

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED 30-Jun-17 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30-Jun-16 RM'000	CURRENT YEAR TO DATE ENDED 30-Jun-17 RM'000	PRECEDING YEAR TO DATE ENDED 30-Jun-16 RM'000
Revenue	119,264	114,011	225,783	192,454
Cost of sales	(88,881)	(92,093)	(169,776)	(154,965)
Gross profit	30,383	21,918	56,007	37,489
Other income	630	1,137	1,475	2,470
Administrative expenses	(13,655)	(11,586)	(27,020)	(20,962)
Operating profit	17,358	11,469	30,462	18,997
Finance costs	(5,908)	(2,049)	(9,916)	(3,837)
Share of results of associates	-	-	-	-
Profit before tax	11,450	9,420	20,546	15,160
Taxation	(3,382)	(2,812)	(5,773)	(4,016)
Profit for the financial period	8,068	6,608	14,773	11,144
Other comprehensive income, net of tax:				
Foreign currency translation	(680)	841	(345)	(64)
Total comprehensive income for the financial period	7,388	7,449	14,428	11,080
Profit attributable to:				
Owners of the Company	5,982	5,457	10,705	9,167
Non-controlling interests	2,086	1,151	4,068	1,977
	8,068	6,608	14,773	11,144
Total comprehensive income attributable to:				
Owners of the Company	5,252	6,298	10,310	9,103
Non-controlling interests	2,136	1,151	4,118	1,977
	7,388	7,449	14,428	11,080

Note:

The Condensed Consolidated Statement of Comprehensive Income for the second quarter ended 30 June 2017 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

OCK GROUP BERHAD (Company No: 955915 – M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	UNAUDITED As at 30-Jun-17 RM'000	AUDITED As at 31-Dec-16 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	318,938	268,548
Investment properties	16,525	14,500
Deferred tax assets	201	173
Intangible assets	178,011	21,944
Trade receivables	11,267	19,790
	524,942	324,955
Current Assets		
Inventories	108,339	50,368
Amount due from contract customers	11,202	13,870
Other Investments	244	226
Trade and other receivables	291,433	292,231
Tax recoverable	2,684	1,681
Derivative financial assets	195	195
Fixed deposits placed with licensed banks	22,379	14,430
Cash and bank balances	57,284	114,854
	493,760	487,855
TOTAL ASSETS	1,018,702	812,810
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	87,154	87,147
Share premium	157,151	157,151
Warrant reserve	84,134	84,136
Revaluation reserve	4,405	4,405
Foreign currency translation reserve	(1,982)	(1,587)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Capital reserve	208	-
Retained earnings	110,924	100,619
	424,987	414,864
Non-controlling interests	55,359	49,038
Total Equity	480,346	463,902
Non-Current Liabilities		
Loan and borrowings	152,835	65,214
Deferred tax liabilities	8,189	8,189
Trade payables	11,272	19,795
Post employment benefit liabilities	315	325
	172,611	93,523
Current Liabilities		
Amount due to contract customers	9	637
Trade and other payables	137,899	168,430
Loan and borrowings	223,317	81,843
Tax payables	4,520	4,475
	365,745	255,385
TOTAL LIABILITIES	538,356	348,908
TOTAL EQUITY AND LIABILITIES	1,018,702	812,810
Net assets per share attributable to owners of the Company (RM)	0.49	0.48

OCK GROUP BERHAD (Company No: 955915 – M)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017
(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 2016 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 2017

