

OCK GROUP BERHAD ("OCK" OR "THE COMPANY")

PROPOSED ACQUISITION BY OCK SETIA ENGINEERING SDN BHD ("OCK SETIA"), A WHOLLY-OWNED SUBSIDIARY OF OCK, OF A FREEHOLD LAND TOGETHER WITH A THREE (3)-STOREY FACTORY BEARING THE ADDRESS OF NO. 18, JALAN JURUNILAI U1/20, SEKSYEN U1, 40150 SHAH ALAM, SELANGOR DARUL EHSAN ("THE PROPERTY") FROM GAINVEST CORPORATION (M) SDN BHD ("GAINVEST" OR "VENDOR") FOR A TOTAL CASH CONSIDERATION OF RM14,300,000 ("PURCHASE CONSIDERATION") (THE "PROPOSED ACQUISITION")

We refer to the announcement dated 25 September 2012 in respect of the Proposed Acquisition ("Announcement"). Unless otherwise defined, the abbreviations used throughout this announcement shall be the same as those previously defined in the Announcement.

On behalf of the Board of Directors of OCK, HwangDBS Investment Bank Berhad ("HwangDBS") would like to announce the following additional information:

1. Details of the Property

Additional details pertaining to the Property are set out as follows:

Age of factory building	:	Approximately 14 years
Gross floor area of the factory building	:	Approximately 46,297 square feet ("sq ft")
Net lettable area	:	Approximately 46,297 sq ft
Audited Net Book Value of the Property as at 31 December 2011	:	RM8,000,000

As at the date of the Announcement, no valuation has been carried out on the Property. The purchase consideration of RM14,300,000 has been arrived at on a willing buyer, willing seller basis after taking into consideration the suitability and strategic location of the Property and the management's best estimate and enquiries on the prevailing market value of industrial properties/factory land located in the vicinity of the Property.

A valuation on the Property is currently being undertaken by a registered valuer, Landserve Sdn Bhd and the full valuation report will be available for inspection immediately prior to the despatch of the circular of shareholders of OCK pursuant to the Proposed Acquisition up to the date of the EGM to be convened for the Proposed Acquisition. A further announcement will be made in due course on the availability of the valuation report for inspection.

Renovation and refurbishment works on the Property is expected to commence within one (1) month after the completion of the Proposed Acquisition and will take approximately four (4) months thereafter to complete.

The cost of renovation and refurbishment works which is estimated at RM2.0 million will be funded by internally generated funds and/or borrowings of OCK Setia, the proportion of which will be determined at a later date.

2. Prospects of the Property

The Property is located in Glenmarie, Selangor Darul Ehsan. The location is well served by comprehensive networks of highway such as the New Klang Valley Expressway, Federal Highway, New Pantai Expressway and Lebuhraya Damansara Puchong. Its strategic location provides easy access to any major town areas. Besides, there are a few Light Rail Transit terminal located within a five (5) km radius which includes KTM Batu Tiga, KTM Subang and RapidKL Kelana Jaya.

The Company intends to occupy the Property for its own use. The Proposed Acquisition is expected to accrue the following benefits to OCK:

- (i) Provide savings on OCK's current office rental expenses;
- (ii) Provide hedge against future increase in office rental expenses to be incurred by OCK;
- (iii) Provide potential capital gain for OCK arising from the expected appreciation in value of the Property as the Property is located in a strategic area;
- (iv) Secure sufficient office and warehouse space to consolidate its operation under one roof and cater for future expansion of OCK; and
- (v) Enhance managerial control as well as to provide a more effective and better control over the usage of its resources.

3. Breakdown of the total area of the Property to be occupied and rented out

Upon the completion of the Proposed Acquisition, the Property is intended to be fully occupied as office building cum warehouse of OCK and its subsidiaries.

4. Estimated time frame for completion

Barring any unforeseen circumstances and subject to receipt of all relevant approvals, the Proposed Acquisition is expected to be completed by the last quarter of 2012. The submission of the draft circular to the shareholders of OCK in relation to the Proposed Acquisition to Bursa Securities for its clearance is targeted to be made within two (2) months from the date of this Announcement.

5. Adviser

HwangDBS has been appointed as the Principal Adviser for the Proposed Acquisition.

The announcement is dated 1 October 2012.