



OCK GROUP BERHAD
No. 11 & 13, Jalan Puteri 2/6, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan, Malaysia
Tel: +603-8065 6868 Fax: +603-8065 6800

www.ock.com.my

PROSPECTUS



OCK GROUP BERHAD

(Company No.955915-M)

(Incorporated in Malaysia under the Companies Act, 1965)

Driving Network Solutions



PROSPECTUS

PUBLIC ISSUE OF 75,000,000 NEW ORDINARY SHARES OF RM0.10 EACH ("OCK SHARES") AT AN ISSUE PRICE OF RM0.36 PER ORDINARY SHARE PAYABLE IN FULL UPON APPLICATION COMPRISING:

- 7,000,000 NEW OCK SHARES MADE AVAILABLE FOR APPLICATION BY THE PUBLIC;
- 9,500,000 NEW OCK SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP; AND
- 58,500,000 NEW OCK SHARES MADE AVAILABLE FOR PLACEMENT TO SELECTED INVESTORS

IN CONJUNCTION WITH THE LISTING OF OCK GROUP BERHAD ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD

Adviser, Sponsor, Underwriter and Placement Agent



Joint Underwriter



INVESTORS ARE ADVISED TO NOTE THAT COMPANIES LISTED ON THE ACE MARKET MAY BE OF HIGH INVESTMENT RISK. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THERE ARE CERTAIN RISK FACTORS WHICH INVESTORS SHOULD CONSIDER. TURN TO SECTION 4 FOR 'RISK FACTORS'.

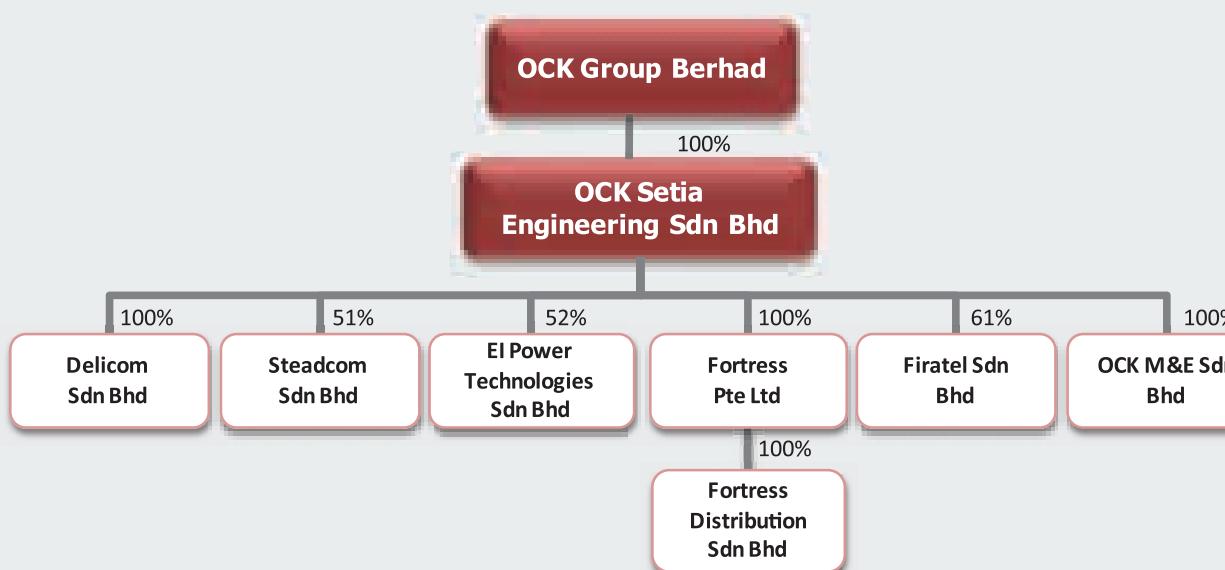
THIS PROSPECTUS IS DATED 29th JUNE 2012

CORPORATE MILESTONE OF OCK GROUP BERHAD

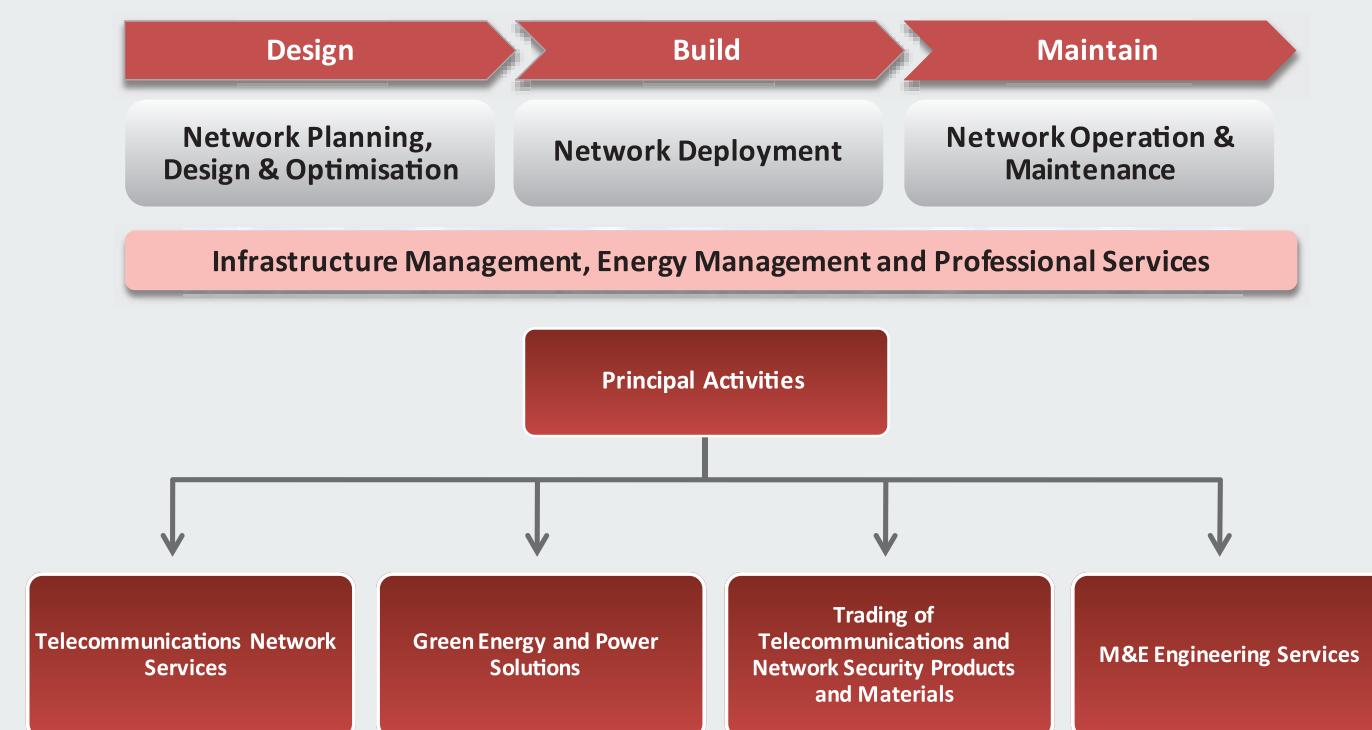
2000
2004
2005
2006
2007

- OCK was established
- Registered as ASP's with Ericsson and Alcatel-Lucent
- Awarded a network deployment contract by DiGi
- Awarded a turnkey network deployment contract by U Mobile
- Awarded an IBC contract by Maxis
- Awarded a field maintenance contract by NSN and Alcatel-Lucent to maintain Celcom's 3G radio base station and radio microwave equipment
- Awarded a managed service contract by Ericsson to maintain u Mobile's civil, M&E infrastructure, 3G radio base station and radio microwave equipment
- Awarded Celcom's 3G swap contract by Alcatel-Lucent involving the replacement of old generation equipment with new 3G equipment
- Awarded a WIMAX network deployment contract by Alcatel-Lucent
- Awarded a radio and microwave equipment installation, testing and commissioning contract by ZTE
- Awarded a installation, testing and commissioning of radio microwave equipment and project management contract by NEC for DiGi
- Awarded a turnkey network deployment contract by Huawei, Ericsson and Alcatel-Lucent
- Awarded a contract for installation, testing and commissioning for optical SDH and DWDM equipment by Alcatel-Lucent
- Awarded a contract for installation, testing and commissioning of WiMAX equipment by ZTE
- Awarded a WiMAX network deployment contract by YTL
- Awarded an implementations contract by Huawei for Maxis's NGBB
- Awarded a radio network optimisation contract by Alcatel-Lucent to optimise Celcom's 3G network
- Awarded a turnkey WiMAX network deployment contract by Millercom Sdn Bhd, a wholly own subsidiary of P1
- Awarded a radio network optimisation contract by Huawei to optimise DiGi's network
- Awarded a radio network optimisation contract by Huawei to optimise Celcom and U Mobile's network
- Awarded a radio equipment modernisation contract by Huawei to modernise Celcom's 3G network
- Awarded a radio equipment swap contract by ZTE to upgrade DiGi's old equipment
- Awarded a microwave links and related equipment installation services contract by SIAE
- Awarded a design, construction, implementation and consolidation of sites contract by DiGi and Celcom
- Awarded necessary licenses from MCMC to be a NFP

CORPORATE STRUCTURE OF OCK GROUP BERHAD

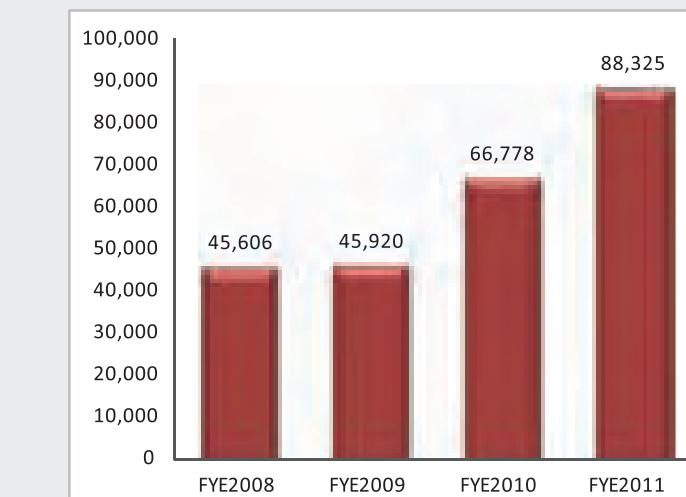


BUSINESS STRUCTURE OF OCK GROUP BERHAD

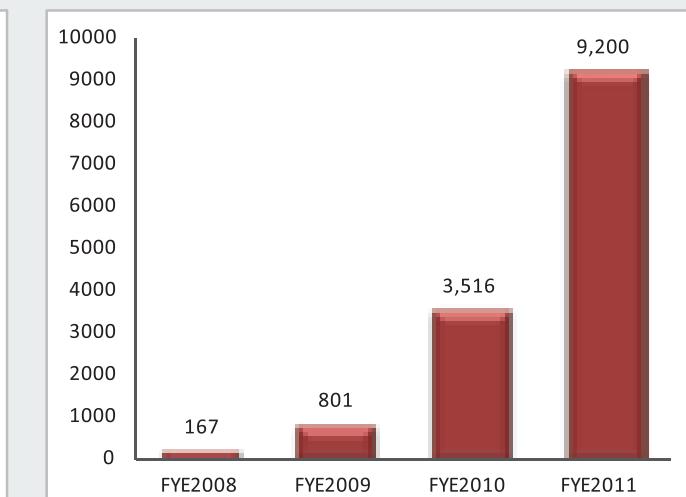


FINANCIAL ANALYSIS

Revenue (RM'000)



Profit After Tax (RM'000)



COMPETITIVE STRENGTHS

Established Market Reputation

- Established market reputation through its years of operation since 2000
- Delivery of quality and timely services to telecommunications operators
- Continuous provision of turnkey telecommunications network solutions
- Well known clients such as DiGi, Celcom, U Mobile, YTL and P1
- Business partners of technology providers such as Alcatel-Lucent, Ericsson, Huawei, NEC, SIAE and ZTE
- Received multiple acknowledgements of its work through the Golden Bull Awards
- Earned partner awards from technology providers such as ZTE and Huawei

One-Stop Solution Provider For Telecommunications Network Services

- Provision of turnkey solutions from network planning, design and optimisation and infrastructure and energy management
- Provision of site consultation, implementation and maintenance strategies
- Trained technical personnel and equipped with the latest equipment and technology knowledge
- Previously dealt with infrastructure involving in technologies such as GSM, 3G and WiMAX

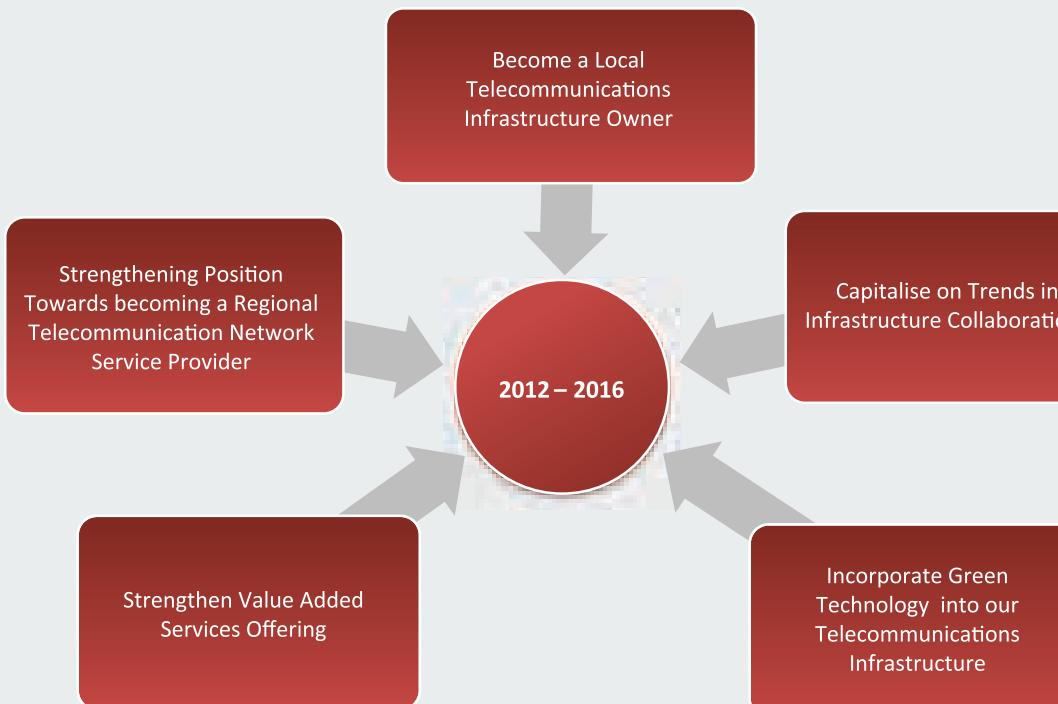
Good Working Relationship with Technology Providers

- Close and long standing relationship with several technology providers such as Alcatel-Lucent, Ericsson, Huawei, NEC and ZTE
- Partnership with the technology providers strengthens project tenders, broadens product offerings and services

Experienced Human Capital

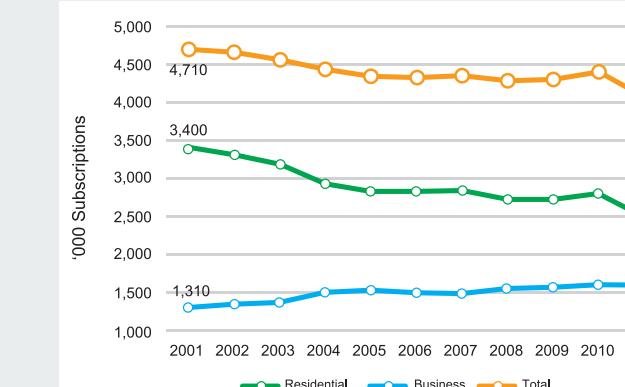
- Experienced key management team with an average of ten (10) years of working experience in the industry
- Maintains a team of expertise and capable human capital enabling the company to stay ahead of its competitors

FUTURE PLANS AND STRATEGIES

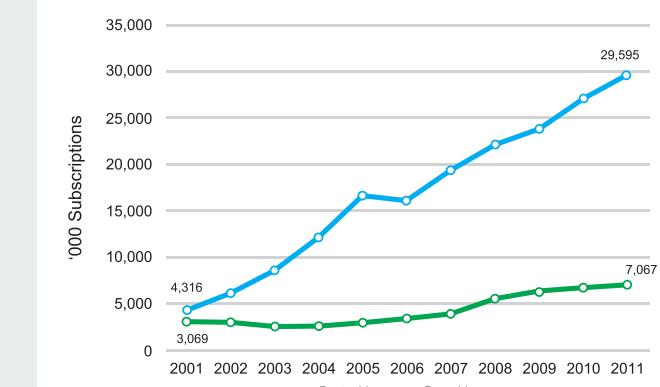


INDUSTRY HIGHLIGHTS AND MARKET DEMANDS

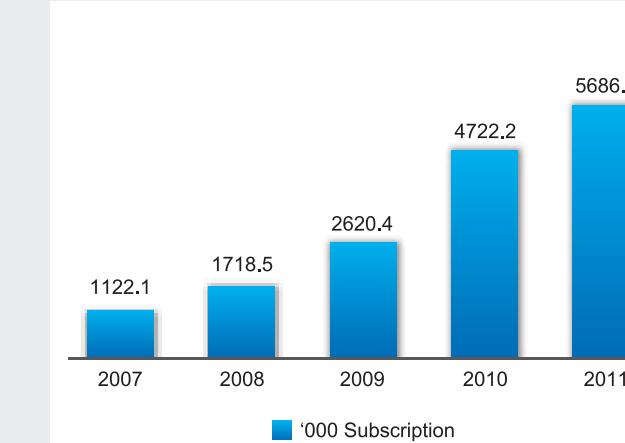
Trend in DEL Subscriptions in Malaysia, 2001 - 2011



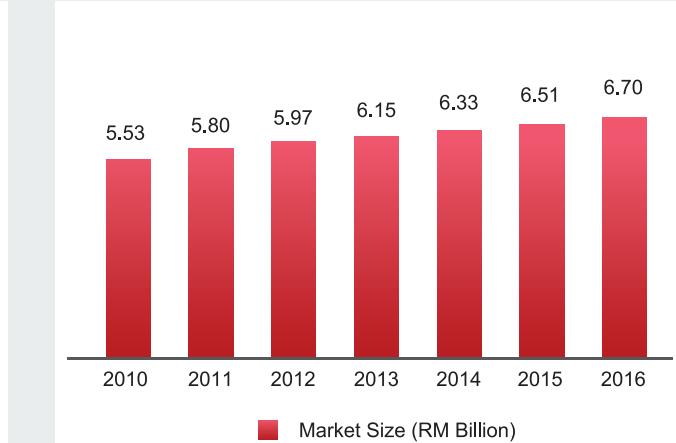
Growth of Cellular Telephone Subscriptions in Malaysia, 2001 - 2011



Number of Broadband Subscription in Malaysia, 2007 - 2011



Telecommunication Network Services for infrastructure is Growing



Source: Protégé Associates

LIST OF ACCREDITATIONS / AWARDS

YEAR	ACCREDITATION / AWARDS	AWARDED / ORGANISED BY
2007	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd
2008	ISO 9001:2000	SIRIM QAS
2009	The Core Best Partner for South Pacific Region	Huawei
2009	The Best Partner Award	ZTE
2009	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd
2010	The Best Partner Award	ZTE
2010	The Best Partner Award	Huawei
2010	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd
2010	ISO 9001:2008	SIRIM QAS
2011	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd

NOTE: The photographs depicted on the cover of this Prospectus are for the purpose of illustration only and do not purport to indicate that the properties or assets depicted in the photographs belong to OCK Group Berhad.

RESPONSIBILITY STATEMENTS

Our Board and Promoters (as defined herein) have seen and approved this Prospectus and we collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, after having made all reasonable enquiries, that to the best of our knowledge and belief, there is no false or misleading statement or other facts the omission of which would make any statement herein false or misleading.

Alliance Investment Bank Berhad (21605-D), being our Adviser, Sponsor, Underwriter and Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our Public Issue (as defined herein).

STATEMENTS OF DISCLAIMER

A copy of this Prospectus has been registered with the Securities Commission Malaysia ("SC"). The registration of this Prospectus should not be taken to indicate that the SC recommends the Public Issue or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Prospectus. The SC has not, in any way, considered the merits of the securities being issued / offered for investment.

The SC is not liable for any non-disclosure on our part and takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

The valuation utilised for the purpose of the corporate exercise should not be construed as an endorsement by the SC on the value of the subject assets.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT IN OUR COMPANY. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Approval has been obtained from Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the securities being offered. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of the Public Issue, our Company or our securities.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, together with the application form, has also been lodged with the Registrar of Companies of Malaysia, who takes no responsibility for its contents.

OTHER STATEMENTS

Companies listed on the ACE Market may have a limited operating history or may not have any profit track record prior to listing. Such companies may be of high investment risk. As with all investments, you should be aware of all potential risks in investing in such companies and should make the decision to invest after giving due and careful consideration by referring to amongst others, the Prospectus, latest financial statements and corporate announcements. You are strongly recommended to seek advice from a securities' professional and/or adviser.

Our Public Issue is an exempt transaction under Section 213 of the Capital Markets and Services Act 2007 ("CMSA") and is therefore not subject to the approval of the SC.

You are advised to note that recourse for false or misleading statements or acts made in connection with this Prospectus is directly available through Sections 248, 249 and 357 of the CMSA.

Securities listed on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning the issue for which any of the persons set out in Section 236 of the CMSA, e.g. Directors and Advisers, are responsible.

ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the electronic Prospectus are as per the contents of the copy of this Prospectus registered with the SC.

A copy of this Prospectus so registered is available on the website of Affin Bank Berhad at www.affinOnline.com, the website of CIMB Investment Bank Berhad at www.eipocimb.com, the website of CIMB Bank Berhad at www.cimbclicks.com.my, the website of Malayan Banking Berhad at www.maybank2u.com.my, the website of RHB Bank Berhad at www.rhb.com.my, and the website of Public Bank Berhad at www.pbebank.com.

You are advised that the internet is not a fully secured medium, and that your Internet Share Application is subject to the risk of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. (Internet Participating Financial Institutions are listed in Section 17 of this Prospectus). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt as to the validity or integrity of an electronic Prospectus, you should immediately request from us, our Adviser or the Issuing House, a paper/printed copy of this Prospectus.

The electronic Prospectus submitted to the SC and Bursa Securities is the same as the registered paper/printed copy. In the event of any discrepancies arising between the contents of the electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which is identical to the copy of the Prospectus registered with the SC, shall prevail.

In relation to any reference in this Prospectus to third party internet sites ("third party internet sites"), whether by way of hyperlinks or by way of description of the third party internet sites, you acknowledge and agree that:

- (i) We and our Adviser do not endorse and are not affiliated in any way with the third party internet sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the third party internet sites. You shall bear all risks associated with the access to or use of the third party internet sites;
- (ii) We and our Adviser are not responsible for the quality of products or services in the third party internet sites, for fulfilling any of the terms of your agreements with the third party internet sites. We are also not responsible for any loss, damage or cost that you may suffer or incur in connection with or as a result of dealing with the third party internet sites or the use of or reliance on any data, information, files or other material provided by such parties; and
- (iii) Any data, information, files or other material downloaded from the third party internet sites is at your own discretion and risk. We and our Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

Where an electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

- (i) The Internet Participating Financial Institutions are liable in respect of the integrity of the contents of an electronic Prospectus, to the extent of the contents of the electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institutions shall not be responsible in any way for the integrity of the contents of an electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and
- (ii) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an electronic Prospectus, the accuracy and reliability of an electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on an applicant's personal computer.

This Prospectus is prepared and published solely for our Public Issue in Malaysia under the laws of Malaysia. Our Shares are issued in Malaysia solely based on the contents of this Prospectus. Our Board, Promoters, Adviser, Sponsor, Underwriter, Joint Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our Public Issue, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your sole responsibility, if you are or may be subject to the laws of any country or jurisdiction other than Malaysia, to consult your legal and/or other professional advisers as to whether your application for our Public Issue would result in the contravention of any law of such country or jurisdiction.

Further, it shall also be your sole responsibility to ensure that your application for our Public Issue would be in compliance with the terms of this Prospectus and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our Public Issue in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

The distribution of this Prospectus and the accompanying documents are subject to Malaysian laws. Our Board, Promoters, Adviser, Sponsor, Underwriter, Joint Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Board, Promoters, Adviser, Sponsor, Underwriter, Joint Underwriter and Placement Agent have not taken any action to permit a Public Issue of our Shares based on this Prospectus or the distribution of this Prospectus outside Malaysia.

This Prospectus may not be used for an offer to sell or an invitation to buy our Shares in any jurisdiction or in any circumstance in which such an offer or invitation is not authorised or is unlawful. This Prospectus shall also not be used to make an offer of or invitation to buy our Shares to any person to whom it is unlawful to do so. Our Board, Promoters, Adviser, Sponsor, Underwriter, Joint Underwriter and Placement Agent require you to inform yourself and to observe such restrictions.

BUMIPUTERA EQUITY REQUIREMENT AND PUBLIC SHAREHOLDING SPREAD

Pursuant to the Listing Requirements (as defined herein) and the Bumiputera equity requirement which was announced on 30 June 2009, we are required to allocate 12.5% of our enlarged issued and paid-up share capital to Ministry of International Trade and Industry recognised Bumiputera investors within one (1) year after achieving the profit record required for a listing on the Main Market of Bursa Securities or five (5) years after being listed on the ACE Market, whichever is earlier.

In compliance with the Listing Requirements, we need to have at least 25% of our enlarged issued and paid-up share capital in the hands of a minimum 200 public shareholders holding not less than 100 Shares each upon admission to the ACE Market. We expect to achieve this at the point of Listing (as defined herein). However, in the event that this requirement is not met pursuant to our Public Issue, we may not be allowed to proceed with our Listing. In this event, monies paid in respect of all applications will be returned in full without interest to the applicants no later than ten (10) Market Days from the date of the final ballot of the application list.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" in this Prospectus are to OCK Group Berhad while references to "our Group" are to our Company and our subsidiary companies. References to "we", "us", "our" and "ourselves" are to our Company or our Group or any member of our Group, as the context requires. Unless the context otherwise requires, references to "Management" are to our Executive Directors and our key management and key technical personnel as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

Certain abbreviations, acronyms and technical terms used are defined in the "Definitions" section of this Prospectus. Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include companies and corporations.

Unless otherwise stated, any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia.

Any reference to any enactment in this Prospectus shall be a reference to that enactment as for the time being amended or re-enacted.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the industries in which our Group operates. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus; provided that where no source is stated, it can be assumed that the information originates from us.

In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by Protégé Associates Sdn Bhd, an independent business and market research consulting firm. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industries in which we operate. However, neither we nor our Adviser and Sponsor have independently verified these data. Neither we nor our Adviser and Sponsor make any representation as to the correctness, accuracy or completeness of such data, hence accordingly, you should not place undue reliance on the statistical data cited in this Prospectus. Similarly, third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We give no assurance that the projected figures will be achieved and you should not place undue reliance on the third party projections cited in this Prospectus.

The information on our website or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on it.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements, which include all statements other than those of historical facts including amongst others, those regarding our Group's financial position, business strategies, plans and objectives of our Management for future operations. Some of these statements can be identified by words that have a bias towards or are forward-looking such as "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond our Group's control that could cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. As such, we cannot assure you that the forward-looking statements in this Prospectus will be realised.

Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which our Group operates. Additional factors that could cause our Group's actual results, performance or achievements to differ materially include, but are not limited to those discussed in Section 4 - Risk Factors and Section 12 - Management Discussion and Analysis of Financial Condition, Results of Operations and Prospects of this Prospectus.

These forward-looking statements are based on information available to us as at the date of this Prospectus. Subject to the provisions of Section 238 of the CMSA, we expressly disclaim any obligation or undertaking to release publicly any update or revision to any forward-looking statements contained in this Prospectus to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

You will be deemed to have read and understood the descriptions of the assumptions and uncertainties underlying the forward looking statements that are contained herein.

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DEFINITIONS

Unless otherwise defined or the context otherwise requires, the following definitions shall apply throughout this Prospectus:

ACE Market	: ACE Market of Bursa Securities
Act	: Companies Act, 1965, as amended from time to time and any re-enactment thereof
Acquisition	: The acquisition by OCK of the entire equity interest in OCK Setia comprising 2,000,002 ordinary shares of RM1.00 each for a consideration of RM18,399,998 fully satisfied by the issuance of 183,999,980 new OCK Shares at par
Aliran Armada	: Aliran Armada Sdn Bhd (951885-W)
Alliance or Adviser or Sponsor or Underwriter or Placement Agent	: Alliance Investment Bank Berhad (21605-D)
All Star	: All Star Engineering Sdn Bhd (722915-W)
Alcatel-Lucent	: Alcatel-Lucent Malaysia Sdn Bhd (245643-T)
Application Form(s)	: The printed application form(s) for the application of our Public Issue Shares accompanying this Prospectus
ATM(s)	: Automated Teller Machine(s)
Board	: Board of Directors of OCK
BTMH or Reporting Accountants	: Baker Tilly Monteiro Heng (AF 0117)
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	: Bursa Malaysia Securities Berhad (635998-W)
CAGR	: Compound Annual Growth Rate
CCM	: Companies Commission of Malaysia
CDS	: Central Depository System
CDS Account	: An account established by Bursa Depository for a depositor for the recording of deposits or withdrawals of securities and for dealings in such securities by the depositor
Celcom	: Celcom Axiata Berhad (167469-A)
Central Depositories Act	: The Securities Industry (Central Depositories) Act, 1991, as amended from time to time and any re-enactment thereof
CIDB	: Construction Industry Development Board
CMSA	: Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
Delicom	: Delicom Sdn Bhd (505154-W)

DEFINITIONS (Cont'd)

DiGi	:	DiGi Telecommunications Sdn Bhd (201283-M)	
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation	
EI Power	:	EI Power Technologies Sdn Bhd (913886-A)	
EPS	:	Earnings per Share	
Ericsson	:	Ericsson (Malaysia) Sdn Bhd (9093-K)	
ESA or Electronic Share Application	:	Application for our Public Issue Shares through a Participating Financial Institution's ATM	
ETP	:	Economic Transformation Programme	
Firatel	:	Firatel Sdn Bhd (749375-D)	
Fortress Malaysia	:	Fortress Distribution Sdn Bhd (949821-D)	
Fortress Singapore	:	Fortress Pte Ltd (201105499Z)	
FYE	:	Financial year ended/ending	
GP	:	Gross profit	
GTP	:	Government Transformation Programme	
HwangDBS Underwriter	or Joint	:	HwangDBS Investment Bank Berhad (14389-U)
Huawei	:	Huawei Technologies (Malaysia) Sdn Bhd (545949-D)	
IMR Report	:	Independent Market Research Report titled 'Strategic Analysis of the Telecommunications Network Services Market, Malaysia'	
ISA or Internet Application	:	Application for our Public Issue Shares through an Internet Participating Financial Institution	
Issue Price	:	The issue price of RM0.36 per Public Issue Share	
ISO	:	International Organisation for Standardisation	
Issuing House or MIH	:	Malaysian Issuing House Sdn Bhd (258345-X)	
KPI	:	Key Performance Indicator	
Listing	:	The admission to the Official List of Bursa Securities and the listing of and quotation for OCK's entire enlarged issued and paid-up share capital of RM25,900,000 comprising 259,000,000 OCK Shares on the ACE Market	
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities, as amended or expanded from time to time	
Listing Scheme	:	Acquisition, Public Issue and Listing, collectively	
LPD	:	31 May 2012, being the latest practicable date prior to the issuance of this Prospectus	

DEFINITIONS (Cont'd)

Market Day	: Any day between Monday and Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
Maxis	: Maxis Broadband Sdn Bhd (234053-D)
MCMC	: Malaysian Communications and Multimedia Commission
NA	: Net assets
NBV	: Net book value
NEC	: NEC Corporation of Malaysia Sdn Bhd (526077-M)
NFP	: Network Facility Provider
NSN	: Nokia Siemens Networks Sdn Bhd (741348-X)
OCK or Company	: OCK Group Berhad (955915-M)
OCK Group or Group	: OCK and its subsidiary companies, collectively
OCK M&E	: OCK M&E Sdn Bhd (598002-K)
OCK Properties	: OCK Setia Properties Sdn Bhd (614365-A)
OCK Setia	: OCK Setia Engineering Sdn Bhd (528998-K)
OCK Share(s) or Share(s)	: Ordinary share(s) of RM0.10 each in OCK
PI	: Packet One Networks (Malaysia) Sdn Bhd (571389-H)
Participating Financial Institution(s)	: The participating financial institution(s) for the ESA as listed in Section 17 of this Prospectus
PAT or Net profit	: Profit after tax
PBT	: Profit before tax
PE Multiple	: Price-earnings multiple
Promoters	: Aliran Armada, Abdul Halim Bin Abdul Hamid, Ooi Chin Khoon, Low Hock Keong, Chang Tan Chin and Chong Wai Yew, collectively
Prospectus	: This prospectus dated 29 June 2012 in relation to our Public Issue
Protégé Associates	: Protégé Associates Sdn Bhd (675767-H)
PT OCK	: PT OCK Telecommunication (02.414.450.3-056.000)
Public	: All persons or members of the public but excluding directors of the Group, its substantial shareholders and persons connected or associated with them (as defined in the Listing Requirements)
Public Issue	: The 75,000,000 new OCK Shares, representing approximately 28.96% of the enlarged issued and paid-up share capital of OCK at the Issue Price
Public Issue Share(s) or Issue Share(s)	: The new OCK Share(s) to be issued pursuant to the Public Issue

DEFINITIONS (Cont'd)

QA	: Quality Assurance
QC	: Quality Control
QMS	: Quality Management System
RM and sen	: Ringgit Malaysia and sen, respectively
SC	: Securities Commission
SGD	: Singapore Dollar
SIAE	: SIAE Microeletronica Sdn Bhd (810790-D)
SIRIM	: Standards and Industrial Research Institute of Malaysia
SIRIM QAS	: SIRIM QAS International Sdn Bhd (410334-X)
SLA	: Service Level Agreement
SME	: Small and Medium Enterprise
SOCSO	: Social Security Organisation
SOP	: Standard operating procedures
sq. ft.	: Square feet
Steadcom	: Steadcom Sdn Bhd (893120-U)
U Mobile	: U Mobile Sdn Bhd (223969-U)
Underwriting Agreement	: The underwriting agreement dated 21 June 2012 made between the Company, the Underwriter and Joint Underwriter for the underwriting of 7,000,000 Public Issue Shares
YTL	: Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd (12479-V)
ZTE	: ZTE (Malaysia) Corporation Sdn Bhd (642514-X)

Technical References

3G	: Third Generation; a mobile telecommunications' standards that fulfil International Mobile Telecommunications-2000 specifications defined by International Telecommunication Union. 3G is commonly used by mobile devices to connect to the Internet or other Internet Protocol networks in order to make voice and video calls, to download and upload data and browse Internet content. In comparison with the preceding Second Generation technology, 3G has the following enhancements: <ul style="list-style-type: none">• Several times higher data speed;• Faster audio and video streaming; and• Internet browsing at higher speeds.
BTS	: Base Transceiver Station; an equipment that facilitates wireless communication between user equipment such as mobile phones and a network

DEFINITIONS (Cont'd)

DEL	: Direct Exchange Line; a telephone line connecting the subscriber's terminal equipment to the PSTN and which has a dedicated port in the telephone exchange equipment or better known as a private line
DWDM	: Dense Wavelength Division Multiplexing; puts together multiple signals and sends them at the same time along a fibre, with transmissions taking place at different wavelengths. This turns a single fibre into the virtual equivalent of a handful of fibres
GHz	: Gigahertz
GSM	: Global System for Mobile
HSBB	: High Speed Broadband; broadband service of speed 10 Megabits per second and above
HSDPA	: High-Speed Download Packet Access; a post-3G technology standard for mobile phone data transmission
IBC	: In-Building Coverage; cellular coverage inside buildings especially in high-rise buildings, basement and elevator area
ICT	: Information and Communication Technology
LTE	: Long Term Evolution; a standard for wireless communication of high-speed data for mobile phones and data terminals
M&E	: Mechanical and electrical engineering
NGBB	: Next Generation Broadband; broadband Internet service that is capable of providing a bandwidth of at least 10 Megabits per second
PSTN	: Public Switched Telephone Network; a network of the global public circuit-switched telephone networks that function the same way as the Internet which is the network of the world's public Internet Protocol-based packet-switched networks
SDH	: Synchronous Digital Hierarchy; a standard multiplexing protocol that transfer multiple digital bit streams over optical fibre using lasers or light-emitting diodes (LEDs)
Telecommunications operators	: Authorised providers of telecommunications services, including telephony, data transfer and related services using various wired or wireless infrastructure
Technology providers	: Manufacturers of telecommunications products and components that are purchased and used by telecommunications operators in the course of their services provided to end users
WiMAX	: Worldwide Interoperability for Microwave Access; a telecommunication protocol that provides fixed and mobile Internet access intended for wireless coverage over wide geographical areas

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Address	Occupation	Nationality
Datuk Zawawi Bin Mahmuddin <i>Independent Non-Executive Chairman</i>	123, Jalan Sepah Puteri 5/18 Sri Utama Kota Damansara 48710 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Abdul Halim Bin Abdul Hamid <i>Deputy Chairman</i>	22, Jalan 7A/7 Bandar Tasik Puteri Kundang 48020 Rawang Selangor Darul Ehsan	Director	Malaysian
Ooi Chin Khoon <i>Managing Director</i>	35, Jalan Wawasan 4/4 Pusat Bandar Puchong 47100 Puchong Selangor Darul Ehsan	Director	Malaysian
Low Hock Keong <i>Executive Director</i>	7, Jalan Murai Off Jalan Meru 41050 Klang Selangor Darul Ehsan	Director	Malaysian
Chang Tan Chin <i>Executive Director</i>	93, Jalan Sepah Puteri 5/14 Sri Utama Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Chong Wai Yew <i>Executive Director</i>	57, Jalan Sg Merbau 32/87 Kemuning Greenville Seksyen 32 40460 Shah Alam Selangor Darul Ehsan	Director	Malaysian
Lee Yow Fui <i>Independent Non-Executive Director</i>	28, Jalan Putra Permai 8G Taman Equine 43300 Seri Kembangan Selangor Darul Ehsan	Director	Malaysian
Fu Lit Fung <i>Independent Non-Executive Director</i>	16, Jalan Damai Jasa 8 Alam Damai Cheras 56000 Kuala Lumpur	Director	Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
Datuk Zawawi Bin Mahmuddin	Chairman	Independent Non-Executive Chairman
Lee Yow Fui	Member	Independent Non-Executive Director
Fu Lit Fung	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

NOMINATION COMMITTEE

Name	Designation	Directorship
Datuk Zawawi Bin Mahmuddin	Chairman	Independent Non-Executive Chairman
Lee Yow Fui	Member	Independent Non-Executive Director
Fu Lit Fung	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Datuk Zawawi Bin Mahmuddin	Chairman	Independent Non-Executive Chairman
Lee Yow Fui	Member	Independent Non-Executive Director
Ooi Chin Khoon	Member	Managing Director

COMPANY SECRETARY

: Wong Youn Kim (MAICSA 7018778)
No. 24-3, Jalan Tun Sambanthan 3
50470 Kuala Lumpur
Tel : (603) 2273 5260
Fax: (603) 2273 5320

REGISTERED OFFICE

: No. 24-3, Jalan Tun Sambanthan 3
50470 Kuala Lumpur
Tel : (603) 2273 5260
Fax: (603) 2273 5320

HEAD OFFICE

: No. 11 & 13, Jalan Puteri 2/6
Bandar Puteri
47100 Puchong
Selangor Darul Ehsan
Tel : (603) 8065 6868
Fax: (603) 8065 6800
Website: www.ock.com.my

**AUDITORS AND REPORTING
ACCOUNTANTS**

: Baker Tilly Monteiro Heng (AF 0117)
Monteiro & Heng Chambers
22, Jalan Tun Sambanthan 3
50470 Kuala Lumpur
Tel : (603) 2274 8988
Fax: (603) 2260 1708

SOLICITORS

: Shahrizat Rashid & Lee
Level 12, Menara Milenium
8, Jalan Damanlela
Damansara Heights
50490 Kuala Lumpur
Tel : (603) 2710 5555
Fax: (603) 2710 3104

INDEPENDENT MARKET RESEARCHER

: Protégé Associates Sdn Bhd (675767-H)
Suite C-06-06 Plaza Mont' Kiara
2, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel : (603) 6201 9301
Fax: (603) 6201 7302

1. CORPORATE DIRECTORY (Cont'd)

PRINCIPAL BANKERS	: AmIslamic Bank Berhad (295576-U) Level 18, Menara Dion Jalan Sultan Ismail 50250 Kuala Lumpur Tel : (603) 2026 3939 Fax: (603) 2026 6855
	Public Bank Berhad (6463-H) No. 1 & 3, Jalan Puteri 2/3 Bandar Puteri 47100 Puchong Selangor Darul Ehsan Tel : (603) 8062 8899 Fax: (603) 8062 7788
ISSUING HOUSE	: Malaysian Issuing House Sdn Bhd (258345-X) Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Tel : (603) 7841 8000 Fax: (603) 7841 8150
SHARE REGISTRAR	: Equiniti Services Sdn Bhd (11324-H) Level 8, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Tel : (603) 2166 0933 Fax: (603) 2166 0688
VALUER	: Raine & Horne International Zaki + Partners Sdn Bhd (99440-T) Perpetual 99 Jalan Raja Muda Abdul Aziz 50300 Kuala Lumpur Tel : (603) 2698 0911 Fax: (603) 2691 1959
ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	: Alliance Investment Bank Berhad (21605-D) Level 3, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel : (603) 2692 7788 Fax: (603) 2691 9028
JOINT UNDERWRITER	: HwangDBS Investment Bank Berhad (14389-U) Level 8, Wisma Sri Pinang 60, Green Hall 10200 Penang Tel : (604) 263 6996 Fax: (604) 263 9597
LISTING SOUGHT	: ACE Market of Bursa Securities

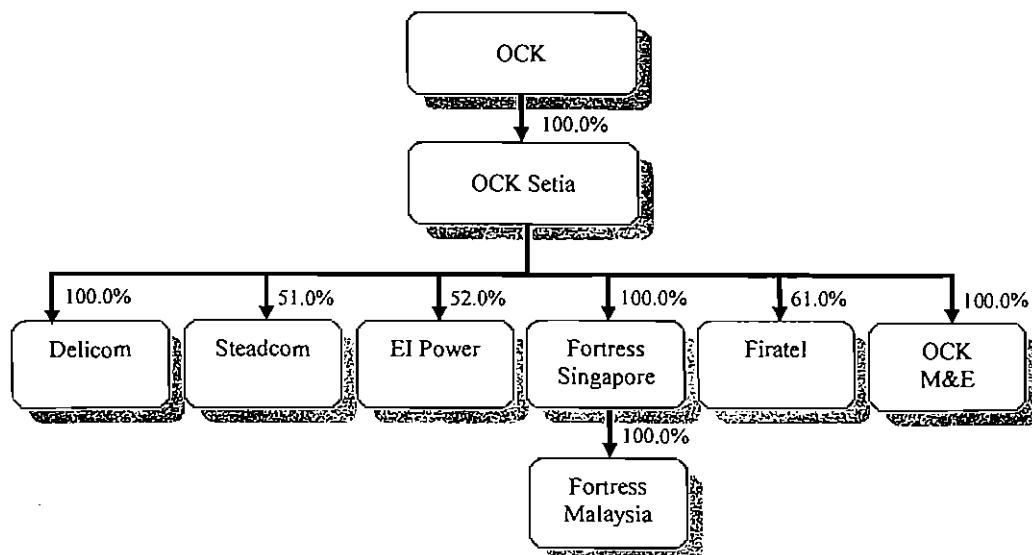
2. SUMMARY INFORMATION

THIS INFORMATION SUMMARY SETS OUT THE SALIENT INFORMATION OF OUR GROUP AS CONTAINED IN THIS PROSPECTUS. YOU SHOULD READ AND UNDERSTAND THIS INFORMATION SUMMARY TOGETHER WITH THE FULL TEXT OF THIS PROSPECTUS BEFORE YOU DECIDE WHETHER TO INVEST IN OUR SHARES.

2.1 OVERVIEW OF OUR HISTORY AND BUSINESS

OCK was incorporated under the Act on 5 August 2011 as a private limited company under the name OCK Group Sdn Bhd. We subsequently converted into a public limited company and assumed our present name on 11 August 2011 to facilitate our listing on the ACE Market.

Our Group structure is as follows:



Our principal activities are as follows:

Company	Principal Activities
OCK	Investment holding
<u>Telecommunications Network Services</u>	
OCK Setia	Provision of turnkey telecommunications network services
Delicom	Provision of telecommunications network services focusing on network deployment services
Steadcom	Provision of telecommunications network services primarily focusing on network planning, design and optimisation
<u>Green Energy and Power Solutions</u>	
El Power	Provision of green energy and power solutions
<u>Telecommunications and Network Security Products and Materials</u>	
Fortress Singapore	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support
Fortress Malaysia	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support
Firatel	Trading of telecommunications network equipment and materials
<u>M&E Engineering Services</u>	
OCK M&E	Provision of mechanical and electrical engineering services

2. SUMMARY INFORMATION (Cont'd)

Established in 2000, we are principally involved in the provision of telecommunications network services. We are able to provide turnkey solutions for our client which includes all six (6) segments of the telecommunications network services market as follows:

- Network planning, design and optimisation;
- Network deployment;
- Network operations and maintenance;
- Infrastructure management;
- Energy management; and
- Professional services.

In 2011, we were awarded the necessary licenses to allow us to be owners and to operate telecommunications facilities. We are currently in the midst of planning for the implementation of our NFP plans. Please refer to Section 6.16.1 (ii) of this Prospectus for further information on our Group's NFP plans.

We are ISO 9001:2008 compliant. We first obtained ISO 9001:2000 compliance in 2008 in the area of 'supply and installation of telecommunications, mechanical and electrical system and provision of related civil engineering works' and subsequently updated to ISO 9001:2008 compliance in 2010*. In recognition of our service quality, we have been conferred with numerous awards, including the Golden Bull Award (100 Outstanding SMEs), Core Best Partner for South Pacific Region by Huawei and the Best Partner Awards by ZTE and Huawei.

Over the years, we have also diversified our business into the trading of telecommunications network equipment and materials, enterprise network security solutions and provision of green energy and power solutions.

Please refer to Section 5 and 6 of this Prospectus for further information on our Group's history and business.

Note:

* *The update in the ISO standards to ISO 9001:2008 in 2010 involves clarifications to the existing requirements of ISO 9001:2000 which introduces changes intended to improve consistency with the environmental management system standard, ISO 14001:2004.*

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2. SUMMARY INFORMATION (Cont'd)

2.2 FINANCIAL HIGHLIGHTS

2.2.1 Proforma Consolidated Statements of Comprehensive Income

The following table sets out our proforma consolidated statements of comprehensive income for the four (4) FYE 31 December 2008 to 2011, which have been prepared for illustrative purposes only based on the assumption that our current Group structure has been in existence throughout the financial years/period under review.

You should read the summary of our proforma consolidated financial information which has been presented below together with the management's discussion and analysis of financial conditions and results of operations and the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus and the Accountants' Report as set out in Section 13 of this Prospectus.

	Proforma Audited FYE 31 December			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Revenue	45,606	45,920	66,778	88,325
Cost of sales	(39,815)	(39,166)	(54,888)	(65,912)
Gross profit	5,791	6,754	11,890	22,413
Other income	581	752	748	2,299
Administrative expenses	(4,418)	(4,786)	(6,269)	(10,815)
Operating profit	1,954	2,720	6,369	13,897
Finance costs	(1,435)	(1,448)	(1,380)	(1,567)
PBT	519	1,272	4,989	12,330
Taxation	(352)	(471)	(1,473)	(3,130)
Net profit for the financial year	167	801	3,516	9,200
Other comprehensive income, net of tax	-	-	-	3,420
Total comprehensive income for the financial year	167	801	3,516	12,620
 Profit attributable to:				
Owners of OCK	166	789	3,378	8,523
Non-controlling interests	1	12	138	677
	167	801	3,516	9,200
 PBT	519	1,272	4,989	12,330
Depreciation	790	888	979	1,001
Interest expenses	1,435	1,448	1,380	1,583
Interest income	-	(13)	(43)	(67)
EBITDA	2,744	3,595	7,305	14,847
 Number of ordinary shares assumed to be in issue of RM0.10 each ('000)*	184,000	184,000	184,000	184,000
Gross EPS (sen) **	0.28	0.69	2.71	6.70
Net EPS (sen) ***	0.09	0.44	1.91	5.00
GP margin (%)	12.70	14.71	17.81	25.38
PBT margin (%)	1.14	2.77	7.47	13.96
PAT margin (%)	0.37	1.74	5.27	10.42
Effective tax rate (%)	67.82	37.03	29.52	25.39

2. SUMMARY INFORMATION (Cont'd)

Notes:

- * Based on the number of Shares in issue after the Acquisition but before our Public Issue.
- ** The gross EPS is computed based on the consolidated PBT divided by the number of Shares in issue after the Acquisitions but before our Public Issue.
- *** The net EPS is computed based on the consolidated PAT divided by the number of Shares in issue after the Acquisitions but before our Public Issue.

There was no share of profits and losses of associated companies and joint ventures, exceptional or extraordinary items during the financial years under review. The auditors' reports for our Group for the financial years under review were reported without any audit qualification.

2.2.2 Proforma Consolidated Statements of Financial Position

Our proforma consolidated statements of financial position have been prepared for illustrative purpose only based on our audited statements of financial position as at 31 December 2011 assuming that our Public Issue and utilisation of proceeds had been effected as at that date.

We advise you to read the proforma consolidated statements of financial position presented below together with the notes included in the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus.

Proforma Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Statement of Financial Position as at 31 December 2011 RM'000	Proforma I After the Public Issue RM'000	Proforma II After Proforma I and the Utilisation of Proceeds RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	-	14,873	14,873
Current Assets			
Inventories	-	8,859	8,859
Amounts due from customers for contract work	-	1,672	1,672
Trade and other receivables	-	29,486	29,486
Tax recoverable	-	34	34
Fixed deposits placed with licensed banks	-	1,255	1,255
Cash and bank balances	^	9,749	36,749
Total current assets	^	51,055	78,055
Total assets	^	65,928	90,928

2. SUMMARY INFORMATION (Cont'd)

Proforma Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2011 RM'000	Proforma I After the Public Issue RM'000	Proforma II After Proforma I and the Utilisation of Proceeds RM'000
EQUITY AND LIABILITIES			
Equity Attributable to Owners of Company			
Share capital	18,400	25,900	25,900
Share premium	-	19,500	18,885
Revaluation reserve	3,419	3,419	3,419
Foreign currency translation reserve	(4)	(4)	(4)
Reserve arising from reverse acquisition	(17,007)	(17,007)	(17,007)
Retained earnings	(607)	13,971	12,586
	(607)	18,779	43,779
Non-controlling interests	1,137	1,137	1,137
Total equity	(607)	19,916	44,916
Non-current Liabilities			
Loans and borrowings	6,966	6,966	6,966
Deferred tax liabilities	339	339	339
Other payables	603	-	-
Total non-current liabilities	603	7,305	7,305
Current Liabilities			
Amount due to customers for contract works	148	148	148
Trade and other payables	16,487	16,487	16,487
Loans and borrowings	20,515	20,515	20,515
Tax payable	1,557	1,557	1,557
Total current liabilities	4	38,707	38,707
Total liabilities	607	46,012	46,012
Total equity and liabilities	^	65,928	92,928
			90,928

2. SUMMARY INFORMATION (Cont'd)

	Proforma Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Statement of Financial Position as at 31 December 2011 RM'000	Proforma I After the Public Issue RM'000	Proforma II After Proforma I and the Utilisation of Proceeds RM'000
Number of ordinary shares assumed to be in issue of RM0.10 each ('000)	#	184,000	259,000	259,000
NA per ordinary share (RM)	(30,356.10)	0.10	0.18	0.17
NTA per ordinary share (RM)	(30,356.10)	0.10	0.18	0.17

Notes:

- ^ RM2 comprising twenty (20) OCK Shares.
 # Twenty (20) OCK Shares of RM0.10 each.

2.3 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy. The declaration of interim dividends and the recommendation of any final dividends are subject to the discretion of our Board and any final dividend proposed is subject to our shareholders' approval.

Our ability to pay future dividends to our shareholders is subject to various factors including but not limited to our financial performance, cash flow requirements, availability of distributable reserves and capital expenditure plans.

As our Company is a holding company, our income and therefore, our ability to pay dividends is dependent upon the dividends and other distributions that we receive from our subsidiary companies. The payment of dividends or other distributions by our subsidiary companies will depend on their operation results, financial condition, capital expenditure plans, business expansion plans and other factors that their respective board of directors deem relevant.

2.4 SUMMARY OF OUR PUBLIC ISSUE

- Size of our Public Issue : 75,000,000 new OCK Shares, representing approximately 28.96% of our Company's enlarged issued and paid-up share capital which are reserved for the application by the Public, eligible employees of our Group, persons who have contributed to the success of our Group and selected investors, of which at least 50% of the Public Tranche (as defined in Section 3.1.1 (i)) will be to the extent possible allocated to Bumiputera individuals, companies, societies, co-operatives and institutions
- Issue Price : RM0.36 per Public Issue Share

2. SUMMARY INFORMATION (*Cont'd*)

Utilisation of proceeds from the : The gross proceeds from the Public Issue amounting to RM27.00 million is intended to be utilised in the following manner:

Purpose	RM'000	%
Capital expenditure	9,900	36.67
Operating expenditure	9,700	35.92
Working capital	5,400	20.00
Estimated listing expenses	2,000	7.41
Total gross proceeds	27,000	100.00%

Total enlarged issued and paid-up share capital after Listing : RM25,900,000 comprising 259,000,000 Shares

Market capitalisation upon Listing : RM93,240,000

Detailed information on our Public Issue and utilisation of proceeds from the Public Issue are set out in Sections 3.1 and 3.6 respectively of this Prospectus.

2.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risks and investment considerations as set out in Section 4 of this Prospectus (which may not be exhaustive), and are summarised below:

Risks relating to our business and industries:

- Competitive rivalry;
- Timely supply of products and services;
- Dependency on major customers;
- Frame agreements;
- Dependency on particular segment of the telecommunications industry;
- Fluctuation in prices of supplies;
- Supply of equipment and products;
- Network sharing;
- Loss of executive director, key management and key technical personnel and skilled workforce;
- Adequacy of insurance coverage; and
- Political, economic and regulatory risk.

Risks relating to investment in our Shares:

- Delay or abortion of our Listing;
- No prior market for our Shares and possible volatility of our Share price;
- Control by Promoters; and
- Dividend payments.

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY BEFORE APPLYING FOR OUR PUBLIC ISSUE SHARES.

3.1 OUR PUBLIC ISSUE AND LISTING

3.1.1 Public Issue

Our Public Issue is subject to the terms and conditions of this Prospectus, and upon acceptance, will be allocated the aggregate of 75,000,000 new OCK Shares at the Issue Price in the manner explained below which is subject to clawback and reallocation:

(i) Public ("Public Tranche")

7,000,000 Public Issue Shares, representing approximately 2.70% of our enlarged issued and paid-up share capital, will be available for application by the Public, of which at least 50% shall be set aside for Bumiputera investors including individuals, companies, societies, co-operatives and institutions.

Any Public Issue Shares reserved under the Public Tranche which are not fully subscribed for by the Public will be made available for subscription by our eligible employees and persons who have contributed to the success of our Group under the Pink Form Tranche as described in Section 3.1.1 (ii) below. Any remaining Public Issue Shares will subsequently be made available for subscription by our selected investors under the Placement Tranche as described in Section 3.1.1 (iii) below and if undersubscribed, such Public Issue Shares will be subscribed by our Underwriter and Joint Underwriter based on the terms of the Underwriting Agreement.

(ii) Our Eligible Employees and Persons Who Have Contributed to The Success of Our Group ("Pink Form Tranche")

In recognition of their contributions to the success of our Group, we have reserved 9,500,000 Public Issue Shares, representing approximately 3.67% of our enlarged issued and paid-up share capital, for subscription by our eligible employees and persons who have contributed to the success of our Group.

We will allocate the Public Issue Shares to our eligible employees and persons who have contributed to the success of our Group in the following manner:

Eligibility	No. of Eligible Persons/Corporations	No. of Shares Allocated ('000)
Our eligible employees ⁽¹⁾	253	7,300,000
Eligible persons who have contributed to the success of our Group ⁽²⁾	31	2,200,000
Total	284	9,500,000

Notes:

(1) As approved by our Board, the criteria for allocation to our eligible employees are based on, amongst others, length of service and job grade in our Group.

(2) The criteria for allocation to eligible persons who have contributed to the success of our Group are based on, amongst others, volume of transaction and length of relationship with our Group.

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

The Public Issue Shares reserved under the Pink Form Tranche will not be underwritten as written irrevocable undertakings to subscribe for these Public Issue Shares have been procured from the respective eligible employees and persons who have contributed to the success of our Group.

(iii) Selected Investors via Placement (“Placement Tranche”)

58,500,000 Public Issue Shares, representing approximately 22.59% of our Company's enlarged issued and paid-up share capital, have been reserved for placement to selected investors.

The Public Issue Shares reserved under the Placement Tranche are not underwritten as written irrevocable undertakings to subscribe for these Public Issue Shares have been procured from the respective selected investors.

The basis of allocation for our Public Issue Shares takes into account the desirability of distributing the Public Issue Shares to a reasonable number of applicants with a view of broadening our shareholders base to meet the public spread requirements as per the Listing Requirements and to establish a liquid and adequate market for our Shares.

There is no over-allotment or ‘greenshoe’ option that will result in an increase in the amount of Public Issue Shares.

The salient terms of the Underwriting Agreement are set out in Section 3.8 of this Prospectus.

3.1.2 Listing on Bursa Securities

Bursa Securities had on 31 May 2012, approved the admission of our Company to its Official List and the listing of and quotation for our entire enlarged issued and paid-up share capital of RM25,900,000 comprising 259,000,000 Shares on the ACE Market. The listing of and quotation for our Shares will commence immediately two (2) market days after Bursa Securities receives the necessary documents specified in their approval letter.

3.2 SHARE CAPITAL

	RM
<i>Authorised share capital</i>	
500,000,000 ordinary shares of RM0.10 each	50,000,000
<i>Issued and fully paid-up share capital as at the date of this Prospectus</i>	
184,000,000 ordinary shares of RM0.10 each	18,400,000
<i>To be issued and credited as fully paid-up pursuant to our Public Issue</i>	
75,000,000 new ordinary shares of RM0.10 each	7,500,000
<i>Enlarged issued and paid-up share capital upon Listing</i>	
259,000,000 ordinary shares of RM0.10 each	25,900,000
Issue Price	0.36
<i>Market capitalisation upon Listing</i>	93,240,000

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

We have only one (1) class of shares in our Company, namely ordinary shares of RM0.10 each. The Public Issue Shares will upon allotment rank *pari passu* in all respects with one another and all other existing issued and paid-up share capital in our Company, including voting rights and the rights to all dividends and other distributions that may be declared subsequent to the date of allotment of the Public Issue Shares.

Subject to any special rights attached to any Shares which we may issue in the future, our shareholders shall, in proportion to the capital paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions, and in the event of our liquidation, our shareholders shall be entitled to any surplus in proportion to the capital paid-up at the commencement of the liquidation, in accordance with our Articles of Association and the provisions of the Act.

Each shareholder is entitled to vote at our general meetings in person or by proxy or by attorney and on a show of hands, every person present who is a shareholder or authorised representative or proxy or attorney of a shareholder shall have one (1) vote, and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each Share held. A proxy may but need not be a member of our Company, or qualified legal practitioner, or an approved company auditor, or a person approved by CCM and the provisions of Section 149(1)(b) of the Act shall not apply to our Company.

3.3 PURPOSE OF OUR PUBLIC ISSUE AND LISTING

The purpose of our Public Issue and Listing is:

- (i) to enable us to gain access to the capital market to raise funds for our future expansion and growth when the need arises in the future, through other forms of capital raising avenues;
- (ii) to provide an opportunity for investors and institutions to participate in the continuing growth of our Group; and
- (iii) to enhance our stature and heighten our public profile as well as increase market awareness of our services so as to assist us in expanding our customer base.

