



OCR Group Berhad
(Registration No: 199701025005 (440503-K))
(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income (Unaudited)
For the financial quarter ended 31 March 2021

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year To Date 31.03.2021 RM'000	Preceding Year To Date 31.03.2020 RM'000
Revenue		22,454	28,014	22,454	28,014
Cost of sales		(18,454)	(23,875)	(18,454)	(23,875)
Gross profit		4,000	4,139	4,000	4,139
Other income		201	406	201	406
Other operating expenses		(233)	(200)	(233)	(200)
Administrative expenses		(2,395)	(2,136)	(2,395)	(2,136)
Finance costs		(1,381)	(383)	(1,381)	(383)
Share of loss from associate		(14)	(15)	(14)	(15)
Profit before tax		178	1,811	178	1,811
Income tax expense	B5	(76)	(572)	(76)	(572)
Profit after taxation for the financial period		102	1,239	102	1,239
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income for the financial period	B11	102	1,239	102	1,239

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



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Condensed Consolidated Statement of Comprehensive Income (Unaudited)
For the financial quarter ended 31 March 2021 (Cont'd)

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year To Date 31.03.2021 RM'000	Preceding Year To Date 31.03.2020 RM'000
Profit after taxation attributable to:					
Owners of the Company		63	1,204	63	1,204
Non-Controlling Interests		39	35	39	35
		102	1,239	102	1,239
Total Comprehensive Income attributable to:					
Owners of the Company	B11	63	1,204	63	1,204
Non-Controlling Interests		39	35	39	35
		102	1,239	102	1,239
Earnings per share ("EPS") (in sen)					
- Basic	B10	0.01	0.36	0.01	0.36
- Diluted	B10	0.01	0.29	0.01	0.29

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



OCR Group Berhad
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Condensed Consolidated Statement of Financial Position
As at 31 March 2021

	Note	As at 31.03.2021 (Unaudited) RM'000	As at 31.12.2020 (Audited) RM'000
ASSETS			
Non-Current Assets			
Investment in an associate		378	392
Investment in quoted shares		2,272	-
Property, plant and equipment		1,149	1,312
Investment property		1,761	1,771
Right-of-use asset		11,481	11,534
Inventories		29,711	29,788
Other receivable		14,709	14,709
Deferred Tax Asset		1,250	1,250
		62,711	60,756
Current Assets			
Inventories		88,721	97,003
Contract Cost		8,763	8,654
Trade and others receivables		107,192	103,666
Contract assets		57,607	58,631
Current tax assets		52	16
Cash and cash equivalents		36,015	35,593
		298,350	303,563
TOTAL ASSETS		361,061	364,319
EQUITY AND LIABILITIES			
Share capital		157,127	156,003
Irredeemable convertible preference shares		14,678	15,802
Reserves		(29,215)	(22,084)
Shareholders' funds		142,590	149,721
Non-controlling interests		(994)	(1,002)
TOTAL EQUITY		141,596	148,719
Non-Current Liabilities			
Long-term bank borrowings	B7	47,310	45,388
Deferred tax liabilities		179	179
Other payable		28,149	28,149
		75,638	73,716
Current Liabilities			
Trade and other payables		96,880	94,923
Short-term borrowings	B7	43,644	42,604
Current tax liabilities		2,347	3,089
Contract liabilities		956	1,268
		143,827	141,884
TOTAL LIABILITIES		219,465	215,600
TOTAL EQUITY AND LIABILITIES		361,061	364,319
Net assets per share attributable to ordinary equity holders of the Company (RM)		0.31	0.33

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 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 2021*

