

RESPONSIBILITY STATEMENTS

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF OPCOM HOLDINGS BERHAD ("OPCOM" OR THE "COMPANY") AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAIN HEREIN AND CONFIRM THAT, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING.

AMMERCHANT BANK BERHAD, BEING THE ADVISER, SPONSOR AND MANAGING UNDERWRITER 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 THE INITIAL PUBLIC OFFERING.

STATEMENTS OF DISCLAIMER

THE SECURITIES COMMISSION AND THE KUALA LUMPUR STOCK EXCHANGE HAVE APPROVED THE INITIAL PUBLIC OFFERING AND THE APPROVALS SHALL NOT BE TAKEN TO INDICATE THAT THE SECURITIES COMMISSION AND THE KUALA LUMPUR STOCK EXCHANGE RECOMMEND THE INITIAL PUBLIC OFFERING.

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INVESTORS SHOULD RELY ON THEIR 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 THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

CHARACTERISTICS OF THE MESDAQ MARKET OF KUALA LUMPUR STOCK EXCHANGE: -

INVESTORS SHOULD BE AWARE THAT MESDAQ IS A DISTINCT MARKET FROM THE MAIN AND SECOND BOARDS IN MANY RESPECTS. IN PARTICULAR, COMPANIES LISTED ON MESDAQ ARE SUBJECT TO DIFFERENT QUANTITATIVE AND QUALITATIVE REQUIREMENTS, WHICH HAVE BEEN PRIMARILY DESIGNED TO ACCOMMODATE HIGH-GROWTH AND/OR TECHNOLOGY COMPANIES. COMPANIES THAT ARE LISTED ON MESDAQ MAY NOT HAVE AN OPERATING HISTORY OR ANY PROFIT TRACK RECORD PRIOR TO LISTING. AS SUCH, WHILST POTENTIAL INVESTMENT RETURNS MAY BE RELATIVELY HIGH, COMPANIES LISTED ON MESDAQ MAY BE OF HIGHER INVESTMENT RISK. THE REGULATORY PHILOSOPHY UNDERLYING THE MESDAQ MARKET IS THAT THE MARKET SHOULD BE ALLOWED TO DETERMINE THE MERITS OF THE SECURITIES/INSTRUMENTS IN A PARTICULAR COMPANY. HENCE, AS WITH ALL INVESTMENTS, PROSPECTIVE INVESTORS SHOULD BE AWARE OF ALL POTENTIAL RISKS IN INVESTING IN SUCH COMPANIES AND SHOULD MAKE THE DECISION TO INVEST AFTER DUE AND CAREFUL CONSIDERATION BY REFERRING TO, AMONGST OTHERS, THE PROSPECTUS, LATEST FINANCIAL STATEMENTS AND CORPORATE ANNOUNCEMENTS. IN THIS RESPECT, ADVICE FROM A SECURITIES PROFESSIONAL/ADVISER IS STRONGLY RECOMMENDED.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SECURITIES COMMISSION. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

OTHERS

THIS PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM KUALA LUMPUR STOCK EXCHANGE'S WEBSITE AT www.klse.com.my

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for Opcom's entire enlarged share capital on the MESDAQ Market of the Kuala Lumpur Stock Exchange is set out below: -

<u>Date</u>	<u>Event</u>
3 December 2003	: Issue of Prospectus/Opening date of the IPO
10 December 2003	: Closing date of the IPO
12 December 2003	: Tentative date for balloting of applications
18 December 2003	: Tentative allotment date
22 December 2003	: Tentative listing date

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION PERIOD WILL REMAIN OPEN UNTIL 8.00 P.M. ON 10 DECEMBER 2003 OR FOR SUCH FURTHER PERIOD OR PERIODS AS THE DIRECTORS AND/OR PROMOTERS OF OPCOM TOGETHER WITH THE MANAGING UNDERWRITER IN THEIR ABSOLUTE DISCRETION MAY DECIDE AND ANNOUNCE THROUGH PRESS NOTICES.

