

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	Unaudited 30/06/2016 RM'000	Audited 31/03/2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	63,180	62,833
Investment property	457	459
Other investments	10	10
	63,647	63,302
Current assets		
Inventories	30,596	31,133
Trade and other receivables	46,804	42,181
Current tax assets	32	10
Cash and cash equivalents	33,332	28,193
	110,764	101,517
TOTAL ASSETS	174,411	164,819
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	79,433	79,052
Share premium	1,902	1,619
Fair value reserve	3	3
Share option reserve	401	460
Retained profits	61,923	56,908
TOTAL EQUITY	143,662	138,042
LIABILITIES		
Non-current Liabilities		
Deferred tax liabilities	489	475
	489	475
Current Liabilities		
Trade and other payables	26,668	23,823
Current tax liabilities	3,592	2,479
	30,260	26,302
TOTAL LIABILITIES	30,749	26,777
TOTAL EQUITY AND LIABILITIES	174,411	164,819
Net assets per share (RM)	0.90	0.87

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Statements for the year ended 31 March 2016



OKA CORPORATION BHD (519941-H)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR
	QUARTER 30/06/2016	QUARTER 30/06/2015	TO-DATE 30/06/2016	TO-DATE 30/06/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	45,959	36,921	45,959	36,921
Operating expenses	(39,499)	(32,614)	(39,499)	(32,614)
Other operating income	869	607	869	607
Profit from operations	7,329	4,914	7,329	4,914
Finance costs	-	-	-	-
Profit before tax	7,329	4,914	7,329	4,914
Income tax expense	(2,314)	(1,338)	(2,314)	(1,338)
Profit for the period	5,015	3,576	5,015	3,576
Profit attributable to: Owners of the Company	5,015	3,576	5,015	3,576
Earnings per share:				
(a) Basic (sen)	3.16	2.30	3.16	2.30
(b) Fully Diluted (sen)	3.13	2.29	3.13	2.29

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 2016



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 2016	79,052	1,619	3	460	56,908	138,042
Total comprehensive income for the period	-	-	-	-	5,015	5,015
Exercise of ESOS	381	224	-	-	-	605
Transfer to share premium for ESOS exercised	-	59	-	(59)	-	-
At 30 June 2016	79,433	1,902	3	401	61,923	143,662
At 1 April 2015	77,746	530	3	90	43,317	121,686
Total comprehensive income for the period	-	-	-	-	3,576	3,576
Exercise of ESOS	115	30	-	-	-	145
Transfer to share premium for ESOS exercised	-	16	-	(16)	-	-
At 30 June 2015	77,861	576	3	74	46,893	125,407

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2016



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016**

	30/06/2016 RM'000	30/06/2015 RM'000
Cash flow from operating activities		
Net profit before tax	7,329	4,914
Adjustments for non-cash flows items	996	1,320
Operating profit before changes in working capital	8,325	6,234
Net change in current assets	(4,087)	2,724
Net change in current liabilities	2,845	(6,976)
Cash generated from operations	7,083	1,982
Income tax paid	(1,209)	(1,790)
Overdue interest received	20	68
Net cash from operating activities	5,894	260
Cash flow from investing activities		
Acquisition of property, plant and equipment	(1,601)	(958)
Short-term deposits interest received	241	42
Proceeds from disposal of property, plant and equipment	-	6
Net cash used in investing activities	(1,360)	(910)
Cash flow from financing activities		
Proceeds from issuance of shares arising from exercise of ESOS	605	145
Repayment of borrowings	-	(700)
Net cash from/(used in) financing activities	605	(555)
Net changes in cash and cash equivalents	5,139	(1,205)
Cash and cash equivalents at beginning of year	28,174	6,502
Cash and cash equivalents at end of period	(i) 33,313	5,297
(i) Cash and cash equivalents comprise the following:		
Fixed deposits placed with a licensed bank	19	19
Cash and bank balances	33,313	5,297
	33,332	5,316
Less: Fixed deposits pledged to bank	(19)	(19)
	33,313	5,297

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2016



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 2016.