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

	Share Capital RM'000	Warrants Reserve RM'000	Share Option Reserve RM'000	Irredeemable Convertible Preference Shares (‘ICPS’) RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2021	156,003	890	444	15,802	(23,418)	149,721	(1,002)	148,719
Effect of adoption of IAS 23	-	-	-	-	(7,337)	(7,337)	(31)	(7,368)
Balance as at 1 January 2021 (Restated)	156,003	890	444	15,802	(30,755)	142,384	(1,033)	141,351
Profit after taxation/ Total comprehensive Income for the period	-	-	-	-	63	63	39	102
Transaction with owners of the company: Issuance of ordinary share pursuant to: exercise of - ICPS - Private Placement	1,124	-	-	(1,124)	-	-	-	-
Share options issued	-	-	143	-	-	143	-	143
Balance as at 31 March 2021	157,127	890	587	14,678	(30,692)	142,590	(994)	141,596

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 2020 and the accompanying explanatory notes attached to the interim financial statements.



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Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 March 2021 (Cont'd)

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

<-----Non-Distributable-----> Distributable

	Share Capital RM'000	Warrants Reserve RM'000	Share Option Reserve RM'000	Irredeemable Convertible Preference Shares (‘ICPS’) RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2020 (restated)	119,321	890	-	27,637	(24,232)	123,616	(554)	123,062
Profit after taxation/ Total comprehensive Income/ (expenses) for the period	-	-	-	-	814	814	(448)	366
Transaction with owners of the company: Issuance of ordinary share pursuant to: exercise of								
- ICPS	11,835	-	-	(11,835)	-	-	-	-
- Warrant D	628	-	-	-	-	628	-	628
- Private Placement	24,219	-	-	-	-	24,219	-	24,219
Share options issued	-	-	444	-	-	444	-	444
Balance as at 31 December 2020	156,003	890	444	15,802	(23,418)	149,721	(1,002)	148,719

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 2020 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 2021

	Current Year to date 31.03.2021 RM'000	Preceding Year to date 31.03.2020 RM'000
Cash Flows from Operating Activities		
Profit before tax	178	1,811
Adjustments for:		
Non-cash items	247	231
Non-operating items	1,404	9
<i>Operating profit before working capital changes</i>	1,829	2,051
Net change in current assets	(1,932)	(17,413)
Net change in current liabilities	1,957	13,171
<i>Cash used in operations</i>	1,854	(2,191)
Tax paid	(854)	2
<i>Net cash from/(used in) operating activities</i>	1,000	(2,189)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(7)	(18)
Investment in quoted shares	(2,272)	-
Increase in pledged fixed deposits with licensed banks	(111)	(130)
Interest received	120	374
<i>Net cash (used in)/from investing activities</i>	(2,270)	226
Cash Flows from Financing Activities		
Interest paid	(1,381)	(383)
Drawdown of bank borrowings	4,233	2,729
Repayment of bank borrowings	(1,122)	(1,592)
<i>Net cash generated from financing activities</i>	1,730	754
<i>Net cash increased/(decreased) in cash and cash equivalents</i>	460	(1,209)
<i>Cash and cash equivalents at beginning of the financial year</i>	4,611	(4,360)
<i>Cash and cash equivalents at end of the financial period</i>	5,071	(5,569)



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Condensed Consolidated Statement of Cash Flows
For the period ended 31 March 2021 (Cont'd)

	Current Year To Date 31.03.2021 RM'000	Preceding Year To Date 31.03.2020 RM'000
Analysis of cash and cash equivalents:		
Fixed deposits with licensed banks	18,726	18,267
Cash and bank balances	17,289	3,213
Bank overdrafts	(12,218)	(8,782)
	23,797	12,698
Less: Fixed deposit pledged to licensed banks	(18,726)	(18,267)
	5,071	(5,569)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 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 2020.

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 2020. The adoption of the MFRSs and Amendments to MFRSs that came into effect after 1 January 2021 did not have any significant impact on the interim financial statements upon their initial application.