DEFINITIONS

In this Prospectus, unless where the context requires otherwise, the following words and abbreviations shall have the following meanings: -

Act	:	The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof for the time being in force
ADA	:	Authorised Depository Agent
ADA Code	:	ADA (Broker) Code
AmMerchant Bank	:	AmMerchant Bank Berhad (23742-V)
Application	:	The application for the IPO Shares by way of Application Forms or by way of Electronic Share Application
Application Form(s)	:	The printed Application Form(s) for the application for the IPO Shares
CDS	:	Central Depository System
Central Depositories Act	:	The Securities Industry (Central Depositories) Act, 1991 or any statutory modification, amendment or re-enactment thereof for the time being in force
Central Depository or MCD	:	Malaysian Central Depository Sdn. Bhd. (165570-W), a subsidiary of KLSE
CEO	:	Chief Executive Officer
Deposited Security	:	A security in the Company standing to the credit of a Securities Account of a Depositor subject to the provision of the Central Depositories Act and the Rules
Depositor	:	A holder of a Securities Account
EBIDTA	:	Earnings before interest, depreciation, taxation and amortisation
Electronic Share Application	:	An application for the IPO Shares through Participating Financial Institutions

DEFINITIONS (Cont'd)

EPS	:	Earnings per share
Ericsson	:	Ericsson Network Technologies AB (previously known as Ericsson Cables AB) of Sweden
FIC	:	Foreign Investment Committee
IPO	:	Initial Public Offering, namely the Public Issue
IPO Price	:	RM0.80 for each IPO Share
IPO Shares	:	The Public Issue Shares
KLSE/Exchange	:	Kuala Lumpur Stock Exchange (30632-P)
Listing	:	Admission to the Official List and the listing of and quotation for the entire issued and paid share capital of Opcom of RM17,200,000 comprising 86,000,000 ordinary shares of RM0.20 on the MESDAQ Market
Listing Requirements	:	The Listing Requirements of the KLSE for the MESDAQ Market
Listing Scheme	:	The Sub-division and the Public Issue, collectively
Malaysian Public	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
MCMC	:	Malaysian Communications and Multimedia Commission
MESDAQ Market	:	The MESDAQ Market of the KLSE
MI	:	Minority interest
MIDA	:	Malaysian Industrial Development Authority
MIH or Issuing House	:	Malaysian Issuing House Sdn Bhd (258345-X)
MITI	:	Ministry of International Trade and Industry
MYNIC	:	Malaysian Network Information Centre, a division of MIMOS Berhad, which acts as the registry and administrator for the “.my” top level domain
NTA	:	Net tangible assets
NAV	:	Net asset value
OCSB	:	Opcom Cables Sdn Bhd (322687-T), a subsidiary of Opcom
Official List	:	A list specifying all securities which have been admitted for listing on the MESDAQ Market and not removed
OFSAS	:	Agreement between OSB and Telekom dated 10 July 1997 for the supply of fiber optic cables and accessories to Telekom
ONSB	:	Opcom Niaga Sdn Bhd (442938-M), a subsidiary of Opcom
Opcom or Company	:	Opcom Holdings Berhad (322661-W)
Opcom Group or Group	:	Opcom and its subsidiary corporations

DEFINITIONS (Cont'd)

OSB	:	Opcom Sdn Bhd (293068-D), an affiliated company of the Group
PAT	:	Profit after taxation
Participating Financial Institution(s)	:	Refers to the participating financial institutions for Electronic Share Application as listed in Section 13 of this Prospectus
PBT	:	Profit before taxation
PE Multiple	:	Price earnings multiple
Promoter(s)	:	Dato' Mukhriz Mahathir, Chhoa Kwang Hua and RTSB, collectively
Petrofibre	:	Petrofibre Network (M) Sdn Bhd (382431-D)
Public Issue	:	The public issue of 26,000,000 new ordinary shares of RM0.20 each in Opcom at an issue price of RM0.80 per new ordinary share payable in full upon application, subject to the terms and conditions of this Prospectus
Public Issue Shares	:	The 26,000,000 new ordinary shares of RM0.20 each in Opcom which are the subject of the Public Issue
R&D	:	Research and development
Record of Depositors	:	A record provided by the Central Depository to the Company under Chapter 24.0 of the Rules
RM and sen	:	Ringgit Malaysia and sen respectively
RTSB	:	Rezeki Tegas Sdn Bhd (424038-X)
Rules	:	The Rules of the Central Depository
SC	:	Securities Commission
SC Guidelines	:	SC's Policies and Guidelines on Issue/Offer of Securities
Securities Account	:	An account established by the Central Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
Share	:	Ordinary shares of RM0.20 each
Sub-division	:	The par value of RM1.00 per ordinary share of Opcom was subdivided into five(5) ordinary shares of RM0.20 each prior to the Public Issue. Consequently, the number of issued and paid-up share capital of Opcom had increased from 12,000,000 ordinary shares of RM1.00 each to 60,000,000 ordinary shares of RM0.20 each
Sumitomo	:	Sumitomo Electric Industries Ltd
TNB	:	Tenaga Nasional Berhad
Telekom	:	Telekom Malaysia Berhad

