

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016**

	Unaudited 31/03/2016 RM'000	Audited 31/03/2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	62,833	63,832
Investment property	459	470
Other investments	10	10
	63,302	64,312
Current assets		
Inventories	31,133	36,274
Trade and other receivables	42,178	46,611
Current tax assets	11	25
Cash and cash equivalents	28,194	6,520
	101,516	89,430
TOTAL ASSETS	164,818	153,742
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	79,052	77,746
Share premium	1,618	530
Fair value reserve	3	3
Share option reserve	461	90
Retained profits	56,941	43,317
TOTAL EQUITY	138,075	121,686
LIABILITIES		
Non-current Liabilities		
Deferred tax liabilities	443	390
	443	390
Current Liabilities		
Trade and other payables	23,821	29,751
Borrowings	-	700
Current tax liabilities	2,479	1,215
	26,300	31,666
TOTAL LIABILITIES	26,743	32,056
TOTAL EQUITY AND LIABILITIES	164,818	153,742
Net assets per share (RM)	0.87	0.78

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



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR
	QUARTER 31/03/2016	QUARTER 31/03/2015	TO-DATE 31/03/2016	TO-DATE 31/03/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	40,662	43,476	152,854	163,264
Operating expenses	(34,337)	(41,566)	(127,768)	(143,950)
Other operating income	247	294	1,942	1,420
Profit from operations	6,572	2,204	27,028	20,734
Finance costs	-	(17)	-	(116)
Profit before tax	6,572	2,187	27,028	20,618
Income tax expense	(1,021)	(541)	(6,361)	(5,659)
Profit for the period	5,551	1,646	20,667	14,959
Profit attributable to: Owners of the Company	5,551	1,646	20,667	14,959
Earnings per share:				
(a) Basic (sen)	3.51	1.08	13.07	9.80
(b) Fully Diluted (sen)	3.49	1.07	12.99	9.74

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 31 MARCH 2016

	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	-	-	-	-	20,667	20,667
Dividend to owners of the Company	-	-	-	-	(7,043)	(7,043)
Exercise of ESOS	1,306	879	-	-	-	2,185
Transfer to share premium for ESOS exercised	-	209	-	(209)	-	-
Share-based payments	-	-	-	580	-	580
At 31 March 2016	79,052	1,618	3	461	56,941	138,075

At 1 April 2014	60,913	16	3	-	48,795	109,727
Total comprehensive income for the period	-	-	-	-	14,959	14,959
Dividend to owners of the Company	-	-	-	-	(5,209)	(5,209)
Exercise of ESOS	1,605	417	-	-	-	2,022
Transfer to share premium for ESOS exercised	-	225	-	(225)	-	-
Share-based payments	-	-	-	315	-	315
Bonus issued	15,228	-	-	-	(15,228)	-
Issued expenses for bonus issue	-	(128)	-	-	-	(128)
At 31 March 2015	77,746	530	3	90	43,317	121,686

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 31 MARCH 2016**

	31/03/2016 RM'000	31/03/2015 RM'000
Cash flow from operating activities		
Net profit before tax	27,028	20,618
Adjustments for non-cash flows items	5,555	6,432
Operating profit before changes in working capital	<u>32,583</u>	<u>27,050</u>
Net change in current assets	9,574	(7,415)
Net change in current liabilities	(5,930)	6,895
Cash generated from operations	<u>36,227</u>	<u>26,530</u>
Income tax paid	(5,030)	(7,241)
Overdue interest received	111	71
Net cash from operating activities	<u>31,308</u>	<u>19,360</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(4,440)	(4,819)
Acquisition of investment property	(34)	(308)
Short-term deposits interest received	391	71
Proceeds from disposal of property, plant and equipment	7	-
Net cash used in investing activities	<u>(4,076)</u>	<u>(5,056)</u>
Cash flow from financing activities		
Dividend paid to owners of the Company	(7,043)	(5,209)
Proceeds from issuance of shares arising from exercise of ESOS	2,185	2,022
Repayment of borrowings	(700)	(8,000)
Interest paid	-	(116)
Bonus issued expenses	-	(128)
Net cash used in financing activities	<u>(5,558)</u>	<u>(11,431)</u>
Net changes in cash and cash equivalents	<u>21,674</u>	<u>2,873</u>
Cash and cash equivalents at beginning of year	6,501	3,628
Cash and cash equivalents at end of year	(i) <u>28,175</u>	<u>6,501</u>
(i) Cash and cash equivalents comprise the following:		
Short-term deposits with a licensed bank	19	19
Cash and bank balances	<u>28,175</u>	<u>6,501</u>
	28,194	6,520
Less: Fixed deposits pledged to a bank	(19)	(19)
	<u>28,175</u>	<u>6,501</u>

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 14:	Regulatory Deferral Accounts
FRS 16:	Leases
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 101:	Disclosure Initiative
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 FRS 116 and FRS 141:	Property, Plant & Equipment and Agriculture - Bearer Plants
Amendments to FRS 107:	Statement of Cash Flows – Disclosure Initiative
Amendments to FRS 112:	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to FRSs:	Annual Improvements to FRSs 2012 - 2014 Cycle
FRS 9	Financial Instruments
FRS 15	Revenue from Contracts with Customers

Other than FRS 9 and FRS 15, the initial adoption of the above FRS are not expected to have any significant impact to the Group. The Group is currently assessing the financial impact that may arise from the adoption of FRS 9 and FRS 15.