	← Attributable to owners of the Company →									
	Non-distributable					Distributable				
	Share Capital	Share Premium	Warrant Reserve	Translation / Revaluation Reserve	Reverse Acquisition Reserve	Capital Reserve	Retained Earnings	Total	Non- Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2017	87,147	157,151	84,136	2,818	(17,007)	-	100,619	414,864	49,038	463,902
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	40	40
Subscription of shares by NCI in a subsidiary	-	-	-	-	-	-	-	-	1,971	1,971
Bonus Issue in a subsidiary	-	-	-	-	-	208	(400)	(192)	192	-
Exercise of Warrants	7	-	(2)	-	-	-	-	5	-	5
Foreign currency translation	-	-	-	(395)	-	-	-	(395)	50	(345)
Total comprehensive income for the financial period	-	-	-	-	-	-	10,705	10,705	4,068	14,773
At 30 June 2017	87,154	157,151	84,134	2,423	(17,007)	208	110,924	424,987	55,359	480,346
At 1 January 2016	79,224	102,869	84,136	4,971	(17,007)	-	78,693	332,886	10,370	343,256
Dividend paid	-	-	-	-	-	-	(5,556)	(5,556)	-	(5,556)
Share issuance expenses	-	(291)	-	-	-	-	-	(291)	-	(291)
Foreign currency translation	-	-	-	(64)	-	-	-	(64)	-	(64)
Total comprehensive income for the financial period	-	-	-	-	-	-	9,167	9,167	1,977	11,144
At 30 June 2016	79,224	102,578	84,136	4,907	(17,007)	-	82,304	336,142	12,347	348,489

Note:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2017

	Current Year To Date Ended 30-Jun-17 RM'000	Preceding Year To Date Ended 30-Jun-16 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	20,546	15,160
Adjustments for:		
Depreciation	15,391	4,835
Amortisation of intangibles	922	757
Interest expenses	9,916	3,837
Interest income	(220)	(1,293)
	<u>46,555</u>	<u>23,296</u>
Changes in working capital:		
Inventories	(57,915)	(16,609)
Receivables	27,590	(42,473)
Payables	(43,035)	9,289
	<u>(26,805)</u>	<u>(26,497)</u>
Tax paid	(7,873)	(3,512)
Interests received	220	1,293
Net cash flows used in operating activities	<u>(34,458)</u>	<u>(28,716)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary	(216,510)	-
Change in pledged deposits	817	-
Purchase of property, plant and equipment and investment properties	(19,435)	(11,264)
Other investments	(18)	-
Net cash flows used in investing activities	<u>(235,146)</u>	<u>(11,264)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interests paid	(9,916)	(3,837)
Net drawdown of borrowings	238,780	6,523
Share issuance expenses	-	(291)
Proceeds from exercise of warrants	5	-
Subscription of shares by non-controlling interests in a subsidiary	1,971	-
Dividends paid to:		
- owners of the Company	-	(5,556)
Net cash flows from / (used in) financing activities	<u>230,840</u>	<u>(3,161)</u>
Net change in cash and cash equivalents	(38,764)	(43,141)
Effects of exchange rate changes	(355)	(64)
Cash and cash equivalents:		
At the beginning of the financial period	<u>84,825</u>	<u>149,805</u>
At the end of the financial period	<u>45,706</u>	<u>106,600</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	57,284	104,603
Fixed deposits	22,379	16,014
Bank overdraft	(22,971)	-
	<u>56,692</u>	<u>120,617</u>
Less: Fixed deposits pledged with licensed banks	(10,986)	(14,017)
	<u>45,706</u>	<u>106,600</u>

OCK GROUP BERHAD (Company No: 955915 – M)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED
30 JUNE 2017 (CONT'D)**

Note:

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE QUARTER ENDED 30 JUNE 2017

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 30 JUNE 2017

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 2016 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 2016.

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 2016 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial year beginning on or after 1 January 2017.

Amendments/Improvements to MFRSs:

MFRS 12	Disclosure of Interests in Other Entities
MFRS 107	Statement of Cash Flows
MFRS 112	Income Taxes

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 2016.

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

Other than as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.

For the period ended 30 June 2017, 7,500 units of warrants were exercised at the exercise price of RM0.71 for each warrant. As at 30 June 2017, the number of warrants remained unexercised are 264,072,954.