GLOSSARY OF TECHNICAL TERMS

- 3G** : 3G is a short term for third-generation wireless, and refers to near-future developments in personal and business wireless technology, especially mobile communications
- Broadband** : A communications service system with transmission speeds that exceed a given minimum bandwidth. There are various definitions for minimum bandwidth and it is sometimes defined as 128kilo bit per second ("kbps") for transfers. Generally a system capable of carrying bi-directional digital video, audio and data is considered broadband
- DOCSIS** : Data Over Cable Service Interface Specification. A relatively new industry standard defining how cable modems communicate over cable TV lines. Any DOCSIS modem will work on any DOCSIS-compatible cable data network
- DSL** : Digital Subscriber Line. A technology that delivers broadband Internet access over existing telephone wires. Micro-filters are used to filter away high frequencies so that both data and voice services can be used at the same time over the same phone line
- GPRS** : General Packet Radio Service – A planned improvement for GSM networks that implements packet switching for data communications. Instead of sending data on dedicated circuits, a packet-switching network divides the information into packets and transmits them on any of the networks available channels
- GSM** : Global System for Mobile Communications – The European standard for digital networks, which guarantees the compatibility of wireless devices – so that a German cell phone can be used on a French network, for example. Uses TDMA technology and can be implemented in 900 Mega Hertz ("MHz") or 1800 MHz and 1900 MHz frequency bands
- HDPE** : High Density Polyethylene
- ICT** : Information and communications technology
- IP** : Internet Protocol
- ITU-T** : International Telecommunications Union, in Geneva, Switzerland. ITU is one of the organizations working on forming international standards for communication. ITU-T is the arm of ITU responsible for telecommunications standards
- LAN** : Local area network
- LLDPE** : Linear Low Density Polyethylene

GLOSSARY OF TECHNICAL TERMS (Cont'd)

- PON** : Passive optical network. It is a system that brings optical fiber cabling and signals all or most of the way to the end user. Depending on where the PON terminates, the system can be described as fiber-to-the-curb (FTTC), fiber-to-the-building (FTTB), or fiber-to-the-home (FTTH). A PON consists of an Optical Line Termination (OLT) at the communication company's office and a number of Optical Network Units ("ONUs") near end users. Typically, up to 32 ONUs can be connected to an OLT. The *passive* simply describes the fact that optical transmission has no power requirements or active electronic parts once the signal is going through the network
- SIOSU 2002 MCMC** : Strategic Issues On Spectrum Usage 2002, a overview paper by MCMC in relation to the spectrum management issues relevant to the changes in network platforms and air interfaces and radiocommunication developments

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Address	Nationality / Profession
Dato' Mukhriz Mahathir	Chairman / Managing Director	20, Jalan Setiamurni 12 Bukit Damansara 50490 Kuala Lumpur	Malaysian / Director
Chhoa Kwang Hua	Executive Director	28, Jalan TR 3/1 Tropicana Golf & Country Resort 47410 Petaling Jaya Selangor Darul Ehsan	Malaysian / Director
Sven Janne Sjöden	Non-Independent Non-Executive Director	Langgatan 42, SE-824 52 Hudiksvall Sweden	Swedish / Director
Lt. Jen. (B) Dato' Seri Panglima Zaini bin Hj Mohd Said	Independent Non- Executive Director	Lot 11302, Jalan Melor 1 Sungai Kantan, Peringkat 3 43000 Kajang Selangor Darul Ehsan	Malaysian / Director
Tomio Alan Komatsu	Independent Non- Executive Director	No. 8, Limau Garden Singapore 467867	American / Financial Advisor
Abdul Jabbar bin Abdul Majid	Independent Non- Executive Director	6, Lorong Aminuddin Baki 4 Taman Tun Dr Ismail 60000 Kuala Lumpur	Malaysian / Director

AUDIT COMMITTEE

Name	Designation	Directorship
Lt. Jen. (B) Dato' Seri Panglima Zaini bin Hj Mohd Said	Chairman of Audit Committee	Independent Non-Executive Director
Tomio Alan Komatsu	Member of Audit Committee	Independent Non-Executive Director
Chhoa Kwang Hua	Member of Audit Committee	Executive Director

CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARY** : Ng Lai Cho (MAICSA No. 0868925)
1-3-10 Astana Mutiara
Jalan BRP 1/10A
Bukit Rahman Putra
Seksyen U20
40160 Shah Alam
- REGISTERED OFFICE** : 19A, Jalan Tun Mohd Fuad 3
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60000 Kuala Lumpur
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Website : <http://www.opcom.com.my>
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142-C Jalan Ampang
50450 Kuala Lumpur
Telephone No : 603-2713-6050
- PRINCIPAL BANKER** : RHB Bank Berhad (6171-M)
No. 11, 13 & 15, Jalan Niaga 16/3A
40200 Shah Alam
Selangor
Telephone No : 603-5510-3131
- ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd (258345-X)
27th Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Telephone No : 603-2693-0858