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 March 2016, except the adoption of the following amendments to FRSs mandatory for annual financial periods beginning on or after 1 April 2016.

FRS 14:	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 101:	Disclosure Initiative
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 FRS 10 and FRS 128:	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to FRSs:	Annual Improvements to FRSs 2012 - 2014 Cycle
FRS 9	Financial Instruments
FRS 15	Revenue from Contracts with Customers
FRS 16:	Leases

The initial adoption of the above FRS are not expected to have any significant impact to the Group except FRS 9, FRS 15 and FRS 16 which the Group is currently assessing the financial impact that may arise from the adoption.

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 quarter.

6. DIVIDEND PAID

No dividend was paid for the current quarter.



7. SEGMENTAL REPORTING

The Group's only reportable segment comprises the manufacturing and sale of pre-cast concrete products and trading of readymixed concrete. Operating segment information has therefore not been prepared as the Group's revenue and operating profit before tax are mainly confined to one operating segment

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 RM69,550,000 (31 March 2016: 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 June 2016:-

	RM'000
Trade balance outstanding	4,648
Short-term borrowings – Bankers' acceptances	-

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

11. DEBT AND EQUITY SECURITIES

The Company had issued 220,000 and 563,200 ordinary shares of RM0.50 each for cash at RM0.63 and RM0.86 per ordinary share respectively 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 RM46.0 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 RM7.3 million, representing an increase of RM2.4 million as compared to profit before tax of RM4.9 million in the corresponding quarter of the preceding year. The increase of the Group's profit before tax was mainly due to higher margin products sold during the current quarter as compared to the corresponding quarter of the preceding year.

14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER

The Group recorded revenue of RM46.0 million for the current quarter as compared to RM40.7 million in the immediate preceding quarter. The Group's profit before tax has increased by RM0.7 million from RM6.6 million in the immediate preceding quarter to RM7.3 million in the current quarter. The increase of the Group's profit before tax was mainly due to higher margin products sold 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. Hence, barring any unforeseen circumstances, the Group is optimistic that it will remain profitable in the current financial year.

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	2,300	2,300
- Underprovision in prior years		
Deferred tax	14	14
	<u>2,314</u>	<u>2,314</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

No interim dividend has been declared for the current financial period under review.

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>5,015</u>	<u>5,015</u>
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	158,104	158,104
Effect of exercise of ESOS	<u>762</u>	<u>762</u>
Weighted average number of ordinary shares in issue	<u>158,866</u>	<u>158,866</u>
Basic EPS (sen)	<u>3.16</u>	<u>3.16</u>
<u>Fully Diluted EPS</u>		
Profit attributable to owners of the Company (RM'000)	<u>5,015</u>	<u>5,015</u>
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	158,104	158,104
Effect of exercise of ESOS	<u>762</u>	<u>762</u>
Effect of share options	<u>1,127</u>	<u>1,127</u>
Weighted average number of ordinary shares in issue	<u>159,993</u>	<u>159,993</u>
Fully Diluted EPS (sen)	<u>3.13</u>	<u>3.13</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	1,303	1,303
Gain on foreign exchange (realised)	(7)	(7)
Impairment loss on trade receivables	2,475	2,475
Interest expense	-	-
Interest income	(261)	(261)
Rental expense	793	793
Rental income	(58)	(58)
Reversal of impairment loss on receivables	<u>(728)</u>	<u>(728)</u>

25. DISCLOSURE OF REALISED AND UNREALISED PROFITS

	As at 30/06/16 RM'000	As at 31/03/16 RM'000
Total retained earnings of the Group:		
- Realised	74,821	69,596
- Unrealised	<u>11,075</u>	<u>11,285</u>
	85,896	80,881
Add : Consolidation adjustments	<u>(23,973)</u>	<u>(23,973)</u>
Total retained earnings as per statement of financial position	<u>61,923</u>	<u>56,908</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 26 August 2016.