3.4 PRICING OF OUR PUBLIC ISSUE SHARES

The Public Issue Price was determined and agreed upon by our Board, Promoters and Alliance, after taking into account the prevailing market conditions and the following factors:

- (i) A net PE multiple of 7.20 times based on our Group's proforma net EPS of RM0.05, computed based on our Group's proforma PAT of RM9.20 million for the FYE 31 December 2011 and our issued and paid-up share capital before our Public Issue of 184,000,000 Shares;
- (ii) Our proforma consolidated NA per Share of RM0.10, computed based on our Group's proforma NA of RM18.78 million as at 31 December 2011 and our issued and paid-up share capital before our Public Issue of 184,000,000 Shares;
- (iii) Our competitive strengths in terms of:
 - Established market reputation;
 - One-stop solution provider for telecommunications network services
 - Good working relationships with technology providers; and
 - Experienced human capital.

Further details of our competitive strengths are described in Section 6.5 of this Prospectus.

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

You should note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties, which may affect the price of our Shares being traded. You should bear in mind the risk factors as set out in Section 4 of this Prospectus and form your own views on the valuation of our Public Issue Shares before deciding on whether to invest in our Shares.

3.5 DILUTION

Dilution is the amount by which the Issue Price to be paid by applicants for our Public Issue Shares exceeds our NA per Share after the Public Issue as follows:

	RM
Issue Price	0.36
Proforma consolidated NA per Share as at 31 December 2011 before our Public Issue	0.10
Increase in proforma consolidated NA per Share contributed by new investors	0.07
Proforma consolidated NA per Share after our Public Issue (after adjusting the effect of the utilisation of proceeds)	0.17
Dilution in the proforma consolidated NA per Share to new investors	0.19
Dilution in the proforma consolidated NA per Share as a percentage of the Public Issue Price	52.78%

The following table summarises the total number of Shares received by our Directors, substantial shareholders, key management and key technical personnel or persons connected to them during the past three (3) years prior to the date of this Prospectus and the average cost per Share to them and to the new investors who subscribe for our Public Issue Shares pursuant to the Public Issue:

Directors, Substantial Shareholders, Key Management and Key Technical Personnel or Persons Connected to Them	No. of Shares Before the Public Issue	No. of Shares From the Public Issue	Total Consideration RM	Average Cost Per Share RM
Aliran Armada	165,600,000	-	16,560,000	0.10
Datuk Zawawi Bin Mahmuddin	-	-	-	-
Abdul Halim Bin Abdul Hamid	165,600,000 ⁽¹⁾	-	-	-
Ooi Chin Khoon	165,600,000 ⁽¹⁾	-	-	-
Low Hock Keong	7,360,000	-	736,000	0.10
Chang Tan Chin	5,520,000	-	552,000	0.10
Chong Wai Yew	5,520,000	-	552,000	0.10
Lee Yow Fui	-	-	-	-
Fu Lit Fung	-	-	-	-
Cheng Tee Han	-	258,100 [^]	92,916	0.36
Wong Shau Yang	-	258,100 [^]	92,916	0.36
Foo See Liang	-	258,100 [^]	92,916	0.36
Hussin Bin Abu Bakar	-	220,000 [^]	79,200	0.36
Quek Meu San	-	1,400,000 [^]	504,000	0.36
Sharon Mak May Cheng	-	258,100 [^]	92,916	0.36

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

Directors, Substantial Shareholders, Key Management and Key Technical Personnel or Persons Connected to Them	No. of Shares Before the Public Issue	No. of Shares From the Public Issue	Total Consideration	Average Cost Per Share RM
Other investors				
New investors from Public Issue	-	72,347,600	26,045,136	0.36

Note:

- (i) *Held through Aliran Armada.*
 ^ *Assuming full subscription of Pink Form Shares allocations.*

3.6 USE OF PROCEEDS

Based on the Issue Price, a total gross proceeds of RM27.00 million will be raised from our Public Issue. The proceeds shall accrue entirely to our Company who will bear all expenses relating to the Listing and are intended to be utilised in the following manner:

Purposes	RM'000	%	Estimated Time Frame for Use (from the listing date)
(i) Capital expenditure	9,900	36.67	Within 2 years
(ii) Operating expenditure	9,700	35.92	Within 1 year
(iii) Working capital	5,400	20.00	Within 2 years
(iv) Estimated listing expenses	2,000	7.41	Upon Listing
Total gross proceeds	27,000	100.00	

Notes:

- (i) *Capital expenditure*

In order to diversify our business activities, we have planned to be a NFP by building our own telecommunications towers to be rented to telecommunications operators. We have obtained the necessary licenses from MCMC on 29 November 2011 for this purpose and are currently planning for the implementation of our NFP plans. In anticipation, we would be required to invest approximately RM9.90 million for this purpose which will be entirely funded by the Public Issue proceeds.

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3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

Details of the expenditure for this purpose are as follows:

Category	Purpose	Estimated Commitment RM'000	Expected Utilisation Date
Raw materials	For the construction of telecommunication towers	8,600	Within 2 years
Labour cost	For the construction of the telecommunication towers	800	Within 2 years
Project management	To acquire necessary approvals, licenses and tenancy agreements for the erection of the telecommunication towers	500	Within 2 years
Total expenditures		9,900	

With such expenditure being made, we will be able to add a new source of revenue to our business as a form of diversification to our current income stream. Please refer to Section 6.16 for further details of this future plan.

(ii) *Operating expenditure*

As a service provider, we plan and allocate manpower for our turnkey telecommunications network projects. In anticipation of expanding construction and outsourcing of services of telecommunications tower sites by telecommunication operators, we would require additional headcount to hire engineers, technicians and other technical personnel to be able to cater for this purpose. We anticipate that we will utilise RM9.70 million which will be entirely funded by the Public Issue proceeds, for this purpose.

The operating expenditure will include:

Category	Purpose	Estimated Commitment RM	Expected Utilisation Date
Direct labour cost	For the expansion of turnkey telecommunications network projects	7,000	Within 1 year
Mobilisation cost	Travelling, accommodation and other allowances for the implementation of turnkey telecommunications network projects	2,700	Within 1 year
Total expenditures		9,700	

(iii) *Working capital*

Our requirement for working capital will increase in tandem with our future plans. Therefore, we expect to utilise approximately RM5.40 million of the proceeds raised from our Public Issue as additional working capital to finance our day-to-day operations, including inter-alia, financing our marketing and business development activities (including setting up of site offices), purchase of inventories (including test equipment), increasing headcount (in the Group's supporting functions such as the finance, marketing, human resources, procurement and warehousing departments) and defrayment of administration expenses.

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

(iv) *Estimated listing expenses*

Our Company will bear all the listing expenses and fees incidental to the Listing of RM2.00 million as follows:

	<i>RM'000</i>
<i>Professional advisory fees</i>	1,170
<i>Fees to the authorities and Issuing House</i>	150
<i>Underwriting and placement commission and brokerage fees</i>	315
<i>Printing and advertising cost</i>	150
<i>Other incidental charges</i>	215
<i>Total</i>	2,000

Should the needs as disclosed in items (i) and (ii) above require additional funds, we will solicit these additional funds through bank borrowings and/or internally generated funds for such purposes. Should the allocation for any of the utilisation above exceed its intended use, the excess of the proceeds shall be used for working capital requirements.

Pending the eventual utilisation of the proceeds from our Public Issue for the above purposes, the proceeds will be placed in short-term deposits with licensed financial institutions or short-term money market instruments.

3.7 BROKERAGE, UNDERWRITING COMMISSION AND PLACEMENT FEE

Brokerage

Brokerage relating to our Public Issue Shares made available for application by the Public is payable by us at the rate of one percent (1%) of the Public Issue Price, in respect of successful applications bearing the stamp of Alliance, a participating organisation of Bursa Securities, a member of the Association of Banks in Malaysia, a member of the Malaysian Investment Banking Association or the Issuing House.

Underwriting Commission

Alliance and HwangDBS, as our Underwriter and Joint Underwriter, have agreed to underwrite 1,000,000 and 6,000,000 Issue Shares, respectively, which is reserved for application under the Public Tranche as set out in Section 3.1.1 (i) of this Prospectus. Underwriting commission is payable by us to our Underwriter and Joint Underwriter at the rate of between 2.0% to 2.5% of the total value of the underwritten Shares at the Issue Price.

Placement Fee

Alliance has arranged for the placement of 58,500,000 Issue Shares at a rate of between 0.5% and 2.0% of the value of the Public Issue Shares based on the Issue Price.

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3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (*Cont'd*)

3.8 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into an underwriting agreement with Alliance and HwangDBS on 21 June 2012 ("Underwriting Agreement") to underwrite 1,000,000 and 6,000,000 Issue Shares, respectively, as set out in Section 3.1.1 (i) of this Prospectus.

The following salient terms are reproduced from the Underwriting Agreement:

Subject to the terms and conditions contained in the Underwriting Agreement, the Underwriter and Joint Underwriter agreed to underwrite the 7,000,000 Public Issue Shares at the issue price of RM0.36 per Public Issue Share. For its services, the Underwriter and Joint Underwriter will receive an aggregate underwriting commission of RM61,200 which will be borne by OCK.

Conditions Precedent

The obligation of the Underwriter and Joint Underwriter to underwrite the Public Issue Shares under the Underwriting Agreement is conditional on various conditions, including, among others, the following:

- (i) there having been on or prior to the date of the closing of the Public Issue ("Closing Date"), in the opinion of the Underwriter and Joint Underwriter, neither any material adverse change nor any development reasonably likely to result in any material adverse change, in the condition (financial or otherwise) of OCK Group, which is material in the context of the Public Issue from that set forth in this Prospectus, nor the occurrence of any event or the discovery of any fact which is inaccurate, untrue or incorrect to any extent which is or will be material in the opinion of the Underwriter and Joint Underwriter, which makes any of the representations and warranties contained in the Underwriting Agreement untrue and incorrect in any respect as though they had been given and made on such date with reference to the facts and circumstances then subsisting, nor the occurrence of any breach of the undertakings contained therein;
- (ii) the delivery to the Underwriter and Joint Underwriter:
 - a) prior to the date of the registration of this Prospectus, a copy certified as a true copy by an authorised officer of OCK of all the resolutions of the Board and the shareholders in general meeting approving the Underwriting Agreement, this Prospectus, the Public Issue and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; and
 - b) a certificate dated the date of this Prospectus signed by a duly authorised officer of OCK stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as is referred to in item (i) above.
- (iii) the delivery to the Underwriter and Joint Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from the Board as the Underwriter and Joint Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of OCK Group;
- (iv) the Underwriter and Joint Underwriter having been satisfied that arrangements have been made by OCK to ensure payment of the costs and expenses incidental to the Listing;
- (v) the Public Issue not being prohibited or impeded by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia, including but not limited to Bursa Securities and the SC;

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (*Cont'd*)

- (vi) OCK having complied with and that the Public Issue is in compliance with the CMSA, policies, guidelines and requirements of Bursa Securities and/or the SC and all revisions, amendments and/or supplements thereto;
- (vii) the acceptance for registration by the SC of this Prospectus and such other documents as may be required in accordance with the CMSA in relation to the Public Issue and the lodgement of this Prospectus with the CCM on or before their release under the Public Issue;
- (viii) the receipt by OCK by the Closing Date of all monies payable in relation to the Public Issue Shares which are not underwritten;
- (ix) the Underwriting Agreement having been duly executed by OCK, the Underwriter and Joint Underwriter and stamped;
- (x) this Prospectus being in form and substance satisfactory to the Underwriter and Joint Underwriter and the issue of this Prospectus being not later than one (1) month from the date of the Underwriting Agreement or such later date as the Underwriter and Joint Underwriter may from time to time agree in writing; and
- (xi) the approval of Bursa Securities for the admission of OCK to the Official List of Bursa Securities and the listing of and quotation for its entire enlarged issued and paid-up share capital being obtained on terms acceptable to the Underwriter and Joint Underwriter and remaining in full force and effect and that all conditions precedent to the approval have been complied with to the satisfaction of the Underwriter and Joint Underwriter and such approval has not been withdrawn.

If any of the conditions precedent described above, to the extent not waived, are not satisfied by the Closing Date, the Underwriter and Joint Underwriter shall be entitled to jointly terminate the Underwriting Agreement.

Termination

Notwithstanding anything contained in the Underwriting Agreement, the Underwriter and Joint Underwriter may terminate, cancel and withdraw the Underwriter and Joint Underwriter respective underwriting commitment upon the occurrence of any of the following:

- (i) there is any breach by OCK of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to OCK to the satisfaction of the Underwriter and Joint Underwriter, or by the Closing Date, whichever is earlier; or
- (ii) there is withholding of information which is required to be disclosed to the Underwriter and Joint Underwriter pursuant to the Underwriting Agreement, and if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to OCK, which, in the opinion of the Underwriter and Joint Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue, or the distribution or sale of the Public Issue Shares; or
- (iii) there shall have occurred, happened or come into effect any of the following circumstances:
 - (a) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions or the occurrence of any combination of any of the foregoing;

3. PARTICULARS OF OUR PUBLIC ISSUE AND LISTING (Cont'd)

- (b) any new law, regulation, directive, policy or ruling or any material change in law, regulation, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority which would prohibit or impede the obligations of the Underwriter and Joint Underwriter or any event or series of events beyond the reasonable control of the Underwriter and Joint Underwriter;
- (c) any material and adverse change to the business or financial condition of OCK or the Group;
- (d) approval for the Public Issue is withdrawn, modified and/or subject to terms and conditions not acceptable to the Underwriter and Joint Underwriter; which would have or can reasonably be expected to have, a material adverse effect on the success of the Public Issue, or the distribution or sale of the Public Issue Shares, or which has or is likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms; or
- (iv) there is failure on the part of the Company to perform any of its obligations herein contained; or
- (v) if the Closing Date is more than two (2) calendar months from the date of the Underwriting Agreement or any later date as OCK, the Underwriter and Joint Underwriter may mutually agree upon, the Underwriting Agreement will automatically lapse without the requirement for any notice in writing to be given to such effect and the Underwriter and Joint Underwriter will be released and discharged from its obligations.

Upon the issuance of the termination notice being received by OCK, the Underwriter and Joint Underwriter shall be released and discharged of their obligations without prejudice to their respective rights under the Underwriting Agreement, and the Underwriting Agreement shall be of no further force and effect and no party hereto shall be liable under any liability to any other parties hereto in respect of the Underwriting Agreement, except for the following:

- (i) the costs and expenses already incurred up to the date of termination and
- (ii) antecedent breaches pursuant to the terms of the Underwriting Agreement.

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4. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS (WHICH MAY NOT BE EXHAUSTIVE) THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS BEFORE INVESTING IN OUR SHARES.

If you are in any doubt as to the information contained in this section, you should consult your stockbroker, bank manager, solicitors, accountants or other professional adviser.

4.1 RISKS RELATING TO OUR BUSINESS AND INDUSTRIES

(i) Competitive Rivalry

There is an estimate of 200 participants in the telecommunications network services market in Malaysia. According to Protégé Associates, Tier-1 market participants with more than RM25.0 million in revenue include players such as OCK Group, Instacom Engineering Sdn Bhd and R&A Telecommunication Sdn Bhd and their respective subsidiary and associate companies.

We face competition amongst the existing market players in Malaysia and potential network services providers beyond Malaysia. Our proven track record over the past 12 years, through our capability of delivering successfully implemented network services, has enabled us to bid for projects with telecommunication operators directly and have been included as their approved service providers.

We have also maintained good working relationships with our technology providers such as Huawei, Alcatel-Lucent, ZTE and Ericsson. Changes in the telecommunications market is rapid and having symbiosis partnerships whereby we utilise their technology whilst they focus on constant upgrading of these technology provides an advantage to allow each of us to excel in the areas which we are involved in.

Nevertheless, there is also a potential risk of these technology providers entering the network services market directly. Whilst their focus is not in the implementation of such turnkey projects, they could be potential bidders in tender projects from telecommunications operators. However, technology providers would need to put in additional effort to secure the confidence of telecommunications operators in that they will be able to implement such technology besides being able to develop them. In addition, these technology providers in its new scope or role as network services providers would have to have the track record in delivering such services in a timely manner and quick response time towards any ratification work required. Whilst these have not been a forte for these technology providers, should they succeed, we may become service providers to these companies for the implementation of turnkey and/or deployment projects.

We take considerable effort to ensure that our services meet the expectations of our clients. Incidences such as delays in deliverables, pilferages and/or vandalism during the performance of our services will be reported to the client as well as the relevant authorities immediately. Whilst that is so, there is no assurance that there may be potential negligence which may affect our reputation with our clients. We will take all necessary precautions including attaining necessary safety and equipment knowledge to ensure that such risks will be minimised to ensure that we remain competitive in the industry. Our track record in the industry and quality of work is pertinent to our continued growth into the future.

Please refer to Section 6.5 of this Prospectus for further information on our competitive strengths.

4. RISK FACTORS (Cont'd)

(ii) Timely Supply of Products and Services

Our revenue is mainly derived from our provision of telecommunications network services. Our ability to continuously procure successful tenders and contracts is attributable to our ability to fulfil client's requirements based on specific quality, quantity and on a timely basis. Any failure or delays on our part may result in deferment or loss of revenue to our clients and ourselves.

Occasionally, we may face downtime due to weather, sub-contractor's manpower shortage and delay in delivery of supplies and equipments due to shipment or production delays which are not within our control. However, we keep supply of some of these pertinent equipment and supplies in order for us to continue delivering our services to our clients. We also ensure that we have adequate suppliers of materials and sub-contractors who will be able to provide us with the necessary supplies and perform tasks as required by us from time to time.

Further thereto, each of our projects is assigned with project managers or personnel to monitor and ensure that the above incidences are minimised. We also ensure that our progress is communicated on a timely basis to our clients to enable any ratification of timelines to minimise any disruptions at their end as our services affects telecommunication operators' critical functions i.e. undisrupted connectivity.

As at the LPD, we have not experienced any negative feedback due to our services nor have we been involved with any legal actions due to failure of delivering our services caused by such incidences.

(iii) Dependency on Major Customers

We derive a significant portion of our income from our major customers, namely DiGi and Ericsson, who contributed more than 10% respectively to our Group's total revenue in FYE 31 December 2011. For the FYE 31 December 2011, DiGi and Ericsson contributed an aggregate of approximately 29.54% of our total revenue.

We operate on frame agreements with our customers and our customers are not committed to purchase a minimum amount from us at any specific interval during the frame agreement period (further details are as explained in Section 4.1 (iv) below). An adverse change in our relationship and/or a negative perspective of our services may result in a reduction or cessation of their purchases from us. If we are unable to obtain other frame agreement in substitution, our business, results of operations and financial condition may be adversely affected. Despite the uncertainty in the frame agreements, we have developed long term business relationships with our major customers with an average of eight (8) years of working relationship. These long term relationships have enabled us to develop a good understanding of our customers' requirements and expectations, ensuring continuity of business with our existing customers.

Further thereto, to mitigate this risk, we have taken the effort to expand our customer base, year upon year, to minimise our dependency on any one of our major customers. Our customer base increased from 33 customers in FYE 31 December 2008 to 97 in FYE 31 December 2011. Our customers comprise of technology providers as well as telecommunications operators. The number of telecommunications operators is being managed by the Malaysian Government ("Government") whereby limited licenses are issued. Nevertheless, there are many international technology providers which may have the technology to support any of the Group's future telecommunications needs such as 4G, WiMax, LTE, etc. The evolution of telecommunications will result in new vendors supplying to the existing telecommunications operators and future licensed operators. With our history and track record in managing telecommunications network turnkey projects and provision of deployment services, we envisage that we would be in the forefront of the tendering of such telecommunications network services to be provided in the future.

4. RISK FACTORS (*Cont'd*)

As stated above, limited telecommunications operator licenses are issued by the Government. Currently, the Group's customer base covers most major players in the industry to include amongst others Celcom, P1, DiGi and U-Mobile. By securing projects from other telecommunications operators (either by increasing it from existing customers who are not major customers or from new customers) will reduce the dependency on them. However, this effort has its limitations as the numbers of telecommunications operators are controlled by the said governmental controls through license issuance.

Although we have been taking steps to diversify our customer base, the loss of one or more of our major customers or cancellation of or reduction in orders from any of our major customers will have a material adverse impact on our business, financial condition or operating results.

Although we seek to limit the dependence on our major customers through the efforts mentioned above, no assurance can be given that any loss of our major customers will not have a material adverse effect on our Group's future performance.

Please refer to Section 4.1 (iv) below for further information on the risk related to frame agreements.

(iv) Frame Agreements

The norm in the telecommunications network service provider industry is to enter into frame agreements with telecommunications operators. These agreements provide the timeframe and the service levels required by our clients. It may include design, building, maintenance and operations of network infrastructure. However, there is no specified value in these agreements other than unit rates for services and materials. We receive purchase orders or bill of quantity for the required work, service and materials during the duration of the agreement in no specific intervals. Nevertheless, we would be ensured that with the frame agreements, we are the selected provider of such services rendered.

Considering that any such implementation of network infrastructure by a telecommunications operator would involve substantially their entire network, we are able to quantify the estimated value of such contracts internally. However, these revenue may not be billed as planned although in practice such a roll out of network service is typically for a certain number of infrastructure. Whilst that is said, any changes in the telecommunications industry such as technology i.e. from GSM to 3G or 3G to 4G, halfway through the implementation of our projects may result in our clients' opting to begin upgrading their infrastructure to those latest technology. Hence, whilst the existing contract is subsisting, the absence of value and the nature that purchase orders or bill of quantity is required for any services or materials may render them obsolete.

Whilst there is a risk of such events materialising, we provide our commitment in terms of quality and timeliness in our work. This will enable us to win the confidence of our clients to enable them to award us with their next projects. We have not experienced any contracts which have been discontinued midway or due to any change in technology being adopted since the beginning of our operations.

(v) Dependency on Particular Segment of The Telecommunications Industry

Our revenue is mainly derived from the provision of telecommunications network services which contributed to 87.24% of our Group's revenue in FYE 31 December 2011. We plan to increase the contributions from our other business segments such as becoming a telecommunications network infrastructure owner and provision of green energy and power solutions.

Telecommunications operators are constantly investing to expand and upgrade their network quality, coverage, capacity and capabilities to enable them to grow their subscriber base. One of their larger investments is in the ownership, maintenance and operations of network infrastructure such as base stations. Due to its high cost of ownership and duplications of base stations between these operators, they are beginning to favour infrastructure sharing and other means of reducing such infrastructure investments.

4. RISK FACTORS (*Cont'd*)

This allows us to capitalise on our experience in designing and building such infrastructure to invest in our own infrastructure to be leased to our clients and expand our network operations and maintenance services. We have obtained NFP license from MCMC on 29 November 2011 which will permit us to build and own telecommunications towers.

Please refer to Section 6.16 of this Prospectus for further information on our future plans.

(vi) Fluctuation in Prices of Supplies

Major materials used by us in the provision of our services are related to steel and other metal related products such as electrical power generation systems, antennas, connectors and cables which accounts for approximately 39.02% of the total material that we purchased and sub-contractor services rendered in the FYE 31 December 2011. The price of steel is dependent on the demand and supply condition of steel in the global market. The increase or decrease in the price of raw materials are affected by many factors beyond our control, which amongst others, include the general state of the global economy, the level of industrial development worldwide, competition, industrial productivity levels, imposition of import duties/levies and foreign currency fluctuations. Any increase in the price of raw materials will increase our cost of sales.

Our Group has established long term relationships with our suppliers. Based on these relationships, we are able to source materials required for our projects at competitive prices. We also have a stable supplier base of approximately 150 suppliers as at FYE 31 December 2011 which provides us with necessary materials should there be a shortage being experienced by a particular supplier. Notwithstanding this, there can be no assurance that prices of our materials would not increase and that such increase will not have a material effect on our financial performance.

If at any time we are unable to absorb the bulk increase of the cost in material, we would discuss an appropriate variation in the frame agreements with our clients to negate such negative impact on our profit margins. Additionally, we also ensure that there is no sudden unanticipated price increases by keeping ourselves abreast of material pricing by being in contact with our suppliers periodically and to monitor factors stated above.

We have not encountered any major cost overruns in dealing with materials and were able to absorb most cost increases to the extent possible without major impact on our profits. However, there is no assurance that our operating results will not be affected by major fluctuations in prices in the future.

Please refer to Section 6.11.1 of this Prospectus for further information on the types and value of purchases by and sub-contractor services rendered to our Group for the FYE 31 December 2011.

(vii) Supply of Equipment and Products

An uninterrupted and continuous supply of equipment and products to our business cycle is crucial to our Group's success. Any disruption to the supply chain will adversely affect our business operations. For the FYE 31 December 2011, we have been dependent on Guangdong Westinpower Co. Ltd for the supply of products and materials for the running of our business. Guangdong Westinpower Co. Ltd contributed 38.82% of our total purchases for the FYE 31 December 2011.

To mitigate the risk of dependence on any suppliers, our Group has sourced our supplies from approximately 150 suppliers as at 31 December 2011. In addition, we have established good business relationships with our suppliers for whom we have been dealing with for approximately two (2) to ten (10) years.

Whilst there is no guarantee that our suppliers will continue to supply us with equipment and products at the required quantity, quality and at the expected prices, we do not foresee any adverse disruptions in our supply chain in the near future. As at to date, we have not encountered any major problems when dealing with our suppliers. Nonetheless, no assurance can be given that our Group's business activities will not be affected in the event that there is a major disruption in our supply chain.

4. RISK FACTORS (*Cont'd*)

(viii) Network Sharing

The Government is encouraging shared facilities between telecommunications operators to reduce any effect on the environment due to the erection of multiple towers in one site for different telecommunications operators. The indirect long term benefit for the end-users is that shared facilities brings down costs and will in turn possibly benefit the end-users through reduced rates. With the Government promoting the consolidation of facilities, approvals for new sites will be reduced within urban areas. Further, telecommunications operators face the risk of not obtaining the required approvals from local authorities to install base stations or infrastructure which are suitable and required for their operations. Further thereto, with the Government's call for infrastructure sharing, telecommunications operators have begun to collaborate to share network base stations to reduce costs whilst maintaining network coverage.

As a result of such Government initiatives, DiGi and Celcom have implemented an integration project for infrastructure collaboration. Such initiatives require fresh infrastructure planning, development and maintenance works as well as dismantling works with regards to legacy infrastructure. The implementation of these works provides opportunities to our Group. Notwithstanding this is an advantage to us in terms of our plans to become telecommunications tower owners as well as the potential projects involving relocation of current existing structures to a location which would optimise connectivity between the sharing parties, it will eventually reduce the overall network deployment projects that will be implemented.

Nevertheless, with the roll out of new telecommunications technologies and the increase in data usage amongst users as data and call rates are competitively reduced, telecommunications operators see a need to also increase their network coverage. For example, from a base station, 3G coverage is relatively narrower which require more nodes or connecting points than say GSM coverage. The increase in use of 3G services and data contents would require additional infrastructure for such advancement or increase in use. Hence, whilst there is consolidation of existing network infrastructure, new infrastructure will still be required due to heavier usage and newer telecommunications technology.

(ix) Loss of Executive Directors, Key Management and Key Technical Personnel and Skilled Workforce

We attribute our success to the leadership and contributions of our Executive Directors and key management team. Our continued success is therefore dependent to a large extent on our ability to retain these personnel, who are responsible for formulating and implementing strategies to enable growth in our business. The loss of any of our Executive Director, key management and key technical personnel and skilled workforce, without suitable replacements will have material adverse effect on our business operations and hence, our revenue and profits.

We have taken the appropriate measures such as providing adequate compensation (which includes salaries, bonus, emoluments and other in-kind benefits), incentives, training and development programmes, as well as rewarding our employees for their contribution to our success. We also provide a healthy working environment, practise good workplace culture and uphold good work ethics to create a sense of belonging amongst our employees. However, there is no assurance that any loss of Executive Directors, key management team and key technical personnel and/or skilled workforce will not have an adverse effect on the performance of our Group.

Further, our success depends to a certain extent on our ability to continue to attract and retain qualified personnel. The competition for qualified employees within the industry is significant and loss of the services of such personnel or to retain existing personnel could have an adverse impact on our business. As at the LPD, we have 294 engineers and 50 technicians and installers which are currently adequate for the current projects in hand. With the current pool of human resources in hand, we will also be able to reassign any personnel to particular projects which are short-handed or in the event there's a need to complete them within a shorter timeframe as required by the telecommunications operators. Nevertheless, there can be no assurance that our Group's operation would not be materially impacted should there be an inadequate supply of such qualified personnel.

4. RISK FACTORS (*Cont'd*)

(x) Adequacy of Insurance Coverage

We believe our facilities, offices, equipment and inventories are adequately insured against any unforeseen events such as fire and burglary. We are aware of the consequences arising from inadequate insurance coverage that could have an adverse material impact on our business. To mitigate such risk, our Group conducts regular reviews on our insurance coverage including assessing the adequacy of our insurance coverage.

Further thereto, we are also aware of the risk involved in the implementation of our services which involves operating at heights, open fields and adverse weather conditions which could result in injury and any untowardly incidences to our personnel. We have adequate personnel insurance coverage and our personnel are trained to assess the safety measures to be undertaken to avoid any incidences due to human errors. We are also adequately insured with liability insurance against any damages and losses during the tenure of our frame agreements with our clients.

Although we believe that all necessary precautions have been taken, there can be no assurance that our operations would not be affected as a result of the risk of having inadequate insurance coverage.

(xi) Political, Economic and Regulatory Risk

The supply and demand for telecommunications infrastructure needs are very much dependent on the ongoing economic climate. Any slowdown in the global or local economy may have an adverse impact on the supply and demand for growth in these infrastructure. These include risks of war, global economic downturn, expropriation, nationalisation, unfavourable changes in Government policy and regulations such as telecommunications laws and controls. There can be no assurance that any change to these factors will not have a material adverse effect on our business.

Whilst our business operations is currently not subject to any laws and regulations of the jurisdiction where we operate save in respect of major licences disclosed in Section 6.12, there is no assurance that future changes to the said laws, regulations, rulings, directions, policies and guidelines will not affect the operation and performance of our Group.

4.2 RISKS RELATING TO INVESTMENT IN OUR SHARES

(i) Delay or Abortion of our Listing

Our Listing may be potentially delayed or aborted in the event of the following:

- (a) our Underwriter and Joint Underwriter exercising its rights pursuant to the Underwriting Agreement to discharge itself from its obligations; or
- (b) we are unable to meet the public spread requirement of at least 25% of our enlarged issued and paid-up share capital to be held by a minimum of 200 public shareholders holding not less than 100 Shares each, at the time of Listing.

We expect to meet the public shareholding requirement at the point of Listing by allocating the Public Issue Shares to the required number of public shareholders during the balloting/private placement processes. However, upon the occurrence of events stipulated in (a) and/or (b) above, monies paid in respect of any application accepted will be returned to you without interest within fourteen (14) days after we become liable to repay it. Further thereto, should the monies not be returned within fourteen (14) days after we are liable for it, our Directors shall be jointly and severally liable to repay such monies with interest at the rate of ten (10) per centum per annum (or such other rate as may be prescribed by the SC) from the expiration of that period as set out at Section 243(2) of the CMSA.

4. RISK FACTORS (Cont'd)

(ii) No Prior Market for Our Shares and Possible Volatility of Our Share price

There is no prior market for our Shares. Accordingly, there can be no assurance that an active market for our Shares will develop upon our Listing or if developed, that such market will be sustained. In addition, our Shares could trade at prices that may be lower than the Issue Price depending on many factors, some of which are not within our control and may be unrelated or disproportionate to our operating results. These include, amongst others, prevailing economic and financial conditions in Malaysia, the depth and liquidity of the market for our Shares and investors' individual perceptions of our Group.

(iii) Control by Promoters

Upon Listing, our Promoters will collectively hold approximately 71.04% of our enlarged issued and paid-up share capital. Depending on how they choose to vote and because of their shareholdings, our Promoters will generally be expected to have significant influence on the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting by law and/or as required by the relevant authorities.

Nevertheless, as a step towards good corporate governance, we have appointed three (3) Independent Non-Executive Directors and set up an Audit Committee to ensure that, *inter-alia*, any future transactions involving related parties are entered into on an arm's length basis, on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to our minority shareholders.

(iv) Dividend Payments

Our Company, being an investment holding company derives income mainly from dividends received from our subsidiary companies. Hence, our ability to pay future dividends and our ability to sustain our dividend policy in the future are largely dependent on the performance of our subsidiary companies. In determining the size of any dividend recommendation, we will also take into consideration a number of factors, including but not limited to our financial performance, cash flow requirements, debt servicing and financing commitments, future expansion plans, loan covenants and compliance with regulatory requirements.

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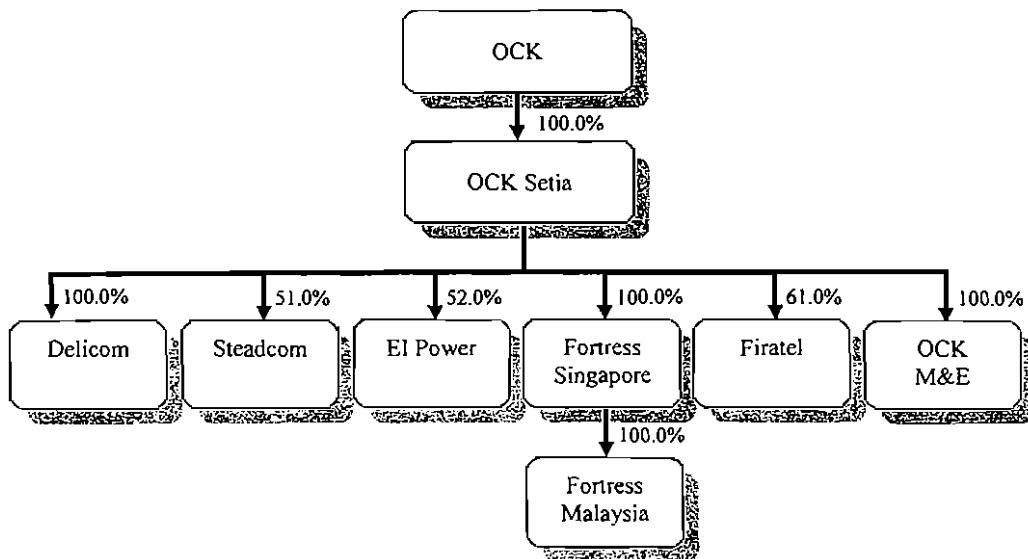
5. INFORMATION ON OUR GROUP

5.1 OUR GROUP

Overview

OCK was incorporated under the Act on 5 August 2011 as a private limited company under the name OCK Group Sdn Bhd. We subsequently converted into a public limited company and assumed our present name on 11 August 2011 to facilitate our listing on the ACE Market.

Our Group structure is as follows:



Our principal activities are as follows:

Company	Principal Activities
OCK	Investment holding
Telecommunications Network Services	
OCK Setia	Provision of turnkey telecommunications network services
Delicom	Provision of telecommunications network services focusing on network deployment services
Steadcom	Provision of telecommunications network services primarily focusing on network planning, design and optimisation
Green Energy and Power Solutions	
EI Power	Provision of green energy and power solutions
Telecommunications and Network Security Products and Materials	
Fortress Singapore	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support
Fortress Malaysia	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support
Firatel	Trading of telecommunications network equipment and materials
M&E Engineering Services	
OCK M&E	Provision of mechanical and electrical engineering services

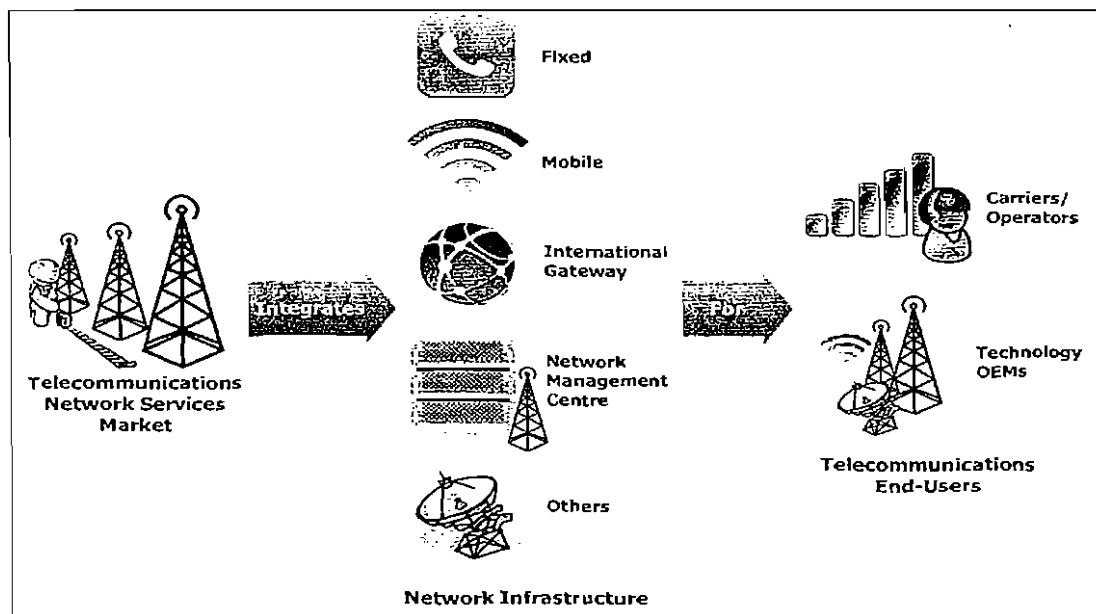
5. INFORMATION ON OUR GROUP (Cont'd)

Established in 2000, OCK Group is principally involved in the provision of telecommunications network services.

Under the context of the information, communications and technology (ICT) industry, telecommunications network services can be referred as activities of designing, planning, building, supporting and maintaining as well as enhancing interconnected telecommunications systems.

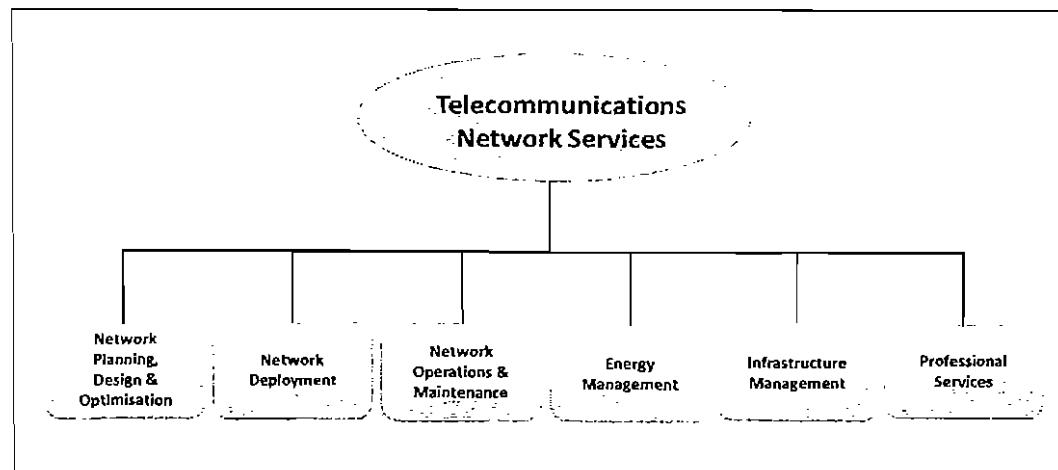
Market participants of the telecommunications network services market provide various services including network planning, design and optimisation, network deployment, network operations and maintenance, infrastructure management, energy management and other professional services. The key end-users for telecommunications network services market mainly comprise ICT companies that include telecommunications carriers or operators as well as telecommunications technology original equipment manufacturers ("OEMs").

The End-users of the Telecommunications Network Services Market



A telecommunications network services market is essentially divided into six (6) main segments as depicted below:

The Main Segments of Telecommunications Network Services



(Source: IMR Report)

5. INFORMATION ON OUR GROUP (Cont'd)

We are able to provide turnkey solutions for our telecommunications clientele. Our product/service offering covers services from the six (6) segments of the telecommunications network services market as described below:

1) *Network planning, design and optimisation*

This segment primarily revolves around the provision of telecommunications network planning, design and optimisation services particularly on fixed and core network engineering design in the wired and wireless domain for customers. Under this segment, all the available options for a potential network involving areas such as network technologies, network migration and capacity expansion are explored and incorporated into the planning document. Hence, this segment is considered an important precursor to a desired economical telecommunications network with optimal quality of service that can help to fulfil all the requirements in terms of meeting current and future services, capacity and technology.

2) *Network deployment*

This segment primarily revolves around the roll-out of the earlier planned telecommunications network which can include civil, mechanical and electrical infrastructure (passive) as well as telecommunications network equipment (active) for wired and wireless domains. A successful network deployment enables customers to roll-out their telecommunications networks at a shorter period of time to market.

3) *Network operations and maintenance*

The provision of network operations and maintenance services starts once the planned network is successfully deployed in order to ensure its continuity and keep the operational expenses under control.

4) *Energy management*

This segment primarily revolves around efforts to improve the level of energy efficiency and optimise energy usage in order to reduce energy costs without or with minimal capital-intensive investment.

5) *Infrastructure management*

This segment primarily revolves around efforts to optimise the active and passive network infrastructure for better utilisation of capacities. Examples of activities performed under the infrastructure management segment are amongst others disaster recovery management (policies and procedures to recover critical infrastructure to a functioning state following natural manmade disasters), documentation management and project management.

6) *Professional services*

This segment revolves primarily on the project planning and management services, the provision of skilled personnel from across all the related disciplines to provide specific or end-to-end expertise to the customers, and the provision of other logistics services for project purposes. The duration for these professional services can be over a short, medium or long term basis depending on customers' requirements.

(Source: IMR Report)

Our History

OCK's history began with the incorporation of OCK Setia Engineering Services, a sole proprietorship by our Group's Managing Director, Ooi Chin Koon, as a provider of mechanical and electrical engineering services in 1999. Recognising the need to expand the business, Mr. Ooi incorporated Delicom on 10 February 2000 to be principally involved in providing telecommunications network

5. INFORMATION ON OUR GROUP (*Cont'd*)

services. As there has been a rise in mobile telecommunications and internet services, the demand for network infrastructure and telecommunications network services increased correspondingly. Looking to seize the growing opportunities within the telecommunications industry, we established OCK Setia to increase our business in providing telecommunications network services. In 2007, Abdul Halim Bin Abdul Hamid acquired his interests in OCK Setia and Delicom.

Over the years, we gradually began expanding our offering to include a range of telecommunications network services, including network operation and maintenance, network planning, design and optimisation, energy and infrastructure management. As our range of telecommunications network service capabilities increased, our clientele base increased hand in hand.

In 2004, we were registered as approved service providers ("ASPs") with two telecommunications technology providers, Ericsson and Alcatel-Lucent, as they only invite ASP holders for tender participations in their projects. We were engaged in providing network deployment services for local mobile telecommunications operators together with these partners. In 2005, we were directly awarded a network deployment project by DiGi.

Since then, we have continued to thrive in the telecommunications network services market. We have been, directly as well as through our partnership with technology providers, awarded various telecommunications network service projects for major telecommunications operators in Malaysia. In 2006, we were awarded a network deployment contract by U Mobile for the central, northern and southern regions. We also began trading telecommunications network equipment and materials as a synergistic activity to our principal telecommunications network services business.

In 2007, we were awarded several contracts by Celcom and Maxis. These include network deployment and deployment of IBC networks. Since then, we have continued to receive various telecommunications network services projects with technology providers such as Huawei and ZTE in addition to Alcatel-Lucent and Ericsson.

Our capabilities also extend across various telecommunications technologies, including newer ones such as WiMAX. In 2008, we were awarded a contract by P1 to provide network deployment, operation and maintenance services pertaining to its wireless broadband network. We also received our first radio microwave and equipment deployment project via ZTE in 2009. In 2010, YTL contracted us to provide them with WiMAX network deployment services for their YES 4G WiMAX service. Huawei also awarded us a network deployment project for Maxis' NGBB project in 2010.

In 2010, we also ventured into the provision of green energy and power solutions through El Power which have since seen us implementing several pilot solar generation systems for commercial and residential use. The application of green energy into the telecommunications industry is pertinent for the industry to manage and/or reduced operating cost in the future. Solar energy will be an alternative source to be applied to aircraft warning lighting in tower premises and power supply for base telecommunications stations.

In 2011, we were awarded the necessary licenses to allow us to be owners and to operate telecommunications facilities. We are currently in the midst of planning for the implementation of our NFP plans. Please refer to Section 6.16.1 (ii) of this Prospectus for further information on our Group's NFP plans.

We are ISO 9001:2008 compliant. We first obtained ISO 9001:2000 compliance in 2008 in the area of 'supply and installation of telecommunications, mechanical and electrical system and provision of related civil engineering works' and subsequently updated to ISO 9001:2008 compliance in 2010*. In recognition of our service quality, we have been conferred numerous awards, including the Golden Bull Award, Core Best Partner for South Pacific Region by Huawei and the Best Partner Awards by ZTE and Huawei.

Over the years, we have also diversified our business into the trading of telecommunications network equipment and materials, enterprise network security solutions and provision of green energy and power solutions.

5. INFORMATION ON OUR GROUP (Cont'd)

Note:

- * The update in the ISO standards to ISO 9001:2008 in 2010 involves clarifications to the existing requirements of ISO 9001:2000 which introduces changes intended to improve consistency with the environmental management system standard, ISO 14001:2004.

5.2 SHARE CAPITAL

The present authorised share capital of our Company is RM50,000,000 comprising 500,000,000 ordinary shares of RM0.10 each, of which RM18,400,000 comprising 184,000,000 Shares are issued and credited as fully paid-up. Upon completion of our Public Issue, our issued and paid-up share capital will be increased to RM25,900,000 comprising 259,000,000 Shares. The changes in our issued and paid-up share capital since our incorporation are as follows:

Date of Allotment	No. of Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
05.08.2011	20	0.10	Subscribers' shares	2
08.06.2012	183,999,980	0.10	Shares issued as consideration for the Acquisition	18,400,000

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in our Company. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

5.3 SUBSIDIARY COMPANIES

5.3.1 OCK Setia

(i) History and Business

OCK Setia was incorporated on 14 October 2000 in Malaysia as a private limited company under the Act and began its operations in the same year. It is principally involved in provision of turnkey telecommunications network services.

(ii) Share Capital

OCK Setia's present authorised share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each, of which RM2,000,002 comprising 2,000,002 ordinary shares of RM1.00 each are issued and credited as fully paid-up. The changes in the issued and paid-up share capital of OCK Setia since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
14.10.2000	2	1	Subscribers' shares	2
25.05.2001	299,998	1	Cash	300,000
15.04.2003	400,000	1	Cash	700,000
16.04.2004	300,000	1	Cash	1,000,000

5. INFORMATION ON OUR GROUP (*Cont'd*)

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
14.12.2007	1,000,000	1	Cash	2,000,000
31.05.2011	2	1	Cash	2,000,002

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in OCK Setia. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, OCK Setia is a wholly-owned subsidiary company of OCK and its Directors are Ooi Chin Khoon, Abdul Halim Bin Abdul Hamid, Lee Jack Son and Tan Ah Bee @ Tan Ah Hai.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, OCK Setia has seven (7) subsidiary companies, namely Delicom, EI Power, Steadcom, Fortress Singapore, Fortress Malaysia, Firatel and OCK M&E.

5.3.2 Delicom

(i) History and Business

Delicom was incorporated on 10 February 2000 in Malaysia as a private limited company under the Act and began its operations in the same year. Delicom is principally involved in provision of telecommunications network services focusing on network deployment services.

(ii) Share Capital

Delicom's present authorised share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM300,000 comprising 300,000 ordinary shares of RM1.00 each are issued and credited as fully paid-up. The changes in the issued and paid-up share capital of Delicom since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
10.02.2000	2	1	Subscribers' shares	2
02.01.2001	8	1	Cash	10
17.09.2001	299,990	1	Cash	300,000

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in Delicom. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, Delicom is a wholly-owned subsidiary company of OCK Setia and its Directors are Abdul Halim Bin Abdul Hamid and Ooi Chin Khoon.

5. INFORMATION ON OUR GROUP (*Cont'd*)

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, Delicom does not have any subsidiary or associated company.

5.3.3 EI Power

(i) History and Business

EI Power was incorporated on 3 September 2010 in Malaysia as a private limited company under the Act and began its operations in the same year. It is principally involved in the provision of green energy and power solutions.

(ii) Share Capital

EI Power's present authorised share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which RM400,000 comprising 400,000 ordinary shares of RM1.00 each are issued and credited as fully paid-up. The changes in the issued and paid-up share capital of EI Power since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
03.09.2010	100	1	Subscribers' shares	100
28.10.2010	199,900	1	Cash	200,000
02.12.2010	200,000	1	Cash	400,000

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in EI Power. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, EI Power is a 52.00%-owned subsidiary company of OCK Setia and the remaining 48.00% of the equity interest in EI Power is held by Ho Chun Fay and Chang Wan Siong. The Directors of EI Power are Chang Wan Siong, Ho Chun Fay and Ooi Chin Khoon.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, EI Power does not have any subsidiary or associated company.

5.3.4 Steadcom

(i) History and Business

Steadcom was incorporated on 12 March 2010 in Malaysia as a private limited company under the Act and began its operations in the same year. It is principally involved in provision of telecommunications network services primarily focusing on network planning, design and optimisation.

5. INFORMATION ON OUR GROUP (*Cont'd*)

(ii) Share Capital

Steadcom's present authorised share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which RM200,000 comprising 200,000 ordinary shares of RM1.00 each are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of Steadcom since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value	Consideration	Cumulative Total
		RM	RM	RM
12.03.2010	2	1	Subscribers' shares	2
10.11.2010	199,998	1	Cash	200,000

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in Steadcom. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, Steadcom is a 51.00%-owned subsidiary company of OCK Setia and the remaining 49.00% of the equity interest in Steadcom is held by Teh Teong Poh and Ang Bee Gim. The Directors of Steadcom are Ang Bee Gim, Low Hock Keong, Ooi Chin Khoon and Teh Teong Poh.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, Steadcom does not have any subsidiary or associated company.

5.3.5 Fortress Singapore

(i) History and Business

Fortress Singapore was incorporated and domiciled on 7 March 2011 in Singapore as a private limited company under the Singapore's Company Act, Chapter 50 and began its operations in the same year. It is principally involved in the distribution and installation of network security products and solutions for enterprise customers and provision of technical support.

(ii) Share Capital

As at the date of this Prospectus, the issued and paid-up share capital of Fortress Singapore is SGD2 comprising 10 ordinary shares. The changes in the issued and paid-up share capital of Fortress Singapore since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value	Consideration	Cumulative Total
		SGD	SGD	SGD
07.03.2011	10	*	Cash	2

5. INFORMATION ON OUR GROUP (Cont'd)

Note:

- * *Not applicable. The concept of par value and authorised capital was abolished in Singapore since 31 January 2006.*

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in Fortress Singapore. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, Fortress Singapore is a wholly-owned subsidiary company of OCK Setia and its Directors are Ooi Chin Khoon and Ma Yee Choong.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, Fortress Singapore has one (1) wholly-owned subsidiary company namely Fortress Malaysia.

5.3.6 Fortress Malaysia

(i) History and Business

Fortress Malaysia was incorporated on 23 June 2011 in Malaysia as a private limited company under the Act. It is principally involved in the distribution and installation of network security products and solutions for enterprise customers and provision of technical support.

(ii) Share Capital

Fortress Malaysia's present authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which RM2 comprising 2 ordinary shares of RM1.00 each are issued and credited as fully paid-up. The changes in the issued and paid-up share capital of Fortress Malaysia since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
23.06.2011	2	1	Subscribers' shares	2

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in Fortress Malaysia. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, Fortress Malaysia is a wholly-owned subsidiary company of Fortress Singapore and its Directors are Ooi Chin Khoon and Low Hock Keong.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, Fortress Malaysia does not have any subsidiary or associated company.

5. INFORMATION ON OUR GROUP (*Cont'd*)

5.3.7 Firatel

(i) History and Business

Firatel was incorporated on 4 October 2006 in Malaysia as private limited company under the Act and began its operations in the same year. It is principally involved in the trading of telecommunications network equipment and materials.

(ii) Share Capital

Firatel's present authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each and are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of Firatel since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
04.10.2006	2	1	Subscribers' shares	2
16.01.2008	99,998	1	Cash	100,000

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in Firatel. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, Firatel is a 61.00%-owned subsidiary company of OCK Setia and the remaining 39.00% of the equity interest in Firatel is held by Lee Kong Jin. The Directors of Firatel are Lee Kong Jin, Low Hock Keong and Ooi Chin Khoon.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, Firatel does not have any subsidiary or associated company.

5.3.8 OCK M&E

(i) History and Business

OCK M&E was incorporated in Malaysia on 6 November 2002 in Malaysia as a private limited company under the Act and began its operations in the same year. It is principally involved in the provision of mechanical and electrical engineering services.

(ii) Share Capital

OCK M&E's present authorised share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM600,000 comprising 600,000 ordinary shares of RM1.00 each are issued and credited as fully paid-up. The changes in the issued and paid-up share capital of OCK M&E since its incorporation are as follows:

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Cumulative Total RM
06.11.2002	100	1	Cash	100

5. INFORMATION ON OUR GROUP (Cont'd)

Date of Allotment	No. of Ordinary Shares Allotted	Par Value	Consideration	Cumulative Total RM
		RM		RM
09.06.2003	99,900	1	Cash	100,000
28.10.2011	500,000	1.00	Otherwise than in cash	600,000

As at the date of this Prospectus, there are no outstanding warrants, options, convertible securities or uncalled capital in OCK M&E. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

(iii) Shareholders and Directors

As at the date of this Prospectus, OCK M&E is a wholly-owned subsidiary company of OCK Setia and its Directors are Ooi Chin Khoon and Chong Wai Yew.

(iv) Subsidiary and Associated Companies

As at the date of this Prospectus, OCK M&E does not have any subsidiary or associated company.

5.4 LISTING SCHEME

In conjunction with and as an integral part of our Listing, we proposed the Listing Scheme which was approved by Bursa Securities on 31 May 2012. The Listing Scheme involves the following:

5.4.1 Acquisition

OCK acquired the entire equity interest in OCK Setia of RM2,000,002 comprising 2,000,002 ordinary shares of RM1.00 each for a total purchase consideration of RM18,399,998 satisfied entirely by the issuance of 183,999,980 OCK Shares at par.

Pursuant to the conditional share sale agreement dated 31 October 2011, OCK acquired the entire equity interest in OCK Setia from the existing shareholders of OCK Setia as follows:

Shareholders	Number of ordinary shares acquired	% of Issued and Paid-Up Share Capital	Purchase Consideration	No. of ordinary shares of OCK Issued RM0.10 each in RM2,000
	('000)		RM2,000	('000)
Aliran Armada	1,800	90.00	16,559	165,599
Low Hock Keong	80	4.00	736	7,360
Chang Tan Chin	60	3.00	552	5,520
Chong Wai Yew	60	3.00	552	5,520
	2,000	100.00	18,399	183,999

The purchase consideration of RM18,399,998 was arrived at on a willing buyer-willing seller basis based on the estimated NA as at 31 December 2011 of RM18.40* million. The proforma audited NA of OCK Setia as at 30 June 2011 is RM15.13 million. The purchase consideration represents a premium of 21.61% over the proforma audited NA of OCK Setia as at 30 June 2011. The Acquisition was completed on 8 June 2012.

5. INFORMATION ON OUR GROUP (Cont'd)

Note:

- * *After taking into account of the revaluation surplus of properties amounting to RM3.42 million (after deducting the deferred taxation of 5%) compared to the NBV of those properties as at 31 October 2011, details of which is set out in the valuation certificates in Section 14 of this Prospectus.*

The new Shares issued pursuant to the Acquisition shall rank *pari passu* in all respects with the existing issued Shares including voting rights and rights to all dividends and distributions, the entitlement date of which are subsequent thereof.

5.4.2 Public Issue

In conjunction with our Listing, we will undertake a public issue of 75,000,000 new OCK Shares at an issue price of RM0.36 per Share, representing approximately 28.96% of our enlarged issued and paid-up share capital, which shall be allocated in the following manner:

(i) Public Tranche

7,000,000 Issue Shares, representing approximately 2.70% of our enlarged issued and paid-up share capital, have been reserved for application by the Public, of which at least 50% shall be set aside for Bumiputera investors including individuals, companies, societies, cooperatives and institutions;

(ii) Pink Form Tranche

9,500,000 Issue Shares, representing approximately 3.67% of our enlarged issued and paid-up share capital, have been reserved for application by our eligible employees and persons who have contributed to the success of our Group;

(iii) Placement Tranche

58,500,000 Issue Shares, representing approximately 22.59% of our enlarged issued and paid-up share capital, have been reserved for placement to selected investors.

5.4.3 Listing on Bursa Securities

Bursa Securities had on 31 May 2012, approved the admission of our Company to its Official List and the listing of and quotation for our entire enlarged issued and paid-up share capital of RM25,900,000 comprising 259,000,000 Shares on the ACE Market. The listing of and quotation for our Shares will commence immediately two (2) market days after Bursa Securities receives the necessary documents specified in their approval letter.

5. INFORMATION ON OUR GROUP (Cont'd)

5.5 CAPITAL EXPENDITURE AND DIVESTITURES

Save as disclosed below, our Company has not incurred any other material capital expenditures and divestitures (including interests in other companies), since the beginning of our Group's last four (4) FYE 31 December 2008 to 2011 and up to the LPD:

Material Capital Expenditures

	FYE 31 December				Up to
	2008	2009	2010	2011	the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Leasehold land and building	5,270 ⁽¹⁾	-	-	1,545	-
Furniture and fittings ⁽³⁾	28	66	44	31	5
Computers and software ⁽³⁾	538	88	263	250	58
Office equipment ⁽³⁾	70	213	241	23	25
Motor vehicles ⁽³⁾	783	-	782	460	-
Renovation ⁽³⁾	6	-	56	-	3
Test equipment ⁽³⁾	80	28	268	1,096	173
Factory equipment ⁽³⁾	-	-	16	160	1
Tools and equipment ⁽³⁾	-	-	3	-	-
Capital work-in-progress	-	-	1,545 ⁽²⁾	(1,545)	-
Total expenditures	6,775	395	3,218	2,020	265

Divestitures

	FYE 31 December				Up to
	2008	2009	2010	2011	the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Leasehold land and building	-	-	-	(398)	-
Furniture and fittings	-	-	(6)	-	-
Computers and software	(5)	-	-	-	-
Office equipment	-	-	(17)	-	-
Motor vehicles	-	-	-	(2)	-
Renovation	-	-	(3)	-	-
Test equipment	-	-	-	(89)	-
Factory equipment	-	-	-	-	-
Tools and equipment	-	-	-	-	-
Capital work-in-progress	-	-	-	-	-
In subsidiary companies:					
Firatel	-	(29)	-	-	-
OCK Properties	-	-	-	(350)	-
Total expenditures	(5)	(29)	(26)	(839)	-

Notes:

- (1) Capital expenditure was incurred for an acquisition of a single (1) storey detached warehouse annexed with a three (3) storey office building with a built up of 35,454 sq. ft. located at Shah Alam by OCK Setia which is currently rented out to a third party.
- (2) Capital work in progress was incurred for an acquisition of one and a half storey (1 ½) semi-detached factory with a built up of 4,043 sq ft located at Puchong by OCK Setia which was pending completion of acquisition as at 31 December 2010. This acquisition was completed on 10 June 2011.
- (3) Capital expenditure required for our daily operations.

There are no divestitures currently in progress, within or outside Malaysia. For information relating to material capital commitments, please refer to Section 12.3.4 of this Prospectus.

