

**QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>CURRENT QUARTER ENDED 30-Sep-19 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER ENDED 30-Sep-18 RM'000</b>	<b>CURRENT YEAR TO DATE ENDED 30-Sep-19 RM'000</b>	<b>PRECEDING YEAR TO DATE ENDED 30-Sep-18 RM'000</b>
Revenue	131,053	109,783	350,386	322,847
Cost of sales	(97,688)	(76,034)	(259,274)	(232,726)
Gross profit	33,365	33,749	91,112	90,121
Other income	668	994	2,582	2,485
Administrative expenses	(14,200)	(15,715)	(41,798)	(45,748)
Operating profit	19,833	19,028	51,896	46,858
Finance costs	(8,523)	(3,929)	(23,350)	(14,224)
Share of results of associates/ JV	167	-	838	-
Profit before tax	11,477	15,099	29,384	32,634
Taxation	(2,422)	(5,456)	(6,315)	(8,853)
Profit for the financial period	9,055	9,643	23,069	23,781
Other comprehensive income, net of tax:				
Foreign currency translation	19,316	(10,527)	22,143	(16,716)
Total comprehensive income for the financial period	28,371	(884)	45,212	7,065
Profit attributable to:				
Owners of the Company	8,493	7,790	20,820	17,141
Non-controlling interests	562	1,853	2,249	6,640
	9,055	9,643	23,069	23,781
Total comprehensive income attributable to:				
Owners of the Company	26,513	(1,633)	40,696	(1,483)
Non-controlling interests	1,858	749	4,516	8,548
	28,371	(884)	45,212	7,065

**Note:**

The Condensed Consolidated Statement of Comprehensive Income for the third quarter ended 30 September 2019 should be read in conjunction with the Audited Financial Statements for the financial year ended (“FYE”) 31 December 2018 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 SEPTEMBER 2019**

	<b>UNAUDITED</b> As at <b>30-Sep-19</b> RM'000	<b>AUDITED</b> As at <b>31-Dec-18</b> RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	519,244	463,043
Investment properties	17,861	17,861
Right-of-use assets	123,544	-
Deferred tax assets	760	643
Intangible assets	167,599	164,637
Investment in joint ventures / associates	1,061	225
Trade and other receivables	1,213	4,405
	<b>831,282</b>	<b>650,814</b>
<b>Current Assets</b>		
Inventories	70,330	72,422
Contract assets	21,023	13,085
Trade and other receivables	292,834	317,791
Tax recoverable	7,652	5,780
Fixed deposits placed with licensed banks	13,763	21,197
Cash and bank balances	50,878	55,492
	<b>456,480</b>	<b>485,767</b>
<b>TOTAL ASSETS</b>	<b>1,287,762</b>	<b>1,136,581</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	244,305	244,305
Warrant reserve	84,134	84,134
Revaluation reserve	4,307	4,207
Foreign currency translation reserve	(16,538)	(15,073)
Reserve arising from reverse acquisition	(17,007)	(17,007)
Other reserve	230	967
Retained earnings	159,931	139,535
	459,362	441,068
Non-controlling interests	63,030	53,989
<b>Total Equity</b>	<b>522,392</b>	<b>495,057</b>
<b>Non-Current Liabilities</b>		
Loan and borrowings	274,032	316,468
Deferred tax liabilities	12,685	13,784
Provision for liabilities	5,585	4,195
Post employment benefit liabilities	485	460
Lease liabilities	111,974	7,768
	<b>404,761</b>	<b>342,675</b>
<b>Current Liabilities</b>		
Contract liabilities	-	1,890
Trade and other payables	116,233	121,362
Loan and borrowings	218,803	165,881
Lease liabilities	23,192	5,537
Derivative financial liabilities	2	2
Tax payables	2,379	4,177
	<b>360,609</b>	<b>298,849</b>
<b>TOTAL LIABILITIES</b>	<b>765,370</b>	<b>641,524</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,287,762</b>	<b>1,136,581</b>
Net assets per share attributable to owners of the Company (RM)	<b>0.53</b>	<b>0.51</b>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30  
SEPTEMBER 2019 (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 2018 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	← Attributable to owners of the Company →						Total	Non-Controlling Interests	Total Equity
	Non-distributable			Distributable					
	Share Capital	Warrant 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	
<b>At 1 January 2019</b>	244,305	84,134	(10,866)	(17,007)	967	139,535	441,068	53,989	495,057
<b>Effect on PPA adjustments* (Note A16)</b>	-	-	-	-	-	(44)	(44)	-	(44)
<b>At 1 January 2019, restated</b>	244,305	84,134	(10,866)	(17,007)	967	139,491	441,024	53,989	495,013
<b>Acquisition of a subsidiary</b>	-	-	-	-	-	(394)	(394)	291	(103)
<b>Disposal of subsidiaries</b>	-	-	-	-	-	14	14	-	14
<b>Subscription of shares by NCI in a subsidiary</b>	-	-	-	-	-	-	-	5,028	5,028
<b>Dividend paid</b>	-	-	-	-	-	-	-	(794)	(794)
<b>Revaluation surplus on fixed assets</b>	-	-	100	-	-	-	100	-	100
<b>Foreign currency translation</b>	-	-	(1,465)	-	(737)	-	(2,202)	2,267	65
<b>Total comprehensive income for the financial period</b>	-	-	-	-	-	20,820	20,820	2,249	23,069
<b>At 30 September 2019</b>	244,305	84,134	(12,231)	(17,007)	230	159,931	459,362	63,030	522,392
<b>At 1 January 2018</b>	244,305	84,134	(14,327)	(17,007)	546	115,700	413,351	53,041	466,392
<b>Dividend paid</b>	-	-	-	-	-	-	-	(1,127)	(1,127)
<b>Foreign currency translation</b>	-	-	(18,962)	-	338	-	(18,624)	1,908	(16,716)
<b>Total comprehensive income for the financial period</b>	-	-	-	-	-	17,141	17,141	6,640	23,781
<b>At 30 September 2018</b>	244,305	84,134	(33,289)	(17,007)	884	132,841	411,868	60,462	472,330

