

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

	<b>Unaudited 30/09/2017 RM'000</b>	<b>Audited 31/03/2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	61,174	62,292
Investment property	1,088	449
Other investments	12	10
	62,274	62,751
<b>Current assets</b>		
Inventories	36,532	38,459
Trade and other receivables	47,737	48,821
Current tax assets	14	9
Cash and cash equivalents	52,721	49,170
	137,004	136,459
<b>TOTAL ASSETS</b>	<u>199,278</u>	<u>199,210</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	87,640	85,920
Fair value reserve	3	3
Share option reserve	258	936
Retained profits	88,081	76,374
<b>TOTAL EQUITY</b>	175,982	163,233
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Deferred tax liabilities	527	511
	527	511
<b>Current Liabilities</b>		
Trade and other payables	17,570	31,305
Current tax liabilities	5,199	4,161
	22,769	35,466
<b>TOTAL LIABILITIES</b>	23,296	35,977
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>199,278</u>	<u>199,210</u>
<b>Net assets per share (RM)</b>	1.00	0.95

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial 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 SEPTEMBER 2017

( The figures have not been audited )

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT PERIOD QUARTER 30/09/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2016 RM'000	Changes %	CURRENT YEAR TO-DATE 30/09/2017 RM'000	PRECEDING YEAR TO-DATE 30/09/2016 RM'000	Changes %
Revenue	36,084	40,802	-11.6%	71,084	86,760	-18.1%
Operating expenses	(27,587)	(32,079)	-14.0%	(55,846)	(71,578)	-22.0%
Other operating income	241	396	-39.1%	507	1,265	-59.9%
<b>Profit from operations</b>	<b>8,738</b>	<b>9,119</b>	<b>-4.2%</b>	<b>15,745</b>	<b>16,447</b>	<b>-4.3%</b>
Finance costs	-	-	0.0%	(5)	-	100.0%
<b>Profit before tax</b>	<b>8,738</b>	<b>9,119</b>	<b>-4.2%</b>	<b>15,740</b>	<b>16,447</b>	<b>-4.3%</b>
Income tax expense	(2,239)	(2,614)	-14.3%	(4,033)	(4,927)	-18.1%
<b>Profit for the period</b>	<b>6,499</b>	<b>6,505</b>	<b>-0.1%</b>	<b>11,707</b>	<b>11,520</b>	<b>1.6%</b>
Other comprehensive income/(loss)	-	-	0.0%	-	-	0.0%
<b>Total comprehensive income attributable to owners of the Company</b>	<b>6,499</b>	<b>6,505</b>	<b>-0.1%</b>	<b>11,707</b>	<b>11,520</b>	<b>1.6%</b>
<b>Earnings per share:</b>						
(a) Basic (sen)	3.98	4.09	-2.7%	7.16	7.24	-1.0%
(b) Fully Diluted (sen)	3.97	4.06	-2.3%	7.15	7.19	-0.6%

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 SEPTEMBER 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	936	76,374	163,233
Total comprehensive income for the period	-	-	-	-	11,707	11,707
Exercise of ESOS	1,042	-	-	-	-	1,042
Transfer to share capital for ESOS exercised	678	-	-	(678)	-	-
<b>At 30 September 2017</b>	<b>87,640</b>	<b>-</b>	<b>3</b>	<b>258</b>	<b>88,081</b>	<b>175,982</b>
At 1 April 2016	79,052	1,619	3	460	56,908	138,042
Total comprehensive income for the period	-	-	-	-	11,520	11,520
Exercise of ESOS	545	340	-	-	-	885
Transfer to share premium for ESOS exercised	-	86	-	(86)	-	-
<b>At 30 September 2016</b>	<b>79,597</b>	<b>2,045</b>	<b>3</b>	<b>374</b>	<b>68,428</b>	<b>150,447</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



OKA CORPORATION BHD (519941-H)

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

	30/09/2017 RM'000	30/09/2016 RM'000
<b>Cash flow from operating activities</b>		
Net profit before tax	15,740	16,447
Adjustments for non-cash flows items	1,138	1,876
Operating profit before changes in working capital	16,878	18,323
Net change in current assets	3,008	(6,818)
Net change in current liabilities	(10,480)	2,855
Cash generated from operations	9,406	14,360
Income tax paid	(2,982)	(2,289)
Overdue interest received	125	40
Net cash from operating activities	6,549	12,111
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(1,656)	(2,469)
Withdrawal/(Placement) of fixed deposits	200	(200)
Short-term deposits interest received	866	537
Proceeds from disposal of property, plant and equipment	12	-
Increase in other investment	(2)	-
Net cash used in investing activities	(580)	(2,132)
<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	1,042	885
Net cash (used in)/from financing activities	(2,217)	885
Net changes in cash and cash equivalents	3,752	10,864
Cash and cash equivalents at beginning of year	48,969	28,393
<b>Cash and cash equivalents at end of period</b>	(i) 52,721	39,257
<b>(i) Cash and cash equivalents :</b>		
Fixed deposits placed with a licensed bank	219	219
Less: Pledged deposit	(219)	(219)
	-	-
Cash and bank balances	52,721	39,257
	52,721	39,257

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 unaudited 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.

