

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

	<b>Unaudited 30/06/2017 RM'000</b>	<b>Audited 31/03/2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	61,575	62,292
Investment property	1,093	449
Other investments	10	10
	62,678	62,751
<b>Current assets</b>		
Inventories	39,450	38,459
Trade and other receivables	43,198	48,821
Current tax assets	11	9
Cash and cash equivalents	49,599	49,170
	132,258	136,459
<b>TOTAL ASSETS</b>	<b>194,936</b>	<b>199,210</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	86,914	85,920
Fair value reserve	3	3
Share option reserve	412	936
Retained profits	81,581	76,374
<b>TOTAL EQUITY</b>	<b>168,910</b>	<b>163,233</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Deferred tax liabilities	519	511
	519	511
<b>Current Liabilities</b>		
Trade and other payables	21,263	31,305
Current tax liabilities	4,244	4,161
	25,507	35,466
<b>TOTAL LIABILITIES</b>	<b>26,026</b>	<b>35,977</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>194,936</b>	<b>199,210</b>
<b>Net assets per share (RM)</b>	<b>0.97</b>	<b>0.95</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Statements for the year ended 31 March 2017



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017**

*( The figures have not been audited )*

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT PERIOD QUARTER 30/06/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2016 RM'000	Changes %	CURRENT YEAR TO-DATE 30/06/2017 RM'000	PRECEDING YEAR TO-DATE 30/06/2016 RM'000	Changes %
Revenue	35,000	45,959	-24%	35,000	45,959	-24%
Operating expenses	(28,260)	(39,499)	-28%	(28,260)	(39,499)	-28%
Other operating income	266	869	-69%	266	869	-69%
<b>Profit from operations</b>	<u>7,006</u>	<u>7,329</u>	-4%	<u>7,006</u>	<u>7,329</u>	-4%
Finance costs	(5)	-	-100%	(5)	-	-100%
<b>Profit before tax</b>	<u>7,001</u>	<u>7,329</u>	-4%	<u>7,001</u>	<u>7,329</u>	-4%
Income tax expense	(1,793)	(2,314)	-23%	(1,793)	(2,314)	-23%
<b>Profit for the period</b>	<u>5,208</u>	<u>5,015</u>	4%	<u>5,208</u>	<u>5,015</u>	4%
<b>Profit attributable to: Owners of the Company</b>	<u>5,208</u>	<u>5,015</u>	4%	<u>5,208</u>	<u>5,015</u>	4%
<b>Earnings per share:</b>						
<b>(a) Basic (sen)</b>	<u>3.20</u>	<u>3.16</u>	1%	<u>3.20</u>	<u>3.16</u>	1%
<b>(b) Fully Diluted (sen)</b>	<u>3.19</u>	<u>3.13</u>	2%	<u>3.19</u>	<u>3.13</u>	2%
<b>Other comprehensive income/(loss)</b>	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>-</u>	-

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 2017



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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 2017	85,920	-	3	935	76,373	163,231
Total comprehensive income for the period	-	-	-	-	5,208	5,208
Exercise of ESOS	471	-	-	-	-	471
Transfer to share capital for ESOS exercised	523	-	-	(523)	-	-
<b>At 30 June 2017</b>	<b>86,914</b>	<b>-</b>	<b>3</b>	<b>412</b>	<b>81,581</b>	<b>168,910</b>
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)	-	-
<b>At 30 June 2016</b>	<b>79,433</b>	<b>1,902</b>	<b>3</b>	<b>401</b>	<b>61,923</b>	<b>143,662</b>

*\*\* With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM2,616,125 has been transferred to the share capital account. Pursuant to Section 618(3) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium account within 24 months after the commencement of the New Act.*