CORPORATE DIRECTORY (Cont'd)

**ADVISER, SPONSOR,
MANAGING UNDERWRITER
AND PLACEMENT AGENT** : AmMerchant Bank Berhad (23742-V)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Telephone No : 603-2078-2633/44/55

UNDERWRITERS : AmMerchant Bank Berhad (23742-V)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Telephone No : 603-2078-2633/44/55

: AmSecurities Sdn Bhd (92977-U)
15th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Telephone No : 603-2078-2788

LISTING SOUGHT : MESDAQ Market

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1. SUMMARY INFORMATION

THE SUMMARY INFORMATION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE GROUP AND INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN THE SHARES OF THE COMPANY. THE SUMMARY INFORMATION SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS.

1.1 HISTORY AND BUSINESS

Opcom was incorporated in Malaysia on 7 November 1994 under the Companies Act, 1965 as a private limited company with the name of Opcom Holdings Sdn Bhd and was subsequently converted to a public limited company on 13 May 2003 under the name of Opcom Holdings Berhad.

Opcom's principal activities are investment holding and mainly renting of buildings to its subsidiaries. Its subsidiaries, namely Opcom Cables Sdn Bhd ("OCSB") and Opcom Niaga Sdn Bhd ("ONSB"), are principally involved in manufacturing, processing, trading, dealing, importing and marketing of fiber optic cables and systems; and supply of fiber optic cables and related accessories.

OCSB is a joint venture company between Opcom and Ericsson Network Technologies AB ("Ericsson") of Sweden. OCSB was established for the purpose of manufacturing fiber optic cables and cable accessories in Malaysia for the domestic market as well as for the international markets except Sweden and India. ONSB, a wholly owned subsidiary incorporated on 14 August 1997, is primarily a trading company involved in marketing and sales of fiber optic cables to selected customers in Malaysia.

OCSB was incorporated on 7 November 1994. Opcom and Ericsson own 70.0% and 30.0% of the equity shareholding of OCSB respectively. As part of the joint venture, Ericsson and OCSB have entered into a Technical Collaboration Agreement as well as a Management Assistance Agreement in 1994 to ensure that the transfer of technology is effectively transferred and implemented and the necessary technology management know-how and personnel are provided. The manufacturing facilities of OCSB are located in Shah Alam Industrial Estate with a total land area of approximately 42,332 sq.m. OCSB commenced its production in January 1996. In 1998, OCSB was granted ISO 9002 certification. This certification was upgraded to MS ISO 9001 : 2000 in October 2003, which further strengthens the operational, systems and documentation procedures of the cables production. The maximum capacity of OCSB's plant is approximately 12,000 km per year.

Based on its survey of the leading licensed telecommunication providers, Opcom believes that it is presently the leading fiber optic cable manufacturer in Malaysia. Opcom expects to maintain its market share position in Malaysia over the next five years.

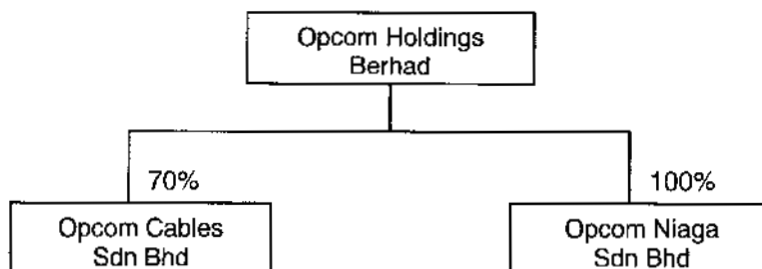
1. SUMMARY INFORMATION (Cont'd)

The details of the subsidiary corporations of Opcom are as follows: -

Corporation		Date/Place of Incorporation	Issued and Paid-up Share Capital (RM)	Effective Equity Interest (%)	Principal Activities
Opcom Cables Sdn Bhd		7.11.1994 Malaysia	16,000,000	70.0%	Manufacturing, processing, trading, dealing, importing and marketing of fiber optic cables and systems
Opcom Niaga Sdn Bhd		14.8.1997 Malaysia	100,000	100%	Supply of fiber optic cables and related accessories

Further details on the history and business of the Group are set out in Section 4 of this Prospectus.

