

OCK deemed front runner for MCMC tender

Project involves building of 1,000 telco towers in underserved areas

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KUALA LUMPUR: News that the government has opened its tender for the construction of telco towers in underserved areas has sparked keen interest in OCK Group Bhd's shares.

OCK's share price has seen a good run over the past few days and was up 15.4% yesterday to touch a record high of RM1.05.

The Malaysian Communications and Multimedia Commission (MCMC) had on Monday invited parties which are keen to be universal service providers to build telco towers in underserved areas to register.

OCK Group is seen as the front runner to win a fair share of the project, which aims to build 1,000 telecom transmission towers in underserved areas as announced in Budget 2014.



According to MCMC, the Universal Service Provision (USP) project is an ongoing effort to promote the widespread availability and usage of network and applications services by encouraging the installation of tower and infrastructure and the installation of equipment and electronics and applications services in underserved areas and for underserved groups within the community.

OCK's share price began its recent ascent on Mar 11 when it rose

5.6% in a single day to RM0.85 from RM0.805. Yesterday, it leapt 15.4% to RM1.05 from RM0.91.

An average of 6.24 million shares have changed hands each day since Mar 11, with the largest volume of 15.81 million shares traded yesterday. In contrast, trading volume since the start of the year until March 10 has averaged 610,048 shares per day.

This comes a few weeks after OCK announced a 17% increase in its net profit for its fourth quarter ended Dec 31, 2013.

It is learnt that the group was eyeing a transfer from the ACE Market to the Main Market of Bursa Malaysia.

Lembaga Tabung Angkatan Tentera has been an active trader of the stock and holds a 12.95% direct stake in OCK. The company's managing director Ooi Chin Khoo holds an indirect stake of 52.93%.

Another small cap telecommunications network provider that gained interest following the 2014 Budget announcement was Sarawak-based Instacom Group Bhd. Its share price has fallen 3.7% since March 10 to close at 26 sen yesterday.