5. INFORMATION ON OUR GROUP (*Cont'd*)

5.6 KEY ACHIEVEMENTS AND MILESTONES

5.6.1 Key Milestones

Our key milestones since inception are as follows:

Year	Key achievements and milestones
2004	<ul style="list-style-type: none"> Registered as ASPs with Ericsson and Alcatel-Lucent
2005	<ul style="list-style-type: none"> Awarded a network deployment contract by DiGi
2006	<ul style="list-style-type: none"> Awarded a turnkey network deployment contract by U Mobile
2007	<ul style="list-style-type: none"> Awarded an IBC contract by Maxis Awarded a field maintenance contract by NSN and Alcatel-Lucent to maintain Celcom's 3G radio base station and radio microwave equipment Awarded a managed service contract by Ericsson to maintain U Mobile's civil, M&E infrastructure, 3G radio base station and radio microwave equipment Awarded Celcom's 3G swap contract by Alcatel-Lucent involving the replacement of old generation equipment with new 3G equipment
2008	<ul style="list-style-type: none"> Awarded a WiMAX network deployment contract by Alcatel-Lucent Awarded a radio and microwave equipment installation, testing and commissioning contract by ZTE Awarded a installation, testing and commissioning of radio microwave equipment and project management contract by NEC for DiGi
2009	<ul style="list-style-type: none"> Awarded a turnkey network deployment contract by Huawei, Ericsson and Alcatel-Lucent Awarded a contract for installation, testing and commissioning for optical SDH and DWDM equipment by Alcatel-Lucent Awarded a contract for installation, testing and commissioning of WiMAX equipment by ZTE
2010	<ul style="list-style-type: none"> Awarded a WiMAX network deployment contract by YTL Awarded an implementation contract by Huawei for Maxis's NGBB Awarded a radio network optimisation contract by Alcatel-Lucent to optimise Celcom's 3G network.
2011	<ul style="list-style-type: none"> Awarded a turnkey WiMAX network deployment contract by Millercom Sdn Bhd, a wholly own subsidiary of P1 Awarded a radio network optimisation contract by Huawei to optimise DiGi's network Awarded a radio network optimisation contract by Huawei to optimise Celcom and U Mobile's network Awarded a radio equipment modernisation contract by Huawei to modernise Celcom's 3G network Awarded a radio equipment swap contract by ZTE to upgrade DiGi's old equipment Awarded a microwave links and related equipment installation services contract by SIAE. Awarded a design, construction, implementation and consolidation of sites contract by DiGi and Celcom. Awarded necessary licenses from MCMC to be a NFP

5. INFORMATION ON OUR GROUP (*Cont'd*)

5.6.2 List of Accreditations/Awards

In addition, our Group has also achieved/obtained the following accreditations/awards:

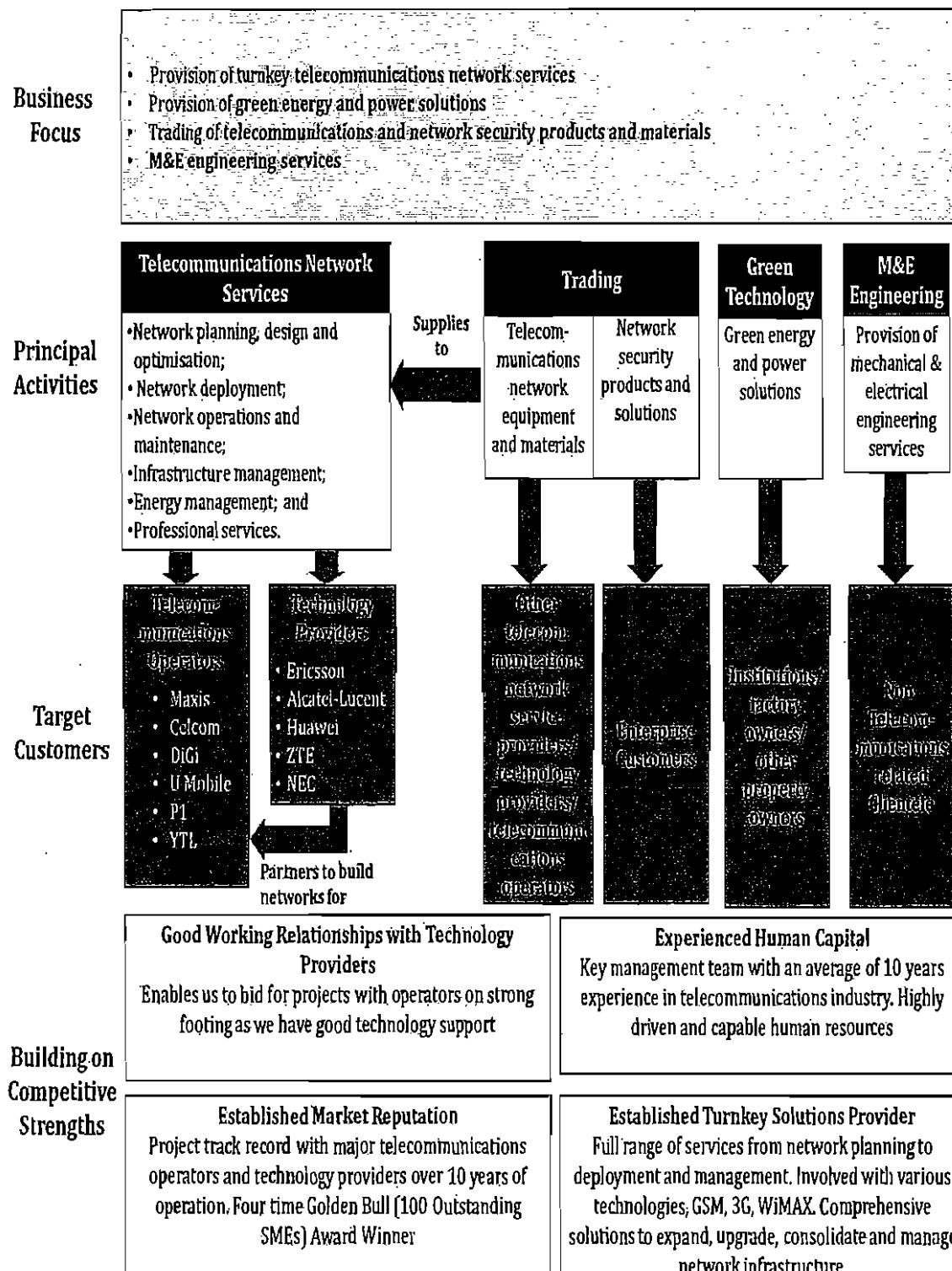
Year	Accreditation/Award	Awarded/Organised by
2007	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd
2008	ISO 9001:2000	SIRIM QAS
2009	The Core Best Partner for South Pacific Region	Huawei
2009	The Best Partner Award	ZTE
2009	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd
2010	The Best Partner Award	ZTE
2010	The Best Partner Award	Huawei
2010	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd
2010	ISO 9001:2008	SIRIM QAS
2011	Golden Bull Award (100 Outstanding SMEs)	Nanyang Siang Pau Sdn Bhd

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6. BUSINESS OVERVIEW

6.1 OUR BUSINESS

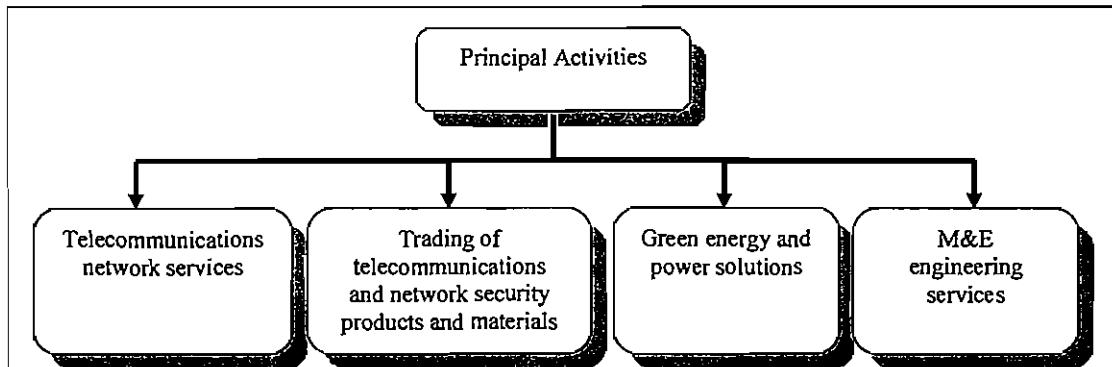
We currently operate on the following business model:



6. BUSINESS OVERVIEW (Cont'd)

6.2 PRINCIPAL ACTIVITIES

Our Group's principal activities can be categorised into four (4) segments as follows:



6.2.1 Telecommunications Network Services

In providing telecommunications network services, we are able to provide turnkey solutions for our telecommunications clientele comprising mainly of telecommunications operators and telecommunications technology providers, encompassing network planning, design and optimisation, network deployment, network operations and maintenance and infrastructure management, energy management and professional services.

We provide our services to telecommunications operators and technology providers, although telecommunications operators remains as the end-user. Telecommunications operators need to develop and maintain infrastructure in order to function. In building, expanding and maintaining network infrastructure equipment from different technology providers can be used. The infrastructure equipment needs to be built and commissioned, for which our services are required.

In cases where operators deals directly with a technology provider, the technology provider engages us to design, build and maintain infrastructure equipment for the telecommunications operator using equipment from that provider.

Alternatively operators can directly contract us as service providers to design, build and maintain infrastructure, using technology that those operators require and we will source from respective technology provider.

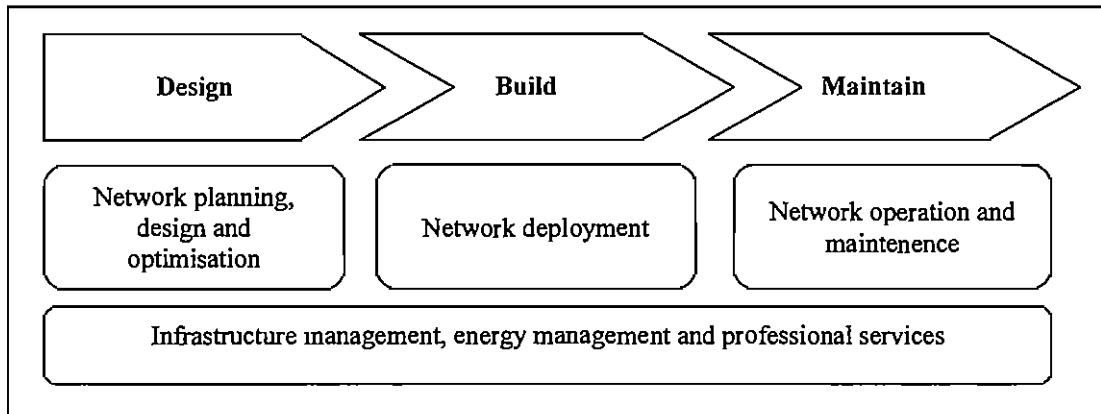
In both cases, the spectrum of telecommunication network services provided to each customer can be similar, as the end user (telecommunications operators) is the same.

Our clients will approach us either for individual services or for turnkey solutions. Post-deployment, we offer managed services where we are capable of operating and maintaining telecommunications infrastructure. In short, we design, build and maintain all means of telecommunications network infrastructure for our clients.

We are familiar with current and upcoming telecommunications technologies and networks including fixed line networks, cellular telecommunications, wired and wireless broadband modes and optical technologies. However, at present, we are focused on providing services for cellular telecommunications networks in line with current market demand. In this respect, we have completed implementation works for major cellular network operators including Maxis, Celcom, DiGi, U Mobile, P1 and YTL.

6. BUSINESS OVERVIEW (Cont'd)

The full spectrum of our telecommunications network service offering can be illustrated as follows:



(i) Design

The design stage of a telecommunications network is the most crucial part to ensuring a good and effective network. Good planning, design and network optimisation will ensure that network owners/operators will be able to provide services that boast both an optimum coverage in width and depth. Wide network coverage ensures acceptable service levels in wide geographical areas, while deep network coverage ensures that service levels in coverage areas are highly effective in terms of speed and reliability.

By understanding our client's requirements and budget, our team will aid clients in determining the number of BTS and suggest suitable locations/sites for these new network nodes. Our planning and design services are crucial in ensuring that our clients' telecommunications networks are effective and efficient in terms of both back-end and front-end transmission. Back-end transmission planning involves the effective placement and design of microwave links. This ensures back-end transmission from BTS to BTS is effective. Front-end transmission planning involves the effective placement and design of BTS equipment in order to maximise reach and quality of front-end transmissions between BTS and users.

Once we have obtained the client's agreement on our proposed designs, we will help clients to procure for the necessary approvals to use these suggested sites, along with all necessary permits from the local councils, MCMC, Department of Civil Aviation and Fire and Rescue Department of Malaysia. This stage will also involve rental negotiations with land/tower/building owners. Sites are then audited for suitability, after which finer design work can be completed.

(ii) Build

Once network plans are confirmed to be ready for deployment, we will embark on the procurement of the required materials and resources for the construction of the network site. This includes building raw materials, telecommunications equipment and hardware as well as procuring sub-contractors for various deployment work.

At this stage, there are three (3) main categories of work which are explained below:

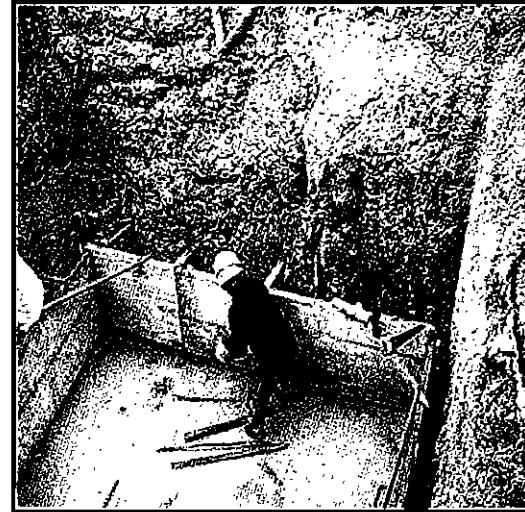
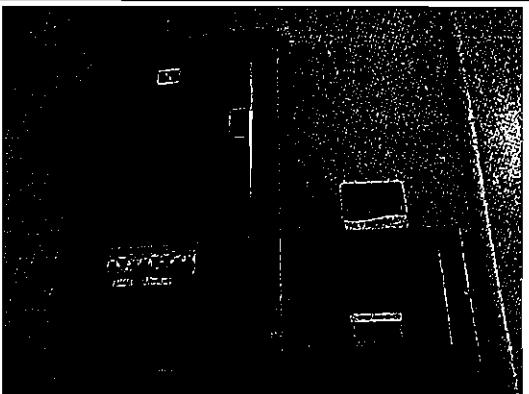
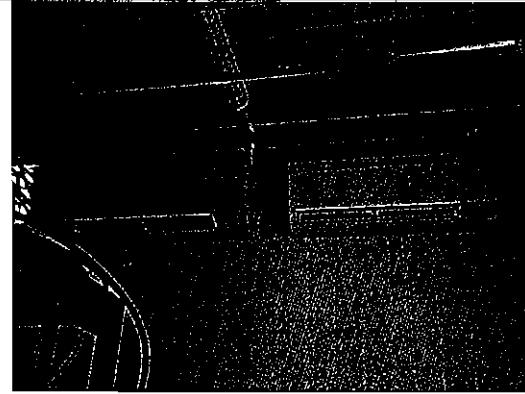
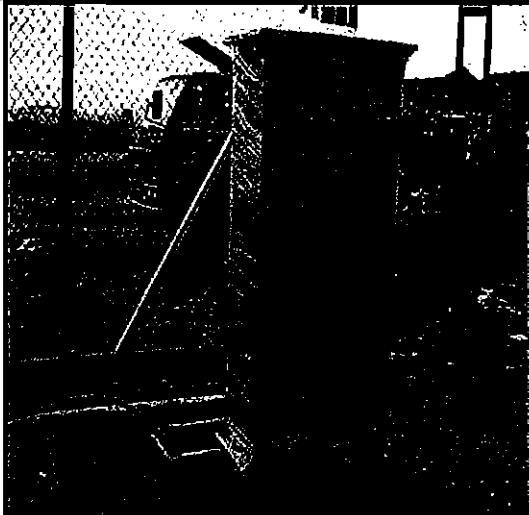
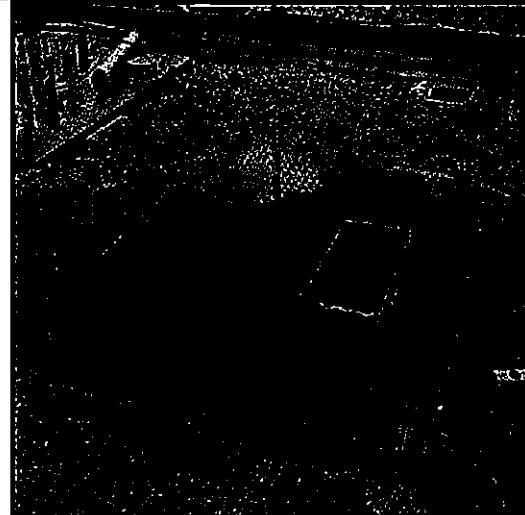
- (a) Civil and M&E engineering infrastructure deployment;
- (b) Telecommunications equipment implementation; and
- (c) Network integration.

Civil and M&E Engineering Infrastructure Deployment

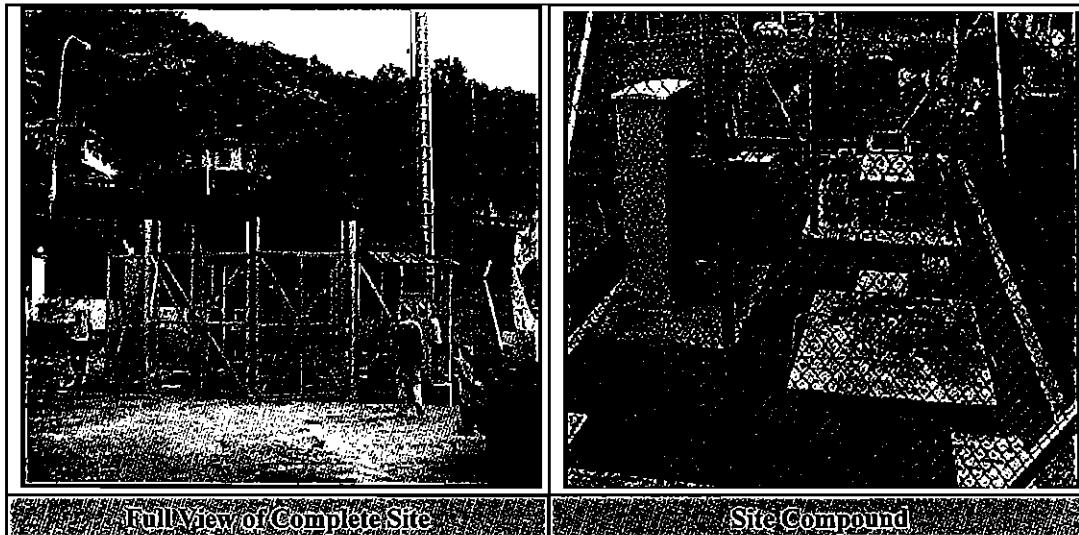
Initial site deployment involves civil and M&E engineering works to prepare sites for the implementation and integration of telecommunications network equipment. Civil works involve the construction of fixed structures, preparation of access roads or paths, and other

6. BUSINESS OVERVIEW (Cont'd)

ground work. Thereafter, the scope of our M&E engineering services involves laying of electrical power and grounding systems, implementation of air-conditioning and fire protection equipment.

Civil Works**Rock Excavation for Foundation****Formwork and Pipework for BTS****M&E Engineering Work****Air-conditioning and Mechanical Ventilation Systems****Electrical Systems and Main Panels****Slab for Power Cabin Installation****Installation of Main Power Infrastructure at Substation**

6. BUSINESS OVERVIEW (Cont'd)

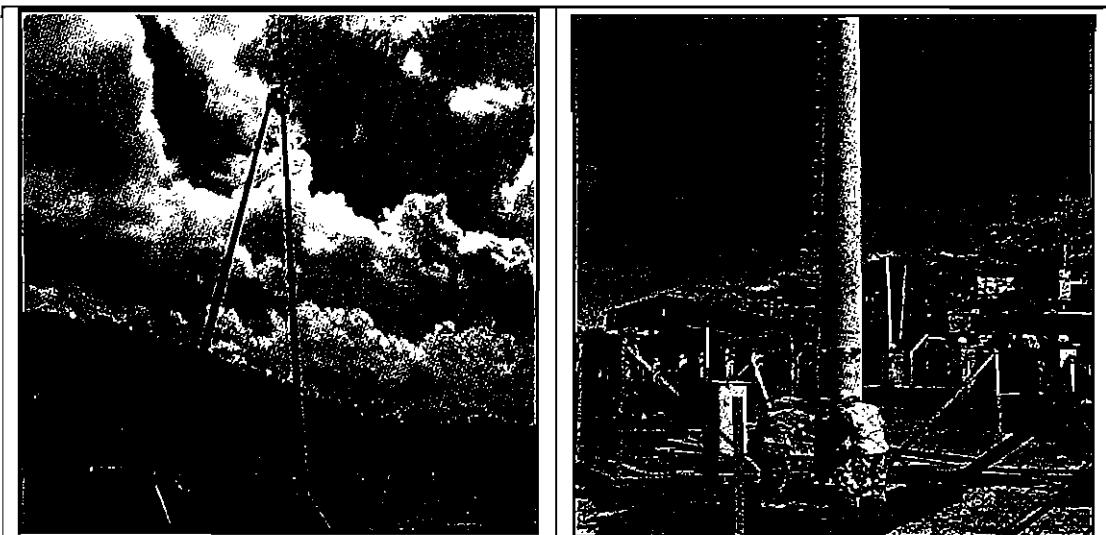
**Telecommunications Equipment Implementation**

We possess the necessary technical expertise, test equipment and experience in installing, commissioning and testing various types of telecommunications equipment. These equipment implementation involves the construction and implementation of telecommunications network equipment such as BTS, microwave links and all other supporting equipment. In order to install these equipment, we would also need to provide the following range of tests and services:

- Line of sight and radio frequency surveys to ensure the optimum wireless transmission between two BTS;
- Telecommunication equipment installation, testing and commissioning for base station, microwave links and antenna feeder system;
- Radio frequency planning, drive test and optimisation; and
- IBC implementation involving the implementation of indoor BTS for effective wireless reception.

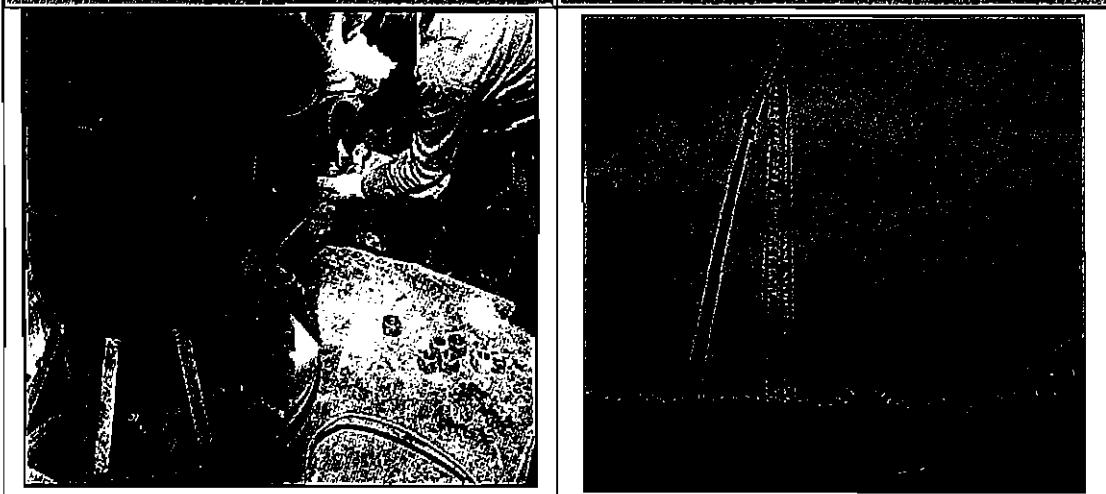


6. BUSINESS OVERVIEW (Cont'd)



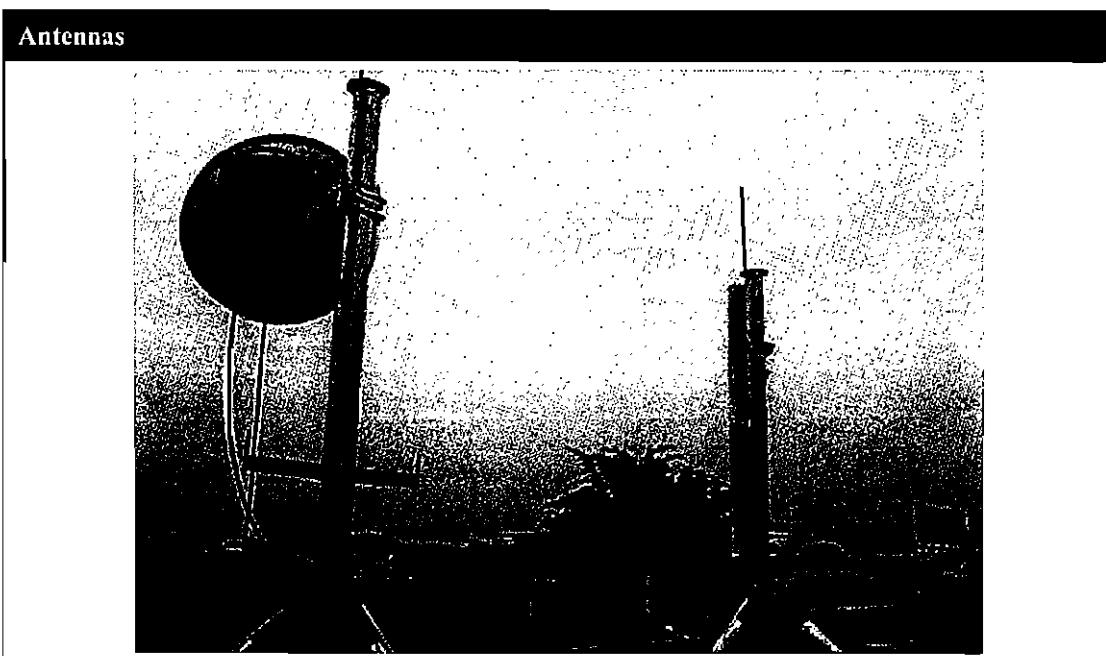
Erection of Concrete Pole

Erection of Concrete Pole



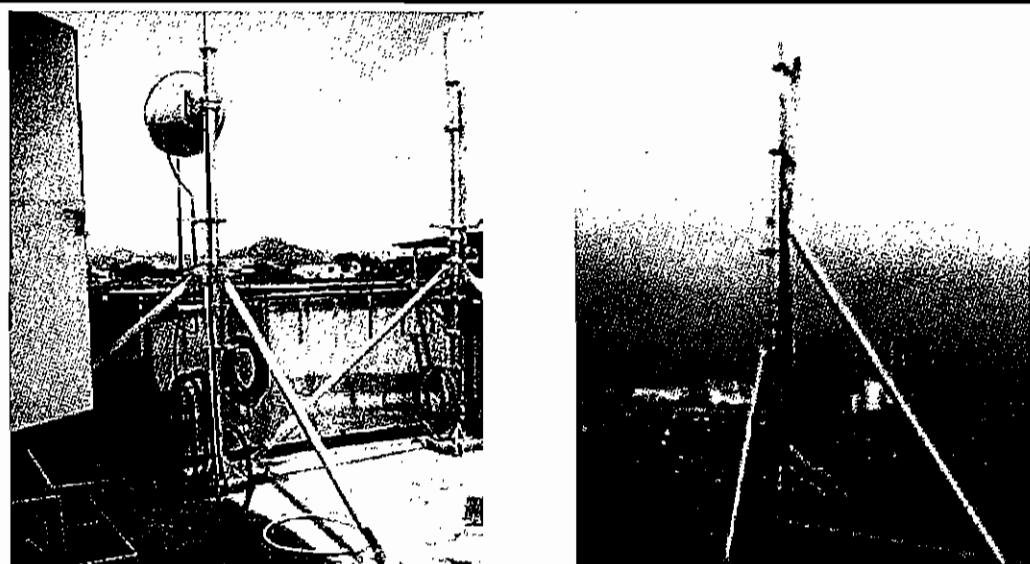
Tightening of Bolts & Nuts

Installation of 60 metre Tower



6. BUSINESS OVERVIEW (Cont'd)

Antennas



Base Station Equipment

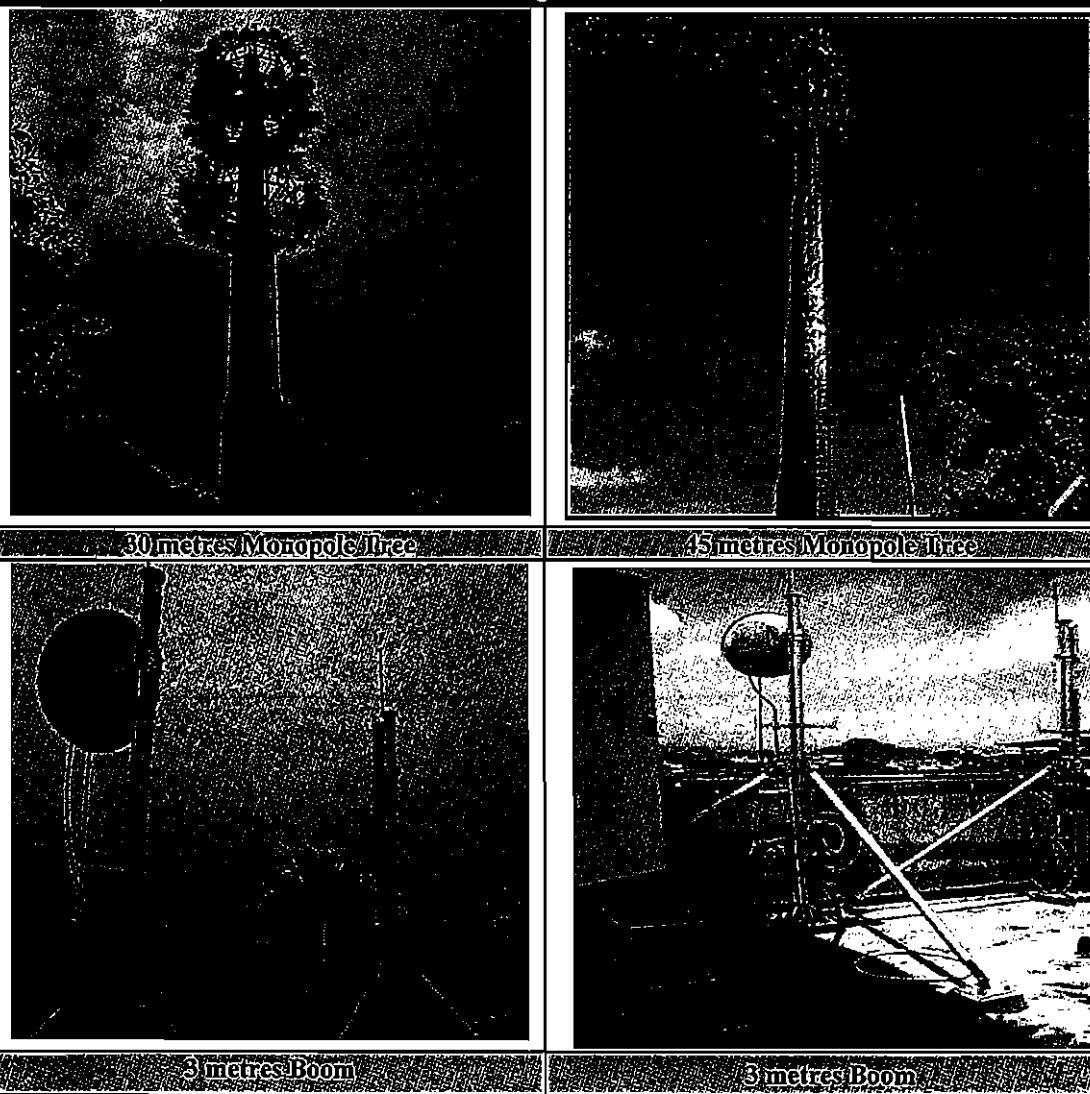


6. BUSINESS OVERVIEW (Cont'd)

Base Station Equipment



Various BTS/ Network Infrastructure Configurations



30 metres Monopole Tree

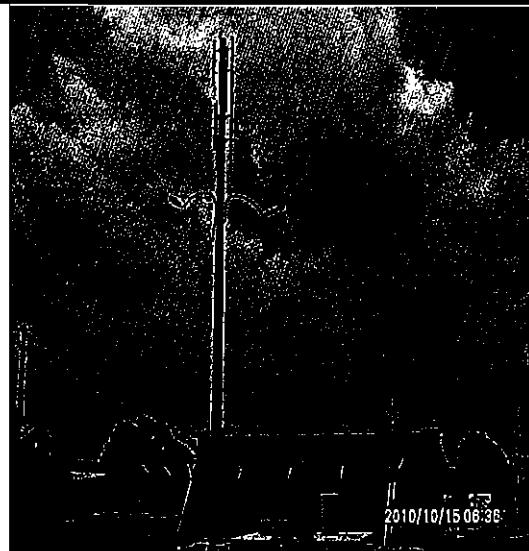
45 metres Monopole Tree

30 metres Boom

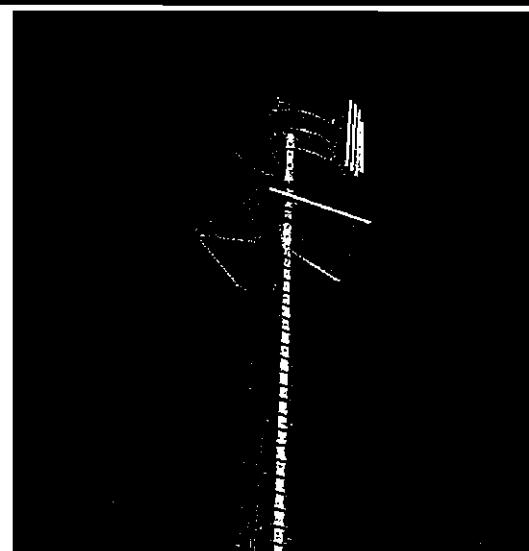
30 metres Boom

6. BUSINESS OVERVIEW *(Cont'd)*

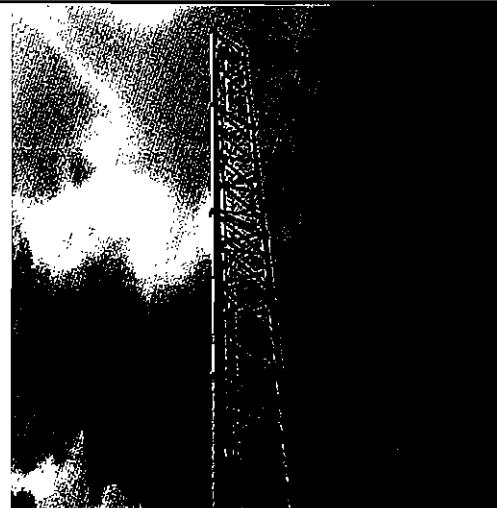
Various BTS/ Network Infrastructure Configurations



20 metres Lamp Pole



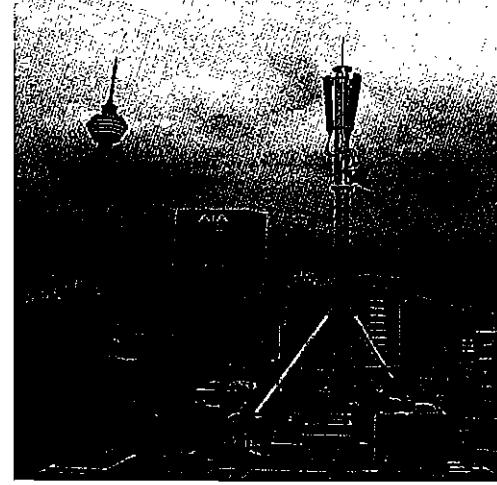
24 metres Concrete Lamp Pole



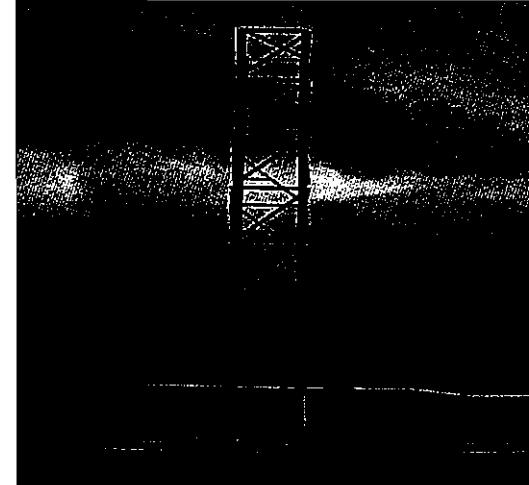
45 metres Three Legged Tower



60 metres Three Legged Tower



8 metres Unipole

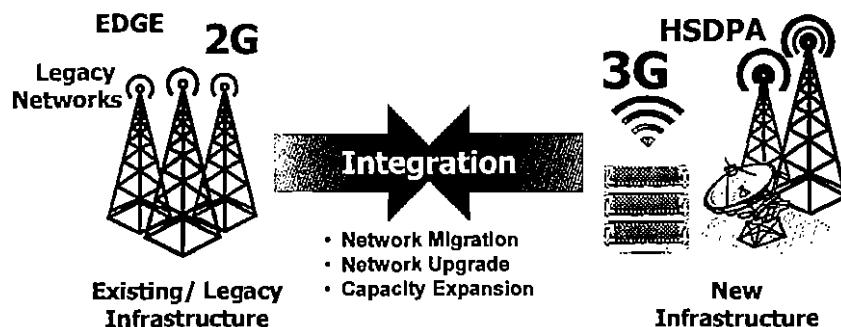


7 metres Minimast

6. BUSINESS OVERVIEW (Cont'd)

Network Integration

Some of our clients may require network capacity expansion, network migration or upgrading of existing (legacy) networks. For such clients, we are able to integrate new infrastructure or upgrade current infrastructure while maintaining fully functioning integration between existing and new network technologies and equipment.

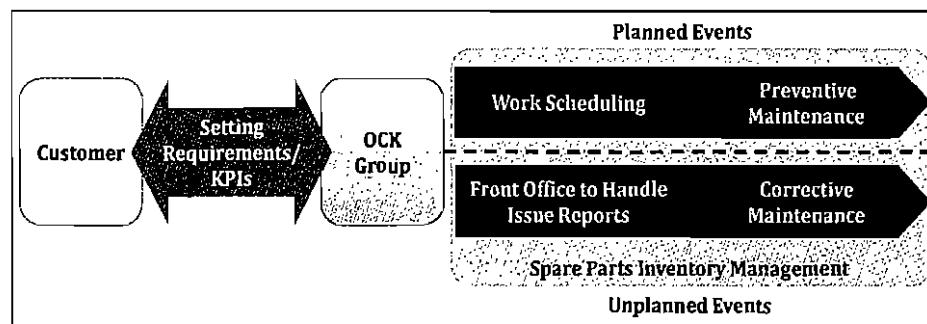


(iii) Maintain

Our network operations and maintenance services is as follows:

Post deployment of a network infrastructure, our Group provides various managed and support services to assist clients in operating and maintaining their telecommunications networks. Our Group undertakes construction of sites for telecommunications operators and technology providers (ultimately for telecommunications operators). The latter requires our maintenance services as a bridging between the completion of the construction and the handover of the tower to the telecommunications operators. This service is typically provided for a period of one (1) to twelve (12) months. Our Group recognises income generated from this maintenance service as part of revenue derived from turnkey activities. Network operations and maintenance services are also extended for a new client's existing networks of which its network may not be previously deployed by our Group.

- Network Maintenance



Our main objective in network maintenance services is to provide support to maintain and troubleshoot all critical network elements. Services can be provided up to 24 hours on a seven day basis. There are two types of maintenance which are corrective maintenance arising from unplanned events and routine preventive maintenance.

These services are driven by requirements or KPI set by clients and ourselves in the SLA signed by clients. The major scope of work includes:

- Front office to receive and manage reports of malfunctions, breakdowns and issue reports;

6. BUSINESS OVERVIEW (Cont'd)

- Corrective maintenance to rectify system breakdowns and to resolve network issues;
 - Preventive maintenance as a planned event to periodically check for impending breakdowns and to ensure constant system health;
 - Spare part delivery and inventory management for parts and equipment subject to wear and tear; and
 - Issue logging and reporting for future reference.
- **Network Operations**

Network operations take maintenance services one-step further, where upon agreement with clients, we are tasked to handle all operations pertaining to the client's network infrastructure. We are involved in the daily operations, monitoring and maintenance of networks. We take ownership for operations and maintenance work that has been tasked to us.

(iv) **Infrastructure Management, Energy Management and Professional Services**

As part of our turnkey services, we also provide various infrastructure management, energy management and other professional services across our telecommunications network design, building and maintenance activities. The following services are integrated into our Group's offering as follows:

- **Infrastructure Management**
 - Site acquisition, licencing and management;
 - Project management and documentation activities across implementation and maintenance period; and
 - Contingency/emergency and disaster recovery measures.
- **Energy Management**
 - Planning energy/power needs for individual sites and entire telecommunications networks; and
 - Optimising energy efficiency of individual sites and telecommunications networks.
- **Professional Services**
 - Procurement of logistics services necessary for equipment supply and network deployment;
 - Procurement of technical expertise and human resources for projects; and
 - Project planning & management.

6. BUSINESS OVERVIEW (*Cont'd*)

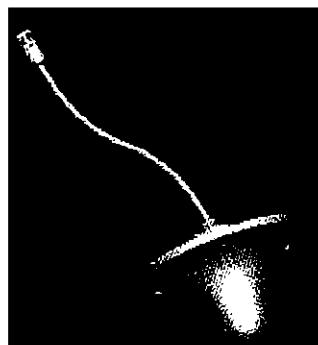
6.2.2 Trading of Telecommunications and Network Security Products and Materials

Telecommunications Network Equipment and Materials

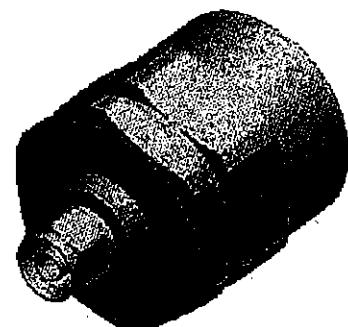
Our Group trades in telecommunications hardware and installation materials such as antennas, feeder cables, connectors and water proofing tapes via Firatel. This business complements the core business of the Group as Firatel is supplying its products to the Group as well as to other telecommunications network service providers and operators.

We leverage on our relationship with telecommunications providers and operators such as Ericsson, ZTE and DiGi as we have established longstanding business partnerships with these major customers hence making it easier to introduce our product offerings to them to be implemented together with their network equipments.

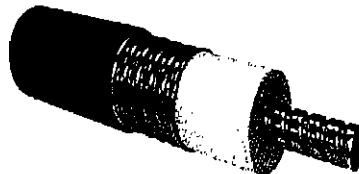
Samples of some of the products which we trade are as follows:



Omni directional antenna



Straight plug



Radio Frequency (RF) connector



Antenna

Network Security Products and Solutions

Network security plays a very important role in today's telecommunications arena whereby data is more frequently used. These are prone to phishing, identity theft or malicious attack. Telecommunications operators are preparing themselves for any possible rampant attack in the future and the Group is preparing now to support them. We distribute the following range of network security products and solutions in the Asia Pacific region:

Rapid7 (Fortress Singapore is an appointed distributor in Singapore and Malaysia for Rapid7, Limited Liability Company in the United States of America ("USA"))

Rapid7® is the leading provider of security risk intelligence solutions for IT. It provides full suite of security assessment and testing products that empower the IT organisations to obtain accurate, actionable and contextual intelligence into their network threat and risk posture.

6. BUSINESS OVERVIEW (Cont'd)

IronKey (Fortress Singapore is an appointed distributor in Asia Pacific for IronKey, Inc in the USA)

IronKey is the global leader in providing secure managed portable storage, authentication and trusted virtual computing. Its military grade product portfolio meets the standards of public and private enterprises, government and military customers. As part of a complete security solution, IronKey provides managed solutions to protect the customers' invaluable data and networks.

Giritech (Fortress Singapore is an appointed distributor in Singapore, Malaysia, Cambodia, Indonesia, Philippines and Vietnam for Giritech AS in Denmark)

Giritech is a fully integrated solution that delivers network protection and high security remote access services. The solution's single point of management lowers the cost of protecting the network and providing users with secure access to applications, office PCs and virtual desktops.

Solera Networks (Fortress Singapore is an appointed distributor in Singapore, Malaysia, Thailand, Indonesia, Cambodia, Vietnam, Philippines and Hong Kong for Solera Networks, Inc in the USA)

Solera Networks' products comprise network appliance software which is capable of capturing and storing of network traffic on any network. Its slew of functions allow network administrators and security analysts to select, analyse and playback the data traffic for network analysis purposes.

Lumension Security (Fortress Malaysia is an appointed distributor in Malaysia for Lumension Security, Inc in the USA)

Lumension Security's software solutions help businesses protect their vital information and manage critical risk across network and end users. Its products have assisted businesses to achieve optimal security and IT success by delivering solution portfolio that includes vulnerability management, endpoint protection, data protection, antivirus and reporting and compliance offerings.

SecureAge (Fortress Singapore is an appointed distributor in Singapore for SecureAge Technology, Inc in the USA)

SecureAge's software provides data protection solutions that help prevent, protect, and shield governments and enterprises from any possible data breaches. Its comprehensive encryption solutions protect organisations from any possible information security problems and manage their information security strategies. The solutions give complete control and visibility of data movement within their organisations without disrupting day-to-day operations.

Tropos Networks (Fortress Singapore is an appointed distributor in Singapore, Malaysia and Indonesia for Tropos Networks, Inc in the USA)

Tropos Networks provides wireless communications networks for utilities to build and control the smart grid. It provides utilities with the most economical and complete communications for deploying a wide range of mission-critical applications.

SecureLogix (Fortress Singapore is an appointed distributor in the ASEAN region for SecureLogix Corporation in the USA)

SecureLogix's products protect Voice over Internet Protocol network from telephony-based attack, fraud and abuse. It also optimizes infrastructure and services to reduce costs, simplify the management of enterprise voice communications network. It provides tools for the customers to analyse the performance and tracking of the customers' Voice over Internet Protocol network.

We distribute these products via system integrators and local resellers who specialise in network security solutions.

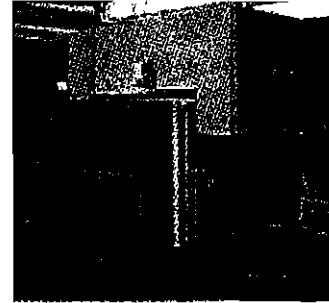
6. BUSINESS OVERVIEW (*Cont'd*)

6.2.3 Green Energy and Power Solutions

Our Group supplies power generation equipment including engine-generators ("gen-sets"), transformers and other related equipment used as back-up electricity generators for commercial, retail and factory buildings. Apart from supplying these equipment, we also provide installation, commissioning and testing services. Examples of our products are as follows:



Power Generation Equipment



Industrial Transformers



Testing Equipment and Spare Parts

Recognising the potential of renewable green energy sources, we have also begun introducing co-generation power systems (trial stages) to our customers which utilise both electricity generators and solar power panels in tandem to provide our customers with more environmentally friendly power generation solutions. Our solar power generation systems involve the conversion of solar energy into electricity for storage, distribution and use on or off the national electricity grid, using photovoltaic panels. We can implement such systems for customers with idle rooftop spaces, or open spaces frequently exposed to sunlight. Solar power can be generated for off grid use or sold to the power utilities companies (when applicable). Our green energy business is still in its early stages of development and implementation. Currently, the income generated by EI Power is derived from the sale of gen-sets which are under the power generation segment. Solar power generation is currently being tested and the customers are charged for the provision of installation services and the equipment provided.

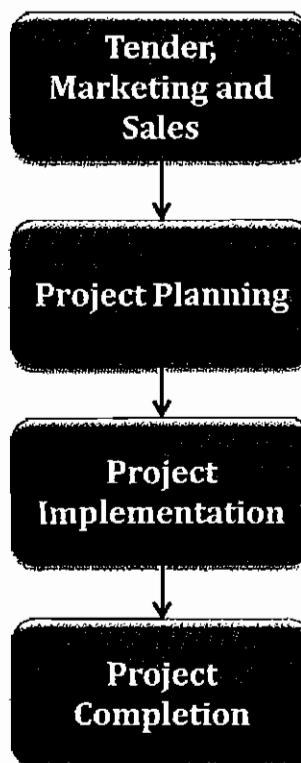
6. BUSINESS OVERVIEW (Cont'd)

6.2.4 M&E Engineering Services

M&E engineering services are needed for deployment and turnkey services i.e. mainly for the construction of the network site. Our Group is also involved in the provision of M&E engineering services in collaboration with other construction companies. We provide these services on sub-contract basis for the development of commercial buildings, healthcare institutions and other types of buildings during off peak periods (i.e. periods when there are no relevant telecommunications assignments).

6.3 BUSINESS PROCESSES

The figure below shows the basic business processes and project lifecycle that could be applied for our telecommunications network services, green energy and power solutions and M&E services. The business processes are divided into four (4) steps as follows:



(i) Tender, Marketing and Sales

We begin our projects by making bids via tenders. These activities are undertaken by OCK Setia, Delicom, Steadcom, EI Power and OCK M&E. Our management team is equipped with the latest news and technology in the telecommunications industry and energy solutions especially those that involves telecommunications operators. Understanding latest trends and technology in the market helps us understand our client's requirements and needs more accurately. With up-to-date market information, we will be able to propose suitable solutions to potential clients based on their needs and requirements in terms of technical specifications, timing and costs.

(ii) Project Planning

When a project is awarded to us, we will hold extensive discussions with clients to understand every requirement in greater detail. Our technical team will then work out the details of design for the client's infrastructure/equipment according to the budget allocated and their needs. Discussions will be carried out intensively to ensure that the right requirements are set and to enable all requirements to be met. Our technical personnel will provide consultancy services,

6. BUSINESS OVERVIEW (Cont'd)

advising clients on optimum solutions available, the equipment to be used, the best locations for site-building and other technical aspects of the projects being undertaken.

At this stage, internal planning is carried out whereby resource allocation, project timing and scheduling, logistics, procurement, contingencies and other facets of our implementation work is meticulously planned to ensure full and satisfactory completion of project work within acceptable timeframes.

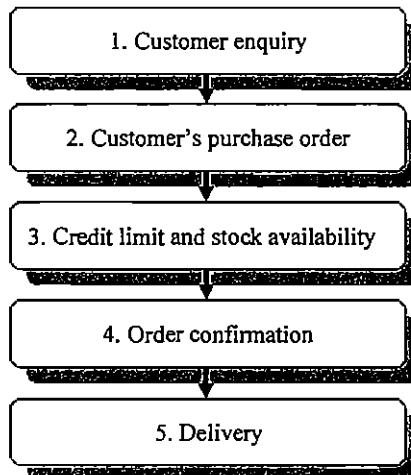
(iii) Project Implementation and Project Completion

Upon agreement with the project plan and design, our team of engineers and technical personnel will start on-site implementation.

Network sites that have been identified during project planning will be procured (i.e. rights to use land/tower) in this phase. We will proceed with civil, M&E engineering works and infrastructure equipment procurement, installation, commissioning and testing at the procured network sites. Proper project management methods and appropriate documentation are in place to ensure work traceability and audit. At the end of the implementation phase, systems are tested for user acceptance and upon verification and satisfaction of work done, clients will sign off documentations to mark the completion of the project.

Subsequent to the completion of the physical construction of a network site, we provide a range of network maintenance and operation services for customers to choose from. Fully implemented projects are usually maintained for a period of between one to two years depending on the terms of contract between customers and ourselves. The range of services and timeline subscribed is based on our client's requirements and needs. However, some of our customers prefer to maintain their own network operations after the completion of the implementation.

Our trading activities involves telecommunications and network security products and solutions which are undertaken by Fortress Singapore and Firatel. We offer a range of telecommunications network equipment and materials as well as network security software and products. The business processes of our trading activities are illustrated as follows:



The trading process begins with an enquiry from customer. Upon received of the customer's order, a review of the customer's credit limit and availability of stocks will be conducted. Once an order is confirmed, the delivery of stocks will then be arranged.

6. BUSINESS OVERVIEW (Cont'd)

6.4 MARKETING AND DISTRIBUTION

6.4.1 Marketing and Distribution Network

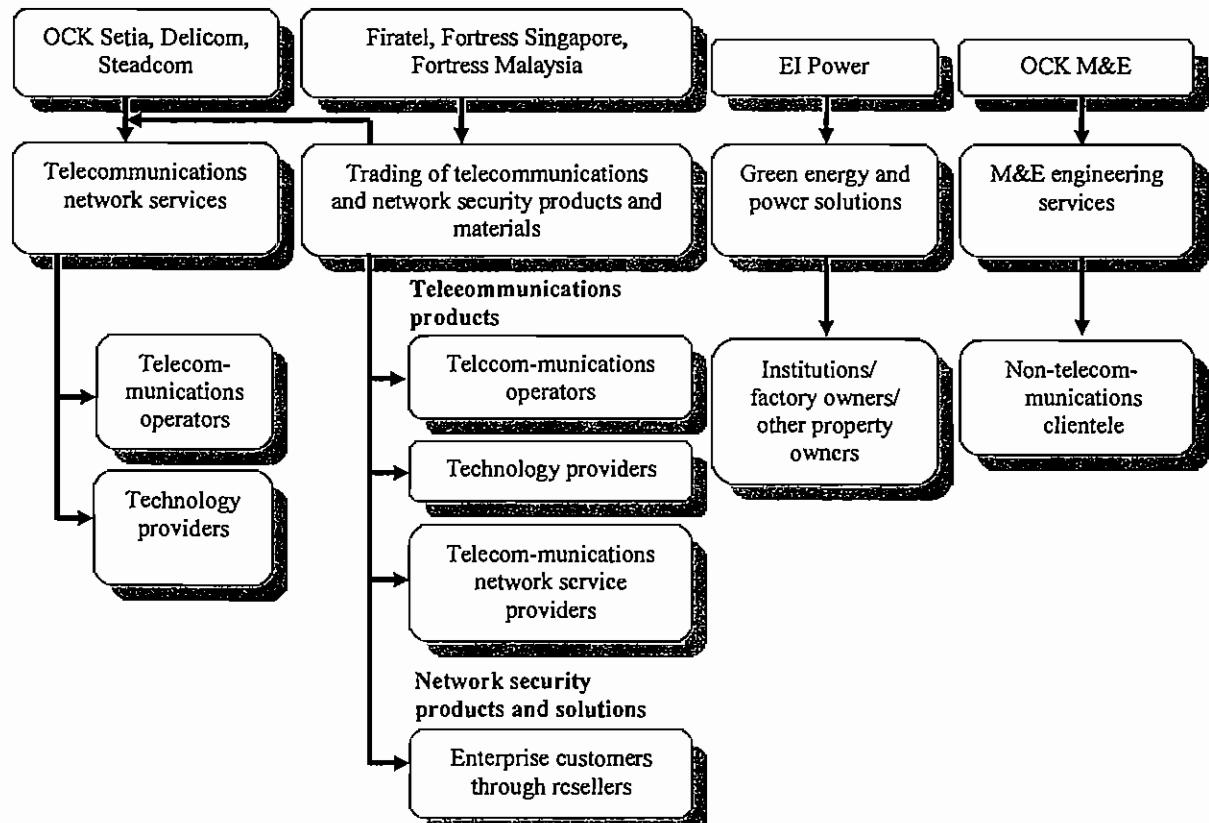
We have developed a process based on ISO standards which we use to handle tender processes. This process incorporates our corporate governance and policy in pricing and project handover.

We participate in tenders called for by various telecommunications equipment vendors amongst others Ericsson and Alcatel-Lucent, which in turn work with major telecommunications operators in Malaysia. In some instances, we deal directly with telecommunications operators such as Celcom, Maxis and DiGi.

Our offices in Malaysia are mainly used as support bases for our Malaysian project teams. These offices come with warehousing facilities which allow us to store materials and equipment needed to carry out projects around Malaysia. We have established offices in Kuala Lumpur, Penang, Kuantan, Johor Bahru, Kota Kinabalu and Kuching. We also have a regional sales office in Singapore to support business development activities for our network security solutions and products. Fortress Singapore organises workshops to introduce and educate the users of their network security solutions and products as well as participate in trade shows to promote its products and services.

We depend on active marketing as well as referrals for our energy and power solutions as well as our M&E activities. EI Power conducts workshops to educate its users of the latest energy and power solutions. As a result of the consistency of our product quality and delivery, our warranty, our technical knowledge and our after sales support services, many of our new customers have been introduced to us by our existing customers.

6.4.2 Distribution Channels



6. BUSINESS OVERVIEW (Cont'd)

We market and promote our telecommunications network services directly to telecommunications operators as well as to technology providers. Our telecommunications network equipment is being supplied for the provision of our telecommunication network services as well as to other telecommunications network services providers of such services and any other market participants which require such products.

Our network security products and solutions is sold through our network of our resellers in Singapore and Malaysia currently.

Our green energy products and solutions as well as M&E engineering services are marketed directly to the respective groups of customers who require such services.

6.4.3 Principal Markets

Save for the trading of network security products by Fortress Singapore in Singapore of approximately RM0.61 million, Malaysia is our principal market for our products and services. For the FYE 31 December 2011, the breakdown of our revenue by our principal activities are as follows:

Revenue by category		FYE 31 December 2011	
		RM'000	%
Telecommunications network services			
Telecommunications operators		30,455	34.48
Technology providers		39,355	44.56
Others		7,247	8.20
Trading of telecommunications network equipment and materials			
Direct to telecommunications operators/technology providers		3,765	4.26
Trading of network security products and solutions			
Resellers		613	0.69
Green energy and power solutions			
Direct to main contractors/end users		14,959	16.94
M&E engineering services			
Direct to main contractors		3,806	4.31
Consolidation adjustments *		100,200 (11,875)	113.44 (13.44)
Total		88,325	100.00

Note:

* The consolidation adjustments are in relation to inter-company revenue.

6. BUSINESS OVERVIEW (Cont'd)

6.5 COMPETITIVE STRENGTHS

(i) Established Market Reputation

We have been operating since 2000 and have an established market reputation throughout the years through our delivery of quality and timely services to telecommunications operators. The continuous provision of turnkey telecommunications network solutions to clients such as DiGi, Celcom, U Mobile, YTL and P1 has lent to benefit our reputation during project tenders. We are also a partner for technology providers such as Alcatel-Lucent, Ericsson, Huawei, NEC, SIAE and ZTE for their telecommunications projects in Malaysia.

We have also received acknowledgement of our work through the Golden Bull Award in 2007, 2009, 2010 and 2011 (100 Outstanding SMEs). We have also earned partner awards from technology providers such as Huawei and ZTE and are certified to comply with the ISO 9001:2008 requirements in the scope of supply and installation of telecommunications, mechanical and electrical systems and provision of related civil engineering works to enhance our client's confidence in our services.

(ii) One-Stop Solution Provider for Telecommunications Network Services

We are a one-stop solution provider for telecommunications network services where we provide turnkey solutions ranging from network planning, design and optimisation to energy management as well as infrastructure management. Apart from that, we also offer managed services for our clients involving the operations and maintenance of telecommunications networks.

Our technical personnel are well trained and by keeping abreast with the latest equipment knowledge, we are able to provide engineering services for telecommunication infrastructure regardless of the technology required to be used. We have previously dealt with infrastructure involving technologies such as GSM, 3G and WiMAX. Our Group is able to act as a one-stop-centre for telecommunications operators in its efforts to expand, upgrade, consolidate or manage their network infrastructure.

We are able to provide consultation on sites, implementation and maintenance strategies and are able to comprehensively carry out each of these facets for the client. We can help procure for sites and its necessary permits and approvals from the authorities, handle all structural and construction work, complete implementation and integration work as well as maintain and manage our customers' infrastructure.

(iii) Good Working Relationships with Technology Providers

Over the years, we have established close, long standing working relationships with several telecommunications technology providers which includes Alcatel-Lucent, Ericsson, Huawei, NEC and ZTE. These relationships strengthen our project tenders as we are able to provide our clients with confidence that their needs will be supported with technology from these technology providers.

Our relationship with Alcatel-Lucent and Ericsson dates back to 2004. We have also tied up with Huawei, NEC and ZTE since 2008 to broaden our product offerings to meet clients' needs. Our working relationships with these partners remain strong due to the good and timely services that we have provided throughout the years. These relationships will be mutually beneficial to us as there were incidence where they also referred us as their turnkey partners in their project tenders.

