&E Engineering Services RM'000	Investment Holding Company RM'000	Eliminate RM'000	Group RM'000
	Network Services RM'000	Green Energy and Power Solution RM'000	Trading RM'000				
Revenue from External customers	97,805	17,447	3,134	8,049	-		126,435
Inter-segment revenue	(3,875)	7,804	829	103	-	(4,861)	-
<b>Total Revenue</b>	<b>93,930</b>	<b>25,251</b>	<b>3,963</b>	<b>8,152</b>	<b>-</b>	<b>(4,861)</b>	<b>126,435</b>
Profit before tax	10,941	758	143	387	(363.00)	-	11,866
Taxation	(2,503)	(182)	(34)	(95)	-	-	(2,814)
<b>Profit for the financial period</b>	<b>8,438</b>	<b>576</b>	<b>109</b>	<b>292</b>	<b>(363.00)</b>	<b>-</b>	<b>9,052</b>

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

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

<b>Cummulative Quarter 30 June 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>				
External customers	158,751	33,703	-	192,454
Inter-segment revenue	11,589	-	(11,589)	-
<b>Total Revenue</b>	<b>170,340</b>	<b>33,703</b>	<b>(11,589)</b>	<b>192,454</b>
<b>Profit before tax</b>	<b>13,027</b>	<b>2,133</b>	<b>-</b>	<b>15,160</b>
Taxation	(3,139)	(877)	-	(4,016)
<b>Profit for the financial period</b>	<b>9,888</b>	<b>1,256</b>	<b>-</b>	<b>11,144</b>

<b>Cummulative Quarter 30 June 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>				
External customers	105,740	20,695	-	126,435
Inter-segment revenue	4,861	-	(4,861)	-
<b>Total Revenue</b>	<b>110,601</b>	<b>20,695</b>	<b>(4,861)</b>	<b>126,435</b>
<b>Profit before tax</b>	<b>8,315</b>	<b>3,551</b>	<b>-</b>	<b>11,866</b>
Taxation	(1,968)	(846)	-	(2,814)
<b>Profit for the financial period</b>	<b>6,347</b>	<b>2,705</b>	<b>-</b>	<b>9,052</b>

**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 June 2016, the capital commitments are as follows:

	<b>UNAUDITED as at 30-Jun-16 RM'000</b>	<b>UNAUDITED as at 30-Jun-15 RM'000</b>
Capital expenditure approved and contracted for :	275,342	-



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

### **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 has completed the incorporation of OCK SEA Towers Pte Ltd ("OST") in Singapore on 7 June 2016. OST was established with an issued and paid-up capital of 1 ordinary shares of SGD1.00.

Subsequently, the Company's wholly-owned subsidiary, OST has completed the incorporation of OCK Myanmar Towers Pte Ltd ("OMT") in Singapore on 15 June 2016. OMT was established with an issued and paid-up capital of 1 ordinary shares of SGD1.00 each.

The Company's wholly-owned subsidiary, OST has completed the incorporation of OCK Vietnam Towers Pte Ltd ("OVT") in Singapore on 15 June 2016. OVT was established with an issued and paid-up capital of 1 ordinary shares of SGD1.00 each.

The intended principal activity of OST, OMT & OVT is tower facilities, utilities, and communication network for mobile and broadband operators.

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

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

	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>as at</b>	<b>as at</b>
	<b>30-Jun-16</b>	<b>30-Jun-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:	374,651	134,037
Financial guarantees given to a third party for the sales of goods to a subsidiary:	42,521	-

### **A15. Significant Related Party Transaction**

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

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

Nature of Transactions	UNAUDITED as at 30-Jun-16 RM'000	UNAUDITED as at 30-Jun-15 RM'000
Rental of properties paid	-	142
Sales	(6,770)	(9,315)

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 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
<b>30 June 2016</b>							
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

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	Eliminate RM'000	Group RM'000
<b>30 June 2015</b>							
Total Revenue	54,203	12,815	1,788	3,531	-	(2,064)	70,273
Profit before tax	6,946	36	7	65	(363)	-	6,691

For the quarterly period ended 30 June 2016, the Group reported revenue of RM114.0 million and profit before taxation (“PBT”) of RM9.4 million against of revenue of RM70.2 million and PBT of RM6.7 million in the previous year corresponding quarter. The higher Group revenue is mainly due to significantly higher revenue contribution from telecommunication network services. The substantial higher revenue from telecommunication network services was due to higher contribution from contracting works in Malaysia as well as contribution from its regional business in Indonesia, Cambodia and Myanmar. In addition, the Trading and M&E Engineering Services segment also contribute higher revenue as compare to previous year corresponding quarter. In contrary, Green Energy and Power Solution segment was lower than the previous year corresponding quarter. This is due to a reduction in the sales of power solution equipment, following the company’s new pricing strategy in order to manage foreign exchange risk.

