THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This Circular has been reviewed and approved by RHB Investment Bank Berhad as the Adviser of OCK Group Berhad for the Proposed Private Placement (as defined herein).

Bursa Malaysia Securities Berhad has not perused through the contents of this Circular prior to its issuance and takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

OCK GROUP BERHAD

(Company No.: 955915-M)
(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED PRIVATE PLACEMENT OF UP TO 20% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF OCK GROUP BERHAD ("OCK"), AT AN ISSUE PRICE TO BE DETERMINED LATER

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

RHB Investment Bank Berhad
(Company No. 19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("EGM") of OCK which is scheduled to be held at Perdana 3, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 28 May 2014 at 11.00 a.m., or immediately following the conclusion or adjournment of the Third Annual General Meeting ("AGM") of the Company scheduled to be held at the same venue and on the same date at 10.00 a.m., whichever is later, together with the Form of Proxy are enclosed herein.

A member entitled to attend, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend, speak and vote on his/her behalf. In such event, the Form of Proxy should be lodged at the Registered Office of OCK at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, not less than 48 hours before the time stipulated for holding the EGM, as indicated below. The lodging of the Form of Proxy shall not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy ..... : Monday, 26 May 2014 at 11.00 a.m.

Date and time of the EGM ..... : Wednesday, 28 May 2014 at 11.00 a.m., or immediately following the conclusion or adjournment of the AGM, whichever is later

This Circular is dated 12 May 2014

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	:	The Companies Act, 1965
"AGM"	:	Annual General Meeting
"Board"	:	The Board of Directors of OCK
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"Director(s)"	:	The director(s) of OCK and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007
"EGM"	:	Extraordinary General Meeting
"EPS"	:	Earnings per Share
"FYE"	:	Financial year ended/ ending
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	14 April 2014, being the latest practicable date prior to the printing and despatch of this Circular
"LTAT"	:	Lembaga Tabung Angkatan Tentera
"Maximum Scenario"	:	Assuming the 10,227,272 OCK Shares pursuant to the Proposed Acquisition are issued prior to the implementation of the Proposed Private Placement
"Minimum Scenario:	:	Assuming none of the 10,227,272 OCK Shares pursuant to the Proposed Acquisition are issued prior to the implementation of the Proposed Private Placement
"NA"	:	Net assets
"OCK" or the "Company"	:	OCK Group Berhad
"OCK Group" or the "Group"	:	OCK and its subsidiaries, collectively
"OCKISB"	:	OCK International Sdn Bhd, a wholly-owned subsidiary company of OCK
"OCK Share(s)" or "Share(s)"	:	Ordinary share(s) of RM0.10 each in OCK
"Placement Share(s)"		Up to 59,025,454 OCK Shares, representing approximately 20% of the enlarged issued and paid-up share capital of OCK to be issued pursuant to the Proposed Private Placement

"Proposed Acquisition"	:	The proposed acquisition by OCKISB of 85% equity interest in PT Putra Mulia Telecommunication from Song Chin Yew and Lim Hooi Seeh for a purchase consideration of RM21,250,000, to be fully satisfied via a combination of RM10.00 million cash and issuance of 10,227,272 new OCK Shares at an issue price of RM1.10 per OCK Share. Further details on the Proposed Acquisition are set out in the announcement of the Company dated 29 April 2014. A circular to shareholders on the Proposed Acquisition, amongst others, will be issued to the shareholders of OCK to convene a separate EGM in due course.
"Proposed Private Placement"	:	The proposed private placement of up to 20% of the issued and paid-up share capital of OCK, or up to 59,025,454 Placement Shares under the Maximum Scenario, at an issue price to be determined later
"Proposed Private Placement to LTAT"	:	The balance of the Placement Shares representing up to 10% of the issued and paid-up share capital of OCK which shall be offered to a major shareholder of OCK, namely LTAT. In the event that LTAT subscribes less than 10% of the issued and paid-up share capital of OCK which is offered, the balance of the Placement Shares shall be clawed back and OCK shall allocate such balance to other third (3rd) party investors to be identified later in accordance to Section 2.5(a) of this Circular
"RHBIB" or the "Adviser"	:	RHB Investment Bank Berhad
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"WAMP"	:	Weighted average market price

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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OCK GROUP BERHAD

(Company No.: 955915-M)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office

Level 2, Tower 1
Avenue 5
Bangsar South City
59200 Kuala Lumpur

12 May 2014

Board of Directors

Dato' Syed Norulzaman Bin Syed Kamarulzaman *(Senior Independent Non-Executive Chairman)*
Abdul Halim Bin Abdul Hamid *(Deputy Chairman)*
Ooi Chin Khoon *(Managing Director)*
Low Hock Keong *(Executive Director)*
Chang Tan Chin *(Executive Director)*
Chong Wai Yew *(Executive Director)*
Rear Admiral Dato' Mohd Som Bin Ibrahim (Retired) *(Non-Independent Non-Executive Director)*
Fu Lit Fung *(Independent Non-Executive Director)*
Lee Yow Fui *(Independent Non-Executive Director)*

To: The Shareholders of OCK Group Berhad

Dear Sir/ Madam,

PROPOSED PRIVATE PLACEMENT OF UP TO 20% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF OCK, AT AN ISSUE PRICE TO BE DETERMINED LATER

---

1. INTRODUCTION

On 15 April 2014, RHBIB had, on behalf of the Board, announced that the Company proposes to undertake a private placement of up to 20% of the issued and paid-up share capital of OCK, at an issue price to be determined later.

On 28 April 2014, RHBIB had announced that the Board wished to vary certain salient terms of the Proposed Private Placement made on 15 April 2014 pertaining to the allocation of the Placement Shares and the interest of directors and/ or major shareholders of OCK and/ or persons connected to them. Further details of the aforesaid variation are set out in Sections 2.5 and 2.8 of this Circular.

On the other hand, on 29 April 2014, RHBIB had, on behalf of the Board, announced, amongst others, that OCKISB, a wholly-owned subsidiary company of OCK had, on 29 April 2014, entered into a conditional share sale agreement with Song Chin Yew and Lim Hooi Seeh ("collectively, the Vendors") for the proposed acquisition by OCKISB of 85% equity interest in PT Putra Mulia Telecommunication from the Vendors for a purchase consideration of RM21,250,000 ("Purchase Consideration"). The Purchase Consideration is to be fully satisfied via a combination of RM10.00 million in cash and issuance of 10,227,272 new OCK Shares at an issue price of RM1.10 per OCK Share. For the avoidance of doubt, a separate circular to shareholders on the Proposed Acquisition, amongst others, will be issued to the shareholders of OCK to convene a separate EGM in due course.

On 9 May 2014, RHBIB had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 9 May 2014, resolved to approve the listing of and quotation for up to 59,025,454 OCK Shares, representing up to 20% of the enlarged issued and paid-up share capital of OCK (excluding treasury shares) upon completion of the Proposed Acquisition, to be issued pursuant to the Proposed Private Placement subject to the conditions as set out in Section 7 of this Circular.