A8. Dividends Paid

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

OCK GROUP BERHAD (Company No: 955915 – M)

A9. Segmental Information

The segmental results of the Group for the FPE 30 June 2017 based on segment activities are as follows:

Cumulative Quarter 30 June 2017	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	195,499	21,862	2,939	5,483	-	-	225,783
Inter-segment revenue	18,253	10	1,538	4,658	-	(24,459)	-
Total Revenue	213,752	21,872	4,477	10,141	-	(24,459)	225,783
Profit before tax	18,566	2,823	798	187	(785)	(1,043)	20,546
Taxation	(4,095)	(634)	(202)	(25)	(817)	-	(5,773)
Profit for the financial period	14,471	2,189	596	162	(1,602)	(1,043)	14,773

Cumulative Quarter 30 June 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	Elimination RM'000	Group 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)	-
Total Revenue	162,307	18,715	8,678	14,343	-	(11,589)	192,454
Profit before tax	13,690	1,107	1,597	569	(98)	(1,705)	15,160
Taxation	(3,230)	(266)	(383)	(137)	-	-	(4,016)
Profit for the financial period	10,460	841	1,214	432	(98)	(1,705)	11,144

A9. Segmental Information (Cont'd)

The segmental results of the Group for the FPE 30 June 2017 based on geographical segment are as follows:

Cumulative Quarter 30 June 2017	Malaysia RM'000	Regional RM'000	Elimination RM'000	Group RM'000
Revenue from External customers	145,022	80,761		225,783
Inter-segment revenue	23,860	599	(24,459)	-
Total Revenue	168,882	81,360	(24,459)	225,783
Profit before tax	10,474	11,115	(1,043)	20,546
Taxation	(3,204)	(2,569)	-	(5,773)
Profit for the financial period	7,270	8,546	(1,043)	14,773

Cumulative Quarter 30 June 2016	Malaysia RM'000	Regional RM'000	Elimination RM'000	Group RM'000
Revenue from External customers	158,751	33,703		192,454
Inter-segment revenue	11,589	-	(11,589)	-
Total Revenue	170,340	33,703	(11,589)	192,454
Profit before tax	13,975	2,890	(1,705)	15,160
Taxation	(3,139)	(877)	-	(4,016)
Profit for the financial period	10,836	2,013	(1,705)	11,144

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 2017, the capital commitments are as follows:

	UNAUDITED as at 30-Jun-17 RM'000	UNAUDITED as at 30-Jun-16 RM'000
Capital expenditure approved and contracted for	89,202	275,342

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

Other than as disclosed below, there are no changes in the composition of the Group in current quarter under review.

- (a) There was an internal re-organisation of the subsidiaries in the Group in order to streamline the tower leasing business under the Company's wholly-owned subsidiary, OCK Sea Towers Pte Ltd ("OST"). The details are as follows:
- (i) On 15 March 2017, the Company's wholly-owned subsidiary, OCK International Sdn Bhd, had transferred 2 shares of RM1 each, representing its entire holding in OCK Tower Infra Sdn Bhd to OST.
 - (ii) On 23 March 2017, OST had completed the establishment of OCK Myanmar Holdings Pte Ltd ("OMH") in The Republic of Singapore, as a wholly-owned subsidiary, with a registered capital of USD1 divided into 1 share of USD1 each. The principal activity of OMH is mobile cellular and other wireless telecommunications network operation, and wired telecommunications network operation (including fixed-line, fibre optics, local/international public switched telephone network ("PSTN") and leased circuits).
 - (iii) On 19 July 2017, OST had transferred 1 share of USD1 each, representing its entire holding in OCK Myanmar Towers Pte Ltd ("OMT") to OMH.
 - (iv) On 25 August 2017, the Company's wholly-owned subsidiary, OCK Setia Engineering Sdn Bhd, had transferred 16,047,989 shares of MMK1,000 each, representing its entire holding in OCK Yangon Pte Ltd to OMT.
- (b) On 23 August 2017, the Company's wholly-owned subsidiary, Milab Marketing Sdn Bhd, had completed the acquisition of 25,500 ordinary shares in Seri Kuasa Sdn Bhd ("Seri Kuasa") representing 51% equity interest in Seri Kuasa for a cash consideration of RM25,500. Seri Kuasa was incorporated on 18 September 2013 with a paid-up share capital of RM50,000 and the intended business is to deal with power generation. Seri Kuasa is currently dormant.

