

**1. Basis of Preparation**

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting, International Financial Reporting Standard (“IFRS”) 34 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statement of the Group for the financial year ended 31 March 2014.

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the financial statements for the financial year ended 31 March 2014 except for the adoption of the following :-

**Effective for annual period beginning on or after 1 January 2014:**

Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

**Effective for annual period beginning on or after 1 July 2014:**

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)
Amendments to MFRS 2	Share-based Payment (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 3	Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 8	Operating Segments (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 13	Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 119	Employee Benefits – Defined Benefit Plans: Employee Contributions
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 138	Intangible Assets (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 140	Investment Property (Annual Improvements 2011-2013 Cycle)

The initial application of the above is not expected to have any material financial impact on the Group’s results.

**2. Audit Report**

The preceding year’s audited financial statements were not subject to any audit qualification.

# OKA CORPORATION BHD (519941-H)

## Notes to the Interim Financial Statements for the Second Quarter Ended 30 September 2014

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### 3. Seasonal or Cyclical Factors

Apart from the traditional variations in the level of business activities, the Group's activities are not affected by any seasonal or cyclical factors.

### 4. Unusual Items

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the current quarter.

### 5. Material Changes in Estimates

There were no material changes in the estimates used in the current quarter compared to the estimates used in the previous financial year, which have a material effect in the current quarter.

### 6. Dividend paid

No dividend was declared and paid for the quarter under review.

### 7. Segment Reporting

#### Segmental revenue and results for the cumulative quarter ended 30 September 2014:-

	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>				
External sales	79,930	977	-	80,907
Inter-segment sales	947	2,381	(3,328)	-
Total revenue	<u>80,877</u>	<u>3,358</u>	<u>(3,328)</u>	<u>80,907</u>
<b>Results</b>				
Total profit or loss for reportable segments				14,275
Elimination of inter-segment profits				127
Depreciation				(3,125)
Finance costs				(60)
Interest income				50
Profit before taxation				<u>11,267</u>

# OKA CORPORATION BHD (519941-H)

## Notes to the Interim Financial Statements for the Second Quarter Ended 30 September 2014

### Segmental revenue and results for the cumulative quarter ended 30 September 2013:-

	<b>Manufacturing</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
External sales	69,773	1,397	-	71,170
Inter-segment sales	1,188	2,193	(3,381)	-
Total revenue	<u>70,961</u>	<u>3,590</u>	<u>(3,381)</u>	<u>71,170</u>
<b>Results</b>				
Total profit or loss for reportable segments				11,017
Elimination of inter-segment profits				66
Depreciation				(2,885)
Finance costs				(452)
Interest income				39
Profit before taxation				<u>7,785</u>

### 8. Material Events Subsequent To The End of Interim Period

There were no material events subsequent to the end of the quarter that have not been reflected in the quarterly financial statements.

### 9. Effect of Changes in Composition of the Group

There were no changes in composition of the Group for the current financial period to-date.

### 10. Contingent Liabilities And Contingent Assets

The contingent liabilities represent corporate guarantees totalling RM67,550,000 (31 March 2014: RM66,550,000) in respect of bank and trade facilities granted to a subsidiary.

The amount of bank and trade facilities utilised which were secured by corporate guarantees as at 30 September 2014:-

Trade balance outstanding	<u>4,242</u>
Short-term borrowings – Bankers' acceptances	<u>1,600</u>

There were no contingent assets at the date of this quarterly report.

# **OKA CORPORATION BHD (519941-H)**

## **Notes to the Interim Financial Statements for the Second Quarter Ended 30 September 2014**

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### **11. Debt and Equity Securities**

There is no issuance of debt and equity securities for the current financial period to-date.

### **12. Capital Commitments**

There are no material capital commitments as at the end of current quarter.