The purpose of this Circular is to provide the shareholders of OCK with the relevant information on the Proposed Private Placement, as well as to seek the approvals from the shareholders of OCK for the resolutions pertaining to the Proposed Private Placement to be tabled at the forthcoming EGM of the Company. The notice of the forthcoming EGM and the Form of Proxy are enclosed together with this Circular.

SHAREHOLDERS OF OCK ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED PRIVATE PLACEMENT TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

2.1 Placement Size

The Proposed Private Placement entails the issuance of up to 20% of the issued and paid-up share capital of OCK, to third party investor(s) to be identified at an issue price to be determined later.

For illustrative purposes, based on the issued and paid-up share capital of OCK as at the LPD of RM28,490,000 comprising 284,900,000 OCK Shares and assuming the 10,227,272 OCK Shares pursuant to the Proposed Acquisition are issued prior to the implementation of the Proposed Private Placement, a total of up to 59,025,454 new OCK Shares, representing 20% of the enlarged issued and paid-up share capital of OCK, may be issued pursuant to the Proposed Private Placement.

The actual number of Placement Shares to be issued pursuant to the Proposed Private Placement shall be determined at a later date, based on the issued and paid-up share capital of OCK as at the date of implementation, or up to 59,025,454 Placement Shares based on the Maximum Scenario.

2.2 Basis of determining and justification for the issue price of the Placement Shares

The issue price of the Placement Shares shall be determined and announced by the Board at a later date after the receipt of all requisite approvals for the Proposed Private Placement, at a price that is deemed appropriate after taking into consideration the prevailing market conditions and the five (5)-day WAMP of OCK Shares immediately preceding the price-fixing date.

The discount for the issue price of the Placement Shares, if any, shall not be more than 10.0% to the five (5)-day WAMP of OCK Shares immediately preceding the price-fixing date and such issue price shall not be lower than the par value of OCK Shares of RM0.10 each.

For illustrative purposes only, the indicative issue price of the Placement Shares are assumed at RM1.25 per Placement Share, representing a discount of approximately 9.4% to the five (5)-day WAMP of OCK Shares up to and including the LPD of RM1.38.

2.3 Ranking of the Placement Shares

The Placement Shares will, upon allotment and issuance, rank *pari passu* in all respects with the existing OCK Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Placement Shares.

2.4 Listing of and quotation for the Placement Shares

The Company had, on 9 May 2014, obtained the approval from Bursa Securities for the listing of and quotation for up to 59,025,454 Placement Shares on the ACE Market of Bursa Securities.

2.5 Allocation of the Placement Shares

The total number of Placement Shares to be issued shall be up to 20% of the issued and paid-up share capital of OCK as at the date of implementation, or up to 59,025,454 Placement Shares based on the Maximum Scenario, which shall be allocated as follows:-

(a) The Placement Shares representing up to 10% of the issued and paid-up share capital of OCK, will be placed out to third party investor(s) to be identified at a later stage, and such investor(s) shall be person(s) qualified under Schedule 6 and 7 of the Capital Markets and Services Act 2007. In any event, the said Placement Shares will not be placed out to the following parties:-

i. a director, major shareholder, chief executive of OCK or the holding company of OCK ("Interested Person(s)");

ii. a person connected to the Interested Person; and

iii. nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

(b) The balance of the Placement Shares representing up to 10% of the issued and paid-up share capital of OCK shall be offered to a major shareholder of OCK, namely LTAT. In the event that LTAT subscribes less than 10% of the issued and paid-up share capital of OCK which is offered, the balance of the Placement Shares shall be clawed back and OCK shall allocate such balance to other third (3rd) party investors to be identified later under Section 2.5(a) above.

A separate resolution pertaining to the Proposed Private Placement to LTAT to seek the shareholders' approval for Section 2.5(b) above is set out in the Notice of EGM.

In the event that the Board is unable to identify sufficient placees to subscribe for the entire portion of the Placement Shares at one time, the Proposed Private Placement may be implemented in tranches within six (6) months from the date of approval of Bursa Securities for the Proposed Private Placement, or any extended period as may be approved by Bursa Securities.

RHBIB will be appointed as the placement agent for the Proposed Private Placement after the receipt of all requisite approvals for the Proposed Private Placement.

2.6 Utilisation of proceeds

Based on the indicative issue price of RM1.25 per Placement Share, the Proposed Private Placement is expected to raise gross proceeds of up to RM71.23 million under the Minimum Scenario and up to RM73.78 million under the Maximum Scenario. The proceeds are proposed to be utilised by OCK Group in the manner as set out below:-

Details of utilisation	**Timeframe for utilisation from completion**	**Minimum Scenario RM'000**	**Maximum Scenario RM'000**
Business expansion[*1]	Within 24 months	50,000	50,000
Repayment of borrowings[*2]	Within 12 months	8,000	8,000
Renovation costs[*3]	Within 12 months	3,000	3,000
General working capital[*4]	Within 12 months	8,725	11,282
Estimated expenses in relation to the Proposed Private Placement[*5]	Upon completion	1,500	1,500
Total		**71,225**	**73,782**

Notes:-

[*1] *The Group intends to expand its existing business in the provision of various telecommunication network services and green energy and power solution business. As at the LPD, the management of OCK is still exploring its options for various business expansion opportunities such as acquisition of assets or companies which has synergistic benefits, and had not entered into any arrangement with any parties.*

The Company shall make the necessary announcements (in accordance with the Listing Requirements) as and when business expansion opportunities have been identified by the Board and are likely to materialise.

In the event OCK is unable to identify any suitable and viable business expansion opportunities within the timeframe stipulated (or any extended timeframe, if applicable), the proceeds allocated for business expansion shall be utilised to repay its bank borrowings and/ or for working capital purposes of OCK Group.

[*2] *As at 31 March 2014, OCK Group's total bank borrowings amounted to approximately RM67.00 million. For illustrative purposes, the partial repayment of the Group's bank borrowings is expected to result in an interest cost savings of approximately RM0.64 million per annum based on the effective interest rate at 8.00% per annum.*

[*3] *The Group intends to use part of the proceeds from the Proposed Private Placement to part finance the cost for renovation to be undertaken at its new office cum warehouse at Hicom Glenmarie Industrial Park, Section U1, Shah Alam Selangor, with a gross floor area measuring approximately 4,353 square meters. The renovation is estimated to cost approximately RM5.50 million, which is expected to be funded as follows:-*

	RM'000
Internally generated funds and/ or bank borrowings	*2,500*
Part proceeds from the Proposed Private Placement	*3,000*
Total	***5,500***

Any variation in the actual amount of renovation cost will be adjusted to/ from the amount to be funded by internally generated funds and/ or bank borrowings portion. In the event the Company is able to increase the funding for the renovation cost from internally generated funds and/ or bank borrowings portion, the part proceeds from the Proposed Private Placement may be reduced accordingly while the excess proceeds shall be allocated for the Group's working capital purposes.

Barring any unforeseen circumstances, the renovation works is expected to commence in June 2014 and expected to complete by December 2014.