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

Dividends paid during the year :

	Sen per share	Amount RM'000	Date of Payment
<u>Financial year ended 31 March 2015</u>			
- A first and final single-tier dividend of 6% per share	3	4,672,365.00	26-Nov-15
<u>Financial year ended 31 March 2016</u>			
- An interim single-tier dividend of 3% per share	1.5	2,371,027.16	22-Feb-16
		<hr/>	
		7,043,392.16	



7. SEGMENTAL REPORTING

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

Financial period ended 31 March 2016	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
External revenue	151,675	1,179	-	152,854
Inter-segment revenue	1,065	4,763	(5,828)	-
Total revenue	152,740	5,942	(5,828)	152,854

Results

Total profit or loss for reportable segments				31,406
Elimination of inter-segment profits				732
Depreciation				(5,612)
Finance costs				-
Interest income				502
Profit before taxation				27,028

Financial period ended 31 March 2015	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
External revenue	161,359	1,905	-	163,264
Inter-segment revenue	1,748	3,865	(5,613)	-
Total revenue	163,107	5,770	(5,613)	163,264

Results

Total profit or loss for reportable segments				26,414
Elimination of inter-segment profits				476
Depreciation				(6,298)
Finance costs				(116)
Interest income				142
Profit before taxation				20,618

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 31 March 2016:-

	RM'000
Trade balance outstanding	<u>3,221</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 2,345,500 ordinary shares of RM0.50 each for cash at RM0.86 per share in the current quarter arising from the exercise of 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 RM40.7 million for the quarter under review as compared to RM43.5 million in the corresponding quarter of the preceding year. The Group's profit before tax for the current quarter was RM6.6 million, representing an increase of RM4.4 million as compared to profit before tax of RM2.2 million in the corresponding quarter of the preceding year. The increase of the Group's profit before tax was mainly due higher margin products sold and 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 lower revenue of RM152.9 million for the current period to-date as compared to RM163.3 million in the preceding year. However, the Group recorded higher profit before tax of RM27.0 million as compared to profit before tax of RM20.6 million in the preceding year. The increase in profit before tax was contributed by higher margin products sold coupled with 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 RM40.7 million for the current quarter as compared to RM37.7 million in the immediate preceding quarter. The Group's profit before tax has decreased by RM0.4 million from RM7.0 million in the immediate preceding quarter to RM6.6 million in the current quarter. The decrease of the Group's profit before tax was mainly due to higher 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 for the financial year ending 31 March 2017.

16. PROFIT FORECAST

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

17. TAX EXPENSE

	Current Quarter RM'000	Current Year To-Date RM'000
Current tax expenses:		
- Current period	1,844	7,064
- Overprovision in prior years	(835)	(756)
Deferred tax	<u>12</u>	<u>53</u>
	<u>1,021</u>	<u>6,361</u>

The Group's effective tax rate for the current financial quarter is lower than the statutory tax rate of 24% mainly due to tax refund to the subsidiary company, OKA Concrete Industries Sdn. Bhd..

The Group's effective tax rate for the current year to-date is marginally lower than the statutory income tax rate mainly due to non-taxable income.

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 has on 23 November 2015 declared an interim single-tier dividend of 3% or 1.5 sen per ordinary share of RM0.50 each in respect of the financial year ended 31 March 2016. The dividend was paid on 22 February 2016.

The Board of Directors propose a final single-tier dividend of 7% or 3.5 sen per share (2015 : 3.0 sen per share under the single-tier system) subject to shareholders' approval at the forthcoming annual general meeting to be announced at a later date.

22. MATERIAL LITIGATION

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

23. EARNINGS PER SHARE (EPS)

	Current Quarter	Current Year To-Date
<u>Basic EPS</u>		
Profit attributable to owners of the Company (RM'000)	<u>5,551</u>	<u>20,667</u>
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	155,492	155,492
Effect of exercise of ESOS	<u>2,612</u>	<u>2,612</u>
Weighted average number of ordinary shares in issue	<u>158,104</u>	<u>158,104</u>
Basic EPS (sen)	<u>3.51</u>	<u>13.07</u>
<u>Fully Diluted EPS</u>		
Profit attributable to owners of the Company (RM'000)	<u>5,551</u>	<u>20,667</u>
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	155,492	155,492
Effect of exercise of ESOS	2,612	2,612
Effect of share options	<u>960</u>	<u>960</u>
Weighted average number of ordinary shares in issue	<u>159,064</u>	<u>159,064</u>
Fully Diluted EPS (sen)	<u>3.49</u>	<u>12.99</u>

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

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

	Current Quarter RM'000	Current Year To-Date RM'000
Depreciation and amortisation	1,391	5,690
Gain on foreign exchange (realised)	(69)	(546)
Impairment loss on trade receivables	136	1,196
Interest expense	-	-
Interest income	(202)	(502)
Rental expense	614	2,520
Rental income	(99)	(256)
Reversal of impairment loss on receivables	<u>(143)</u>	<u>(1,222)</u>



25. DISCLOSURE OF REALISED AND UNREALISED PROFITS

	As at 31/03/16 RM'000	As at 31/03/15 RM'000
Total retained earnings of the Group:		
- Realised	70,205	57,186
- Unrealised	<u>10,709</u>	<u>10,783</u>
	80,914	67,969
Add : Consolidation adjustments	<u>(23,973)</u>	<u>(24,652)</u>
Total retained earnings as per statement of financial position	<u><u>56,941</u></u>	<u><u>43,317</u></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 27 May 2016.