OCK GROUP BERHAD (Company No: 955915 – M)

A14. Contingent Liabilities and Contingent Assets

As at 30 June 2017, the contingent liabilities are as follows:

	UNAUDITED as at 30-Jun-17 RM'000	UNAUDITED as at 30-Jun-16 RM'000
Financial guarantees given by OCK Group Berhad to licensed banks for facilities granted to subsidiaries	374,581	374,651
Financial guarantees given to a third party for the sales of goods to a subsidiary	32,873	42,521
	<u>32,873</u>	<u>42,521</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 30-Jun-17 RM'000	UNAUDITED as at 30-Jun-16 RM'000
Sales	(5,955)	(6,770)
	<u>(5,955)</u>	<u>(6,770)</u>

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	Elimination RM'000	Group RM'000
30 June 2017							
Total Revenue	110,096	12,275	2,299	4,949	-	(10,355)	119,264
Profit before tax	9,865	1,481	453	20	144	(513)	11,450

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
30 June 2016							
Total Revenue	97,292	8,290	4,760	8,699	-	(5,030)	114,011
Profit before tax	8,321	575	1,179	410	261	(1,326)	9,420

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
30 June 2017							
Total Revenue	213,752	21,872	4,477	10,141	-	(24,459)	225,783
Profit before tax	18,566	2,823	798	187	(785)	(1,043)	20,546

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
30 June 2016							
Total Revenue	162,307	18,715	8,678	14,343	-	(11,589)	192,454
Profit before tax	13,690	1,107	1,597	569	(98)	(1,705)	15,160

For the current quarter and cumulative quarter ended 30 June 2017, the Group reported a higher revenue as compared to the corresponding quarter and cumulative quarter of previous year, mainly due to higher revenue contribution from telecommunication network services (“TNS”). The higher revenue is mainly due to contribution of lease revenue from the newly completed sites in the Myanmar, and the new towers acquired via the acquisition of Southeast Asia Telecommunications Holdings Pte Limited (“SEATH”) at the beginning of the financial year.

Consequently, the higher Group revenue resulted in a higher Group PBT for the quarter and cumulative quarter under review as compared to the previous year corresponding quarter and cumulative 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	Elimination	Group
30 June 2017	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	110,096	12,275	2,299	4,949	-	(10,355)	119,264
Profit before tax	9,865	1,481	453	20	144	(513)	11,450

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
31 March 2017	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	103,656	9,597	2,179	5,192	-	(14,104)	106,520
Profit before tax	8,701	1,342	345	167	(930)	(529)	9,096

Note: The comparative figures of the preceding quarter have been restated to conform with the presentation in the current quarter.

The total revenue of RM119.3 million recorded for the current quarter was higher as compared to the revenue in the preceding quarter of RM106.5 million mainly due to higher revenue contribution from TNS in current quarter, following the acquisition of SEATH at the beginning of the financial year.

Consequently, the higher Group revenue resulted in a higher Group PBT for the quarter under review as compared to previous quarter.

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 (Long Term Evolution) 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 build-own-and-lease and acquiring existing tower sites operators in ASEAN. This can be achieved by leveraging on the Group’s established presence in ASEAN and its vast experiences in building telecommunication infrastructures such as tower sites and maintenance of telecommunication infrastructure. The build-own-and-lease business model is based on building, owning and leasing back the tower sites to telecommunication operators over a long-term period. In line with this, the Group is continuing its works for the rollout of towers in Myanmar for Telenor.

In addition, in 2017, the Group has also expanded its tower leasing business to other telco operators. In April 2017, the Group has secured a new co-location (i.e. second tenant) agreement with the largest telco operator, Myanma Posts and Telecommunications (“MPT”), which is Myanmar’s state-own telco.

