

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED 31-Mar-20 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31-Mar-19 RM'000	CURRENT YEAR TO DATE ENDED 31-Mar-20 RM'000	PRECEDING YEAR TO DATE ENDED 31-Mar-19 RM'000
Revenue	109,186	103,493	109,186	103,493
Cost of sales	(79,470)	(74,998)	(79,470)	(74,998)
Gross profit	29,716	28,495	29,716	28,495
Other income	329	947	329	947
Administrative expenses	(14,095)	(13,859)	(14,095)	(13,859)
Operating profit	15,950	15,583	15,950	15,583
Finance costs	(7,560)	(7,349)	(7,560)	(7,349)
Share of results of associates/ JV	-	-	-	-
Profit before tax	8,390	8,234	8,390	8,234
Taxation	(1,373)	(1,484)	(1,373)	(1,484)
Profit for the financial period	7,017	6,750	7,017	6,750
Other comprehensive income, net of tax:				
Actuarial gain from employee benefits	-	-	-	-
Foreign currency translation	41,387	3,881	41,387	3,881
Total comprehensive income for the financial period	48,404	10,631	48,404	10,631
Profit attributable to:				
Owners of the Company	6,578	5,335	6,578	5,335
Non-controlling interests	439	1,415	439	1,415
	7,017	6,750	7,017	6,750
Total comprehensive income attributable to:				
Owners of the Company	37,082	5,777	37,082	5,777
Non-controlling interests	11,322	4,854	11,322	4,854
	48,404	10,631	48,404	10,631

Note:

The Condensed Consolidated Statement of Comprehensive Income for the first quarter ended 31 March 2019 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	UNAUDITED As at 31-Mar-20 RM'000	AUDITED As at 31-Dec-19 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	550,454	511,549
Investment properties	18,111	18,111
Right-of-use assets	174,526	186,865
Deferred tax assets	1,352	1,301
Intangible assets	171,901	165,608
Investment in joint ventures / associates	800	802
Trade and other receivables	2,275	5,003
	919,419	889,239
Current Assets		
Inventories	72,829	66,244
Contract assets	11,771	19,021
Other Investments	-	37,580
Trade and other receivables	324,729	301,755
Tax recoverable	2,289	2,533
Fixed deposits placed with licensed banks	4,350	14,928
Cash and bank balances	79,924	80,844
	495,892	522,905
TOTAL ASSETS	1,415,311	1,412,144
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	295,525	295,525
Warrant reserve	84,134	84,134
Revaluation reserve	7,296	7,292
Foreign currency translation reserve	1,757	(17,840)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Other reserve	233	236
Retained earnings	175,956	169,159
	547,894	521,499
Non-controlling interests	73,105	62,998
Total Equity	620,999	584,497
Non-Current Liabilities		
Loan and borrowings	264,598	272,112
Deferred tax liabilities	13,644	13,130
Provision for liabilities	8,096	7,656
Post employment benefit liabilities	610	650
Lease liabilities	138,843	137,016
	425,791	430,564
Current Liabilities		
Contract liabilities	-	1,443
Trade and other payables	123,396	144,116
Loan and borrowings	210,652	214,400
Lease liabilities	33,257	32,972
Derivative financial liabilities	13	13
Tax payables	1,203	4,139
	368,521	397,083
TOTAL LIABILITIES	794,312	827,647
TOTAL EQUITY AND LIABILITIES	1,415,311	1,412,144
Net assets per share attributable to owners of the Company (RM)	0.57	0.54

OCK GROUP BERHAD

Company No: 201101027780 (955915 – M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020 (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 2019 and the accompanying explanatory notes attached to the interim financial statements.

OOCK GROUP BERHAD

Company No: 201101027780 (955915 – M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2020

	← Attributable to owners of the Company →								
	Non-distributable					Distributable		Non- Controlling Interests	Total Equity
	Share Capital	Warrant 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		
At 1 January 2020	295,525	84,134	(10,548)	(17,007)	236	169,159	521,499	62,998	584,497
Effect on PPA adjustments* (Note A16)	-	-	-	-	-	219	219	-	219
At 1 January 2020, restated	295,525	84,134	(10,548)	(17,007)	236	169,378	521,718	62,998	584,716
Dividend paid	-	-	-	-	-	-	-	(1,215)	(1,215)
Foreign currency translation	-	-	19,601	-	(3)	-	19,598	10,883	30,481
Total comprehensive income for the financial period	-	-	-	-	-	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
At 1 January 2019	244,305	84,134	(10,866)	(17,007)	967	137,856	439,389	53,810	493,199
Disposal of subsidiaries	-	-	-	-	-	14	14	-	14
Foreign currency translation	-	-	(13,104)	-	(683)	-	(13,787)	3,439	(10,348)
Total comprehensive income for the financial period	-	-	-	-	-	5,335	5,335	1,415	6,750
At 31 March 2019	244,305	84,134	(23,970)	(17,007)	284	143,205	430,951	58,664	489,615

