

Responsibility Statements

This Prospectus has been seen and approved by the Directors and Promoter of OKA Corporation Bhd (“OKA Corporation” or the “Company”) and the Offerors and they collectively and individually accept full responsibility for the accuracy of all information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statement or other facts the omission of which would make any statement herein false or misleading.

The Adviser, Managing 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 the public offering, and are satisfied that the profit estimate and forecast (for which the directors are fully responsible) prepared for inclusion in the Prospectus have been stated by the Directors of OKA Corporation after due and careful enquiry and reviewed by Messrs KPMG, the Reporting Accountants.

The Securities Commission has approved the issue, offer or invitation in respect of the public offering and that the approval shall not be taken to indicate that the Commission recommends the public offering.

The Securities Commission shall not be liable for any non-disclosure on the part of OKA Corporation and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Prospectus. “INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT.”

The valuation approved or accepted by the Securities Commission shall only be utilised for the purpose of the corporate proposals submitted to and approved by the Securities Commission, and shall not be construed as an endorsement by the Securities Commission on the value of the subject assets for any other purposes.

The Kuala Lumpur Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Prospectus. Admission to the Official List is not to be taken as an indication of the merits of OKA Corporation or of its securities.

A copy of this Prospectus has been registered by the Securities Commission and lodged with the Companies Commission of Malaysia, who takes no responsibility for its contents.

TENTATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for the entire issued and paid-up share capital of OKA Corporation on the Second Board of KLSE is set out below :-

Events	Tentative Date
Opening of application list for the Public Issue/ and Offer for Sale of Shares	30 April 2002
Closing of application list for the Public Issue/ and Offer for Sale of Shares	14 May 2002
Balloting of Applications	17 May 2002
Despatch of Notice of Allotment of the ordinary shares to successful applicants	3 June 2002
Listing of the Company's entire issued and paid-up share capital on the Second Board of the KLSE	7 June 2002

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION LIST FOR THE ISSUE SHARES WILL CLOSE AT THE DATE AS STATED ABOVE OR LATER DATE AS THE DIRECTORS AND/OR PROMOTER OF OKA CORPORATION TOGETHER WITH THE MANAGING UNDERWRITER IN THEIR ABSOLUTE DISCRETION MAY DECIDE. SHOULD THERE BE AN EXTENSION OF THE CLOSING DATE, THE DATE OF LISTING WILL BE EXTENDED.

DEFINITIONS

Unless otherwise indicated, the following definitions apply throughout this Prospectus:-

ADA	_	Authorised Depository Agent
ADA Code	_	ADA (Broker) Code
Arab-Malaysian	_	Arab Malaysian Merchant Bank Berhad (23742-V)
Acquisition of OKA Concrete Industries Group	_	Acquisition of the entire issued and paid-up share capital of OKA Concrete Industries comprising 1,051,717 ordinary shares of RM1.00 each based on its adjusted consolidated NTA as at 31 March 2000 of RM28,171,985 after incorporating revaluation surplus of RM7,601,086. The purchase consideration of RM28,171,985 was settled by an issuance of 21,838,748 new ordinary shares of RM1.00 each in OKA Corporation credited as fully paid-up at an issue price of approximately RM1.29 per ordinary share.
ATM	_	Automated teller machine
CCM	_	Companies Commission of Malaysia
CDS	_	Central Depository System
EBIDTA	_	Earnings before interest, depreciation, taxation and amortisation
Electronic Share Application	_	Application for Public Issue and Offer for Sale Shares through a Participating Financial Institution's ATM
EI	_	Extraordinary items
EPS	_	Earnings Per Share
FIC	_	Foreign Investment Committee
KLSE or Exchange	_	Kuala Lumpur Stock Exchange (30632-P)
Listing	_	Listing of OKA Corporation on the Second Board of the KLSE
MCD	_	Malaysian Central Depository Sdn Bhd (165570-W)
MI	_	Minority interest
MIH	_	Malaysian Issuing House Sdn Bhd (258345-X)
MITI	_	Ministry of International Trade and Industry
Malaysian Public	_	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organized under the laws of Malaysia
MT	_	Metric tonnes
M ³	_	Cubic metre
NTA	_	Net tangible assets

