

Company Name : OCK Group Berhad
Date : 02 September 2014
Source : Bernama

OCK Group Gets Shareholders Approval On Pt Mulia Acquisition

KUALA LUMPUR, Sept 2 (Bernama) -- Shareholders of OCK Group Bhd today agreed to the proposed acquisition of a 85 per cent equity interest in PT Putra Mulia Telecommunication (PMT) for RM21.25 million.

Group Chief Executive Officer Ooi Chin Khoon said the acquisition would be completed in a month's time and is expected to contribute between RM7 million to RM10 million in revenue to the company by year-end.

"We expect a full contribution of RM20 million to the company's revenue by financial year 2015, and would be part of the recurring revenue to the group," he told reporters after the company's extraordinary meeting (EGM) here Tuesday.

PMT is an Indonesian-based company, principally involved in the provision of telecommunication solutions and the fast growing tower market.

Ooi said the proposed acquisition is in line with the group's strategy to establish a foothold regionally and gain exposure in dynamic economies and bring long term growth to its business.

The Indonesian Cellular Telecommunication Association had projected the growth of the industry this year to be in the range of seven to eight per cent, driven by the country's gross domestic growth which is estimated at around six per cent.

According to Ooi, looking ahead, he expects the company's overseas revenue contribution would be ramped up to between 20 to 30 per cent in two to three years time, from the current contribution of less than ten per cent in 2014.

On the proposed increase in the authorised share capital which was also passed at the EGM today in consideration of the acquisition, he said the placement had caused the share price to be somewhat diluted, but would pick up by the second half of this year.

"It will not affect our plan to move into the Bursa Malaysia main board by year-end," he added.

He said the group was also eyeing to expand its green technology business further, while looking at acquiring more solar farms, but the number would depend on the quota set by the government under the feed-in-tariff.

Ooi said the company was also targeting to increase its telecommunication tower sites to 300 by year-end from the present 240, in leveraging on the increase in demand by telecommunication companies towards meeting their key performance indicators.

-- BERNAMA