The structure of the Group is as set out below:



1. SUMMARY INFORMATION (Cont'd)**1.2 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND TECHNICAL PERSONNEL OF OPCOM GROUP**

The direct and indirect shareholdings of the promoters, substantial shareholders and Directors of Opcom, and the key management and technical personnel of the Group are as follows: -

Name	Designation	No. of Ordinary Shares Held in Opcom After the IPO			
		Direct	(%)	Indirect	(%)
Promoters / Substantial Shareholder					
Dato' Mukhriz Mahathir	Chairman/ Managing Director	# 43,375,000	50.4	-	-
Rezeki Tegas Sdn Bhd	-	18,000,000	20.9	-	-
Chhoa Kwang Hua	Executive Director	# 1,375,000	1.6	^(a) 18,000,000	20.9
Directors					
Dato' Mukhriz Mahathir	Chairman/Managing Director	# 43,375,000	50.4		
Chhoa Kwang Hua	Executive Director	# 1,375,000	1.6	^(a) 18,000,000	20.9
Lt. Jen. (B) Dato' Seri Panglima Zaini bin Hj Mohd Said	Independent Non-Executive Director	# 500,000	0.6	-	-
Tomio Alan Komatsu	Independent Non-Executive Director	# 500,000	0.6	-	-
Sven Janne Sjöden	Non-Independent Non-Executive Director	# 500,000	0.6	-	-
Abdul Jabbar bin Abdul Majid	Independent Non-Executive Director	# 250,000	0.3	-	-
Key Management and Technical Personnel					
Kaj Roland Sjölin	Plant Manager**	# 200,000	0.2	-	-
Ahmad Sabri Abdul Manas	Head of Technical**	# 200,000	0.2	-	-
Chen Foong Leng	General Manager (Finance)*	# 150,000	0.2	-	-
Yusree Putra Alias	Head of Marketing Services**	# 500,000	0.6	-	-
Lim Bee Khin	Head of Finance**	# 500,000	0.6	-	-
Jamaliah Zainal	Senior Manager of HR and Administration*	# 150,000	0.2	-	-
Wong Keet Wah	Head of Engineering**	# 200,000	0.2	-	-
Mohd Zainol Mohd Noor	Assistant General Manager of Facility & Security Department*	# 250,000	0.3	-	-

Notes: -

(a) Deemed interested by virtue of Section 6A of the Companies Act, 1965 pursuant to his shareholding in RTSB

Including/ assuming full subscription of their respective entitlements for the pink form share allocation pursuant to the IPO

* Under Opcom

** Under OCSB

1. SUMMARY INFORMATION (Cont'd)

Details of the Promoters, substantial shareholders, Directors, key management and technical personnel of Opcom are set out in Section 5 of this Prospectus.

1.3 TECHNOLOGY, INTELLECTUAL PROPERTY, FRANCHISES AND LICENCES

Technology and Licences

On 14 November 1994, OCSB entered into a Technical Collaboration Agreement ("TCA") with Ericsson in which Ericsson agreed to transfer certain technical know-how, technical assistance and rights for the purpose of producing certain fiber optic cables by OCSB in Malaysia. The TCA also provides that OCSB may state, at any time during the tenure of the TCA, in connection with labeling, advertising or sale of its cable that such cable made by OCSB are made under licence from Ericsson. Further, pursuant to the Management Assistance Agreement ("MAA") dated 14 November 1994, Ericsson shall assist and provide technical services to OCSB.

Trademark and Intellectual Property Rights

The Group owns the "OPCOM" trademarks. The "OPCOM" trademarks have been in use by the Group since the commencement of the Group's business back in 1995. Currently, the Group has granted a non-exclusive right to use the "OPCOM" trademarks to its affiliated companies i.e. OSB and Opcom Properties Sdn Bhd.

The Group has registered the following domain names which it uses in connection with its business, with the MYNIC :-

www.opcom.com.my
www.opcomcables.com.my

Save for the above, the Group does not have any franchises, registered intellectual property rights in the form of patent, trademarks, copyright or designs.

Further details on the technology, intellectual property, franchises and licences are set out in Section 4.2.5 of this Prospectus.

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1. SUMMARY INFORMATION (Cont'd)**1.4 FINANCIAL HIGHLIGHTS**

The following table sets out a summary of the audited results of the Group for the past five(5) financial years ended 31 March 2003 and six(6) months ended 30 September 2003. The audited consolidated results should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report set out in Section 10 of this Prospectus.