*4 *The Group intends to use part of the proceeds from the Proposed Private Placement for general working capital purposes of its existing business, earmarked for the following:-*

	Note	Minimum Scenario RM'000	Maximum Scenario RM'000
Payment to Trade Creditors and Suppliers	*(a)*	*7,000*	*9,000*
Defrayment of general expenses	*(b)*	*1,725*	*2,282*
Total		***8,725***	***11,282***

a) This amount is to be utilised to fund the Company's existing business operations expenses amongst others, subcontractors, suppliers and other cost of sales such as logistics, and rental of warehouse and transport.

b) The breakdown of gross proceeds to be utilised for the defrayment of general expenses, amongst others, the payment of staff related expenses and other operating expenses such as administration and general expenses, which has not been determined at this juncture.

The actual amount to be utilised by each component of working capital may differ subject to the operating requirements at the time of utilisation.

*5 *The proceeds earmarked for estimated expenses in relation to the Proposed Private Placement shall be utilised as set out below:-*

	RM'000
Professional fees	*40*
Regulatory fees	*15*
Placement fee	*1,400*
Other incidental expenses in relation to the Proposals	*45*
Total	***1,500***

Any variation in the actual amount of expenses will be adjusted to/ from the amount allocated for working capital portion.

The actual gross proceeds to be raised from the Proposed Private Placement are dependent on the issue price and actual number of Placement Shares to be issued. Any variation to the actual gross proceeds raised from the Proposed Private Placement will be adjusted to the amount allocated for working capital of the Group.

Pending the utilisation of proceeds from the Proposed Private Placement for the above purposes, the proceeds would be placed in deposits with financial institutions or short-term money market instruments.

2.7 Status of utilisation of funds from the previous private placement

On 24 June 2013, on behalf of the Board of OCK, RHBIB had announced that the Company proposed to undertake a private placement of up to 10% of the issued and paid-up share capital of OCK to third party investors to be identified later ("Previous Private Placement"). The Company had obtained the approval from its shareholders at the last annual general meeting convened on 27 May 2013, whereby pursuant to Section 132D of the Act, the Board has been authorised to issue new OCK Shares provided that the number of new OCK Shares does not exceed 10% of the issued and paid-up share capital of the Company.

The 25,900,000 OCK Shares issued pursuant to the Previous Private Placement were listed on the ACE Market of Bursa Securities on 19 August 2013, marking the completion of the Previous Private Placement. At the issue price of RM0.47 per Share, the total proceeds raised from the Previous Private Placement were RM12.17 million.

The status of utilisation of funds from the Previous Private Placement is as follows:-

	Purposes	**Proposed utilisation RM'000**	**Actual utilisation as at the LPD RM'000**	**Balance unutilised as at the LPD RM'000**	**%**
i.	Working capital[*1]:-				
	- Expenses for regional expansion	5,000	2,257	2,743	22.5
	- Repayment to trade creditors and other creditors (i.e. payment for inventories)	6,500	6,500	-	-
	- Defrayment of general expenses	193	193	-	-
ii.	Defray estimated expenses for the Previous Private Placement	480	480	-	-
	Total	**12,173**	**9,430**	**2,743**	**22.5**

Note:-

*[*1]* *The timeframe for utilisation is within 12 months from the date of completion of the Previous Private Placement, i.e. by 18 August 2014.*

In 2013, OCK Group had raised funds via the Previous Private Placement for the working capital requirements of OCK at the material time, which were mainly utilised for regional expansion and repayment to trade creditors and other creditors. The expenses for regional expansion of the Group were mainly incurred for the setting up of OCK operations overseas, namely Myanmar, Cambodia and the People's Republic of China, marketing expenses and working capital requirements of the overseas operations.

Meanwhile, OCK Group is currently undertaking the Proposed Private Placement mainly for business expansion (mainly for its existing business, which may include options such as acquisition of assets or companies which has synergistic benefits), repayment of borrowings and renovation costs. Save for the proceeds allocated for the repayment to trade creditors and suppliers under the working capital portion, the utilisation purposes of the Proposed Private Placement differs from the utilisation purposes of the Previous Private Placement. The Board had decided to undertake the additional fund-raising exercise mainly for business expansion in view of the favourable outlook of the telecommunication industry and renewable energy industry as set out in Sections 4.2 and 4.3 of this Circular. Further, as set out in Section 4.4 of this Circular, apart from focusing on the Group's telecommunication business, the Group is also sourcing for more business opportunities such as investing or as a contractor in the sustainable energy sector that is rapidly growing in demand.

2.8 Background information on LTAT

LTAT (or Armed Forces Fund Board) was incorporated in Malaysia on 1 August 1972 under the Tabung Angkatan Tentera Act, 1973 (Act 101). LTAT is a government statutory body, which is an agency under the Ministry of Defence Malaysia and operates a defined contribution scheme. The principal activities of LTAT are to manage and invest the contribution funds of the members of the Malaysian Armed Forces in various sectors and to provide retirement benefits and other benefits as well as savings scheme for members.

The current directors of LTAT are as follows:-

i. Laksamana (B) Tan Sri Dato' Sri Mohd Anwar Bin Hj Mohd Nor;

ii. Dato' Sri Dr. Haji Ismail Bin Haji Ahmad;

iii. Dato' Fauziah Binti Yaacob;

iv. Jen Tan Sri Dato' Sri Zulkifeli Bin Mohd Zin;

v. Lt Jen Dato' Seri Panglima Ahmad Hasbullah Bin Hj Mohd Nawawi;

vi. Lt Gen Dato' Sri Hj Roslan Bin Saad;

vii. Laksamana Madya Dato' Seri Panglima Ahmad Kamarulzaman Bin Haji Ahmad Badaruddin;

viii. Tan Sri Dato' Seri Lodin Bin Wok Kamaruddin; and

ix. Dato' Ghazali Bin Mohd Ali.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED PRIVATE PLACEMENT

After due consideration of various methods of fund raising, the Board is of the view that the Proposed Private Placement is the most appropriate avenue of fund raising as the Proposed Private Placement:-

i. enables the Group to raise additional funds without having to incur interest expenses or service principal repayment as compared to conventional bank borrowings. This would allow the Company to preserve cash flow for reinvestment and/ or operational purpose;

ii. enables the Group to have greater opportunity to grow its business at lower cost of fund, thereby generating greater returns from the investments;

iii. is an expeditious way of raising funds from the capital market as opposed to other forms of fund raising such as a rights issue exercise; and

iv. enables the Company to strengthen its equity base which in turn may potentially increase the liquidity and marketability of OCK Shares.

4. INDUSTRY OVERVIEW AND OUTLOOK AND FUTURE PROSPECTS OF OCK GROUP

OCK Group is principally involved in the following core businesses:-

i. Provision of telecommunications network services which includes network planning, design and optimisation, network deployment, network operations and maintenance, energy management, infrastructure management and other professional services; and

ii. Supply, installation and commissioning of green energy systems, focusing on solar power generation.

In addition, the Group is also involved in the provision of trading of telecommunications network materials and equipment, enterprise network security solutions, network security software for enterprise users as well as mechanical and electrical ("M&E") engineering services. Due to nature of the Group's core businesses, the Group's performance is closely dependent on the outlook of the telecommunication industry and the renewable energy industry, which have been set out in Sections 4.2 and 4.3 of this Circular, respectively.