DEFINITIONS (Cont'd)

Offer for Sale or Offer	–	The offer for sale of 11,297,000 ordinary shares of RM1.00 each in OKA Corporation at an offer price of RM1.80 per ordinary share to the Malaysian Public, payable in full on application subject to the terms and conditions of this Prospectus
Offer Shares	–	The 11,297,000 ordinary shares of RM1.00 each in OKA Corporation being the subject of the Offer for Sale
Offerors	–	Offerors of the Offer for Sale are as follows:-
		No. of shares offered
		Ong Koon Ann 10,491,389
		Quah Seok Keng 805,611
		11,297,000
OKA Corporation or the Company	–	OKA Corporation Bhd (519941-H)
OKA Corporation Group or Group	–	OKA Corporation and its subsidiaries
OKA Concrete Industries	–	OKA Concrete Industries Sdn Bhd (67634-M), a wholly owned subsidiary of OKA Corporation
OKA Concrete Industries Group	–	OKA Concrete Industries and its subsidiaries
OKA Readymixed	–	OKA Readymixed Concrete Sdn Bhd (329980-T), a wholly-owned subsidiary of OKA Concrete Industries
OKA Engineering	–	OKA Engineering & Trading Sdn Bhd (329917-W), a wholly-owned subsidiary of OKA Concrete Industries
Real Charisma	–	Real Charisma Sdn Bhd (442658-D), a wholly owned subsidiary of OKA Concrete Industries
Rights Issue	–	The rights issue of 11,258,252 new ordinary shares of RM1.00 each in OKA Corporation at an issue price of RM1.29 per share to the shareholders of OKA Corporation after the Acquisition of OKA Concrete Industries Group
PAT	–	Profit after taxation
PBT	–	Profit before taxation
PE Multiple	–	Price earnings multiple
Placement Agent	–	Arab-Malaysian Merchant Bank Berhad (23742-V)
Participating Financial Institution (s)	–	Refers to the participating financial institutions for Electronic Share Application as listed in Section 13.7 of this Prospectus
Public Issue	–	The public issue of 6,803,000 new ordinary shares of RM1.00 each in OKA Corporation at an issue price of RM1.80 per new ordinary share to the Malaysian Public, payable in full on application subject to the terms and conditions of this Prospectus

DEFINITIONS (Cont'd)

Public Issue Shares	–	The 6,803,000 new ordinary shares of RM1.00 each in OKA Corporation, being the subject of the Public Issue
RM and sen	–	Ringgit Malaysia and sen respectively
R & D	–	Research and Development
SC	–	Securities Commission
Share(s)	–	Ordinary share(s) of RM1.00 each

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Name	Address	Occupation	Nationality
Ir Ong Koon Ann (Executive Chairman and Managing Director)	No 77A, Jalan Chew Boon Juan 30250 Ipoh Perak Darul Ridzuan	Company Director	Malaysian
Quah Seok Keng (Executive Director)	No 77A, Jalan Chew Boon Juan 30250 Ipoh Perak Darul Ridzuan	Company Director	Singaporean
Lam Chung Ming (Executive Director)	No 2A, Lorong PJU 3/28D Sunway Damansara 47810 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Sharifuddin Bin Shoib, <i>AMP</i> (Non-Independent Non- Executive Director)	No 111, Jalan Lapangan Terbang Taman Lapangan Terbang 31350 Ipoh Perak Darul Ridzuan	Company Director	Malaysian
Chok Hooa @ Chok Yin Fatt, <i>PMP</i> (Independent Non-Executive Director)	No 29, Tingkat Taman Ipoh 5 Taman Ipoh Selatan 31400 Ipoh Perak Darul Ridzuan	Company Director	Malaysian
Gan Boon Koo @ Gan Boon Kiu (Independent Non- Executive Director)	18, Jalan 14/40 46100 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian

AUDIT COMMITTEE

Name	Responsibility	Designation
Chok Hooa @ Chok Yin Fatt, <i>PMP</i>	Chairman	Independent Non-Executive Director
Gan Boon Koo @ Gan Boon Kiu	Member	Independent Non-Executive Director
Ir Ong Koon Ann	Member	Executive Chairman and Managing Director

CORPORATE INFORMATION (Cont'd)

COMPANY SECRETARIES

- Low Hor Foong
(MAICSA 0763512)
77A, Jalan Chew Boon Juan
30250 Ipoh
Perak Darul Ridzuan

Ng Wai Luen
(MIA 10467)
48, Jalan Pasir Kuning
31650 Ipoh
Perak Darul Ridzuan

**REGISTERED OFFICE AND
MANAGEMENT OFFICE**

- No 6, Lebuhraya Chateau
Off Pesiaran Kampar
30250 Ipoh
Perak Darul Ridzuan
Tel: 05- 254 2741
Fax: 05- 253 2403
E-mail: oka-conc@tm.net.my

**SHARE REGISTRAR AND
TRANSFER OFFICE**

- PFA Registration Services Sdn. Bhd.
5, Persiaran Greentown 8
Greentown Business Centre
30450 Ipoh
Perak Darul Ridzuan
Tel: 05- 243 2396
Fax: 05- 243 2397

ISSUING HOUSE

- Malaysian Issuing House Sdn Bhd
27th Floor, Menara Multi-Purpose, Capital Square
No.8, Jalan Munshi Abdullah
P.O. Box 13269
50804 Kuala Lumpur
Tel: 03- 269 32075
Fax: 03- 269 30858

PRINCIPAL BANKERS

- Malayan Banking Bhd
191-193, Jalan Pasir Puteh
31650 Ipoh
Perak Darul Ridzuan

OCBC Bank (Malaysia) Berhad
2 Jalan Dato Maharajalela
30000 Ipoh
Perak Darul Ridzuan

CORPORATE INFORMATION (Cont'd)

- AUDITORS AND REPORTING ACCOUNTANTS** – KPMG (Firm No. AF 0758)
Chartered Accountants
3rd Floor
64-66 Jalan Yang Kalsom
30450 Ipoh,
Perak Darul Ridzuan
Tel: 05- 253 1188
Fax: 05- 255 8818
- SOLICITORS FOR THE PUBLIC OFFER** – Iza Ng Yeoh & Kit
Advocates and Solicitors
Suite 13.08, 13th Floor
Plaza 138,
No 138 Jalan Ampang
50450 Kuala Lumpur
Tel : 03-2732 3888
Fax : 03-2732 4848
- VALUER** – Colliers,
Jordan Lee & Jaafar Sdn. Bhd.
Suites 3 & 6
Tingkat Kedua, Labrooy House
Jalan Dato Sagor
30000 Ipoh
Perak Darul Ridzuan
Tel: 05-241 4826
Fax: 05-255 6363
- ADVISER, MANAGING UNDERWRITER AND PLACEMENT AGENT** – Arab-Malaysian Merchant Bank Berhad
22nd Floor, Bangunan Arab-Malaysian
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
- UNDERWRITERS** – Arab-Malaysian Merchant Bank Berhad
22nd Floor, Bangunan Arab-Malaysian
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
- Arab-Malaysian Securities Sdn Bhd (92977-U)
15th Floor, Bangunan Arab-Malaysian
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
- MARKETING AND RESEARCH CONSULTANT** – ACNielsen (Malaysia) Sdn Bhd
19/F Menara MPPJ
Jalan Tengah
46200 Petaling Jaya
- LISTING SOUGHT** – Second Board of the Kuala Lumpur Stock Exchange

OKA CORPORATION BHD

(Company No. 519941-H)

(Incorporated in Malaysia under the Companies Act, 1965)

1. INFORMATION SUMMARY

THE FOLLOWING INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT OKA CORPORATION GROUP, AND SHOULD BE READ AND UNDERSTOOD IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING FOR INVESTMENT.