6. BUSINESS OVERVIEW (*Cont'd*)

(iv) Experienced Human Capital

Our success is highly attributable to our experienced management team that is familiar and proficient with the telecommunications industry. Our key management staff including our Managing Director has an average of ten (10) years' experience in the telecommunications industry. Some of our key management personnel have also served as previous management teams of our technology partners and providers, prior to joining our Group. As the telecommunications industry is technology oriented and requires a lot of expertise in the technical field, our ability to retain a team of capable and experienced human capital continues to help us stay ahead of our competitors.

Please refer to Sections 8.9.2 and 8.9.3 of this Prospectus for further details of the training and development provided to our personnel and management succession plan respectively.

6.6 SEASONALITY

Our Group does not experience significant fluctuations in our business due to seasonal factors. The need for telecommunications services and our Group's range of products and other services are perpetually in existence. Unless there are unusually long periods of adverse weather patterns which will disrupt the construction and implementation of network sites, we are not adversely affected by weather experienced in Malaysia. Due to the continuous upgrades being implemented by the various telecommunications operators as new telecommunications technology being introduced, we are constantly upgrading their network sites throughout the year.

In the past twelve (12) months of our operation, we have not experienced any business interruption.

6.7 TECHNOLOGY AND RESEARCH AND DEVELOPMENT

We are principally a provider of systems integration and engineering services primarily for the telecommunications industry. As such, our Group is not materially involved in research and development ("R&D") of technology but rather a user of technology. Our Group utilises the technologies embedded in telecommunications products which are supplied by technology providers. The extent of our R&D involves the research into state-of-the-art telecommunications network technologies available in the market to constantly update our knowledge base and capabilities in deploying them for our prospective clients. We are also constantly on the lookout for new and novel value added services or technologies which can augment and improve our current service offering/network infrastructure.

We are familiar with designing, building and maintaining network infrastructure according to the standards of various contemporary telecommunications technologies including:

3G Mobile Communications

3G or 3rd generation mobile telecommunications is a generation of standards for mobile phones and mobile telecommunication services fulfilling the International Mobile Telecommunications-2000 (IMT-2000) specifications by the International Telecommunication Union. Application services offered by 3G mobile services include wide-area wireless voice telephony services, mobile Internet access, video calls and mobile TV, all in a wireless, portable environment. To meet the IMT-2000 standards, a system is required to provide peak data rates of at least 200 kilobits per second.

HSDPA

HSDPA is an enhanced 3G mobile telecommunications protocol which allows high speed and volume data transmission over cellular networks. Current HSDPA deployments support down-link speeds of 1.8, 3.6, 7.2 and 14.0 megabits per second. In Malaysia, HSDPA services are offered by major mobile telecommunications operators and are marketed as 3G or 3.5G data services. They were first introduced in 2005 by Maxis and has subsequently been offered by Celcom in 2006, U Mobile in 2008

6. BUSINESS OVERVIEW (*Cont'd*)

and DiGi in 2009. The take up rate of HSDPA data services has been accelerating in recent years, attributable to concerted marketing efforts by mobile carriers, successful cross-selling (service bundling) strategy to a ready subscriber base and the proliferation of smartphone use, heighten by the iPhone and Blackberry devices.

WiMAX

WiMAX is a fairly new technology that provides wireless data transmission over long distances, with signal range of between 1-4 kilometres. Access to WiMAX services requires users to be in the proximity of a transmission station, which sends out wireless signal to all devices within its range. WiMAX signals are typically transmitted on the 2.3 GHz, 2.5 GHz and 3.5 GHz frequency spectra. In Malaysia, four (4) WiMAX operators were allocated licences to operate within the 2.3 GHz frequency spectrum. Commercial WiMAX rollout was expected to be rapid since the award of licences in 2007.

Although initial expectations of full-scale rollout was in 2008, it has been much slower in reality. Of the four (4) licensees, P1 was the first to launch its WiMAX services in the latter half of 2008 followed by Redtone International Bhd and Asiaspace Sdn Bhd's WiMAX offering. The latter two launches only entailed a limited service rollout, while P1 has achieved greater commercial coverage and success. YTL was the last of the four licensees to roll out WiMAX services in 2010. YTL launched its YES 4G WiMAX services, differentiating its offering from other WiMAX providers by offering voice services over the internet protocol (VOIP) as well as data services.

Legacy Technologies

We are familiar and are able to implement and maintain legacy technologies if and when required by telecommunications operators. These technologies include General Packet Radio Service ("GPRS") and Enhanced Data rates for GSM Evolution ("EDGE") technologies. GPRS is a packet-oriented mobile data service allowing the provision of data transmission (short text messaging, multimedia messaging, instant messaging and internet access) over a GSM network. EDGE technology succeeds GPRS as a data service that allows improved data transmission over GSM telecommunication networks. Both GPRS and EDGE are pre-3G mobile telecommunications technologies that pioneered mobile data transmission, but have since fallen out of favour among mobile operators in favour of newer data technologies. Nevertheless, telecommunications network still utilise these technologies. Therefore, we continue to offer implementation and maintenance services pertinent to these technologies.

Forthcoming Technologies

We will continue to update our expertise in tandem with market needs in order to enhance our technical expertise in view of the influx of new mobile technologies and networks. We view future technology development and implementation positively. As such, we expect that the eventual standardisation and implementation of 4G and LTE networks will present future market opportunities rather than threats to our Group's operations. Our partnership with various technology partners within this technology space also grants us the necessary future access to these technologies.

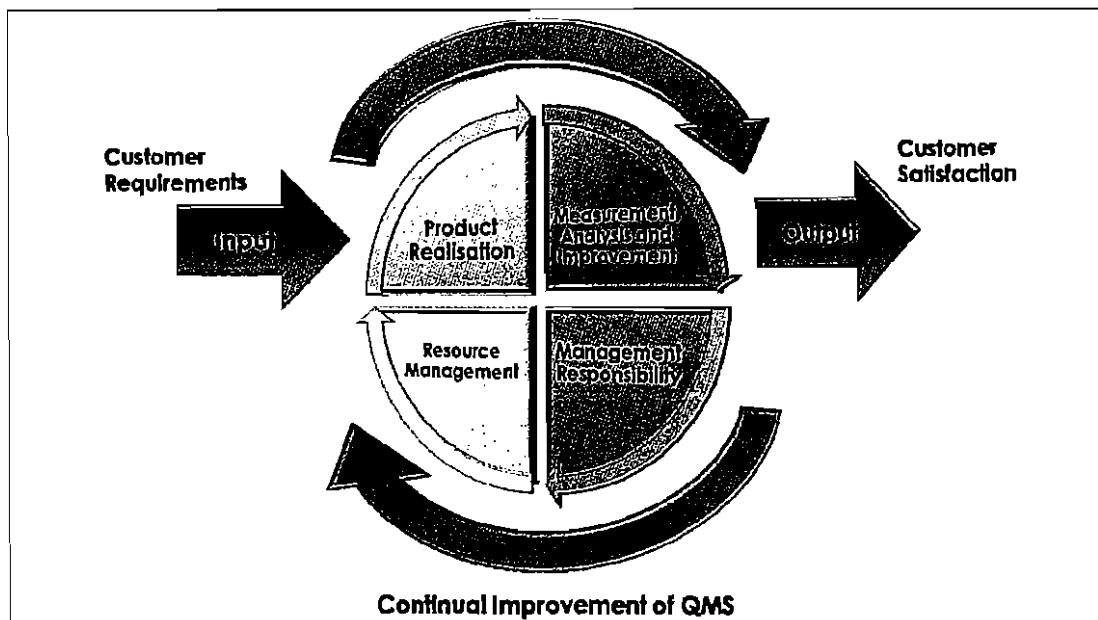
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6. BUSINESS OVERVIEW (Cont'd)

6.8 QA PROCEDURES AND MANAGEMENT

We place significant emphasis on quality. Our telecommunications network services activities adhere to stringent international quality standards. We obtained ISO 9001:2000 certification in 2008 which was updated to ISO 9001:2008 with respect to our QMS for the scope of supply and installation of telecommunications, mechanical and electrical systems and provision of related civil engineering works.

The QA process is established to ensure provision of quality products/services and timely delivery to our customers. The QA manual has been prepared by a team of engineers and project managers, detailing the quality process and procedures to adhere with ISO 9001:2008 quality standards. The diagram below depicts our QMS process for the telecommunications network services:

(i) **Product Realisation**

Product realisation is the sequence of processes and sub-processes required to achieve the required results in the provision of our services. Planning of the realisation processes shall be consistent with the other requirements of our QMS and shall be documented in a format suitable for our method of operation. In planning the processes for realisation of products, the following shall be determined, as appropriate:

- (a) Quality objectives and requirements of the service;
- (b) The need to establish processes and documentation, and provide resources and facilities specific to the services;
- (c) Verification, validation, monitoring, inspection activities, and the criteria for acceptability, compliance with documented procedures and quality plan; and
- (d) The records that is necessary to provide confidence of conformity of the processes and products meeting the requirements.

(ii) **Measurements, Analysis and Improvement**

As part of the QMS, we plan and implement monitoring, measurement, analytical and continual improvement processes needed to:

- (a) Demonstrate conformity of the project requirement;
- (b) Assure conformity of the QMS; and
- (c) Achieve improvement of the effectiveness of the QMS.

6. BUSINESS OVERVIEW (Cont'd)

As part of these processes, the safety and quality personnel measures and monitors the characteristics of our materials and services to verify that the requirements for materials and services are met. Our safety and quality personnel also ensures that materials/services that do not conform to the requirements are identified and controlled to prevent unintended implementation. Corrective actions will be taken to eliminate the cause of non-conformities of the materials/services in order to prevent recurrence of the problem.

(iii) Management Responsibility

Our Group's top management provide evidence of its commitment to the development and improvement of the QMS by:

- (a) Communicating to the employees the importance of meeting customer as well as regulatory and legal requirements;
- (b) Establishing the quality policy;
- (c) Ensuring relevant functions of Department; establishing quality objectives and ensuring their relevance to the quality policy;
- (d) Conducting management reviews; and
- (e) Ensuring the availability of necessary resources.

(iv) Resource Management

As part of our QMS, we determine and provide, in a timely manner, the resources needed:

- (a) To implement and maintain the QMS and continually improve its effectiveness; and
- (b) To address client satisfaction.

Our Management is committed to the execution of the procedures established in the QA manual. Our QA Engineer has complete authority to carry out the QA system to identify and control problems and to initiate, recommend and rectify the problems identified. The QA manual is reviewed as and when necessary to comply with customers' and the Group's procedures.

Further thereto, we are also subject to external quality audits by SIRIM QAS for our ISO certification renewals as well as by technology providers and telecommunications operators such as Ericsson, Alcatel-Lucent and DiGi. These technology providers and telecommunications operators conduct audit and checks on areas such as our human resources, warehouse operations, operational procedures, permits, invoice issuance systems and processes and certifications of calibration and test equipments which are performed periodically. All work that are being done on site will be required to be cross checked against a checklist and submitted to our clients for their verification prior to issuance of final confirmation of work performance. Our work on site are also subjected to regular spot checks to ensure compliance.

As for the products that we distribute, we rely on the warranties provided by manufacturers or equipment providers up to twelve (12) months. Internally, we provide our clients at least one (1) year warranty on services rendered. Further to that, our clients require us to obtain performance bonds for most projects being implemented.

6.9 PRODUCTION CAPACITIES AND OUTPUT

We are not bound by any production capacities or output as we are mainly involved in the provision of services. As at the LPD, we have 344 engineers, technicians and installers who have been assigned with respective telecommunications network service projects. Any new projects being undertaken will take into consideration of the current and potential manpower and expertise that are available to us.

We have not experienced any delay in our services due to shortages of manpower and expertise in the past twelve (12) months.

6. BUSINESS OVERVIEW (Cont'd)

6.10 MAJOR CUSTOMERS

Our major customers (those contributing 10% or more of total sales) over the four (4) FYE 31 December 2008 to 2011 are as follows:

Customer's Industry	Segment of Telecommunications Services Rendered	Type of Services Rendered	Relationship (Years)	Approximate Sales (RM'000)			
				FYE 2008 RM'000	FYE 2009 RM'000	FYE 2010 RM'000	FYE 2011 RM'000
Total Revenue				45,606	100.00	45,920	100.00
Alcatel-Lucent	Technology provider	Telecommunications Network Services (Network Deployment)	8	16,216	35.55	12,487	27.19
DIGI	Telecommunications operator	Telecommunications Network Services (Turnkey Network Deployment)	8	12,126	26.59	12,356	26.91
Ericsson	Technology provider	Telecommunications Network Services (Network Deployment)	8	2,509	5.50	5,686	12.38
Huawei	Technology provider	Telecommunications Network Services (Network Deployment)	4	140	0.31	2,589	5.64
NEC	Technology provider	Telecommunications Network Services (Network Deployment)	4	78	0.17	1,724	3.75

6. BUSINESS OVERVIEW (Cont'd)

Customers Industry	Services Rendered	Number of Customers	Number of Employees	Revenue		Revenue		Revenue		Revenue	
				2012 Year (in RM'000)	2012 % of Revenue	2011 Year (in RM'000)	2011 % of Revenue	2010 Year (in RM'000)	2010 % of Revenue	2009 Year (in RM'000)	2009 % of Revenue
ZTE	Technology provider	4	54	0.12	3,664	7.98	7,493	11.22	5,731	6.49	
	Network Services (Network Deployment)										
Total		31,123	68.24	38,506	83.85	55,639	83.32	47,396	53.66		
Total no. of customers		33	29	58	97						

For the FYE 31 December 2011, our Group had 97 customers. DiGi being our largest current customer, accounted for 16.50% of revenue contribution for FYE 31 December 2011. We are dependent on major customers such as DiGi and Ericsson (contributing over 10% of our total Group revenue for the FYE 31 December 2011.)

The following factors serve to mitigate our Group's dependency on our customers:

- (i) established long business relationships with these customers (between 4 to 8 years each) and are well positioned to continue as service providers for these customers; and
- (ii) customers are in different segments of the telecommunications industry i.e. technology provider as well as telecommunications operators.

Our Group continues to build relationships with our customers in the local market.

Please refer to Section 4.1 (iii) of this Prospectus for information on the risk relating to dependency on our major customers.

6. BUSINESS OVERVIEW (Cont'd)

6.11 SUPPLIERS

6.11.1 Types, Sources and Availability of Materials

Our Group mainly purchases consumable materials, metal products, electrical cables and connectors and civil work materials. We also depend on sub-contractors for our network deployment services. The table below details the types and value of purchases by and sub-contractor services rendered to our Group for the FYE 31 December 2011.

Type of Material	Value of Purchases RM'000	% of Total Group Purchases and Sub-contractor Services	Local %	Import %
Consumables materials such as bolts, nuts, cable ties and grounding kits	1,245	2.22	100	-
Metal products such as booms, unipoles, cable ladders and mounting brackets	2,697	4.82	100	-
Electrical power generation systems, cables, connectors and antennas	17,277	30.88	30.95	69.05
Civil work materials such as cement and piling steel frames	618	1.10	93.53	6.47
Network securities products and solutions	412	0.74	-	100
Sub-contractor services such as turnkey services and network deployment	33,706	60.24	100	-
Total	55,955	100.00	77.87	22.13

The purchase prices of these products have remained fairly stable over the past four (4) FYE 31 December 2008 to 2011.. In the event that our raw material costs increase substantially, we are able to negotiate with our customers to adjust contract prices. In previous instances when raw material prices have substantially increased, we have managed to adjust the contract terms regarding pricing with our customers. We also have not experienced any difficulty securing the said materials according to our required quality from the market. We do not foresee any significant or prolonged shortages for these materials/services in the near future.

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6. BUSINESS OVERVIEW (Cont'd)

6.11.2 Major Suppliers

Our major suppliers (those contributing 10% or more of total purchases) over the four (4) FYE 31 December 2008 to 2011 are as follows:

Suppliers	Type of products Supplied	Years Supplied	Total Purchases			RM'000	% of Total
			2008	2009	2010		
Chi-Tak Electrical (KL) Sdn Bhd	Electrical cables	7	1,603	17.91	357	4.74	895
Deltric Sdn Bhd	Power cables	5	1,017	11.37	46	0.61	43
Guangdong Westinpower Co Ltd, China	Electrical systems and components	2	-	-	-	-	701
Kia Metal Works Sdn Bhd	Metal products such as booms and unipoles	10	1,530	17.10	2,593	34.46	2,359
Tecsys Product Sdn Bhd	Power distribution boards	6	1,440	16.09	819	10.89	1,202
Rosenberger Asia Pacific Electronic Co Ltd, China	Radio frequency cables, connectors and antennas	3	-	-	114	1.52	2,362
Total			5,590	62.47	3,929	52.22	7,562
Total no. of suppliers			72	67	137		150

Note:

^ Negligible.

6. BUSINESS OVERVIEW *(Cont'd)*

Our purchases are sourced from local as well as foreign suppliers. Kia Metal Works Sdn Bhd and Teesys Product Sdn Bhd are our major suppliers for over the last three (3) years from FYE 31 December 2010 and more recently in FYE 31 December 2011, Guangdong Westinpower Co Ltd has been our major supplier. We are dependent on Guangdong Westinpower Co Ltd for the supply of products and materials for the running of our business.

The following factors serve to mitigate our Group's dependency on one of our suppliers:

- (i) established a good business relationship with these suppliers; and
- (ii) in the event that these major suppliers cannot offer critical supply to us, we are able to obtain good substitutes from other suppliers in the local and foreign markets.

Please refer to Section 4.1 (vii) of this Prospectus for information on the risk relating to dependency on our major suppliers.

Apart from suppliers, our Group also depends on sub-contractors to provide certain turnkey deployment services to us. Our major sub-contractors (i.e. those who contributed 10% or more of sub-contract work value) for the past four (4) FYE 31 December 2008 to 2011 are as follows:

Suppliers	Total Sub-contract Values	Types of Sub-contract Work Procured	Approximate Length of Relationship (Years)	FYE 31 December		
				2008 RM'000	2009 RM'000	2010 RM'000
All Star	Sub-contract work for turnkey telecommunications network services	5	5,650	24.37	3,405	13.34
Total				5,650	24.37	3,405
Total no. of sub-contractors				143	144	190
						219

6. BUSINESS OVERVIEW (Cont'd)

6.12 MAJOR LICENCES, PERMITS AND REGISTRATIONS

The major licences, permits and registrations of our Group as at the LPD together with the conditions attached and status of compliance are as follows:

Issuing Authority	Issue Date	Validity Period	Registration Number	Conditions Imposed	Status of Compliance
CMDB	22.06.2011	22.06.2011- 21.06.2013	G6 license for specialisation in:	G6-For tendering capacity not exceeding RM10,000,000.	Complied.
			i. B04 (General building works, including fixing partitions, roofing and general maintenance of buildings)	G7-For tendering capacity of no limit.	
			ii. CE21 (General civil engineering works, including earthworks, subsoil drainage, etc)		
			iii. M1.5 (Installation, testing, commissioning, maintenance and repair of mechanical based systems such as pumping installation, sewerage treatment plant installation, water treatment plant installation, rotary pumps, reciprocating pumps, centrifugal pumps and special purpose pumps, etc).		
				G7 license for specialisation in:	
			i. E04	a) General wiring and control system wiring works not exceeding 1 Kilovolt ("KV"); b) Installation and maintenance of low tension overhead lines and underground cabling not exceeding 1 KV; and c) Also includes installation and maintenance of generating plant and equipment not exceeding 1 KV.	

6. BUSINESS OVERVIEW (Cont'd)

Issuing Authority	Issuing Date	Valid Period	Type of License Registration/Permit	Conditions Imposed	Status of Compliance
Malaysian Energy Commission	03.07.2011 02.07.2013	03.07.2011- 02.07.2013	ii. E07 (Telephone cabling and internal ducting, radio based communication system, private branch automatic branch exchange (PBX), microwave system, multiplex and signaling, tropo-scatter system, satellite system, radar surveillance system, data communication equipment, remote subscriber system, vessels and navigational specialized system, etc.) iii. E08 (Telecommunications cabling(underground/overhead), manholes, underground ducting/pipes).	<p>Registered as electrical contractor under Electricity Regulations 1994 (Amendment 2003) of class A :</p> <ol style="list-style-type: none"> is capable of carrying out electrical work above one million ringgit in value; has employed on a full-time basis at least three wiremen with three phase restriction, and nothing in this paragraph prohibits him to be one of the three wiremen; has employed on a full-time basis at least one wireman with three phase restriction authorised to test an installation, and nothing in this paragraph prohibits the wireman from being one of the three wiremen with three phase restriction as provided in paragraph (ii); and has employed on a full-time basis at least two wiremen with single phase restriction, and nothing in this paragraph prohibits him to be one of the two wiremen. 	Complied.

6. BUSINESS OVERVIEW (Cont'd)

Issuing Authority	Issuing Authority Date	Valid Period	Type of License/Permit	Registration/Permit No.	Conditions Imposed	Status of Compliance
Ministry of Finance	17.06.2010	17.06.2010 - 16.06.2013	Registered contractor for field of supply and services that falls under:		Registered contractor only for supply and services under headings:	Complied.
			i. 010100 - reading materials. ii. 020101 - housing and office furniture and equipment. iii. 020300 - housing and office electrical appliances. iv. 030100 - fire prevention equipment and security control. v. 030200 - safety equipment and attire. vi. 040100 - communication equipment. vii. 040200 - teaching aids. viii. 050200 - attire and equipment. ix. 090100 - medical tools and equipment. x. 140100 - construction material xi. 200300 - cable, accessories and conductors. xii. 200400 - lightings and equipment. xiii. 220101 - air conditioner (window/ split). xiv. 220102 - office machinery. xv. 220103 - fire extinguisher and tools. xvi. 220401 - building cleaning. xvii. 220402 - area cleaning. xviii. 220403 - trash lifting.		Not applicable ("N/A")	
Pusat Khidmat Kontraktor	26.09.2011	24.08.2011 - 23.08.2013	Registered Civil Work Contractor for Head IV. Registered Electrical Contractor for Class II. Registered Electrical Contractor for subheads:		Nil	
			i. 1 - General wiring works. ii. 2 - Control system wiring. iii. 3 - Overhead line installation low voltage and underground cable. iv. 4 - Underground cable installation exceeding 1 KV up to and including 11 KV.			

6. BUSINESS OVERVIEW (Cont'd)

SSN/ISN	Issue Date	Valid Until Date	Registration No.	Category	Conditions Imposed	Status of Compliance
				v. 10 – High voltage equipment installation: (a) to and including 11 KV; and (b) Over 11 KV.	i. Paid-up capital/ minimum accumulated capital of RM50,001. ii. Able to operate throughout Malaysia.	
				vi. 15 – Electrical engineering system installation/low voltage electronics addition such as attachment system and mover, security system etc.	Company officials stated in the registration certificate are representatives authorised to sign all the company's contract documents and to take or authorise in writing to company employees to take a tender form. They are: i. Ooi Chin Khoon ii. Abdul Halim Bin Abdul Hamid iii. Hussin Bin Abu Bakar iv. Annuar Bin Shamsudin	
SIRIM QAS	15.12.2010	01.03.2011-28.02.2014		SIRIM QAS International Certificate for supply and installation of telecommunications, mechanical and electrical systems and provision of related civil engineering works	Nil	N/A
Celcom	Nil	09.12.2011-09.12.2014		Registered as Celcom's registered Supplier/ Contractor	Nil	N/A
IQNet Association and SIRIM QAS	15.12.10	01.03.2011-28.02.2014		International Certification Network and SIRIM QAS certificate for implementing and maintaining a Quality Management System which fulfils the requirement of the standard ISO 9001:2008 for the supply and installation of telecommunications, mechanical and electric systems and provision of related civil engineering works	Nil	N/A

6. BUSINESS OVERVIEW (Cont'd)

Issue Authority	Issuing Authority Date	Validity Period	Type of License	Registration Certificate	Telekom	Malaysia	Berhad's	Status of Compliance
Telekom Malaysia Berhad	6.12.2010	03.12.2010 - 02.12.2012	Registered as registered vendor				Nil	N/A
Construction	4.04.2011	14.03.2011 - 15.03.2014	Registered with Berhad		Construction	Labour	Exchange	Nil
Labour Exchange Berhad								N/A
Minister of Information, Communications and Culture ("MICC")	29.11.2011	29.11.2011- 28.11.2016	Registered as Network Facilities Provider		a) obligation to notify the MICC of any changes in the substantial shareholding of the company;			Complied
					b) obligation to notify the MICC of any joint ventures or consortiums, which it enters with any other licensees after the grant of the licence;			
					c) obligation to commence the provision of facilities which it is authorise to provide within twelve (12) months from the date of license;			
					d) obligation to obtain the approval of MICC in the event OCK Setia wishes to provide any network facilities other than towers, poles, ducts and pit used in conjunction with other network facilities;			
					e) obligation to give not less than two (2) months notice in writing to MICC and MCMC in the event the licensee intends to suspend provision of any facility being provided and shall recommend the provision of the suspended facilities not later than four (4) months from the date of its suspension;			
					f) the licensed area shall be in Malaysia;			

6. BUSINESS OVERVIEW (Cont'd)

Issuing Authority	Issuing Date	Validity Period	Type of Licensee Registration	Permit No.	Conditions Imposed	Status of Compliance
					<p>g) the licensee shall be subject to the annual licence fee equivalent to 0.5% of gross turnover less the applicable rebates, provided that the applicable annual license fee shall not be less than 0.15% of the gross turnover of the preceding financial year of the licensee of fifty thousand ringgit, whichever is greater;</p> <p>h) obligation to prepare and deliver to MCMC separate accountant records as may be required by MCMC from time to time;</p> <p>i) obligation to inform the commission on alterations to licensee's network;</p> <p>j) obligation to notify MICC in writing, of any restructuring or rationalization of the licensee's corporate structure;</p> <p>k) obligation to provide universal service and/or contribute to universal service fund;</p> <p>l) obligation to adhere to requirement of shareholding which includes foreign shareholding of not more than thirty (30) percent and the Bumiputera equity in the licensee is not less than thirty (30) percent, whereby the licensee shall have within one (1) year from the date of issue of the license to comply with the aforesaid Bumiputera equity requirement;</p> <p>m) obligation to comply with detailed business plan submitted to MCMC; and</p>	

6. BUSINESS OVERVIEW (Cont'd)

ISSUE DATE	ISSUE AUTHORITY	VALIDITY PERIOD	TYPE OF LICENSE	PERIOD OF CERTIFICATION	CONDITIONS IMPOSED	STATUS OF COMPLIANCE
					n) obligation to submit two progress report annually to MCMC outlining the steps taken to implement the detailed business plan to MCMC as their monitoring mechanism.	

6.13 INTELLECTUAL PROPERTY RIGHTS

Our Group does not hold any intellectual property rights.

6.14 DEPENDENCY ON PATENTS, INTELLECTUAL PROPERTY RIGHTS, LICENCES, INDUSTRIAL, COMMERCIAL OR FINANCIAL CONTRACTS

6.14.1 Dependency on Intellectual Property Rights

Our Group is not dependent on any patents or intellectual property rights for our business operations.

6.14.2 Dependency on Major Licences

Save as disclosed in Section 6.12 of this Prospectus, our Group is not dependent on any major licences, for our business operations.

6.14.3 Dependency on Industrial, Commercial and Financial Contracts

Save for our frame agreements signed with our customers, our Group is not dependent on any material contracts or agreements including industrial, commercial and financial contracts, which are material to our business or profitability.

6. BUSINESS OVERVIEW (Cont'd)

6.15 PROPERTY, PLANT AND EQUIPMENT

6.15.1 Own Properties

As at the LPD, we own the following properties:

Registered/ Beneficial Owner	Title/Address	Description/ Existing Use	Tenure	Encumbrances	Land Area/ up Area	Audited NBV as at 31 December 2011	Market Value as at September 2011	RM'000	Issuance Date of Certificate of Fitness/ Completion and Compliance
									(sq ft)
OCK Setia	(i) Title: P.T Nos 629 & 630 held under Title No. H.S.(D) 63627 & 63628 respectively Mukim Damansara District of Petaling State of Selangor	Single (1) storey detached warehouse annexed with a three (3) storey office building/ Rented to third party	Freehold	Charged to AmIslamic Bank Bhd vide presentation No. 38315/2012 dated 19.04.2012	55,800/ 35,454	7,814 ⁽¹⁾	7,840	1,950	20.06.1995
	Address: No. 79 & 80, Hicom Sector B, Jalan Gadung 27/93A, 40000 Shah Alam Selangor Darul Ehsan	Three (3) storey terrace intermediate shop office/First and second floors rented to third party whilst ground floor remains unoccupied	99 years lease expiring 06.11.210 2	Charged to AmIslamic Bank Bhd vide presentation No. 38316/2012 dated 19.04.2012	1,765/ 5,280	1,943 ⁽²⁾	1,950	1,950	18.08.2008

6. BUSINESS OVERVIEW (Cont'd)

Registered/ Beneficial Owner	Title/Address	Description/ Existing Use	Tenure	Encumbrances	Land Area/ Built up Area	Audited NBV as at 31 December 2011	Market Value as at September 2011	Issuance Date of Certificate of Fitness/ Completion and Compliance
				(sq ft)	RM'000	RM'000	RM'000	
<u>Address:</u>								
	No. 21, Jalan PJS 8/18, Dataran Mentari, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan							
OCK M&E	Title: P.T. No. 41553 held under Title No. H.S.(M) 19182, Mukim Dengkil, District of Sepang, State of Selangor	One and a half storey (1 1/2) semi-detached factory/ Unoccupied	99 years lease expiring 24.11.2107		8,125/ 4,043	1,836 ⁽³⁾	1,840	21.09.2011
	<u>Address:</u>		Charged to Public Bank Berhad vide presentation No. 228/2011 dated 01.02.11					
	No. 6, Jalan PTP 1/1 Taman Perindustrian Tasik Perdana @ Puchong, 47120 Puchong, Selangor Darul Ehsan							
Total							11,593	11,630

Notes:

- (1) Includes a revaluation surplus/ net of deferred taxation of 5.00% of approximately RM2.01 million.
 (2) Includes a revaluation surplus/ net of deferred taxation of 5.00% of approximately RM1.11 million.
 (3) Includes a revaluation surplus/ net of deferred taxation of 5.00% of approximately RM0.30 million.

6.15.2 Rented Properties

In addition, as at the LPD, we are also renting the following properties for our operations:

6. BUSINESS OVERVIEW (Cont'd)

Landlord	Address	Description of Premises	Rent Period	Annual Rent	Land Area (sq ft)	Built-up Area (sq ft)	Land Area and Built-up Area (sq ft)
Firatel	Lot 32, Jalan TPP 1/12 Taman Industri Puchong 47160 Puchong Selangor Darul Ehsan	<ul style="list-style-type: none"> Third floor: Group's Telecommunications Project department <p>Single (1) storey detached warehouse/Storage of equipment and materials with a warehouse office</p>	15.08.2010 to 14.08.2012	90,000	12,000/7,800		
Fortress Singapore	110, Robinson Road #02-00, Singapore 068901	<ul style="list-style-type: none"> First floor of a commercial building/Occupied by Fortress Singapore for: <ul style="list-style-type: none"> Administrative department and sales department; and Storage for network security products 	15.08.2010 to 31.05.2013	103,388 *	Not applicable as it is located on the first floor of the building/1,500		
EI Power	Shobu Sdn Bhd	No 2, Jalan Anggerik Mokara 31/49 Kota Kemuning Seksyen 31 40460 Shah Alam Selangor Darul Ehsan	One and half (1½) storey corner semi-detached building/ Occupied by EI Power for its entire operations and storage of equipment	144,000	16,000/8,500		

6. BUSINESS OVERVIEW (Cont'd)

Landlord	Address	Description of Existing Use	Period Occupied by OCK Setia as:	Land Area/Built-up Area (sq ft)	Annual Rental (RM)
OCK Setia SY Management Services	30, Lengkok Kikik Taman Inderawashih 13600 Prai Pulau Pinang	One and half (1½) storey corner semi-detached factory/ Occupied by OCK Setia as: • Site office; and	14.09.2011 to 14.08.2012	42,312	2,000/2,400
OCK Setia CDS Global (Sabah) Sdn Bhd	SD42, Taman Industrial Warisan Indah DBKK Lorong Indah Warisan Indah 3, Mile 7 Jalan Tuaran 88450 Inanam Kota Kinabalu Sabah	One and half (1½) storey corner semi-detached factory/ Occupied by OCK Setia as: • Site office; and	01.08.2011 to 01.08.2012	54,000	12,000/7,500
OCK Setia Wong Chuen Hua	2 nd Floor, Block 3142 Block 10, Jalan Laksamana Cheng Ho 93350 Kuching Sarawak	Second floor of a shop lot/ Occupied by OCK Setia as office for its projects in Sarawak	01.02.2012 to 31.01.2013	9,000	Not applicable as it is located on the second floor of a shop lot 2,000

6. BUSINESS OVERVIEW (Cont'd)

Tenancy	Tenancy Type	Address	Description	Rental Rate (RM)		Area (sqft)	Built Up Area (sqft)
				Per Sqft	Per Sqft		
OCK Setia	Ho Yock Main	No. 2, Jalan TPP 1/11 Taman Industri Puchong 47100 Puchong Selangor Darul Ehsan	One and half (1½) storey corner semi-detached factory/ Occupied by OCK Setia as: • Site office; and	01.04.2012 to 31.03.2013	192,000	14,000/15,000	
			• Warehouse for storage of telecommunications network equipment and all other supporting accessories				
OCK Setia	Quek Meu San	9-3, Jalan Puteri 2/6 Bandar Puteri 47100 Puchong Selangor Darul Ehsan	Third floor of a shop lot/ Group Telecommunications project department; Occupied by Steadcom as its office for its administrative department and sales department.	01.08.2011 to 31.07.2013	19,200	Not applicable as it is located on the third floor of a shop lot /2,000	
OCK Setia	Low Keng Chiew	10, Jalan Bakawali 72 Taman Johor Jaya 81100 Johor Bahru	One and half (1½) storey factory/ Occupied by OCK Setia as: • Site office; and	15.05.2012 to 14.05.2014	33,600	5,000/3,500	
			• Warehouse for temporary storage of telecommunications network equipment and all other supporting accessories for its projects in the southern region				

Note:

* Based on annual rental of SGD42,372 with the average exchange rate during the FYE 31 December 2012 of RM2.44:SGD1.00.

6. BUSINESS OVERVIEW (Cont'd)

6.15.3 Material Equipments

The details of our material equipments are as follows:

Equipment	No. of Units	Audited NBY as at 31 December 2011 R.M.
Handheld cable and antenna analyser (ANRITSU S331E)	1	36,000
Drive test tools for measurement of signal coverage (WCDMA 900 LX(CODE: 06028) c/w Power-232 Cable, CAR-Lighter Termination-16' Long USB to RS232 Cable-Serial Converter Antenna, GPS High Gain Antenna, 698-2300 MHZ Multi-Band Mag Mount, High Performance)	3	88,304
Drive test tools for measurement of signal coverage (PCT-505 WCDMA Scanner 900 and 2100)	2	33,915
Drive test tools for measurement of signal coverage (WCDMA 2100 Power-232 cable, Car-lighter Termination-16' long Antenna, GPS High Gain Antenna, 800-2100 MHz Multi-Band Mag Mount)	7	82,010
Ethernet Tester	1	9,200
	14	249,429

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6. BUSINESS OVERVIEW (Cont'd)

6.15.4 Regulatory Requirements and Environmental Issue

As at the LPD, our Board believes that, we are in compliance in respect of all regulatory requirements (including land rules and building regulations) and environmental issues which may materially affect our Group's operations and/or utilisation of assets.

6.15.5 Interruptions to Business and Operations

We have not experienced any material interruption in business which had a significant effect on our operations during the past twelve (12) months preceding the LPD.

6.16 FUTURE PLANS, STRATEGIES AND PROSPECTS

6.16.1 Future Plans and Strategies

Our Group is targeting to further strengthen our competitive advantages by implementing the following plans and strategies:

(i) Strengthening Position Towards Becoming a Regional Telecommunications Network Service Provider

We have currently started to commence project trials in Vietnam for optimisation and drive test services for 3G cellular networks whereby a report of project trials has been submitted to a telecommunications operator in Vietnam for their consideration. We plan to venture into emerging countries like Philippines, Thailand, Indonesia, Vietnam and Myanmar where the potential for telecommunications network deployment remain strong. We intend to work with technology providers with existing operations in these countries as a way to penetrate these markets. We have started our negotiations with these technology providers on details of agreements in Indonesia, and Vietnam and will be setting up local offices to commence operations thereafter.

In order to expand within the foreign markets, our Group is keeping abreast with the latest telecommunications technology advancements within each target market to ensure our services and solutions are capable of competing with local equivalents. We expect to start the regional expansion in the final quarter of 2012 whereby we are currently in the preliminary stages of discussions with technology partners in Phillipines, Indonesia, Thailand, Myanmar, Vietnam. The expansion plan will be financed through project financing facilities which will be raised subsequent to the finalisation of project details and/or signing of agreements.

(ii) Becoming a Local Telecommunications Infrastructure Owner

Telecommunications operators have traditionally been the owners of their own infrastructure. However, infrastructure development costs have been increasing. This is due to several factors including the rapid evolution of technology necessitating frequent upgrades, heavier usage of telecommunications services requiring greater infrastructural capacity. In tandem with these changes, telecommunications operators are already beginning to lean towards network infrastructure sharing and other means of cutting infrastructure investment while maintaining or improving service levels to consumers.

We intend to capitalise on this trend, along with our expertise in building and managing telecommunications infrastructure, by building and owning telecommunications infrastructure, which may include buying existing telecommunications towers from local telecommunication operators, and renting it back to them. Our Group recognises that renting out telecommunications towers is a sustainable source of revenue for us in the long run. Consequently, we have obtained the NFP license from MCMC on 29 November 2011 which will permit us to build and own telecommunications towers. With the NFP license, we will be able to build and rent out telecommunications infrastructure to telecommunications operators. We envisage to spend an initial RM9.90 million of the proceed raised from our Public Issue

6. BUSINESS OVERVIEW (Cont'd)

for the construction of new telecommunication infrastructure and to use internally generated funds for any potential acquisition of telecommunication infrastructure. Whilst we have begun marketing this segment towards telecommunications operators, we envisage the plan to buy existing and/or build new telecommunications infrastructure will be implemented over the next two (2) years.

Background of NFP

The MCMC has been issuing the NFP licenses since 2001. The NFP licenses governs the ownership and operations of telecommunications facilities. NFP licenses are allowed to build, own and operate satellite stations, broadband fibre optic networks, telecommunications towers and other infrastructure. Typical NFP licenses include radio and television broadcasters, cellular network operators, as well as broadband internet service providers (ISP). Based on the MCMC's website, as at 11 October 2011 there are a total of 117 companies with NFP licenses. The license issued is based on any or a combination of the type of network facilities that is intended to be provided/provided by the applicant companies/ licenses as follows:

- (a) Earth stations;
- (b) Fixed links and cables;
- (c) Public payphone facilities;
- (d) Radio communications transmitters and links;
- (e) Switching centres;
- (f) Satellite hubs;
- (g) Space stations;
- (h) Submarine cable landing centre; and
- (i) Towers, poles, ducts and pits used in conjunction with other network facilities.

NFP license granted to our Group

The Group's application to obtain the NFP license was submitted on 19 October 2011. The NFP license was subsequently granted to OCK Setia which is valid for five (5) years from 29 November 2011 for item (i) above, i.e. for the provision of network facilities that consists of towers, poles, ducts and pits used in conjunction with other network facilities stipulated in the NFP license.

Out of 117 companies with NFP licenses, 17 companies have been granted with NFP license solely for the provision of network facilities for item (i) above which is similar to the license granted to our Group. However unlike our Group, based on publicly available information, most of the said 17 companies are owned/backed by the state governments, which were formed to collect rental from the telecommunications operators for the usage of the respective companies' telecommunications towers.

There is an increasing inclination by the MCMC to award NFP licenses to parties other than telecommunications operators and media broadcasters, thus encouraging infrastructure ownership among third parties including telecommunications network service providers.

This is in line with regional trends in telecommunications services, where operators are increasingly consolidating infrastructure costs through infrastructure sharing and renting from third-party owners. Within Malaysia, the award of NFP licenses to non-traditional licensees opens up opportunities for telecommunications network services providers to gradually shift towards a business model of telecommunications infrastructure ownership, receiving rental revenue from operators interested in increasing network reach without directly incurring heavy infrastructure development costs.

6. BUSINESS OVERVIEW (Cont'd)

Rationale for the venture to telecommunications infrastructure owner

The rationale for our Group's venture into telecommunications infrastructure owner are as follows:

- Tower operations provide our Group with recurring income for this investment. Currently, our Group is already in discussions with telecommunications operators for our latest offering;
- The proposed tower operations will also yield our Group with additional streams of revenue such as sale of replacement equipments and maintenance packages; and
- The asset-light model is relatively new, therefore our Group can capitalise on being one of the early beneficiaries of the model.

Status of implementation

OCK shall comply with the conditions attached to our NFP license, including the obligation to build and own forty (40) telecommunications towers in the next one (1) year and subsequently fifty (50) telecommunications towers for each year thereafter up to year five (5). The estimated cost for each site is approximately RM0.35 million. These assets is expected to be depreciated on a straight-line basis over an estimated useful life of 25 years. The Group intends to finance the construction of the towers from a combination of proceeds from the listing exercise as well as internal funding and bank borrowings.

(iii) Capitalising on Trends in Infrastructure Collaboration among Telecommunications Operators and Managed Services

In response to Government's call to optimise network deployment, telecommunications operators are joining forces to share network infrastructure resources to reduce premises/tower rental expenditure, share set up costs and spread out transmission costs while increasing network coverage and depth. In view of this direction, major local telecommunications operators will be embarking on infrastructure consolidation, relocation and joint development work. This is a clear opportunity for our Group to capitalise on as our Group has existing expertise in turnkey services for telecommunications infrastructure. We intend to secure a portion of these future infrastructure projects via our existing business relationships with major telecommunications operators, especially within the cellular telecommunications market.

The collaboration of DiGi and Celcom in 2011 has opened up opportunities for us as we are one of the three (3) service providers selected to carry out the deployment tasks for an integration project with an estimated value of RM400 million for infrastructure collaboration. The three (3) year frame agreements will allow us to carry out installation and dismantling of sites in tandem with both operators' plans to consolidate their infrastructure. The project involves a total of approximately 12,000 sites. We intend to capture further similar opportunities from similar collaborations between telecommunications operators.

With Malaysia's infrastructure network growing rapidly, there is also a need to increase operational efficiency to optimise capital expenditure needs. The network effectiveness can be achieved not only by building new infrastructure but by also ensuring that current infrastructure is performing optimally and efficiently.

Our Group intends to expand our involvement in the area of managed services where we help telecommunications operators ensure this network effectiveness and efficiency through proper network operations and maintenance. Our Group had previously provided maintenance services to NSN and Alcatel-Lucent to maintain Celcom's 3G radio base station and radio microwave equipment. The maintenance contracts were secured in 2007 and the revenue was

6. BUSINESS OVERVIEW (Cont'd)

recognised up to FYE 31 December 2008. Subsequent to FYE 31 December 2008, there is no income derived from maintenance services. We aim to promote our managed services further particularly to cellular telecommunications operators over the next three (3) years tapping into their focus of rationalisation of capital expenditure. We have recently entered into a maintenance contract with one of the technology partners to undertake such services for Central Region and East Malaysia. We are also currently exploring possibilities with one of our technology provider to provide maintenance services for their clients.

We intend to spend approximately RM9.70 million as operational expense over the next one (1) year to capitalise on this trend.

(iv) Incorporating Green Technology into Our Telecommunications Infrastructure

Increasing telecommunications infrastructure demand contributes to greater energy demand. With the increase of network traffic, power consumption will increase proportionally to the number of base stations. Concurrent with global initiatives to reduce global warming and to promote sustainable energy consumption, green technologies and green energy are among the solutions highlighted to reduce energy consumption and a dependence on non-renewable energy sources.

Understanding both the increase in infrastructure demand and the need for energy prudence, our Group has started to venture into the incorporation of green technologies into our infrastructure deployments. Due to the significant outdoor presence of telecommunications infrastructure, we are working towards incorporating solar energy utility at our client's infrastructure facilities. We are currently exploring the use of solar panels for energy generation. We are also looking into optimising our system architecture for base stations in order to reduce energy usage. Through El Power, we have already ventured into the integration of solar power generation systems, utilising solar power technology from Germany. We have successfully integrated generation systems for trial projects and will continue seeking new customers for this business in order to build our experience and expertise in this area of green energy. We expect to begin commercial implementation of solar power generation systems for telecommunications infrastructure in 2014 and will finance such activities through project financing facilities and/or internally generated funds.

The future potential for solar energy is present as Malaysia enjoys a hot, equatorial climate throughout the year, where it receives an average six (6) hours of sunlight a day. With the large number of base stations to be built contributing to heavy energy consumption, leading to a high cost of utility, the renewable solar energy can be beneficial to telecommunications operators in the long run as it reduces the operating expenditure of their infrastructure while reducing their contribution to global warming.

(v) Strengthening our Value Added Services ("VAS") Offering

We always look into various possibilities and opportunities to expand our offerings to enhance the quality of the user experience. Henceforth, we are fortifying our VAS offerings which will be beneficial to both our telecommunications clients as well as end-users of mobile telecommunications services. For telecommunications end-users, we will be offering applications that facilitate the transmission of multimedia (audio and visual) content over telecommunications networks. With the current demand for multimedia content in the telecommunications sector, the solution allows the telecommunications operator to increase revenue with minimum or no cost upfront. To date, the principal has implemented the solution with various customers in Thailand.

We have been in discussion with the principal and have started to market its products outside Thailand to countries such as Malaysia and Vietnam and have actively engaged with the major players in the telecommunications industry. We expect this solution will provide good contribution to our income as we intend to pursue a revenue sharing model for this multimedia-related VAS. Should our marketing efforts be successful, we will be implementing

6. BUSINESS OVERVIEW (Cont'd)

system integration, management and maintenance trials with telecommunications operators which would potentially happen in 2012 whilst commercialisation of VAS is expected to take place in 2014.

Another VAS we intend to market to telecommunications operators are network performance enhancement services. This VAS's objective is to strengthen and optimise telecommunications' signal quality. Operator service quality is crucial for our clients to build a competitive edge over other operators. As the telecommunications market becomes more competitive, quality of signal is an increasing cue to the credibility of an operator's coverage. With the latest VAS offering, we are able to identify and optimise the signal transmissions across various areas of different usage density. We are able to monitor usage at each base station and re-allocate bandwidth to higher-usage areas. We are working with principals from the United States and United Kingdom for this VAS offering and have currently begun marketing its products and services. We foresee system integration, management and maintenance trials with telecommunications operators in Vietnam which would potentially happen in 2012 whilst commercialisation of VAS is expected to take place in 2014.

No major expenses will be made towards commercialisation of VAS as it is expected to be undertaken as joint ventures with relevant application companies.

6.16.2 Prospects

The outlook for the telecommunications network services market in Malaysia remains positive and steady growth is projected throughout the forecast period of 2011 to 2016 as reflected by the forecast market size and growth. The market is projected to grow from its estimated market size of RM5.80 billion in 2011 to RM6.70 billion in 2016 – registering a CAGR of 2.9 percent.

Given the relatively large scaled capital expenditure for new technology such as HSBB, the amount of investment is projected to slightly taper down after the initial large investment outlay as the telecommunications carriers or operators are expected to spread the costs over a longer period and continue to monitor the level of demand for such services before committing further capital expenditure.

Meanwhile, the ICT industry in general is expected to continue playing an important role in the Malaysian economy by helping to raise the nation's overall productivity and competitiveness. The Malaysian Government expects the industry to contribute 10.2 percent of the nation's GDP by 2015. The expected implementation of strategic ICT related plans under 10th Malaysia Plan such as the formulation of a National Creative Industry Policy and the roll-out of the National Digital Terrestrial Television Broadcasting (DTTB) project as well as the HSBB and Broadband for the General Population (BBGP) under the on-going National Broadband initiatives is anticipated to propel the industry closer to the target. The selection of communications content and infrastructure sector as one of the National Key Economic Areas under the ETP has also boosted the outlook for the local telecommunications network services market. Given that the telecommunications network services market as well as its end-users belongs to the ICT industry, the continued proliferation and expansion projected for the ICT industry is expected to drive demand for telecommunications network services market.

(Source: IMR Report)

Based on the outlook in the telecommunications network services market, our future plans and strategies and our competitive strengths as outlined in Section 6.5 of this Prospectus, our Board is of the view that we are positioned to enjoy growth in the foreseeable future. Whilst we recognise the market challenges in the industry and the risk factors as outlined in Section 4 of this Prospectus, we are committed to our business and our strategies to propel us to continue to prosper in our field.

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT

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18 JUN 2012

Board of Directors,
OCK Group Bhd,
11 & 13,
Jalan Puteri 2/6,
Bandar Puteri,
47100 Puchong,
Selangor Darul Ehsan

Dear Sirs,

Executive Summary of the Telecommunications Network Services Market in Malaysia

This Executive Summary of the Telecommunications Network Services Market in Malaysia is prepared by Protégé Associates Sdn. Bhd. ("Protégé Associates") for inclusion in the Prospectus of OCK Group Bhd ("OCK Group" or "the Company") in relation to the proposed listing of and quotation for the entire issued and paid-up share capital of OCK Group on the ACE Market of Bursa Malaysia Securities Berhad.

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
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Malaysia Economic Overview

After rebounding strongly in 2010, the Malaysian economy grew at a more moderate pace in 2011. Real GDP during the year expanded by 5.1 percent to RM558.3 billion, supported by the strength of domestic economic activity and spending, as well as firm regional export demand attributable to strong domestic demand across emerging Asia's economies. Nevertheless, growth momentum was weighed down by the continued structural weakness and financial volatility in advanced economies, political uprisings in the Middle East, and natural disasters headlined by the Japanese earthquakes during the first half of 2011.

Despite the moderately positive results revealed in most of Malaysia's key economic indicators for 2011, and the continued strength of the domestic economy, the Malaysian Government remains mindful of the high level of uncertainty in the international environment, which can dampen the local economy's growth. Besides that, it has continued to grapple with volatile capital inflows and rising inflationary pressures against the backdrop of large swings in global financial markets and rising food and commodity prices. Nevertheless, the local economy can take heart in the fact that it has continued to remain robust under such volatile global conditions, as evidenced by its resilience during what was a globally challenging year both economically and politically.

Moving into 2012, projects and initiatives launched by the Economic Transformation Programme ("ETP") (initiated 26 October 2010) are expected to begin taking effect. Strong capital inflows encouraged through the ETP, which seeks to propel Malaysia towards becoming a high-income developed nation with a RM1.7 trillion gross national income ("GNI") economy by 2020, are expected to eventuate and now have more visible and pronounced effects on the local economy, and consumer income. Under the ETP, private-sector driven projects with an investment value of RM1.3 trillion are to be undertaken to spearhead Malaysia's economic growth over the next ten years.

In 2012, the Malaysian economy is projected to continue in a vein of steady, moderate growth. Domestic demand is expected to remain in high momentum, and is a likely anchor of growth for the economy. Private investment is expected to increase as a direct result of ETP measures, while the public sector will also remain supportive of economic growth through higher capital expenditure. The economy is expected to remain fairly resilient despite uncertain economic times globally. The Malaysian economy is expected to expand of between 4-5 percent in 2012.

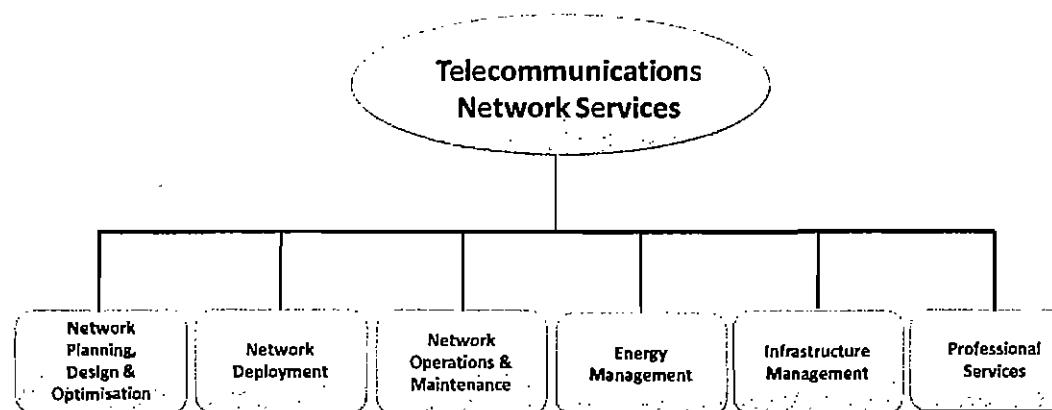
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Market Segmentation

Telecommunications network services can be referred as activities of designing, planning, and building, supporting and maintaining as well as enhancing interconnected telecommunications systems. They are essentially divided into six main segments as shown below

Figure 1: The Main Segments of Telecommunications Network Services



Source: Protégé Associates

- 1) Network planning, design and optimisation – Planning, design and optimisation services particularly on network engineering design in the wired and wireless domain for customers. This segment is an important precursor to a desired economical telecommunications network with optimal quality of service ("QoS")
- 2) Network deployment – roll-out of the earlier planned telecommunications network which can include the likes of active (telecommunications network equipment) and passive (civil, mechanical and electrical) infrastructure.
- 3) Network operations and maintenance – starts once the planned network is successfully deployed in order to ensure its continuity and keep the operational expenses under control.
- 4) Infrastructure management – Continued efforts to optimise network infrastructure for better utilisation of capacities.
- 5) Energy management – planning and improving the level of energy efficiency and optimise energy usage in order to reduce energy costs
- 6) Professional services – project management services, provision of skilled personnel from all the related disciplines to provide specific or end-to-end expertise to the customers, and the provision of other logistics services for project purposes

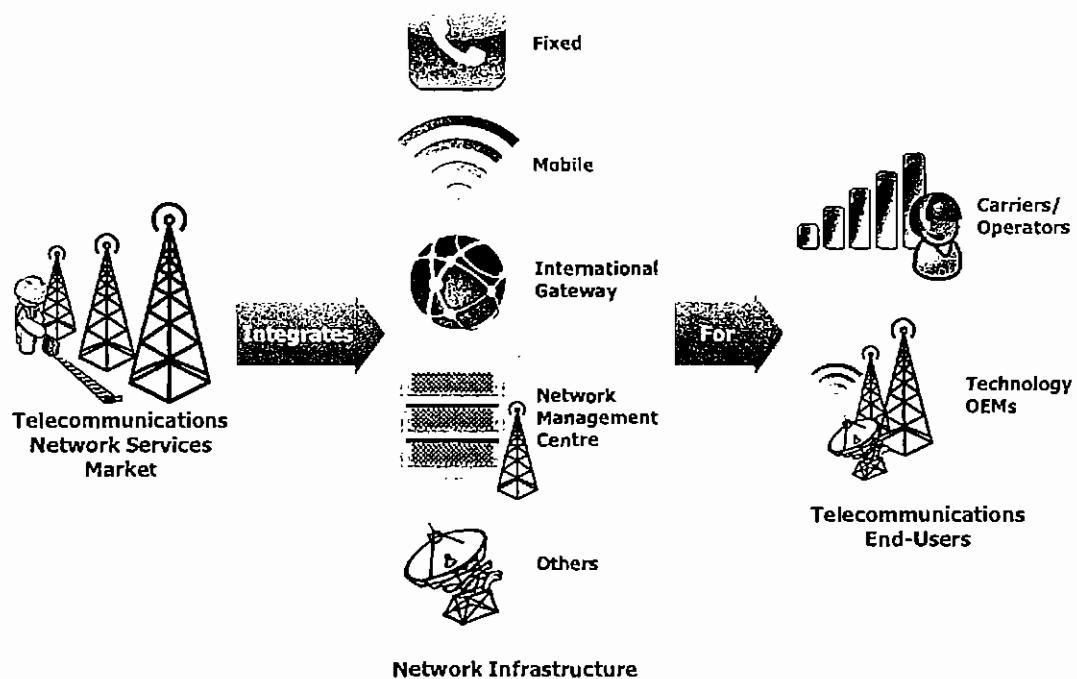
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Telecommunications Network Services & the Telecommunications Industry

The key end-users for telecommunications network services market mainly comprise ICT companies that include telecommunications carriers or operators as well as telecommunications technology original equipment manufacturers ("OEMs").

Figure 2: The End-users of the Telecommunications Network Services Market



Source: Protégé Associates

Telecommunications carriers or operators are the main end-users of the telecommunications network services market in Malaysia. These telecommunications carriers or operators can be operating in all, any one or a combination of the four telecommunications segments namely wired, wireless, satellite and other telecommunications.

The other end-users of the telecommunications network services market are the telecommunications technology OEMs. Telecommunications network services market players generally complement the technology expertise and knowledge of the telecommunications technology OEMs with their wide array of network services to offer a comprehensive telecommunications network solution to customers (carriers and operators).

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Overview of the Telecommunications Services Market in Asia Pacific

Over the last decade, the Asia Pacific region has seen extensive shifts in the telecommunications network services market, mainly from wired to wireless platforms and from narrowband to broadband services. Due to high population densities and initiatives to catch up on connectivity in rural areas, the region has posed much potential for telecommunications growth, especially in the developing countries such as China, India, and Indonesia. Capital investments on telecommunications reached a high of USD103.25 billion in 2010, showing a remarkable CAGR of 8.1 percent from 2005. Within the region, China reported the highest capital investment on telecommunications, at USD40.04 billion, followed by Japan at USD21.39 billion and India at USD17.88 billion. As connectivity picks up in the region, total telecommunications revenues have also increased at a CAGR of 9.1 percent from 2005 to 2010, growing to a total of USD491.88 billion in 2010.

Since its establishment, wireless telecommunications has been the main driver for rural and urban connectivity, increasing connectivity rates across the region. In 2009, mobile phone lines contributed over 96 percent of Asia Pacific's total connection growth. On a global level, Asia Pacific records the second fastest growth of mobile phone subscriptions, rising by 209.8 percent between 2004 and 2009. In developing markets such as India, Indonesia, Thailand and Vietnam, the demand for connectivity has been growing, especially in the underserved rural areas. As the construction of wireless infrastructure is more cost effective compared to wired fixed line infrastructure, mobile telephone lines have been leading the demand in the developing regions. With high fixed line to mobile substitution rates, the demand for fixed line communication has been on a slight decline throughout Asia Pacific. In areas with high growth potential, mobile services remain highly voice-focused, and voice remains the main revenue generator for service operators. Due to poor infrastructure and unattractive ROI projections, service providers in developing countries have been reluctant to introduce 3G services on a full scale nationwide.

While most countries in developing countries are still operating on 3G technology, service operators in Japan and South Korea have already developed a newer generation, 4G technology based on Long Term Evolution ("LTE") networks, both due to launch commercially by 2015. Following successful roll-out plans for LTE-based 4G networks, 4G subscribers in the Asia Pacific region are expected to amount to 126 million by 2015.

The region had 177 million broadband subscribers in 2009, exhibiting a remarkable CAGR of 22.9 percent from 2004. It is estimated that mobile broadband revenues in developed Asia

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Pacific nations will reach USD7.1 billion by 2015, with mobile broadband subscriptions rising from 6.2 million in 2009 to 27.2 million in 2015.

In a region where the demand for telecommunications and connectivity is rapidly growing, service operators are facing the challenge of building high-cost infrastructure in rural areas. At the same time, the service providers have to remain competitive in developed markets by constantly upgrading their infrastructure to support value-added mobile broadband services. In a bid to reduce capital expenditures and improve their time-to-market, telecommunications service operators in Asia Pacific have turned towards new business models.

One of the most common models is infrastructure sharing, which is prevalent in India, China and Indonesia. This model enables service operators to moderate both capital and operating expenses, while reducing their time-to-market as the cost of developing new infrastructure is spread across participating operators. Another common model is the asset-light model, where service operators opt to rent telecommunications equipment, instead of purchasing them outright. It is also common for service operators in Asia Pacific to outsource the construction of telecommunications infrastructure. Some of the prominent telecommunications infrastructure technology companies in the region are Ericsson, Nokia Siemens Networks, Huawei and Alcatel-Lucent. Within this model, these technology providers partner with telecommunications network services providers to construct and implement infrastructure. In order to prolong their relationship with service operators, these infrastructure developers are offering managed capacity and managed services operating models. Instead of incurring significant upfront capital expenditure, service operators are charged for the capacity of the network and operations services on a unit of usage basis.