4.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 4.7% in 2013, driven by the continued strong growth in domestic demand. Despite the weaker external environment in the first half of the year, domestic demand remained resilient throughout the year, led by robust private sector activity. Private consumption was supported mainly by favourable employment conditions and wage growth. Private investment was underpinned by capital spending in the mining, services and manufacturing sectors. The more moderate growth performance in 2013 was, to a large extent, attributable to developments in the external sector. Slower demand from the advanced and regional economies in the first half of the year contributed to the overall decline in real exports during the year. This was compounded by the continued expansion in real imports throughout 2013 arising from the sustained growth in domestic investment and consumption, which contributed to the contraction in net exports.

Private consumption growth remained strong at 7.6% in 2013, underpinned mainly by the favourable employment conditions and wage growth. Private consumption was also supported by Government transfers to low- and middle-income households and continued access to financing for creditworthy borrowers. Public consumption recorded a higher growth of 6.3% in 2013 due mainly to higher expenditure on supplies and services.

Although the pace of investment activity moderated from the exceptionally strong growth in 2012, it continued to be supported by private sector capital expenditure. Private investment continued to register double-digit growth of 13.6%, driven by capital spending by both the domestic and foreign investors in the mining, services and manufacturing sectors. Public investment recorded a small positive growth of 0.7%, following the decline in the Federal Government development expenditure. Nevertheless, this was offset by higher capital spending by the public enterprises, which was channelled mainly into the oil and gas, transportation and energy sectors.

From the supply perspective, the continued firm growth in domestic demand contributed to the expansion in the domestic-related activity in the services and manufacturing sectors during the year. The export-oriented industries in the manufacturing sector benefited from the improvement in external conditions in the second half of the year. The robust activity in the residential and civil engineering sub-sectors contributed to the continued strong growth of the construction sector.

The Malaysian economy is expected to remain on a steady growth path in 2014, expanding by 4.5%-5.5%. Domestic demand will remain the key driver of growth, albeit at a more moderate pace. Private investment is forecast to register robust growth for the fifth consecutive year, driven by the on-going implementation of multi-year projects and the improvement in external demand. Public investment is projected to register a higher growth, supported by both Government and public enterprise capital spending. Private consumption will be underpinned by healthy labour market conditions and sustained income growth. Public consumption is anticipated to record a lower growth due to the on-going fiscal consolidation.

On the supply side, all economic sectors are expected to register positive growth in 2014. The services and manufacturing sectors will be the key drivers to the overall growth, benefiting from the improvement in the global economic environment. The construction sector is expected to continue recording high growth, albeit at a more moderate pace, as the completion of several large civil engineering projects will more than offset the progress in existing projects in the transport, utility, and oil and gas sectors.

Notwithstanding the moderation in domestic demand, the underlying fundamentals of the Malaysian economy remain strong. Growth will be driven by the private sector across a diversified range of economic activities. Of importance, employment remains strong and incomes are rising. The financial system is resilient with financial intermediation expected to provide continued support to investment and consumption. The strength of Malaysia's external position also remains intact, with international reserves at healthy levels and external debt within prudent limits.

(Source: Annual Report 2013, Bank Negara Malaysia)

4.2 Overview and outlook of the telecommunication industry

The communication subsector remained strong registering a double-digit growth of 10.3% for the fourth quarter of 2013, following higher data usage in cellular, broadband and third-generation ("3G") services. As at end-December 2013, cellular phone subscriptions grew 3.9% to 43 million with a penetration rate of 143.6% supported by increased voice and data plans. In addition, 3G subscriptions grew 23.8% to 18 million on account of growing demand for Internet service. Meanwhile, broadband subscriptions rose 4.2% to 6.4 million with a household penetration rate of 67.1% spurred by the expansion in high-speed broadband ("HSBB") coverage and fourth-generation ("4G") long-term evolution ("LTE"). In addition, the number of wireless hotspot locations increased to 31,392 nationwide.

(Source: Malaysian Economy Fourth Quarter 2013, Ministry of Finance Malaysia)

Government investment in network infrastructure and regulations has enabled businesses to grow and expand. Realising the potential and benefits of empowering small and medium enterprises and entrepreneurs through the internet so that they can innovate and grow, the Government has stepped up efforts in several initiatives as follows:-

i. The Digital Malaysia Programme under the National Transformation Policy aims to create an ecosystem that promotes the pervasive use of digital technology in all aspects of the economy, and to provide platforms and programmes to nurture and grow users to generate revenue through digital business models;

ii. Provision of RM24.5 million in grants to help fund content projects in mobile internet device and web platform. The Integrated Content Development by Multimedia Development Corporation ("MDeC") is a programme to engage, train and provide funding to the *rakyat* to produce high-quality local online content for global consumption;

iii. Provision of tax incentive on capital expenditure incurred for broadband by the last-mile network facility providers, import duty and sales tax exemptions on broadband equipment and consumer access devices, and tax relief on broadband subscription;

iv. Rollout of broadband infrastructure and network through the public-private partnership project of high-speed broadband with Telekom Malaysia Berhad;

v. Provision of free WiFi in urban areas such as Kuala Lumpur, Penang and Miri; and

vi. Establishment of community broadband centres and promotion of personal computer ownership for the underserved areas through the Universal Service Provision ("USP") project to enhance information and communication technology ("ICT") adoption in rural areas. As of end-August 2013, there were 35 1Malaysia Internet Centres ("PI1M") and 99 1Malaysia Library Broadband Centres located nationwide.

(Source: Chapter 3: Economic Performance and Prospects, Economic Report 2013/ 2014, Ministry of Finance Malaysia)

In a borderless world, information can be obtained instantaneously. Therefore the requisite infrastructure will be upgraded to meet consumer demand. Hence, the Government has implemented the HSBB project under the National Broadband Initiative. The collaboration with the private sector has involved investment of RM11.3 billion since the 9th Malaysia Plan. The HSBB project has been implemented with Internet access speed of 4 megabits per second ("Mbps") and benefiting 2.3 million premises, particularly in urban areas.

To expand coverage in major towns, the Government will implement the second phase of HSBB project in collaboration with the private sector involving an investment of RM1.8 billion. The initiative is expected to provide additional coverage and facilities mainly in urban areas, benefiting 2.8 million households nationwide. The Internet speed will be increased to 10 Mbps. The HSBB network will be expanded to suburban areas with an Internet access speed increasing to between 4 and 10 Mbps, which will benefit 2 million consumers at a cost of RM1.6 billion.

To increase Internet coverage in rural areas, 1,000 telecommunication transmission towers will be built over the next three (3) years, with an investment of RM1.5 billion. To increase Internet access in Sabah and Sarawak, new underwater cables will be laid within three (3) years, at a cost of RM850 million. These investments will utilise the USP Fund, which is under the purview of the Malaysia Communications and Multimedia Commission.