Note:

\*Retrospective adjustment to reflect the effects of purchase price allocation (“PPA”) of Novel Energy Sdn. Bhd., Suluk Damai Sdn. Bhd. and Azminas Sdn. Bhd. completed in March 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 2018 and the accompanying explanatory notes attached to the interim financial statements.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	Current Year To Date Ended 30-Sep-19 RM'000	Preceding Year To Date Ended 30-Sep-18 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	29,384	32,634
Adjustments for:		
Depreciation	46,576	24,674
Goodwill written off		
Amortisation of intangibles	2,080	1,972
Interest expenses	23,350	14,224
Interest income	(724)	(395)
Share of results of an associate	(838)	-
	99,828	73,109
Changes in working capital:		
Inventories	2,092	(17,728)
Receivables	28,149	37,057
Payables	(5,629)	(43,382)
Amount due from customer for contract works	(7,938)	2,923
	116,502	51,979
Tax paid	(11,200)	(14,466)
Interests received	724	395
<b>Net cash flows used in/ from operating activities</b>	<b>106,026</b>	<b>37,908</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary	(108)	-
Change in pledged deposits and investment properties	-	259
	(102,777)	(91,607)
Investment in joint ventures / associates	-	(420)
<b>Net cash flows used in/ from investing activities</b>	<b>(102,885)</b>	<b>(91,768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interests paid	(23,350)	(14,224)
Net drawdown of borrowings	289	28,572
Dividends paid to:		
- owners of the Company	-	-
- non-controlling interests	(793)	(1,127)
Payment of lease liabilities	(2,129)	-
<b>Net cash flows used in/ from financing activities</b>	<b>(25,983)</b>	<b>13,221</b>
Net change in cash and cash equivalents	(22,842)	(40,639)
Effects of exchange rate changes	1,283	(19,354)
Cash and cash equivalents:		
At the beginning of the financial period	22,131	82,811
At the end of the financial period	572	22,818
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	50,878	70,387
Fixed deposits	13,763	20,700
Bank overdraft	(52,323)	(54,620)
	12,318	36,467
Less: Fixed deposits pledged with licensed banks	(11,746)	(13,649)
	572	22,818

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED  
30 SEPTEMBER 2019 (CONT'D)**

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with Audited Financial Statements for the FYE 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**QUARTERLY REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED (“FPE”) 30 SEPTEMBER 2019**

**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 2018 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 2018.

**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 2018 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs effective for financial year beginning on or after 1 January 2019.