China, Japan and South Korea are poised to propel the Asia Pacific telecommunication sector, with high capital investments in telecommunications, and development of new generation telecommunications gateways. Collectively, the 3 nations spent USD68.00 billion in capital investments for telecommunications investments in 2010. In developing nations where mobile service markets are highly saturated, service operators are differentiating their offerings by investing resources in enhancing mobile broadband services. With high expansion rates for broadband services, data revenue is poised to uphold financial performance for service operators as voice revenue reaches a plateau. With such high development rates in the telecommunications sector, telecommunications infrastructure developers are expected to remain highly involved in both developing and developed markets.

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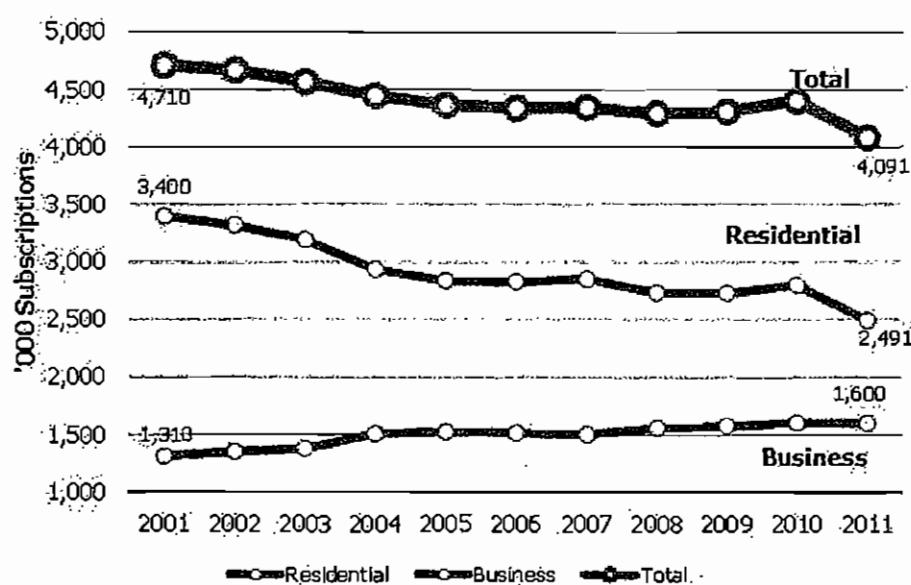


Performance of Selected Telecommunications Markets in Malaysia

The Performance of the DEL Market in Malaysia

The Malaysian Communications and Multimedia Commission ("MCMC") defines DEL as fixed line that connects a customer's equipment to the Public Switched Telephone Network ("PSTN") and has a dedicated port on a telephone exchange.

Figure 3: The Trend in DEL Subscriptions in Malaysia, 2001-2011



Source: MCMC

The performance of the DEL market in Malaysia in 2011 weakened and is expected to continue weakening in the wake of the persistent substitution threat posed by the cellular telephones and broadband internet market. The continuing efforts to bundle the DEL services with the broadband and Internet services may help to spur further growth in this market, although the bundling of VoIP services with broadband internet services may catalyse the drop in DEL service demand especially among residential consumers. Business DEL subscriptions are expected to play a vital role in spearheading any future growth in the market. As the performance of the DEL market suggests, continuous demand for telecommunications network services such as maintenance and upgrading works, as well as rural expansion programs are expected in the near to medium term.

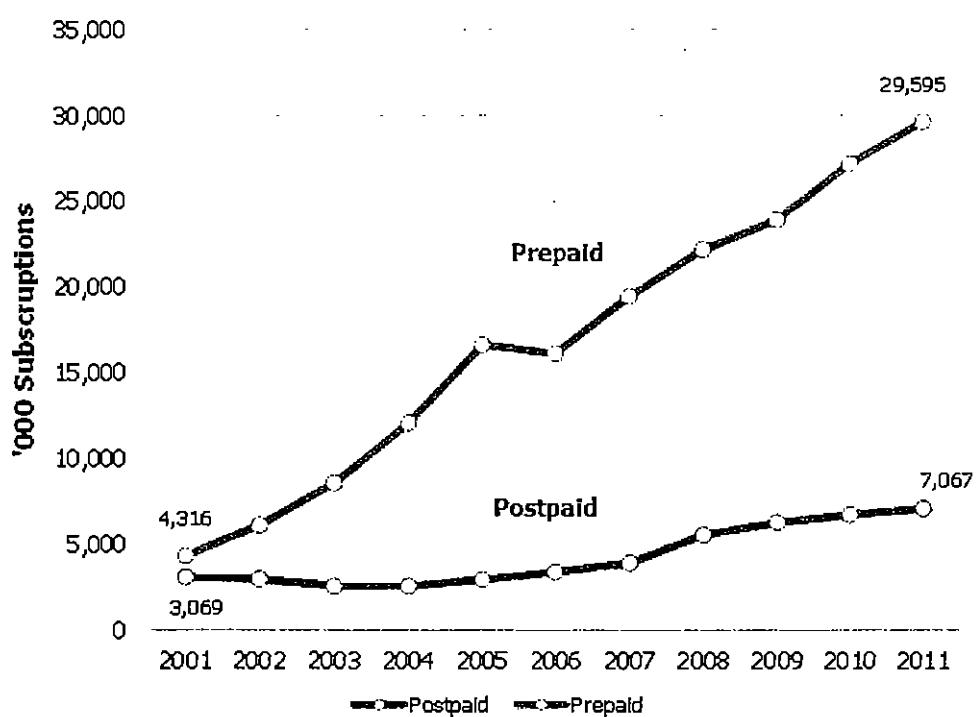
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The Performance of the Cellular Telephones Market in Malaysia

The performance of the cellular telephones market in Malaysia remains promising and is clearly heading in the right direction. The total number of cellular telephone subscriptions already surged to more than 36 million in 2011.

Figure 4: The Growth of Cellular Telephone Subscriptions in Malaysia, 2001-2011



Source: MCMC

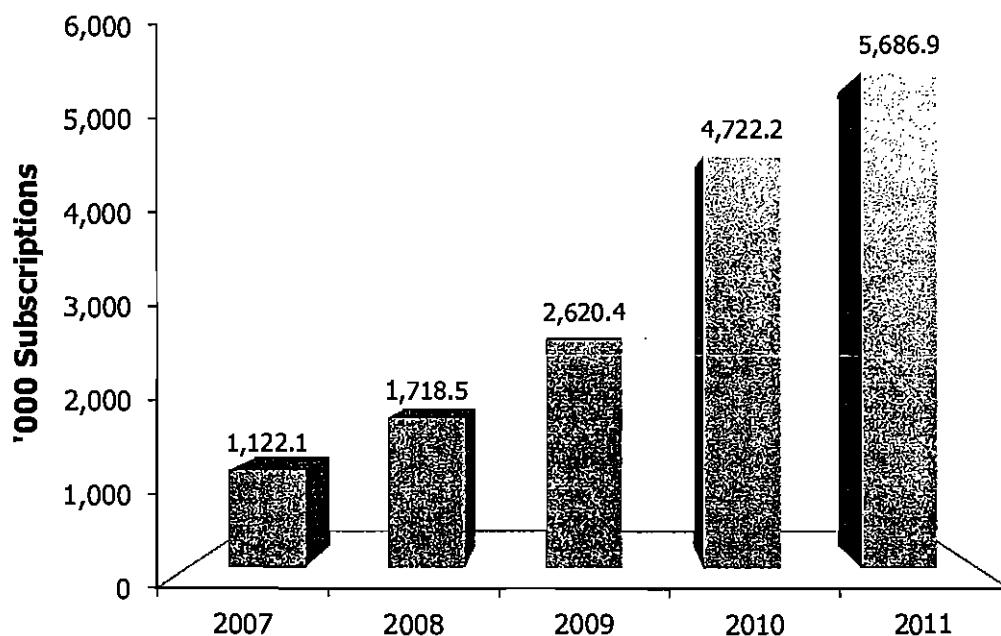
The number of cellular telephone subscriptions increased by 9.8 percent year-on-year from 33,859,000 in 2010 to 36,662,000 in 2011. 3G has also been making significant inroads into the Malaysian cellular telephone market. The number of 3G subscriptions in 2010 grew by 17.1 percent to 8,602,000 as compared to 7,347,000 in 2009. All the performance indicators for the cellular telephone market in Malaysia have been positive so far and point to a sustained growth for the market in the near term future. It can also count on the rising demand for 3G to boost its growth and expand the size of its market. The rise in demand for 3G is expected to accordingly generate greater demand for various telecommunications network services as telecommunications carriers or operators spend to boost network coverage.

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The Performance of the Broadband and the Internet Market in Malaysia

Recognising broadband as an important value generator for the ICT industry and a key driver towards a k-economy, the Malaysian Government introduced its National Broadband Plan ("NBP") in 2003 to catalyse broadband penetration among all rungs of the Malaysian population. The NBP was set to achieve broadband household penetration rate of 50 percent by 2010. In September 2007, the broadband market in Malaysia reached another milestone when the Malaysian Government announced plans to roll out High-Speed Broadband ("HSBB") across the country covering 2.2 million premises with investments to cost about RM11 billion over a period of 10 years.

Figure 5: The Number of Broadband Subscriptions in Malaysia from 2007 to 2011



Source: MCMC

The impressive performance of the fixed and wireless broadband markets in recent years has fuelled optimism over its future prospect. Total number of broadband subscriptions in Malaysia surged from 755,500 in 2006 to more than 5.6 million in 2011. The broadband market is expected to receive more attention from the Malaysian Government given its role as a key economic enabler after a study by World Bank has shown that GDP growth can be increased by more than one percent with a 10 percent increase in household broadband

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penetration. This focus is expected to boost demand for telecommunications network services for this highly-critical telecommunications segment.

Historical Market Performance and Growth Forecast

The performance of the local telecommunications network services market is positively correlated with the level of new investment involving capital expenditure and other network services related operating expenses such as maintenance and repair works by the local telecommunications carriers or operators in Malaysia. Higher level of investment as well as other network services related expenses are expected to translate into higher market size for the local telecommunications network services market.

Figure 6: The Estimated and Forecast Market Size of Malaysia's Telecommunications Network Services Market, 2010-2016

Year	Market Size (RM billion)	Annual Growth (%)
2010	5.53	-
2011	5.80	4.9
2012	5.97	2.9
2013	6.15	3.0
2014	6.33	2.9
2015	6.51	2.8
2016	6.70	2.9

CAGR (2011 - 2016) = 2.9 percent

Note:

- 1) All figures are rounded; the base year is 2011.
- 2) The above figures include the costs for the required telecommunications network infrastructure, hardware and equipment

Source: Protégé Associates

The market size of Malaysia's telecommunications network services market in 2011 is estimated at RM5.80 billion. The market size of the local telecommunications network services market is projected to grow by 2.9 percent year-on-year in 2012. Overall, the CAGR during the 2011-2016 period for the investment in the Malaysian telecommunications sub-sector is projected to be 2.9 percent.

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Competitive Analysis

The number of telecommunications network services market players in Malaysia is relatively small with an estimated of less than 200 market players (with majority of their revenues coming from this market) that are based here. Of these, it is estimated that 10 percent can be classified as Tier-1 market players, while the remaining market players can be categorised in Tier-2. Given the large industry size, wide service scope, rapid telecommunications demand growth, wide geographical service area, and asset-heavy business of telecommunications network service provision, there is a potential for many market players to operate within various niches and segments of the Malaysian telecommunications network services market. However, the relatively low level of fragmentation in the local telecommunications network services market at present is understandable given relatively high barriers to entry particularly with regards to relatively high technical competency and capital requirement.

Telecommunications infrastructure, hardware and equipment expenditure accounts for a large proportion of infrastructure capital expenditure by telecommunications operators on an annual basis. Examples of major global suppliers of telecommunications network infrastructure, hardware and equipment include Ericsson, Huawei, Motorola, Nokia Siemens Networks and ZTE. Protégé Associates' best estimate is that hardware and equipment expenditure is likely to account for around 65 to 75 percent of total market size, with much of the required products imported from overseas. The global revenue of selected major global suppliers of network infrastructure hardware and equipment is depicted below.

Figure 7: The Revenue of Selected Major Global Suppliers of Telecommunications Network Infrastructure, Hardware and Equipment

Major Global Supplier	Financial Year Ended	Revenue
Huawei Technologies Co., Ltd	31 December 2010	CNY185.18 billion
ZTE Corporation	31 December 2010	CNY70.26 billion
Ericsson	31 December 2010	SEK203.35 billion
Motorola Solutions, Inc.	31 December 2010	USD7.87 billion

Note:

CNY denotes Chinese Yuan

SEK denotes Swedish Krona

USD denotes United States Dollar

Revenue breakdown of each supplier for the Malaysian market, specific to the telecommunications segment was not possible based on publicly available financial records

Source: Company Annual Reports

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Telecommunications network services market players operate in one or more than one segments of the telecommunications network services. As such, they may not offer the types of services that are completely similar with each other. The number of segments that they may participate in is subject to various factors such as technical competency, capital, manpower resources and project size. Besides, each telecommunications network services market player in Malaysia may operate their business in certain areas only and hence has different geographical presence than others. Protégé Associates estimates that 25 to 35 percent of the total estimated market size of RM5.80 billion in 2011 can be attributed to telecommunications network service providers involved in the areas of network planning, design and optimisation, network deployment, network operations and maintenance, infrastructure management, energy management and professional services

The market players in the local telecommunications network services market contribute to this portion of the market size for the telecommunications network services market in Malaysia. They can be divided into two groups namely Tier-1 and Tier-2 market players based on the size of their revenue.

1) Tier-1 market players

Tier-1 market players consist of market players with an annual revenue of at least RM25 million. The market players that belong to this group are typically well capitalised with technology knowledge and technical competency that are higher than their other counterparts. They are likely to have strategic alliances or partnership with their principal suppliers. The services offered by Tier-1 market players are also generally more extensive than their other counterparts, usually comprehensively offering the whole spectrum of telecommunications network services from network planning to infrastructure management. Examples of Tier-1 market player are OCK Group Berhad and its subsidiaries ("OCK Group"), Instacom Engineering Sdn Bhd ("Instacom"), and R&A Telecommunication Sdn Bhd ("R&A").

Other notable Tier-1 players based on their current extensive portfolio of telecommunication network services may include Common Tower Technologies Sdn Bhd, Elabram Systems Sdn Bhd, Fiberalil Sdn Bhd, Pernec Corporation Bhd, Sacofa Sdn Bhd, Sediabena Sdn Bhd, Silver Ridge Holdings Bhd and Weida (M) Bhd. However, these companies' total revenue includes revenues derived from the provision of other goods and services outside of telecommunications network services, thus the accurate

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breakdown of revenues attributable to telecommunication network services is not possible.

2) Tier-2 market players

Tier-2 market players consist of market players with an annual revenue of less than RM25 million. As compared to Tier-1 market players, Tier-2 market players are relatively less capitalised and face a tough challenge in gaining recognition from telecommunications carriers or operators. They are likely to focus on a smaller range of services such as network deployment, network maintenance or infrastructure management according to their core expertise. They include GTL Network Services Malaysia Sdn Bhd, Next Horizon Communication Sdn Bhd, Ostel Sdn Bhd and Telestructure Sdn Bhd, Medan Armada Sdn Bhd, and Bina Sat Sdn Bhd.

Comparison between OCK Group and Selected Market Players

OCK Group was incorporated on 14 October 2000 under the Companies Act 1965 as a telecommunications network service provider. It is involved in telecom equipment implementation, managed services and field maintenance, resource and manpower and material sourcing, mechanical and electrical as well as full turnkey deployment. OCK Group provides telecommunications network services at both East and West Malaysia. The full turnkey solutions for telecommunications clientele, encompasses network planning, deployment and management works. OCK Group can be engaged for individual services or for full turnkey deployment solutions.

OCK Group also offers post-deployment, where managed services are available for operating and maintaining telecommunication infrastructure. Its technical teams are familiar with all current and upcoming telecommunications technologies and networks including fixed line networks, cellular telecommunications, wired and wireless broadband modes. Currently, it focuses on services for cellular telecommunications networks in line with current market demand. In this respect, OCK Group has completed implementation works for major cellular network operators including Maxis, Celcom DiGi and U-Mobile.

For its financial year ended 31 December 2011, OCK Group registered revenue of RM88.3 million. As OCK Group is considered a Tier-1 market player, Protégé Associates has selected two of its peers namely Instacom and R&A for comparison purposes.

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- Instacom

Instacom was incorporated on 8 May 2001 under the Companies Act 1965 as a telecommunications engineering and services provider. The company has a strong foothold in providing telecommunications network services to the telecommunications carriers or operators in East Malaysia.

- R&A

R&A was incorporated in 1993 under the Companies Act 1965 as a site infrastructure engineering company. It has since grown into a full-fledged solutions provider for the telecommunications industry. It currently provides network planning, optimisation, building and installation works, as well as related civil, mechanical and electrical engineering works.

Figure 8: Comparisons between OCK Group and Selected Market Players

Indicator	OCK Group	Instacom	R&A
Type of Market Player	Tier-1	Tier-1	Tier-1
Financial Year Ended	31 Dec 2011	31 Dec 2010	31 Dec 2011
Revenue (RM)	88,325,000	47,402,310	42,042,011
Market Share (%)	1.5	0.9	0.7
Gross Profit (RM)	22,413,000	7,860,161	20,518,821
Gross Profit Margin (%)	25.4	16.6	48.8
Profit before Tax (RM)	12,330,000	4,310,764	11,220,807
Profit before Tax Margin (%)	14.0	9.1	26.7
Profit after Tax (RM)	9,200,000	3,473,806	8,016,167
Profit after Tax Margin (%)	10.4	7.3	19.1
Current Assets (RM)	51,055,000 ^(c)	122,083,426	57,295,421
Current Liabilities (RM)	9,200,000 ^(c)	82,017,253	31,490,485
Current Ratio (Times)	1.32 ^(c)	1.49	1.82

Note: The above figures only provide an indication and are not considered directly comparable due to the following reasons:

- (a) The financial figures may be at group level that includes other business segments' contributions.
- (b) Product/ service offering of selected market players are not identical
- (c) Financial information represents latest publicly available information as at 31 May 2012

Source: Companies Commission of Malaysia and Protégé Associates

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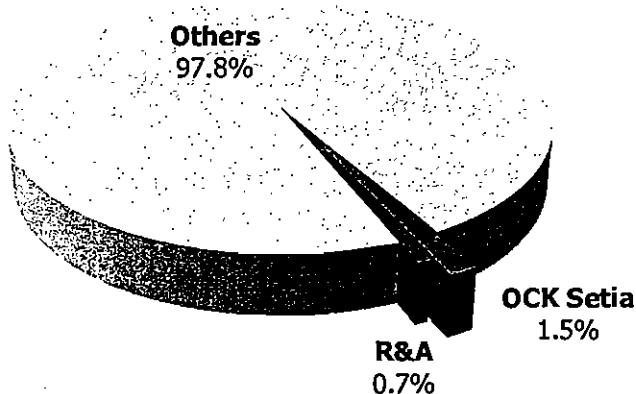


Based on revenue generated by OCK Group for its financial year ended 31 December 2011 of RM88.3 million, and the telecommunications network services market estimated at RM5.80 billion in 2011, OCK Group's estimated market share stood at 1.5 percent.

Of the RM5.80 billion, Protégé Associates estimates that approximately 65-75 percent is attributable to revenue from telecommunications infrastructure, hardware and network equipment. The remaining approximate of 25-35 percent accounts for telecommunications network services such as network planning, design and optimisation, network deployment, network operations and maintenance, infrastructure management, energy management and professional services. OCK Group's revenue contributes mainly to this portion of the market.

However, as Protégé Associates is unable to accurately breakdown the value of these two segments, OCK Group's estimated market share is therefore calculated based on the total market sizing.

Figure 9: OCK Group's Market Share of the Malaysian Telecommunications Network Services Market, 2011



Note:

Other market players constituting the rest of the market's share include:

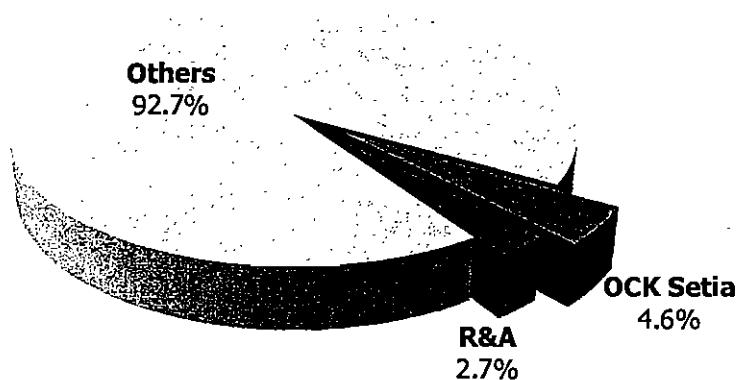
- 1) *Major global suppliers of telecommunications network infrastructure, hardware and equipment who participate in the Malaysian market including those disclosed in Figure 7.*
- 2) *Market ranking and accurate statement of market share for other telecommunications network services providers within the diagram was not possible due to:*
 - a. *Differing financial year-end among companies*
 - b. *Absence of publicly available segmental information; publicly available numbers for these other companies may reflect sizable contributions from non-related business activities.*

Source: Protégé Associates

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Figure 10: OCK Group's Market Share within the Services Portion of the Malaysian Telecommunications Network Services Market, 2011



Note:

- 1) Based on estimate that services portion constitutes 25 percent of the telecommunications network services market. Size of services portion estimated to value at RM1.45 billion in 2011
- 2) Market share of market players based on group revenue

Source: Protégé Associates

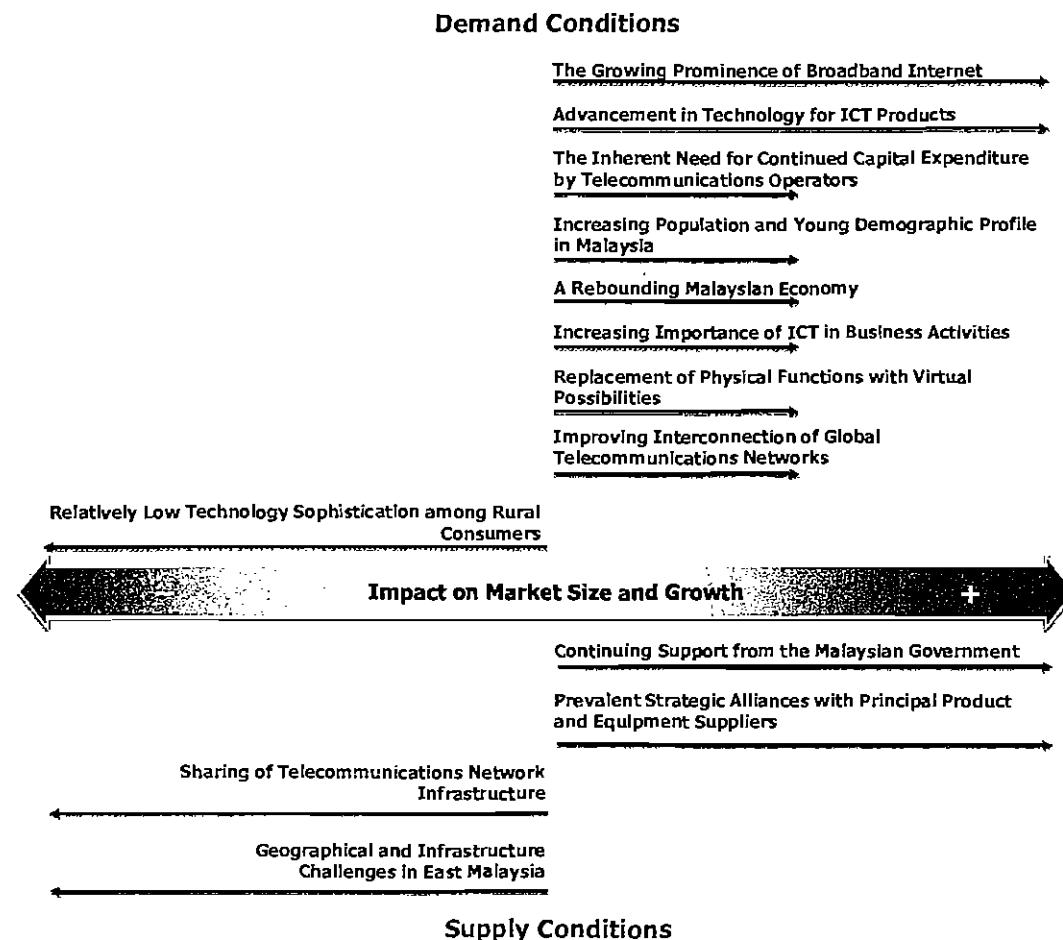
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Demand and Supply Conditions

Figure 11: Demand and Supply Conditions Affecting Malaysia's Telecommunications Network Services Market, 2012



Source: Protégé Associates

Demand Conditions

- **The Growing Prominence of Broadband Internet** – The broadband penetration in Malaysia is expected to continue its strong growth momentum in the near future. The MOICC and MCMC have a healthy growth forecast on the future household penetration rate in Malaysia. The household broadband penetration rate in Malaysia is projected to reach 75.0 percent in 2015. The growing prominence of the broadband market in Malaysia bodes well for the growth in the local telecommunications network services market as operators need to constantly maintain and upgrade networks to provide services of acceptable quality to customers.

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- **Advancement in Technology for ICT Products** – The advancement in technology has allowed the ICT industry to improve its product offerings or create new products with visible commercial appeal which can lead to more demand. It helps to create and drive technology trends for ICT products that can be assimilated with the latest consumers' needs. Any growth in the usage of ICT products can also increase the propensity to utilise telecommunications services. ICT products provide the means for consumers to access telecommunications services. Advancement in technology for ICT products also hasten the replacement cycle for telecommunications network to conform with the latest technological standards – necessitating the needs for the presence of telecommunications network service market players to upgrade or replace old telecommunications networks.
- **The Inherent Need for Continued Capital Expenditure by Telecommunications Operators** – Capital expenditure is an important business cost component to the telecommunications carriers and operators in order for them to sustain their existing business and support future growth. Part of the capital expenditure by the telecommunications carriers or operators involves undertaking the necessary telecommunications network services. For existing infrastructure, telecommunications network services are required to continue providing the necessary support and maintenance. As the ICT industry is often characterised by a rapid change in technology, the telecommunications carriers and operators are also likely to constantly upgrade their network infrastructure and hardware or install newer ones with the latest technology. The continued upgrade of mobile data networks from 3G to 4G LTE networks is expected to bring the next wave of telecommunications infrastructure and equipment investments especially in the short to medium term future.
- **Increasing Population and Young Demographic Profile in Malaysia** – Malaysia's population has continued to be on an upward trend, growing to 27,565,821 people in 2010 from 13,745,241 people in 1980. A growing population represents an enlarge pool of potential demand for telecommunications related services. Besides that, Malaysia also has a young demographic profile, with a higher affinity to telecommunications technology. This development is expected to lead to higher capital expenditure among the telecommunications carriers or operators for their existing network build-up to cope with the potential increase in demand for their services – indirectly driving the local telecommunications network services market.
- **A Rebounding Malaysian Economy** - According to BNM, the Malaysian real GDP at 2000 prices is expected to grow between 4.0 to 5.0 percent in 2012. A rebounding

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Malaysian economy helps to boost consumer sentiment and fuel the usage of the services offered by the end-user markets for telecommunications network services. Further growth in the economy beyond 2012 is expected to positively affect the market for telecommunications network services as well.

- **Increasing Importance of ICT in Business Activities** – ICT such as the Internet is becoming more commonly applied to everyday business activities. As business Internet users increase in sophistication, more bandwidth and Internet connections with greater speeds will become a necessity. As a result, existing telecommunications networks need to be upgraded or new telecommunications networks need to be installed. This development bodes well for the overall growth in the local telecommunications network services market.
- **Replacement of Physical Functions with Virtual Possibilities** – The Internet Age has allowed the virtualisation of many physical functions including payments, shopping, accessing services, and learning. The proliferation of these advanced virtual functions creates a need for fast, reliable Internet connections. As such, capital expenditure on telecommunications network services is expected to remain relevant in the near future.
- **Improving Interconnection of Global Telecommunications Networks** – The thirst for data by Malaysian consumers has never been stronger judging from the rapid growth registered in broadband subscriptions in recent years. As such, it is not surprising that telecommunications operators or carriers seem to be keener than ever in developing and improving the speed and capacity of data transmission particularly with regards to the development and improvement in the interconnection of telecommunications networks between countries.
- **Relatively Low Technology Sophistication among Rural Consumers** – The relatively low technology sophistication among rural consumers in Malaysia can hinder the progress of the broadband penetration from growing at an optimal level. The lack of sophistication among Malaysian rural consumers, and the unwillingness to migrate may inhibit the growth of telecommunications services in the short term, thus affecting the telecommunications network services market negatively as well.

Supply Conditions

- **Continuing Support from the Malaysian Government** – The Malaysian Government has been providing the necessary leadership in spearheading the growth in the local ICT industry which includes the local telecommunications network services market via

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
(*Cont'd*)



supportive government policies and strong institutional support. As one of the participants of the local ICT industry, the local telecommunications network services market players can also expect to reap the benefits from the continuous support given by the Malaysian Government.

- **Prevalent Strategic Alliances with Principal Product and Equipment Suppliers –** The telecommunications network services market players tend to enter into strategic alliances or partnerships with their respective principal suppliers of products and equipment. Such co-operations allow both parties to share resources and tap into each other's technological expertise and knowledge to offer a more comprehensive network solution for potential customers. This development bodes well for the future growth in the local telecommunications network services market.
- **Sharing of Telecommunications Network Infrastructure -** Several different elements of telecommunications network infrastructure can be shared by telecommunications carriers or operators. Telecommunications carriers or operators in Malaysia have relied on a common core network to varying degrees for the provision of mobile, fixed line and international gateway services. The sharing of telecommunications network infrastructure makes business sense as such a move leads to lower roll-out costs and lower multiple infrastructure. However, as more telecommunications network infrastructures are shared, the pools of potential demand for telecommunications network services may reduce accordingly, although opportunities related to site consolidation, cross-operator integration will surface.
- **Geographical and Infrastructure Challenges in East Malaysia -** The geography of East Malaysia has been one of the major factors hindering the supply of telecommunications network services. The region is still populated by a large tract of forests and jungles. Nevertheless, the condition is expected to be improved in the near future as 'improving rural basic infrastructure' has been earmarked as one of National Key Result Areas ("NKRAs") under the Government Transformation Programme ("GTP").

Markets' Reliance on and Vulnerability to Imports

Most of the network equipment are highly specialised in nature and cannot be sourced locally. As a result, these network equipment need to be imported. International network equipment manufacturers such as Ericsson, Huawei, Motorola, Siemens A.G., ZTE and their respective Malaysian affiliates are examples of the principal supplier for the required network

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(*Cont'd*)



equipment. Hence, the equipment and consumables used cost component is considered to be vulnerable to imports.

As for related skilled personnel, they can be sourced locally. These skilled personnel are likely to undergo extensive trainings offered by their principal suppliers to handle the imported network equipment. However, the pool of local highly skilled and experienced personnel is relatively small and they typically command higher wages – making it challenging for market players to hire them or fend-off interest from their competitors.

Substitute Products or Services

There are no known direct substitutes for telecommunications network services yet. However, telecommunications network services with older technologies are typically replaced with newer innovations as the market is often characterised by rapid advances in technology. The techniques and implementation methods used by telecommunications network service providers will adapt to these technological changes from time to time. The existing hardware used in telecommunications networks may also be replaced with newer hardware.

Relevant Laws and Regulations Governing the Markets

- **Malaysian Communications and Multimedia Commission ("MCMC")** – MCMC was established to regulate the converging communications and multimedia industry in Malaysia by regulating the communications and multimedia industry based on powers provided for in the Malaysian Communications and Multimedia Act 1998 and the Communications and Multimedia Act 1998. Following these Acts, the role of MCMC is to implement and promote the Government's national policy objectives for the communications and multimedia industry.
- **Communications and Multimedia Act 1998 ("CMA 1998")** – The CMA 1998 establishes a framework to promote stronger technical regulation by facilitating the technical interoperability of networks. It also encourages efficient allocation of resources as well as promoting the safety, security and integrity of network services and application services. Activities regulated by under the purview of CMA 1998 include traditional broadcasting, telecommunications and online services including facilities and networks employed in providing such services, and content supplied through facilities and networks.
- **Approval from SIRIM QAS International Sdn Bhd** - SIRIM QAS International Sdn Bhd ("SIRIM QAS International") has been appointed as a certifying agency by MCMC to

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
(Cont'd)



carry out the certification program for all communications and multimedia equipment. Hence, a local telecommunications network services market player that intend to imports telecommunications products into Malaysia need to apply to SIRIM for product certification approval. If the imported telecommunications products are for sale in Malaysia, they also required to apply for SIRIM-certified labels.

- **Registration as Contractor** – Telecommunications network services market players need to register as a contractor with the Construction Industry Development Board ("CIDB") Malaysia to undertake construction activities particularly under the mechanical and electrical category.

Figure 12: Examples of Contractor Registration Categories and Specialisation

Category	Specialisation	Description
Civil Engineering Construction (CE)	CE21 General Civil Engineering Works	General civil engineering works, including earthworks, subsoil drainage, etc.
Mechanical and Electrical (ME)	E03 Building Automation System and Energy Generation System	Building automation, industrial and process control systems. Includes installation and maintenance of microprocessors or computer based building control systems and industrial process control systems. Includes installation and maintenance of energy generation systems.
	E04 Low Voltage Installation	General wiring and control system wiring works not exceeding 1 kilovolts ("KV"). Installation and maintenance of low tension overhead lines and underground cabling not exceeding 1KV. Includes installation and maintenance of generating plant and equipment not exceeding 1KV.
	E05 High Voltage Installation	Installation and maintenance of high voltage equipment and underground cabling, high-tension overhead line including transmission tower exceeding 1KV. Includes installation and maintenance of generating plant and equipment exceeding 1KV. Neon lights.
	E07 Telecommunication Installation	Telephone cabling and internal ducting, radio based communication system, Private Automated Branch Exchange ("PABX"), microwave system, multiplex and signalling, tropo-scatter system, satellite system, radar surveillance system, data communication equipment, remote subscriber system, vessels and navigational specialised system, etc.
	E08 External	Telecommunication cabling (underground/ overhead), manholes, underground ducting/ pipes.

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(Cont'd)



Category	Specialisation	Description
	Telecommunication Works	
	E09 Miscellaneous Specialised	Installation, commissioning and maintenance of surgical/ operating theatre table and lights, radiography equipment, radiotherapy equipment, nurse call system, electronic scorecard, uninterruptible power supply ("UPS") system, etc.
	M15 Miscellaneous Mechanical Equipment	Installation, testing commissioning, maintenance and repair of mechanical based systems such as pumping installation, sewerage treatment plant installation, water treatment plant installation, rotary pumps, reciprocating pumps, centrifugal pumps and special purpose pumps, etc.

Source: CIDB

There are different Contractor Grades with different tendering capacity.

Figure 13: Registration Requirements and Procedures

Grade	Tendering Capacity (RM)	Paid Up Capital* / Net Capital Worth** (RM)	Minimum Personnel Resources Requirement#
G7	No limit	750,000.00	Group A and 1 Group B (both minimum 5 years' experience) or 2 Group A (one of whom must have minimum 5 years' experience)
G6	Not exceeding 10 million	500,000.00	Group A and 1 Group B (one of whom must have minimum 3 years' experience)
G5	Not exceeding 5 million	250,000.00	1 Group A or 1 Group B (minimum 5 years' experience)
G4	Not exceeding 3 million	150,000.00	1 Group B
G3	Not exceeding 1 million	50,000.00	Course Certificate/ experience
G2	Not exceeding 500,000.00	25,000.00	Course Certificate/ experience
G1	Not exceeding 100,000.00	5,000.00	Course Certificate/ experience

Note:

* Paid Up Capital (for Private Limited Company/ Public Company)

** Net Capital Worth (for sole proprietorship/ partnership) in the form of current account bank statement (average balance considered)/ balance from savings account/ overdraft facilities/ uncharged fixed deposit statement/ Amanah Saham Bumiputera ("ASB")/ Amanah Saham Nasional ("ASN") shares

Group A – Degree holder in construction related fields

Group B – Diploma holder in construction related fields or other degree holder with experience in construction works

Source: CIDB

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
(*Cont'd*)



- **Network Facility Provider ("NFP") Licenses** – NFP licenses govern the ownership and operations of telecommunications facilities. NFP licensees are allowed to build, own and operate satellite stations, broadband fibre optic networks, telecommunications towers and other infrastructure. Typical NFP licensees include radio and television broadcasters, cellular network operators, as well as broadband ISPs. Nevertheless, there is an increasing inclination by the MCMC to award NFP licences to parties other than telecommunications operators and media broadcasters, thus encouraging infrastructure ownership among third parties including telecommunications network service providers.

This is in line with regional trends in telecommunications services, where operators are increasingly consolidating infrastructure costs through infrastructure sharing and renting from third-party owners. Within Malaysia, the award of NFP licences to non-traditional licensees opens up opportunities for telecommunications network service providers to gradually shift towards a business model of telecommunications infrastructure ownership, receiving rental revenue from operators interested in increasing network reach without directly incurring heavy infrastructure development costs.

- **Quality and Safety Standards** – Compliance to national and international standards seems to be gaining prominence among market players in the local telecommunications network services market. Besides meeting the requisite regulatory requirements set by the Malaysian Government, compliance can also go a long way towards boosting the confidence of potential end-user markets. It reinforces the market players' commitment in providing acceptable quality services and products to their end-users. In addition, compliance with international standards is vital for penetration into the international market.

Other Trends

- **Rapid Technological Changes** – The telecommunications network services market is still subjected to rapid technological changes driven by evolving industry standards and changing market trends particularly on its customers' changing needs. Market players in the local telecommunications network services market typically strive to be at the forefront of competition in terms of obtaining new technology-based products from new or existing suppliers and knowing the latest market trends and demands in advance to cater for their customers' changing needs. Any inability to do so can lead to their products and technical know-how being rendered obsolete.

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
(Cont'd)



- **Relatively High Barriers to Entry** – In order to participate in the market, potential entrants need to clear regulatory hurdles such as successfully registering as a contractor with the CIDB Malaysia to undertake construction activities. The telecommunications network services market is considered specialised in nature and is characterised by rapid change in technology. Hence, potential entrants need to possess sufficient related technical expertise and updated technology to participate in this market. They also need to have a pool of relatively high skilled and experienced personnel. Potential entrants also need to come out with relatively high capital lay-out to invest in software, equipment and machineries, storage facilities, labour as well as the upfront procurements for project related items.
- **High Concentration Risk for Demand** – Telecommunications network services market player generally depend heavily on the local ICT industry as the majority of their revenues are derived from there. In other words, the local telecommunications network services market is highly positively correlated with the local ICT industry. Any growth in the local ICT industry is likely to bring positive spill over impacts to the growth in the local telecommunications network services market. However, telecommunications network services market players are equally vulnerable to any downturns in the local ICT industry and do not have many options of diversifying away their existing offering to other industries.

Prospect and Outlook of Malaysia's Telecommunications Network Services Market

The outlook for the telecommunications network services market in Malaysia remains positive and steady growth is projected throughout the forecast period of 2012 to 2016 as reflected in its forecast market size and growth. The market is projected to grow from its estimated market size of RM5.80 billion in 2011 to RM6.70 billion in 2016 – registering a CAGR of 2.9 percent.

Given the relatively large scale nature of capital expenditure for new technology such as HSBB, the amount of investment is projected to slightly taper down after the initial large investment outlay as the telecommunications carriers or operators are expected to spread the costs over a longer period and continue to monitor the level of demand for such services before committing further capital expenditure.

Meanwhile, the ICT industry in general is expected to continue playing an important role in the Malaysian economy by helping to raise the nation's overall productivity and competitiveness. The Malaysian Government expects the industry to contribute 10.2 percent

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
(*Cont'd*)



of the nation's GDP by 2015. The expected implementation of strategic ICT related plans under 10MP such as the formulation of a National Creative Industry Policy and the roll-out of the National DTTB project as well as the HSBB and BBGP under the on-going National Broadband initiatives is anticipated to propel the industry closer to the target. The selection of communications content and infrastructure sector as one of the NKEAs under the ETP has also boosted the outlook for the local telecommunications network services market. Given that the telecommunications network services market as well as its end-users belongs to the ICT industry, the continued proliferation and expansion projected for the ICT industry is expected to drive demand for telecommunications network services market.

Within the ICT industry, steady demand for telecommunications network services such as maintenance and upgrading works, as well as rural expansion programs are expected from the DEL market in the near to medium term. Meanwhile, for the cellular telephone market, the rise in demand for 3G services (and future mobile data services) is expected to generate greater demand for various telecommunications network services as telecommunications carriers or operators spend to boost network coverage. In addition, the continued capital expenditure for telecommunications network build-up for broadband is expected to be a key growth catalyst as well.

Moving forward, the telecommunications network services market in Malaysia is expected to continue benefiting from various factors driving demand for such services including the growing prominence of the broadband market in Malaysia, advancement in technology for ICT products, inherent needs for capital expenditure by telecommunications carriers or operators to sustain or grow their businesses, increasing population and young demographic profile in Malaysia, a rebounding Malaysian economy, increasing importance of ICT in business activities, replacement of physical functions with virtual possibilities as well as development and improvement in the interconnection of telecommunications networks between countries.

7. EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT
(*Cont'd*)



Protégé Associates has prepared this report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this report presents a true and fair view of the industry within the boundaries and limitations of secondary statistics, primary research and continued industry movements. Our research has been conducted to present a view of the overall industry and may not necessarily reflect the performance of individual companies in this industry. We are not responsible for the decisions and/ or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies.

Thank you.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "SCS".

SEOW CHEOW SENG

Managing Director

Protégé Associates Sdn Bhd

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

8.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

8.1.1 Shareholdings

The shareholdings of our Promoters and/or substantial shareholders in our Company before and after our Public Issue are as follows:

Name	Designation	Country of Incorporation / Nationality	<----- Before the Public Issue ----->			<----- After the Public Issue ----->		
			<---- Direct ----->	<---- Indirect ----->	<---- Direct ----->	<---- Indirect ----->	No. of Shares held	% held
<u>Promoters and substantial shareholder</u>								
Aliran Armada	-	Malaysia	165,600,000	90.00	-	-	165,600,000	63.94
Abdul Halim Bin Abdul Hamid	Deputy Chairman	Malaysian	-	-	165,600,000^	90.00	-	-
Ooi Chin Khoon	Managing Director	Malaysian	-	-	165,600,000^	90.00	-	-
Low Hock Keong	Executive Director	Malaysian	7,360,000	4.00	-	-	7,360,000	2.84
Chang Tan Chin	Executive Director	Malaysian	5,520,000	3.00	-	-	5,520,000	2.13
Chong Wai Yew	Executive Director	Malaysian	5,520,000	3.00	-	-	5,520,000	2.13

Note:

^ Deemed interest by virtue of his substantial shareholding in Aliran Armada pursuant to Section 6A of the Act.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.1.2 Profile of Promoters and Substantial Shareholders

Aliran Armada

Promoter and substantial shareholder

Aliran Armada was incorporated in Malaysia under the Act on 7 July 2011. As at the LPD, its authorised share capital is RM5,000,000 divided into 5,000,000 ordinary shares of RM1.00 each, of which 1,800,000 ordinary shares of RM1.00 have been issued and fully-paid up.

The principal activity of Aliran Armada is in investment holding.

The Directors and substantial shareholders of Aliran Armada and their respective shareholdings in Aliran Armada as at the LPD are as follows:

Name	Direct		Indirect	
	No. of shares held	% held	No. of shares held	% held
Directors and substantial shareholders				
Abdul Halim Bin Abdul Hamid	1,199,999	66.67	-	-
Ooi Chin Khoon	599,999	33.33	-	-

Note:

The remaining two (2) shares in Aliran Armada are held by Koh Sui Poh and Ng Hock Tiam.

Abdul Halim Bin Abdul Hamid, Malaysian, aged 45
Promoter, Deputy Chairman and Substantial Shareholder

Abdul Halim Bin Abdul Hamid is our Group's Deputy Chairman. Encik Halim completed his secondary education at Sekolah Menengah Tuanku Abdul Rahman Putra, Selangor in 1985.

Encik Halim has more than 20 years' experience in telecommunications engineering services industry. Prior to his venture into telecommunications industry, he commenced his business ventures in the food and beverage sector by offering local cuisine in various locations in the state of Selangor, such as food courts and school canteens from 1986 to 1991.

Encik Halim started his career in telecommunications industry as a supervisor with Mognas Communication Sdn Bhd. Mognas Communication Sdn Bhd was one of the pioneering network deployment companies in Malaysia in the 1990s. He subsequently moved to Rank Liberty Sdn Bhd in 1996 as a Senior Supervisor before joining Prospective Goals Sdn Bhd as its Project Manager in 1997. Accordingly, Encik Halim is also one of the pioneers who contributed in the telecommunications industry whereby he had contributed in terms of introducing various kinds of telecommunication structures and equipment in Malaysia.

In 2007, Encik Halim acquired shares in the Group's subsidiary companies, namely OCK Setia and Delicom.

Since then, Encik Halim progressively develops his contribution in OCK by overseeing the day to day technical aspect of OCK.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Ooi Chin Khoon, Malaysian aged 44
Promoter, Managing Director and Substantial Shareholder

Ooi Chin Khoon is our Group's Managing Director. Mr. Ooi graduated from Tri-State University, now known as Trine University, Indiana, United States of America, with a Bachelor's Degree in Electrical and Electronics Engineering in 1996. Prior to that, he obtained a Diploma in Electrical and Electronic Engineering from TAFE College in Negeri Sembilan in 1992.

Mr. Ooi began his career in 1992 as an Electrical Engineer at Cobrain Holding Sdn Bhd and was promoted as its Project Manager in 1994. He left the industry briefly to continue his studies in electrical and electronic engineering and rejoined the company in 1996 as a Senior Project Manager and was promoted to the position of Contract Manager in 1998 whereby he was tasked with the responsibility of customer contracts management.

In 1999, Mr. Ooi founded OCK Setia Engineering Services as sole proprietorship and later expanded the business with the incorporation of Delicom and OCK Setia in 2000.

Currently, Mr. Ooi is the Managing Director of our Group. Apart from managing the operations of our Group, he is also responsible for formulating and executing the business strategies of our Group. He plays key role in driving the growth, development, transformation and strategic direction of our Group.

Low Hock Keong, Malaysian, aged 41
Promoter, Executive Director and General Manager

Low Hock Keong is our Group's General Manager. In 1994, Mr. Low graduated from Monash University, Melbourne, Australia with First Class Honours in his Bachelor's Degree of Electrical and Computing. In 1997, he completed his Master of Engineering Science from University of Malaya.

Mr. Low began his career with Mutiara Telecommunications Sdn Bhd, now known as DiGi, as a Transmission Engineer in 1995. After two (2) years, he joined Anderson Consulting Sdn Bhd, now known as Accenture Solutions Sdn Bhd, as an analyst focusing on Software System Development and Telecommunications.

In 1999, Mr. Low joined Alcatel Network System (M) Sdn Bhd, now known as Alcatel-Lucent, as a Radio Frequency Planning and Optimisation Engineer. He was later promoted to the position of Regional Radio Frequency Manager before he took up the role to head and lead the Radio Planning and Optimisation team that supports various projects in the region.

In 2006, Mr. Low joined us as our General Manager. He is responsible for overseeing the Group's overall daily operations.

Chang Tan Chin, Malaysian, aged 44
Promoter, Executive Director and Technical Director

Chang Tan Chin is our Group's Technical Director. Mr. Chang graduated from University of Hertfordshire, United Kingdom in 1995 with a Bachelor's Degree in Electrical and Electronic Engineering. In 2000, he became a member of the Institution of Engineers Malaysia. In the same year, he was a recognised Professional Engineer by Board of Engineers in Malaysia.

Mr. Chang started his career with Perunding KDI Sdn Bhd as an Electrical Engineer after graduating in 1995. In 1997, he joined Technic Delta M&E Engineering Sdn Bhd as an Electrical Engineer before joining Transframe Sdn Bhd as Project Manager in 1998. In 2003, he joined SRL Electrical Engineering Sdn Bhd as its Project Manager prior to accepting the position of Technical Director at OCK M&E in 2005 where he monitors the overall project planning and implementation, manages procurement planning and delivery and project cash flow projections. He is currently the head of our installation team, and also the Head of ISO Standards to monitor all projects' QA and QC requirements and standards.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Chong Wai Yew, Malaysian, aged 42
Promoter, Executive Director and Project Management Director

Chong Wai Yew is one of our Group's Project Management Directors. Mr. Chong graduated from University of East London with a Bachelor's Degree in Electrical and Electronic Engineering in 1996.

Mr. Chong's began his employment in 1996 with United Perunding & Associate Sdn Bhd in Kuala Lumpur, where he worked as Consultant Engineer. Subsequently, he joined OCK Setia in 2002 as our Project Director and was subsequently promoted to be our Project Management Director in 2008.

He is responsible for overseeing the telecommunications projects undertaken for Huawei as well as our turnkey network deployment project with P1.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.1.3 Changes in Promoters and/or Substantial Shareholders' Shareholdings since Incorporation

Save as disclosed below, there has been no change in the shareholdings of our Promoters and/or substantial shareholders in our Company since incorporation up to the date of this Prospectus:

Name	Promoters and substantial shareholders	Date of Acquisition/ Disposal	<----- Direct ----->		<----- Indirect ----->	
			No. of Shares Acquired/ Disposed	No. of Shares Cumulative (Acquired/ Disposed)	No. of Shares Acquired/ Disposed	No. of Shares Cumulative (Acquired/ Disposed)
Wee Chek Aik*		05.08.2011	10	10	-	-
		09.06.2012	(10)	-	-	-
Chow Kim Meng*		05.08.2011	10	10	-	-
		09.06.2012	(10)	-	-	-
Aliran Armada		08.06.2012	165,599,980	165,599,980	-	-
		09.06.2012	20	165,600,000	-	-
Abdul Halim Bin Abdul Hamid		08.06.2012	-	-	165,599,980	165,599,980
		09.06.2012	-	-	20	165,600,000
Ooi Chin Khoon		08.06.2012	-	-	165,599,980	165,599,980
		09.06.2012	-	-	20	165,600,000
Low Hock Keong		08.06.2012	7,360,000	7,360,000	-	-
Chang Tan Chin		08.06.2012	5,520,000	5,520,000	-	-
Chong Wai Yew		08.06.2012	5,520,000	5,520,000	-	-

Note:

* They were the subscriber shareholders of our Group and have disposed the Shares to Aliran Armada after the Acquisition on 9 June 2012.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (*Cont'd*)

8.2 BOARD OF DIRECTORS

8.2.1 Profile

The profile of Abdul Halim Bin Abdul Hamid, Ooi Chin Khoon, Low Hock Keong, Chang Tan Chin and Chong Wai Yew are set out in Section 8.1.2 of this Prospectus.

Datuk Zawawi Bin Mahmuddin, Malaysian, aged 67
Independent Non-Executive Chairman

Datuk Zawawi Bin Mahmuddin is our Independent Non-Executive Chairman. Datuk Zawawi holds a Bachelor of Arts (Honours) Degree from the University of Malaya, which he obtained in 1968.

Datuk Zawawi joined the Administrative and Diplomatic Service and began his career as an Administrative Officer in the Ministry of Transport in 1968. From 1970 to 1975, Datuk Zawawi served as Private Secretary to the Deputy Prime Minister and thereafter held various positions in the Cabinet Secretariat of the Prime Minister's Department from 1975 to 1990. Datuk Zawawi's subsequent appointments include being the Federal Secretary in Sarawak from 1990 to 1992, Deputy Secretary General 1 of the Ministry of Home Affairs from 1992 to 1994 and Secretary General of the Ministry of Information from 1994 to 2000. After retirement from his positions in government agencies, he was first appointed as Independent Non-Executive Director of Aeon Co. (Malaysia) Bhd in 2001. From year 2001 till present, Datuk Zawawi has also been appointed as directors for companies such as Syarikat Explosive Malaysia Sdn Bhd (SME), National Film Development Corporation (FINAS), Governing Council, Bernama and Sukom Nighty Eight Berhad.

Lee Yow Fui, Malaysian, aged 41
Independent Non-Executive Director

Lee Yow Fui is our Independent Non-Executive Director. Mr. Lee graduated from Monash University, Melbourne, Australia in 1995 with a Bachelor's Degree of Business (Accounting). He was admitted as a member of Certified Practising Accountant (CPA) Australia in 1998 and as a Public Accountant by the Malaysian Institute of Accountants in 1999. In 2008, Mr. Lee completed his Master of Business Administration (Business and Accountancy) from University of Malaya.

In 1996, he joined Moores Rowland as an Audit Junior. In 1997, he moved to Deloitte & Touche as an Audit Senior responsible for leading teams in audits in amongst others civil engineering, construction and semi-conductor manufacturing industries.

He subsequently left the professional services industry in 2000 and joined Richard's Lighting Sdn Bhd as Finance and Administration Manager whereby he was in charge of managing the group accounts and supervising of the finance and administrative departments. He subsequently moved to Newpage (Malaysia) Sdn Bhd as their Finance and Administration Manager in 2001.

Mr Lee has been the partner in Y.F Lee & Associates since 2002 to current, providing audit and taxation services as well as assisting businesses develop accounting systems and accounting internal controls. He is also a finance director in Brightstar Distribution Sdn Bhd, a company distributing mobile phones, since 2009. His role in Brightstar Distribution Sdn Bhd is to be in charge of finance related matters of the company and to improve on the working procedures and compliance and enhance work efficiency within departments of the company.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Fu Lit Fung, Malaysian, aged 43
Independent Non-Executive Director

Fu Lit Fung is our Independent Non-Executive Director. Mr. Fu graduated with a Bachelor of Business majoring in Accounting from Monash University, Melbourne, Australia in 1997. He was attached to Dandag (M) Sdn Bhd as an Accounts Executive in 1993. Subsequent to his graduation, he was an Auditor in Leslie Yap & Co. from 1998 to 1999. Prior to his current position, he was the Finance and Administration Manager of BASIS Corporation Sdn Bhd from 1999 to 2004.

He is currently an Executive Director of Logical Force Sdn Bhd whose principal businesses are dealing in IT gadgets and accessories, photography equipment and accessories and also provision of high-end security systems for local and international markets.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.2.2 Shareholdings

The shareholdings of our Directors in our Company before and after our Public Issue are as follows:

Name	Designation	Nationality	<----- Before the Public Issue ----->			<----- After the Public Issue ----->		
			No. of Shares held	% held	No. of Shares held	% held	No. of Shares held	% held
Datuk Zawawi Bin Mahmuddin	Independent Non-Executive Chairman	Malaysian	-	-	-	-	-	-
Abdul Halim Bin Abdul Hamid	Deputy Chairman	Malaysian	-	-	165,600,000^	90.00	-	-
Ooi Chin Khoon	Managing Director	Malaysian	-	-	165,600,000^	90.00	-	-
Low Hock Keong	Executive Director	Malaysian	7,360,000	4.00	-	-	7,360,000	2.84
Chang Tan Chin	Executive Director	Malaysian	5,520,000	3.00	-	-	5,520,000	2.13
Chong Wai Yew	Executive Director	Malaysian	5,520,000	3.00	-	-	5,520,000	2.13
Lee Yow Fui	Independent Non-Executive Director	Malaysian	-	-	-	-	-	-
Fu Lit Fung	Independent Non-Executive Director	Malaysian	-	-	-	-	-	-

Note:

[^] Deemed interest by virtue of his substantial interests in Aliran Armada pursuant to Section 6A of the Act.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.2.3 Principal Activities Performed Outside Our Group

Save as disclosed below, none of our Directors has any directorships and/or principal activities performed outside of our Group for the past five (5) years prior to the LPD:

Name	Company	Principal Activities	Designation	<----- As at the LPD ----->			
				Direct	Indirect	No. of Shares	% held
				Date	Appointed/ (Resigned)	% held	
Datuk Zawawi Bin Mahmuddin	Aeon Co. (M) Bhd	Operating a chain of superstores selling a broad range of goods ranging from clothing, food, household goods, other merchandise and shopping centre operation	Director	23.07.2001	-	-	-
TOC Holdings Sdn Bhd	Investment holding	Providing business advisory, consultancy services and higher learning technical training	Director and shareholder	18.09.2007	-	-	156,000 30
JJ Vision Sdn Bhd	Film production, distribution & rental of equipment	Director	28.06.2010	156,000	30	-	-
Asia Media Content Sdn Bhd	Media content production and distribution and provision of related consulting services	Director	09.09.2005	-	-	-	-

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (*Cont'd*)

Name	Company	Principal Activities	Designation	<----- As at the LPD ----->		
				Date Appointed/ (Resigned)	Direct No. of Shares held	Indirect No. of Shares held
	HVD Holdings Sdn Bhd	In process of winding up	Director	08.07.1995	-	-
	Info-Bestari Sdn Bhd	Investment holding	Director	17.06.2004	-	-
	The Otomotif College Sdn Bhd	Providing higher learning in technical automotive training and various related field	Director	16.07.2003	-	-
	Knowledge & Green Park Technology Sdn Bhd	Investment and property development	Director	29.01.2001	-	-
	Northport Distripark Sdn Bhd	Management of a distribution centre with warehousing, storage and other associated facilities to support trading activities	Director	08.03.2002	-	-
	Best Pictures Sdn Bhd	Dormant	Director and shareholder	15.06.2004	1	@
	Cosmos Discovery Sdn Bhd	Film, TV programs production and distribution, content provider, provides post production services, web and IT consulting & investment holding	Director	31.12.2007/ (01.10.2009)	-	-

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Name	Company	Principal Activities	Designation	<-----As at the LPD ----->		
				Direct	Indirect	No. of Shares held
				Date Appointed/ (Resigned)	No. of Shares held	% held
Abdul Halim Bin Abdul Hamid	All Star	Civil and structural engineering works	Director	07.09.2010/ (22.12.2010)	-	-
	EPIC Wealth Management Sdn Bhd	Property investment and consultancy services in computer software solution	Shareholder	-	27,499	55
Ooi Chin Khoon	Fling Rock Studio Sdn Bhd	Providing information technology services and products. Currently ceased operations	Director and shareholder	13.10.2009	70,000	70
	OCK Properties	Investment land, develop land and general trading	Director and shareholder	07.05.2003	433,000	97
	Bloom Concept Sdn Bhd	As a mechanical and electrical engineering contractor and supplier of electrical and building component	Shareholder	-	25*	25*
	Numeros Engineering Sdn Bhd	Engineering and technical consultancy services	Director	23.02.2009/ (15.06.2009)	-	-
	Prisma Makmur (M) Sdn Bhd	Telecommunications related maintenance services	Director	05.07.2007/ (16.06.2008)	-	-

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Name	Company	Principal Activities	Designation	As at the EPD		
				Date Appointed/ (Resigned)	Direct No. of Shares held	Indirect No. of Shares held
Kazacom Co. Ltd. (Cambodia)	Dormant	Director and shareholder	14.12.2006	600	60	-
All Star	Civil and structural engineering works	Director	14.02.2006/ (08.09.2010)	-	-	-
Meltro Corporation Sdn Bhd	Dissolved	Director	08.07.1999/ (Dissolved)	-	-	-
PT OCK	Telecommunications managed services	Director and shareholder	27.07.2005/ (16.11.2011)	60,000^	60^	-
OCK Pte Ltd	Dormant	Director and shareholder	13.08.2010	1	50	-
Modern Net Sdn Bhd	Rental of testing equipment	Director and shareholder	09.04.2008/ (26.08.2011)	-	-	25#
Kitchen Maestro Sdn Bhd	Operation of food and beverage outlets	Director	02.05.2012	-	-	-
Syarikat Kejuruteraan Hup Huat Kelang Sdn Bhd	Construction works	Director	12.11.1997	-	-	-
Fling Rock Studio Sdn Bhd	Previously providing information technology services and products. Currently ceased operations	Director	09.05.2011	-	-	-

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Name	Company	Principal Activities	Designation	<----- As at the LPD ----->		
				Date Appointed/ (Resigned)	Direct No. of Shares held	Indirect No. of Shares held
	OCK Properties	Investment land, develop land and general trading	Director and shareholder	20.06.2011	15,000	3
	Hasrat Lagenda Sdn Bhd	Investment holding	Director	12.09.2005	-	-
	Corwaja Sdn Bhd	Investment holding	Director and shareholder	13.05.2004	1	16.67
	Meng Heng Enterprise Sdn Bhd	Trading and installation of construction material	Director and shareholder	21.04.2000	1	50
	Natural Jubilee Sdn Bhd	Investment holding	Director	20.02.1997	-	-
	Sparkle Properties Sdn Bhd	Trading and investment company	Director and shareholder	14.05.2001	11,250	24
	Mega 2000 Sdn Bhd	Dormant	Director and shareholder	04.01.2000	1	50
	PT OCK	Telecommunications managed services	Director and shareholder	27.07.2005/ (16.11.2011)	20,000	20
	Kazacom Co. Ltd. (Cambodia)	Dormant	Director and shareholder	14.12.2006	200	20
	Kitchen Maestro Sdn Bhd	Operation of food and beverage outlets	Director	02.05.2012	-	-

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Name	Company	Principal Activities	Designation	Date Appointed/ (Resigned)	<----- As at the LPD ----->		
					Direct	No. of Shares held	% held
Chang Tan Chin	Bloom Concept Sdn Bhd	As a mechanical and electrical engineering contractor and supplier of electrical and building component	Director and shareholder	11.09.2008/ (18.11.2011)	12*	12*	-
Chong Wai Yew	Bloom Concept Sdn Bhd	As a mechanical and electrical engineering contractor and supplier of electrical and building component	Director and shareholder	11.09.2008/ (18.11.2011)	12*	12*	-
Lee Yow Fui	Marken-Imaje Sdn Bhd	Trading of marking and coding equipments	Director	17.10.2007/ (22.05.2009)	-	-	-
Fu Lit Fung	Nextnation Communication Berhad	Provision of end to end mobile application services which connects mobile networks, developers and distributors	Independent Director	24.06.2006	-	-	-
	Logical Force Sdn Bhd	Trading in computer hardware, systems software and photography equipment and accessories	Director and shareholder	20.08.2004	61,500	29.29	-
	Local Commerce Sdn Bhd	Property investment	Director and shareholder	13.12.2010	499	24.95	-
	Bidal Majuaya Sdn Bhd	Dormant	Director and shareholder	01.07.2010	1	25	-

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

As at the LPD ----->						
Name	Company	Principal Activities	Designation	Date Appointed/ (Resigned)	Direct No. of Shares held	Indirect No. of Shares held
	Bit Solution Sdn Bhd	Trading in computer hardware and providing software development services	Director	13.06.2007	-	-

None of the Directors are involved in the day-to-day activities and operations of the abovementioned business and accordingly, their involvement in the abovementioned companies do not affect their contribution to our Group or negatively impact their ability to act as the Executive Directors of our Group.

