



OCR Group Berhad
 (Company No: 440503-K)
 (Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income (Unaudited)
For the financial quarter ended 31 March 2019

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.3.2019 RM'000	Preceding Year Quarter N/A RM'000	Current Year To Date 31.3.2019 RM'000	Preceding Year To Date N/A RM'000
Revenue		21,793	-	21,793	-
Cost of sales		(16,041)	-	(16,041)	-
Gross profit		5,752	-	5,752	-
Other income		271	-	271	-
Other operating expenses		(206)	-	(206)	-
Administrative expenses		(3,194)	-	(3,194)	-
Finance costs		(753)	-	(753)	-
Profit before tax		1,870	-	1,870	-
Income tax expense	B5	(351)	-	(351)	-
Profit after taxation for the financial period		1,519	-	1,519	-
Other Comprehensive Expense, net of Tax:					
Foreign currency translation		-	-	-	-
Total Comprehensive Income	B12	1,519	-	1,519	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

Due to the change in financial year end from 31 July 2018 to 31 December 2018, there are no comparative figures for this quarter.



OCR Group Berhad
 (Company No: 440503-K)
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Condensed Consolidated Statement of Comprehensive Income (Unaudited)
For the financial quarter ended 31 March 2019 (Cont'd)

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.3.2019 RM'000	Preceding Year Quarter N/A RM'000	Current Year To Date 31.3.2019 RM'000	Preceding Year To Date N/A RM'000
Profit after taxation attributable to:					
Owners of the Company		1,517	-	1,517	-
Non-Controlling Interests		2	-	2	-
		<hr/>	<hr/>	<hr/>	<hr/>
		1,519	-	1,519	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Comprehensive Income attributable to:					
Owners of the Company	B12	1,517	-	1,517	-
Non-Controlling Interests		2	-	2	-
		<hr/>	<hr/>	<hr/>	<hr/>
		1,519	-	1,519	-
		<hr/>	<hr/>	<hr/>	<hr/>
Earnings per share ("EPS") (in sen)					
- Basic	B11	0.48	-	0.48	-
		<hr/>	<hr/>	<hr/>	<hr/>
- Diluted	B11	0.12	-	0.12	-
		<hr/>	<hr/>	<hr/>	<hr/>

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Due to the change in financial year end from 31 July 2018 to 31 December 2018, there are no comparative figures for this quarter.



OCR Group Berhad
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Condensed Consolidated Statement of Financial Position
As at 31 March 2019

	Note	As at 31.3.2019 (Unaudited) RM'000	As at 31.12.2018 (Audited) RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		2,318	2,464
Deferred Tax Asset		723	757
Investment property		1,843	1,854
Inventories		55,352	55,336
Investment in an associate		476	486
Other receivable		13,598	13,323
		<u>74,310</u>	<u>74,220</u>
Current Assets			
Contract assets		25,425	16,098
Inventories		85,153	80,167
Trade and others receivables		84,948	82,292
Current tax assets		700	795
Cash and cash equivalents		17,802	16,293
		<u>214,028</u>	<u>195,645</u>
TOTAL ASSETS		<u>288,338</u>	<u>269,865</u>
EQUITY AND LIABILITIES			
Share capital		114,877	88,457
Irredeemable convertible preference shares		32,080	32,187
Reserves		(24,222)	(7,613)
Shareholders' funds		122,735	113,031
Non-controlling interests		(1,405)	(1,407)
TOTAL EQUITY		<u>121,330</u>	<u>111,624</u>
Non-Current Liabilities			
Long-term bank borrowings	B8	38,560	38,998
Deferred tax liabilities		179	179
Other payable		40,501	40,503
		<u>79,240</u>	<u>79,680</u>
Current Liabilities			
Trade and other payables		53,882	46,564
Contract liability		-	2,262
Short-term borrowings	B8	33,044	29,132
Current tax liabilities		842	603
		<u>87,768</u>	<u>78,561</u>
TOTAL LIABILITIES		<u>167,008</u>	<u>158,241</u>
TOTAL EQUITY AND LIABILITIES		<u>288,338</u>	<u>269,865</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		<u>0.27</u>	<u>0.32</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.