New MFRSs:

MFRS 16	Leases
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Amendments/Improvements to MFRSs:

MFRS 9	Financial Instruments
MFRS 11	Joint Arrangements
MFRS 112	Income Taxes
MFRS 119	Employee Benefits
MFRS 123	Borrowing Costs
IC Interpretation 23	Uncertainty over Income Tax Treatments

The adoption of the above did not have any significant effects on the interim financial report of the Group, except for:

1. MFRS 16 Leases

The Group has adopted MFRS 16 retrospectively from 1 January 2019, but not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The adjustments arising from the new leasing rules are therefore recognised in the opening of financial position on 1 January 2019.

**A2. Summary of Significant Accounting Policies (cont'd)**

1. MFRS 16 Leases (cont'd)

Prior to 1 January 2019, the leases under MFRS 117 were classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from the finance leases.

MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position except for short-term and low value asset leases.

On initial adoption of MFRS 16, there may be impact on the accounting treatment for leases, which the Group as a lessee currently accounts for as operating leases. On adoption of this standard, the Group will be required to capitalise its rented premises and equipment on the statements of financial position by recognising them as “rights-of-use” assets and their corresponding lease liabilities for the present value of future lease payments.

**A3. Auditors' Report**

There was no qualification on the audited financial statements of the Company and its subsidiary companies for the FYE 31 December 2018.

**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.

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

**A9. Segmental Information**

The segmental results of the Group for the FPE 30 September 2019 based on segment activities are as follows:

<b>Cumulative Quarter 30 September 2019</b>	<b>Telecommunication Network Services RM'000</b>	<b>Green Energy and Power Solution RM'000</b>	<b>Trading RM'000</b>	<b>M&amp;E Engineering Services RM'000</b>	<b>Investment Holding Company RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue from							
External customers	287,805	21,667	11,787	29,127	-	-	350,386
Inter-segment revenue	12,987	2,565	4,972	1,154	-	(21,678)	-
<b>Total Revenue</b>	<b>300,792</b>	<b>24,232</b>	<b>16,759</b>	<b>30,281</b>	<b>-</b>	<b>(21,678)</b>	<b>350,386</b>
Profit before tax	24,386	1,513	2,789	2,890	4,409	(6,603)	29,384
Taxation	(4,331)	(365)	(683)	(873)	(663)	600	(6,315)
<b>Profit for the financial period</b>	<b>20,055</b>	<b>1,148</b>	<b>2,106</b>	<b>2,017</b>	<b>3,746</b>	<b>(6,003)</b>	<b>23,069</b>

<b>Cumulative Quarter 30 September 2018</b>	<b>Telecommunication Network Services RM'000</b>	<b>Green Energy and Power Solution RM'000</b>	<b>Trading RM'000</b>	<b>M&amp;E Engineering Services RM'000</b>	<b>Investment Holding Company RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue from							
External customers	279,970	26,371	6,375	10,131	-	-	322,847
Inter-segment revenue	13,316	898	5,173	308	-	(19,695)	-
<b>Total Revenue</b>	<b>293,286</b>	<b>27,269</b>	<b>11,548</b>	<b>10,439</b>	<b>-</b>	<b>(19,695)</b>	<b>322,847</b>
Profit before tax	33,241	2,204	1,538	(399)	2,395	(6,345)	32,634
Taxation	(7,691)	(555)	(417)	96	(865)	579	(8,853)
<b>Profit for the financial period</b>	<b>25,550</b>	<b>1,649</b>	<b>1,121</b>	<b>(303)</b>	<b>1,530</b>	<b>(5,766)</b>	<b>23,781</b>

**A9. Segmental Information (Cont'd)**

The segmental results of the Group for the FPE 30 September 2019 based on geographical segment are as follows:

<b>Cumulative Quarter 30 September 2019</b>	<b>Malaysia RM'000</b>	<b>Regional RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue from				
External customers	215,227	135,159	-	350,386
Inter-segment revenue	20,747	931	(21,678)	-
<b>Total Revenue</b>	<b>235,974</b>	<b>136,090</b>	<b>(21,678)</b>	<b>350,386</b>
Profit before tax	20,614	15,373	(6,603)	29,384
Taxation	(3,634)	(3,281)	600	(6,315)
<b>Profit for the financial period</b>	<b>16,980</b>	<b>12,092</b>	<b>(6,003)</b>	<b>23,069</b>

<b>Cumulative Quarter 30 September 2018</b>	<b>Malaysia RM'000</b>	<b>Regional RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue from				
External customers	191,603	131,244	-	322,847
Inter-segment revenue	18,797	898	(19,695)	-
<b>Total Revenue</b>	<b>210,400</b>	<b>132,142</b>	<b>(19,695)</b>	<b>322,847</b>
Profit before tax	16,073	22,906	(6,345)	32,634
Taxation	(3,950)	(5,482)	579	(8,853)
<b>Profit for the financial period</b>	<b>12,123</b>	<b>17,424</b>	<b>(5,766)</b>	<b>23,781</b>

**A10. Valuation of property, plant and equipment**

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

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

### A11. Capital Commitments

As at 30 September 2019, the capital commitments are as follows:

	UNAUDITED as at 30-Sep-19 RM'000	UNAUDITED as at 30-Sep-18 RM'000
In respect of capital expenditure:		
Property, plant and equipment		
- approved and contracted for	36,047	20,606
- approved but not contracted for	97,747	-
	<hr/>	<hr/>
In respect of acquisition of a subsidiary		
- approved and contracted for	145	145
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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 current quarter under review.

### A14. Contingent Liabilities and Contingent Assets

As at 30 September 2019, the contingent liabilities are as follows:

	UNAUDITED as at 30-Sep-19 RM'000	UNAUDITED as at 30-Sep-18 RM'000
Financial guarantees given by OCK Group Berhad to licensed banks for facilities granted to subsidiaries	492,075	506,625
Financial guarantees given to a third party for the sales of goods to a subsidiary	-	3,890
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**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-Sep-19 RM'000	UNAUDITED as at 30-Sep-18 RM'000
Consultancy fee	246	275
Sales	(1,524)	(1,955)
	(1,278)	(1,680)

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 year, the Group has completed the purchase price allocation (“PPA”) exercise to determine the fair values of the net assets of Novel Energy Sdn. Bhd. (“Novel Energy”), an indirect wholly-owned subsidiary company, Suluk Damai Sdn. Bhd. (“Suluk Damai”), an indirect wholly-owned subsidiary company and Azminas Sdn. Bhd. (“Azminas”), an indirect wholly-owned subsidiary company within the stipulated time period, i.e. twelve (12) months from the respective acquisition dates of 8 March 2018, 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
<b>As at 31 December 2018</b>			
<b>Consolidated Statement of Financial Position</b>			
<u>Non-Current Assets</u>			
Intangible Assets	25,201	899	26,100
Goodwill on consolidation	139,436	(943)	138,493
<b>Consolidated Statement of Changes in Equity</b>			
Retained earnings	139,535	(44)	139,491

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

**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
<b>30 September 2019</b>							
Total Revenue	113,636	9,320	3,300	12,311	-	(7,514)	131,053
Profit before tax	9,007	710	1,077	639	2,112	(2,068)	11,477

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
<b>30 September 2018</b>							
Total Revenue	96,259	9,629	5,645	4,859	-	(6,609)	109,783
Profit before tax	14,329	394	762	109	3,301	(3,796)	15,099

For the current quarter ended 30 September 2019, 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 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
<b>30 September 2019</b>							
Total Revenue	113,636	9,320	3,300	12,311	-	(7,514)	131,053
Profit before tax	9,007	710	1,077	639	2,112	(2,068)	11,477

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
<b>30 June 2019</b>							
Total Revenue	96,663	7,195	6,516	13,430	-	(7,964)	115,840
Profit before tax	7,755	133	546	2,296	2,224	(3,281)	9,673

The total revenue of RM131 million recorded for the current quarter was higher as compared to the revenue in the preceding quarter of RM115.8 million mainly due to higher revenue contribution from Telecommunication Network Services (“TNS”) in current quarter.

