

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017**

	Unaudited 31/03/2017 RM'000	Audited 31/03/2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	62,292	62,833
Investment property	449	459
Other investments	10	10
	62,751	63,302
Current assets		
Inventories	38,459	31,133
Trade and other receivables	48,819	42,181
Current tax assets	9	10
Cash and cash equivalents	49,170	28,193
	136,457	101,517
TOTAL ASSETS	199,208	164,819
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	83,304	79,052
Share premium	2,617	1,619
Fair value reserve	3	3
Share option reserve	936	460
Retained profits	79,627	56,908
TOTAL EQUITY	166,487	138,042
LIABILITIES		
Non-current Liabilities		
Deferred tax liabilities	511	475
	511	475
Current Liabilities		
Trade and other payables	28,049	23,823
Current tax liabilities	4,161	2,479
	32,210	26,302
TOTAL LIABILITIES	32,721	26,777
TOTAL EQUITY AND LIABILITIES	199,208	164,819
Net assets per share (RM)	1.00	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 YEAR ENDED 31 MARCH 2017**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR
	QUARTER 31/03/2017	QUARTER 31/03/2016	TO-DATE 31/03/2017	TO-DATE 31/03/2016
	RM'000	RM'000	RM'000	RM'000
Revenue	38,055	40,723	166,673	152,915
Operating expenses	(26,598)	(34,397)	(131,713)	(127,829)
Other operating income	290	247	2,461	1,941
Profit from operations	11,747	6,573	37,421	27,027
Finance costs	-	-	(2)	-
Profit before tax	11,747	6,573	37,419	27,027
Income tax expense	(2,001)	(1,053)	(9,123)	(6,393)
Profit for the period	9,746	5,520	28,296	20,634
Profit attributable to: Owners of the Company	9,746	5,520	28,296	20,634
Earnings per share:				
(a) Basic (sen)	5.88	3.42	17.07	9.70
(b) Fully Diluted (sen)	5.81	3.41	16.88	9.68

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 YEAR ENDED 31 MARCH 2017**

	←----- 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	-	-	-	-	28,296	28,296
Dividend to owners of the Company	-	-	-	-	(5,577)	(5,577)
Exercise of ESOS	3,825	614	-	-	-	4,439
Transfer to share premium for ESOS exercised	-	384	-	(384)	-	-
Transfer pursuant to S618(2) of CA 2016 ~	427	-	-	(427)	-	-
Share-based payments	-	-	-	1,287	-	1,287
At 31 March 2017	83,304	2,617	3	936	79,627	166,487
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

~ Pursuant to Section 618(2) of the CA 2016 effective on 31 January 2017, any amount standing to the credit of share premium account shall become part of the paid up share capital

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 YEAR ENDED 31 MARCH 2017**

	31/03/2017 RM'000	31/03/2016 RM'000
Cash flow from operating activities		
Net profit before tax	37,419	27,027
Adjustments for non-cash flows items	4,969	5,555
Operating profit before changes in working capital	<u>42,388</u>	<u>32,582</u>
Net change in current assets	(13,964)	9,574
Net change in current liabilities	4,226	(5,930)
Cash generated from operations	<u>32,650</u>	<u>36,226</u>
Income tax paid	(7,404)	(5,030)
Overdue interest received	91	111
Net cash from operating activities	<u>25,337</u>	<u>31,307</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(4,497)	(4,440)
Decreased in fixed deposit pledged with a licensed bank	(400)	(34)
Short-term deposits interest received	1,212	391
Proceeds from disposal of property, plant and equipment	65	7
Net cash used in investing activities	<u>(3,620)</u>	<u>(4,076)</u>
Cash flow from financing activities		
Dividend paid to owners of the Company	(5,577)	(7,043)
Interest paid	(2)	-
Proceeds from issuance of shares arising from exercise of ESOS	4,439	2,185
Repayment of bank borrowings	-	(700)
Net cash used in financing activities	<u>(1,140)</u>	<u>(5,558)</u>
Net changes in cash and cash equivalents	<u>20,577</u>	<u>21,673</u>
Cash and cash equivalents at beginning of year	28,174	6,501
Cash and cash equivalents at end of year	(i) <u>48,751</u>	<u>28,174</u>
(i) Cash and cash equivalents comprise the following:		
Fixed deposits placed with a licensed bank	419	19
Cash and bank balances	<u>48,751</u>	<u>28,174</u>
	49,170	28,193
Less: Fixed deposits pledged to bank	<u>(419)</u>	<u>(19)</u>
	<u>48,751</u>	<u>28,174</u>

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 financial period to date.