OCR Group Berhad
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Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 March 2019

	<-----Attributable to owners of the company----->						
	<-----Non-Distributable----->			Distributable			
	Share Capital RM'000	Share Premium RM'000	Reserve RM'000	Irredeemable Convertible Preference Shares RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2019	88,457	18,126	890	32,187	(26,629)	113,031	(1,407)
Profit after taxation for the period	-	-	-	-	1,517	1,517	2
Other comprehensive expense for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,517	1,517	2
Transaction with owners of the company:							
Issuance of ordinary share pursuant to:							
- exercise of							
- ICPS	107	-	-	(107)	-	-	-
-Private Placement	8,187	-	-	-	-	8,187	-
Transfer from share premium	18,126	(18,126)	-	-	-	-	-
Balance as at 31 March 2019	114,877	-	890	32,080	(25,112)	122,735	(1,405)

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.



OCR Group Berhad
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*Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 March 2019 (Cont'd)*

< -----Attributable to owners of the company ----->
< -----Non Distributable -----> Distributable

	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Irredeemable Convertible Preference Shares RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 August 2017	68,745	18,475	1,721	572	32,232	(19,592)	102,153	(817)	101,336
Loss after taxation for the period	-	-	-	-	-	(7,037)	(7,037)	(293)	(7,330)
Other comprehensive Income for the period, net of tax									
- Foreign currency translation	-	-	-	(572)	-	-	(572)	-	(572)
Total comprehensive expense for the period	-	-	-	(572)	-	(7,037)	(7,609)	(293)	(7,902)
Issuance of									
- exercise of SIS	2,805	-	-	-	-	-	2,805	-	2,805
- exercise of ICPS	90	-	-	-	-	-	90	-	90
- Private placement	15,941	-	-	-	-	-	15,941	-	15,941
Transfer upon conversion of ICPS	45	-	-	-	(45)	-	-	-	-
Transfer upon SIS exercised	831	-	(831)	-	-	-	-	-	-
Direct expenses	-	(349)	-	-	-	-	(349)	-	(349)
Acquisition of subsidiary	-	-	-	-	-	-	-	(297)	(297)
Balance as at 31 December 2018	88,457	18,126	890	-	32,187	(26,629)	113,031	(1,407)	111,624

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.



OCR Group Berhad
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Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 March 2019

	Current Year to date 31.3.2019 RM'000	Preceding Year to date N/A RM'000
Cash Flows From Operating Activities		
Profit before tax	1,870	-
Adjustments for:		
Non-cash items	217	-
Non-operating items	514	-
<i>Operating profit before working capital changes</i>	2,601	-
Net change in current assets	(19,524)	-
Net change in current liabilities	7,318	-
<i>Cash used in operations</i>	(9,605)	-
Tax refund	17	-
<i>Net cash used in operating activities</i>	(9,588)	-
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(50)	-
Interest received	239	-
<i>Net cash used in investing activities</i>	189	-
Cash Flows From Financing Activities		
Interest paid	(753)	-
Proceeds from issuance of ordinary shares pursuant to:		
-Private placement, net of expenses	8,187	-
Drawdown of bank borrowings	1,488	-
Repayment of hire purchase	(20)	-
Placement of fixed deposit pledged with a licensed bank	(2,086)	-
<i>Net cash generated from financing activities</i>	6,816	-
<i>Net cash decreased in cash and cash equivalents</i>	(2,583)	-
<i>Cash and cash equivalents at beginning of the financial year</i>	(4,160)	-
<i>Cash and cash equivalents at end of the financial period</i>	(6,743)	-



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Condensed Consolidated Statement of Cash Flows
For the period ended 31 March 2019 (Cont'd)

	Current Year To Date 31.3.2019 RM'000	Preceding Year To Date N/A RM'000
Analysis of cash and cash equivalents:		
Fixed deposits with licensed banks	17,676	-
Cash and bank balances	126	-
Bank overdrafts	(6,869)	-
	<hr/>	
	10,933	-
Less: Fixed deposit pledged to licensed banks	(17,676)	-
	<hr/>	
	(6,743)	-
	<hr/>	

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER

PART A

EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2018.