(Source: Budget Speech 2014, Ministry of Finance Malaysia)

4.3 Overview and outlook of the renewable energy industry

Malaysia has entered into an era of renewable energy ("RE"). The implementation of Feed-in Tariff ("FiT") provides the much needed thrust for RE industry. Prior to 2011, RE has made little progress due mainly to a limited regulatory framework and RE market constraints, hence, lack of viable business model to generate RE and sustain businesses. FiT uses a dual approach: an incentive for RE producers to reduce long term risks and it allows the RE producers to generate returns on investments to ensure sustainability. Malaysia's power sector continues to face major challenges as the nation enters its phase of growth towards a high-income economy. The challenges include tightness in fuel supply, depleting fossil resources and volatile fossil fuel prices. This is further intensified by the low level of acceptance of nuclear energy and large-scale hydropower due to their potential environment hazards; and there is also the need to reduce carbon emissions to alleviate global warming. Reform initiatives are essential to ensure the power supply is adequate to support the nation's economic aspirations.

In the 8th Malaysia Plan (2001 – 2005), RE was identified as the nation's "fifth fuel" in the energy supply mix. There were initiatives taken by the Government, namely, Small Renewable Energy Power ("SREP") Programme, Biomass Power Generation and Demonstration ("BioGen") Project, Malaysia Building Integrated Photovoltaic Technology Application ("MBIPV"), Centre for Education and Training in Renewable Energy and Energy Efficiency ("CETREE") to promote RE utilisation. Despite these initiatives, RE constitutes less than 1% of the total energy supply mix in Peninsular Malaysia. Energy mix is still heavily reliant on fossil fuels, which contribute to more than 90% of the power generation fuel mix.

In line with the National Renewable Energy Policy and Action Plan ("RE Policy and Action Plan") which is the RE roadmap, Malaysia has enforced the Renewable Energy Act 2011 ("RE Act") and Sustainable Energy Development Authority Act 2011 ("SEDA Act") on 1 December 2011. While the RE Act focuses on RE development, Sustainable Energy Development Authority Malaysia ("SEDA") is the statutory body mandated under the SEDA Act to oversee the implementation and management of RE, including the FiT mechanism. One major component to determine the lifeline of FiT is the Renewable Energy Fund ("RE Fund").

(Source: Feed-in-Tariff and Renewable Energy Fund in brief, Parliament of Malaysia, October 2013)

The Malaysian Government since the 8th Malaysia Plan in 2001 has embedded renewable energy into the energy mix. The rationale for this is to increase the country's energy security, autonomy and to address climate change. This is in particular to reduce the country's dependency on fossil fuel and to utilize indigenous resources that are renewable. As such, the Government has implemented the SREP programme which spanned a decade concluding 2010. However, as at the end of 2010, the RE projects connected to the grid was only 61.2 megawatt ("MW").

To encourage the growth of RE in the country, the Ministry of Energy, Green Technology and Water ("KeTTHA") came out with the National RE Policy and Action Plan ("NREPAP") that was approved by the Cabinet on 2nd April 2010. The core framework of the NREPAP was centred on the implementation of the FiT which was introduced on 1st December 2011 in peninsular Malaysia whereby there is an additional charge of 1% to the electricity bills which goes to the RE fund to allow people to participate in the FiT programme. However, domestic electricity consumers with less than 300 kilowatt per hour ("kWh") consumption of electricity per month are exempted from such contribution.

Currently, the percentage of approved FiT projects is 2% of the total electricity generating capacity. This is based on 537.97 MW of RE capacity approved under the FiT with baseline of 27,179 MW of total electricity generating capacity in the country since 2010. The target is for RE to constitute 5% of the energy mix in 2015.

With the tariff review effective Jan 1, 2014, the FiT will also include the state of Sabah and Federal Territory of Labuan. The contribution into the RE fund has also been revised to 1.6% for all participating states to increase the fund for renewable energy.

(Source: Statement by Minister of Energy, Green Technology and Water, Datuk Seri Panglima Dr. Maximus Ongkili, on the Feed-in-Tariff Quota, 1 April 2014)

Entry Point Project ("EPP") 10: Building Up Renewable Energy and Solar Power Capacity under the Government's Economic Transformation Programme aims to harness renewable energy as a viable alternative to reduce Malaysia's reliance on fossil fuels, minimise carbon emissions, encourage job creation, and spur foreign direct investments. The 10th Malaysia Plan targets for renewable energy to account for 5% of the total capacity mix in 2015 (it is currently less than 1% of the country's mix). Under the National Renewable Energy Policy, solar power should contribute a minimum of 220MW to the total capacity mix. SEDA Malaysia targets a cumulative installed renewable energy capacity of 450.64MW by the first half of 2014.

(Source: Economic Transformation Programme, Performance Management & Delivery Unit (PEMANDU), Malaysia)

Come 2 May 2014, a quota of an additional 65MW of RE will be up for grabs for parties wanting to produce this under the FiT programme for 2014. The quota for 2015 is being increased to 109MW. Of the 65MW total RE quota of 2014, more than half of the allocation is for solar photovoltaic. Biogas and biomass would be allocated 10MW and 15MW respectively for 2014. SEDA has also announced that the RE quota for 2016 will be 190MW while for 2017 it will be 196MW.

(Source: "Additional 65MW of renewable energy production under FiT up for grabs", 3 April, 2014, The Star)

4.4 Future prospects of OCK Group

Major telecommunications companies which were awarded LTE – 4G/ 2,600MHz spectrum by the Malaysian Communications and Multimedia Commission ("MCMC") in the year 2012 have begun investing in upgrading their equipment and infrastructures to accommodate the rising usage of data under the current 3G/ 4G environment. These major companies have started the implementation of their 4G (LTE) services in year 2013 and are expected to continue investing and developing 3G High Speed Packet Access (HSPA)+ sites in addition to further expanding their LTE coverage to other parts of Malaysia in the near future. As set out in Section 4.2 of this Circular, in accordance with the announcement of the Budget 2014 plan, the Government has implemented the HSBB project under the National Broadband Initiative. The Government will implement the second phase of HSBB in collaboration with the private sector involving RM1.8 billion in investments which will benefit approximately 2.8 million households by providing more coverage to urban areas. The Government has also allocated plans to build 1,000 new telecommunications towers in Malaysia over the next three (3) years. Furthermore, the Group's regional telecommunication engineering services operations in Cambodia, Myanmar and the People's Republic of China and the Group's telecommunication infrastructure leasing business will continue to grow during this FYE 31 December 2014.

Apart from focusing on the Group's telecommunication business, the Group is also sourcing for more business opportunities such as investing or as a contractor in sustainable energy sector that is rapidly growing in demand. SEDA releases quotas for solar energy under the FiT programme annually. Therefore, involvement in renewable energy such as solar energy will bring forth an increase in additional values in terms of monetary, corporate image and corporate social responsibility value. Furthermore, the Group's first solar farm project (1MW) in Tok Bali, Kelantan have also been completed and commenced contribution of earnings in the previous fourth quarter of FYE 31 December 2013. The cost of the said solar farm project was approximately RM10.00 million (inclusive of the land) and the project was energised in end of September 2013. Meanwhile, the Group's credentials as an engineering, procurement and construction ("EPC") sub-contractor for the KLIA 10MW Car Porch Project, which was energised at the end of December 2013, would allow the Group the opportunity to seek for projects in this sustainable energy sector. The said Car Porch Project involved mainly designing, engineering, procurement, supply and install, inspection, testing and commissioning of the solar photovoltaic system. The total contract value with variation orders amounted to approximately RM27.80 million for the said project.

