

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2015

	Unaudited 30/09/2015 RM'000	Audited 31/03/2015 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	62,525	63,832
Investment property	465	470
Other investments	10	10
	63,000	64,312
<b>Current assets</b>		
Inventories	33,622	36,274
Trade and other receivables	43,856	46,611
Current tax assets	23	25
Cash and cash equivalents	14,854	6,520
	92,355	89,430
<b>TOTAL ASSETS</b>	<b>155,355</b>	<b>153,742</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	77,863	77,746
Share premium	577	530
Fair value reserve	3	3
Share option reserve	74	90
Retained profits	53,105	43,317
<b>TOTAL EQUITY</b>	<b>131,622</b>	<b>121,686</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Deferred tax liabilities	417	390
	417	390
<b>Current Liabilities</b>		
Trade and other payables	21,456	29,751
Borrowings	-	700
Current tax liabilities	1,860	1,215
	23,316	31,666
<b>TOTAL LIABILITIES</b>	<b>23,733</b>	<b>32,056</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>155,355</b>	<b>153,742</b>
<b>Net assets per share (RM)</b>	<b>0.85</b>	<b>0.78</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015



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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**

*( The figures have not been audited )*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30/09/2015 RM'000	PRECEDING PERIOD QUARTER 30/09/2014 RM'000	CURRENT YEAR TO-DATE 30/09/2015 RM'000	PRECEDING YEAR TO-DATE 30/09/2014 RM'000
Revenue	37,555	41,650	74,476	80,907
Operating expenses	(29,478)	(34,959)	(62,093)	(70,169)
Other operating income	425	194	1,032	589
<b>Profit from operations</b>	<b>8,502</b>	<b>6,885</b>	<b>13,415</b>	<b>11,327</b>
Finance costs	-	(22)	-	(60)
<b>Profit before tax</b>	<b>8,502</b>	<b>6,863</b>	<b>13,415</b>	<b>11,267</b>
Income tax expense	(2,289)	(1,812)	(3,627)	(3,154)
<b>Profit for the period</b>	<b>6,213</b>	<b>5,051</b>	<b>9,788</b>	<b>8,113</b>
<b>Profit attributable to: Owners of the Company</b>	<b>6,213</b>	<b>5,051</b>	<b>9,788</b>	<b>8,113</b>
<b>Earnings per share:</b>				
<b>(a) Basic (sen)</b>	<b>3.99</b>	<b>3.24</b>	<b>6.29</b>	<b>5.21</b>
<b>(b) Fully Diluted (sen)</b>	<b>3.98</b>	<b>3.24</b>	<b>6.27</b>	<b>5.21</b>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015



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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

	<----- Non-distributable ----->				-----> Distributable	
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Share Option Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 April 2015	77,746	530	3	90	43,317	121,686
Total comprehensive income for the period	-	-	-	-	9,788	9,788
Dividend to owners of the Company	-	-	-	-	-	-
Exercise of ESOS	117	31	-	-	-	148
Transfer to share premium for ESOS exercised	-	16	-	(16)	-	-
<b>At 30 September 2015</b>	<b>77,863</b>	<b>577</b>	<b>3</b>	<b>74</b>	<b>53,105</b>	<b>131,622</b>
At 1 April 2014	60,913	16	3	-	48,795	109,727
Total comprehensive income for the period	-	-	-	-	8,113	8,113
Dividend to owners of the Company	-	-	-	-	-	-
<b>At 30 September 2014</b>	<b>60,913</b>	<b>16</b>	<b>3</b>	<b>-</b>	<b>56,908</b>	<b>117,840</b>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	30/09/2015 RM'000	30/09/2014 RM'000
<b>Cash flow from operating activities</b>		
Net profit before tax	13,415	11,267
Adjustments for non-cash flows items	2,604	3,069
Operating profit before changes in working capital	16,019	14,336
Net change in current assets	5,406	(8,429)
Net change in current liabilities	(8,295)	3,686
Cash generated from operations	13,130	9,593
Income tax paid	(2,954)	(1,255)
Overdue interest received	82	31
Net cash from operating activities	10,258	8,369
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(1,483)	(2,163)
Acquisition of investment property	-	(152)
Short-term deposits interest received	104	19
Proceeds from disposal of property, plant and equipment	6	-
Net cash used in investing activities	(1,373)	(2,296)
<b>Cash flow from financing activities</b>		
Proceeds from issuance of shares arising from exercise of ESOS	148	-
Repayment of borrowings	(700)	(7,100)
Interest paid	-	(60)
Net cash used in financing activities	(552)	(7,160)
Net changes in cash and cash equivalents	8,333	(1,087)
Cash and cash equivalents at beginning of year	6,502	3,628
<b>Cash and cash equivalents at end of period</b>	<b>(i) 14,835</b>	<b>2,541</b>
<b>(i) Cash and cash equivalents comprise the following:</b>		
Short-term deposits with a licensed bank	19	19
Cash and bank balances	14,835	2,541
	14,854	2,560
Less: Fixed deposits pledged to a bank	(19)	(19)
	14,835	2,541