Notes:

- ② Negligible.
- * Disposed on 18 November 2011.
- ^ Disposed on 16 November 2011.
- # Deemed interest by virtue of his spouse's interest in Modern Net Sdn Bhd pursuant to Section 6A of the Act.

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8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.2.4 Directors' Remuneration and Material Benefits-in-Kind

The current remunerations and proposed remunerations for services rendered/to be rendered by our Directors in all capacities to our Group for the FYE 31 December 2010 to 2012 are as follows:

Director	Compensation Band (RM)		
	FYE 31 December 2010	FYE 31 December 2011	FYE 31 December 2012*
Datuk Zawawi Bin Mahmuddin	Nil	Nil	40,000 to 60,000
Abdul Halim Bin Abdul Hamid	100,000 to 150,000	200,000 to 250,000	300,000 to 350,000
Ooi Chin Khoon	250,000 to 300,000	300,000 to 350,000	400,000 to 450,000
Low Hock Keong	200,000 to 250,000	250,000 to 300,000	300,000 to 350,000
Chang Tan Chin	100,000 to 150,000	150,000 to 200,000	200,000 to 250,000
Chong Wai Yew	100,000 to 150,000	150,000 to 200,000	200,000 to 250,000
Lee Yow Fui	Nil	Nil	20,000 to 40,000
Fu Lit Fung	Nil	Nil	20,000 to 40,000

Note:

* *Estimated and subject to shareholders' approval.*

The above remunerations, which comprise salaries, incentives, bonuses, fees, allowances and other benefits-in-kind must be considered and recommended by the Remuneration Committee and subsequently approved by our Board. Our Directors' fees and incentives must be further approved or endorsed by our shareholders at a general meeting.

8.2.5 Directors' Term of Office

Our Directors were appointed to the Board and has served in their respective capacities as described in Sections 8.1.2 and 8.2.1 of this Prospectus. Our Board comprises five (5) Executive Directors, three (3) Independent Non-Executive Directors and their respective terms of office are as follows:

Name	Designation	Expiration of Term of Office
Datuk Zawawi Bin Mahmuddin	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	*

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Name	Designation	Expiration of Term of Office
Lee Yow Fui	Independent Non-Executive Director	*
Fu Lit Fung	Independent Non-Executive Director	*

Note:

* *In accordance with the Company's Articles of Association, one-third (1/3) of the Directors, including the Managing Director, if any, and with a minimum of one (1) Director shall retire by rotation at each Annual General Meeting and to be eligible for re-election Provided Always that each director shall retire from office at least once in every three (3) years but shall be eligible for re-election. An election of Directors shall take place each year.*

Any person appointed by the Board to either fill a casual vacancy or as an addition to the existing directors shall hold office until the conclusion of the next Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting.

8.3 AUDIT, NOMINATION AND REMUNERATION COMMITTEES

8.3.1 Audit Committee

Our Audit Committee was established on 11 June 2012. Members of our Audit Committee are as follows:

Name	Designation	Directorship
Datuk Zawawi Bin Mahmuddin	Chairman	Independent Non-Executive Chairman
Lee Yow Fui	Member	Independent Non-Executive Director
Fu Lit Fung	Member	Independent Non-Executive Director

The main function of the Audit Committee falls within the ambit of the Listing Requirements. Our Audit Committee, amongst others, shall undertake the following responsibilities and duties:

- (i) Review with our auditors the nature and scope of their audit plans, audit reports, major findings and evaluations of our accounting system and internal controls;
- (ii) Review our quarterly and annual financial statements before submission to our Board, focusing in particular on any change in implementation of major accounting policies and practices, significant and unusual events, significant adjustments arising from the audit, the going concern assumption and compliance with accounting standards and other regulatory or legal requirements;
- (iii) Consider the appointment or reappointment of external auditors and matters relating to their resignation;
- (iv) Review any related party transactions entered into by our Group and any conflict of interest situations that may arise within our Group; and
- (v) Perform such other functions as may be requested by our Board.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (*Cont'd*)

8.3.2 Nomination Committee

Our Nomination Committee was established on 11 June 2012. Members of our Nomination Committee are as follows:

Name	Designation	Directorship
Datuk Zawawi Bin Mahmuddin	Chairman	Independent Non-Executive Chairman
Lee Yow Fui	Member	Independent Non-Executive Director
Fu Lit Fung	Member	Independent Non-Executive Director

The main responsibilities of our Nomination Committee include the following:

- (i) Identify and recommend to our Board, candidates for directorships for our Company and Directors as members of the relevant Board committees;
- (ii) Evaluate the effectiveness of our Board and the relevant Board committees; and
- (iii) Ensure an appropriate framework and succession planning for our Board.

The recommendations of the Nomination Committee are subject to the approval of our Board.

8.3.3 Remuneration Committee

Our Remuneration Committee was established on 11 June 2012. Members of our Remuneration Committee are as follows:

Name	Designation	Directorship
Datuk Zawawi Bin Mahmuddin	Chairman	Independent Non-Executive Chairman
Lee Yow Fui	Member	Independent Non-Executive Director
Ooi Chin Khoon	Member	Managing Director

The main responsibilities of our Remuneration Committee include the following:

- (i) Assist our Board in determining the remuneration of Directors and key management and key technical personnel;
- (ii) Assist our Board in discharging responsibilities relating to, amongst others, compensation strategy, succession planning, management development and other compensation arrangements; and
- (iii) Ensure corporate accountability and governance in respect of our Board remuneration and compensation functions.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.4 KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

8.4.1 Profiles

Cheng Tee Han, Malaysian, aged 51
Chief Financial Officer

Cheng Tee Han is our Group's Chief Financial Officer. Mr. Cheng graduated in 1985 from College Tunku Abdul Rahman with a Diploma in Commerce majoring in Financial Accounting. He is a Fellow of The Association of Chartered Certified Accountants (FCCA).

Mr. Cheng started his career with an auditing firm, Lim, Cheh and Chang in 1985 as an Audit Assistant. After two (2) years, he joined Fudex Rubber Products (M) Sdn Bhd as an Accountant. Subsequently in 1990, he was employed by Keppel Corporation Limited as an Accountant. In 2003, Mr. Cheng joined R&A Telecommunication Sdn Bhd as its Chief Financial Officer until 2007. Before joining OCK Setia in 2010, he worked independently as a business consultant for various companies from 2008 to 2009.

Mr. Cheng's current role encompasses business and financial strategy and planning, monitoring, management and reporting, including management and development of policies, systems and processes of our Group.

Wong Shau Yang, Malaysian, aged 43
Tendering and Marketing Director

Wong Shau Yang is our Group's Tendering and Marketing Director. Mr. Wong graduated from University of Alberta, Edmonton, Alberta, Canada in 1993 with a Bachelor's Degree in Electrical Engineering.

After graduation, he joined Celcom in 1994 as an Engineer and was subsequently promoted to its Technical Officer. In 1997, he joined Prismenet Sdn Bhd as its Project Manager prior to joining Lucent Technologies (M) Sdn Bhd, now known as Alcatel-Lucent, as a Senior Engineer in 1998 and was promoted to Alcatel-Lucent's Customer Solution Leader in 2007. In 2010, Mr. Wong joined OCK Setia as our Tendering and Marketing Director. His current responsibilities include overseeing all telecommunications network services and products pre-sales, tendering bids and proposals.

Foo See Liang, Malaysian, aged 44
Project Management Director

Foo See Liang is one of our Group's Project Management Director. Mr. Foo graduated from Oxford Brookes University, England, in 1995 with a Bachelor's Degree in Electronics Engineering. He is also a certified Project Management Professional from Project Management Institute in 2009.

After graduation in 1995, Mr. Foo started his career with Jebsen & Jessen Telecommunication Sdn Bhd as a Project Engineer. In 1996, he joined Lucent Technologies (M) Sdn Bhd, now known as Alcatel-Lucent, as a Project Engineer. In 2002, he was promoted as a Customer Service Manager and led the Operation and Maintenance support team. In 2006, Mr. Foo held the position of Project Manager and subsequently, in 2009, Mr. Foo joined OCK Setia as our Project Management Director.

His current key functions include sharing and coordinating resources across all projects and to identify and develop project management methodology, best practices and standards. Mr. Foo is also responsible for maintaining the Project Management Office's function as a clearing house and management centre for project policies, procedures, templates and to act as centralised repository and management for both shared and unique risks for all projects.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (*Cont'd*)

Hussin Bin Abu Bakar, Malaysian, aged 47 Engineering and Regulatory Head

Hussin Bin Abu Bakar is our Group's Engineering and Regulatory Head. He graduated from Universiti Teknologi MARA in 1986 with a Diploma in Estate Management majoring in Valuation and Property Management.

Encik Hussin joined the Perak Land office under its graduate training scheme from 1987 to 1989 before starting his career with the Valuation Department of the Ipoh City Council as a Valuation Officer in 1989. In 1997, Encik Hussin joined Time Cel Sdn Bhd as a Senior Property Executive before joining Maxis in 2002 as a Special Grade Executive for two (2) years. In 2005, Encik Hussin joined DiGi as their Head of Compliance. In 2008, he joined Alcatel-Lucent as its Permitting Manager until 2010 where he joined Ericsson as its Site Acquisition Consultant. Subsequently, in the same year, he joined OCK Setia as our Engineering and Regulatory Head.

Encik Hussin's functions include managing real estate agents in site identification, liaising with local council and ensuring site security. He also engages professional engineers and monitor site preparation for government authority approval matters and to apply for adequate electric power supply for each site. He is also responsible for liaisons with related government bodies.

Quek Meu San, Malaysian, aged 41 Group Human Resource ("HR"), Administration, Information Technology ("IT") and Procurement Director

Quek Meu San is our Group's HR, Administration, IT and Procurement Director. Ms. Quek is a certified London Chamber of Commerce and Industry (LCCI) holder from EU Institute in 1992. She obtained her certificate for Secretarial and Administrative Course from Systematic College in 1995.

Ms. Quek started her employment with United Overseas Bank (M) Berhad in 1994 as Banking Teller. In 1996, she was promoted as Bank Officer. A year later, she joined Cobrain Holding Sdn Bhd as an Accounts cum Administration Executive.

Ms. Quek joined OCK Setia in 1999 as an Account cum Administration Executive. She was promoted and seconded to various positions in the Group during her tenure in the Group and was promoted to her current position in 2010. Her current role is to oversee our Group's administrative, HR, IT and procurement departments.

Sharon Mak May Cheng, Malaysian, aged 34 Marketing Director

Sharon Mak May Cheng is our Group's Marketing Director. She graduated from Monash University in 2000 with a Bachelor's Degree of Commerce Majoring in Accounts and Finance. Ms. Sharon is also a member of Certified Practicing Accountants (CPA) Australia.

Ms. Sharon started her career in 2000 with Deloitte Kassim Chan Sdn Bhd as an auditor. In 2003, she joined Knusford Berhad as an Accountant. She was seconded to the Power Generation Division of the Knusford Berhad in 2004 as a Sales Manager.

In 2004, she was promoted to Marketing Manager and after five (5) years of holding the position, she started Energy Icon Sdn Bhd, a business venture focusing on power generation. She subsequently joined EI Power in 2010 as its Marketing Director. Currently, Ms. Sharon is responsible in evaluating market feasibility, increase market coverage and to manage the sales and marketing team in EI Power.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.4.2 Shareholdings

The shareholdings of our key management and key technical personnel before and after our Public Issue are as follows:

Name	Designation	Nationality	<----- Before the Public Issue ----->			<----- After the Public Issue ----->		
			Direct No. of Shares	Indirect No. of Shares	% held	Direct No. of Shares	Indirect No. of Shares	% held
Cheng Tee Han	Chief Finance Officer	Malaysian	-	-	-	-	258,100*	0.10
Wong Shau Yang	Tendering and Marketing Director	Malaysian	-	-	-	-	258,100*	0.10
Foo See Liang	Project Management Office Director	Malaysian	-	-	-	-	258,100*	0.10
Hussin Bin Abu Bakar	Engineering and Regulatory Head	Malaysian	-	-	-	-	220,000*	0.08
Quek Meu San	Group HR, Administration, IT and Procurement Director	Malaysian	-	-	-	-	1,400,000*	0.54
Sharon Mak May Cheng	Marketing Director	Malaysian	-	-	-	-	258,100*	0.10

Note:

* Assuming full subscription of Pink Form allocations.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.4.3 Involvement of Key Management and Key Technical Personnel in Other Businesses or Corporations

Save as disclosed below, none of our key management and key technical personnel are involved in other businesses/corporations as at the LPD:

Name	Company	Principal Activities	Designation	<----- As at LPD ----->			
				Date Appointed/ (Resigned)	Direct No. of shares held	Indirect No. of shares held	% held
Cheng Tee Han	Transcend Capital Corporation Sdn Bhd	Dormant	Director and Shareholder	19.06.2007	1	50.00	-
Sharon Mak May Cheng	Acon Technologies Sdn Bhd	Distribution of general merchandise	Director and Shareholder	09.06.2010/ (25.10.2011)	50,000*	50.00*	-
	Energy Icon Sdn Bhd	General trading	Director and Shareholder	16.10.2008/ (16.11.2011)	30,000^	30.00^	-

Notes:

* Disposed on 25 October 2011.

^ Disposed on 16 November 2011.

None of our key management and key technical personnel has any interest, direct or indirect, in any other businesses and corporations carrying on a trade similar to that of our Group and/or any business or corporations which are also our customers or suppliers of our Group.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.5 DECLARATIONS BY PROMOTERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

Save as disclosed below and based on the declarations by our Promoters, Directors, key management and key technical personnel, none of our Promoters, Directors, key management and key technical personnel is or has been involved in any of the following events (whether in or outside Malaysia):

- (i) A petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a director or key personnel;
- (ii) Disqualification from acting as a director of any corporation, or from taking part directly or indirectly in the managing of a corporation;
- (iii) Charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) Any judgement entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (v) The subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity.

Datuk Zawawi Bin Mahmuddin was a director of HVD Holdings Sdn Bhd, which was subject to a creditors winding-up petition vide judgment dated 21 September 2005.

8.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

There are no family relationships (as defined under Section 122A of the Act) or associations amongst our Promoters, Directors, substantial shareholders, key management and key technical personnel.

8.7 BENEFITS PAID OR INTENDED TO BE PAID

Save as disclosed in Section 8.2.4 of this Prospectus, there is no amount or benefit paid or intended to be paid or given to any of our Promoters, Directors or substantial shareholders within the two (2) years preceding the date of this Prospectus.

8.8 SERVICE AGREEMENTS WITH DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

As at the LPD, there are no existing or proposed service agreements between the companies within our Group and our Directors, key management and key technical personnel, which are not terminable by notice without payment or compensation (other than statutory notice).

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

8.9 INFORMATION ON EMPLOYEES

8.9.1 Employment Structure

As at the LPD, we have a total workforce of 486 personnel, including our Executive Directors. There has been no industrial dispute actions taken against our Group and none of our employees are members of any union. In addition, our Group has not encountered any major turnover in our workforce. The breakdown of our employees by category as at 31 December 2008 to 2011 as well as at the LPD is as follows:

Category	Number of Employees				
	As at 31 December		As at the LPD		
	2008	2009	2010	2011	
Managerial	7	15	31	39*	46*
Engineering	141	150	144	223	294
Sales and marketing	-	1	1	4	4
Finance, human resource and administration	16	20	26	23	28
Technician/installer	24	24	38	27	50
Clerical/ non-executive	19	18	36	53	64
Total	207	228	276	369	486

Note:

* Our Executive Directors are included in the managerial category.

As at the LPD, we have the following permanent and contractual staff under the following categories:

Category	Number of Employees		
	Contract	Permanent	Total
Managerial	2	44*	46
Engineering	232	62	294
Sales and marketing	0	4	4
Finance, human resource and administration	9	19	28
Technician/installer	40	10	50
Clerical/ non-executive	36	28	64
Total	319	167	486

Note:

* Our Executive Directors are included in the managerial category.

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

The increasing trend in number of employees for the financial years and period under review was in line with the human capital needs for the execution of projects. As the number of projects under our Group increases, human resources increases accordingly. Further, the incorporation of Steadcom and EI Power in FYE 31 December 2010 and Fortress Singapore in FYE 31 December 2011 contributed to the increase in headcount during the respective year/period.

8.9.2 Training and Development

We place strong emphasis on human resource development. Employees of the Group are given regular on-the-job training in areas of management skills and technical knowledge. The Group also provides opportunities for internal promotion as one of the key components of employees' development and retention.

All new employees recruited by us are required to undergo in-house orientation conducted by the respective department heads to familiarize themselves with our corporate vision, culture and policies. On-the-job training is also provided to the production operators and technicians to equip them with the necessary working knowledge and skills in order for them to carry out their job responsibilities efficiently. The Human Resources Department is responsible for the preparation of a monthly training plan at the end of each month. In addition, department heads are required to obtain approval for any additional training requests.

In line with our Group's ISO 9001:2008 certification, in-house training programmes which are conducted include courses on total quality standards management as well as safety measures. These are mainly technical training, motivational and leadership/management development programmes aimed to increase the staff's knowledge and to enhance proficiency in their daily tasks. Employees are regularly encouraged to upgrade themselves and to keep abreast with the latest market trends and developments.

Our employees have had the opportunity to participate in training programmes to develop industry knowledge to enhance proficiency in their daily tasks. Some of the training programmes attended by our employees are as follows:

Date	Programme	Venue	Facilitator/ Organiser
23.02.2009/	Max – Safety	Grand Seasons Avenue, Kuala Lumpur	CIDB
11.03.2009/			
13.04.2009/			
14.07.2009/			
27.07.2009/			
09.09.2009/			
15.09.2009/			
20.09.2009/			
26.09.2009			
14.07.2009	First Aid Training	Ampang	Persatuan Bulan Sabit Merah Malaysia
08.07.2009	NIOSH Safety Training	Kuala Lumpur	National Institute of Occupational Safety & Health
29.07.2009	EMS – Awareness Program	Grand Seasons Avenue, Kuala Lumpur	CIDB
18.08.2009	Max – Tower & Rooftop Course	Grand Seasons Avenue, Kuala Lumpur	CIDB

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Date	Programme	Venue	Facilitator/ Organiser
13.01.2010	Employees Termination Guidelines	Eastin Hotel, Petaling Jaya	Malaysia Export Academy Sdn Bhd
06.02.2010/ 06.05.2010/ 25.06.2010/ 06.08.2010/ 11.10.2010	Max – Safety	Grand Seasons Avenue, Kuala Lumpur	CIDB
25.02.2010/ 12.03.2010	Penilaian Agensi Pemerakuan	Telekom Malaysia Training Centre	Telekom Malaysia Berhad
26.07.2010	Implementing ISO 14001:2004	Sysnovate Training Centre , Kuala Lumpur	Sysnovate Solutions Sdn Bhd
12.08.2010	Microwave Installation Training	Shah Alam Convention Centre, Shah Alam	Huawei
04.11.2010	NIOSH Safety Training	Lot 1, Jalan 15/1, Section 15, 43650, Bandar Baru Bangi	National Institute of Occupational Safety & Health
13.04.2011/ 15.04.2011/ 20.04.2011/ 22.07.2011	Safety Work At Height	Suite 1-19, Dagang Avenue e-Business Center, Jalan Dagang B/3A, Taman Dagang Ampang	Iratec (M) Sdn Bhd
25.04.2011	Managerial – Business English for Communication	Eastin Hotel, Petaling Jaya	Malaysia Export Academy
27.04.2011	Worker Management Communication Program	Sunway Hotel, Penang	Electronic Industry Citizenship Coalition
11.06.2011	Fire Prevention Training	Headquarters	Fire Prevention Centre
05.07.2011	National Return to Work Conference	PWTC, Kuala Lumpur	SOCSO
07.07.2011	NIOSH – Telecom Safety	Lot 1, Jalan 15/1, Section 15, 43650, Bandar Baru Bangi	National Institute of Occupational Safety & Health
13.07.2011	Geins SRM Supplier Self Service (SUS) Training	Peridot Training Room, Menara TM, Kuala Lumpur	Telekom Malaysia Berhad
23.08.2011	Gold of the Desert Kings	JW Marriott Hotel, Kuala Lumpur	Innovative Training Expert Sdn Bhd
22.11.2011	ISO 9001:2008 Internal Quality Auditor Workshop	Sysnovate Training Centre , Kuala Lumpur	Sysnovate Solutions Sdn Bhd

8. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Date	Programme	Venue	Facilitator/ Organiser
05.04.2012/ 06.04.2012/ 07.04.2012	Safety Work At Height	Suite 1-19, Dagang Avenue e-Business Center, Jalan Dagang B/3A, Taman Dagang Ampang	Iratec (M) Sdn Bhd
21.04.2012/ 22.04.2012	GSM Training	OCK Headquarters	Phua Guan Siong
21.04.2012/ 22.04.2012/ 14.05.2012	NIOSH – Telecom Safety	Lot 1, Jalan 15/1, Section 15, 43650, Bandar Baru Bangi	National Institute of Occupational Safety & Health
03.05.2012	EICC – GeSI Health and Safety Training	Plot 76, Mukim 11 Bukit Tengah Industrial Park Peanng	Dell Asia Pacific Sdn Bhd

8.9.3 Management Succession Plan

Our Board believes that the success of the Group depends on the ability and retention of our key management and key technical personnel and skilled personnel. Therefore, we have made efforts to train our staff and remunerate them accordingly.

Our Group has a management succession plan consisting:

- (i) Sound recruitment and selection;
- (ii) Competitive remuneration and employee benefits;
- (iii) Structured career planning and development; and
- (iv) Continuous training and education.

In addition, we will continue to provide appropriate training to promising junior staff in order to enhance their management and technical skills for the purpose of their career advancement within our Group. As part of the management succession plan, our Group has identified middle management personnel across all levels to assist the heads of various business divisions in order to facilitate skill transfer so as to ensure the smooth running and continuity of the operations of our Group. If the need arises, we will recruit qualified personnel with knowledge and expertise of the business to further enhance our operations.

We believe that our employees are our most valuable assets and believe that they should have on-the-job training where new employees will be trained at their worksites under normal working conditions.

9. APPROVALS AND CONDITIONS (*Cont'd*)

9.1 APPROVALS FROM RELEVANT AUTHORITIES

Our Listing is an exempt transaction under Section 213 of the CMSA and is therefore not subject to the approval of the SC.

The SC, vide its letter dated 11 June 2012, had approved the resultant equity structure of our Group pursuant to the Listing under the equity requirements for public companies. The conditions imposed by the SC and the status of our compliance are set out below:

No.	Details on Conditions Imposed	Status of Compliance
1.	OCK to submit its equity structure to the SC upon completion of the Proposed Listing;	Will be complied.
2.	OCK to allocate the difference between the prescribed equity requirement of 12.5% of its enlarged issued and paid-up share capital and the actual equity interests of Bumiputera investors upon listing to Bumiputera public investors to be approved by Ministry of International Trade and Industry, within one year after achieving the profit track record requirement for companies seeking listing on the Main Market, or five years after being listed on the ACE Market, whichever is the earlier (Triggering Date); and	Will be complied.
3.	Alliance/OCK to submit to the SC a proposal to comply with the Bumiputera equity condition in (ii) above at least six months from the Triggering Date.	Will be complied.

Bursa Securities had on 31 May 2012 approved our admission to the Official List of the ACE Market and the listing of and quotation for our entire enlarged issued and paid-up share capital on the ACE Market.

The approval from Bursa Securities is subject to the following conditions:

No.	Details on Conditions Imposed	Status of Compliance
1.	Submission of the following information in respect to the moratorium on the shareholdings of the promoters to the Bursa Depository: <ul style="list-style-type: none"> (i) Name of shareholders; (ii) Number of shares; and (iii) Date of expiry of the moratorium for each block of shares. 	The following information has been submitted to Bursa Depository on 20 June 2012.
2.	Approvals from other relevant authorities have been obtained for implementation of the listing proposal;	Complied.
3.	Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	Will be complied.

9. APPROVALS AND CONDITIONS (*Cont'd*)

No.	Details on Conditions Imposed	Status of Compliance
4.	Furnish the Bursa Securities a copy of the schedule of distribution showing compliance to the share spread requirements based on the entire issued and paid-up share capital of OCK on the first day of listing;	Will be complied.
5.	Any director of the Company that has not attended the Mandatory Accreditation Programme must do so prior to listing of the Company;	Will be complied.
6.	In relation to the public offering to be undertaken by OCK, please announce at least two (2) market days prior to the listing date, the result of the offering including the following: <ul style="list-style-type: none"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/allocation; (iii) A table showing the distribution for placement tranche, in format as attached in Appendix I; and (iv) Disclosure of placees who become substantial shareholder of OCK arising from the public offering, if any; and 	Will be complied.
7.	OCK/Alliance to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the admission to the Official List on the ACE Market is completed.	Will be complied.

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9. APPROVALS AND CONDITIONS (Cont'd)

9.2 MORATORIUM ON SALE OF SHARES

In compliance with the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Promoters as follows:

- (a) The moratorium applies to our Promoters' entire shareholdings for a period of six (6) months from the date of admission to the ACE Market;
- (b) Upon expiry of the six (6) months period stated above, we must ensure that our Promoters' aggregate shareholdings amounting to at least 45% of our Company's nominal issued and paid-up share capital remain under moratorium for another period of six (6) months; and
- (c) Thereafter, our Promoters may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight line basis) of our Shares held under moratorium.

The details of shares held under moratorium shall be imposed according to the following:

Promoter	No. of shares held under Moratorium for the First Six (6) Months upon Listing				No. of shares held under Moratorium for the subsequent Six (6) Months			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Aliran Armada	165,600,000	63.94	-	-	104,895,000	40.50	-	-
Abdul Halim Bin Abdul Hamid	-	-	165,600,000 ⁽¹⁾	63.94	-	-	104,895,000 ⁽¹⁾	40.50
Ooi Chin Khoon	-	-	165,600,000 ⁽¹⁾	63.94	-	-	104,895,000 ⁽¹⁾	40.50
Low Hock Keong	7,360,000	2.84	-	-	4,662,000	1.80	-	-
Chang Tan Chin	5,520,000	2.13	-	-	3,496,500	1.35	-	-
Chong Wai Yew	5,520,000	2.13	-	-	3,496,500	1.35	-	-
Total	184,000,000	71.04	-	-	116,550,000	45.00	-	-

Notes:

- (1) Deemed interest by virtue of his shareholding in Aliran Armada.
* Based on our enlarged issued and paid-up share capital after our Public Issue.

Our Promoters have provided undertaking letters to Bursa Securities that they will comply with the moratorium conditions as set out in Rule 3.19 (1) of the Listing Requirements.

The restriction, which is fully acknowledged by our Promoters, is specifically endorsed on our Share certificates representing their shareholdings which are under moratorium to ensure that our Share Registrar will not register any transfer and sale that are not in compliance with the aforesaid restriction imposed by Bursa Securities.

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10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

10.1 EXISTING AND PROPOSED RELATED PARTY TRANSACTIONS

Save as disclosed below, our Board confirms that there are no existing or presently proposed related-party transactions entered/to be entered into between our Group and our Directors, substantial shareholders, key management, key technical personnel and/or persons connected with them, during the four (4) FYE 31 December 2008 to 2011 and forecast for the FYE 31 December 2012 and 2013:

Related Party	Interested Promoter/ Director/ Substantial Shareholder/ Key Management/ Key Technical Personnel	Nature of Relationship	Nature of Transaction	Audited				Forecast			
				2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000	2013 RM'000		
All Star	<ul style="list-style-type: none"> • Abdul Halim Bin Abdul Hamid • Ooi Chin Khoon 	Abdul Halim Bin Abdul Hamid and Ooi Chin Khoon were shareholders and Directors of All Star. They disposed their shareholdings and resigned from their directorships in December 2010 and September 2010 respectively	Sub-contractor services provided to OCK Setia Telecommunications network deployment services rendered from OCK Setia Management fees paid to OCK Setia Office rental paid to OCK Setia Utilities fees paid to OCK Setia Printing and stationery expenses paid to OCK Setia	5,650	3,405	378	-	-	-	-	-
OCK Setia	<ul style="list-style-type: none"> • Ooi Chin Khoon 	Ooi Chin Khoon is the owner of the building rented to OCK Setia	Rental of headquarters to OCK Setia	-	-	-	88	264	264	264	264

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

Related Party	Interested Promoter/ Director/ Substantial Shareholder/ Key Management/ Key Technical Personnel	Nature of Relationship	Nature of Transaction	Audited				Forecast			
				2008 RM'000	2009 RM'000	FYE 31 December 2010 RM'000	2011 RM'000	2012 RM'000	2013 RM'000		
OCK Properties	• Ooi Chin Khoon • Low Hock Keong	Ooi Chin Khoon and Low Hock Keong are directors and shareholders of OCK Properties	Disposal of OCK Properties to: (i) Ooi Chin Khoon (ii) Low Hock Keong	-	-	-	-	984	-	-	-
Fling Rock Studio Sdn Bhd	• Ooi Chin Khoon • Low Hock Keong	Ooi Chin Khoon and Low Hock Keong are directors and shareholders of Fling Rock	Office rental paid to OCK Setia	-	-	18	5	5	5	5	5
Prisma Makmur (M) Sdn Bhd	• Ooi Chin Khoon	Ooi Chin Khoon is a director and shareholder of Prisma Makmur (M) Sdn Bhd	Management fee paid to OCK Setia Studio Sdn Bhd Utilities paid to OCK Setia	-	-	6	2	2	2	2	2
OCK Setia	• Quek Meu San	Quek Meu San is the owner of the property rented to OCK Setia	Telecommunications network turnkey services rendered from OCK Setia	764	203	-	-	-	-	-	-
			Rental of property located at 9-3, Jalan Puteri 2/6, Bandar Puteri, 47100 Puchong, Selangor	-	6	19	19	19	19	19	19

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

Related Party	Interested Promoter/ Director/ Substantial Shareholder/ Key Management/ Key Technical Personnel	Nature of Relationship	Nature of Transaction	Audited				Forecast			
				2008 RM'000	2009 RM'000	2010 RM'000	FYE 31 December 2011 RM'000	2012 RM'000	2013 RM'000		
Modern Net Sdn Bhd ("Modern Net")	<ul style="list-style-type: none"> Lee Kong Jin Song Seok Ying 	<p>Lee Kong Jin is a director and shareholder of Modern Net. He is also a director in Firatel.</p> <p>Song Seok Ying is the spouse of Ooi Chin Khoon and also a shareholder and director of Modern Net. She had disposed of her entire equity interest in Modern Net in August 2011.</p>	<p>Rental of testing equipment by OCK Setia</p> <p>Purchases from Firatel</p> <p>Purchases from Delicom</p> <p>Purchases from OCK Setia</p> <p>Rental of warehouse paid to Firatel</p> <p>Rental of equipment from OCK Setia</p>	633	813	225	181	200	200		
Delicom	<ul style="list-style-type: none"> Ooi Chin Khoon Abdul Halim Bin Abdul Hamid 	<p>Ooi Chin Khoon and Abdul Halim Bin Abdul Hamid are directors and shareholders of Delicom</p>	<p>Purchase from OCK Setia</p> <p>Car rental received from OCK Setia</p> <p>Management fee paid to OCK Setia</p> <p>Office rental paid to OCK Setia</p>	2,157	2,139	5,242		^	^	^	^

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

Related Party	Interested Promoter/ Director/ Substantial Shareholder/ Key Management/ Key Technical Personnel	Nature of Relationship	Nature of Transaction	Audited				Forecast		
				2008 RM'000	2009 RM'000	2010 RM'000	FYE 31 December 2011 RM'000	2012 RM'000	2013 RM'000	
OCK Pte Ltd	• Ooi Chin Khoon	Ooi Chin Khoon is a director and shareholder of OCK Pte Ltd. He is also a director in Fortress Singapore.	Utility expenses charge to OCK Setia	6	2	5	^	^	^	
			Salaries and office expenses paid by Fortress Singapore	-	-	-	-	132	-	

Note:

- ^ Delicom becomes a wholly-owned subsidiary company of OCK Setia in June 2011.

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

Save as disclosed below, our Board confirms that there was no existing or presently provision of financial assistance by our Group to our non-wholly-owned subsidiary companies during the four (4) FYE 31 December 2008 to 2011 and forecast for the FYE 31 December 2012 and 2013:

Related Party	Interested Promoter/ Director/ Substantial Shareholder/ Key Management/ Key Technical Personnel	Nature of Relationship	Nature of Transaction	Audited			Forecast		
				2008 RM'000	2009 RM'000	As at 31 December 2010 RM'000	2011 RM'000	2012 RM'000	2013 RM'000
OCK M&E	• Chong Wai Yew • Chang Tan Chin	Chong Wai Yew is a director and was a shareholder of OCK M&E. Chang Tan Chin was a shareholder of OCK M&E.	Provision of financial assistance by OCK Setia	1,575	893	-	*	*	*
Firatel	• Ooi Chin Khoon • Low Hock Keong • Lee Kong Jin	Ooi Chin Khoon and Low Hock Keong are the directors of Firatel whereas Lee Kong Jin is a director and a shareholder of Firatel.	Provision of financial assistance by OCK Setia	-	-	-	874	1,000	1,000
EI Power	• Ooi Chin Khoon	Ooi Chin Khoon is a director of EI Power.	Provision of financial assistance by OCK Setia	-	-	1,479	2,798	10,000	10,000
Steadcom	• Ooi Chin Khoon	Ooi Chin Khoon is a director Steadcom.	Provision of financial assistance by OCK Setia	-	-	102	748	1,000	1,000

Note:

* OCK M&E became a wholly-owned subsidiary of OCK Setia in April 2011.

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

All the related party transactions disclosed above would not give rise to any conflict of interest situation and were transacted based on terms which are not unfavourable to our Group. All provision of financial assistance made by our Group to non-wholly owned subsidiary companies are in compliance with Section 133A (2) of the Act.

Upon Listing, our Directors, through our Audit Committee, will ensure that any related party transactions (recurrent inclusive, if any) are carried out on an arm's length basis and are not prejudicial to our Group nor on terms more favourable to the related parties than those normally agreed with other customers or suppliers and are also not to our detriment nor to the detriment of our minority shareholders.

Our Directors and substantial shareholders are also not aware of any other transactions that may give rise to conflict of interest situations between our Group and any of our Directors, substantial shareholders, key management and key technical personnel and/or persons connected with them.

10.2 TRANSACTIONS THAT ARE UNUSUAL IN NATURE OR CONDITIONS

There are no transactions that are unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party to during the four (4) FYE 31 December 2008 to 2011. Our Directors and substantial shareholders are also not aware of any transaction that is unusual in nature or condition, involving goods, services, tangible or intangible assets, to which our Group was a party.

10.3 INTERESTS IN SIMILAR BUSINESSES, INTERESTS IN BUSINESSES OF OUR CUSTOMERS OR SUPPLIERS AND OTHER CONFLICTS OF INTEREST

Save for Ooi Chin Khoon, Low Hock Keong, Chong Wai Yew and Chang Tan Chin as disclosed in Sections 8.2.3 and 10.1 of this Prospectus, as at the LPD, none of our Directors and/or substantial shareholders has any interest, direct or indirect, in any other businesses and corporations carrying on a trade similar to that of our Group and/or any business or corporations which are also our customers or suppliers of our Group.

Our Board is of the opinion that there is no existing or potential conflict of interest situation arising from the shareholdings and directorships of the Directors and/or substantial shareholders of our Group in the following companies:

- (1) Ooi Chin Khoon and Low Hock Keong were Directors and substantial shareholders of PT OCK, a company incorporated in Indonesia on 27 July 2005 and commenced operations on 2 January 2006. PT OCK is involved in the provision of telecommunications network services in Indonesia. PT OCK is being divested from the Group as other shareholders in PT OCK did not wish to participate in the public issue exercise. As at the LPD, Ooi Chin Khoon and Low Hock Keong have undertaken the processes to resign and divest their entire shareholding in PT OCK.

PT OCK is an Indonesian 'Penanaman Modal Asing' Company ("PMA Company"). As such, in order for any of its shares to be transferred from an existing shareholder of PT OCK to another party, PT OCK is required to observe the procedures below for its shareholders to successfully transfer its shares:

- (i) submit an online application to Kementerian Hukum & Hak Asasi Manusia or Minister of Law and Human Rights ("MLHR");
- (ii) submit the duly executed deed of transfer of shares to MLHR;
- (iii) submit an application to Badan Koordinasi Penamaan Modal ("BKPM"), i.e. to obtain the approval of BKPM for the transfer of shares; and

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

- (iv) if the PMA Company is in a regulated industry, such as telecommunication, and in the event the licenses and permits issued to the said company, or in if the law requires for the said company to, obtain other governmental approvals, the PMA Company shall make the application to the relevant governmental agency.

In light of the above, the shares in PT OCK held by Ooi Chin Khoon and Low Hock Keong have been transferred to third parties on 16 November 2011 and accordingly, Ooi Chin Khoon and Low Hock Keong no longer have any interest in PT OCK.

The current shareholders of PT OCK have the intention to change the company's name. However, due to administrative procedures with the Indonesian authorities, it can only be done in due course. Further thereto, current contracts and/or purchase orders which bear the existing name have hindered the speed of the amendment.

The Group does not foresee any major impact to OCK's expansion plan into Indonesia, with the existence of PT OCK in Indonesia.

- (2) Ooi Chin Khoon, Chong Wai Yew and Chang Tan Chin, our Promoters are directors and shareholders of Bloom Concept Sdn Bhd. The company is involved in the provision of mechanical and electrical engineering services and supplier of electrical and building components. Ooi Chin Khoon, Chong Wai Yew and Chang Tan Chin have subsequently on 18 November 2011 resigned as Directors in Bloom Concept Sdn Bhd and sold all their shares in the company.

All transactions between our Group and companies mentioned above are arm's length transactions which have been disclosed in Section 10.1 of this Prospectus.

10.4 LOANS MADE BY OUR GROUP TO OR FOR THE BENEFIT OF RELATED PARTIES

Save as disclosed below, there are no outstanding loans, including guarantees of any kind, made by our Group to or for the benefit of related parties during the four (4) FYE 31 December 2008 to 2011 and up to the LPD.

Company	Amount due from/ (to)	Nature of Transaction	<--- FYE 31 December -->				As at LPD RM'000
			2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	
OCK	OCK Setia	Advances	-	-	-	(590)	(913)*
	Fortress Singapore	Advances	-	-	-	(13)	(13)*
OCK Setia	Ooi Chin Khoon	Advances	(151)	688	509	(44)	(4)
	Fling Rock Studio Sdn Bhd	Advances	-	48	217	-	-
	Bloom Concept Sdn Bhd	Advances	-	98	17	-	-
	OCK Setia Engineering Services	Advances	10	15	15	-	-
	OCK Properties	Advances	50	52	516	-	-
	PT OCK	Advances	892	913	553	-	-
	Kazacom Co Ltd	Advances	9	20	26	-	-

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

Company	Amount due from/ (to)	Nature of Transaction	<— FYE 31 December —>				As at LPD RM'000
			2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	
	OCK Pte Ltd	Advances	-	-	59	-	-
	Chong Wai Yew	Advances	30	36	36	-	-
	Chang Tan Chin	Advances	10	10	10	-	-
	Modern Net Sdn Bhd	Trade balances	-	-	25	8	-
		Advances	-	-	-	(20)	-
	OCK Group Bhd	Advances	-	-	-	590	-
	Prisma Makmur Sdn Bhd	Trade balances	141	-	-	-	-
	All Star	Advances	11	(34)	(145)	#	-
	Delicom	Sales to Delicom	693	1,054	825	^	-
Delicom	Ooi Chin Khoon	Advances	(106)	-	195	-	-
	Modern Net	Trade balances	-	15	-	-	-
	Abdul Halim Bin Abdul Hamid	Advances	1	-	-	-	-
	OCK Setia	Advances	441	738	83	^	-
	All Star	Advances	121	-	-	-	-
	OCK M&E	Advances	120	-	-	^	-
OCK M&E	Ooi Chin Khoon	Advances	(5)	(5)	(5)	-	-
	Chong Wai Yew	Advances	4	2	-	-	-
	Chang Tan Chin	Advances	20	20	20	-	-
	Bloom Concept Sdn Bhd	Advances	-	-	32	-	-
Steadcom	PT OCK	Advances	-	-	-	-	-
Firatel	Modern Net	Sales to Modern Net	-	-	2	2	-

Notes:

- * OCK Setia and Fortress Singapore became a wholly-owned subsidiary of OCK on 8 June 2012.
- ^ Delicom becomes a wholly-owned subsidiary company of OCK Setia during the FYE 31 December 2011.
- # Ceased to be related party following the disposal of their entire equity interest by Ooi Chin Khoon and Abdul Halim Bin Abdul Hamid.

10. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

10.5 DECLARATION BY EXPERTS

Save as disclosed below, Alliance confirms that there is no existing or potential conflict of interests in its capacity as the Adviser, Sponsor, Underwriter, Joint Underwriter and Placement Agent for our Listing:

Alliance Bank Malaysia Berhad ("Alliance Bank") has extended the following banking facilities to the Directors/shareholders of our Group:

Type of Facilities	Principal Amount Approved RM'000	Amount outstanding as at 31 May 2012 RM'000
Fu Lit Fung (Independent Non-Executive Director of OCK) - Consumer loan	300	-
Total	300	-

The abovementioned banking facilities granted by Alliance Bank to our Directors are in the ordinary course of business of Alliance Bank as a financial institution. The proceeds raised from the Public Issue will not be utilised for the purpose of repayment of these banking facilities. As such, Alliance is of the opinion that it will not constitute an existing or potential conflict of interest for Alliance to act as the Adviser, Sponsor, Underwriter and Placement Agent for our Listing.

BTMH confirms that there is no existing or potential conflict of interests in its capacity as the Auditors and Reporting Accountants for our Listing.

Shahrizat Rashid & Lee confirms that there is no existing or potential conflict of interests in its capacity as the Solicitors for our Listing.

Protégé Associates confirms that there is no existing or potential conflict of interests in its capacity as the independent market research consultant for our Listing.

Raine & Horne International Zaki + Partners Sdn Bhd confirms that there is no existing or potential conflict of interests in its capacity as the valuer for our Listing.

HwangDBS confirms that there is no existing or potential conflict of interests in its capacity as the Joint Underwriter for our Listing.

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11. PROFORMA HISTORICAL FINANCIAL INFORMATION

Our proforma consolidated financial information have been compiled based on the basis and accounting policies consistent with those currently adopted by our Group which are set out in the notes and assumptions included in the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus. The financial statements used in the preparation of our proforma consolidated financial information were prepared in accordance with approved accounting standards issued by the Malaysian Accounting Standards Board. Any adjustments which were dealt with when preparing our consolidated financial statements have been highlighted and disclosed in Section 11.4 of this Prospectus.

There was no share of profits and losses of associated companies and joint ventures, and exceptional items during the financial years under review. The auditors' reports for our Group for the financial years under review were reported without any audit qualification or modification.

11.1 PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The following table sets out our proforma consolidated statements of comprehensive income for the four (4) FYE 31 December 2008 to 2011, which have been prepared for illustrative purposes only based on the assumption that our current Group structure has been in existence throughout the financial years under review.

You should read the summary of our proforma consolidated financial information which has been presented below together with the management's discussion and analysis of financial conditions and results of operations and the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus and the Accountants' Report as set out in Section 13 of this Prospectus.

	<----- Proforma Audited FYE 31 December ----->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Revenue	45,606	45,920	66,778	88,325
Cost of sales	(39,815)	(39,166)	(54,888)	(65,912)
Gross profit	5,791	6,754	11,890	22,413
Other income	581	752	748	2,299
Administrative expenses	(4,418)	(4,786)	(6,269)	(10,815)
Operating profit	1,954	2,720	6,369	13,897
Finance costs	(1,435)	(1,448)	(1,380)	(1,567)
PBT	519	1,272	4,989	12,330
Taxation	(352)	(471)	(1,473)	(3,130)
Net profit for the financial year	167	801	3,516	9,200
Other comprehensive income, net of tax	-	-	-	3,420
Total comprehensive income for the financial year	167	801	3,516	12,620
 Profit attributable to:				
Owners of OCK	166	789	3,378	8,523
Non-controlling interests	1	12	138	677
	167	801	3,516	9,200
 PBT	519	1,272	4,989	12,330
Depreciation	790	888	979	1,001
Interest expenses	1,435	1,448	1,380	1,583
Interest income	-	(13)	(43)	(67)
EBITDA	2,744	3,595	7,305	14,847

11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

	<----- Proforma Audited FYE 31 December ----->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Number of ordinary shares assumed to be in issue of RM0.10 each ('000)*	184,000	184,000	184,000	184,000
Gross EPS (sen) **	0.28	0.69	2.71	6.70
Net EPS (sen) ***	0.09	0.44	1.91	5.00
GP margin (%)	12.70	14.71	17.81	25.38
PBT margin (%)	1.14	2.77	7.47	13.96
PAT margin (%)	0.37	1.74	5.27	10.42
Effective tax rate (%)	67.82	37.03	29.52	25.39

Notes:

- * Based on the number of Shares in issue after the Acquisition but before our Public Issue.
- ** The gross EPS is computed based on the consolidated PBT divided by the number of Shares in issue after the Acquisitions but before our Public Issue.
- *** The net EPS is computed based on the consolidated PAT divided by the number of Shares in issue after the Acquisitions but before our Public Issue.

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11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

11.2 PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Our proforma consolidated statements of financial position have been prepared for illustrative purpose only, based on our audited statement of financial position as at 31 December 2011 assuming that our Public Issue and utilisation of proceeds had been effected as at that date.

We advise you to read the proforma consolidated statements of financial position presented below together with the notes included in the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus.

	Proforma Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2011 RM'000	Proforma I After the Public Issue RM'000	Proforma II After Proforma I and the Utilisation of Proceeds RM'000
ASSETS				
Non-current Assets				
Property, plant and equipment	-	14,873	14,873	24,773
Current Assets				
Inventories	-	8,859	8,859	8,859
Amounts due from customers for contract work	-	1,672	1,672	1,672
Trade and other receivables	-	29,486	29,486	29,486
Tax recoverable	-	34	34	34
Fixed deposits placed with licensed banks	-	1,255	1,255	1,255
Cash and bank balances	^	9,749	36,749	24,849
Total current assets	^	51,055	78,055	66,155
Total assets	^	65,928	92,928	90,928
EQUITY AND LIABILITIES				
Equity Attributable to Owners of Company				
Share capital	^	18,400	25,900	25,900
Share premium	-	-	19,500	18,885
Revaluation reserve	-	3,419	3,419	3,419
Foreign currency translation reserve	-	(4)	(4)	(4)
Reserve arising from reverse acquisition	-	(17,007)	(17,007)	(17,007)
Retained earnings	(607)	13,971	13,971	12,586
	(607)	18,779	45,779	43,779
Non-controlling interests	-	1,137	1,137	1,137
Total equity	(607)	19,916	46,916	44,916

11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

	Proforma Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2011 RM'000	Proforma I After the Public Issue RM'000	Proforma II After Proforma I and the Utilisation of Proceeds RM'000
Non-current Liabilities				
Loans and borrowings	-	6,966	6,966	6,966
Deferred tax liabilities	-	339	339	339
Other payables	603	-	-	-
Total non-current liabilities	603	7,305	7,305	7,305
Current Liabilities				
Amount due to customers for contract works	-	148	148	148
Trade and other payables	4	16,487	16,487	16,487
Loans and borrowings	-	20,515	20,515	20,515
Tax payable	-	1,557	1,557	1,557
Total current liabilities	4	38,707	38,707	38,707
Total liabilities	607	46,012	46,012	46,012
Total equity and liabilities	^	65,928	92,928	90,928
Number of ordinary shares assumed to be in issue of RM0.10 each ('000)	#	184,000	259,000	259,000
NA per ordinary share (RM)	(30,356.10)	0.10	0.18	0.17
NTA per ordinary share (RM)	(30,356.10)	0.10	0.18	0.17

Notes:

^ RM2 comprising twenty (20) OCK Shares of RM0.10 each.
 # Twenty (20) OCK Shares of RM0.10 each.

11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

11.3 PROFORMA CONSOLIDATED STATEMENTS OF CASH FLOWS

Our proforma consolidated statement of cash flows for the FYE 31 December 2011 as set out below has been prepared for illustrative purposes only, based on our audited financial statement for the FYE 31 December 2011, after incorporating such adjustments necessary for the elimination of all intercompany transactions and balances and on the assumption that our Group's current structure had been in existence since 1 January 2011.

	Proforma FYE 31 December 2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before taxation	
- continuing operations	12,330
Adjustments for:	
Allowance for doubtful debts	269
Gain on disposal of:	
- property, plant and equipment	(547)
- assets held for sale	(678)
Depreciation of property, plant and equipment	1,001
Reversal in impairment losses	(33)
Unrealised loss on foreign currency exchange	15
Interest income	(67)
Interest expenses	1,583
Operating profit before working capital changes	<u>13,873</u>
Changes in working capital:	
Inventories	(4,706)
Receivables	(5,576)
Payables	1,581
Amount due from/to contract customers	(1,590)
Net cash generated from operations	<u>3,582</u>
Income tax paid	(2,694)
Interests received	67
Interests paid	(17)
Net operating cash flows	938
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from disposal of property, plant and equipment	1,044
Purchase of property, plant and equipment	(882)
Proceeds from disposal of assets held for sale	1,028
Acquisitions of additional equity interest in subsidiary companies from non-controlling interests	(50)
Acquisitions of subsidiary companies - payments to former shareholders of the subsidiary companies	(840)
Net investing cash flows	300
CASH FLOWS FROM FINANCING ACTIVITIES	
Interests paid	(1,566)
Dividend paid to non-controlling interests	(20)
Fixed deposit held as security values	17
Net change in directors' accounts	549

11. PROFORMA HISTORICAL FINANCIAL INFORMATION (*Cont'd*)

	Proforma FYE 31 December 2011 RM'000
Repayment to short term borrowings	(19,274)
Drawdown of revolving project loan	23,410
Repayment to hire purchase payables	(416)
Drawdown of term loans	291
Repayment to term loans	(366)
Proceeds from issuance of shares	^
Net financing cash flows	2,625
Net change in cash and cash equivalents	3,863
Effects of exchange rate changes	(1)
Cash and cash equivalents at the beginning of the financial year	5,347
Cash and cash equivalents at the end of the financial year	9,209

Notes:

^ RM2.

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11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

11.4 REPORTING ACCOUNTANTS' LETTER ON PROFORMA CONSOLIDATED FINANCIAL INFORMATION

18 JUN 2012

The Board of Directors
OCK Group Berhad
24-3 Jalan Tun Sambanthan 3
50470 Kuala Lumpur
Malaysia



**BAKER TILLY
MONTEIRO HENG**

BAKER TILLY MONTEIRO HENG
Chartered Accountants (AT 9117)
Monteiro & Heng Chambers
22 Jalan Tun Sambanthao 3
50470 Kuala Lumpur, Malaysia
phone : +603 2274 8988
fax : +603 2260 1708
email : info@bakertillymh.com.my
www.bakertillymh.com.my

Dear Sirs,

STRICTLY CONFIDENTIAL

**OCK GROUP BERHAD
PROFORMA CONSOLIDATED FINANCIAL INFORMATION**

We have reviewed the proforma consolidated financial information of OCK Group Berhad ("OCK") and its subsidiary companies (hereinafter collectively referred to as ("OCK Group") for the four (4) financial years ended 31 December 2008 ("FYE 2008"), 31 December 2009 ("FYE 2009"), 31 December 2010 ("FYE 2010") and 31 December 2011 ("FYE 2011") together with the accompanying notes thereto, for which the directors of OCK are solely responsible, as set out in the accompanying statements, which we have stamped for the purpose of identification.

The proforma consolidated financial information of the OCK Group has been prepared for illustrative purposes only for inclusion in the prospectus of OCK in connection with the listing of and quotation for the entire enlarged issued and paid-up share capital of OCK on the ACE Market of Bursa Malaysia Securities Berhad ("the Listing"), after making certain assumptions and such adjustments to show the effects on:-

- (a) the financial results of the OCK Group for the past four (4) FYE 2008, FYE 2009, FYE 2010 and FYE 2011 on the basis that the group structure as of the date of the Prospectus had been in existence since the beginning of the financial years under review adjusted for the transactions as described in Note 3.7 but before the Public Issue as described in Note 2.1 of the proforma consolidated financial information;
- (b) the financial position of the OCK Group as at 31 December 2011 together with the accompanying notes on the basis that the group structure as of the date of the Prospectus had been in place on that date adjusted for the transactions as described in Note 3.7, but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information;
- (c) the cash flows of the OCK Group for the FYE 2011 on the basis that the group structure as of the date of the Prospectus had been in existence throughout the FYE 2011 adjusted for the transactions as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information; and
- (d) the financial position of the OCK Group as at 31 December 2011 adjusted for the transactions as described in Note 3.7, the Public Issue and the utilisation of listing proceeds as described in Note 2.1 and Note 7.2.3 of the proforma consolidated financial information respectively.

11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

Our responsibility is to form an opinion on the proforma consolidated financial information prepared by the directors in accordance with the requirements of the *Prospectus Guidelines – Equity and Debt* issued by the Securities Commission and report to you based on our work. In providing this opinion, we are not updating or re-issuing any reports or opinions previously made by us on any financial information used in the compilation of the proforma consolidated financial information, nor do we accept the responsibility for such reports or opinions beyond that is owed to those to whom those letter or opinions were addressed to by us at the date of their issue.

We conducted our work in accordance with the approved standard for assurance engagements in Malaysia, *ISAE 3000 - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Our work consisted primarily comparing the proforma consolidated financial information to the following audited financial statements of the OCK Group, unless otherwise stated below, and considering and discussing the necessary adjustments and the proforma consolidated financial information with the responsible officers of the OCK Group:-

Company Name	FYE 2008	FYE 2009	FYE 2010	FYE 2011
OCK	Not applicable ^y	Not applicable ^y	Not applicable ^y	From 5 August 2011 (date of incorporation) to 31 December 2011
OCK Setia Engineering Sdn Bhd ("OCK Setia") [#]	FYE 31 December 2008 [*]	FYE 31 December 2009 [*]	FYE 31 December 2010	FYE 31 December 2011
Delicom Sdn Bhd ("Delicom") [§]	FYE 31 December 2008 ^{**}	FYE 31 December 2009 ^{**}	FYE 31 December 2010 ^{**}	FYE 31 December 2011
OCK M&E Sdn Bhd ("OCK M&E") [§]	FYE 31 December 2008 [*]	FYE 31 December 2009 [*]	FYE 31 December 2010	FYE 31 December 2011
Firatel Sdn Bhd ("Firatel") [§]	FYE 31 December 2008 [*]	FYE 31 December 2009 [*]	FYE 31 December 2010	FYE 31 December 2011
Steadcom Sdn Bhd ("Steadcom") [§]	Not applicable ^y	Not applicable ^y	From 12 March 2010 (date of incorporation) to 31 December 2010	FYE 31 December 2011
El Power Technologies Sdn Bhd ("El Power") [§]	Not applicable ^y	Not applicable ^y	From 3 September 2010 (date of incorporation) to 31 December 2010	FYE 31 December 2011



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

Company Name	FYE 2008	FYE 2009	FYE 2010	FYE 2011
Fortress Pte Ltd ("Fortress Singapore") [§] [¶]	Not applicable [*]	Not applicable [*]	Not applicable [*]	From 7 March 2011 (date of incorporation) to 31 December 2011
Fortress Distribution Sdn Bhd ("Fortress Malaysia") [@]	Not applicable [*]	Not applicable [*]	Not applicable [*]	From 23 June 2011 (date of incorporation) to 31 December 2011

^{*} Not applicable as these companies have yet to be incorporated.

[#] It is a wholly-owned subsidiary company of OCK.

[§] These companies are wholly-owned subsidiary companies of OCK Setia.

[&] A 51% owned subsidiary company of OCK Setia.

[¶] A 52% owned subsidiary company of OCK Setia.

[©] A 61% owned subsidiary company of OCK Setia.

[@] A 100% owned subsidiary company of Fortress Singapore.

^{*} Audited by Messrs Halim Ahmad & Co.

[¶] The audited financial statements for the financial period under review were audited by a firm of Public Accountants and Certified Public Accountants other than Messrs Baker Tilly Monteiro Heng. The audited financial statements of Fortress Singapore for the financial period under review have been prepared in compliance with the Singapore Financial Reporting Standards. However, there were no material impact on the financial statements of Fortress Singapore for the financial period under review on the conversion to the Financial Reporting Standards in Malaysia.

^{**} The audited financial statements of Delicom for the FYE 30 April 2008, FYE 30 April 2009 and FYE 30 April 2010 had been prepared for statutory filing purposes, which have been prepared in different year ends with other companies within the OCK Group. In compliance with Circular 41/2010 issued by the Malaysian Institute of Accountants in respect of the Preparation of the Historical Proforma Financial Information, Messrs Baker Tilly Monteiro Heng had been appointed by OCK to perform re-audit on the financial statements of Delicom for the FYE 31 December 2008, FYE 31 December 2009 and FYE 31 December 2010 in order to have same financial year end with other companies within the OCK Group.

We plan and perform our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the proforma consolidated financial information of the OCK Group have been properly prepared on the basis set out in the accompanying notes to the proforma consolidated financial information based on the proforma financial statements of OCK and the audited financial statements of its subsidiary companies for the four (4) FYE 2008, FYE 2009, FYE 2010 and FYE 2011 which have been prepared in accordance with the Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies adopted by OCK Setia in the preparation of its audited consolidation financial statements for the FYE 2011, which had been adopted by OCK as its group accounting policies.