1.1 History and Business of OKA Corporation Group

OKA Corporation was incorporated in Malaysia under the Companies Act 1965 on 12 July 2000 under the name of OKA Corporation Sdn Bhd. The Company was converted into a public company on 22 December 2000 and assumed its present name. OKA Corporation is principally an investment holding company with four (4) wholly owned subsidiaries involved in manufacturing and trading of precast concrete products; trading of readymix concrete, manufacturing and trading of reinforced and prestressed concrete piles; and the provision of transportation services.

OKA Concrete Industries, being its principal subsidiary, was incorporated in Malaysia under the Companies Act 1965 on 19 February 1981 and had first commenced business operation in manufacturing cement bricks, small block drain (“V-shape”) and road kerbs under the stewardship of Ir Ong Koon Ann, the founder of OKA Corporation Group on a piece of 5-acre land in the District of Kinta, about eighteen (18) km from Ipoh, Perak Darul Ridzuan. In 1984, OKA Concrete Industries began to diversify its operations into manufacturing precast concrete products for drainage and sewerage application ie pipe culverts, box culverts, porous pipes and etc. To date, the Group has widened its range of products to include a comprehensive range of concrete products for use in the infrastructure sector. Its original manufacturing plant has progressively grown to the current land area of 40-acre. The Group is managed by a local team of professionals and civil engineers. The following are the main range of concrete products manufactured by OKA Corporation Group:-

- a) *Reinforced precast concrete box culverts and U-shape drains* which are suitable for construction of tunnels, open drains and sumps and are designed for waterways where an open channel is necessary;
- b) *Reinforced concrete L-shape retaining walls* which are commonly used for the construction of retaining walls, open drains and storage walls;
- c) *Concrete porous pipe and vertical cast reinforced concrete pipe culverts* which are used for subsoil drainage;
- d) *Spun reinforced concrete pipe culverts* which are mainly used for concealed drainage and sewerage application;
- e) *Reinforced concrete manholes* which are used for maintenance of underground sewerage or drainage system;
- f) *Reinforced precast concrete large diameter pipes* which are suitable for service tunnel, storage tank silos and storm water drain; and

1. INFORMATION SUMMARY (Cont'd)

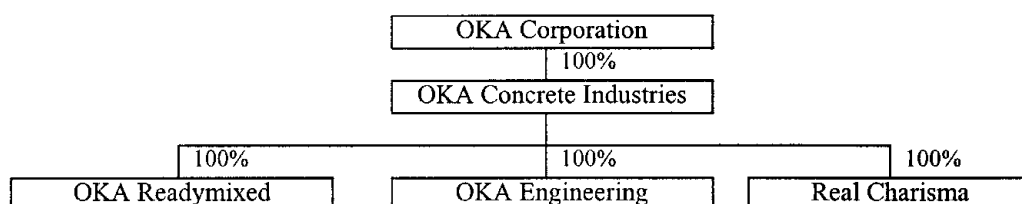
- g) *Reinforced concrete piles and prestressed concrete square piles* for foundation purpose for low to medium rise building, pedestrian and other short span bridges.

Presently, more than 90% of the concrete products produced by OKA Corporation Group are sold in Peninsular Malaysia with the remaining being sold in East Malaysia (except for Sarawak). The present manufacturing plant of the Group, which has now expanded from originally 5-acre to about 40-acre, is strategically located in the District of Kinta, about eighteen (18) km from Ipoh, Perak Darul Ridzuan where raw materials used in operations such as cement, aggregates and sand are abundant and readily available.

With almost 20 years of experience in the concrete business, OKA Corporation Group is an established name in the concrete product industry. OKA Corporation Group's products are produced after having gone through stringent quality control procedures laid down by the management and conform to the requirements of the relevant authorities and approved standards issued by Standards & Industrial Research Institute of Malaysia (SIRIM). Its operations had been accredited with MS ISO 9002 in 1998. OKA Corporation's business symbol is currently a registered trademark.