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted in the latest audited financial statements for the financial year ended 31 December 2018. The adoption of the MFRSs and Amendments to MFRSs that came into effect after 1 January 2019 did not have any significant impact on the interim financial statements upon their initial application.

The following standards were issued by the Malaysian Accounting Standards Board but are not yet effective and have not been applied by the Group:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretation 23 Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 140 – Transfers of Investment Property	1 January 2018
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2014 – 2016 Cycles:	
• Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	
• Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	1 January 2018
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019



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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER

PART A

EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

1. Basis of Preparation (Cont'd)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the guidance in MFRS 139 on the classification and measurement of financial assets and financial liabilities, impairment of financial assets, and on hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which the financial assets are managed and their cash flow characteristics. The new standard contains 3 principal classification categories for financial assets (measured at amortised cost, fair value through profit or loss, fair value through other comprehensive income) and eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available-for-sale financial assets.

MFRS 9 replaces the 'incurred loss' model in MFRS 139 with an 'expected credit loss' ("ECL") model. The new impairment model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised. It involves a 3-stage approach under which financial assets move through the stages as their credit quality changes. This new impairment model applies to financial assets measured at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets, lease receivables, loan commitments and certain financial guarantee contracts.

The Group is currently assessing the impact of implementing MFRS 9. As a result, the potential impact on the adoption of this standard would only be observable when the assessment is completed later.

2. Status of Audit Qualifications

The audited financial statements of the Group for the financial year ended 31 December 2018 was not subject to any audit qualification.

3. Seasonality or Cyclicity of Operations

There were no material seasonal or cyclical factors that have affected the financial performance of the Group.

4. Unusual Items

Save for the information disclosed in this interim financial report, there are no unusual items affecting assets, liabilities, equity, net income, or cash flows.

5. Changes in Estimates

There were no significant changes in the estimates of amounts reported during this quarter and in prior quarters or prior financial year that have a material effect in the current quarter.



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PART A
EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

6. Issuances, Cancellation, Repurchases, Resale & Repayments of Debts And Equity Securities

On 9 January 2019, 8 February 2019 and 29 March 2019, there are total of 215,000 ordinary shares of RM0.50 each have been issued pursuant to the conversion of 2,150,000 ICPS to 215,000 new ordinary shares by the conversion ratio of 10 units ICPS to 1 new ordinary share.

Save for the above, there were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the financial period-to-date.

7. Dividend

There were no dividends paid during the current quarter.

8. Segment Information

The following is an analysis of the revenue and consolidated result of the Group by segment of its operating activities for the current quarter ended 31 March 2019: -

31 March 2019	Construction RM'000	Property Development RM'000	Others RM'000	Trading RM'000	Elimination RM'000	Consolidation RM'000
External Sales	7,438	14,355	-	-	-	21,793
Segment Results (EBITDA)	1,952	2,423	(1,546)	-	-	2,829
Finance Cost	(513)	(4)	(236)	-	-	(753)
Depreciation and Amortisation	(11)	(119)	(76)	-	-	(206)
Consolidated Profit Before Tax						1,870
ASSETS						
Segment Assets	103,300	142,985	151,711	22	(109,680)	288,338
LIABILITIES						
Segment Liabilities	89,830	138,632	40,195	2,264	(103,913)	167,008
OTHER INFORMATION						
Capital Expenditure	43	-	7	-	-	50
Depreciation and Amortisation	11	119	76	-	-	206
Other Non-Cash Expenses	11	-	-	-	-	11



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PART A
EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

8. Segment Information (Cont'd)

GEOGRAPHICAL SEGMENT

The following table provides an analysis of the Group's revenue, segment assets and capital expenditure by geographical segments:

	Revenue by location of customers		Segments assets by location of assets		Capital expenditure by location of assets	
	31 March 2019 RM'000	N/A RM'000	31 March 2019 RM'000	N/A RM'000	31 March 2019 RM'000	N/A RM'000
Malaysia	20,388	-	286,962	-	11	-
Other Asian Countries	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	20,388	-	286,962	-	11	-

9. Valuation of Property, Plant and Equipment

There was no valuation of the property, plant and equipment in the current quarter under review.