11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

Our work involved no independent examination of any of the underlying financial information other than our audit of the financial statements of OCK Setia, Steadcom, EI Power, Delicom, Firatel and OCK M&E for the FYE 2010 and FYE 2011 and the financial statements of OCK and Fortress Malaysia for the FYE 2011, which have been drawn up by the directors in accordance with the Financial Reporting Standards in Malaysia, and reported to the members of the respective subsidiary companies without any modifications.

The audited financial statements of its subsidiary companies for the financial years under review were reported by the auditors to their respective members without any modifications.

As the proforma consolidated financial information of the OCK Group has been prepared for illustrative purposes only, such information may not, because of its nature, give a true picture of the actual financial position and the results of the OCK Group and does not purport to predict the future financial position and results of the OCK Group.

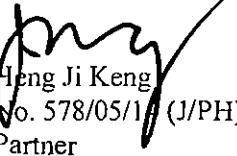
In our opinion:-

- (i) the proforma consolidated financial information of the OCK Group have been properly prepared on the basis set out in the accompanying notes to the proforma consolidated financial information based on the proforma financial statements of OCK and the audited financial statements of its subsidiary companies for the four (4) FYE 2008, FYE 2009, FYE 2010 and FYE 2011 which have been prepared in accordance with the Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies adopted by OCK Setia in the preparation of its audited consolidated financial statements for the FYE 2011, which had been adopted by OCK as its group accounting policies; and
- (ii) the adjustments made to the information used in the preparation of the proforma consolidated financial information of the OCK Group are appropriate for the purposes of preparing the proforma consolidated financial information.

This letter has been prepared for inclusion in the prospectus of OCK in connection with the Listing and is not to be used, circulated, quoted or otherwise referred to in any document or used for any other purpose without the prior written consent from us. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully,


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Ji Keng
No. 578/05/1 (J/PH)
Partner

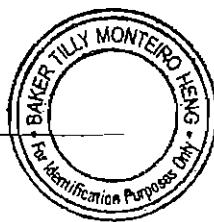
11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

PROFORMA CONSOLIDATED FINANCIAL INFORMATION

1. INTRODUCTION

- 1.1 The proforma consolidated financial information of OCK Group Berhad ("OCK") and its subsidiary companies (hereinafter collectively referred to as "OCK Group"), for which the directors of the OCK are solely responsible, has been prepared for illustrative purposes only, for inclusion in the prospectus of the OCK Group ("Prospectus") in connection with the listing of and quotation for the entire enlarged issued and paid-up share capital of OCK on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The proforma consolidated financial information may not, because of its nature, give a true picture of the actual financial position and results of the OCK Group and does not purport to predict the future financial position and results of the OCK Group.
- 1.2 The proforma consolidated financial information comprises the following:-
- Section 4 : Proforma consolidated statements of comprehensive income for the past four (4) financial years ended 31 December 2008 ("FYE 2008"), 31 December 2009 ("FYE 2009"), 31 December 2010 ("FYE 2010") and 31 December 2011 ("FYE 2011") of the OCK Group on the basis that the group structure as of the date of the Prospectus had been in existence since the beginning of the financial years under review adjusted for the transactions as described in Note 3.7 but before the Public Issue as described in Note 2.1 of the proforma consolidated financial information;
- Section 5 : Proforma consolidated statement of financial position as at 31 December 2011 of the OCK Group together with the accompanying notes on the basis that the group structure as of the date of the Prospectus had been in place on that date adjusted for the transactions as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information;
- Section 6 : Proforma consolidated statement of cash flows of the OCK Group for the FYE 2011 on the basis that the group structure as of the date of the Prospectus had been in existence throughout the FYE 2011 adjusted for the transactions as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information; and
- Section 7 : Proforma consolidated statements of financial position of the OCK Group as at 31 December 2011, adjusted for the transactions as described in Note 3.7, the Public Issue and the utilisation of listing proceeds as described in Note 2.1 and Note 7.2.3 of the proforma consolidated financial information respectively.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

2. LISTING SCHEME

OCK is undertaking a listing of and quotation for its entire enlarged issued and paid-up share capital on the ACE Market of Bursa Securities. The listing scheme comprises the following:-

2.1 Public Issue

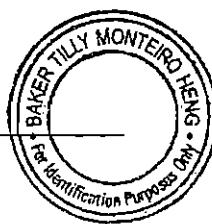
In conjunction with the Listing as described in Note 2.2, OCK had undertaken the Public Issue of 75,000,000 new ordinary shares of RM0.10 each in OCK ("OCK Share(s)") to be allocated in the following manner:-

- (a) 7,000,000 new OCK Shares, representing approximately 2.70% of the enlarged issued and paid-up share capital, will be made available for application by the Malaysia Public, of which at least 50% is to be set aside for Bumiputera investors including individuals, companies, societies, co-operatives and institutions;
- (b) 9,500,000 new OCK Shares, representing approximately 3.67% of the enlarged issued and paid-up share capital, will be made available for application by the eligible employees of the OCK Group and persons who have contributed to the success of the OCK Group; and
- (c) 58,500,000 new OCK Shares, representing approximately 22.59% of the enlarged issued and paid-up share capital, will be made available for application by way of placement to selected investors.

(Collectively hereinafter referred to as "the Public Issue")

2.2 Listing

Upon completion of the Public Issue, OCK will seek the listing of and quotation for its entire enlarged issued and paid-up share capital of RM25,900,000 comprising 259,000,000 OCK Shares on the ACE Market of Bursa Securities ("Listing").



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

3. BASIS OF PREPARATION OF THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION

3.1 The proforma consolidated financial information has been prepared to illustrate that:-

- a) the financial results of the OCK Group for the past four (4) FYE 2008, FYE 2009, FYE 2010 and FYE 2011 on the basis that the group structure as of the date of the Prospectus had been in existence since the beginning of the financial years under review adjusted for the transactions as described in Note 3.7 but before the Public Issue as described in Note 2.1 of the proforma consolidated financial information;
- b) the financial position of the OCK Group as at 31 December 2011 together with the accompanying notes on the basis that the group structure as of the date of the Prospectus had been in place on that date adjusted for the transactions as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information;
- c) the cash flows of the OCK Group for the FYE 2011 on the basis that the group structure as of the date of the Prospectus had been in existence throughout the FYE 2011 adjusted for the transactions as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information; and
- d) the financial position of the OCK Group as at 31 December 2011, adjusted for the transactions as described in Note 3.7, the Public Issue and the utilisation of listing proceeds as described in Note 2.1 and Note 7.2.3 of the proforma consolidated financial information respectively.

3.2 Other than as stated below, the proforma consolidated financial information has been prepared based on the following audited financial statements of the OCK Group:-

Company Name	FYE 2008	FYE 2009	FYE 2010	FYE 2011
OCK	Not applicable*	Not applicable*	Not applicable*	From 5 August 2011 (date of incorporation) to 31 December 2011
OCK Setia Engineering Sdn Bhd ("OCK Setia") [#]	FYE 31 December 2008	FYE 31 December 2009	FYE 31 December 2010	FYE 31 December 2011
Delicom Sdn Bhd ("Delicom") ^{\$}	FYE 31 December 2008	FYE 31 December 2009	FYE 31 December 2010	FYE 31 December 2011
OCK M&E Sdn Bhd ("OCK M&E") ^{\$}	FYE 31 December 2008	FYE 31 December 2009	FYE 31 December 2010	FYE 31 December 2011



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

3. BASIS OF PREPARATION OF THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION (Continued)

3.2 (Continued)

Company Name	FYE 2008	FYE 2009	FYE 2010	FYE 2011
Firatel Sdn Bhd ("Firatel") ^o	FYE 31 December 2008	FYE 31 December 2009	FYE 31 December 2010	FYE 31 December 2011
Steadcom Sdn Bhd ("Steadcom") ^g	Not applicable ^x	Not applicable ^x	From 12 March 2010 (date of incorporation) to 31 December 2010	FYE 31 December 2011
El Power Technologies Sdn Bhd ("El Power") ^h	Not applicable ^x	Not applicable ^x	From 3 September 2010 (date of incorporation) to 31 December 2010	FYE 31 December 2011
Fortress Pte Ltd ("Fortress Singapore") ^{g,v}	Not applicable ^x	Not applicable ^x	Not applicable ^x	From 7 March 2011 (date of incorporation) to 31 December 2011
Fortress Distribution Sdn Bhd ("Fortress Malaysia") ^{g,o}	Not applicable ^x	Not applicable ^x	Not applicable ^x	From 23 June 2011 (date of incorporation) to 31 December 2011

^y Not applicable as these companies have yet to be incorporated.

[#] It is a wholly-owned subsidiary company of OCK.

[§] These companies are wholly-owned subsidiary companies of OCK Setia.

[&] A 51% owned subsidiary company of OCK Setia.

^μ A 52% owned subsidiary company of OCK Setia.

[©] A 61% owned subsidiary company of OCK Setia.

[@] A 100% owned subsidiary company of Fortress Singapore.

^{*} Audited by Messrs Halim Ahmad & Co.

^v The audited financial statements for the financial period under review were audited by a firm of Public Accountants and Certified Public Accountants other than Messrs Baker Tilly Monteiro Heng. The audited financial statements of Fortress Singapore for the financial period under review have been prepared in compliance with the Singapore Financial Reporting Standards. However, there were no material impact on the financial statements of Fortress Singapore for the financial period under review on the conversion to the Financial Reporting Standards in Malaysia.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

3. BASIS OF PREPARATION OF THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION (Continued)

3.2 (Continued)

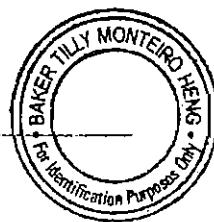
“ The audited financial statements of Delicom for the FYE 30 April 2008, FYE 30 April 2009 and FYE 30 April 2010 had been prepared for statutory filing purposes, which have been prepared in different year ends with other companies within the OCK Group. In compliance with Circular 41/2010 issued by the Malaysian Institute of Accountants in respect of the Preparation of the Historical Proforma Financial Information, Messrs Baker Tilly Monteiro Heng had been appointed by OCK to perform re-audit on the financial statements of Delicom for the FYE 31 December 2008, FYE 31 December 2009 and FYE 31 December 2010 in order to have same financial year end with other companies within the OCK Group.

3.3 The audited financial statements of the subsidiary companies of OCK for the financial years under review were reported by the auditors to their respective members without any modifications.

3.4 The proforma consolidated financial information of the OCK Group has been prepared for illustrative purposes only and, such information may not, because of its nature, give a true picture of the actual financial position and the results of the OCK Group and does not purport to predict the future financial position and results of the OCK Group.

3.5 The proforma consolidated financial information of the OCK Group have been properly prepared on the basis set out in the accompanying notes to the proforma consolidated financial information based on the proforma financial statements of OCK and the audited financial statements of its subsidiary companies for the past four (4) FYE 2008, FYE 2009, FYE 2010, FYE 2011 which have been prepared in accordance with the Financial Reporting Standards in Malaysia.

3.6 The financial information of the OCK Group is measured using the currency of the primary economic environment in which the OCK Group operates. The functional and presentation currency of the OCK Group is Ringgit Malaysia ("RM"). For the preparation of this report, the financial information of Fortress Singapore, a wholly-owned subsidiary company of OCK Setia, which was prepared in Singapore Dollars ("SGD") has been converted to Ringgit Malaysia ("RM") for information purpose only.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

3. BASIS OF PREPARATION OF THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION (Continued)

3.6 (Continued)

The exchange rates used for the purpose of this report are as follows:-

- (i) Statements of Comprehensive Income (based on an average of the exchange rates on the last day of each month during the financial years under review)

FYE	Exchange Rate (RM/SGD1)
FYE 31 December 2008	N/A
FYE 31 December 2009	N/A
FYE 31 December 2010	N/A
FYE 31 December 2011	2.4460

N/A - Not applicable as Fortress Singapore was only incorporated on 7 March 2011.

(Source: Bank Negara Malaysia)

- (ii) Statements of Financial Position (based on the closing rates at the respective reporting dates)

Reporting Date	Exchange Rate (RM/SGD1)
FYE 31 December 2008	N/A
FYE 31 December 2009	N/A
FYE 31 December 2010	N/A
FYE 31 December 2011	2.4373

N/A - Not applicable as Fortress Singapore was only incorporated on 7 March 2011.

(Source: Bank Negara Malaysia)

- 3.7 In connection with the Listing, OCK undertook the following transactions prior to the Public Issue as described in Note 2.1 and the proforma consolidated financial information has been presented after adjusting for the following transactions:-

(a) **Movement in Authorised Share Capital of OCK**

On 8 June 2012, the authorised share capital was increased from RM100,000 to RM50,000,000 by the creation of 499,000,000 OCK Shares.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

3. BASIS OF PREPARATION OF THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION (Continued)

3.7 (Continued)

(b) Acquisition of OCK Setia

On 31 October 2011, OCK had entered into a conditional share sale agreement to acquire the entire equity interest in OCK Setia of RM2,000,002 comprising 2,000,002 ordinary shares of RM1.00 each for a total purchase consideration of RM18,399,998 to be satisfied by the issuance of 183,999,980 OCK Shares at an issue price of RM0.10 per OCK Share ("the Acquisition of OCK Setia"). The Acquisition of OCK Setia was completed on 8 June 2012 and OCK Setia becomes a wholly-owned subsidiary company of OCK.

The directors of OCK have made a significant judgement that the business combination has been accounted for as a reverse acquisition using the purchase method of accounting under *Financial Reporting Standard 3 Business Combination* ("FRS 3") as in substance OCK Setia, is the accounting acquirer. Under the reverse acquisition accounting, although legally OCK is regarded as the legal parent and OCK Setia is regarded as the legal subsidiary company, OCK Setia should be identified as the acquirer in accordance with FRS 3 as it has the power to govern the financial and operating policies of OCK so as to obtain benefits from its activities. Accordingly, the consolidated financial statements of the OCK Group prepared following a reverse acquisition represent a continuation of the financial statements of OCK Setia (the legal subsidiary company and the acquirer for accounting purposes). Under the reverse acquisition accounting:-

- (i) the assets and liabilities of the accounting acquirer, OCK Setia, are recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- (ii) the retained earnings and other equity balances of OCK Setia and its subsidiaries immediately before the business combination are those of the OCK Group; and
- (iii) the equity structure, however, reflects the equity structure of OCK, including the equity instruments issued to effect the business combination.



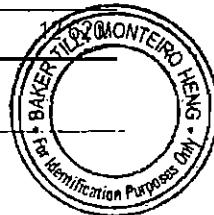
11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

4. PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE OCK GROUP

4.1 The proforma consolidated statements of comprehensive income of the OCK Group for the four (4) FYE 2008, FYE 2009, FYE 2010 and FYE 2011 as set out below, for which the directors of OCK are solely responsible, have been prepared for illustrative purposes only and have been prepared on the assumption that the OCK Group has been in existence throughout the financial years and are to be read in conjunction with the notes thereto.

	FYE 2008 RM'000	FYE 2009 RM'000	FYE 2010 RM'000	FYE 2011 RM'000
Revenue	45,606	45,920	66,778	88,325
Cost of sales	(39,815)	(39,166)	(54,888)	(65,912)
Gross profit	5,791	6,754	11,890	22,413
Other income	581	752	748	2,299
Administrative expenses	(4,418)	(4,786)	(6,269)	(10,815)
Operating profit	1,954	2,720	6,369	13,897
Finance costs	(1,435)	(1,448)	(1,380)	(1,567)
Profit before tax	519	1,272	4,989	12,330
Income tax expense	(352)	(471)	(1,473)	(3,130)
Net profit for the financial year	167	801	3,516	9,200
 Other comprehensive income				
Revaluation of leasehold land and building	-	-	-	3,599
Foreign currency translation	-	-	-	1
Income tax relate to the components of the comprehensive income	-	-	-	(180)
Other comprehensive income, net of tax	-	-	-	3,420
 Total comprehensive income for the financial year	167	801	3,516	12,620
 Profit attributable to:				
Owners of OCK	166	789	3,378	8,523
Non-controlling interests	1	12	138	677
	167	801	3,516	9,200
 Total comprehensive income attributable to:				
Owners of OCK	166	789	3,378	11,943
Non-controlling interests	1	12	138	677
	167	801	3,516	



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

4. PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE OCK GROUP (Continued)

4.1 (Continued)

	FYE 2008 RM'000	FYE 2009 RM'000	FYE 2010 RM'000	FYE 2011 RM'000
Profit before tax	519	1,272	4,989	12,330
Depreciation	790	888	979	1,001
Interest expenses	1,435	1,448	1,380	1,583
Interest income	-	(13)	(43)	(67)
Earning before interests, tax, depreciation and amortisation	2,744	3,595	7,305	14,847
Effective tax rate (%)	67.82	37.03	29.52	25.39
Gross profit margin (%)	12.70	14.71	17.81	25.38
Pretax margin (%)	1.14	2.77	7.47	13.96
Profit after tax margin (%)	0.37	1.74	5.27	10.42
Number of ordinary shares assumed to be in issue of RM0.10 each ('000)*	184,000	184,000	184,000	184,000
Gross earnings per share ("EPS) (sen)	0.28	0.69	2.71	6.70
Net EPS (sen)	0.09	0.44	1.91	5.00

* Number of OCK Shares in issue after the Acquisition of OCK Setia but prior to the Public Issue.

4.2 Notes to the proforma consolidated statements of comprehensive income are as follows:-

4.2.1 Basis of Preparation

The proforma consolidated statements of comprehensive income of the OCK Group are prepared for illustrative purposes only and have been presented on the assumption that the OCK Group has been in existence since 1 January 2008 and throughout the financial years under review. There are no fair value adjustments relating to the net assets acquired during the financial years under review based on the assumption that the OCK Group has been in existence since 1 January 2008. These proforma consolidated statements of comprehensive income are based on the audited financial statements of the OCK Group as mentioned in Note 3.2.

4.2.2 The audited financial statements of Delicom for the FYE 30 April 2008, FYE 30 April 2009 and FYE 30 April 2010 had been prepared and audited for statutory filing purposes, which have been prepared in different durations with other companies within the OCK Group. In compliance with Circular 41/2010 issued by the Malaysian Institute of Accountants in respect of the Preparation of the Historical Proforma Financial Information, Messrs Baker Tilly Monteiro Heng had been appointed by OCK to perform re-audit on the financial statements of Delicom for the FYE 31 December 2008, FYE 31 December 2009 and FYE 31 December 2010 in order to have same financial year with the other companies within the OCK Group.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

4. PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE OCK GROUP (Continued)

4.2 (Continued)

4.2.3 The proforma consolidated statements of comprehensive income for the financial years under review have been prepared based on the accounting policies consistent with those adopted in the preparation of the audited financial statements of OCK Setia for the FYE 2011, which have been adopted by OCK as the group accounting policies for the respective financial years.

4.2.4 There were no exceptional items in all the financial years under review.

4.2.5 The issued and paid-up share capital of OCK of 184,000,000 Shares is after adjusting for the Acquisition of OCK Setia as described in Note 3.7(b) but prior to the Public Issue.

4.2.6 The gross EPS is computed as profit before tax over the number of OCK Shares after adjusting for the Acquisition of OCK Setia as described in Note 3.7(b) but prior to the Public Issue.

4.2.7 The net EPS is computed as net profit for the years over the number of OCK Shares after adjusting for the Acquisition of OCK Setia as described in Note 3.7(b) but prior to the Public Issue.

4.2.8 No diluted EPS is shown as there were no potential dilutive shares in issue during the financial years under review.

4.2.9 All significant inter-company transactions are eliminated on consolidation and the consolidated results reflect external transactions only.

4.2.10 There were no share of results by associates or joint ventures during the financial years under review.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP

- 5.1 The proforma consolidated statement of financial position of the OCK Group as set out below, for which the directors are solely responsible, have been prepared for illustrative purposes only, to show the effects on the proforma statement of financial position of OCK as at 31 December 2011 adjusted for the transactions as described in Note 3.7 but prior to the Public Issue as described in Notes 2.1 of the proforma consolidated financial information been effected on that date, and should be read in conjunction with the notes accompanying thereto.

	Note	OCK Group As at 31 December 2011 RM'000
Non-current asset		
Property, plant and equipment	5.2.3(a)	14,873
Current assets		
Inventories	5.2.3(b)	8,859
Amounts due from customers for contract works	5.2.3(c)	1,672
Trade and other receivables	5.2.3(d)	29,486
Tax recoverable		34
Fixed deposits placed with licensed banks	5.2.3(e)	1,255
Cash and bank balances	5.2.3(f)	9,749
Total current assets		51,055
TOTAL ASSETS		65,928
EQUITY AND LIABILITIES		
Equity attributable to owners of OCK		
Share capital	5.2.3(g)	18,400
Revaluation reserve	5.2.3(h)	3,419
Foreign currency translation reserve	5.2.3(i)	(4)
Reserve arising from the reverse acquisition	5.2.3(j)	(17,007)
Retained earnings		13,971
		<hr/> 18,779
Non-controlling interests		1,137
Total equity		19,916
Non-current liabilities		
Loans and borrowings	5.2.3(k)	6,966
Deferred tax liabilities	5.2.3(l)	339
Total non-current liabilities		7,305



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.1 (Continued)

	Note	OCK Group As at 31 December 2011 RM'000
Current liabilities		
Amounts due to customers for contract works	5.2.3(c)	148
Trade and other payables	5.2.3(o)	16,487
Loans and borrowings	5.2.3(k)	20,515
Tax payable		1,557
Total current liabilities		38,707
Total liabilities		46,012
TOTAL EQUITY AND LIABILITIES		65,928
Proforma net assets per ordinary share attributable to the owners of OCK (RM)	5.2.3(u)	0.10



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2 Notes to the Proforma Consolidated Statement of Financial Position of the OCK Group

5.2.1 Basis of Preparation and Consolidation

The proforma consolidated statements of financial position of the OCK Group as at 31 December 2011 is prepared based on the following basis:-

OCK	:	Audited statement of financial position as at 31 December 2011.
OCK Setia	:	Audited statement of financial position as at 31 December 2011.
Delicom	:	Audited statement of financial position as at 31 December 2011.
OCK M&E	:	Audited statement of financial position as at 31 December 2011.
Firatel	:	Audited statement of financial position as at 31 December 2011.
Steadcom	:	Audited statement of financial position as at 31 December 2011.
EI Power	:	Audited statement of financial position as at 31 December 2011.
Fortress Singapore	:	Audited statement of financial position as at 31 December 2011.
Fortress Malaysia	:	Audited statement of financial position as at 31 December 2011.

5.2.2 The proforma consolidated statements of financial position of the OCK Group has been prepared based on the accounting policies consistent with those adopted in the preparation of the audited financial statements of OCK Setia for the FYE 2011, which have been adopted by OCK as the group accounting.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 The proforma consolidated statements of financial position of the OCK Group should be read in conjunction with the notes below:-

(a) Property, Plant and Equipment

OCK Group	Cost/ Valuation RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
As at 31 December 2011			
Leasehold land and building	3,790	11	3,779
Freehold land and building	7,840	26	7,814
Furniture and fittings	223	79	144
Computer and software	1,157	855	302
Office equipment	701	236	465
Motor vehicles	3,118	2,044	1,074
Renovation	80	26	54
Equipment	1,549	308	1,241
	18,458	3,585	14,873

(i) Included in property, plant and equipment of the OCK Group are assets acquired under hire purchase instalment plans with the following carrying amounts:

OCK Group	As at 31 December 2011 RM'000
Equipments	869
Motor vehicles	1,074
	1,943

(ii) Included in property, plant and equipment of the OCK Group are assets pledged to the licensed banks to secure credit facilities granted to the OCK Group with the following carrying amounts:

OCK Group	As at 31 December 2011 RM'000
Leasehold land and building	3,779
Freehold land and building	7,814
	11,593



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(a) Property, Plant and Equipment (Continued)

(iii) Land and buildings have been revalued at the reporting date based on valuations performed by accredited independent valuers. The valuations are based on the comparison and cost method that makes reference to comparable properties were transacted within reasonable time frame, close proximity and similar nature of properties.

If the freehold and leasehold land and building were measured using the cost model, the carrying amount would be as follows:

		As at 31 December 2011 RM'000
OCK Group		
Leasehold land and building		
- Cost	2,425	
- Accumulated depreciation	(126)	
- Net carrying amount	<u>2,299</u>	
Freehold land and building		
- Cost	6,200	
- Accumulated depreciation	(496)	
- Net carrying amount	<u>5,704</u>	

(b) Inventories

		As at 31 December 2011 RM'000
OCK Group		
At cost		
Raw materials	2,475	
Work-in-progress	5,766	
Finished goods	545	
Goods in transit	73	
		<u>8,859</u>



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

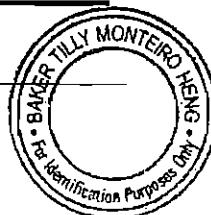
5.2.3 (Continued)

(c) Amount Due From/(To) Customers for Contract Works

		As at 31 December 2011
		RM'000
OCK Group		
Aggregate costs incurred to date		5,788
Recognised profits less recognised losses		643
		<hr/>
		6,431
Progress billings		(4,907)
Net amount due from/(to) customers for contract works		<hr/> 1,524
		<hr/>
Amount due from customers for contract works		
included in current assets		1,672
Amount due to customers for contract works		
included in current liabilities		(148)
		<hr/> 1,524
		<hr/>
Construction contract costs recognised as contract expenses during the financial year		1,726
Construction contract revenue recognised as contract revenue during the financial year		<hr/> 2,159
		<hr/>

(d) Trade and Other Receivables

		As at 31 December 2011
		RM'000
OCK Group		
Trade receivables		24,231
Less: Allowance for impairment		(269)
Retention sum		300
		<hr/> 24,262
Other receivables		
Other receivables		2,595
Deposits		339
Prepayments		2,290
		<hr/> 5,224
Total trade and other receivables		29,486
Fixed deposits placed with licensed banks (Note 5.2.3(e))		1,255
Cash and bank balances (Note 5.2.3(f))		9,749
Total loans and receivables		<hr/> 40,490



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(d) Trade and Other Receivables (Continued)

The OCK Group's trade receivables are non-interest bearing and the OCK Group's normal credit term ranges from 30 to 90 days terms. Other credit terms are assessed and approved on a case-by-case basis. The credit period varies from customers to customers after taking into consideration their payment track record, financial background, length of business relationship and size of transaction.

The foreign currency exposure profile of the trade receivables are as follows:-

OCK Group	As at 31 December 2011 RM'000
Singapore Dollar	15
United States Dollar	219
Ringgit Malaysia	23,997
	<hr/>
	24,231
	<hr/>

The ageing analysis of trade receivables are as follows:-

OCK Group	As at 31 December 2011 RM'000
Neither past due nor impaired	22,147
1 to 30 days past due not impaired	857
31 to 60 days past due not impaired	10
61 to 90 days past due not impaired	906
91 to 120 days past due not impaired	-
More than 121 days past due not impaired	42
	<hr/>
	1,815
	<hr/>
	23,962
Impaired	<hr/>
	269
	<hr/>
	24,231
	<hr/>

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the OCK Group.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(d) Trade and Other Receivables (Continued)

Receivables that are past due but not impaired

At the reporting date, the OCK Group have trade receivables amounting to RM1.815 million that are past due but not impaired.

Trade receivables that were past due but not impaired relate to customers that have good track records with the OCK Group. Based on past experience and no adverse information to the date of this report, the Directors are of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable.

Receivables that are impaired

The OCK Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment is as follow:

		As at 31 December 2011 RM'000
OCK Group		
Individually Impaired		
Trade receivable - nominal amounts		269
Less: Allowance for impairment		(269)
		-
		-

Included in the trade receivables are the following related party balances which are unsecured, interest free and repayable on demand:-

		As at 31 December 2011 RM'000
OCK Group		
Trade receivables		
- Companies in which a director's spouse has interest		10
		-



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(e) Fixed Deposits Placed with Licensed Banks

Deposits places with licensed banks of RM1.255 million are pledged to the banks for banking facilities granted to the OCK Group as disclosed in Note 5.2.3(k).

The fixed deposits placed with licensed banks bear interest rates ranging from 2.6% to 3.2% per annum.

(f) Cash and Bank Balances

As at 31 December 2011	
RM'000	
OCK Group	
Cash at banks	9,450
Cash in hand	299
	<hr/>
	9,749
	<hr/>

The currency exposure profile of cash and bank balances are as follow:-

As at 31 December 2011	
RM'000	
OCK Group	
United States Dollar	133
Ringgit Malaysia	9,616
	<hr/>
	9,749
	<hr/>

(g) Share Capital

As at 31 December 2011		
	Number of Ordinary Shares Unit'000	Amount RM'000
OCK Group		
Ordinary shares of RM0.10 each		
Authorised:		
At the date of incorporation/5 August 2011	1,000	100
Created subsequent to 5 August 2011	499,000	49,900
	<hr/>	<hr/>
	500,000	50,000
	<hr/>	<hr/>



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(g) Share Capital (Continued)

	As at 31 December 2011	
	Number of Ordinary Shares Unit'000	Amount RM'000
OCK Group		
Ordinary shares of RM0.10 each		
Issued and fully paid-up:-		
At the date of incorporation/5 August 2011	*	^
Issued pursuant to the Acquisition of OCK Setia	184,000	18,400
	<hr/>	<hr/>
	184,000	18,400
	<hr/>	<hr/>

* Twenty (20) OCK Shares

^ RM2

(h) Revaluation Reserve

	As at 31 December 2011	
	RM'000	
OCK Group		
Non-distributable		
Surplus arising from revaluation of properties		
As at 1 January 2011	-	
Additions	3,599	
Transfer to deferred tax liabilities (Note 5.2.3(l))	(180)	
As at 31 December 2011	<hr/>	<hr/>
	3,419	
	<hr/>	<hr/>

(i) Foreign Currency Translation Reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the OCK Group's presentation currency.

(j) Reserve Arising from the Reverse Acquisition

The reserve arising from reverse acquisition is the difference between the issued equity of OCK and issued equity of OCK Setia.

	As at 31 December 2011	
	RM'000	
OCK Group		
Total issued equity of OCK	18,400	
Less: Total issued equity of OCK Setia	(2,000)	
Add: Pre-acquisition loss of OCK	607	
	<hr/>	<hr/>
	17,007	
	<hr/>	<hr/>



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(k) Loans and Borrowings

	As at 31 December 2011
OCK Group	RM'000
Current	
Short term borrowings	
- bank overdrafts	540
- bankers' acceptance	1,019
- trust receipts	3,209
- revolving project loan	14,691
Hire purchase payables (Note 5.2.3 (m))	690
Term loans (Note 5.2.3 (n))	366
	<hr/>
	20,515
Non-current	
Hire purchase payables (Note 5.2.3 (m))	887
Term loans (Note 5.2.3 (n))	6,079
	<hr/>
	6,966
Total loans and borrowings	<hr/>
	27,481

Bank overdrafts are denominated in Ringgit Malaysia, bear interest from 0.25% to 2.00% above the bank's base lending rate. The bank overdrafts are secured by legal charges on the OCK Group's properties, the leasehold land and building of a subsidiary company, corporate guarantee by a subsidiary company, a director's property, and jointly and severally guaranteed by the directors.

Bankers' acceptance and trust receipts are secured by a third party charge over a property of a director. The trust receipts bear interest ranges from 0.75% to 2.00% above the bank based lending rate. The bankers' acceptance bears interest ranges from 0.75% to 1.75% per annum acceptance commission.

The revolving project loan is a project financing facility of RM20.0 million granted by Malaysia Debt Ventures Berhad, expiring on 28 January 2013. The revolving project loan is secured by the following:-

- (i) All monies debenture incorporating fixed and floating charge over all present and future assets and undertaking of OCK Setia;
- (ii) Assignment of all contract proceed arising from a base transceiver station sites (version 4) frame contract;
- (iii) Assignment of all contract proceeds and receivables to be received from a frame agreement for provision of telecommunication technical assistance services;
- (iv) Fixed deposits of OCK Setia of RM900,000 and interest accrued thereon; and
- (v) Joint and severally guarantee for the whole facility from two (2) of the directors of the OCK Group, namely Ooi Chin Khoon and Abdul Halim Bin Abdul Hamid.

The revolving project loan bears interest at the rate of 7% per annum.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(l) Deferred Tax Liabilities

Deferred tax liabilities are made up of the following:-

	As at 31 December 2011 RM'000
OCK Group	
Deferred Tax Liabilities	
At 1 January 2011	22
Recognised in the profit or loss	
- current year	13
- over accrual in prior year	124
Transferred from revaluation reserves	180
At 31 December 2011	<u>339</u>

Representing the tax effect of:

Temporary differences between carrying amounts and corresponding tax written down values	159
Revaluation surplus on properties (Note 5.2.3(h))	180
	<u>339</u>

(m) Hire Purchase Payables

	As at 31 December 2011 RM'000
OCK Group	
Future minimum lease payments	
- not later than one year	764
- later than one year and not later than five years	936
	<u>1,700</u>
Less: Future finance charges	(123)
Present value of hire purchase liabilities	<u>1,577</u>

Represented by:

- not later than one year (included within current liabilities)	690
- later than one year and not later than five years (included within non-current liabilities)	887
	<u>1,577</u>



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (*Cont'd*)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(m) Hire Purchase Payables (Continued)

The hire purchase liabilities bear interest at rates ranging from 4.09% to 8.17% per annum.

(n) Terms Loans (Secured)

		As at 31 December 2011
		RM'000
OCK Group		
Total outstanding		6,445
Less: Payable within the next 12 months		(366)
		<hr/>
		6,079
		<hr/>

Term loans are secured by legal charges on the OCK Group's properties, the leasehold land and building of a subsidiary and a director's property, corporate guarantee by OCK Setia and jointly and severally guaranteed by the directors.

The term loans bear interest at rates of 4.60% per annum.

The term loans of RM5.270 million and RM1.200 million are repayable by 180 and 240 monthly instalments respectively.

The repayment terms of the term loans are as follows:-

		As at 31 December 2011
		RM'000
OCK Group		
Within the next twelve months		366
After the next twelve months		
(included under long term loans)		
-not later than two years		416
-later than two years but not later than five years		1,266
-more than five years		4,397
		<hr/>
		6,445
		<hr/>



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(o) Trade and Other Payables

	As at 31 December 2011 RM'000
OCK Group	
Current	
Trade payables	13,154
Retention sum	51
	<hr/>
	13,205
Other payables	665
Accruals	2,290
Deposits	283
Amount due to directors	44
	<hr/>
Total trade and other payables	16,487
Add: Borrowings (Note 5.2.3(k))	<hr/>
	27,481
Total financial liabilities carried at amortised cost	<hr/>
	43,968

Trade payables are non-interest bearing and the normal trade credit terms granted to the OCK Group ranges from 30 to 60 days.

The currency exposure profile of the trade payables are as follows:-

	As at 31 December 2011 RM'000
OCK Group	
Singapore Dollar	60
United State Dollar	422
Ringgit Malaysia	12,723
	<hr/>
	13,205

Included in other payables is an amount of RM20,185 owing to a company in which a director's spouse has interest. The amount owing is unsecured, interest free and repayable on demand.

The amount due to directors is non-trade in nature, unsecured, interest free and repayable on demand.

(p) Contingent Liability

As at 31 December 2011, the contingent liability was as follows:-

	As at 31 December 2011 RM'000
OCK Group	
Bank guarantees issued in favour of third parties for performance of contract by OCK Setia	3,536
	<hr/>



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(q) Capital Commitments

There are no capital commitments as at 31 December 2011.

(r) Financial Risk Management Objectives and Policies

The operations of the OCK Group are subject to a variety of financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk. The OCK Group has formulated a financial risk management framework whose principal objective is to minimise the OCK Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the OCK Group.

The following sections provide details regarding the OCK Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The OCK Group's exposure to the credit risk arises primarily from trade and other receivables. For cash and bank balances and fixed deposits with licensed bank, the OCK Group minimises credit risk by dealing exclusively with high credit rating financial institutions.

The OCK Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The OCK Group trades only with recognised and creditworthy third parties. It is the OCK Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables balances are monitored on an on-going basis with the result that the OCK Group's exposure to bad debt is not significant.

Exposure to credit risk

At the reporting date, the OCK Group's maximum exposure to credit risk represented by the carrying amount of each class of the financial assets recognised in the statement of financial position.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 5.2.3(d).

Deposits with banks and other financial institutions are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.3 (Continued)

(r) Financial Risk Management Objectives and Policies (Continued)

(i) Credit Risk (Continued)

Financial assets that are past due or impaired

Information regarding financial assets that are past due or impaired is disclosed in Note 5.2.3(d).

Financial guarantees

OCK Setia provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiary companies and a former subsidiary company. OCK Setia monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiary companies.

The maximum exposure to credit risk amounts to RM1.6 million representing the outstanding banking facilities of the subsidiary companies and the former subsidiary as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary or the former subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

(ii) Liquidity Risk

Liquidity risk is the risk that the OCK Group will not be able to meet its financial obligations as they fall due. The OCK Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The OCK Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

(iii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The OCK Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the OCK Group's functional currency.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.4 (Continued)

(r) Financial Risk Management Objectives and Policies (Continued)

(iii) Foreign Currency Risk (Continued)

Sensitivity analysis

The following table indicates the approximate change in the OCK Group's loss after tax and accumulated losses in response to reasonable possible changes in the foreign exchange rates to which the OCK Group has significant exposure at the reporting date, assuming all other variable risk variables remained constant. Other components of the equity would not be affected by changes in the foreign exchange rate:-

	Increase/(Decrease)	
	Strengthen (10%)	Weaken (10%)
	31 December 2011	
	RM'000	RM'000
OCK Group's net profit/(loss)		
Singapore Dollar	5	(5)
United State Dollar	20	(20)



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.5 (Continued)

(r) Financial Risk Management Objectives and Policies (Continued)

(iv) Interest Rate Risk

The OCK Group primary interest rate risk relates to interest-bearing debt as at 31 December 2011.

The investments in financial assets are mainly short term in nature and they are not held for speculative purposes.

OCK Group	As at 31 December 2011	Effective	More		
		Interest Rate	Within 1 Year	1-5 Year	5 Year
		%	RM'000	RM'000	RM'000
Financial asset					
Fixed deposits	3.00-3.60	1,255	-	-	1,255
Financial liabilities					
Bank overdrafts	6.55-8.60	540	-	-	540
Bankers' acceptance	3.53-4.92	1,019	-	-	1,019
Trust receipts	7.00-8.60	3,209	-	-	3,209
Revolving project loan	7.00	14,691	-	-	14,691
Hire purchase payables	3.36-7.75	690	887	-	1,577
Term loans	4.60-5.00	366	1,682	4,397	6,445

(s) Fair Values

(i) Recognised Financial Instruments

The fair values of financial assets and financial liabilities of the OCK Group approximate their carrying values on the statement of financial position of the OCK Group as at 31 December 2011.

(ii) Unrecognised Financial Instruments

There were no unrecognised financial instruments as at 31 December 2011 that are required to be disclosed.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

5. PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

5.2.6 (Continued)

(t) Capital Management

The primary objective of the OCK Group's capital management is to build and maintain a strong capital base so as to maintain healthy capital ratios and at the same time be able to leverage on the capital to provide the funds to fund their expansion and growth.

The OCK Group manages their capital structure, and make adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the OCK Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares, raise new debts and reduce existing debts.

The OCK Group monitors the level of dividends to be paid to shareholders. OCK's objective is to pay out regular dividends to the shareholders based on the level of the OCK Group's profitability and cash flows.

The capital structure of the OCK Group consists of equity attributable to owners of the OCK Group, comprising share capital, reserves and total liabilities.

The debt-to-equity ratio is as follow:-

OCK Group	As at
OCK Group	31 December 2011
	RM'000
Total liabilities	46,012
Equity attributable to owners of OCK	18,779
Debt-to-equity ratio	245.02%

(u) Proforma Net Assets

OCK Group	As at
OCK Group	31 December 2011
	RM'000
Proforma net assets	18,779
Number of ordinary shares in issue ('000) ^	184,000
Proforma net assets per ordinary share (RM)	0.10

^ Number of OCK Shares after the Acquisition of OCK Selia as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

6. PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS OF THE OCK GROUP

6.1 The proforma consolidated statement of cash flows of the OCK Group as set out below, for which the directors are solely responsible, have been prepared for illustrative purposes only, to show the effects on the proforma consolidated statement of cash flows of OCK Group for the FYE 2011 had the transactions as described in Note 3.7 but prior to the Public Issue as described in Note 2.1 of the proforma consolidated financial information been effected on that date, and the OCK Group had been in existence throughout the financial year under review, and should be read in conjunction with the notes accompanying thereto.

OCK Group
FYE
31 December 2011
RM'000

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax	
-Continuing operations	12,330
Adjustments for:	
Allowance for doubtful debts	269
Gain on disposal of :-	
- property, plant and equipment	(547)
- assets held for sale	(678)
Depreciation of property, plant and equipment	1,001
Reversal in impairment losses	(33)
Unrealised loss on foreign currency exchange	15
Interest income	(67)
Interest expenses	1,583
Operating profit before working capital changes	<hr/> 13,873
Change In Working Capital	
Inventories	(4,706)
Receivables	(5,576)
Payables	1,581
Amount due from/to contract customers	(1,590)
Net cash generated from operations	<hr/> 3,582
Income tax paid	(2,694)
Interests received	67
Interests paid	(17)
Net Operating Cash Flows	<hr/> 938

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from disposal of property, plant and equipment	1,044
Purchase of property, plant and equipment	(882)
Proceeds from disposal of assets held for sale	1,028
Acquisitions of additional equity interest in a subsidiary company from non-controlling interests	(50)
Acquisition of subsidiary companies - payments to former shareholders of the subsidiary companies	(840)
Net Investing Cash Flows	<hr/> 300



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

6. PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS OF THE OCK GROUP (Continued)

6.1 (Continued)

OCK Group
FYE
31 December 2011
RM'000

CASH FLOWS FROM FINANCING ACTIVITIES

Interests paid	(1,566)
Dividend paid to non-controlling interests	(20)
Fixed deposit held as security values	17
Net change in directors' accounts	549
Net change in short term borrowings	(19,274)
Drawdown of revolving of project loan	23,410
Repayment to hire purchase payables	(416)
Drawdown of term loans	291
Repayment to term loans	(366)
Proceeds from issuance of shares	^

Net Financing Cash Flows

2,625

NET CHANGE IN CASH AND CASH EQUIVALENTS

3,863

Effects of exchange rate changes

(1)

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR

5,347

CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR

9,209

ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash in hand	299
Cash at banks	9,450
Fixed deposits placed with licensed banks	1,255
Bank overdrafts	(540)
	10,464
Less: Deposits held as security values	(1,255)
	9,209

^ RM2



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)**OCK GROUP BERHAD**
Proforma Consolidated Financial Information**6. PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS OF THE OCK GROUP (Continued)****6.2 Notes to the Proforma Consolidated Statement of Cash Flows of the OCK Group****6.2.1 Basis of Preparation and Consolidation**

The proforma consolidated statement cash flows of the OCK Group, for which the directors are solely responsible, are prepared for illustrative purposes only, to show the effects on the proforma statement of cash flows of the OCK Group for the FYE 2011 had the transactions as described in Note 3.7 but before the Public Issue as described in Note 2.1 of the proforma consolidated financial information been effected on that date, and the OCK Group has been in existence throughout the financial year under review.

The proforma consolidated statement cash flows of the OCK Group for the FYE 2011 is prepared based on the following basis:-

OCK	:	Audited statement of cash flows for the financial year ended 31 December 2011.
OCK Setia	:	Audited statement of cash flows for the financial year ended 31 December 2011.
Delicom	:	Audited statement of cash flows for the financial year ended 31 December 2011.
OCK M&E	:	Audited statement of cash flows for the financial year ended 31 December 2011.
Firatel	:	Audited statement of cash flows for the financial year ended 31 December 2011.
Steadcom	:	Audited statement of cash flows for the financial year ended 31 December 2011.
EI Power	:	Audited statement of cash flows for the financial year ended 31 December 2011.
Fortress Singapore	:	Audited statement of cash flows for the financial year ended 31 December 2011.
Fortress Malaysia	:	Audited statement of cash flows for the financial year ended 31 December 2011.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP

7.1 The proforma consolidated statements of financial position of the OCK Group as set out below, for which the directors are solely responsible, have been prepared for illustrative purposes only, to show the effects on the proforma consolidated statement of financial position of the OCK Group as at 31 December 2011, had the transactions as described in Note 3.7, the Public Issue as described in Note 2.1 and the utilisation of listing proceeds as described in Note 7.2.3 of the proforma consolidated financial information been effected on that date, and should be read in conjunction with the notes accompanying thereto.

	Audited Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2011 RM'000	Proforma I After the Public Issue RM'000	Proforma II After Proforma I and the Utilisation of Proceeds RM'000
ASSETS				
Non-current asset				
Property, plant and equipment	-	14,873	14,873	24,773
Current assets				
Inventories	-	8,859	8,859	8,859
Amounts due from customers for contract work	-	1,672	1,672	1,672
Trade and other receivables	-	29,486	29,486	29,486
Tax recoverable	-	34	34	34
Fixed deposits placed with licensed banks	-	1,255	1,255	1,255
Cash and bank balances	A	9,749	36,749	24,849
Total current assets	A	51,055	78,055	66,155
TOTAL ASSETS	A	65,928	92,928	90,928
EQUITY AND LIABILITIES				
Equity attributable to owners of OCK				
Share capital	A	18,400	25,900	25,900
Share premium	-	-	19,500	18,885
Revaluation reserve	-	3,419	3,419	3,419
Foreign currency translation reserve	-	(4)	(4)	(4)
Reserve arising from reverse acquisition	-	(17,007)	(17,007)	(17,007)
Retained earnings	(607)	13,971	13,971	12,586
	(607)	18,779	45,779	43,779
Non-controlling interests	-	1,137	1,137	1,137
Total equity	(607)	19,916	46,916	44,916



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

7.1 (Continued)

			Proforma I	Proforma II
	Audited Statement of Financial Position as at 31 December 2011 RM'000	Adjusted Consolidated Statement of Financial Position as at 31 December 2011 RM'000	After the Public Issue RM'000	After Proforma I and the Utilisation of Proceeds RM'000
Non-current liabilities				
Loans and borrowings	-	6,966	6,966	6,966
Deferred tax liabilities	-	339	339	339
Other payables	603	-	-	-
Total non-current liabilities	603	7,305	7,305	7,305
Current liabilities				
Amounts due to customers for contract works	-	148	148	148
Trade and other payables	4	16,487	16,487	16,487
Loans and borrowings	-	20,515	20,515	20,515
Tax payable	-	1,557	1,557	1,557
Total current liabilities	4	38,707	38,707	38,707
Total liabilities	607	46,012	46,012	46,012
TOTAL EQUITY AND LIABILITIES	^	65,928	92,928	90,928
Number of ordinary shares assumed to be issued - RM0.10 each ('000)	#	184,000	259,000	259,000
Net assets ("NA") (RM'000)	(607)	18,779	45,779	43,779
NA per ordinary share (RM)	(30,356.10)	0.10	0.18	0.17
Net Tangible Assets ("NTA") (RM'000)	(607)	18,779	45,779	43,779
NTA per ordinary share (RM)	(30,356.10)	0.10	0.18	0.17

^ RM2

20 units



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

7.2 Notes to the proforma consolidated statements of financial position are as follows:-

7.2.1 Basis of Preparation

The proforma consolidated statements of financial position of the OCK Group, for which the directors are solely responsible, have been prepared for illustrative purposes only, to show the effects on the proforma statement of financial position of the OCK Group as at 31 December 2011, had the transactions as described in Note 3.7, the Public Issue as described in Note 2.1 and the utilisation of listing proceeds as described in Note 7.2.3 of the proforma consolidated financial information been effected on that date, and should be read in conjunction with the notes accompanying thereto, and are prepared based on the following basis:-

OCK	:	Audited statement of financial position as at 31 December 2011.
OCK Setia	:	Audited statement of financial position as at 31 December 2011.
Delicom	:	Audited statement of financial position as at 31 December 2011.
OCK M&E	:	Audited statement of financial position as at 31 December 2011.
Firatel	:	Audited statement of financial position as at 31 December 2011.
Steadcom	:	Audited statement of financial position as at 31 December 2011.
EI Power	:	Audited statement of financial position as at 31 December 2011.
Fortress Singapore	:	Audited statement of financial position as at 31 December 2011.
Fortress Malaysia	:	Audited statement of financial position as at 31 December 2011.

7.2.2 The proforma consolidated statements of financial position of the OCK Group have been prepared in a manner consistent with both the format of the financial statements and the accounting policies adopted by OCK Setia in the preparation of its audited financial statements for the FYE 2011, which have been prepared in accordance with the Financial Reporting Standards in Malaysia, and have been adopted by OCK as the group accounting policies.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

7.2 (Continued)

7.2.3 The proceeds from the Public Issue would be utilised in the following manner:-

	RM'000	%
Capital expenditure	9,900	36.67
Operating expenditure	9,700	35.92
Working capital	5,400	20.00
Defrayment of estimated listing expenses	2,000	7.41
	27,000	100.00

7.2.4 Adjusted Consolidated Statement of Financial Position of the OCK Group as at 31 December 2011

The proforma consolidated statement of financial position of the OCK Group as at 31 December 2011 had been adjusted for the Acquisition of OCK Setia as described in Note 3.7(b).

The Acquisition of OCK Setia had the following impact on the audited consolidated statement of financial position of the OCK Group:-

	Effects on Total Assets RM'000	Increase/(Decrease) Effects on Total Equity and Liabilities RM'000
Property, plant and equipment	14,873	-
Inventories	8,859	-
Amounts due from/to customers for contract works		
-under current assets	1,672	-
-under current liabilities	-	148
Trade and other receivables	29,486	-
Tax recoverable	34	-
Fixed deposits placed with licensed banks	1,255	-
Cash and bank balances	9,749	-
Foreign currency translation reserve	4	-
Loans and borrowings		
- under non-current liabilities	-	6,966
- under current liabilities	-	20,515
Deferred tax liabilities	-	339
Other payables (under non-current liabilities)		(603)
Trade and other payables	-	16,483
Tax payable	-	1,557
Reserve arising from reverse acquisition	-	(17,007)
Share capital	-	18,400
Revaluation reserve	-	3,419
Retained earnings	-	14,578
Non-controlling interests	-	1,137
	65,932	65,932



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD
Proforma Consolidated Financial Information

7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

7.2 (Continued)

7.2.5 The proforma consolidated statements of financial position should be read in conjunction with the notes below:-

(a) **Proforma I**

Proforma I incorporates the cumulative effects of the adjusted consolidated statement of financial position of the OCK Group as at 31 December 2011 and the Public Issue, which includes the Public Issue of 75,000,000 new OCK Shares at an issue price of RM0.36 per OCK Share.

The Public Issue has the following impact on the proforma consolidated statements of financial position of the OCK Group:-

	Increase/(Decrease) Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and bank balances	27,000	-
Share capital	-	7,500
Share premium	-	19,500
	<hr/>	<hr/>
	27,000	27,000
	<hr/>	<hr/>

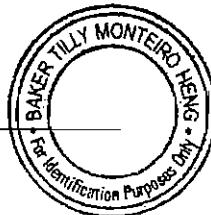
(b) **Proforma II**

Proforma II incorporates the cumulative effects of Proforma I and the utilisation of listing proceeds from the Public Issue of RM27 million.

The proceeds expected from the Public Issue of RM27 million will be utilised in the manner as described in Note 7.2.3 of the proforma consolidated financial information.

The estimated expenses for the Listing of RM0.615 million will be written off against the Share Premium Account pursuant to Section 60(3) of the Companies Act, 1965. The remaining estimated expenses of RM1.385 million will be debited to the Retained Earnings Account.

The proceeds arising from the Public Issue earmarked for the OCK Group's working capital and operating expenditure purposes of RM5.4 million and RM9.7 million respectively will be included in the Cash and Bank Balances Account.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

OCK GROUP BERHAD

Proforma Consolidated Financial Information

7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP (Continued)

7.2 (Continued)

7.2.5 (Continued)

(b) Proforma II (Continued)

The utilisation of proceeds has the following impact on the proforma consolidated statements of financial position of the OCK Group:-

	Increase/(Decrease) Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and bank balances	(11,900)	-
Property, plant and equipment	9,900	-
Share premium	-	(615)
Retained earnings	-	(1,385)
	<u>(2,000)</u>	<u>(2,000)</u>

7.2.6 Movements in share capital, share premium, revaluation reserve, foreign currency translation reserve, reserve arising from reverse acquisition and retained earnings are as follows:-

	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Reverse Acquisition RM'000	Retained Earnings RM'000	Reserve Arising From The
Audited statement of financial position of OCK as at 31 December 2011	^	-	-	-	-	-	(607)
Issuance of new OCK Shares subsequent to 31 December 2011							
- arising from the Acquisition of OCK Setia	18,400	-	3,419	(4)	(17,007)	14,578	
Adjusted proforma consolidated statement of financial position of the OCK Group as at 31 December 2011	18,400	-	3,419	(4)	(17,007)	13,971	
Arising from the Public Issue	7,500	19,500	-	-	-	-	
Per Proforma I	25,900	19,500	3,419	(4)	(17,007)	13,971	
Arising from the utilisation of proceeds - defrayment of estimated expenses	-	(615)	-	-	-	(1,385)	
Per Proforma II	25,900	18,885	3,419	(4)	(17,007)	12,586	

^ RM2 comprising twenty (20) OCK shares of RM0.10 each.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)**OCK GROUP BERHAD**
Proforma Consolidated Financial Information**7. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE OCK GROUP (Continued)****7.2 (Continued)****7.2.7 Movements in cash and bank balances are as follows:-**

	RM'000
Audited statement of financial position of OCK as at 31 December 2011	^
Arising from the Acquisition	<u>9,749</u>
Adjusted proforma consolidated statement of financial position of the OCK Group as at 31 December 2011	<u>9,749</u>
Arising from the Public Issue	<u>27,000</u>
Per Proforma I	<u>36,749</u>
Arising from the utilisation of proceeds - defrayment of estimated expenses	<u>(2,000)</u>
- purchase of equipment	<u>(9,900)</u>
Per Proforma II *	<u>24,849</u>

^ RM2

* Included in the cash and bank balances as per Proforma II are amounts of RM5.4 million and RM9.7 million from the Public Issue earmarked for working capital and operating expenditure purposes respectively.



11. PROFORMA HISTORICAL FINANCIAL INFORMATION (Cont'd)

11.5 CAPITALISATION AND INDEBTEDNESS

The following table sets out our proforma consolidated fixed deposits and cash and bank balances, capitalisation and indebtedness as at 31 December 2011 based on our proforma consolidated statement of financial position as at 31 December 2011 and adjusted to show the effects of our Public Issue and the utilisation of proceeds as set out in Section 3.6 of this Prospectus.

	As at 31 December 2011 RM'000	After the Public Issue and Utilisation of Proceeds RM'000
Cash and bank balances	9,749	24,849
Fixed deposits	1,255	1,255
	11,004	26,104
Indebtedness		
<u>Non-current (Secured)</u>		
Hire purchase payables	887	887
Term loans	6,079	6,079
	6,966	6,966
<u>Current (Secured)</u>		
Bills payable	4,228	4,228
Hire purchase payables	690	690
Term loans	366	366
Revolving project loans	14,691	14,691
Bank overdraft	540	540
	20,515	20,515
Total indebtedness	27,481	27,481
Capitalisation	18,779	43,779
Total capitalisation and indebtedness	46,260	71,260

Save as disclosed above, we do not have any other borrowings that are unsecured or unguaranteed. The indirect and contingent liabilities of our Group are set out in Section 12.3.6 of this Prospectus.

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS

Investors should read the following discussion and analysis of our financial condition and results of operations in conjunction with the notes and assumptions included in the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus and the Accountants' Report as set out in Section 13 of this Prospectus.

This discussion and analysis contains data derived from our audited financial statements as well as forward-looking statements that involve risks and uncertainties. The results may differ significantly from those projected in the forward-looking statements. Factors that may cause future results to differ significantly from those included in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors as set out in Section 4 of this Prospectus.

12.1 OVERVIEW

Our Company is principally an investment holding company, whereby our Group's revenue is derived through our subsidiary companies of which the principal activities are summarised as below:

Company	Principal Activities
OCK	Investment holding
<u>Telecommunications Network Services</u>	
OCK Setia	Provision of turnkey telecommunications network services
Delicom	Provision of telecommunications network services focusing on network deployment services
Steadcom	Provision of telecommunications network services primarily focusing on network planning, design and optimisation
<u>Green Energy and Power Solutions</u>	
EI Power	Provision of green energy and power solutions
<u>Telecommunications and Network Security Products and Materials</u>	
Fortress Singapore	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support
Fortress Malaysia	Distribution and installation of network security products and solutions for enterprise customers and provision of technical support
Firatel	Trading of telecommunications network equipment and materials
<u>M&E Engineering Services</u>	
OCK M&E	Provision of mechanical and electrical engineering services

Revenue

Our Group's revenue is principally derived from the provision of telecommunications network services. Our Group also derive income from the trading of telecommunications network equipment and materials, enterprise network security solutions, provision of green energy and power solutions and M&E services. This revenue is derived mainly from domestic markets.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Order book

As at the LPD, our Group's order book comprise purchase orders received stands at approximately RM67.14 million which includes provision of telecommunications network services, trading of telecommunications network equipment and materials and provision of green energy and power solutions as summarise below:

(i) By type of customers

	Current order book as at LPD RM'000
Telecommunications operators	19,489
Technology providers	21,236
Others	26,416
Total	67,141

(ii) By type of activities

	Current order book as at the LPD RM'000
Telecommunications network services:	
- Turnkey	18,287
- Deployment	22,438
- Operations, maintenance and others	3,700
Green energy and power solution	7,559
Trading of telecommunications and network security products and materials	785
M&E engineering services	14,372
Total	67,141

In addition, our Group has on-going and subsisting contracts whereby the purchase orders will be issued by the telecommunications operators and technology providers during the contract period where the services are required to be performed.