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017

	30/06/2017 RM'000	30/06/2016 RM'000
<b>Cash flow from operating activities</b>		
Net profit before tax	7,001	7,329
Adjustments for non-cash flows items	663	996
Operating profit before changes in working capital	7,664	8,325
Net change in current assets	4,630	(4,087)
Net change in current liabilities	(6,787)	2,845
Cash generated from operations	5,507	7,083
Income tax paid	(1,703)	(1,209)
Overdue interest received	-	20
Net cash from operating activities	3,804	5,894
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(1,022)	(1,601)
Decreased in fixed deposit pledged with a licensed bank	(100)	-
Short-term deposits interest received	436	241
Net cash used in investing activities	(686)	(1,360)
<b>Cash flow from financing activities</b>		
Dividend paid to owners of the Company	(3,254)	-
Interest paid	(5)	-
Proceeds from issuance of shares arising from exercise of ESOS	471	605
Net cash used in financing activities	(2,788)	605
Net changes in cash and cash equivalents	330	5,139
Cash and cash equivalents at beginning of year	48,750	28,174
<b>Cash and cash equivalents at end of period</b>	<b>(i) 49,080</b>	<b>33,313</b>
<b>(i) Cash and cash equivalents comprise the following:</b>		
Fixed deposits placed with a licensed bank	519	19
Cash and bank balances	49,080	33,313
	49,599	33,332
Less: Fixed deposits pledged to bank	(519)	(19)
	49,080	33,313

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017



**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 2017.

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 March 2017, except the adoption of the following amendments to FRSs mandatory for annual financial periods beginning on or after 1 April 2017.

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**

A single-tier interim dividend of 2 sen per ordinary share which declared on 16 March 2017 (2016 : 1.5 sen single-tier) amounting to RM3,254,300 for the financial year ended 31 March 2017 was paid on 26 April 2017.



**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 RM70,050,000 (31 March 2017: RM69,550,000) 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 2017:-

	<b>RM'000</b>
Trade balance outstanding	<u>3,408</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 88,000 ordinary shares (@ RM0.63), 31,000 ordinary shares (@ RM0.86) and 343,800 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

(RM'million)	Individual Period		Changes (Amount / %)	Cumulative Period		Changes (Amount / %)
	Current Year	Preceding Year Corresponding		Current Year	Preceding Year Corresponding	
	Quarter 30/06/2017	Quarter 30/06/2016		To-Date	Period	
Revenue	35.0	46.0	(11.0) -24%	35.0	46.0	(11.0) -24%
Profit Before Tax	7.0	7.3	(0.3) -4%	7.0	7.3	(0.3) -4%

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded revenue of RM35.0 million for the quarter under review as compared to RM46.0 million in the corresponding quarter of the preceding year. The Group's profit before tax has decreased by RM0.3m from RM7.3 million in the corresponding quarter of the preceding year to RM7.0 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 40,818 mt during the current quarter (105,794 mt) as compared to the corresponding quarter of the preceding year (146,612 mt).

14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER

RM'million	Current Quarter 30/06/2017	Immediate Preceding Quarter 31/03/2017	Changes (Amount / %)
Revenue	35.0	38.1	(3.1) -8%
Profit Before Tax	7.0	11.7	(4.7) -40%

The Group registered lower revenue of RM35.0 million for the current quarter as compared to RM38.1 million in the immediate preceding quarter coupled with lower profit before tax of RM7.0 million as compared to RM11.7 million in the immediate preceding quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 11,864 mt during the current quarter (105,794 mt) as compared to the immediate preceding quarter (117,658 mt).

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	1,785	1,785
Deferred tax	8	8
	<u>1,793</u>	<u>1,793</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**

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
<b>Basic EPS</b>		
Profit attributable to owners of the Company (RM'000)	5,208	5,208
<b>Number of shares ('000)</b>		
Number of ordinary shares in issue as at beginning of year	162,454	162,454
Effect of exercise of ESOS	463	463
Weighted average number of ordinary shares in issue	162,917	162,917
Basic EPS (sen)	3.20	3.20
<b>Fully Diluted EPS</b>		
Profit attributable to owners of the Company (RM'000)	5,208	5,208
<b>Number of shares ('000)</b>		
Number of ordinary shares in issue as at beginning of year	162,454	162,454
Effect of exercise of ESOS	463	463
Effect of share options	450	450
Weighted average number of ordinary shares in issue	163,367	163,367
Fully Diluted EPS (sen)	3.19	3.19

**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	1,137	1,137
Gain on foreign exchange (realised)	(96)	(96)
Impairment loss on trade receivables	439	439
Interest expense	5	5
Interest income	(436)	(436)
Rental expense	676	676
Rental income	(49)	(49)
Reversal of impairment loss on receivables	(86)	(86)

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

	As at 30/06/17 RM'000	As at 31/03/17 RM'000
Total retained earnings of the Group:		
- Realised	95,003	89,545
- Unrealised	10,551	10,801
	105,554	100,346
Add : Consolidation adjustments	(23,973)	(23,973)
Total retained earnings as per statement of financial position	81,581	76,373

**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 28 August 2017.