**B3. Prospects**

To date, OCK is the largest Telecommunication Network Services (“TNS”) provider in Malaysia and a rapidly-growing regional independent Tower Company (“TowerCo”). Despite a competitive telecommunication (“telco”) industry landscape, OCK is expecting a positive growth trajectory for the Group going forward.

OCK’s outlook on the industry in Malaysia is in line with the rest of the Mobile Network Operators (“MNOs”) and that is to expand and upgrade their 4G long-term evolution (“LTE”) network coverage. The Group is also optimistic about the new direction taken by the Government with regard to implementation of the National Fiberization and Connectivity Plan (NFCP) outlined in Budget 2019, as well as opportunities to build and own telecommunication sites in various states. In addition, OCK sees prospects from an aggressive geographical expansion from one of the MNO in Malaysia, which will allow the Group to build its tower portfolio.

Where managed services is concerned, the Group has identified a new trend in Malaysia, where MNOs are starting to outsource internal managed services to third parties in the industry. This is positive for the Group since we currently manage more than 28,000 telco sites in Malaysia and Indonesia. As such, the prospects going forward seems positive, as we strive to maintain our leadership position as the largest TNS provider in Malaysia.

In Malaysia, the Group currently owns more than 420 Towers and is rapidly undergoing expansion to increase its tower ownership with support from major MNOs.

In Myanmar, to date, the Group has completed and handed over close to 1,000 telecommunication sites. The Group has achieved a milestone of securing new built and greenfield sites with all major MNO. That said, the Group will be aggressive in its initiatives to build and acquire more new sites in this greenfield telecommunications market.

In Vietnam, the Group is currently the largest independent TowerCo, owning more than 2,600 sites. As the Towerco business in Vietnam still remains fragmented, there are still vast opportunities in the brownfield acquisitions area and foresees consolidation opportunities. The focus in this country will be on brownfield opportunities as the market gears up for the rolling out of 4G LTE networks.

To date, the Group has built a tower portfolio of more than 4,200 towers and is one of the leading independent tower company in the ASEAN Region.

As for the Group’s Green Energy Business segment, OCK is optimistic and will actively participate in the future Solar tenders.

**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-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18
	RM'000	RM'000	RM'000	RM'000
Taxation for the period	2,754	3,624	7,052	7,832
Deferred Tax	(332)	1,832	(737)	1,021
Total taxation	2,422	5,456	6,315	8,853

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 September 2019 are as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Long term borrowings:-			
Term loans	274,032	-	274,032
	274,032	-	274,032
Short term borrowings:-			
Overdraft	52,324	-	52,324
Bankers' acceptance	19,359	-	19,359
Bonds	-	761	761
Revolving project loan	44,980	-	44,980
Term loans	101,379	-	101,379
	218,042	761	218,803

The above borrowings are denominated in Ringgit Malaysia, except for term loans amounting to RM317 million and RM6.8 million which are denominated in USD and IDR, respectively.

**B8. Material Litigation**

There were no further update on the Arbitration case.

**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-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18
Group's profit attributable to equity holders of the Company (RM'000)	8,493	7,790	20,820	17,141
Weighted average number of ordinary shares ('000)	871,473	871,473	871,473	871,473
Upon conversion of warrants ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	871,473	871,473	871,473	871,473
Earnings per share (sen):				
- Basic ^	0.97	0.89	2.39	1.97
- Diluted *	0.97	0.89	2.39	1.97

**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.

**B10. Profit for the year**

	Quarter Ended		Year-To-Date Ended	
	30-Sep-19 RM'000	30-Sep-18 RM'000	30-Sep-19 RM'000	30-Sep-18 RM'000
Profit before tax is arrived at after charging/(crediting):	11,477	15,099	29,384	32,634
- depreciation and amortisation	18,520	9,334	48,656	26,646
- interest expenses	8,523	3,929	23,350	14,224
- interest income	162	(59)	(724)	(395)
- (gain)/loss on foreign exchange	71	878	188	875
- other income	(830)	(935)	(1,858)	(2,090)

**B11. Dividend**

No interim dividend has been proposed or declared for the current financial period ended 30 September 2019.

By Order of the Board

Wong Youn Kim (MAICSA 7018778)  
Company Secretary  
Kuala Lumpur  
Date: 21 November 2019