	←-----Year ended 31 March----->					6 month period ended 30 September
	1999 RM'000	2000 RM'000	2001 RM'000	2002 RM'000	2003 RM'000	2003 RM'000
Revenue	28,549	31,964	31,544	39,802	46,042	37,631
EBIDTA before R&D	6,409	6,465	6,145	9,252	14,984	13,852
R&D Expenses	(101)	(190)	(112)	(165)	(74)	(41)
EBIDTA	6,308	6,275	6,033	9,087	14,910	13,811
Depreciation	(2,019)	(2,107)	(2,012)	(2,324)	(2,530)	(1,287)
Interest expense	(604)	(155)	(43)	(44)	(4)	-
Operating profit	3,685	4,013	3,978	6,719	12,376	12,524
Exceptional item	-	-	-	-	-	-
Profit before taxation	3,685	4,013	3,978	6,719	12,376	12,524
Taxation	(115)	(832)	(808)	(823)	(3,531)	(4,498)
Profit after taxation	3,570	3,181	3,170	5,896	8,845	8,026
Minority interest	(6)	(303)	(410)	(1,438)	(2,015)	(1,879)
Profit after taxation and minority interest	3,564	2,878	2,760	4,458	6,830	6,147
Number of ordinary shares of RM1.00 each in issue ('000)	12,000	12,000	12,000	12,000	12,000	12,000
Earnings per share (sen)						
- Gross	30.66	30.92	29.73	44.01	86.34	177.42*
- Net	29.70	23.98	23.00	37.15	56.92	102.45*

* Annualised figures

Notes: -

- (1) The increase in the Group revenue in 2000 of approximately RM3.4 million was mainly due to the increase in sales to OSB for the OFSAS project and securing a new customer, Sapura Transmission Sdn Bhd.
- (2) Revenue increase in 2002 was mainly due to higher demand from OSB and supply of cables to a new customer, Perspec Prime (M) Sdn Bhd, worth approximately RM3.5 million.
- (3) Revenue for 2003 increased from 2002 was attributed to higher demand from OSB.
- (4) The increase in revenue for the six (6) months period ended 30 September 2003 on an annualised basis was mainly due to higher demand from the OFSAS Project.
- (5) The interest expense for 2003 was comparatively lower as compared to other previous financial years due to less utilisation of the existing trade facilities during the financial year ended 2003.
- (6) The Group tax charge was low for the financial year ended 31 March 1999 as business income was not subject to tax in view of the tax waiver year for 1999. Taxation provided in 1999 was in respect of interest income received from 1 April 1998 to 31 December 1998.

The effective tax rates of the Group for the financial years ended 31 March 2000, 2001 and 2002 were lower than the statutory tax rate due to utilisation of investment tax allowances by a subsidiary.

The effective tax rates of the Group for the financial year ended 31 March 2003 and the period ended 30 September 2003 were higher than the statutory tax rate due to certain expenses being disallowed for tax purposes.

- (7) There were no exceptional or extraordinary items during the financial years/period under review.

1. SUMMARY INFORMATION (Cont'd)**1.5 PROFORMA CONSOLIDATED BALANCE SHEETS OF GROUP AS AT 30 SEPTEMBER 2003**

The Proforma Consolidated Balance Sheets as at 30 September 2003 set out below has been prepared for illustrative purposes only to show the effects on the audited balance sheet of Opcom, had the Listing Scheme been effected on that date.

	Audited as at 30 September 2003 RM'000	⁽¹⁾ Proforma 1 RM'000	⁽²⁾ Proforma 2 RM'000
PROPERTY, PLANT AND EQUIPMENT	26,174	26,174	37,728
CURRENT ASSETS			
Inventories	4,696	4,696	4,696
Trade and other receivables	1,347	1,347	1,347
Amount due from affiliated companies	23,200	23,200	23,200
Deposits with licensed banks	13,440	13,440	13,440
Cash and bank balance	2,492	2,492	10,238
	<u>45,175</u>	<u>45,175</u>	<u>52,921</u>
CURRENT LIABILITIES			
Trade and other payables	11,796	11,796	11,796
Amount due to Directors	17,357	17,357	17,357
Taxation	4,983	4,983	4,983
	<u>34,136</u>	<u>34,136</u>	<u>34,136</u>
NET CURRENT ASSETS	11,039	11,039	18,785
	<u>37,213</u>	<u>37,213</u>	<u>56,513</u>
REPRESENTED BY:			
SHARE CAPITAL	12,000	12,000	17,200
SHARE PREMIUM	-	-	14,100
RESERVES	14,269	14,269	14,269
SHAREHOLDERS' FUNDS	<u>26,269</u>	<u>26,269</u>	<u>45,569</u>
MINORITY INTEREST	9,599	9,599	9,599
DEFERRED TAXATION	1,345	1,345	1,345
	<u>37,213</u>	<u>37,213</u>	<u>56,513</u>
NTA	26,269	26,269	45,569
No. of Shares ('000)	12,000	60,000	86,000
NTA per Share (RM)	2.19	0.44	0.53

Notes: -

Proforma 1 – After the Sub-division of par value of RM1.00 into RM0.20 per ordinary share

Proforma 2 – Incorporates Proforma 1 and the Public Issue of 26,000,000 Shares at an issue price of RM0.80 per share after adjusting for estimated listing expenses of RM1.5 million against the Share Premium Account.

