

CHAIRMAN'S STATEMENT



Dear Shareholders,

It is with great pleasure and privilege that I present to you the Annual Report and Audited Financial Statements of OCK Group Berhad for the financial year ended 31 December 2015. ("FY2015")

**Dato' Syed Norulzaman
Bin Syed Kamarulzaman**

*Senior Independent
Non-Executive Chairman*

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"OCK performed strongly in Year 2015 recording a revenue of RM315.9 million."

OCK performed well in FY2015 recording a revenue amounting to RM315.9 million. This represents a growth of 59.2% with profit at RM27.2 million which translates into a basic earnings per share of 4.62 sen.

ESCALATING BUSINESS GROWTH AND REGIONAL EXPANSION

Over the past years, the Group's team of professionals has accumulated many years of technical training and on-ground experience. Coupled with their passion and dedication in the field, they have played a crucial role in contributing to OCK's continued success that has resulted in OCK Group becoming the preferred telecommunication network solutions provider in the industry.

Despite the slow business environment and adverse market condition, the telecommunication industry continued to grow

as a result of the escalating broadband network demand across the region. The increasing telecommunication network services demand has translated into a positive growth in the business activities for the Group's telecommunication network services.

OCK's Indonesian outfit, PT Putra Mulia Telecommunications' number of managed sites multiplied during the fiscal year under review to 20,000 from 11,000 in FY2014. We foresee that the Group's business footprint in Indonesia will continue to expand in tandem with the large number of telecommunication sites sprawling across the country and the adoption of managed operations becoming further accepted by the telecommunication companies.

OCK's business aspiration and regional expansion accelerated further towards the end of FY2015 when the Group successfully signed a master services agreement with Telenor Myanmar. This agreement spearheads OCK's first tower business venture outside of Malaysia with the building of up to 920 telecommunication towers over a 12-month period. The agreement will strengthen the Group's recurring income stream moving forward.

Given the Group's level of expertise and advanced technical services, I am confident that OCK will capitalize on the exploding industry growth from among the regional emerging markets.

SHARING THE FRUITS OF OUR SUCCESS

The Board has declared a single-tier interim dividend of 0.6 sen per share in respect of its financial year ended 31 December 2016, which was paid on 14 April 2016.

CORPORATE SOCIAL RESPONSIBILITY

OCK has always believed in the importance of corporate social responsibility (CSR) as part of our business activities and in undertaking responsible practices that positively impact our society, environment, and the community that we operate in.

OCK values our employees as key assets of the company. In that regard, the Group ensures that everyone is treated with the utmost respect, dignity and fairness. We strongly believe that it is imperative to foster a conducive working environment that encourages growth, opportunities and self-development leading to overall success. Therefore we have always provided training to our people to develop their skills, knowledge and in advancing professional expertise in their field of work. The Gold of the Desert Kings was a one-day workshop conducted on 28 & 30 July 2015 in our own HQ training room, where participants were challenged to develop strategic thinking and upfront planning, decision-making, managing change and teamwork.

In addition to developing skills, we also emphasize on the safety of the workplace. A workshop "Latihan Pengosongan Bangunan" was held on 28 July 2015 for safety evacuation procedures with the purpose of training and ensuring that all employees practice the right safety measures in their work place.

MOVING FORWARD

According to the Global Mobile Economy Report 2015, telecommunication operators have been heavily investing in infrastructure over the last three years to fully support the mobile broadband network deployment and that they are expected to spend US\$1.4 trillion

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on capital expenditure for the period up to year 2020. Furthermore, Asia Pacific is expected to witness an increase in smartphone users by approximately 1.6 billion. In Malaysia today, mobile users expect coverage 'everywhere' and greater speed for faster connection. This has compelled telecommunication service operators to continue investing in infrastructure and service solutions such as 4G LTE and fibre optic to meet such consumer demand, while remaining price competitive. Such an environment provides further business opportunities to telecommunication network service providers like OCK.

Moving forward, OCK will remain focused in building and maintaining a business model that delivers sustainability and strong profit growth. Having successfully penetrated into several regional emerging markets in ASEAN, we are looking forward to further expanding OCK's business presence in the respective markets; capitalize on the extensive opportunities in Indonesia and Myanmar, as well as explore new business opportunities in other ASEAN countries.

A CHANGE IN THE BOARDROOM

On behalf of the Board, I would like to take this opportunity to welcome YM Syed Hazrain Bin Syed Razlan Jamalullail and Encik Mahathir Bin Mahzan, who were both appointed to the Board on the 25 November

2015 as Independent Non-Executive Directors. In addition I would like to also record our appreciation to Mr. Lee Yow Fui and Mr. Fu Lit Fung, both of whom resigned from the Board on 25 November 2015 and 11 November 2015, respectively.

APPRECIATION

In closing, I would like to thank OCK's management and staff for their relentless pursuit of excellence, continued hard work and commitment that have contributed to the exponential growth of the Group.

On behalf of the Board, I would also like to convey our sincere gratitude and appreciation to our valued shareholders, customers, business associates, bankers and business partners for their continued support, confidence and trust in OCK.

We look forward to forging new frontiers in the years ahead with the creation and preservation of shareholders value in the Group.

Thank you,

Dato' Syed Norulzaman Bin Syed Kamarulzaman
Senior Independent Non-Executive Chairman