- (a) The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

<u>New MFRS</u>	Effective for financial periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
 <u>Amendments/Improvements to MFRSs</u>	
MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022 [^] / 1 January 2023 [#]
MFRS 3 Business Combinations	1 January 2022/ 1 January 2023 [#]
MFRS 4 Insurance Contracts	1 January 2021/ 1 January 2023
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7 Financial Instruments: Disclosures	1 January 2021/ 1 January 2023 [#]
MFRS 9 Financial Instruments	1 January 2021/ 1 January 2022 [^] / 1 January 2023 [#]
MFRS 10 Consolidated Financial Statements	Deferred
MFRS 15 Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16 Leases	1 January 2021/ 1 January 2022 [^]
MFRS 17 Insurance Contracts	1 January 2023
MFRS 101 Presentation of Financial Statements	1 January 2023/ 1 January 2023 [#]
MFRS 107 Statements of Cash Flows	1 January 2023 [#]
MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023



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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 (cont'd)

- (a) The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (cont'd):

	Effective for financial periods beginning on or after
MFRS 116 Property, Plant and Equipment	1 January 2022/ 1 January 2023 [#]
MFRS 119 Employee Benefits	1 January 2023 [#]
MFRS 128 Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 [#]
MFRS 132 Financial instruments: Presentation	1 January 2023 [#]
MFRS 136 Impairment of Assets	1 January 2023 [#]
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023 [#]
MFRS 138 Intangible Assets	1 January 2023 [#]
MFRS 139 Financial Instruments: Recognition and Measurement	1 January 2021
MFRS 140 Investment Property	1 January 2023 [#]
MFRS 141 Agriculture	1 January 2022 [^]

[^] The Annual Improvements to MFRS Standards 2018-2020

[#] Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

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.

- (b) IFRS Interpretations Committee (“IFRIC”)’s Agenda Decision on IAS 23 Borrowing Costs (“Agenda Decision”)

In March 2019, the IFRIC has concluded that receivable, contract asset and inventory (work-in-progress) for unsold units under construction are not qualifying assets.

The MASB announced that non-private entities in the real estate industry might need to change their accounting policy as results of the IFRIC Agenda Decision. In ensuring consistent application of the MFRS, which are word-for-word the IFRS Standards, the MASB decided that an entity shall apply the change in accounting policy as results of the Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020 (“Mandatory Date”).

The Group has adopted the change in accounting policy on borrowing costs.



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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER

PART A
EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

2. Status of Audit Qualifications

The audited financial statements of the Group for the financial year ended 31 December 2020 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.

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

During the financial period ended 31 March 2021, the Company increased its issued and paid-up share capital by way of:-

- (i) an issuance of 2,248,500 new ordinary shares from the conversion of Irredeemable Convertible Preference Shares ("ICPS") with the conversion ratio of 10 ICPS to 1 new ordinary share at the exercise price of RM0.50;

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.



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

8. Segment Information

The following is an analysis of the consolidated revenue and consolidated result of the Group by segment of its operating activities for the current quarter ended 31 March 2021:

31 March 2021	Construction RM'000	Property Development RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
Sales	6,246	16,150	708	(650)	22,454
Segment Results (EBITDA)	1,532	478	(409)	191	1,792
Finance Cost	(495)	(710)	(176)	-	(1,381)
Depreciation and Amortisation	(31)	(125)	(77)	-	(233)
Consolidated Profit Before Tax					178
ASSETS					
Segment Assets	106,889	243,795	171,775	(161,398)	361,061
LIABILITIES					
Segment Liabilities	98,052	232,548	43,229	(154,364)	219,465
OTHER INFORMATION					
Capital Expenditure	3	-	4	-	7
Depreciation and Amortisation	31	125	77	-	233
Other Non-Cash Expenses	-	-	-	-	-

31 March 2020	Construction RM'000	Property Development RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
Sales	5,457	22,490	832	(765)	28,014
Segment Results (EBITDA)	396	2,238	(468)	244	2,410
Finance Cost	(160)	(1)	(222)	-	(383)
Depreciation and Amortisation	(16)	(122)	(78)	-	(216)
Consolidated Profit Before Tax					1,811
ASSETS					
Segment Assets	80,226	229,449	149,505	(118,669)	340,511
LIABILITIES					
Segment Liabilities	74,830	210,277	40,757	(109,654)	216,210
OTHER INFORMATION					
Capital Expenditure	13	5	-	-	18
Depreciation and Amortisation	160	1	222	-	383
Other Non-Cash Expenses	-	-	-	-	-