OKA Corporation is well managed by experienced personnel which includes a quality control team to monitor and conduct tests on its products to ensure that the quality of its products are being maintained at all times. OKA Corporation Group's products are sold through selected distributors and also directly to large infrastructure contractors.

The corporate structure of OKA Corporation Group is as follows



Details of the subsidiaries are as follows:

Subsidiaries	Date of Incorporation	Equity % held by OKA Corporation	Principal Activities
OKA Concrete Industries	19 February 1981	100	Manufacture and sale of precast concrete products
OKA Readymixed Concrete	9 January 1995	100	Trading of readymix concrete
OKA Engineering	7 January 1995	100	Manufacture and sale of prestressed concrete piles, reinforced concrete piles, ready mix concrete and other concrete products
Real Charisma	13 August 1997	100	Provision of transportation services and other related services

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

1. INFORMATION SUMMARY (Cont'd)

1.2 Information on Directors, Promoters, Substantial Shareholders and Key Management

1.2.1 Directors

Name	Designation	No of Shares held after Public Issue **			
		Direct	%	Indirect	%
Ir Ong Koon Ann	Executive Chairman and Managing Director	20,213,742	50.53	1,566,941*	3.92
Quah Seok Keng	Executive Director	1,566,941	3.92	20,213,742*	50.53
Lam Chung Ming	Executive Director	68,961	0.17	-	-
Sharifuddin bin Shoib, <i>AMP</i>	Non-Independent Non-Executive Director	4,061,395	10.15	-	-
Chok Hooa @ Chok Yin Fatt, <i>PMP</i>	Independent Non-Executive Director	68,961	0.17	-	-
Gan Boon Koo @ Gan Boon Kiu	Independent Non-Executive Director	16,000	0.04	-	-

* Deemed interest by virtue of his/her spouse direct shareholdings in OKA Corporation

** Including shares to be issued under the "pink form" allocation

1.2.2 Promoter

Name	Designation	No of Shares held after Public Issue **			
		Direct	%	Indirect	%
Ir Ong Koon Ann	Executive Chairman and Managing Director	20,213,742	50.53	1,566,941*	3.92

* Deemed interest by virtue of his/her spouse direct shareholdings in OKA Corporation

** Including shares to be issued under the "pink form" allocation

1.2.3 Substantial Shareholders

Substantial shareholder	No of Shares held after Public Issue **			
	Direct	%	Indirect	%
Ir Ong Koon Ann	20,213,742	50.53	1,566,941*	3.92
Quah Seok Keng	1,566,941	3.92	20,213,742*	50.53
Sharifuddin bin Shoib, <i>AMP</i>	4,061,395	10.15	-	-

* Deemed interest by virtue of his/her spouse direct shareholdings in OKA Corporation

** Including shares to be issued under the "pink form" allocation

1. INFORMATION SUMMARY (Cont'd)

1.2.4 Key Management

Name	Designation	No of Shares held after Public Issue			
		Direct	%	Indirect	%
Eric Ong Koon Eng	Factory Manager	16,000	0.04	-	-
Ong Choo Ian	Purchasing Manager	16,000	0.04	-	-
Ong Ee Dith	Corporate Communications Manager	16,000	0.04	-	-
Chan Phooi Hoong	Accounts Manager	16,000	0.04	-	-
Yee Chut Yau	Quality Control and Technical Manager	16,000	0.04	-	-
Ng Wai Luen	Finance Manager	111,000	0.28	-	-
Loh Mun Choong	Administration Manager	16,000	0.04	-	-
Wong Kee Seong	Credit Control Manager	16,000	0.04	-	-
Ng Wai Kum	Assistant Production Manager	16,000	0.04	-	-
Low Hor Foong	Company Secretary	16,000	0.04	-	-
Ahmad Sabry B. Ibrahim	Logistic Executive	8,000	0.02	-	-

Further details on the directors, promoter, substantial shareholders and key management are set out in Section 5 of this Prospectus.