Note:

*Retrospective adjustment to reflect the effects of purchase price allocation (“PPA”) of Energetic Sdn. Bhd., Powerlator Sdn. Bhd. and Tanda Hebat Sdn. Bhd. completed in January 2019 and Frontier Integrator (Sabah) Sdn. Bhd. completed in October 2019. 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 2019 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020

	Current Year To Date Ended 31-Mar-20 RM'000	Preceding Year To Date Ended 31-Mar-19 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,390	8,234
Adjustments for:		
Depreciation	19,003	13,251
Amortisation of intangibles	725	673
Interest expenses	7,560	7,349
Interest income	(356)	(576)
	<u>35,322</u>	<u>28,931</u>
Changes in working capital:		
Inventories	(6,585)	(3,350)
Receivables	(20,247)	53,504
Payables	(21,722)	(4,290)
Amount due from customer for contract works	7,250	3,242
	<u>(5,982)</u>	<u>78,037</u>
Tax paid	(4,202)	(5,625)
Interests received	356	576
Net cash flows (used in)/ from operating activities	<u>(9,828)</u>	<u>72,988</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in pledged deposits	10,578	-
Purchase of property, plant and equipment and investment properties	(57,908)	(41,506)
Investment in an associate	-	(13)
Other investments	37,580	-
Net cash flows used in investing activities	<u>(9,750)</u>	<u>(41,519)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interests paid	(7,560)	(7,349)
Net drawdown of borrowings	(32,508)	(10,362)
Dividends paid to:		
- non-controlling interests	(1,215)	-
Payment of lease liabilities	14,452	(6,056)
Net cash flows used in financing activities	<u>(26,831)</u>	<u>(23,767)</u>
Net change in cash and cash equivalents	(46,409)	7,702
Effects of exchange rate changes	24,243	(6,874)
Cash and cash equivalents:		
At the beginning of the financial period	<u>38,718</u>	<u>22,131</u>
At the end of the financial period	<u>16,552</u>	<u>22,959</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	79,924	67,059
Fixed deposits	4,350	16,080
Bank overdraft	(63,372)	(48,465)
	<u>20,902</u>	<u>34,674</u>
Less: Fixed deposits pledged with licensed banks	<u>(4,350)</u>	<u>(11,715)</u>
	<u>16,552</u>	<u>22,959</u>

OCK GROUP BERHAD

Company No: 201101027780 (955915 – M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020 (CONT'D)

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE QUARTER ENDED 31 MARCH 2020

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 31 MARCH 2020

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 2019 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 2019.

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 2019 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial year beginning on or after 1 January 2020.

Amendments/Improvements to MFRSs:

MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error
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 2019.

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

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 results of the Group for the FPE 31 March 2020 based on segment activities are as follows:

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

Cumulative Quarter 31 March 2019	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	86,793	6,529	5,657	4,514	-	-	103,493
Inter-segment revenue	3,700	1,188	1,286	26	-	(6,200)	-
Total Revenue	90,493	7,717	6,943	4,540	-	(6,200)	103,493
Profit before tax	7,624	670	1,166	(45)	73	(1,254)	8,234
Taxation	(1,114)	(188)	(280)	11	(111)	198	(1,484)
Profit for the financial period	6,510	482	886	(34)	(38)	(1,056)	6,750

A9. Segmental Information (Cont'd)

The segmental results of the Group for the FPE 31 March 2020 based on geographical segment are as follows:

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

Cumulative Quarter	Malaysia	Regional	Elimination	Group
31 March 2019	RM'000	RM'000	RM'000	RM'000
Revenue from				
External customers	59,601	43,892	-	103,493
Inter-segment revenue	6,200	-	(6,200)	-
Total Revenue	65,801	43,892	(6,200)	103,493
Profit before tax	2,018	7,470	(1,254)	8,234
Taxation	(848)	(834)	198	(1,484)
Profit for the financial period	1,170	6,636	(1,056)	6,750

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 31 March 2020, the capital commitments are as follows:

	UNAUDITED	UNAUDITED
	as at	as at
	31-Mar-20	31-Mar-19
	RM'000	RM'000
In respect of capital expenditure:		
Property, plant and equipment		
- approved and contracted for	129,593	77,628
- approved but not contracted for	125,155	95,297
	<u>23,694</u>	<u>145</u>
In respect of acquisition of a subsidiary		
- approved and contracted for	23,694	145

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 current quarter under review.

