

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	31.12.2012 RM	31.12.2011 RM
Unquoted shares, at cost	18,399,998	-

The Company's equity interest in the subsidiaries, country of incorporation and its principal activities are as follows:-

Name of subsidiaries	Country of Incorporation	Effective Equity interest held		Principal activities
		2012 %	2011 %	
Direct subsidiary:-				
OCK Setia Engineering Sdn. Bhd. ("OCKSE") *	Malaysia	100	-	Engaged in the provision of turnkey telecommunications network services.
Subsidiaries of OCKSE:-				
OCK M & E Sdn. Bhd. ("OCKME")	Malaysia	100	-	Provision of mechanical and electrical engineering services.
Delicom Sdn. Bhd. ("Delicom")	Malaysia	100	-	Provision of telecommunications network services focusing on network deployment services.
Fortress Pte. Ltd. ("Fortress") #	Singapore	100	-	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support.
Firatel Sdn. Bhd. ("Firatel") @	Malaysia	61	-	Trading of telecommunications network equipment and materials.
EI Power Technologies Sdn. Bhd. ("EIPT")	Malaysia	52	-	Provision of green energy and power solutions.
Steadcom Sdn. Bhd. ("Steadcom")	Malaysia	51	-	Provision of telecommunications network services, primarily focusing on network planning, design and optimisation.
Smartbean Systems Sdn. Bhd. ("Smartbean")^	Malaysia	51	-	Engaged in supplying test and measurement equipments, software solution, information communications technology equipments, fiber network components and providing for the potential customers in the relevant area.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (Continued)

Name of subsidiaries	Country of Incorporation	Effective Equity interest held		Principal activities
		2012 %	2011 %	
Subsidiaries of Fortress:-				
Fortress Distribution Sdn. Bhd. ("Fortress Distribution")	Malaysia	100	-	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support.

2012

* On 31 October 2011, the Company had entered into a conditional shares sale agreement to acquire the entire equity interest in OCKSE of RM2,000,002/- comprising 2,000,002 ordinary shares of RM1/- each for a total purchase consideration of RM18,399,998/- to be satisfied by the issuance of 183,999,980 of ordinary shares at an issue price of RM0.10/- each. The said acquisition was completed on 8 June 2012 and OCKSE become a wholly-owned subsidiary company of the Company.

@ On 1 November 2012, the indirect subsidiary, Firatel Sdn. Bhd. had increased its issued and paid capital from RM100,000/- to RM300,000/- by way of issuance of 200,000 ordinary shares of RM1/- each by way of bonus issue.

On 4 October 2012, the indirect subsidiary, Fortress Pte. Ltd. had increased its issued and paid up capital from SGD2/- to SGD100,000/- by way of issuance of SGD99,998/- ordinary shares of SGD1/- each by way of allotment of shares for additional working capital purposes.

The subsidiary was audited by auditor other than Baker Tilly Monteiro Heng, the subsidiary was audited by Baker Tilly TFW LLP.

^ On 23 October 2012, OCKSE had acquired 127,500 ordinary share of RM1.00/- each representing 51% equity interest in the share capital of Smartbean Sdn. Bhd. ("Smartbean"), for a total cash consideration of RM127,500/-.

On 6 December 2012, Smartbean had increased its issued and paid up capital from RM250,000/- to RM300,000/- by way of issuance of RM50,000/- ordinary shares of RM1/- each by way of allotment of shares for additional working capital purposes.