1.3 Financial Statistics for the Past Five (5) Financial Years

The following table is extracted from the Accountants' Report set out in Section 8 of this Prospectus and should be read in conjunction with the notes thereto.

The table below sets out a summary of the proforma consolidated audited results of OKA Corporation Group (which is based on OKA Concrete Industries Group's results) for the past five (5) financial years ended 31 March 2001 and the 7-month period ended 31 October 2001. They are provided for illustrative purposes based on the audited accounts of its subsidiaries and are prepared on the assumption that the current structure of the Group has been in existence throughout the period under review:-

	Financial Years Ended 31 March					7-Month Period Ended 31 October 2001 RM'000
	1997 RM'000	1998 RM'000	1999 RM'000	2000 RM'000	2001 RM'000	
Revenue	26,389	34,908	22,706	28,647	32,058	23,026
EBIDTA	7,061	8,455	7,162	9,097	9,944	6,431
Less:						
Interest						
- overdraft	3	2	-	-	1	-
- hire purchase	85	131	138	84	31	6
Depreciation and amortisation	1,528	1,979	1,915	2,086	2,141	940
Exceptional items	-	-	-	-	-	-
Share of profits and losses of associated corporation and joint ventures	-	-	-	-	-	-
PBT	5,445	6,343	5,109	6,927	7,771	5,485
Less:						
Taxation	(1,666)	(1,840)	41	(1,634)	(1,978)	(1,488)
Profit from ordinary activities	3,779	4,503	5,150	5,293	5,793	3,997
Extraordinary items	-	-	-	-	-	-
Net profit	3,779	4,503	5,150	5,293	5,793	3,997
No. of ordinary shares of RM1.00 each in issue ('000)	500	1,052	1,052	1,052	1,052	1,052
Weighted average no of shares ('000)	500	891	1,052	1,052	1,052	1,052
Gross basic EPS (RM)	10.89	7.12	4.86	6.58	7.39	8.94*
Net basic EPS (RM)	7.56	5.05	4.89	5.03	5.51	6.52*
Diluted EPS (RM)	7.56	5.05	4.89	5.03	5.51	6.52*
Dividend rate (%)	100	100	100	-	550	314

* *annualised*

1. INFORMATION SUMMARY (Cont'd)

Notes:

- a) *Turnover consists of net invoiced values of prestressed and reinforced concrete piles, readymix concrete and precast concrete products including transportation charges.*
- b) *There were no extraordinary items in the financial years/period under review.*
- c) *For the financial year ended 31 March 1997, the Group paid an interim tax exempt dividend of 100% on 1 April 1997.*
- d) *For the financial year ended 31 March 1998, the Group paid a final tax exempt dividend of 100% on 2 January 1999.*
- e) *For the financial year ended 31 March 1999, the Group paid a final tax exempt dividend of 100% on 3 January 2000.*
- f) *No dividend was proposed for the year ended 31 March 2000.*
- g) *For financial year ended 31 March 2001, the Group has proposed a final tax exempt dividend of RM5,790,000 which was paid on 23 October 2001.*
- h) *For financial period ended 31 October 2001, the Group has proposed an interim tax exempt dividend of RM3,300,000.*
- i) *The gross earnings per share has been calculated based on the profit before taxation divided by the weighted average number of shares in issue of the respective years.*
- j) *The net earnings per share has been calculated based on the profit after taxation divided by the weighted average number of shares in issue of the respective years.*

The Accountants' Report is set out in Section 8 of this Prospectus.

