## Additional Information Required By The BMSB's Main Market Listing Requirement For The Third Quarter Ended 31 December 2014

### 1. Review of Performance

### (a) <u>Current Quarter vs Preceding Year Corresponding Quarter</u>

The Group recorded revenue of RM38.9 million for the quarter under review as compared to RM36.9 million in the corresponding quarter of the preceding year. The Group's profit before tax for the current quarter was RM7.2 million, representing an increase of RM3.1 million as compared to profit before tax of RM4.1 million in the corresponding quarter of the preceding year. The increase of the Group's profit before tax was mainly contributed by higher margin products sold coupled with lower operating expenses during the current quarter as compared to the corresponding quarter of the preceding year.

### (b) Current Period To-date vs Preceding Period To-date

The Group registered higher revenue of RM119.8 million for the current period ended 31 December 2014 as compared to RM108.1 million in the preceding year ended 31 December 2013. The Group recorded higher profit before tax of RM18.4 million for the current period ended 31 December 2014 as compared to profit before tax of RM11.9 million in the preceding year ended 31 December 2013. The increase in profit before tax was contributed by higher volume and higher margin during the current period to-date as compared to the preceding year.

### 2. Variation of Results Against Immediate Preceding Quarter

The Group recorded revenue of RM38.9 million for the current quarter as compared to RM41.7 million in the immediate preceding quarter. The Group's profit before tax has increased slightly by RM0.3 million from RM6.9 million in the immediate preceding quarter to RM7.2 million in the current quarter. The increase of the Group's profit before tax was mainly contributed by lower operating expenses recorded during the current quarter as compared to the immediate preceding quarter.

## **3.** Current Year Prospects

Based on the current economic outlook in Malaysia, the construction industry is expected to remain progressive. However, uncertainty of uncontrollable factors such as raw materials pricing, fuel & energy costs and shortage of manpower in the manufacturing sector are expected to affect the Group's turnover and profit. The Group's continuous effort to diversify its products, introduce products differentiation and to improve on the existing products together with the implementation of cost savings exercise will help to enhance its overall competitiveness in the industry. Hence, barring any unforeseen circumstances, the Group is optimistic that it will remain profitable in the remaining quarter.

## Additional Information Required By The BMSB's Main Market Listing Requirement For The Third Quarter Ended 31 December 2014

## 4. Profit Forecast

Not applicable for the current financial year as no profit forecast was published.

## 5. Income tax expense

	Current Quarter 31/12/2014	Current Year To-Date 31/12/2014
	RM'000	RM'000
Current period tax expense - Malaysia		
Current period	2,230	5,360
Overprovision in previous year	(277)	(277)
Deferred tax expense		
Origination of temporary differences	12	36
	1,965	5,119

The Group's effective tax rate is higher than the Malaysia statutory tax rate mainly due to certain expenses not deductible for tax purposes.

#### 6. Status of Corporate Proposals

The Company has offered a total of 3,985,500 share options under the Executives Share Option Scheme to the Directors and eligible employees of OKA and its subsidiaries on 05 January 2015 of which 3,890,500 share options have been duly accepted. The exercise price has been fixed at RM0.63 per share and options not exercise upon expiry of the ESOS on 04 January 2020 shall be null and void.

Other than the above, there were no other corporate proposals announced and not completed as at the date of this report.

#### 7. Borrowings

The Group's total borrowings as at 31 December 2014 were as follows:-

Short-term borrowing:-	Unsecured RM'000
- Bankers' acceptances	5,400

## Additional Information Required By The BMSB's Main Market Listing Requirement For The Third Quarter Ended 31 December 2014

### 8. Derivative Financial Instruments

There were no derivative financial instruments as at the date of this report.

### 9. Dividends

The Board has declared a special single-tier dividend of 1 sen per ordinary share of RM0.50 each for the financial year ending 31 March 2015 and payable on 31 March 2015 to depositors registered in the Records of Depositors at close of business on 20 March 2015.

### **10.** Material Litigation

As of the date of this report, the Group does not have any material litigation which would have a material adverse effect on the financial position of the Group. Provisions, where necessary, have been taken up in the interim financial statements accordingly.

#### **11.** Basic Earnings Per Share ("EPS")

	Current Quarter 31/12/2014	Current Year To-Date 31/12/2014
Net profit attributable to owners of the Company (RM'000)	5,200	13,313
Number of ordinary shares issued ('000)	152,282	152,282
Basic EPS (sen)	3.42	8.74

On 25 November 2014, the Company had issued 30,456,500 new ordinary shares of RM0.50 each by way of a bonus issue. Together with the share split involving a subdivision of every one ordinary share of RM1.00 each into two ordinary shares of RM0.50 each in May 2014, the enlarged issued and paid-up share capital of the Company has increased to RM76,141,250 comprising of 152,282,500 new ordinary shares of RM0.50 each.

## Additional Information Required By The BMSB's Main Market Listing Requirement For The Third Quarter Ended 31 December 2014

## 12. Profit before tax

Profit before tax is arrived at after charging/(crediting) :				
	Current Quarter 31/12/2014 RM'000	Current Year To-Date 31/12/2014 RM'000		
Depreciation and amortisation	1,566	4,625		
Loss on foreign exchange (realised)	6	23		
Impairment loss on trade receivables	(79)	1,070		
Interest expense	38	98		
Interest income	(53)	(103)		
Rental expense	638	1,895		
Rental income	(49)	(143)		
Reversal of impairment loss on receivables	(297)	(687)		

### 13. Disclosure of Realised and Unrealised Profits or Losses

	As at 31/12/2014	As at 31/03/2014
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	72,231	63,228
- Unrealised	11,191	10,751
	83,422	73,979
Less : Capitalisation of bonus issued from retained profits	(15,228)	
	68,194	73,979
Less: Consolidation adjustments	(24,968)	(25,184)
Total retained profits as per statement of financial position	43,226	48,795

### 14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 February 2015.