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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	
	31.03.2021 RM'000	31.03.2020 RM'000	31.03.2021 RM'000	31.03.2020 RM'000	31.03.2021 RM'000	31.03.2020 RM'000
Malaysia	22,454	28,014	361,061	340,511	7	18
Other Asian Countries	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	22,454	28,014	361,061	340,511	7	18

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 2021, 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 2021, except for the following:

- (a) On 7 April 2021, 15 April 2021, 21 April 2021, 4 May 2021 and 18 May 2021, there are total of 1,474,050 ordinary shares of RM0.50 each have been issued pursuant to the conversion of 14,740,500 ICPS to 1,474,050 new ordinary shares by the conversion ratio of 10 units ICPS to 1 new ordinary share.
- (b) Issuance of 101,850,000 new ordinary shares at an issuance price of RM0.2111-RM0.2187 per ordinary share via private placement to eligible investors for a total cash consideration of RM21,880,535 for working capital purpose; and

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 2021.



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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 2021, 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 31.03.2021 RM'000	As at 31.03.2020 RM'000
Corporate guarantees extended:		
- to financial institutions for credit facilities granted to subsidiaries	75,128	61,715
	75,128	61,715

There were no contingent assets since the last annual balance sheet as at 31 March 2021.

13. Capital Commitments

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

14. Significant Inter Company and Related Party Transactions

	Group	
	Current Year To Date 31.03.2021 RM'000	Preceding Year To Date 31.03.2020 RM'000
<u>Inter Company Transactions</u>		
Progress billing to a company which has substantial financial interest	2,847	9,084
Marketing fee to a company which has substantial financial interest	385	483
Subcontractor fee to a company which has substantial financial interest	1,292	-
	1,292	-

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	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	22,454	28,014	22,454	28,014
Profit before tax	178	1,811	178	1,811

The revenue and profit before tax in the current quarter and cumulative period was mainly contributed by the construction and property development segments.

Further Analysis by Segments

Property Development Segment

The revenue and profit before tax in the current and cumulative periods under review was recorded mainly by Isola at KLCC, PRIYA at Kuantan and The Mate at Damansara Jaya.

Construction Segment

The revenue and profit before tax in the current and cumulative period were recognised mainly for the YOLO Signature Suites at Bandar Sunway and Pano at Jalan Ipoh.

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

	Individual Quarter	
	31.03.2021	31.12.2020
	RM'000	RM'000
Revenue	22,454	27,253
Profit before tax	178	3,244

The Group recorded profit before tax of RM 0.2 million for the current quarter as compared to profit before tax of RM 3.2 million in the immediate preceding quarter. The Group's revenue dropped from RM27.3 million in the immediate preceding quarter to RM22.5 million in the current quarter.

The lower revenue and lower profit before tax mainly contributed by the slower construction progress as a result of stricter containment measures across all project sites.



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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

The overall Malaysian economy has improved in the first quarter of 2021 but expects to remain relatively uncertain with the recent re-imposition of the third Movement Control Order. The Group remains cautious on the immediate sentiment as Coronavirus Disease 2019 (“Covid-19”) continues to surge and achieve new heights, which is expected to hamper the growth of the economy, eventually the performance of the Group.

Despite that, the Group has rolled-out various pro-active initiatives to optimize its positioning. In view of enhancing its corporate and project brand awareness, the Group has introduced numerous onsite and online marketing activities, including weekly OCR Live sessions on various industry thought-leadership topics via Facebook. Sales remain encouraging, particularly for The Mate at Damansara Jaya which has seen very positive uptakes, and PRIYA Kuantan which is almost fully sold out. In terms of construction progresses, the Group has taken a strong approach in its plans and implemented new measures, including appointment of additional contractors as well as changing under-performing sub-contractors, to ensure smoother deliveries.