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1. INFORMATION SUMMARY (Cont'd)

1.4 Summary of Proforma Balance Sheet as at 31 October 2001

The proforma Consolidated Balance Sheet of OKA Corporation as at 31 October 2001 as set out below have been prepared for illustrative purposes only to show the effects of the Acquisition of OKA Concrete Industries Group, the Rights Issue and the Public Issue:-

	Audited balance sheet of OKA Corporation as at 31 October 2001 RM'000	(I) After Acquisition of OKA Concrete Industries Group RM'000	(II) After (I) and Rights Issue RM'000	(III) After (II) and Public Issue RM'000	(IV) After (III) and utilisation of proceeds from Rights Issue and Public Issue RM'000
Fixed Assets	-	14,356	14,356	14,356	35,856
Expenditure carried forward	143	143	143	143	143
Current Assets	56	25,953	40,476	51,121	29,621
Less: Current Liabilities	376	11,565	11,565	11,565	11,565
Net Current Assets	(320)	14,388	28,911	39,556	18,056
Deferred Taxation	-	(125)	(125)	(125)	(125)
Hire Purchase Creditors	-	(66)	(66)	(66)	(66)
	(177)	28,696	43,219	53,864	53,864
Financed by:					
• Share capital	100	21,939	33,197	40,000	40,000
• Share premium	-	6,333	9,598	13,440	13,440
• Reserves	(277)	424	424	424	424
Shareholders funds	(177)	28,696	43,219	53,864	53,864

Notes:-

- a) *The proforma consolidated balance sheets are prepared on the assumption that the acquisition of OKA Concrete Industries Group by OKA Corporation has been completed, and the acquisition was accounted for under acquisition accounting method.*
- b) *The proforma number of shares in issue represents the enlarged number of issued and paid-up ordinary shares of OKA Corporation after acquisition of OKA Concrete Industries Group and the Listing.*
- c) *The inter-company balances have been eliminated.*

The Proforma Consolidated Balance Sheets as at 31 October 2001 together with the Reporting Accountants' Letter thereon are set out in Section 7.10 and Section 7.10.1 of the Prospectus.

1.5 The Risk Factors

The following are some of the main risk factors (which may not be exhaustive) as extracted from Section 3 of this Prospectus which applicants for the Public Issue/Offer Shares should carefully consider in addition to other information contained elsewhere in this Prospectus before applying for the Public Issue/Offer Shares :-

- i) Business Risks;
- ii) No Prior Market for OKA Corporation Shares;
- iii) Competitive Risk;
- iv) Dependency on Key Management;
- v) Ownership and Control by Substantial Shareholder;

1. INFORMATION SUMMARY (Cont'd)

- vi) Profit Estimate and/Forecast;
- vii) Political and Economic Risks;
- viii) Seasonal Sales Cycle;
- ix) Compliance with relevant codes and standards;
- x) Technical know-how; and
- xi) Financial Risks

Details of these risk factors are set out in Section 3 of this Prospectus.

1.6 Consolidated Profit Estimate and Forecast For Financial Years Ended/ Ending 31 March 2002 and 2003 Respectively

	Estimate 2002 RM'000	Forecast 2003 RM'000
Consolidated PBT	9,555	10,932
Less: Taxation	(2,673)	(1,744)
Consolidated PAT	<u>6,882</u>	<u>9,188</u>
Enlarged issued and paid up share capital ('000)	33,197	40,000
Weighted average share capital ('000)	22,309	39,433
Gross EPS (sen) based on weighted average share capital	42.83	27.72
Net EPS (sen) based on weighted average share capital	30.85	23.30
Gross PE multiple based on the Public Issue/Offer price of RM1.80 per share (times)	4.20	6.49
Net PE multiple based on the Public Issue/Offer price of RM1.80 per share (times)	5.83	7.72

The Consolidated Profit Estimate and Forecast of OKA Corporation together with the Reporting Accountants' Letter thereon are set out in Section 7.8 and Section 7.9.1 of the Prospectus.