Amendments to FRS 107:	Disclosure Initiative
Amendments to FRS 112:	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 FRS 12:	Annual Improvements to FRSs 2014 - 2016 Cycle
Amendments to FRS 2:	Share-based Payment
Amendments to FRS 4:	Insurance Contracts
Amendments to FRS 140	Investment Property
IC Interpretation 22:	Foreign Currency Transactions and Advance Consideration
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 final single-tier dividend of 3.5 sen per each ordinary share which declared on 28 August 2017 (2016 : 3.5 sen single-tier) amounting to RM5,724,235.67 for the financial year ended 31 March 2017 was paid on 17 November 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 September 2017:-

	RM'000
Trade balance outstanding	2,399
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 147,500 ordinary shares (@ RM0.86) and 393,000 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 30/09/2017	Quarter 30/09/2016		To-Date	Period	
Revenue	36.1	40.8	(4.7) -12%	71.1	86.8	(15.7) -18%
Profit Before Tax	8.7	9.1	(0.4) -4%	15.7	16.4	(0.7) -4%

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded lower revenue of RM36.1 million for the quarter under review as compared to RM40.8 million in the corresponding quarter of the preceding year. The Group's profit before tax has decreased by RM0.4m from RM9.1 million in the corresponding quarter of the preceding year to RM8.7 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 23,000mt during the current quarter which is 111,000mt as compared to the corresponding quarter of the preceding year which was 134,000mt.

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

The Group registered lower revenue of RM71.1 million for the current period to-date as compared to RM86.8 million in the preceding year. The Group recorded lower profit before tax of RM15.7 million as compared to RM16.4 million in the preceding year. The decrease in profit before tax was contributed by lower volume products sold by 64,000mt during the current quarter which is 217,000mt as compared to the preceding year which was 281,000mt.

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

RM'million	Current Quarter 30/09/2017	Immediate Preceding Quarter 30/06/2017	Changes (Amount / %)	
Revenue	36.1	35.0	1.1	3%
Profit Before Tax	8.7	7.0	1.7	25%

The Group registered higher revenue of RM36.1 million for the current quarter as compared to RM35.0 million in the immediate preceding quarter coupled with higher profit before tax of RM8.7 million as compared to RM7.0 million in the immediate preceding quarter. The increase of the Group's profit before tax was mainly due to higher volume products sold by 5,000mt during the current quarter which is 111,000mt as compared to the immediate preceding quarter which was 106,000mt.



## 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 year 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	2,266	4,052
- Overprovision for prior year	(36)	(36)
Deferred tax	9	17
	2,239	4,033

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)	6,499	11,707
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	162,454	162,454
Effect of exercise of ESOS	1,004	1,004
Weighted average number of ordinary shares in issue	163,458	163,458
Basic EPS (sen)	3.98	7.16
<b>Fully Diluted EPS</b>		
Profit attributable to owners of the Company (RM'000)	6,499	11,707
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	162,454	162,454
Effect of exercise of ESOS	1,004	1,004
Effect of share options	338	338
Weighted average number of ordinary shares in issue	163,796	163,796
Fully Diluted EPS (sen)	3.97	7.15



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

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

	Current Quarter	Current Year To-Date
	RM'000	RM'000
Depreciation and amortisation	1,067	2,204
Gain on foreign exchange (realised)	(19)	(115)
Impairment loss on trade receivables	(442)	(3)
Interest expense	-	5
Interest income	(430)	(866)
Rental expense	662	1,337
Rental income	(49)	(98)
Reversal of impairment loss on receivables	(75)	(161)

## 25. TRADE AND OTHER RECEIVABLES

	As at 30/09/17 RM'000
Trade receivables (non-related parties)	51,205
Less : Allowance for impairment	(4,300)
	46,905
Other receivables	832
	47,737

The credit terms of trade receivables granted to non-related parties with credit period ranging from 30 - 120 days.

The ageing analysis of trade receivables is as follows:

	RM'000
Neither past due nor impaired	19,005
Past due but not impaired:	
1 - 30 days	10,234
31 - 120 days	13,979
Above 120 days	3,687
	27,900
	46,905
Past due and impaired:	
Above 120 days	4,300
	51,205

The Group did not impair the past due trade receivables but monitors these receivables closely and is confident of their eventual recovery.

## 26. DISCLOSURE OF REALISED AND UNREALISED PROFITS

	As at 30/09/17 RM'000	As at 31/03/17 RM'000
Total retained earnings of the Group:		
- Realised	101,328	89,122
- Unrealised	9,826	10,689
	111,154	99,811
Add : Consolidation adjustments	(23,073)	(23,437)
Total retained earnings as per statement of financial position	88,081	76,374

## 27. AUTHORISATION FOR ISSUE

The unaudited interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 November 2017.