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)**Cost of sales**

Cost of sales comprise mainly purchase of goods and materials, direct labour costs, sub-contractor costs and direct project expenses, as explained below:

(i) By company

	Proforma Audited FYE 31 December ----->					
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%
OCK	35,345	88.77	37,972	96.95	46,028	83.86
OCK Setia	4,191	10.53	477	1.22	3,970	7.23
OCK M&E	2,333	5.86	2,699	6.89	5,713	10.41
Delicom	130	0.33	303	0.77	2,469	4.50
Firatel	-	-	-	-	2,110	3.84
El Power	-	-	-	-	-	-
Steadcom	-	-	-	-	147	0.27
Fortress Singapore	-	-	-	-	-	-
Fortress Malaysia	-	-	-	-	-	-
Less: Inter-company elimination	(2,184)	(5.49)	(2,285)	(5.83)	(5,549)	(10.11)
	39,815	100.00	39,166	100.00	54,888	100.00
					65,912	100.00

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12 MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(ii) By activities

	<----- Proforma Audited FYE 31 December ----->							
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%	2011 RM'000	%
Investment holding								
Telecommunications network services								
- Direct materials	7,058	17.73	5,471	13.97	9,141	16.65	6,456	9.80
- Labour/sub-contractor costs	26,767	67.23	30,313	77.40	38,597	70.32	46,293	70.23
- Project expenses	3,853	9.68	4,887	12.48	4,150	7.56	6,129	9.30
	37,678	94.64	40,671	103.85	51,888	94.53	58,878	89.33
Green energy and power solutions								
- Purchases of goods	-	-	-	-	2,068	3.77	12,065	18.31
- Labour costs	-	-	-	-	-	-	329	0.50
- Direct overheads	-	-	-	-	42	0.08	332	0.50
					2,110	3.85	12,726	19.31
Trading of telecommunications and network security products and materials								
- Purchases of goods	191	0.48	362	0.92	2,472	4.50	2,944	4.47
- Sub-contractor costs	-	-	183	0.46	104	0.19	1	-
- Project expenses	-	-	3	0.01	119	0.22	120	0.18
	191	0.48	548	1.39	2,695	4.91	3,065	4.65
M&E engineering services								
- Direct materials	2,358	5.92	143	0.36	2,051	3.74	1,353	2.02
- Labour/sub-contractor costs	1,742	4.38	81	0.21	1,600	2.92	1,882	2.85
- Project expenses	30	0.07	8	0.02	93	0.16	71	0.11
	4,130	10.37	232	0.59	3,744	6.82	3,286	4.98
Group Total	41,999	105.49	41,451	105.83	60,437	110.11	77,955	118.27
Less: Inter-company elimination	(2,184)	(5.49)	(2,285)	(5.83)	(5,549)	(10.11)	(12,043)	(18.27)
	39,815	100.00	39,166	100.00	54,888	100.00	65,912	100.00

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

	Proforma Audited FYE 31 December					
	2008 RM'000	2009 % RM'000	2010 % RM'000	2011 % RM'000	2011 % RM'000	2011 % RM'000
Group Total						
- Direct material	9,607	24.13	5,976	15.25	15,732	28.66
- Labour/sub-contractor costs	28,509	71.61	30,577	78.07	40,301	73.43
- Project expenses	3,883	9.75	4,898	12.51	4,404	8.02
	41,999	105.49	41,451	105.83	60,437	110.11
Less: Inter-company elimination	(2,184)	(5.49)	(2,285)	(5.83)	(5,549)	(10.11)
Total Cost of Sales	39,815	100.00	39,166	100.00	54,888	100.00

- (i) Provision of telecommunications network services
- Direct materials comprising mainly cables, metal structures and related parts;
 - Labour/sub-contractor costs comprising mainly labour/sub-contractor fees for installation and construction of base stations, and the project related staff costs which comprise salaries, bonuses, allowances and contribution to Employees' Provident Fund and SOCSO; and
 - Project expenses comprising mainly transportation costs, travelling expenses, accommodation and equipment and warehouse rental.
- (ii) Green energy and power solutions
- Purchase costs comprising mainly generator sets; and
 - Labour costs for installation and testing; and
 - Direct overheads comprising mainly equipment rental, import duties and transportation costs.
- (iii) Trading of telecommunications and network security products and materials
- Purchase costs for telecommunications equipment and materials;
 - Sub-contractor costs for testing of equipment and materials; and
 - Project expenses comprising mainly import duties and transportation costs.
- (iv) M&E engineering services
- Direct materials comprising mainly transformers, switchgear, main switchboard, power cables, light fittings and accessories;
 - Labour/sub-contractor cost for installation, testing and commissioning; and
 - Project expenses comprising mainly supervision costs, transportation costs, travelling expenses, accommodation and warehouse rental.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Other income

Other income comprise mainly of the following:

	Proforma Audited FYE 31 December					
	2008 RM'000	2009 %	RM'000	2010 %	RM'000	2011 %
Rental income	452	77.80	625	83.11	676	90.37
Interest income	-	-	13	1.73	43	5.75
Gain on disposal of property, plant and equipment						
Gain on foreign exchange	-	-	38	5.05	-	-
Gain on disposal of a subsidiary	-	-	-	-	-	-
Others	128	22.03	61	8.11	29	3.88
Total	581	100.00	752	100.00	748	100.00
					2,299	100.00

Other income constitutes approximately 1.27%, 1.64%, 1.12% and 2.60% of our revenue for FYE 31 December 2008, FYE 31 December 2009, FYE 31 December 2010 and FYE 31 December 2011 respectively.

Our commentaries on our Group's other income are as follows:

FYE 31 December 2008 compared to FYE 31 December 2007

Our Group's other income had increased to RM0.58 million for FYE 31 December 2008 from RM0.13 million for FYE 31 December 2007. The increase of approximately RM0.45 million or 346.15% was mainly due to rental income from the Group's newly acquired properties in Petaling Jaya and Shah Alam. In addition, the increase in other income which comprised insurance claim and deposit refund also contributed to the increase during the year under review.

FYE 31 December 2009 compared to FYE 31 December 2008

Our Group's other income had continued to increase by 29.31% from RM0.58 million for FYE 31 December 2008 to RM0.75 million for FYE 31 December 2009. The increase was mainly derived from full year rental income from the Group's properties in Petaling Jaya and Shah Alam respectively and refund of tender fee in relation to M&E work amounting to RM0.06 million for the financial year under review.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

FYE 31 December 2010 compared to FYE 31 December 2009

Our Group's other income remain consistent at RM0.75 million for FYE 31 December 2010.

FYE 31 December 2011 compared to FYE 31 December 2010

Our Group's other income showed a significant increase by 206.67% from RM0.75 million to RM2.30 million for FYE 31 December 2011. The increase was mainly due to the gain on disposal of a property in Petaling Jaya amounting to RM0.55 million for FYE 31 December 2011. In addition, there was also other income derived from gain on disposal of a subsidiary company, OCK Properties and recharges of salaries (i.e. recovery of salaries from a company related to a Director for business development expenses) and office expenses recognised during the year which amounted to RM0.68 million and RM0.13 million respectively.

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Administrative Expenses

Expenses that fall into this category are mostly fixed in nature such as directors' remuneration, support/administration staff costs, depreciation, travelling expenses and utilities.

	Proforma Audited FYE 31 December ----->							
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%	2011 RM'000	%
Salaries and wages	1,411	31.94	1,244	25.99	1,898	30.28	2,913	26.93
EPF and SOCSO	180	4.07	153	3.20	221	3.52	376	3.48
Directors' fees and remunerations	489	11.07	385	8.04	510	8.14	846	7.82
Depreciation	790	17.88	888	18.56	979	15.62	1,001	9.26
Travelling and accommodation	155	3.51	184	3.84	183	2.92	436	4.03
Entertainment	214	4.84	216	4.51	274	4.37	439	4.06
Printing and stationary telephone, fax and internet	294	6.65	332	6.94	481	7.67	652	6.03
Legal fee	105	2.38	62	1.30	36	0.57	25	0.23
Professional fee	-	-	-	-	6	0.10	789	7.29
Office/warehouse rental	-	-	197	4.12	352	5.61	583	5.39
Bank charges	43	0.97	188	3.93	99	1.58	140	1.29
Insurance	79	1.79	106	2.21	149	2.38	170	1.57
Allowance for doubtful debts	-	-	-	-	-	-	269	2.49
Commissions	75	1.70	55	1.15	54	0.86	378	3.50
Others*	583	13.20	776	16.21	1,027	16.38	1,798	16.63
Total	4,418	100.00	4,786	100.00	6,269	100.00	10,815	100.00

Note:

* Others mainly consists of upkeep of office equipment, utilities expenses, postages and courier charges, office expenses, upkeep of motor vehicles, license fees, consultant fees and other staff related expenses such as staff welfare, medical claim and training expenses.

Administrative expenses constitute approximately 9.69%, 10.42%, 9.39% and 12.24% of our revenue for FYE 31 December 2008, FYE 31 December 2009, FYE 31 December 2010 and FYE 31 December 2011 respectively.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Our commentaries on our Group's administrative expenses are as follows:

FYE 31 December 2008 compared to FYE 31 December 2007

Our Group's administrative expenses had increased from RM2.91 million for FYE 31 December 2007 to RM4.42 million for FYE 31 December 2008. The increase of approximately RM1.51 million or 51.89% was mainly due to increase in salary and wages from hiring additional workforce mainly engineers for installation, commissioning and testing of telecommunications equipment to meet the increase in the company's sales demand.

FYE 31 December 2009 compared to FYE 31 December 2008

Our Group's administrative expenses had further increased to RM4.79 million for FYE 31 December 2009 from RM4.42 million for FYE 31 December 2008. The increase of 8.37% was mainly due to increase in bank charges and additional rental paid for office and warehouse due to the Group's expanded activities in other parts of Malaysia. The increase was offset by the decrease in salaries and wages due to reassignment of staff in OCK M&E to OCK Seria to perform project related work which resulted the salaries and wages being reclassified as cost of sales as well as lower stamping fees for purchase of properties in FYE 31 December 2008.

FYE 31 December 2010 compared to FYE 31 December 2009

In FYE 31 December 2010, our Group's administrative expenses had further increased from RM4.79 million for FYE 31 December 2009 to RM6.27 million for FYE 31 December 2010. The increase of 30.90% was mainly due to increase in salary and wages as a result of the expansion in telecommunication engineering segment and the new setup of green energy and power solutions segment during the year under review.

FYE 31 December 2011 compared to FYE 31 December 2010

In FYE 31 December 2011, our Group's administrative expenses had increased by 72.57 % to RM10.82 million in comparison with its corresponding year for FYE 31 December 2010 of RM6.27 million. This was mainly due to the increase in salaries and wages which is concurrent with the increase in revenue. In addition, the increase was also due to an allowance for doubtful debts made in FYE 31 December 2011 which amounted to RM0.27 million. Other administrative expenses which comprise amongst others, professional fees, commissions and utilities expenses had also contributed to the increase in operating expenses for the financial year under review.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Finance Costs

Finance costs comprise mainly of the following:

	Proforma Audited FYE 31 December							
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%	2011 RM'000	%
Revolving project loan	1,039	72.41	1,121	77.42	1,030	74.64	1,103	70.39
Trade lines interests and charges	30	2.09	7	0.48	7	0.50	115	7.34
Overdraft interests	58	4.04	14	0.97	11	0.80	5	0.32
Term loan interests	274	19.09	261	18.02	260	18.84	280	17.87
Hire purchase interests	34	2.37	45	3.11	72	5.22	64	4.08
Total	1,435	100.00	1,448	100.00	1,380	100.00	1,567	100.00

Our Group's finance costs was RM1.44 million for FYE 31 December 2008 and had remained constant at approximately RM1.40 million for FYE 31 December 2009 and FYE 31 December 2010. Finance costs for the FYE 31 December 2011 had increased by 13.55% as compared to FYE 31 December 2010. The increase in finance costs for FYE 31 December 2011 was mainly due to the timing of the utilisation of trade line facilities and revolving project loan for the financial years under review.

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.1.1 Significant factors affecting our profits

The following discussion regarding industry trends includes forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those projected in these forward-looking statements.

(i) Growth

Our growth is, inter-alia, affected by:

Steady growth for telecommunications network market

The Ministry of Information, Communications and Culture of Malaysia (MOICC) and MCMC have a healthy growth forecast on future household broadband penetration rate in Malaysia. The household penetration rate is projected to reach 75% in 2015 from 56.0% in 2011. As such, the growing prominence of broadband market in Malaysia bodes well for the growth in telecommunications network services market with further capacity needs.

For the existing network infrastructure, telecommunications network services are required to continue to provide the necessary support and maintenance to prevent interruption in operations and newer network also require maintenance. Further, as the ICT industry is often characterised by a rapid change in technology, the telecommunications carriers and operators are likely to constantly upgrade their network infrastructure and hardware or install newer one to meet the expected requirement and to keep updated with the latest technology.

With the positive market outlook driven by the demand of telecommunications network build-up, upgrade and replacement, market players including ourselves are expected to benefit and continue to grow in future.

Continuing Support from the Government

The Government has been providing necessary leadership in spearheading the growth in ICT industry which includes telecommunications network services market via supportive government policies and strong institutional support. Introduction of MCMC under the Malaysian Communications and Multimedia Commission Act 1998 has provided a 'clear single voice' in supervising ICT industry and its strategic direction. MCMC clearly represents the support needed by the industry players to address all the issues in relation to ICT industry. Besides that, funds have been allocated in the past to develop ICT industry. As one of the participants of the ICT industry, telecommunications network services market players can also expect to reap the benefits from the continuous support given by Government.

Prevalent Strategic Alliances with Principal Product and Equipment Suppliers

The telecommunications network services market players tend to enter into strategic alliances or partnerships with the technology providers as principal suppliers of products and equipment. Such co-operations allow both parties to share resources and tap into each other's technological expertise and knowledge to offer a more comprehensive network solution for potential customers. This can help to improve their chances of securing jobs from potential customers.

The local telecommunications network services market has been boosted by the direct presence of major telecommunications network suppliers in the country. For example, both Huawei and Nokia Siemens Networks have direct presence in Malaysia via their respective offices in Kuala Lumpur – underlying their commitments towards serving the local telecommunications network services market players that enables them to offer better and faster services supports.

(Sources: IMR Report)

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(ii) Tax consideration

Tax expenses comprise current year provision for taxation including any under or overprovision of taxation in the previous year and deferred taxation.

The following table sets out the comparison between our effective and statutory tax rate for the four (4) FYE 31 December 2008 to 2011:

	<--- Proforma Audited FYE 31 December ----->			
	2008	2009	2010	2011
	%	%	%	%
Effective tax rate	67.82	37.03	29.52	25.39
Statutory tax rate	26.00	25.00	25.00	25.00

The effective tax rate for the financial years under review was higher than the statutory tax rate due principally to certain expenses not deductible for tax reporting purposes, amongst others, which includes legal fees and stamp duties for loan facility agreements, entertainments and gifts and donations.

The higher effective tax rate for FYE 31 December 2008 was due to higher actual tax paid for the financial year in respect of PBT of Delicom adjusted in order to have coterminous financial year end with other companies within the Group. In addition, actual tax paid for OCK M&E was also higher in FYE 31 December 2008 as a result of prior year adjustments in relation to the adoption of FRS 111: Construction Contracts which reduced the PBT from RM0.46 million to RM0.18 million.

(iii) Competitive Strengths

Established Market Reputation

Our Group has been providing consistent quality services and solutions as evidenced by long standing working relationships with our customers throughout the years. We have been working with telecommunications operators such as Celcom, DiGi, U Mobile, P1 and YTL and technology providers including Alcatel-Lucent, Ericsson, Huawei, NEC, SIAE and ZTE for their telecommunications projects.

We have been awarded the Golden Bull Award (100 Outstanding SMEs) in 2007, 2009, 2010 and 2011. We have also earned numerous partner awards, and are certified with the ISO 9001:2008 requirements in the scope of supply and installation of telecommunication, mechanical and electrical systems and provision of related civil engineering works.

One-Stop Solution Provider for Telecommunications Network Services

We are a one-stop solution provider for telecommunications networks services with expertise in providing turnkey solutions ranging from site evaluation and audit, to procurement, structural work and implementation/deployment. Apart from that, we also offer managed services for our clients involving the operation and maintenance of telecommunications networks. We support our clients through our network of offices in Johor, Pahang, Penang, Sabah and Sarawak.

Please refer to Section 6.5 of this Prospectus for further information on our competitive strengths.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(iv) General Business Risks

Competitive rivalry

OCK faces competition amongst the existing market players in Malaysia and potential network services providers beyond Malaysia. Our Group's track record over the years has enabled us to bid for projects directly with the telecommunications operators as well as their approved service providers.

Fluctuation in prices of raw materials and products

Major materials used by our Group in provision of our services are related to steel and other metal related products. Many factors that are beyond our control, which include global economy and the industrial productivity level could affect the fluctuations in prices of these materials. Our Group has established long term relationship with our suppliers to source materials at competitive prices. Our Group also has a large supplier base to mitigate difficulty in sourcing for materials should there be a material shortage faced by a particular supplier.

Dependency on particular segment of the telecommunications industry

OCK's revenue is mainly derived from the provision of telecommunications network services. Due to high cost of ownership and to reduce infrastructure investment, telecommunications operators are favouring infrastructure sharing. Our Group has therefore plans to diversify into other business segments such as becoming the telecommunications network infrastructure owner. Recognising the potential of renewable green energy sources, our Group has also ventured into provision of green energy and power solutions.

Network sharing

Telecommunications operators have begun to collaborate to share network base stations to reduce costs whilst maintaining network coverage. Whilst this is an advantage to us in terms of our plans to become telecommunications tower owners as well as the potential projects involving relocation of current existing structures to a location which would optimise connectivity between the sharing parties, the overall network deployment projects will eventually reduced. Nevertheless, with the roll out of new telecommunications technologies and the increase in data usage amongst users as data and call rates are competitively reduced, telecommunications operators see a need to also increase their network coverage. Hence, whilst there is consolidation of existing network infrastructure, new infrastructure will still be required due to heavier usage and newer telecommunications technology.

Frame agreements

The norm in the industry is to enter into frame agreements with telecommunications operators identifying the service levels required. Our Group will receive purchase order or bill of quantity for the required work, service and equipment during the tenure of such agreements. Revenue may not be billed as planned if there are any changes in the telecommunications industry as clients may opt for the latest technology and the existing contract may be discontinued half-way or become obsolete. Whilst there is a risk of such events materialising, we provide our commitment in terms of quality and timeliness in our work. This will enable us to win the confidence from our customers to enable them to award us with their future projects.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Political, economic and regulatory risk

The supply and demand for telecommunications infrastructure needs are very much dependent on the on-going economic climate. Any slowdown in the global or local economy may have an adverse impact on the supply and demand for growth in the infrastructure. There can be no assurance that any change to these factors will not have a material adverse effect on our business.

Whilst our business operations is currently not subject to any laws and regulations of the jurisdiction where we operate save in respect of major licences disclosed in Section 6.12, there is no assurance that future changes to the said laws, regulations, rulings, directions, policies and guidelines will not affect the operation and performance of our Group.

Availability of skilled workforce

Our success depends to a certain extent on, our ability to continue to attract and retain qualified personnel. The competition for qualified employees within the industry is significant and loss of the services of such personnel or failure to retain existing personnel could have an adverse impact on our business. Our Group currently have sufficient pool of human resources in hand, which enable us to reassign any personnel to particular projects which are short-handed or in the event there is a need to complete the project within a shorter timeframe as required by telecommunications operators.

Please refer to Section 4 of this Prospectus for further information on risks.

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.2 RESULTS OF OPERATIONS

The following is a segmental analysis of our results for the four (4) FYE 31 December 2008 to 2011, based on the assumption that our current Group structure has been in existence throughout the financial years under review.

12.2.1 Segmental Analysis of Revenue

(i) By company

	2008			2009			2010			2011		
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
OCK	-	-	-	-	-	-	-	-	-	-	-	-
OCK Setia	40,019	87.75	44,435	96.77	55,695	83.40	65,555	74.21	-	-	-	-
OCK M&E	5,031	11.03	436	0.95	4,293	6.43	3,953	4.47	-	-	-	-
Delicom	2,555	5.60	2,744	5.98	6,398	9.58	8,070	9.14	-	-	-	-
Firatek	158	0.35	461	1.00	3,387	5.07	3,618	4.10	-	-	-	-
El Power	-	-	-	-	2,355	3.53	14,959	16.94	-	-	-	-
Steadcom	-	-	-	-	-	-	0.10	3,432	3.89	-	-	-
Fortress Singapore	-	-	-	-	-	-	-	613	0.69	-	-	-
Fortress Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
Less: inter-company elimination	(2,157)	(4.73)	(2,156)	(4.70)	(5,417)	(8.11)	(11,875)	(13.44)	-	-	-	-
	45,606	100.00	45,920	100.00	66,778	100.00	88,325	100.00	-	-	-	-

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(ii) By activities

	Proforma Audited FYE 31 December		
	2008 RM'000	2009 % RM'000	2010 % RM'000
Investment holding	-	-	-
Telecommunications	42,574	93.35	47,178
network services:	15,956	34.99	15,828
- Turnkey	22,620	49.60	30,993
- Deployment			67.49
- Operations, maintenance and			49,689
others	3,998	8.76	357
Green energy and power			0.78
solutions			199
Trading of			0.30
telecommunications and			3,202
network security products			3.63
and materials	256	0.56	630
M&E engineering services	4,933	10.82	268
	47,763	104.73	48,076
			104.70
Less: Inter-company			72,195
elimination	(2,157)	(4.73)	(2,156)
	(45,606)	100.00	45,920
			100.00
			66,778
			100.00
			88,325
			100.00

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.2.2 Segmental Analysis of GP

(i) By company

	Proforma Audited FYE 31 December						>	
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%	2011 RM'000	%
OCK	-	-	-	-	-	-	-	-
OCK Seria	4,674	80.71	6,463	95.69	9,667	81.30	17,220	76.83
OCK M&E	840	14.51	(41)	(0.61)	323	2.72	521	2.33
Delicom	222	3.83	45	0.67	685	5.76	604	2.70
Flarotel	28	0.48	58	2.34	918	7.72	1,110	4.95
El Power	-	-	-	-	245	2.06	2,233	9.96
Steadcom	-	-	-	-	(80)	(0.67)	357	1.59
Fortress Singapore	-	-	-	-	-	-	200	0.89
Fortress Malaysia	5,764	99.53	6,625	98.09	11,758	98.89	22,245	99.25
Less: Inter-company elimination	27	0.47	129	1.91	132	1.11	168	0.75
	5,791	100.00	6,754	100.00	11,890	100.00	22,413	100.00

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(ii) By activities

	Proforma Audited FYE 31 December						>	
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%	2011 RM'000	%
Investment holding	-	-	-	-	-	-	-	-
Telecommunications network services:	4,896	84.54	6,507	96.35	10,272	86.39	18,179	81.11
- Turnkey	1,822	31.46	2,650	39.24	2,056	17.29	7,714	34.42
- Deployment	2,789	48.16	3,822	56.59	8,201	68.97	10,098	45.05
- Operations, maintenance and others	285	4.92	35	0.52	15	0.13	367	1.64
Green energy and power solutions	-	-	-	-	245	2.06	2,233	9.96
Trading of telecommunications and network security products and materials	65	1.12	82	1.21	862	7.25	1,313	5.86
M&E engineering services	803	13.87	36	0.53	379	3.19	520	2.32
Less: Inter-company elimination	5,764	99.53	6,625	98.09	11,758	98.89	22,245	99.25
	27	0.47	129	1.91	132	1.11	168	0.75
	5,791	100.00	6,754	100.00	11,890	100.00	22,413	100.00

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.2.3 Analysis of GP margin

(i) By company

	<---- Proforma Audited FYE 31 December ----->			
	2008 %	2009 %	2010 %	2011 %
OCK	-	-	-	-
OCK Setia	11.68	14.54	17.36	26.27
OCK M&E	16.70	(9.40)	7.52	13.18
Delicom	8.69	1.64	10.71	7.48
Firatel	17.72	34.27	27.10	30.68
EI Power	-	-	10.40	14.93
Steadcom	-	-	(119.40)	10.40
Fortress Singapore	-	-	-	32.63
Fortress Malaysia	-	-	-	-
Group GP Margin	12.70	14.71	17.81	25.38

(ii) By activities

	<---- Proforma Audited FYE 31 December ----->			
	2008 %	2009 %	2010 %	2011 %
Investment holding	-	-	-	-
Telecommunications				
network services:				
- Turnkey	11.50	13.79	16.53	23.59
- Deployment	11.42	16.74	16.75	31.06
- Operations, maintenance and others	12.33	12.33	16.50	20.60
	7.13	9.80	7.54	11.46
Green energy and power solutions	-	-	10.40	14.93
Trading of telecommunications and network				
security products and materials				
M&E engineering services	25.39	13.02	24.23	29.99
	16.28	13.43	9.19	13.66
Group GP Margin	12.70	14.71	17.81	25.38

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.2.4 Segmental Analysis of PBT

(i) By company

	Proforma Audited FYE 31 December						>	
	2008 RM'000	%	2009 RM'000	%	2010 RM'000	%	2011 RM'000	%
OCK	-	-	-	-	-	-	(607)	(4.92)
OCK Setia	324	62.43	1,564	122.95	3,883	77.83	10,100	81.91
OCK M&E	182	35.07	(230)	(18.08)	55	1.10	829	6.72
Delicom	9	1.73	(100)	(7.86)	531	10.64	409	3.32
Firatel	4	0.77	38	2.99	584	11.71	759	6.16
El Power	-	-	-	-	83	1.66	1,077	8.73
Steadcom	-	-	-	-	(147)	(2.94)	99	0.80
Fortress Singapore	-	-	-	-	-	-	(332)	(2.69)
Fortress Malaysia	-	-	-	-	-	-	(4)	(0.03)
	519	100.00	1,272	100.00	4,989	100.00	12,330	100.00

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(ii) By activities

	Proforma Audited FYE 31 December			2011 RM'000	%
	2008 RM'000	2009 RM'000	2010 RM'000		
Investment holding	-	-	-	-	(607) (4.92)
Telecommunications network services:	333 64.16	1,464 115.09	4,267 85.53	10,608 86.03	
- Turnkey	88 16.95	906 71.22	769 15.41	5,007 40.60	
- Deployment	354 68.21	562 44.18	3,499 70.14	5,504 44.64	
- Operations, maintenance and others	(109) (21.00)	(4) (0.31)	(1) (0.02)	97 0.79	
Green energy and power solutions	-	-	84	1.68	1,077 8.73
Trading of telecommunications and network security products and materials	4 0.77	38 2.99	583 11.69	425 3.45	
M&E engineering services	182 35.07	(230) (18.08)	55 1.10	827 6.71	
	519 100.00	1,272 100.00	4,989 100.00	12,330 100.00	

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.2.5 Commentaries on our Group's Past Operating Results

(i) FYE 31 December 2008 compared to FYE 31 December 2007

Revenue

For FYE 31 December 2008, our Group's revenue grew by 111.26% or approximately RM24.02 million from RM21.59 million for FYE 31 December 2007 to RM45.61 million for FYE 31 December 2008. The increase was attributable to increase in telecommunications network services segment and mainly due to a WiMAX network deployment contract by Alcatel-Lucent and network deployment services and a turnkey contract for new sites by DiGi which had contributed to the increase by approximately RM19.61 million.

In addition, the increase in M&E engineering services also contributed to the overall increase in revenue resulting from a major project for army camp in Ampang, Selangor secured during FYE 31 December 2008 which contributed approximately RM4.93 million.

Cost of Sales

Concurrently, cost of sales also increased by approximately RM21.57 million or 118.19% from RM18.25 million for FYE 31 December 2007 to RM39.82 million for FYE 31 December 2008. The increase of 118.19% was much higher compared to the revenue growth of 111.26% due to higher set-up cost of our entry into turnkey projects. This has resulted in cost escalation in terms of higher sub-contracting cost and equipment rental charges.

GP

GP had increased by 73.35% or RM2.45 million despite the 111.26% increased in revenue. GP increased at lower rate than the revenue due to the higher set-up cost as mentioned above which had resulted in the GP margin deteriorating from 15.47% for FYE 31 December 2007 to 12.70% for FYE 31 December 2008.

PBT

Our Group recorded an improvement in PBT by approximately RM0.28 million from RM0.24 million for FYE 31 December 2007 to RM0.52 million for FYE 31 December 2008. This was attributable to the increase in gross profit by RM2.45 million and other income by RM0.45 million. This increase was off-set by the increase in finance costs by RM1.11 million and administrative expenses of RM1.51 million.

PAT

In FYE 31 December 2008, our Group recorded a PAT of RM0.17 million after deducting income tax expense of RM0.35 million. The increase in PAT was in line with the increase in PBT.

(ii) FYE 31 December 2009 compared to FYE 31 December 2008

Revenue

For FYE 31 December 2009, our Group's revenue improved marginally by RM0.31 million or 0.68% from RM45.61 million for FYE 31 December 2008 to RM45.92 million for FYE 31 December 2009.

Revenue from telecommunications network services remained the Group's main revenue contributor representing 98.08% of our Group's total revenue. Telecommunications network services' revenue had improved from RM42.57 million to RM47.18 million which represents

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

an increase of 10.83% or approximately RM4.61 million. This was mainly due to an increase in network deployment works from ZTE which consists of installation, testing and commissioning of equipment amounting approximately to RM3.81 million and new network deployment works for Huawei, Ericsson and Alcatel-Lucent which amounted approximately to RM6.75 million.

However, our group's M&E engineering services had decreased by 94.52% from RM4.93 million for FYE 31 December 2008 to RM0.27 million for FYE 31 December 2009. This was mainly due to the completion of a major project secured in FYE 31 December 2008, as well as a slowdown in the construction sector as a result of the global economy downturn commencing from second half of FYE 31 December 2008 which directly affected construction activities.

In conjunction with the increase in telecommunications engineering activities, our Group's trading activities which supplies telecommunication parts and materials had also improved by 142.31% from RM0.26 million to RM0.63 million.

Cost of Sales

Cost of sales decreased marginally by RM0.65 million or 1.63% from RM39.82 million for FYE 31 December 2008 to RM39.17 million for FYE 31 December 2009. This was mainly due to the completion of a major M&E project secured in FYE 31 December 2008 and the Group began to optimise the cost structure with the experience gained in FYE 31 December 2008 by closely monitoring sub-contractors performance in terms of efficiency. Further thereto, we were able to reduce cost by rendering for outsourcing services.

GP

Our Group's GP increased by 16.58% from RM5.79 million for FYE 31 December 2008 to RM6.75 million for FYE 31 December 2009 and the GP margin increased from 12.70% to 14.71% which is due to higher margin from testing, commissioning and maintenance project as compared to replacement of equipment project. In addition, Firatel recorded an improvement in GP margin from 17.72% for FYE 31 December 2008 to 34.27% for FYE 31 December 2009 due to lower cost of sales resulting from higher sales volume. This is also attributable to Firatel being the sole distributor of an approved range of products such as cables and antennas to cater to certain telecommunications operators and technology providers.

PBT

The increase in PBT comprised the increase in GP of RM0.96 million and an increase in rental income of RM0.17 million. However, PBT recorded an improvement by only RM0.75 million from RM0.52 million for FYE 31 December 2008 to RM1.27 million for FYE 31 December 2009, as the increase in PBT was offset by an increase in operating expenses of RM0.44 million, due to office/warehouse rental, bank charges and depreciation.

PAT

Our Group's PAT improved from RM0.17 million for FYE 31 December 2008 to RM0.80 million for FYE 31 December 2009. The increase in PAT was in line with the increase in PBT.

(iii) FYE 31 December 2010 compared to FYE 31 December 2009

Revenue

Our Group's revenue improved by 45.43% or RM20.86 million from RM45.92 million for FYE 31 December 2009 to RM66.78 million for FYE 31 December 2010. Telecommunications network services recorded an increase in revenue by 31.75% or RM14.98 million from RM47.18

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

million for FYE 31 December 2009 to RM62.16 million for FYE 31 December 2010. These increased in revenue was primarily due to new deployment contracts secured from Huawei and ZTE amounting to RM7.3 million, and works from existing deployment contracts from NEC and Ericson amounting to RM14.3 million.

In addition, contribution from our Group's M&E engineering services improved by 1,425.93% from RM0.27 million for FYE 31 December 2009 to RM4.12 million for FYE 31 December 2010 mainly due to M&E contracts secured for several fast food outlets, a factory and a university during the current financial year.

Our Group's trading income segment also recorded an improved revenue of 465.08% or RM2.93 million from RM0.63 million for FYE 31 December 2009 to RM3.56 million for FYE 31 December 2010. This was mainly attributed to the increase in orders from two (2) of our existing major customers to provide them with telecommunications network equipment and materials.

Furthermore, our Group's new venture into provisions of green energy and power solutions had also contributed positively since the acquisition of EI Power in the fourth quarter of FYE 31 December 2010, which had contributed approximately RM2.36 million in revenue. The main revenue contributors are from the provision of power generation equipment including engine-generators, alternators and other related equipment used for commercial, retail and factory buildings.

Cost of Sales

Despite the increase of 45.43% in revenue, the Group's overall cost of sales only increased by 40.13% from RM39.17 million for FYE 31 December 2009 to RM54.89 million for FYE 31 December 2010. This was mainly due to certain costs that did not increase in tandem with the increase in revenue mainly project expenses which include travelling expenses, accommodation and warehouse rental and labour/sub-contractor costs.

GP

Our Group's gross profit increased by 76.15% from RM6.75 million for FYE 31 December 2009 to RM11.89 million for FYE 31 December 2010 and our GP margin had improved from 14.71% to 17.81%. This was mainly contributed by the increase in gross profit from deployment segment with an increase by 114.66% or RM4.38 million as a result of lower costs as mentioned above.

Furthermore, the gross profit of our Group's trading activities improved by 975.00% or approximately RM0.78 million from RM0.08 million for FYE 31 December 2009 to RM0.86 million for FYE 31 December 2010. This was mainly due to market demand for our Group's products which in turn depends on the market condition and the need for these products by telecommunications operators.

PBT

Our Group recorded an increase in PBT by RM3.72 million from RM1.27 million for FYE 31 December 2009 to RM4.99 million for FYE 31 December 2010 and our Group's PBT margin had also improved from 2.77% for FYE 31 December 2009 to 7.47% for FYE 31 December 2010. This was mainly contributed by the increase in gross profit coupled with smaller increase in operating expenses which was not in tandem with the increase in revenue such as depreciation, staff costs and rental expenses.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

PAT

Our Group recorded an improvement in PAT by RM2.72 million from RM0.80 million for FYE 31 December 2009 to RM3.52 million for FYE 31 December 2010 which was consistent with the improvement in PBT as stated above.

(iv) FYE 31 December 2011 compared to FYE 31 December 2010

Revenue

For FYE 31 December 2011, our Group's revenue improved by 32.27% or approximately RM21.55 million from RM66.78 million for FYE 31 December 2010 to RM88.33 million for FYE 31 December 2011. The increase in revenue was mainly contributed from revenue generated from the telecommunication network services resulting from an increase in orders secured from our new and existing customers. This was primarily due to the increase in revenue from new and existing turnkey contracts secured for expansions of WiMAX and 3G coverage which amounted to a total of RM9.80 million.

Our Group's new venture into provisions of green energy and power solution in the fourth quarter of 2010 had also contributed approximately RM14.96 million in revenue, which was solely generated from sale of gen-sets, in the FYE 31 December 2011.

Cost of Sales

Cost of sales had increased by 20.08% from RM54.89 million for FYE 31 December 2010 to RM65.91 million for FYE 31 December 2011. This was mainly due to the increase in green energy and power solution segment from RM2.11 million for FYE 31 December 2010 to RM12.73 million for FYE 31 December 2011.

GP

Our Group's GP recorded an increase by 88.48% from RM11.89 million for FYE 31 December 2010 to RM22.41 million for FYE 31 December 2011. Our Group's GP margin had also increased from 17.81% in FYE 31 December 2010 to 25.38% in FYE 31 December 2011. This increase in GP margin was mainly contributed by the improved GP margin achieved from telecommunications network services activities. The increase in GP margin is due to improvement in cost efficiency arising from lower cost of materials, improved efficiency of sub-contracting works as a result of close monitoring by our Group as well as increased labour efficiency (i.e. employee output) as a result of:

- efficient job allocation whereby a team of staff undertaking telecommunications network services are allocated more sites to be attended to within a particular area;
- extensive on the job training provided to staff to enhance their skill sets which improves the duration of tasks performed as well as lowers the ratification work to be conducted thereafter; and
- economies of scale due to additional sites being constructed or serviced within the same area.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

PBT

Our PBT increased by RM7.34 million from RM4.99 million for FYE 31 December 2010 to RM12.33 million for FYE 31 December 2011 representing an increase of 147.09%. This was mainly contributed from the improved GP from existing activities and contributions from our Group's venture in green energy and power solution since the fourth quarter of FYE 31 December 2010. In addition, the smaller increase in cost of sales which was not in tandem with the increase in revenue had also resulted in the improved PBT margin from 7.47% for FYE 31 December 2010 to 13.96% for FYE 31 December 2011.

PAT

In line with the increase in PBT, PAT had also increased by approximately RM5.68 million from RM3.52 million for FYE 31 December 2010 to RM9.20 million for FYE 31 December 2011. Other comprehensive income of RM3.42 million was mainly attributable to surplus arising from the revaluation of freehold and leasehold land and building.

General information for FYE 31 December 2008 to FYE 31 December 2011

Impact from foreign currency exchange rates

Our Group's revenue are mainly within the domestic market, i.e. Malaysia. Our Group's raw materials and trading products are sourced locally with approximately 17.32% of the total cost of sales are sourced from overseas suppliers for FYE 31 December 2011. Our exposure to foreign exchange risks is minimal due to the nature of workflow of our Group. OCK only places orders for its supplies once purchase orders are received. Hence, this allows minimal foreign currency exposure in terms of gains and/or losses. We have not experienced any significant gains or losses on foreign exchange rates during the four (4) financial years from FYE 31 December 2008 to FYE 31 December 2011.

	<-----Proforma Audited FYE 31 December ----->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Net foreign exchange losses	-	-	9	1

Impact from interest rates

Our Group's gearing stood at 1.46 times as at FYE 31 December 2011 and all our borrowings are interest bearing obligations. Bank Negara Malaysia has thus far in 2010 increased the Overnight Policy Rate several times to prevent any overheating in the economy and to counter inflation. However, 53.46% of our borrowings or about RM14.69 million is in the form of revolving project loan with a fixed interest rate of 7% per annum. Notwithstanding the above, any interest rate hike will affect businesses and hence, we will monitor and plan for alternative financing options should the need arise. During the four (4) years from FYE 31 December 2008 to 2011, our results were not adversely affected by interest rate fluctuations.

Impact from commodity prices

During the four (4) years from FYE 31 December 2008 to 2011, our results were not significantly affected by commodity price. If at anytime we are unable to absorb the bulk increase of the commodity price, we would discuss an appropriate variation in the frame agreements with our clients to negate any negative impact on our profit margins.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Impact of inflation

Our Group's financial performance during the four (4) years from FYE 31 December 2008 to 2011 were not significantly affected by the impact of inflation even though our Group had absorbed part of the inflation costs. Notwithstanding that, we do not foresee any problems arising from passing on portions of the effect of higher costs of sales due to inflation to our customers in the future. However, there is no assurance that our business will not be adversely affected by the impact of inflation in the future.

Political, economic and regulatory policies

Risks relating to political, economic and regulatory policies which may materially affect our business and financial performance are set out in Section 4.1(xi) of this Prospectus.

Save for a change in government regulations in relation to the products we sell, there is no material impact arising from government, economic, fiscal or monetary policies that could materially affect our operations and financial performance.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working Capital

Our business operations have been financed by a combination of internal and external sources of funds. Internal funds are mainly shareholders' equity and cash generated from the operations while the external sources are the various credit facilities extended to us by financial institutions and Malaysia Debt Ventures Berhad.

The following table sets out our proforma current and gearing ratio for the FYE 31 December 2008 to 2011:

	<---- Proforma Audited FYE 31 December ---->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Current Assets	27,895	31,943	35,652	51,055
Current Liabilities	26,856	30,136	31,411	38,707
Current Ratio (times)	1.04	1.06	1.14	1.32
Borrowings	23,141	22,013	22,158	27,481
Total equity prior to Public Issue ^	3,572	4,400	8,207	18,779
Gearing (times)	6.48	5.00	2.70	1.46

Note:

^ Represents proforma equity attributable to the owners of OCK computed based on the assumption that our current Group structure has been in existence as at 1 January 2008.

As at FYE 31 December 2011, our Group's total current assets amounted to approximately RM51.06 million comprising mainly inventories, receivables and cash and bank balances and our current ratio is 1.32 times. In addition, as at FYE 31 December 2011, we have banking facilities amounting to RM36.73 million of which RM27.48 million have been utilised thus far resulting in a gearing level of 1.46 times as at FYE 31 December 2011 whilst our interest coverage ratio is 8.78 times based on our interest expenses for the FYE 31 December 2011. Further details of our Group's borrowings are disclosed in Section 12.3.3 of this Prospectus.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

(i) Current Ratio

Our current ratio has strengthened over the financial years under review from 1.04 times for FYE 31 December 2008 to 1.32 times for FYE 31 December 2011. The improvement was a result of current assets in the form of receivables and cash and cash equivalents which has grown in advance of the additional current liabilities incurred by our Group.

(ii) Gearing Ratio

The gearing ratio of our Group had decreased from 6.48 times in FYE 31 December 2008 to 1.46 times FYE 31 December 2011. The relatively high gearing ratio of our Group during the financial years under review is mainly contributed by the revolving project loan which was secured for the purpose of project financing for our Group's network deployment activities.

With our Group's profitability, the Board is confident that we will be able to generate sufficient working capital and/or secure necessary financing facilities to meet any of our further operations and future plans.

Our Directors are of the opinion that, after taking into account the cash and cash equivalents, the banking facilities made available to our Group as well as the net proceeds to be raised from the Public Issue, we will have adequate working capital to meet our present and foreseeable requirements for a period of twelve (12) months from the date of this Prospectus.

12.3.2 Cash Flow Summary

The following table sets out the summary of our proforma consolidated statement of cash flows for the FYE 31 December 2011, which have been prepared for illustrative purposes only based on the assumption that our current Group structure has been in existence throughout the financial year under review and should be read in conjunction with the notes and assumptions included in the Reporting Accountants' Letter on Proforma Consolidated Financial Information as set out in Section 11.4 of this Prospectus.

	RM'000
Net operating cash flows	938
Net investing cash flows	300
Net financing cash flows	2,625
Net change in cash and cash equivalents	3,863
Cash and cash equivalents at the beginning of the financial year	5,347
Effects of exchange rate changes	(1)
Cash and cash equivalents at the end of the financial year	9,209

Net operating cash flows

During the FYE 31 December 2011, our Group generated a cash inflow of RM0.94 million from our operating activities on the back of a PBT of RM12.33 million after adjusting for amongst others the following:

- working capital changes of RM3.58 million which includes increase in receivables of RM5.58 million, inventories of RM4.71 million and payables of RM1.58 million; and
- tax paid of RM2.69 million.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Net investing cash flows

During the FYE 31 December 2011, we recorded a net cash inflow of RM0.30 million in investing activities mainly due to the disposal of assets held for sale amounted to RM1.03 million, RM0.88 million and RM0.84 million were utilised for the purchase of property, plant and equipment and acquisition of subsidiary companies respectively.

Net financing cash flows

During the FYE 31 December 2011, we recorded a net cash inflow of RM2.63 million in financing activities mainly due to the drawdown on revolving of project loan which amounted to RM23.41 million. This cash receipts were offset by the repayment made for short term borrowings which amounted to RM19.27 million during the year.

Save as disclosed in Section 12.7 of this Prospectus, there is no legal, financial or economic restriction on the ability of our subsidiary companies to transfer funds to our Company in the form of cash dividends. Thus, we are confident we can meet our cash obligations as and when the need arises.

12.3.3 Borrowings

As at 31 December 2011, all our borrowings are secured local borrowings and interest bearing, details of which are as follows:

Note	Proforma		
	Payable within Twelve (12) Months RM'000	Payable after Twelve (12) Months RM'000	Total RM'000
Bills payable	(i) 4,228	-	4,228
Hire purchase payables	(ii) 690	887	1,577
Term loans	(iii) 366	6,079	6,445
Revolving project loan	(iv) 14,691	-	14,691
Bank overdrafts	540	-	540
Total	20,515	6,966	27,481
Gearing*			1.46
Gearing[^]			0.63

Notes:

- (i) Bills payable were trade financing facilities to finance the import/purchase of goods.
- (ii) Hire purchase payables were utilised to finance purchases of motor vehicles.
- (iii) Term loans were obtained to finance the acquisition of commercial and industrial properties.
- (iv) Revolving project loan was a project financing facility granted by Malaysia Debt Ventures Berhad.
- * Calculated based on proforma shareholders' funds before our Public Issue.
- ^ Calculated based on proforma shareholders' funds after Public Issue and utilisation of proceeds

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

The details of the types of credit facilities that we use and its balances as at the LPD are as follows:

Type of Financial Instruments	Tenure	Interest Rates	Credit Limit RM'000	Balance as at the LPD RM'000
Bank overdrafts	-	1.5% to 2% above bank's base lending rate	4,250	3,212
Bankers' acceptances	Between 90 to 120 days	1% per annum bankers' acceptances' commission rate charged + bank's cost of fund	10,700	6,796
Letters of credit/ trust receipts	120 days	Bank's base lending rate + 1.00% to 2% per annum.		
Hire purchase	Ranging from 3 to 5 years	Between 4.09% to 6.57% per annum	2,526	1,454
Term loan	240 months and 120 months installment commencing from first drawdown date of each drawdown	Bank's base lending rate minus 1.25% to 1.80%	6,700	6,645
Revolving project loan	Revolving with 9 months repayment period, expiring by January 2013	7% per annum	18,200	15,060
	Repayable on demand and maximum up to 210 days for each tranche of disbursement	7.85% per annum	10,000	7,884
			52,376	41,051

As at the LPD, our Group recorded a cash and cash equivalent balance of RM3.57 million.

As at the LPD, our Group does not have any non-interest bearing borrowings or foreign borrowings. We have not defaulted on any payment of either principal sum and/or interest in relation to our borrowings during FYE 31 December 2008 to 2011 and up to the LPD.

As at the LPD, neither our Company nor any of our subsidiary companies is in breach of any terms and conditions or covenants associated with the credit arrangement or bank loan which can materially affect our financial position and results or business operations or the investments by holders of securities in us.

12.3.4 Material Capital Commitments

As at the LPD, there is no material capital commitment incurred or known to be incurred by us or our subsidiary companies, which upon becoming enforceable, may have a material impact on our financial position.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.3.5 Material Litigation

As at the LPD, neither we nor our subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant, which may have a material and/or adverse effect on our financial position or business.

12.3.6 Contingent Liabilities

As at the LPD, saved as disclosed below, our Board is not aware of any other indirect and/or material contingent liability which has become enforceable or is likely to become enforceable, which in the opinion of our Directors, will or may substantially affect the ability of our Group to meet our obligations as and when they fall due.

	Amount RM'000
Corporate guarantee given by OCK Setia to secure credit facilities granted to:	
- OCK M&E	1,600
Performance guarantees issued in favour of third parties for performance of contracts such as performance bonds granted to telecommunications operators:	
- OCK Setia	4,808
- Firatel	100
- EI Power	14
	<hr/> 6,522

12.4 FINANCIAL INSTRUMENTS FOR HEDGING

Our Group has a forward contract facility amounting to RM9.0 million but not utilised as at the LPD.

12.5 KEY FINANCIAL RATIOS

12.5.1 Trade Receivables

A summary of trade receivables of the proforma Group for the four (4) FYE 31 December 2008 to 2011 are set out below:

	--> Proforma Audited FYE 31 December -->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Trade receivables	19,220	19,958	19,116	24,262
Revenue	45,606	45,920	66,778	88,325
Percentage of trade receivables to revenue (%)	42.14	43.46	28.63	27.47
Trade receivables turnover period (days)	154	159	104	100

The normal credit period generally granted by our Group to our customers is between 30 days to 90 days. Our credit terms to customers are assessed and approved on a case-by-case basis. Our trade receivables turnover period has historically been higher than our Group's credit period granted to our customers, mainly due to high volume of work orders received from customers towards end of the calendar year as it is normal in telecommunications network services whereby there is higher capital expenditure made by the telecommunications operator towards the end of the year.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

Further thereto, there are instances whereby delays in payments by customers are due to finalisation of project details between site supervisors, our Group and the head offices of such telecommunications operators as well as technology providers, which increase receivable turnover period. Further, it is the industry practice whereby billings can only be made upon completion of the construction of the sites and are usually carried out in batches. Whilst this is a norm in the industry, we ensure that our project management team records and compile project documentations in the proper order to ensure prompt payment. However, there is no assurance that we are able to receive payment promptly due to work flow at the customers' end. Any delay in payment will affect our cash flows position but is mitigated by the use of project financing which is obtained for larger projects. Such project financing are a requirement by some customers to ensure continuity of work performance by our Group in the event of any financial constraints including delay in payments by the customers. Project financing increases our gearing ratio when utilised. However, the use of project financing ensures that both the customer and we are able to complete such project in a timely manner and the projects are not affected by any payment delays as detailed above.

Nevertheless, we ensure that proper diligence is conducted in terms of evaluation of credit risk assessments, project size and customers' funding to ensure such delays whilst undeniably exists, is mitigated thoroughly and that our project financing and subsequently gearing, does not increase unnecessarily and without diligent monitoring.

As at the LPD, we have not experienced any instances of significant bad debts for the financial years under review. Our Group will assess the impairment of trade receivable on individual customer basis and impair trade receivable balances which have been outstanding for more than six (6) months. As at the LPD, we have made an allowance for doubtful debts at M&E services segment which amounted to RM0.27 million for the FYE 31 December 2011.

The trade receivables turnover period was higher for FYE 31 December 2008 and FYE 31 December 2011 mainly due to more work orders received during the last quarter of the respective years and the extended credit period granted to two (2) of our major customers.

Further details of our Group's gearing ratio are disclosed in Section 12.3.1 of this Prospectus.

As at 31 December 2011, the analysis of the net trade receivables of our Group amounted to approximately RM23.96 million are as follows:

	Exceeding Credit					Total
	<---Within Credit Period (days) -->			<----Period (days) ---->		
	0 ~ 30	31 ~ 60	61 ~ 90	91 ~ 120	Over 120	
Trade receivables (RM'000)	10,213	8,810	3,166	857	1,485	24,531
Less: Impairment loss (RM'000)	-	-	-	-	(269)	(269)
	10,213	8,810	3,166	857	1,216	24,262
Less: Retention sum (RM'000)	(41)	-	-	-	(259)	(300)
Net trade receivables (RM'000)	10,172	8,810	3,166	857	957	23,962
Percentage of total net trade receivables (%)	42.45	36.77	13.21	3.58	3.99	100.00
Subsequent collections as at the LPD (RM'000)	(9,934)	(8,690)	(3,141)	(790)	(83)	(22,638)

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

	Exceeding Credit <---Within Credit Period (days)--->					Total
	0 - 30	31 - 60	61 - 90	91 - 120	Over 120	
Net trade receivables net of subsequent collections (RM'000)	238	120	25	67	874	1,324
Percentage of net trade receivables net of subsequent collections to total net trade receivables (%)	0.99	0.50	0.10	0.28	3.65	5.52
Revenue (RM'000)						88,325
Percentage of net trade receivables net of subsequent collections to revenue (%)						1.50

As at the LPD, all trade receivables outstanding have been collected save for RM1.32 million which represents 5.52% of the total receivables as at FYE 31 December 2011. We have collected a total of RM22.64 million of the outstanding amount subsequent to the LPD. The remaining unsettled balances were mainly due to finalisation of project account with a major customer and amounts receivable by customers from green energy and power solutions segment which would be settled within a period of twelve (12) months after the implementation of the systems.

12.5.2 Trade Payables

A summary of trade payables of the proforma Group for the four (4) FYE 31 December 2008 to 2011 are set out below:

	<--- Proforma Audited FYE 31 December --->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Trade payables	8,667	11,425	10,162	13,205
Cost of sales	39,815	39,166	54,888	65,912
Percentage of trade payables to cost of sales (%)	21.77	29.17	18.51	20.03
Trade payables turnover period (days)	79	106	68	73

The normal credit terms granted to our Group by our suppliers ranges from 30 days to 90 days. Our trade payables turnover period ranged from approximately 68 days to 106 days during the financial years under review. The trade payable turnover period was higher for FYE 31 December 2009 mainly due to higher year end billing and more projects awarded towards the last quarter of the year.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

As at FYE 31 December 2011, the analysis of the net trade payables of our Group amounted to approximately RM0.13 million are as follows:

	<-- Within Credit Period (days) -->			Exceeding Credit		Total
	0 - 30	31 - 60	60 - 90	<-- Period (days) -->	90 - 120	
Trade payables (RM'000)	6,931	2,969	1,904	701	700	13,205
Less: Retention sum (RM'000)	-	-	-	-	(51)	(51)
Net trade payables	6,931	2,969	1,904	701	649	13,154
Percentage of total net trade payables (%)	52.69	22.57	14.48	5.33	4.93	100.00
Subsequent payments as at the LPD (RM'000)	(6,899)	(2,969)	(1,903)	(701)	(608)	(13,080)
Net trade payables net of subsequent payments (RM'000)	32	-	1	-	41	74
Percentage of net trade payables net of subsequent payments to total net trade payables (%)	0.24	-	0.01	-	0.31	0.56

As at the LPD, all trade payables outstanding have been paid, save for RM0.07 million which represents 0.56% of the total payables as at FYE 31 December 2011. A significant portion of the balance of trade payables, after subsequent payments of approximately RM13.08 million, is due to delays occurring from finalisation of project accounts by the contractor(s) and the contract owner once an M&E project is completed, hence lengthening the completion of payment to us.

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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.5.3 Inventories

A summary of inventories of the proforma Group for the four (4) FYE 31 December 2008 to 2011 are set out below:

	----- Proforma Audited FYE 31 December ----->			
	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Work in progress	1,535	3,770	2,635	5,766
Raw material	927	1,512	1,518	2,475
Finished goods	-	-	-	545
Goods in transit	-	-	-	73
	2,462	5,282	4,153	8,859
Cost of sales	39,815	39,166	54,888	65,912
Percentage of inventories to cost of sales (%)	6.18	13.49	7.57	13.44
Inventories turnover period (days)	23	49	28	49

Our Group's inventories are controlled by the warehousing department and the inventories required varies in accordance with the respective project requirements. Our Group always work closely with our clients and project managers in inventory planning and requirements throughout the project period.

Generally, the average inventory holding period for our Group is 60 days. For our trading and provisions for green energy and power solutions, orders will be made upon demand. Our inventories turnover period are at 23 days, 49 days, 28 days and 49 days for FYE 31 December 2008, FYE 31 December 2009, FYE 31 December 2010 and FYE 31 December 2011 respectively, all of which is within our average inventories holding period.

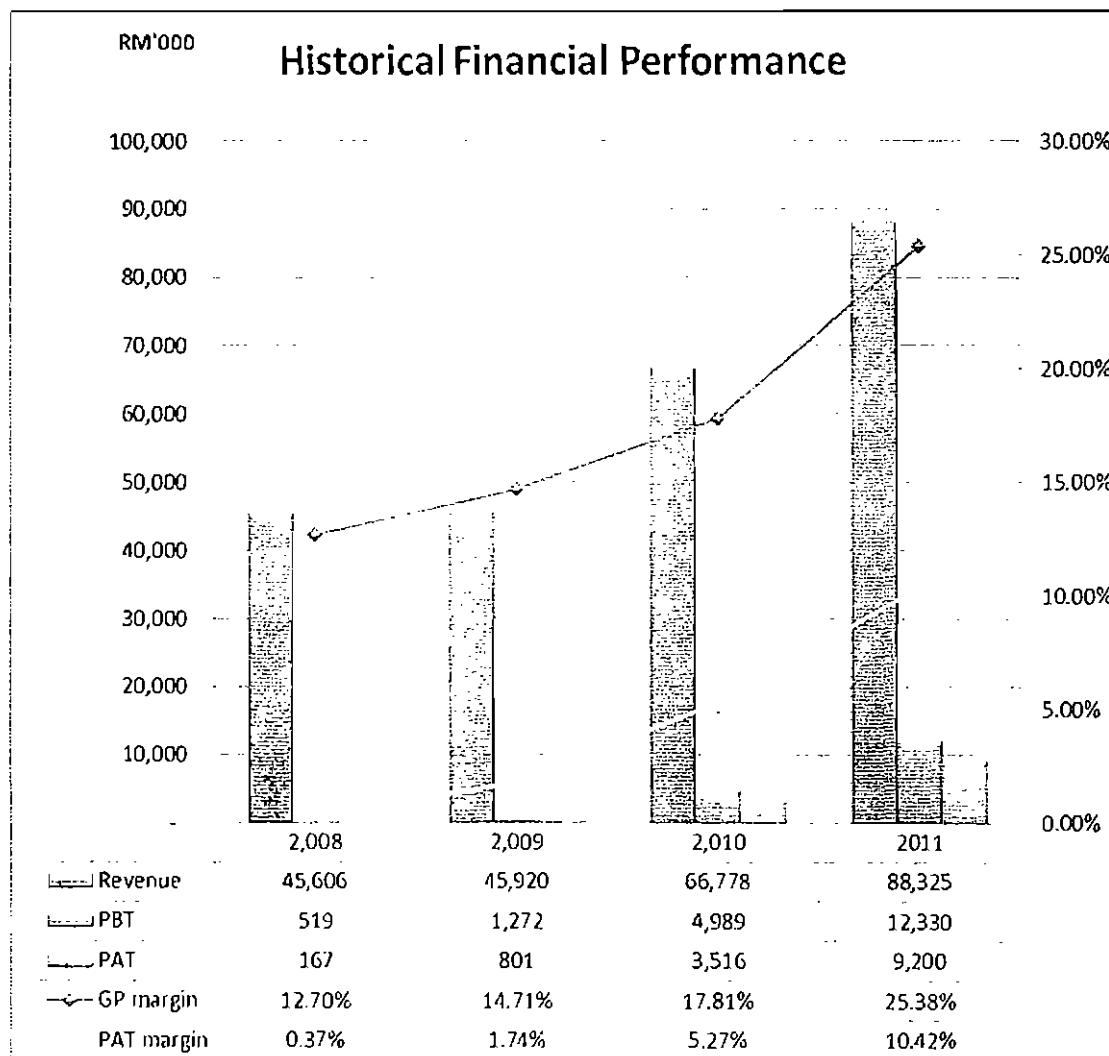
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12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.6 SIGNIFICANT TRENDS

12.6.1 Revenue and Business and Financial Prospects

Based on the financial performance and business operations of our Group over the four (4) FYE 31 December 2008 to 2011, the following trends were observed:



The Group recorded a growth in revenue from RM45.61 million in FYE 31 December 2008 to RM88.33 million in FYE 31 December 2011.

The revenue growth of 32.27% or approximately RM21.55 million from FYE 31 December 2010 to FYE 31 December 2011 was mainly due to contribution from new and existing turnkey contracts secured for expansions of WiMAX and 3G coverage from existing and new customers and new venture into provisions of green energy and power solution in the fourth quarter of 2010.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

The overall increase in business volume is in line with the growth of the telecommunications industry. The Board believes that the growth momentum is sustainable in the next few years based on the following factors:

- According to the market research conducted by Protégé Associates, the total revenue of the telecommunications network services market in Malaysia stood at RM5.80 billion in 2011. By 2016, this is expected to grow to RM6.70 billion, representing a CAGR of 2.9% over the next five (5) years;
- The growing prominence of broadband internet and the need for corresponding infrastructure advancement in technology of ICT products leading to greater use and need for telecommunications networks;
- The continued need for capital expenditure among telecommunications operators (especially mobile operators) to upgrade and update networks; and
- The increasing use of telecommunications technology for business and personal applications.

Our GP margin has been on an increasing trend, ranging from 12.70% to 25.38% over the four (4) FYE 31 December 2008 and FYE 31 December 2011. Despite the competitive nature of the telecommunications industry, we believe that our competitive strength, amongst others, being an established telecommunications network service provider for more than ten (10) years with a proven track record, will guide the continued growth of our GP.

Please refer to Section 12.2.5 of this Prospectus for further information on revenue and GP of our Group.

Please refer to Section 7 of this Prospectus for further information on our industry's prospects.

12.6.2 Directors' Declaration on our Group's Financial Performance

As at the LPD, to the best of our Directors' knowledge and belief, our operations have not been and are not expected to be affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had, or that our Group reasonably expects to have a material impact on our financial performance, position and operations other than those discussed in this section and Sections 4, 6 and 7 of this Prospectus;
- (ii) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, position and operations save as disclosed in this section and Section 4 of this Prospectus;
- (iii) known trends, demands, commitments, events or uncertainties that have resulted in a material impact on our revenue and/or profits, save for those that have been disclosed in this section and Sections 4, 6 and 7 of this Prospectus;
- (iv) known trends, demands, commitments, events or uncertainties that have had, or that we reasonably expect to have, a material impact on our liquidity and capital resources other than those discussed in this section and Sections 4, 6 and 7 of this Prospectus;
- (v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of our future financial performance and position other than those discussed in this section and Section 4 of this Prospectus.

Based on the outlook of the telecommunications industry in Malaysia as set out in Section 7 of this Prospectus, our Group's competitive strengths as set out in Section 6.5 of this Prospectus and our future plans as set out in Section 6.15 of this Prospectus, our Board is optimistic about the future prospects of our Group.

12. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS (Cont'd)

12.7 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy. The declaration of interim dividends and the recommendation of any final dividends are subject to the discretion of our Board and any final dividend proposed is subject to our shareholders' approval.

Upon Listing, our Board intends to adopt a stable and sustainable dividend policy to allow our shareholders to participate in the profits of our Group while maintaining an optimal capital structure and ensuring sufficient funds for our future growth.

Investors should take note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our Company's future dividends, which are subject to our Board's absolute discretion.

Our ability to pay future dividends to our shareholders is subject to various factors including but not limited to our financial performance, cash flow requirements, availability of distributable reserves and capital expenditure plans.

As our Company is an investment holding company, our income and therefore, our ability to pay dividends is dependent upon the dividends and other distributions that we receive from our subsidiary companies. The payment of dividends or other distributions by our subsidiary companies will depend on their operation results, financial condition, capital expenditure plans, business expansion plans and other factors that their respective board of directors deem relevant.

12.8 FUTURE FINANCIAL INFORMATION

There will be no future financial information for the FYE 31 December 2012 which has been prepared for the inclusion into this Prospectus.

Our Board is not aware of material adverse information or known facts about our liquidity, capital resources and future results of operations which would reasonably have any material adverse effect on the financial condition and results of Group which would make the historical information herein irrelevant to investors' evaluation.

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