10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the reporting period up to 20 May 2019, being the latest practicable date, which is not earlier than 7 days from the date of issue of this quarterly report, that have not been reflected in the financial statements for the current quarter ended 31 March 2019, except for the following:

- i) On 3, 9, 19 and 30 April 2019, there are total of 457,000 ordinary shares of RM0.50 each have been issued pursuant to the conversion of 4,570,000 ICPS to 457,000 new ordinary shares by the conversion ratio of 10 units ICPS to 1 new ordinary share.
- ii) On 22 April 2019, Amazing Symphony Sdn Bhd, a wholly-owned subsidiary of the Company entered into a joint venture agreement with Duta Skyline Sdn. Bhd., a wholly-owned subsidiary of Seacera Group Berhad to jointly develop a parcel of freehold land held under Grn 23940, Lot 613, Mukim Ulu Semenyih, Daerah Ulu Langat, Selangor Darul Ehsan measuring approximately 501.5 acres.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 31 March 2019.



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PART A

EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

12. Changes in Contingent Liabilities or Contingent Assets since the Last Annual Balance Sheet Date

Since the last annual balance sheet date, there were no material changes in contingent liabilities for the Group as at 20 May 2019, being the last practicable date from the date of issue of this quarterly report that are expected to have an operational or financial impact on the Group.

The changes in contingent liabilities of the Company are as follows:-

	Company	
	As at	As at
	31.3.2019	31.12.2018
	RM'000	RM'000
Corporate guarantees extended:		
- to financial institutions for credit facilities granted to subsidiaries	50,716	48,710

There were no contingent assets since the last annual balance sheet as at 31 December 2018.

13. Capital Commitments

There were no capital commitments in the current quarter under review.

14. Significant Inter Company and Related Party Transactions

	Group	
	Current	Preceding
	Year To Date	Year To Date
	31.3.2019	31.12.2018
	RM'000	RM'000
<u>Inter Company Transactions</u>		
Sales by Takaso Rubber Products Sdn Bhd to:-		
Takaso Marketing Sdn Bhd	-	2,083
Sales by Takaso Marketing Sdn Bhd to:-		
Purchases from a company in which a director has a substantial financial interest	-	1,432
Sales to a company in which a director has a substantial financial interest	-	395
Progress billing to a company which is connected to a director of the company	7,183	16,761

The Directors are of the opinion that all inter-segment transactions have been entered into the normal courses of business and are based on negotiated terms.



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS

1. Detailed Analysis of the Performance of all Operating Segments

	Individual Quarter		Cumulative Period	
	31.3.2019	N/A	31.3.2019	N/A
	RM'000	RM'000	RM'000	RM'000
Revenue	21,793	-	21,793	-
Profit before tax	1,870	-	1,870	-

For the current and cumulative period under review, the Group's revenue and profit before tax were mainly contributed by the property development and construction segments.

Further Analysis by Segments

Construction Segment

The revenue and profit before tax in the current and cumulative period were contributed by the progressive revenue recognised by the 'YOLO at Sunway Mentari' project.

Property Development Segment

The revenue and profit before tax in the current and cumulative periods under review was a result of progressive recognition of revenue contributed by Isola at KLCC and PRIYA at Kuantan projects.

2. Comments on Material Changes in the Profit Before Tax for the Quarter Reported as Compared with the Preceding Quarter

	Individual Quarter	
	31.3.2019	31.12.2018
	RM'000	RM'000
Revenue	21,793	2,447
Profit/(loss) before tax	1,870	(15,840)

The Group recorded profit before tax of RM1.9 million for the current quarter as compared to the immediate preceding quarter loss before tax of RM15.8 million. The profit before tax was mainly contributed by the progressive revenue recognised from the property development and construction segments. The loss before tax in the immediate preceding quarter was due to the overall soft property market condition and revision of the budgeted property development costs.