B3. Prospects (Cont'd)

The Group's plan to grow its business in Myanmar is further strengthened by its new leasing agreement for new-built and co-location with a new telco operator who has just entered Myanmar, Mytel. Mytel is a joint venture company between Viettel (the largest telco from Vietnam) and a local consortium of Myanmar National Telecom Holding Public and Star High Public Company.

In Vietnam, the Group has completed the acquisition of 60% of SEATH, which owned 1,983 towers, on 13 January 2017. Vietnam's mobile market will be an exciting business space moving forward as the telco operators are gearing up for their 4G LTE roll-out in the near future, and the Group foresees that the tower business in Vietnam also will grow in-line with this trend.

With the Group's continuous investment to grow its regional business, the Group expects significant contribution from its overseas business in Indonesia, Myanmar and Vietnam moving forward.

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 the 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 2017.

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-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
Taxation for the period	3,332	2,817	5,766	4,014
Deferred Tax	50	(5)	7	2
Total taxation	<u>3,382</u>	<u>2,812</u>	<u>5,773</u>	<u>4,016</u>

The Group's effective tax rate for the current quarter and financial year-to-date is higher than statutory tax rate of 24%, mainly due to tax effects of non-deductible expenses.

B6. Status of Corporate Proposal

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

B7. Utilisation of Proceeds Arising from Corporate Exercises

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

Purposes		Proposed Utilisation RM'000	Actual Utilisation As at 30.06.2017 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.

B8. Group borrowings and debt securities

The Group's borrowings as at 30 June 2017 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Hire purchase	16,070	-	16,070
Term loans	136,765	-	136,765
	<u>152,835</u>	<u>-</u>	<u>152,835</u>
Short term borrowings:-			
Overdraft	22,971	-	22,971
Bankers' acceptance	12,192	-	12,192
Bonds	-	1,571	1,571
Revolving project loan	30,211	-	30,211
Hire purchase payables	6,748	-	6,748
Term loans	149,624	-	149,624
	<u>221,746</u>	<u>1,571</u>	<u>223,317</u>

The above borrowings are denominated in Ringgit Malaysia, except for term loans amounting to RM259.1 million and RM4.2 million which are denominated in USD and IDR, respectively.

B9. Material Litigation

Since the preceding FYE 31 December 2016, there is no change in material litigation as at the date of this announcement.

OCK GROUP BERHAD (Company No: 955915 – M)

B10. Retained and Unrealised Profits/Losses

	UNAUDITED as at 30-Jun-17 RM'000	UNAUDITED as at 30-Jun-16 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	111,160	82,786
- Unrealised	(236)	(482)
Total Group retained earnings as per consolidated accounts	110,924	82,304

B11. 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-17	30-Jun-16	30-Jun-17	30-Jun-16
Group's profit attributable to equity holders of the Company (RM'000)	5,982	5,457	10,705	9,167
Weighted average number of ordinary shares ('000)	871,473	792,241	871,469	792,241
Upon conversion of warrants ('000)	68,769	264,080	68,769	264,080
Adjusted weighted average number of ordinary shares ('000)	940,242	1,056,321	940,238	1,056,321
Earnings per share (sen):				
- Basic ^	0.69	0.69	1.23	1.16
- Diluted *	0.64	0.52	1.14	0.87

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/period.

* 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/period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

OCK GROUP BERHAD (Company No: 955915 – M)

B12. Profit for the year

	Quarter Ended		Year-To-Date Ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):	11,450	9,420	20,546	15,160
- depreciation and amortisation	9,567	2,895	16,313	5,592
- interest expenses	5,908	2,049	9,916	3,837
- interest income	(61)	(1,047)	(220)	(1,293)
- (gain)/loss on foreign exchange	(355)	623	(363)	271
- other income	(569)	(286)	(1,255)	(1,177)

B13. Dividend

No interim dividend has been proposed or declared for the current financial period ended 30 June 2017.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)
Company Secretary
Kuala Lumpur
Date: 29 August 2017