Meanwhile, for the project management consultation segment, the Group via its 40% associated company’s subsidiary – Taraf Raya Sdn Bhd, is still working closely with Malaysia Rail Link Sdn Bhd (“MRL”) and China Communications Construction Sdn Bhd (“CCC”) on Pahang’s portion of the East Coast Rail Link (“ECRL”) project despite the recent northern re-alignment.

Moving forward, the Group will continue to be on the lookout for potentially earnings-accretive opportunities across its property development, construction, project management consultant and related businesses.

4. Variances Between Actual Profit and Forecast Profit

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

5. Income Tax Expense

	Group	
	Current	Preceding
	Year to date	Year to date
	31.03.2021	31.03.2020
	RM'000	RM'000
Income tax	76	572
Deferred tax	-	-
Income tax expenses	76	572
Effective tax rate	43%	32%



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PART B

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

5. Income Tax Expense (Cont'd)

The effective tax rate of the Group for the financial year-to-date under review is higher than statutory tax rate due to certain expenses which are not deductible for tax purposes and deferred tax assets not recognised for losses incurred in certain subsidiaries.

6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 20 May 2021, being the last practicable date from the date of the issue of this report.

7. Borrowings and Debt Securities

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

	As at 31.03.2021 RM'000
Secured:	
Current liabilities	
- Bank overdrafts	6,893
- Revolving credit	15,000
- Term loan	16,717
- Trust receipt	4,899
	<hr/> 43,509
Non-current liabilities	
- Term loan	41,476
- Bank overdrafts	5,325
	<hr/> 46,801
Unsecured:	
Current liabilities	
- Lease liabilities	135
	<hr/> 135
Non-current liabilities	
- Lease liabilities	509
	<hr/> 509
Total Borrowings	<hr/> 90,954

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.



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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 (Cont'd)

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

	As at
	31.03.2021
	RM'000
Ringgit Malaysia	90,954

8. Material Litigation

Since the date of the last annual statement of financial position, there was no pending material litigation as at 20 May 2021, except the following:

Ismail Bin Othman v Duta Skyline Sdn. Bhd. ("DSSB") and Amazing Symphony Sdn. Bhd. ("ASSB")

ASSB, a wholly-owned subsidiary of the Company, had entered into a joint venture agreement dated 22 April 2019 with DSSB ("JVA") for the purpose of the development of 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 owned by DSSB ("Lot 613 Land"). Pursuant thereto, DSSB had also executed an irrevocable limited power of attorney in favour of ASSB ("Power of Attorney").

On 28 August 2019, Ismail Bin Othman, one of the Directors of DSSB ("Plaintiff"), filed an originating summons ("OS") against DSSB (being the first defendant) and ASSB (being the second defendant) at the Shah Alam High Court, where the Plaintiff sought, amongst others:-

- (i) a declaration that the JVA is null and void ab initio and of no effect whatsoever; and
- (ii) as a consequence of the above, an order that the Power of Attorney be revoked and/or cancelled.

The Plaintiff had also filed an application for injunction dated 28 August 2019 to, amongst others, restrain both DSSB and ASSB from acting upon and/or giving effect in any manner to the JVA and the Power of Attorney and dealing with the Lot 613 Land ("Injunction Application").

On 11 September 2019, the Plaintiff applied for and was granted an ad interim injunction until 30 September 2019, subject to undertaking as to damages ("Ad Interim Injunction").

AASB and DSSB filed an application to strike out the OS on 20 September 2019 and 24 September 2019 respectively ("Striking Out Applications").

On 30 September 2019, the Plaintiff applied for and was granted an extension of the Ad Interim Injunction until 14 October 2019.

The Plaintiff was subsequently granted with another extension of the Ad Interim Injunction until the disposal of the Injunction Application and Striking Out Applications, subject to undertaking as to damages.