Detailed Proforma Consolidated Balance Sheets and the Reporting Accountants' letter thereon are set out in Sections 9.5 and 9.7 of this Prospectus respectively.

1. SUMMARY INFORMATION (Cont'd)**1.6 SUMMARY OF MATERIAL RISK FACTORS**

An investment in the shares listed/to be listed on the KLSE involves a number of risks, some of which, including market, industry, liquidity, credit, operational, legal and regulatory risks can be substantial and inherent in the business of the Group.

Prospective investors should rely on their own evaluations and to carefully consider the investment considerations before buying any of the Public Issue, which are the subject of this Prospectus. The investment consideration that should be considered includes, but is not limited to, the following: -

Item	Risk factors	Summary
(a)	Business Risks	As in any other business, Opcom is subject to general risks inherent in the fiber optics cable industry
(b)	New Investment Activity Risk	There are potential risks in new ventures that the Group may invest in
(c)	Borrowings	Save as disclosed in Section 9.4 of this Prospectus, the Group does not have any other borrowings and indebtedness in the form of borrowings
(d)	New Products	The Group may not be able to develop its loose tube fiber optic cables or to enhance its existing slotted core fiber optic cables on a timely and cost-effective basis
(e)	Industry Life-Cycle	The fiber optics cable industry is cyclical in nature and highly dependent on the economic and political environment of the country
(f)	Dependence on Suppliers / A Major Customer	The Group adopts various measures to minimise the risk of being too dependent on certain suppliers/customers
(g)	Foreign Currency Risk	The Group's obtains certain raw materials from foreign supplies hence is subject to foreign currency risks
(h)	Dependence on Key Personnel	The Group's success will depend to a significant extent upon the abilities and continued efforts of its existing Directors and key management
(i)	Dependence on protection of intellectual property rights	The Group's is dependent on using the "OPCOM" trademarks which had established its name in the local fiber optics cable manufacturing industry since its inception
(j)	Disruptions in automation and systems	The Group operates in a high technology environment and is susceptible to various disruptions such as disruption of electricity supply and machine breakdown

1. SUMMARY INFORMATION (Cont'd)

Item	Risk factors	Summary
(k)	Breakout of fire, energy crisis and other emergencies	The Group has periodical review on its protective measures for emergencies such as fire which may arise and interrupt the production of its cables
(l)	Insurance Coverage on Assets	The Group reviews and ensures adequate coverage for its assets and inventories on a continuous basis
(m)	Competitive Risks	The Group faces competition from both local and foreign fiber optic cables manufacturers. The Group takes comfort in the high barrier of entry for new entrants in this niche market
(n)	Dependence on a Particular Market	The Group currently focuses on the local telecommunication industry
(o)	Economic, Political and Regulatory Risks	Adverse developments in political, economic, regulatory and environment conditions in Malaysia and other countries where the Group may operate can materially and adversely affect the financial prospects of the Group
(p)	Control by Promoters / Some Shareholders	After the Public Issue, the Promoters and/or the persons connected with the Promoters will collectively control 72.9% of Opcom's issued and paid-up share capital. They will effectively control the outcome of certain matters requiring shareholders' vote
(q)	Dependency on TNB's Entrepreneur's Development Programme ("EDP")	The group currently supplies its fiber optic cables to TNB under TNB's EDP
(r)	Dependence on Technology Provider	The Group expects to rely on Ericsson for its technology and technical services for the production of loose tube fiber optic cables
(s)	Material Litigation/Legal Uncertainties	Save as disclosed in Section 12.6 as at 31 October 2003, the Group is not engaged in any material litigations, claims or arbitration either as plaintiff or defendant, or prosecution for any criminal offence, which might have material affect on the financial position or business of the Group
(t)	Competing Technologies	The technology used by the Group may subject to rapid and significant changes. There is also a risk of competing technologies.
(u)	Trade Facilities	The Group has some trade facilities with financial institutions

1. SUMMARY INFORMATION (Cont'd)

Item	Risk factors	Summary
(v)	Disclosure Regarding Forward-Looking Statements	There can be no assurance that forward-looking statements in relation to the Group as contained in the Prospectus will prove to be correct. Any differences in the expectations of the Group may materially affect the Group's financial and business performances and plans
(w)	Related Party Transactions/ Conflict of Interest	The Directors, substantial shareholders and key management have given an undertaking that all business transactions between the Group and the Directors and substantial shareholders (and their connected persons) and the key management shall be on arms length basis
(x)	No Prior Market for Opcom's Shares	There can be no assurance of an active market for Opcom shares upon its listing on the MESDAQ Market
(y)	Failure/Delay In the Listing	The success of the listing exercise is also exposed to the risk of failure or delay should certain events occur

Further details of the material risk factors are set out in Section 3 of this Prospectus.