In view of the above, the Board believes that the prospect of the Group is favourable after having considered all the relevant aspects including the outlook of the related industries above which are closely linked to the Group's business performance.

(Source: Management of OCK)

5. EFFECTS OF THE PROPOSED PRIVATE PLACEMENT

For illustrative purposes, the effects of the Proposed Private Placement shall be based on the Minimum Scenario and Maximum Scenario as set out below:-

5.1 Issued and paid-up share capital

The proforma effects of the Proposed Private Placement on the issued and paid-up share capital of OCK are set out below:-

	Minimum Scenario		**Maximum Scenario**	
	No. of Shares	**RM**	**No. of Shares**	**RM**
Issued and paid-up share capital as at the LPD	284,900,000	28,490,000	284,900,000	28,490,000
Shares to be issued pursuant to the Proposed Acquisition	-	-	10,227,272	1,022,727
	284,900,000	28,490,000	295,127,272	29,512,727
Shares to be issued pursuant to the Proposed Private Placement	56,980,000	5,698,000	59,025,454	5,902,545
Enlarged issued and paid-up share capital	**341,880,000**	**34,188,000**	**354,152,726**	**35,415,272**

5.2 NA and gearing

Based on the latest audited consolidated statement of financial position of OCK Group as at 31 December 2013, the proforma effects of the Proposed Private Placement on the consolidated NA per Share and gearing of the Group are set out below:-

Minimum Scenario

	Audited as at 31 December 2013 RM'000	After the Proposed Private Placement RM'000
Share capital	28,490	34,188
Share premium	26,739	90,766[*1]
Foreign currency translation reserve	(26)	(26)
Revaluation reserve	3,280	3,280
Reserve arising from reverse acquisition	(17,007)	(17,007)
Retained earnings	38,258	38,258
Shareholders' equity/ NA	**79,734**	**149,459**
No. of Shares outstanding ('000)	284,900	341,880
NA per Share (RM)	0.28	0.44
Borrowings (RM'000)	60,436	52,436[*2]
Gearing ratio (times)	0.76	0.35

Notes:-

*[*1]* *Based on 56,890,000 Placement Shares to be issued at an indicative issue price of RM1.25 per Placement Share, after deducting estimated expenses of RM1.50 million incurred in relation to the Proposed Private Placement.*

*[*2]* *For illustrative purposes, assuming the proceeds for the partial repayment of borrowings amounting to RM8.00 million is utilised at this juncture.*

Maximum Scenario

	Audited as at 31 December 2013 RM'000	I After the Proposed Acquisition RM'000	II After I and the Proposed Private Placement RM'000
Share capital	28,490	29,513	35,415
Share premium	26,739	36,966[*1]	103,345[*4]
Foreign currency translation reserve	(26)	(26)	(26)
Revaluation reserve	3,280	3,280	3,280
Reserve arising from reserve acquisition	(17,007)	(17,007)	(17,007)
Retained earnings	38,258	37,628[*2]	37,628
Shareholders' fund/ NA	**79,734**	**90,354**	**162,635**
No. of shares in issue ('000)	284,900	295,127	354,152
NA per share (RM)	0.28	0.31	0.46
Total borrowings (RM'000)	60,436	70,909[*3]	62,909[*5]
Gearing ratio (times)	0.76	0.78	0.39

Notes:-

**1* *Based on 10,227,272 Consideration Shares to be issued at an issue price of RM1.10 per Consideration Share.*

**2* *After deducting estimated expenses of RM0.63 million incurred in relation to the Proposed Acquisition, and other corporate exercises announced on 29 April 2014.*

**3* *Including the total interest-bearing borrowings of PT Putra Mulia Telecommunication amounting to approximately RM0.47 million and bank borrowings of OCK to finance the RM10.00 million cash payment of the Purchase Consideration.*

**4* *Based on 59,025,454 Placement Shares to be issued at an indicative issue price of RM1.25 per Placement Share, after deducting estimated expenses of RM1.50 million incurred in relation to the Proposed Private Placement.*

**5* *For illustrative purposes, assuming the proceeds for the partial repayment of borrowings amounting to RM8.00 million is utilised at this juncture.*

5.3 Earnings and EPS

The Proposed Private Placement is not expected to have a material effect on the earnings of OCK Group for the FYE 31 December 2014. However, assuming the net earnings of the Group remain unchanged, the EPS of the Group will be diluted as a result of the increase in the number of OCK Shares in issue upon completion of the Proposed Private Placement.

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5.4 Substantial shareholding structure

Assuming LTAT accepts the offer to subscribe for up to 10% of the issued and paid-up share capital of OCK amounting to 28,490,000 Placement Shares under the Minimum Scenario and 29,512,727 Placement Shares under the Maximum Scenario, the proforma effects of the Proposed Private Placement on the substantial shareholders' shareholdings of the Company are set out below:-

Minimum Scenario

	Shareholdings as at the LPD				**After the Proposed Private Placement**[*1]			
	<-------Direct--------->		**<-------Indirect-------->**		**<---------Direct-------->**		**<--------Indirect--------->**	
Substantial shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Aliran Armada Sdn Bhd	140,215,000	49.22	-	-	140,215,000	41.01	-	-
Ooi Chin Khoon	3,500,000	1.23	141,817,700[*2]	49.78	3,500,000	1.02	141,817,700[*2]	41.48
Abdul Halim Bin Abdul Hamid	-	-	140,215,000[*3]	49.22	-	-	140,215,000[*3]	41.01
Lembaga Tabung Angkatan Tentera	35,979,400	12.63	-	-	64,469,400	18.86	-	-

Notes:-

[*1] *Assuming the Proposed Private Placement will not result in any of the placee(s) emerging as a substantial shareholder of the Company, save for LTAT.*

[*2] *Deemed interested by virtue of his interest in Aliran Armada Sdn Bhd and of his brothers, Ooi Cheng Wah's and Ooi Chin Lee's direct interest in OCK.*

[*3] *Deemed interested by virtue of his interest in Aliran Armada Sdn Bhd.*

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Maximum Scenario

	Shareholding as at the LPD				I After the Proposed Acquisition				II After I and the Proposed Private Placement[*1]			
	<---------Direct--------->		<---------Indirect-------->		<---------Direct-------->		<---------Indirect-------->		<---------Direct-------->		<---------Indirect-------->	
Substantial shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Aliran Armada Sdn Bhd	140,215,000	49.22	-	-	140,215,000	47.51	-	-	140,215,000	39.59	-	-
Ooi Chin Khoon	3,500,000	1.23	141,817,700[*2]	49.78	3,500,000	1.19	141,817,700[*2]	48.05	3,500,000	0.99	141,817,700[*2]	40.04
Abdul Halim Bin Abdul Hamid	-	-	140,215,000[*3]	49.22	-	-	140,215,000[*3]	47.51	-	-	140,215,000[*3]	39.59
Lembaga Tabung Angkatan Tentera	35,979,400	12.63	-	-	35,979,400	12.19	-	-	65,492,127	18.49	-	-

Notes:-

[*1] *Assuming the Proposed Private Placement will not result in any of the placee(s) emerging as a substantial shareholder of the Company, save for LTAT.*

[*2] *Deemed interested by virtue of his interest in Aliran Armada Sdn Bhd and of his brothers, Ooi Cheng Wah's and Ooi Chin Lee's direct interest in OCK.*

[*3] *Deemed interested by virtue of his interest in Aliran Armada Sdn Bhd.*

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5.5 Convertible securities

As at the date of this Circular, the Company does not have any existing convertible securities.

6. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of the OCK Shares as traded on Bursa Securities for the past 12 months from May 2013 to April 2014 are set out below:-

	High RM	Low RM
2013		
May	0.58	0.50
June	0.60	0.53
July	0.56	0.52
August	0.73	0.52
September	0.73	0.62
October	0.82	0.68
November	0.85	0.77
December	0.87	0.74
2014		
January	0.80	0.75
February	0.85	0.76
March	1.29	0.75
April	1.44	1.20
Last transacted market price on 14 April 2014 (being the date prior to the announcement on the Proposed Private Placement and the LPD)		1.34

(Source: Bloomberg)

7. APPROVALS REQUIRED/ OBTAINED AND INTER-CONDITIONALITY OF THE PROPOSED PRIVATE PLACEMENT

The Proposed Private Placement is subject to the following approvals being obtained:-

i. Bursa Securities, for which the approval for the listing of and quotation for up to 59,025,454 Placement Shares on the ACE Market of Bursa Securities, was obtained vide its letter dated 9 May 2014, subject to the following conditions:-

	Conditions	Status of compliance
a)	OCK and RHBIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Private Placement;	To be complied
b)	OCK and RHBIB to inform Bursa Securities upon completion of the Proposed Private Placement; and	To be complied
c)	OCK to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed.	To be complied

ii. The shareholders of OCK, for the Proposed Private Placement at the forthcoming EGM of the Company; and

iii. Any other relevant authority or party, if required.

The Proposed Private Placement is not conditional upon the Proposed Private Placement to LTAT. However, the Proposed Private Placement to LTAT is conditional upon the Proposed Private Placement. The Proposed Private Placement is not conditional upon any other proposals undertaken or to be undertaken by the Company.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED TO THEM

Save as disclosed below, none of the Directors and/ or major shareholders of OCK and/ or persons connected to them have any interest, whether direct or indirect, in the Proposed Private Placement:-

i. Interested Major Shareholder

LTAT, being a major shareholder of OCK which will be offered Placement Shares representing up to 10% of the issued and paid-up share capital of OCK, is deemed interested in the Proposed Private Placement and the Proposed Private Placement to LTAT ("Interested Major Shareholder").

Accordingly, the Interested Major Shareholder will abstain from voting in respect of its direct and/ or indirect shareholdings in the Company on the resolutions pertaining to the Proposed Private Placement and the Proposed Private Placement to LTAT to be tabled at the EGM to be convened. The Interested Major Shareholder has also undertaken to ensure that persons connected to it will abstain from voting in respect of their direct and/ or indirect shareholdings in the Company on the resolutions pertaining to the Proposed Private Placement and the Proposed Private Placement to LTAT.

The shareholdings of LTAT as at the LPD are set out below:-

	Shareholdings as at the LPD			
	<----------Direct----------><----------Indirect----------->			
	No. of Shares	**%**	**No. of Shares**	**%**
LTAT	35,979,400	12.63	-	-

ii. Interested Director

Rear Admiral Dato' Mohd Som Bin Ibrahim (Retired) ("Interested Director"), being the Director of OCK who is connected to LTAT, is deemed interested in the Proposed Private Placement and the Proposed Private Placement to LTAT.

Accordingly, the Interested Director has abstained and will continue to abstain from all Board deliberations and voting in respect of the Proposed Private Placement and the Proposed Private Placement to LTAT at the Board meetings. He will abstain from voting in respect of his direct and/ or indirect shareholdings in the Company, if any, on the resolutions pertaining to the Proposed Private Placement and the Proposed Private Placement to LTAT to be tabled at the EGM to be convened. He has also undertaken to ensure that persons connected to him will abstain from voting in respect of their direct and/ or indirect shareholdings in the Company, if any, on the resolutions pertaining to the Proposed Private Placement and the Proposed Private Placement to LTAT.

The shareholding of Rear Admiral Dato' Mohd Som Bin Ibrahim (Retired) as at the LPD is set out below:-

	Shareholdings as at the LPD			
	<----------Direct---------->		<----------Indirect---------->	
	No. of Shares	%	No. of Shares	%
Rear Admiral Dato' Mohd Som Bin Ibrahim (Retired)	-	-	-	-

9. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Private Placement is expected to be completed by the fourth quarter of 2014.

10. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save as disclosed below and the Proposed Private Placement, the Board is not aware of any other corporate exercise that has been announced but not yet completed as at the date of this Circular:-

On 29 April 2014, on behalf of the Board of OCK, RHBIB had announced that the Company proposed to undertake the following:-

i. OCKISB, a wholly-owned subsidiary company of OCK had, on 29 April 2014, entered into a conditional share sale agreement with Vendors for the Proposed Acquisition;

ii. Proposed establishment of an employees' share option scheme of up to 10% of the issued and paid-up share capital of OCK;

iii. Proposed increase in authorised share capital of OCK from RM50,000,000 comprising 500,000,000 OCK Shares to RM100,000,000 comprising 1,000,000,000 OCK Shares; and

iv. Proposed amendments to the Memorandum and Articles of Association of OCK.

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the abovementioned proposals to be completed by the third quarter of 2014.

11. DIRECTORS' RECOMMENDATION

The Board (save for the Interested Director with respect to the Proposed Private Placement and the Proposed Private Placement to LTAT), having considered all aspects of the Proposed Private Placement and the Proposed Private Placement to LTAT, including the rationale and justification, utilisation of proceeds and effects of the Proposed Private Placement and the Proposed Private Placement to LTAT, is of the opinion that the Proposed Private Placement and the Proposed Private Placement to LTAT is in the best interest of the Company. As such, the Board (save for the Interested Director with respect to the Proposed Private Placement and the Proposed Private Placement to LTAT), recommends that you vote in favour of the resolutions pertaining to the Proposed Private Placement and the Proposed Private Placement to LTAT to be tabled at the forthcoming EGM of the Company.

12. EGM

The EGM, the notice of which is enclosed in this Circular, is scheduled to be held at Perdana 3, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 28 May 2014 at 11.00 a.m., or immediately following the conclusion or adjournment of the Third AGM of the Company scheduled to be held at the same venue and on the same date at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposed Private Placement and the Proposed Private Placement to LTAT.

If you are unable to attend, speak and vote in person at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein, to be deposited at the Registered Office of the Company at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, not less than 48 hours before the time stipulated for holding the EGM. The lodging of the Form of Proxy shall not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

13. FURTHER INFORMATION

Shareholders are advised to refer to the attached appendix for further information.