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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 (Cont'd)

The Injunction Application and the Striking Out Applications were scheduled to be heard on 10 January 2020.

On 10 January 2020, the hearing was vacated as the Judge had to attend a function (Opening of Legal Year). The next hearing date which was fixed on 20 April 2020 was rescheduled to 7 July 2020 in view of the court closure during the Movement Control Order of Malaysia which was enforced from 18 March 2020 to 12 May 2020.

On 10 June 2020, the Court allowed the Plaintiff's request to vacate the hearing fixed on 7 July 2020 because a restraining order dated 18 May 2020 ("RO") was obtained in the High Court Originating Summons No. WA-24NCC-70-02/2020 ("OS 70"). A new hearing date of the OS, the Injunction Application, and the Striking Out Applications was subsequently fixed on 10 September 2020.

On 10 September 2020, the Plaintiff's solicitors informed the Court that –

- 1) the RO obtained was further extended until the disposal of the OS 70; and
- 2) OS 70 was fixed for hearing on 17 September 2020.

The Court then proceeded to fix the above matter for case management on 29 September 2020 for parties to update the Court on the status of the OS 70 and whether the RO would be further extended.

On 17 September 2020, the application for an extension of the RO was not granted by the Court.

On 29 September 2020, the Court had fixed the OS, the Injunction Application and the Striking Out Applications for hearing on 12 November 2020 before the Judicial Commissioner Dato' Julie Lack.

The hearing originally fixed on 12 November 2020 was vacated and rescheduled to 2 February 2021 by the Court due to the extension of Conditional Movement Control Order.

The hearing on 2 February 2021 was vacated and a case management was fixed on 8 April 2021 in light of the Movement Control Order and the restraining order granted against DSSB in High Court Originating Summons No. BA-24NCC-141-12/2020 ("OS 141").

On 8 April 2021, the Plaintiff's solicitors informed the Court that the restraining order granted in OS 141 had expired and no further extension to the restraining order was granted. However, the application for an extension of the restraining order is fixed for hearing on 4 May 2021. As a result, the Court fixed a case management on 5 May 2021 for Plaintiff to update the Court on the status of the hearing of the application for an extension of the restraining order in OS 141.

On 5 May 2021, the court fixed for further case management on 24 June 2021 to update the court on the status of the application for the extension of the restraining order granted in OS 141, which is fixed for hearing on 23 June 2021.

9. Dividend

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



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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

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year To Date 31.03.2021 RM'000	Preceding Year Period 31.03.2020 RM'000
(a) Basic earnings per share				
Net profit for the period	63	1,204	63	1,204
Weighted average number of ordinary shares issued ('000)	455,933	330,809	455,933	330,809
Effects of: -				
- ICPS ('000)	1,300	2,194	1,300	2,194
Weighted average number of ordinary shares in issue ('000)	457,233	333,003	457,233	333,003
Basic earnings per share (sen)	0.01	0.36	0.01	0.36
(b) Diluted earnings per share				
	Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year To Date 31.03.2021 RM'000	Preceding Year Period 31.03.2020 RM'000
Net profit for the period	63	1,204	63	1,204
Weighted average number of ordinary shares in issue ('000)	457,233	333,003	457,233	333,003
- Adjustments for assumed conversion of ICPS ('000)	53,711	67,911	53,711	67,911
- Adjustment for assumed conversion of Warrant D ('000)	10,401	10,813	10,401	10,813
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	521,345	411,727	521,345	411,727
Diluted earnings per share (sen)	0.01	0.29	0.01	0.29



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PART B

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

11. Notes to the Statement of Comprehensive Income

	Group	
	Current Year Quarter 31.03.2021 RM'000	Current Year to date 31.03.2021 RM'000
Interest income	(120)	(120)
Interest expense	1,381	1,381
Depreciation	233	233
Rental expenses	131	131
Rental income	(14)	(14)

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
27 May 2021