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1. SUMMARY INFORMATION (Cont'd)**1.7 PROFORMA GROUP NTA AS AT 30 SEPTEMBER 2003**

	(Note 1) Proforma Group NTA (RM'000)	NTA per ordinary Share (RM)
After adjusting for the IPO	45,569	0.53

Note: -

- (1) After deducting the estimated listing expenses of RM1.5 million. Please refer to Section 2.7 for details on the estimated listing expenses.

The above proforma consolidated NTA is based on the enlarged issued and paid-up share capital of 86,000,000 ordinary shares of RM0.20 each in Opcom. Detailed calculations of the proforma consolidated NTA are set out in Section 9.5 of this Prospectus.

1.8 FUTURE FINANCIAL INFORMATION

No future financial information is included in this prospectus as it is difficult to forecast due to the uncertain nature and inherent risks of the business of the Opcom Group.

1.9 PRINCIPAL STATISTICS RELATING TO THE IPO**1.9.1 SHARE CAPITAL**

The following statistics relating to the IPO are derived from the full text of the Prospectus and should be read in conjunction with the text.

	Number of ordinary share of RM0.20 each	Share capital RM
AUTHORISED SHARE CAPITAL	125,000,000	25,000,000
ISSUED AND FULLY PAID-UP SHARE CAPITAL:	60,000,000	12,000,000
• New ordinary shares to be issued pursuant to Public Issue	26,000,000	5,200,000
ENLARGED SHARE CAPITAL	86,000,000	17,200,000

The Issue Price is RM0.80 per ordinary share payable in full upon application, subject to the terms and conditions of this Prospectus.

1.9.2 CLASS OF SHARES

There is only one class of shares in the Company namely ordinary shares of RM0.20 each, all of which rank pari passu with one another. The IPO Shares shall rank pari passu in all respects with the existing issued Shares of the Company, including voting rights and rights to all dividends and distributions that may be declared, paid or made subsequent to the date of allotment thereof.

1. SUMMARY INFORMATION (Cont'd)**1.10 PROPOSED UTILISATION OF PROCEEDS**

The total gross proceeds arising from the Public Issue will be utilised by the Group in the following manner: -

	Timeframe for utilisation	Amount (RM'000)
(i) Capital expenditure	24 months	11,554
(ii) Working capital	24 months	7,746
(iii) Finance estimated listing expenses	Immediate	1,500
Total proceeds		20,800

Further details of the utilisation are set out in Section 2.7 of this Prospectus.

1.11 WORKING CAPITAL, MATERIAL LITIGATIONS, BORROWINGS, CONTINGENT LIABILITIES AND COMMITMENT**(i) Working Capital**

The Directors of Opcom are of the opinion that, after taking into account the cashflow forecast and projections, the banking facilities available and the net proceeds from the IPO, the Group will have adequate working capital for a period not less than twelve (12) months from the date of issue of this Prospectus.

(ii) Material Litigations

As at 31 October 2003, being the latest practicable date prior to the printing of this Prospectus, the Group is not engaged whether as plaintiff or defendant in any legal action, proceeding, arbitration or prosecution for any criminal offence, which has a material effect on the financial position and business of the Group and the Directors do not know of any claims or proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of Opcom and its subsidiaries and associated company.

(iii) Borrowings

As disclosed in Section 9.4 of this Prospectus, as at 30 September 2003 (being the last practicable date prior to the printing of this Prospectus) the Group does not have any borrowings save for outstanding advances of RM18.6 million.

(iv) Material Contingent Liabilities

As at 31 October 2003 being the latest practicable date prior to the printing of this Prospectus, there are no material contingent liabilities incurred by the Group save for existing performance bonds and guarantees taken up by the Group in the ordinary course of business of approximately RM0.15 million.

1. SUMMARY INFORMATION (Cont'd)

(v) Material Commitments

Save as disclosed in Section 9.4 of this Prospectus, as at 31 October 2003 being the latest practicable date prior to the printing of this Prospectus, there are no material commitments for capital expenditure by the Group, which may have a substantial impact on the financial position of the Group.

Further details of the material litigations, borrowings, contingent liabilities and commitment utilisation are set out in Section 9.4 of this Prospectus.

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