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS

3. Current Year Prospects

The Group has been facing challenges in its core business of manufacturing and marketing of condoms and baby products, in view of rising raw material prices and operational costs for the past few years. Taking cognisance of this, the Group has made efforts to improve our financial performance and position which include, among others, the Group's acceptance of a construction contract which led to our Group's diversification of business to include the construction business. At the same time of maintaining on the existing business undertakings, the Group has also expanded its initial foray in the construction business to include the property development business as well.

The following are the plans to be undertaken by the Group to strengthen our financial performance and position in the medium and long term, the Group

- (a) had entered into a conditional joint venture agreement to undertake a proposed mixed development project in Kuantan with estimated gross development value of RM330 million;
- (b) had acquired the Melaka Land to be developed into a mixed development project with estimated gross development value of RM206 million;
- (c) had received a letter of award for its appointment as project management consultant ("PMC") from Yayasan Pahang of Komplek Yayasan Pahang, Tanjung Lumpur, 26060 Kuantan, Pahang for its project, Affordable Housing Development Scheme, in the state of Pahang which consist of approximately 25,000 units of residential properties over the 7 years construction period;
- (d) had through its associate company, AES Builders Sdn. Bhd., has entered into a Master En-Block Purchase Agreement with PR1MA and Mampan ESA (Melaka) Sdn. Bhd. to build and develop "PR1MA @ Sri Gading" at Alor Gajah, Melaka, comprising of 554 residential units with 5 apartment blocks of 11 storey each and 1 block of 12 storey at a total contract value of approximately RM101million for the duration of 3 years;
- (e) had entered into a new Joint Venture Agreement with Arra Inovasi Sdn. Bhd. to undertake the construction and development of a proposed housing project on a piece of 8.7 acres land situated in Teras Jernang, Bangi, Selangor Darul Ehsan into residential properties ("Project"). The gross development value of the said Project are estimated to be RM90 million;
- (f) had through its associate company, AES Builders Sdn. Bhd., appointed by Perbadanan PR1MA Malaysia to carry out the design, planning, procurement, construction and completion of a Project located at Lot 37827 Jalan Alam Sutera Utama, Mukim Petaling, Bukit Jalil, Wilayah Persekutuan Kuala Lumpur at a total contract value of approximately RM155 million;
- (g) had signed a Memorandum of Understanding ("MOU") with Universiti Sains Islam Malaysia ("USIM") to establish a basis of co-operation and collaboration between both parties in the following areas:
 - i) In-Campus Students' accommodations (Kolej Kediaman Kedua) by way of a Build-Operate-Transfer concept for 3,000 students ("C1"); and
 - ii) In-Campus Students' accommodations (Kolej Kediaman Pelajar Perubatan) by way of Build-Operate-Transfer concept for 1,200 students ("C2");



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)

3. Current Year Prospects (Cont'd)

- (h) had entered into a Joint Venture Agreement with Casa Bangsar Sdn. Bhd. to jointly undertake, implement, develop and complete the construction of an integrated mixed development to be erected on all those parts of land held under Lot 428 and Lot 745 located in Mukim of Tebrau, District of Johor Bahru, Johor, measuring approximately 47.87 acres in accordance with the provisions of the Privatisation cum Development Agreement dated 4 June 2015. The estimated gross development value is estimated to be RM700 million.
- (i) had entered into a Joint Venture Agreement with Duta Skyline Sdn Bhd to jointly develop a parcel of freehold land held under Grn 23940, Lot 613, Mukim Ulu Semenyih, Daerah Ulu Langat, Selangor Darul Ehsan measuring approximately 501.5 acres. The estimated gross development value is approximately 10 billion.

Through efforts such as brand building and business development activities in future, we hope the market will be aware of the existence of a new niche construction and property player making waves in the Klang Valley.