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015



**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134**

**1. BASIS OF PREPARATION**

This interim financial statements of the Group have been prepared in accordance with FRS134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2015.

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 March 2015, except the adoption of the following amendments to FRSs mandatory for annual financial periods beginning on or after 1 April 2015.

FRS 114:	Regulatory Deferral Accounts
Amendments to FRS 11:	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 119:	Defined Benefit Plans: Employee Contributions
Amendments to FRS 127:	Equity Method in Separated Financial Statements
Amendments to FRS 10 and FRS 128:	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendment to FRS 10, FRS 12 and FRS 128:	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 116 and FRS 138:	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRSs:	Annual Improvements to FRSs 2010 - 2012 Cycle
Amendments to FRSs:	Annual Improvements to FRSs 2011 - 2013 Cycle
Amendments to FRSs:	Annual Improvements to FRSs 2012 - 2014 Cycle

The adoption of the above standards and interpretation did not have any significant financial impact on the Group.

**2. AUDIT QUALIFICATION**

The preceding year's audited financial statements of the Group were not subject to any audit qualification.

**3. SEASONAL OR CYCLICAL FACTORS**

Apart from the traditional variations in the level of business activities, the operations of the Group were not materially affected by any seasonal or cyclical factors.

**4. UNUSUAL ITEMS**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the current quarter.

**5. MATERIAL CHANGES IN ESTIMATES**

There were no changes in the estimates that have had any material effect on the current financial period to date.

**6. DIVIDEND PAID**

No dividend was paid for the current quarter under review.



## 7. SEGMENTAL REPORTING

The analysis of the Group business segments for the current financial period are as follows:-

Financial period ended 30 September 2015	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
External revenue	73,874	602	-	74,476
Inter-segment revenue	545	2,558	(3,103)	-
Total revenue	<u>74,419</u>	<u>3,160</u>	<u>(3,103)</u>	<u>74,476</u>

### Results

Total profit or loss for reportable segments				15,783
Elimination of inter-segment profits				312
Depreciation				(2,866)
Finance costs				-
Interest income				186
Profit before taxation				<u>13,415</u>

Financial period ended 30 September 2014	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
External revenue	79,930	977	-	80,907
Inter-segment revenue	947	2,381	(3,328)	-
Total revenue	<u>80,877</u>	<u>3,358</u>	<u>(3,328)</u>	<u>80,907</u>

### Results

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>

## 8. MATERIAL SUBSEQUENT EVENT

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

## 9. CHANGES IN THE COMPOSITION OF THE GROUP

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

## 10. CONTINGENT ASSETS AND LIABILITIES

The contingent liabilities represent corporate guarantees totalling RM68,550,000 (31 March 2015: RM68,550,000) 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 2015:-

	RM'000
Trade balance outstanding	<u>3,439</u>
Short-term borrowings – Bankers' acceptances	<u>-</u>

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

## 11. DEBT AND EQUITY SECURITIES

The Company had issued 5,000 ordinary shares of RM0.50 each for cash in the current quarter arising from the exercise of executives' share options.

Other than the above, there were no other issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period to date.

## 12. CAPITAL COMMITMENTS

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



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA**

**13. REVIEW OF PERFORMANCE**

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded revenue of RM37.6 million for the quarter under review as compared to RM41.7 million in the corresponding quarter of the preceding year. The Group's profit before tax for the current quarter was RM8.5 million, representing an increase of RM1.6 million as compared to profit before tax of RM6.9 million in the corresponding quarter of the preceding year. The increase of the Group's profit before tax was mainly contributed by 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 RM74.5 million for the current period to-date as compared to RM80.9 million in the preceding year. The Group recorded higher profit before tax of RM13.4 million as compared to profit before tax of RM11.3 million in the preceding year. The increase in profit before tax was contributed by lower operating expenses during the current period to-date as compared to the preceding year.