Consequently, the overall higher Group revenue 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 Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Eliminate	Group
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

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Eliminate	Group
31 March 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	65,015	10,425	3,918	5,644	-	(6,559)	78,443
Profit before tax	5,112	533	423	164	(492)	-	5,740

The total revenue of RM114.0 million recorded for the current quarter was higher as compared to the revenue recorded for in the preceding quarter of RM78.4 million mainly due to higher revenue contribution from Telecommunication Network Services as telecommunication operators award more works, in-line with their networks rollout plans. In addition, there were also higher contribution from M&E Engineering Services in the current quarter, due to higher delivery of engineering works on the existing projects.

Consequently, the higher Group revenue in this quarter resulted in a higher Group PBT of RM9.4 million in the current quarter as compared to the preceding quarter of RM5.7 million.

**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 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

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

Vietnam. 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 that is rapidly growing in demand. Sustainable Energy Development Malaysia ("SEDA") releases quotas for solar energy under the Feed in Tariff ("FiT") programme annually.

Based on the current industry outlook and our plans as indicated above and given that 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 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-Jun-16 RM'000</b>	<b>Corresponding Period-To-Date Ended 30-Jun-15 RM'000</b>
Taxation for the period	4,014	2,819
Deferred Tax	2	(5)
Total taxation	<u>4,016</u>	<u>2,814</u>

The Group's effective tax rate for the financial period to date is 26.5% and slightly higher than statutory tax rate of 24%.

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

There were no corporate proposals announced but not completed as at the date of this announcement.

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

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

Purposes		Proposed Utilisation RM'000	Actual Utilisation As at 30.06.2016 RM'000	Balance Utilisation %
(i)	Business Expansion	50,000	50,000	0.0%
(ii)	Repayment of borrowings	8,000	8,000	0.0%
(iii)	Renovation costs	3,000	3,000	0.0%
(iv)	General working capital	11,574	11,574	0.0%
(v)	Estimated expenses in relation to the Proposed Private placement	1,500	1,500	0.0%
Total gross proceeds		74,074	74,074	0.0%

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 30.06.2016 RM'000	Balance Utilisation %	Reason for Deviation
(i)	Business Expansion	115,000	106,630	7.3%	(1)
(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%	
Total gross proceeds		132,040	123,207	6.7%	

Notes:

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

**B8. Group borrowings and debt securities**

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

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Hire purchase	14,618	-	14,618
Term loans	25,948	-	25,948
	<b>40,566</b>	<b>-</b>	<b>40,566</b>
Short term borrowings:-			
Overdraft	11,855	-	11,855
Bankers' acceptance	6,290	-	6,290
Bonds	-	2,078	2,078
Trust receipts/LC	-	-	-
Revolving project loan	25,485	-	25,485
Hire purchase payables	5,621	-	5,621
Term loans	4,278	-	4,278
	<b>53,529</b>	<b>2,078</b>	<b>55,607</b>

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

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

	<b>UNAUDITED</b> as at <b>30-Jun-16</b> <b>RM'000</b>	<b>AUDITED</b> as at <b>30-Jun-15</b> <b>RM'000</b>
Foreign Currencies		
USD	9,222	9,620
IDR	2,440	1,220
<b>Total</b>	<b>11,662</b>	<b>10,840</b>

**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</b> as at <b>30-Jun-16</b> <b>RM'000</b>	<b>AUDITED</b> as at <b>30-Jun-15</b> <b>RM'000</b>
Total retained earnings of the Company and its subsidiary companies:		
- Realised	82,786	63,462
- Unrealised	(482)	(1,424)
Total Group retained profits as per consolidated accounts	<b>82,304</b>	<b>62,038</b>

**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:

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

	Current Corresponding Quarter Ended		Current Corresponding Period-To-Date Ended	
	30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
Group's comprehensive income attributable to equity holders of the Company (RM'000)	5,457	5,133	9,167	8,197
Weighted average number of ordinary shares ('000)	792,241	528,161	792,241	528,161
Upon conversion of warrants	264,080	-	264,080	-
Adjusted weighted average number of ordinary shares ('000)	<u>1,056,322</u>	<u>528,161</u>	<u>1,056,322</u>	<u>528,161</u>
Earnings per share (sen):				
- Basic	0.69	0.97	1.16	1.55
- Diluted	0.52	0.97	0.87	1.55

**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 exercise of the Warrants.

**B12. Profit for the period**

	Current Corresponding Quarter Ended		Current Corresponding Period-To-Date Ended	
	30-Jun-16 RM'000	30-Jun-15 RM'000	30-Jun-16 RM'000	30-Jun-15 RM'000
Profit before taxation is arrived at after charging/(crediting)	9,420	6,691	15,160	11,867
(a) depreciation	2,516	2,078	4,835	4,023
(b) gain on disposal of property, plant and equipment	-	-	-	-
(c) interest expenses	1,788	1,117	3,837	2,027
(d) interest income	(1,047)	83	(1,293)	(318)
(e) (gain)/loss on foreign exchange	352	(28)	(271)	(225)
(f) other income	(286)	(497)	(1,177)	(936)
(g) rental income	-	(83)	-	(137)

**B13. Dividend**

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

By Order of the Board

Wong Youn Kim (MAICSA 7018778)

Company Secretary

Kuala Lumpur

Date: 29 August 2016