

OCK GROUP BERHAD (“OCK” OR “THE COMPANY”)

JOINT VENTURE AGREEMENT BETWEEN OCK SETIA ENGINEERING SDN BHD (“OCKSE”) AND IRAT PROPERTIES SDN BHD (“IRAT”)

1. INTRODUCTION

OCK Group Berhad (“OCK”) is pleased to announce that OCK Setia Engineering Sdn Bhd (“OCKSE”), a wholly owned subsidiary of OCK, and Irat Properties Sdn Bhd (“IRAT”) (collectively referred to as the “Parties”) had on 26 September 2017 entered into a Joint Venture Agreement (“JVA”) to regularise their respective rights, duties and obligations and mutual covenants as shareholders of Irat Civil Works Sdn Bhd (“ICW” or “the Joint Venture Company”).

2. DETAILS OF THE PARTIES

2.1 Information on OCKSE

OCKSE was incorporated on 14 October 2000 as a private limited company and having its corporate office at No. 18, Jalan Jurunilai U1/20, Seksyen U1/20, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia. It is a company carrying on the business of providing services to procure, construct and maintain projects, including management and installation services in relation to projects. Its issued and paid-up capital is RM2,000,002.00 which comprise of ordinary shares of 2,000,002.

2.2 Information on IRAT

IRAT was incorporated on 15 April 1996 as a private limited company and having its registered office at 28th Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan. IRAT is an investment holding company.

Its issued and paid-up capital is RM236,484,784 which comprise of ordinary shares of 236,484,784.

2.3 Information on ICW

ICW was incorporated on 25 April 2017 as a private limited company and having its registered office at 28th Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan. Presently, the issued and paid up share capital of the Joint Venture Company stands at RM2.00 held by IRAT.

The intended activity of ICW is to provide engineering services.

3. SALIENT TERMS OF THE JVA

- (i) The JVA was entered into for the purposes of regulating the relationship between OCKSE and IRAT and to set out their respective rights, duties and obligations and mutual covenants as shareholders of the Joint Venture Company. OCKSE and IRAT shall invest in ICW based on the ratio of 40:60, respectively (“the Agreed Proportion”).
- (ii) The issued and paid up capital shall be increased from RM2.00 to RM1,000,000.00 where the Parties shall each subscribe in cash for such number of shares so as to achieve the Agreed Proportion, through the allotment of 400,000 ordinary shares amounting to RM400,000.00 to OCKSE and the allotment of 599,998 ordinary shares amounting to RM599,998.00 to IRAT.
- (iii) The Board of Directors of ICW shall consist of :
 - (a) Two (2) directors to be nominated and appointed by OCKSE.
 - (b) Three (3) directors to be nominated and appointed by IRAT.

4. FINANCIAL EFFECTS OF THE JVA

The JVA is not expected to have any material effect on the earnings per share, net assets per share and gearing of the Company for the financial year ending 31 December 2017. The investment in ICW by OCKSE will be funded by internally generated funds.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company has any interest, direct or indirect in ICW.

6. APPROVALS REQUIRED

The joint venture is not subject to the approval of the shareholders or require any regulatory approval.

7. DOCUMENTS FOR INSPECTION

The JVA is available for inspection at the registered office of OCK at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur for three (3) months from date of this announcement during normal business hours from Mondays to Fridays.

This announcement is dated 27 September 2017.