6. DIVIDEND PAID

Dividends paid :

	Sen per share	Amount (RM)	Date of Payment
<u>Financial year ended 31 March 2016</u>			
- A final single-tier dividend	3.5	5,576,759.68	18-Nov-16
<u>Financial year ended 31 March 2017</u>			
- An interim single-tier dividend	2	3,254,300.00	26-Apr-17
		<u>8,831,059.68</u>	



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 other changes in the composition of the Group during the current financial period to date.

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 31 March 2017:-

	RM'000
Trade balance outstanding	<u>4,521</u>
Short-term borrowings – Bankers' acceptances	<u>0</u>

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

11. DEBT AND EQUITY SECURITIES

The Company had issued 19,000 ordinary shares (@ RM0.63), 196,500 ordinary shares (@ RM0.86) and 2,810,200 ordinary shares (@ RM1.13) for cash 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 RM38.1 million for the quarter under review as compared to RM40.7 million in the corresponding quarter of the preceding year. The Group's profit before tax for the current quarter was RM11.7 million, representing an increase of RM5.1 million as compared to profit before tax of RM6.6 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.

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

The Group registered higher revenue of RM166.7 million for the current period to-date as compared to RM152.9 million in the preceding year. The Group recorded higher profit before tax of RM37.4 million as compared to profit before tax of RM27.0 million in the preceding year. The increase in profit before tax was contributed by higher selling price sold during the current period to-date as compared to the preceding year.

14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER

The Group registered lower revenue of RM38.1 million for the current quarter as compared to RM41.9 million in the immediate preceding quarter. However, the Group recorded higher profit before tax of RM11.7 million as compared to RM9.2 million in the immediate preceding quarter. The increase of the Group's profit before tax was mainly due to 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. Hence, barring any unforeseen circumstances, the Group is optimistic that it will remain profitable for the financial ending 31 March 2018.

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	2,006	9,513
- Overprovision for prior year	-	426
Deferred tax	(5)	(816)
	<u>2,001</u>	<u>9,123</u>

The Group's effective tax rate for the financial period to-date 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 final single-tier dividend of 3.5 sen (2016 : 3.5 sen) per each ordinary share for the financial year ended 31 March 2017. 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)

	Current Quarter	Current Year To-Date
Basic EPS		
Profit attributable to owners of the Company (RM'000)	<u>9,746</u>	<u>28,296</u>
Number of shares ('000)		
Number of ordinary shares in issue as at beginning of year	158,104	158,104
Effect of exercise of ESOS	<u>7,650</u>	<u>7,650</u>
Weighted average number of ordinary shares in issue	<u>165,754</u>	<u>165,754</u>
Basic EPS (sen)	<u>5.88</u>	<u>17.07</u>
Fully Diluted EPS		
Profit attributable to owners of the Company (RM'000)	<u>9,746</u>	<u>28,296</u>
Number of shares ('000)		
Number of ordinary shares in issue as at beginning of year	158,104	158,104
Effect of exercise of ESOS	7,650	7,650
Effect of share options	<u>1,915</u>	<u>1,915</u>
Weighted average number of ordinary shares in issue	<u>167,669</u>	<u>167,669</u>
Fully Diluted EPS (sen)	<u>5.81</u>	<u>16.88</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	1,367	5,027
Gain on foreign exchange (realised)	(13)	(67)
Impairment loss on trade receivables	(1,518)	1,753
Interest expense	-	2
Interest income	(403)	(1,303)
Rental expense	610	2,781
Rental income	(58)	(245)
Reversal of impairment loss on receivables	<u>(156)</u>	<u>(1,329)</u>

25. DISCLOSURE OF REALISED AND UNREALISED PROFITS

	As at 31/03/17 RM'000	As at 31/03/16 RM'000
Total retained earnings of the Group:		
- Realised	92,609	70,137
- Unrealised	<u>10,991</u>	<u>10,744</u>
	103,600	80,881
Add : Consolidation adjustments	<u>(23,973)</u>	<u>(23,973)</u>
Total retained earnings as per statement of financial position	<u>79,627</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 May 2017.