A14. Contingent Liabilities and Contingent Assets

As at 31 March 2020, the contingent liabilities are as follows:

	UNAUDITED	UNAUDITED
	as at	as at
	31-Mar-20	31-Mar-19
	RM'000	RM'000
Financial guarantees given by OCC Group Berhad to licensed banks for facilities granted to subsidiaries	475,250	477,560

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	UNAUDITED
	as at 31-Mar-20 RM'000	as at 31-Mar-19 RM'000
Purchases	29	-
Media and investor relation expense	15	-
Sales	(193)	(1,033)

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 Energenetic Sdn. Bhd. (“Energenetic”), an indirect wholly-owned subsidiary company, Powerlator Sdn. Bhd. (“Powerlator”), an indirect wholly-owned subsidiary company, Tanda Hebat Sdn. Bhd. (“Tanda Hebat”), an indirect wholly-owned subsidiary company and Frontier Integrator (Sabah) Sdn. Bhd. (“Frontier”), an indirect wholly-owned subsidiary company within the stipulated time period, i.e. twelve (12) months from the respective acquisition dates of 24 January 2019 and 1 October 2019 respectively, 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 2019			
Consolidated Statement of Financial Position			
<u>Non-Current Assets</u>			
Intangible Assets	23,233	2,493	25,726
Goodwill on consolidation	142,376	(1,676)	140,700
<u>Non-Current Liabilities</u>			
Deferred tax liabilities	-	(598)	598
Consolidated Statement of Changes in Equity			
Retained earnings	169,160	219	169,379

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
31 March 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
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

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
31 March 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	90,493	7,717	6,943	4,540	-	(6,200)	103,493
Profit before tax	7,624	670	1,166	(45)	73	(1,254)	8,234

For the current quarter ended 31 March 2020, 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 (“TNS”) and M&E Engineering Services.

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
31 March 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
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

Individual Quarter	Telecommunication Network Services	Green Energy and Power Solution	Trading	M&E Engineering Services	Investment Holding Company	Elimination	Group
31 December 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total Revenue	110,612	11,216	2,578	11,083	-	(12,169)	123,320
Profit before tax	6,408	531	602	764	(68)	2,267	10,504

OCK GROUP BERHAD

Company No: 201101027780 (955915 – M)

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

The total revenue of RM109.2 million recorded for the current quarter was lower as compared to the revenue in the preceding quarter of RM123.3 million mainly due to lower revenue contribution from Telecommunication Network Services ("TNS"), Green Energy and Power Solution, Trading and M&E Engineering Services in the current quarter.

B3. Prospects

OCK is poised to drive the future of its telecommunication tower business by increasing the telecommunication tower portfolio and regional footprint to attain its strategic goal of becoming an ASEAN independent tower company ("towerco"). OCK will also continue to maintain its position as one of the largest, provider of telecommunication network services in Malaysia.

To date OCK has a total telecommunication tower portfolio of more than 4,200 towers across these 3 countries. Its towerco recurring revenue stream has a commendable contribution to the Group's total revenue in FYE2019. With that said, the Group's recurring income from this segment will continue to grow as OCK continues to increase its tower portfolio.

In Myanmar, OCK provides telecommunication infrastructure and resource supply services to its clients with a track record of completing and handling close to 1,000 telecommunication sites. The Group is aggressively building and acquiring more sites in the greenfield telecommunication market.

In Vietnam, OCK is the largest independent telecommunication towerco with over 2,700 telecommunication sites. The Group plans to acquire additional telecommunication sites in 2020 as part of our brownfield expansion plans in Vietnam.

In Malaysia, OCK has made a strong tower portfolio growth in FYE2019 as compared to previous years, owning close to 500 telecommunication sites to date. This came from the support of the telecommunication operators which serves as OCK's core customers.

OCK is proud to announce that the Group has developed a proven smart pole design that will be able to support the large scale roll out of 5G network. To date, the Group has 2 demo telecommunication sites erected in Langkawi as part of Malaysia's 5G trials. In addition to equipment solutions, OCK is ready in terms of technical know-hows to support this technological expansion.