**14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER**

The Group recorded revenue of RM37.6 million for the current quarter as compared to RM36.9 million in the immediate preceding quarter. The Group's profit before tax has increased by RM3.6 million from RM4.9 million in the immediate preceding quarter to RM8.5 million in the current quarter. The increase of the Group's profit before tax was mainly due to higher margin products sold coupled with lower operating expenses during the current quarter as compared to the immediate preceding quarter.

**15. 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 costs, fuel and energy costs including 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 measures will help to enhance its overall competitiveness in the industry. In addition, the Group is practicing more aggressive pricing to capture bigger market share. Hence, barring any unforeseen circumstances, the Group is optimistic that it will remain profitable in the remaining quarters.

**16. PROFIT FORECAST**

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

**17. TAX EXPENSE**

	<b>Current Quarter RM'000</b>	<b>Current Year To-Date RM'000</b>
Current tax expense	2,274	3,600
Deferred tax	15	27
	<u>2,289</u>	<u>3,627</u>

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

**18. STATUS OF CORPORATE PROPOSALS**

There were no other outstanding corporate proposals as at the date of this report.

**19. BORROWINGS**

There were no borrowings as at the date of this report.

**20. DERIVATIVE FINANCIAL INSTRUMENTS**

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

**21. DIVIDEND**

The Board of Directors proposed a single-tier interim dividend of 3% or 1.5 sen per ordinary share of RM0.50 each for the financial year ending 31 March 2016. The date of the entitlement and payment for the aforesaid dividend shall be determined by the Board of Directors at a later date.



**22. MATERIAL LITIGATION**

There are no material litigation as at the date of this report.

**23. EARNINGS PER SHARE (EPS)**

	<b>Current Quarter</b>	<b>Current Year To-Date</b>
<b><u>Basic EPS</u></b>		
Profit attributable to owners of the Company (RM'000)	<u>6,213</u>	<u>9,788</u>
<b><u>Number of shares ('000)</u></b>		
Number of ordinary shares in issue as at beginning of year	155,492	155,492
Effect of exercise of ESOS	<u>234</u>	<u>234</u>
Weighted average number of ordinary shares in issue	<u>155,726</u>	<u>155,726</u>
Basic EPS (sen)	<u>3.99</u>	<u>6.29</u>
<b><u>Fully Diluted EPS</u></b>		
Profit attributable to owners of the Company (RM'000)	<u>6,213</u>	<u>9,788</u>
<b><u>Number of shares ('000)</u></b>		
Number of ordinary shares in issue as at beginning of year	155,492	155,492
Effect of exercise of ESOS	234	234
Effect of share options	<u>307</u>	<u>307</u>
Weighted average number of ordinary shares in issue	<u>156,033</u>	<u>156,033</u>
Fully Diluted EPS (sen)	<u>3.98</u>	<u>6.27</u>

**24. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

Profit before tax is arrived at after charging/(crediting) :

	<b>Current Quarter RM'000</b>	<b>Current Year To-Date RM'000</b>
Depreciation and amortisation	1,419	2,903
Gain on foreign exchange (realised)	(151)	(185)
Impairment loss on trade receivables	636	1,502
Interest expense	-	-
Interest income	(75)	(186)
Rental expense	686	1,300
Rental income	(58)	(116)
Reversal of impairment loss on receivables	<u>(203)</u>	<u>(725)</u>

**25. DISCLOSURE OF REALISED AND UNREALISED PROFITS**

	<b>As at 30/09/15 RM'000</b>	<b>As at 31/03/15 RM'000</b>
Total retained earnings of the Group:		
- Realised	66,335	57,186
- Unrealised	<u>11,135</u>	<u>10,783</u>
	77,470	67,969
Add : Consolidation adjustments	<u>(24,365)</u>	<u>(24,652)</u>
Total retained earnings as per statement of financial position	<u>53,105</u>	<u>43,317</u>

**26. 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 23 November 2015.