Notwithstanding the secured construction works and those announced proposals in relate to development projects, the Group is also aggressively taking steps to source and negotiate for more new business opportunities for the future construction and property development sector.

With those efforts undertaken by the Group, our management is of the opinion that the prospects of the Group will improve in the future.

4. Variances Between Actual Profit and Forecast Profit

There was no profit forecast or guarantee made public for the financial period under review.

5. Tax Expense

The effective tax rate of the Group for the current quarter and financial year-to-date under review is lower than statutory tax rate due to tax payable is only applicable for certain profitable subsidiaries.

6. Status of Corporate Proposals

Save from the following, there were no corporate proposals announced but not completed as at 20 May 2019, being the last practicable date from the date of the issue of this report.

O&C Development (Kuantan) Sdn. Bhd. had on 1 June 2015 entered into a joint venture agreement with SSPP Development Sdn Bhd to undertake a proposed mixed development project in Kuantan.



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)

7. Borrowings and Debt Securities

The Group's borrowings as at the end of the reporting period are as follows: -

	As at 31.3.2019 RM'000
Secured:	
Current liabilities	
- Bank overdrafts	6,869
- Revolving credit	15,000
- Term loan	6,130
- Trust receipt	4,998
	<hr/> 32,997 <hr/>
Non-current liabilities	
- Term loan	38,335
	<hr/> 38,335 <hr/>
Unsecured:	
Current liabilities	
- Hire purchase payable	47
	<hr/> 47 <hr/>
Non-current liabilities	
- Hire purchase payable	225
	<hr/> 225 <hr/>
Total Borrowings	<hr/> 71,604 <hr/>

The portion of borrowings that is repayable within one year is included in current liabilities. Whereas, the portion that is repayable after the next 12 months is included in long-term liabilities.

The currency exposure profile of the Group's borrowings and other facilities are as follows:

	As at 31.3.2019 RM'000
Ringgit Malaysia	<hr/> 71,604 <hr/>



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)

8. Material Litigation

Since the date of the last annual statement of financial position, there was no pending material litigation as at 20 May 2019, being the last practicable date from the date of issue of this quarterly report.

9. Dividend

No dividend has been proposed for the financial period under review.

10. Earnings Per Share

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current	Preceding Year
	Quarter	Quarter	Year To Date	Period
	31.3.2019	N/A	31.3.2019	N/A
	RM'000	RM'000	RM'000	RM'000
(a) Basic loss per share				
Net profit for the period	1,517	-	1,517	-
Weighted average number of ordinary shares issued('000)	292,465	-	292,465	-
Effects of: -:				
Private placement ('000)	26,640	-	26,640	-
ICPS ('000)	128	-	128	-
Weighted average number of ordinary shares in issue ('000)	319,233	-	319,233	-
Basic earnings per share (sen)	0.48	-	0.48	-



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)

10. Earnings Per Share (Cont'd)

(b) Diluted earnings per share

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current	Preceding Year
	Quarter	Quarter	Year To Date	Period
	31.3.2019	N/A	31.3.2019	N/A
	RM'000	RM'000	RM'000	RM'000
Net profit for the period	1,517	-	1,517	-
Weighted average number of ordinary shares in issue ('000)	319,233	-	319,233	-
Adjustments for assumed conversion of ICPS ('000)	978,234	-	978,234	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,297,467	-	1,297,467	-
Diluted earnings per share (sen)	0.12	-	0.12	-

11. Notes to the Statement of Comprehensive Income

	Group	
	Current Year	Current
	Quarter	Year to date
	31.3.2019	31.3.2019
	RM'000	RM'000
Interest income	(239)	(239)
Interest expense	753	753
Depreciation and amortisation	206	206
Rental expenses	137	137
Rental income	(31)	(31)



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PART B

EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)

12. Fair Value Changes for Financial Liabilities

There were no gains/losses arising from fair value changes for financial liabilities for the current quarter and financial year-to-date under review.

By order of the Board
OCR Group Berhad

Ong Kah Hoe
Group Managing Director
29 May 2019