Despite the negative outlook of the global markets, OCK remains optimistic of the telecommunication industry as a whole. OCK is positive of the implementation of the RM21.6 billion NCFP in Malaysia which is already benefitting OCK with a fairly large Order pipeline.

Furthermore, with 5G developing and expected to be launched in the third quarter of 2020, OCK stands a good chance to secure more projects. With the implementation of 5G, the functionality 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 of 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 the Malaysian market's needs.

B3. Prospects (Cont'd)

In line with the Government's initiatives in green renewable energy, the Group is increasing its secondary stream of recurring income specifically in the solar renewable energy business segment via acquisition of solar farms. OCK is actively participating in the Government's initiatives on large scale solar projects. 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 business. Its solar renewable energy business 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.

Moving forward, OCK envisages that the market will remain challenging and volatile in the midst of looming uncertainties. The Global Pandemic Outbreak of COVID 19 will inadvertently have some negative impact in the future of business as all companies embrace the new normal even in business dealings. Nevertheless, OCK is optimistic that its businesses will continue to grow as well as the expansion of its businesses both local and regionally to maintain its position as the largest telecommunication network services provider in the ASEAN region.

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-20	31-Mar-19	31-Mar-20	31-Mar-19
	RM'000	RM'000	RM'000	RM'000
Taxation for the period	2,014	1,976	2,014	1,976
Deferred Tax	(641)	(492)	(641)	(492)
Total taxation	1,373	1,484	1,373	1,484

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.

Private Placement

On 7 October 2019, the Company announced a proposed private placement of up to 87,100,000 new OCK shares representing approximately 10% of the Company's total number of issued shares.

Submission of the listing application was made to Bursa Malaysia on 11 Oct 2019 and approval was received from Bursa Malaysia on 24 Oct 2019.

For this exercise, the Company had issued 87,100,000 placement shares at an average placement price of RM 0.60. The amount received for the private placement was RM 52.26 million.

The gross proceeds of RM 52.26 million from the Private Placement exercise which was completed on 6 November 2019 would be utilised in the following manner:

Purposes	Proposed Utilisation RM'000	Actual Utilisation As at 31.03.2020 RM'000	Intended Timeframe for Utilisation	Balance Utilisation %	Deviation		Reason for Deviation
					Amount RM'000	%	
(i) Development and acquisition of green energy assets	47,160	8,898	Within 24 months	81.1%	Note A		Note A
(ii) General working capital	5,000	-	Within 12 months	100.0%	Note A		Note A
(iii) Estimated expenses in relation to the Private Placement	100	100	Upon completion	0.0%	Note A		Note A
Total gross proceeds	52,260	8,998		82.8%			

Note A: The Group expects to utilise the funds raised within 12 – 24 months from receipts within the proposed utilisation range. The Group does not expect any material deviation as at the date of this quarterly report.

B7. Group borrowings and debt securities

The Group's borrowings as at 31 March 2020 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings:-			
Term loans	264,598	-	264,598
	<hr/>	<hr/>	<hr/>
	264,598	-	264,598
Short term borrowings:-			
Bank overdrafts	63,372	-	63,372
Bankers' acceptance	10,220	-	10,220
Revolving credit	10,004	-	10,004
Revolving project loan	40,229	-	40,229
Term loans	86,827	-	86,827
	<hr/>	<hr/>	<hr/>
	210,652	-	210,652

The above borrowings are denominated in Ringgit Malaysia, except for term loans amounting to RM299.4 million and RM7.8 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-20	31-Mar-19	31-Mar-20	31-Mar-19
Group's profit attributable to equity holders of the Company (RM'000)	6,578	5,335	6,578	5,335
Weighted average number of ordinary shares ('000)	958,573	871,473	958,573	871,473
Upon conversion of warrants ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	958,573	871,473	958,573	871,473
Earnings per share (sen):				
- Basic ^	0.69	0.61	0.69	0.61
- Diluted *	0.69	0.61	0.69	0.61

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-20 RM'000	31-Mar-19 RM'000	31-Mar-20 RM'000	31-Mar-19 RM'000
Profit before tax is arrived at after charging/(crediting):	8,390	8,234	8,390	8,234
- depreciation and amortisation	19,728	13,924	19,728	13,924
- interest expenses	7,560	7,349	7,560	7,349
- interest income	(356)	(576)	(356)	(576)
- (gain)/loss on foreign exchange	(949)	(270)	(949)	(270)
- other income	27	(372)	27	(372)

B11. Dividend

No interim dividend has been proposed or declared for the current financial period ended 31 March 2020.

By Order of the Board

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