Yours faithfully,
For and on behalf of the Board of
OCK GROUP BERHAD

OOI CHIN KHOON
Managing Director

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENTS

RHBIB, being the Adviser for the Proposed Private Placement, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTERESTS

RHBIB has given its written confirmation that as at the date of this Circular, there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the Adviser to OCK for the Proposed Private Placement.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the Group.

5. MATERIAL COMMITMENTS

As at 31 December 2013, the Board is not aware of any material commitments incurred or known to be incurred by the Group that has not been provided for which may have a material impact on the financial results/ position of the Group.

6. CONTINGENT LIABILITIES

Save as disclosed below, as at 31 December 2013, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group:-

	RM'000
Corporate guarantees given to a financial institution to secure credit facilities granted to its subsidiary company, OCK Setia Engineering Sdn Bhd	50,186

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, during normal business hours (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:-

i. Memorandum and Articles of Association of OCK;

ii. Audited consolidated financial statements of OCK Group for the FYE 31 December 2012 and the FYE 31 December 2013; and

iii. The letter of consent and declaration of conflict of interests referred to in Sections 2 and 3 above, respectively.

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OCK GROUP BERHAD

(Company No.: 955915-M)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of OCK Group Berhad ("OCK" or the "Company") will be held at Perdana 3, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 28 May 2014 at 11.00 a.m., or immediately following the conclusion or adjournment of the Third Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED PRIVATE PLACEMENT OF UP TO 20% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF OCK, AT AN ISSUE PRICE TO BE DETERMINED LATER ("PROPOSED PRIVATE PLACEMENT")

"THAT, subject to the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board of Directors of OCK ("Board") to allot and issue up to 20% of the issued and paid-up share capital of OCK as at the date of implementation, or up to 59,025,454 ordinary shares of RM0.10 each in OCK ("Placement Share(s)") to be allocated as follows:-

(a) The Placement Shares representing up to 10% of the issued and paid-up share capital of OCK, will be placed out to third party investor(s) to be identified at a later stage; and

(b) The balance of the Placement Shares representing up to 10% of the issued and paid-up share capital of OCK shall be offered to a major shareholder of OCK, namely Lembaga Tabung Angkatan Tentera ("LTAT") (subject to the passing of Ordinary Resolution 2). In the event that LTAT subscribes less than 10% of the issued and paid-up share capital of OCK which is offered, the balance of the Placement Shares shall be clawed back and OCK shall allocate such balance to other third (3rd) party investors to be identified later under (a) above.

The Placement Shares shall be issued at an issue price to be determined later, after taking into consideration the prevailing market conditions and the five (5)-day weighted average market price ("WAMP") of OCK Shares immediately preceding the price-fixing date. The discount for the issue price of the Placement Shares, if any, shall not be more than 10.0% to the five (5)-day WAMP of OCK Shares immediately preceding the price-fixing date and such issue price shall not be lower than the par value of OCK Shares of RM0.10 each.

THAT the proceeds of the Proposed Private Placement be utilised for the purposes as set out in the circular to shareholders of the Company dated 12 May 2014 ("Circular"), and the Directors be authorised with full powers to vary the manner and/ or purpose of utilisation of such proceeds in such manner as the Directors may deem fit, necessary and/ or expedient, subject to the approval of the relevant authorities, where required;

THAT such Placement Shares will, upon allotment and issuance, rank *pari passu* in all respects with the existing OCK Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the said Placement Shares.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Private Placement with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or parties and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Private Placement."

ORDINARY RESOLUTION 2

PROPOSED PRIVATE PLACEMENT OF UP TO 10% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF OCK, TO LEMBAGA TABUNG ANGKATAN TENTERA AT AN ISSUE PRICE TO BE DETERMINED LATER ("PROPOSED PRIVATE PLACEMENT TO LTAT")

"THAT, subject to the passing of the Ordinary Resolution 1 above and the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board, that in the event that LTAT accepts the offer to subscribe, to allot and issue up to 10% of the issued and paid-up share capital of OCK to LTAT at an issue price to be determined later, after taking into consideration the prevailing market conditions and the five (5)-day WAMP of OCK Shares immediately preceding the price-fixing date. The discount for the issue price of the Placement Shares, if any, shall not be more than 10.0% to the five (5)-day WAMP of OCK Shares immediately preceding the price-fixing date and such issue price shall not be lower than the par value of OCK Shares of RM0.10 each.

THAT such Placement Shares will, upon allotment and issuance, rank *pari passu* in all respects with the existing OCK Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the said Placement Shares.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Private Placement to LTAT with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or parties and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Private Placement to LTAT."

By Order of the Board

Wong Youn Kim (MAICSA 7018778)
Company Secretary

Kuala Lumpur
12 May 2014

Notes:-

1. *A member of the Company entitled to attend, speak and vote at the Meeting may appoint a proxy or proxies (or being a corporate member, a corporate representative) to attend, speak and vote in his stead. A proxy may but need not be a member of the Company and Section 149 (1) (b) of the Companies Act, 1965 Act shall not apply to the Company.*
2. *The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/ her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.*
3. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or executed must be deposited at the Company's Registered Office at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*
4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 22 May 2014 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.*

OCK GROUP BERHAD

(Company No.: 955915-M)
(Incorporated in Malaysia under the Companies Act, 1965)

FORM OF PROXY

CDS Account No.[(i)] _____
No. of Shares held: _____

I/ We _____ NRIC/ Company No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

being a member / members of **OCK GROUP BERHAD (955915-M)** hereby appoint _____

_____ NRIC No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

or failing *him/ her _____ NRIC No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

or failing *him/ her, the Chairman of the Meeting as *my/ our proxy to attend, speak and vote on *my/ our behalf at the Extraordinary General Meeting of OCK Group Berhad ("Company") to be held at Perdana 3, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 28 May 2014 at 11.00 a.m., or immediately following the conclusion or adjournment of the Third Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 10.00 a.m., whichever is later.

*My/ our proxy is to vote as indicated below:-

	FOR	AGAINST
ORDINARY RESOLUTION 1 - PROPOSED PRIVATE PLACEMENT		
ORDINARY RESOLUTION 2 - PROPOSED PRIVATE PLACEMENT TO LTAT		

(Please indicate with an "X" in the appropriate boxes on how you wish your vote to be cast. Unless voting instructions are indicated in the space above, the proxy will vote as he/ she thinks fit.)

(i) *Applicable to shares held through a nominee account*
* *Delete where applicable*

Signed this _____ day of _____ 2014

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies:-

	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		**100%**

_____
Signature/ Common Seal of Member

Notes:-

1. *A member of the Company entitled to attend, speak and vote at the Meeting may appoint a proxy or proxies (or being a corporate member, a corporate representative) to attend, speak and vote in his stead. A proxy may but need not be a member of the Company and Section 149 (1) (b) of the Companies Act, 1965 Act shall not apply to the Company.*

2. *The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/ her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.*

3. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or executed must be deposited at the Company's Registered Office at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

5. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 22 May 2014 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.*

Fold this flap for sealing

Then fold here

AFFIX
STAMP

OCK GROUP BERHAD
COMPANY SECRETARY
Level 2, Tower 1
Avenue 5
Bangsar South City
59200 Kuala Lumpur

1st fold here