1.7 Dividend Estimate and Forecast for Financial Years Ended/ Ending 31 March 2002 and 2003 Respectively

	Estimate 2002	Forecast 2003
Gross dividend per share (sen)	-	8.00
Net dividend per share (sen)	-	5.76
Gross dividend yield based on the Public Issue/Offer price of RM1.80 per share (%)	-	4.44
Net dividend yield based on the Public Issue/Offer price of RM1.80 per share (%)	-	3.20
Gross dividend cover (times)	-	2.87
Net dividend cover (times)	-	3.99

Details of the Dividend Estimate and Forecast are set out in Section 7.7 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)

1.8 Proforma Group NTA as at 31 October 2001

Proforma Group NTA (RM) 53,864,000
(after deducting estimated listing expenses of RM1,600,000)

Proforma Group NTA per share (RM) 1.34
(based on the enlarged issued and paid-up share capital of 40,000,000 ordinary shares of RM1.00 each)

Details of the Proforma Consolidated NTA together with the Reporting Accountants' letter thereon are set out in Section 7.10 and Section 7.10.1 of this Prospectus.

1.9 Principal Statistics Relating to the Public Issue/Offer For Sale**a) Share Capital**

	RM
Authorised 100,000,000 Shares	<u>100,000,000</u>
Issued and fully paid-up as at the date of this Prospectus 33,197,000 Shares	33,197,000
To be issued pursuant to the Public Issue 6,803,000 new Shares	6,803,000
Total enlarged share capital	<u>40,000,000</u>

b) To be offered for sale pursuant to the Offer For Sale
11,297,000 Shares 11,297,000

c) Public Issue/Offer price per Share RM 1.80

d) Classes of securities and rights

There is only one class of shares in the Company, namely ordinary shares of RM1.00 each. The Offer Shares and Public Issue Shares will rank *pari passu* in all respects with the existing ordinary shares of the Company, including voting rights and rights to all dividends that may be declared subsequent to the date of this Prospectus.

Details of the share capital are set out in Section 2.3 of this Prospectus.

1.10 Proceeds of the Public Issue and Offer for Sale and Their Utilisation

The Offer for Sale will raise gross proceeds of RM20,334,600. This amount shall accrue to the Offerors and no part of the proceeds is receivable by OKA Corporation. The Offerors shall bear all expenses, such as, underwriting commission, management fee, placement fee, brokerage, registration and share transfer fee relating to the Offer Shares.

1. INFORMATION SUMMARY (Cont'd)

All proceeds from the Public Issue and the Rights Issue after deducting the related expenses will accrue to OKA Corporation. The total gross proceeds of the Public Issue and Rights Issue is RM26,768,545. OKA Corporation will bear all other expenses incidental to the listing of and quotation for OKA Corporation shares on the Second Board of the KLSE which include placement fee, underwriting commission, management fee, brokerage, registration fee, professional fees, SC fee, advertising and listing expenses and other relevant expenses, which is estimated to be RM1.6 million.

OKA Corporation intends to use these proceeds in the following manner:-

	Total Proceeds RM'000	Within six (6) months * RM'000	Within eighteen (18) months * RM'000
Purchase of new plant and machinery	10,300	2,115	8,185
Purchase of land	6,200	2,950	3,250
Automation and upgrading of existing factory	5,000	5,000	-
Working capital	3,669	3,669	-
Estimated listing expenses	1,600	1,600	-
TOTAL	26,769	15,334	11,435

* from the date of listing of OKA Corporation Shares on the KLSE

Details regarding the utilisation of proceeds are set out in Section 2.8 of this Prospectus.

1.11 Material Litigations, Commitments And Contingent Liabilities

Save as disclosed below and section 12.6 of the Prospectus, as at 23 April 2002 (being the latest practicable date prior to the printing of the Prospectus), the Directors are not aware of any material litigation, commitment and contingent liability which, upon becoming enforceable, may have material impact on the profit or net asset value of the Group:-

Capital commitment	RM'000
Purchase of land at Batu Gajah Perdana, Perak	370
Purchase of shop office building at Bandar Cyber, Ipoh, Perak	213
Purchase of land and buildings at Nilai, Negeri Sembilan	2,891
	3,474

Detailed capital commitments is set out in Section 12.5 of this Prospectus.