

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

	<b>Unaudited 31/12/2017 RM'000</b>	<b>Audited 31/03/2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	61,815	62,292
Investment property	1,082	449
Other investments	12	10
	62,909	62,751
<b>Current assets</b>		
Inventories	36,367	38,459
Trade and other receivables	47,734	48,821
Current tax assets	60	9
Cash and cash equivalents	56,942	49,170
	141,103	136,459
<b>TOTAL ASSETS</b>	<b>204,012</b>	<b>199,210</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	87,772	85,920
Fair value reserve	3	3
Share option reserve	230	936
Retained profits	87,761	76,374
<b>TOTAL EQUITY</b>	<b>175,766</b>	<b>163,233</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Deferred tax liabilities	536	511
	536	511
<b>Current Liabilities</b>		
Trade and other payables	25,801	31,305
Current tax liabilities	1,909	4,161
	27,710	35,466
<b>TOTAL LIABILITIES</b>	<b>28,246</b>	<b>35,977</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>204,012</b>	<b>199,210</b>
<b>Net assets per share (RM)</b>	<b>1.00</b>	<b>0.95</b>

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 31 DECEMBER 2017**

*( The figures have not been audited )*

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	Changes %	CURRENT YEAR	PRECEDING YEAR	Changes %
	QUARTER 31/12/2017 RM'000	QUARTER 31/12/2016 RM'000		TO-DATE 31/12/2017 RM'000	TO-DATE 31/12/2016 RM'000	
Revenue	36,505	41,858	-12.8%	107,589	128,618	-16.3%
Operating expenses	(30,748)	(33,537)	-8.3%	(86,595)	(105,115)	-17.6%
Other operating income	244	906	-73.1%	751	2,172	-65.4%
<b>Profit from operations</b>	<b>6,001</b>	<b>9,227</b>	<b>-35.0%</b>	<b>21,745</b>	<b>25,675</b>	<b>-15.3%</b>
Finance costs	-	(2)	-100.0%	(5)	(2)	>100%
<b>Profit before tax</b>	<b>6,001</b>	<b>9,225</b>	<b>-34.9%</b>	<b>21,740</b>	<b>25,673</b>	<b>-15.3%</b>
Income tax expense	(597)	(2,195)	-72.8%	(4,629)	(7,122)	-35.0%
<b>Profit for the period</b>	<b>5,404</b>	<b>7,030</b>	<b>-23.1%</b>	<b>17,111</b>	<b>18,551</b>	<b>-7.8%</b>
Other comprehensive income/(loss)	-	-	0.0%	-	-	0.0%
<b>Total comprehensive income attributable to owners of the Company</b>	<b>5,404</b>	<b>7,030</b>	<b>-23.1%</b>	<b>17,111</b>	<b>18,551</b>	<b>-7.8%</b>
<b>Earnings per share:</b>						
<b>(a) Basic (sen)</b>	<b>3.30</b>	<b>4.41</b>	<b>-25.1%</b>	<b>10.46</b>	<b>11.64</b>	<b>-10.1%</b>
<b>(b) Fully Diluted (sen)</b>	<b>3.30</b>	<b>4.39</b>	<b>-24.9%</b>	<b>10.44</b>	<b>11.59</b>	<b>-9.9%</b>

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 31 DECEMBER 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	-	-	-	-	17,111	17,111
Dividend to owners of the Company	-	-	-	-	(5,724)	(5,724)
Exercise of ESOS	1,146	-	-	-	-	1,146
Transfer to share capital for ESOS exercised	706	-	-	(706)	-	-
<b>At 31 December 2017</b>	<b>87,772</b>	<b>-</b>	<b>3</b>	<b>230</b>	<b>87,761</b>	<b>175,766</b>
At 1 April 2016	79,052	1,619	3	460	56,908	138,042
Total comprehensive income for the period	-	-	-	-	18,551	18,551
Dividend to owners of the Company	-	-	-	-	(5,577)	(5,577)
Exercise of ESOS	660	418	-	-	-	1,078
Transfer to share premium for ESOS exercised	-	105	-	(105)	-	-
<b>At 31 December 2016</b>	<b>79,712</b>	<b>2,142</b>	<b>3</b>	<b>355</b>	<b>69,882</b>	<b>152,094</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 31 DECEMBER 2017**

	31/12/2017 RM'000	31/12/2016 RM'000
<b>Cash flow from operating activities</b>		
Net profit before tax	21,740	25,673
Adjustments for non-cash flows items	1,711	2,771
Operating profit before changes in working capital	23,451	28,444
Net change in current assets	3,177	(6,023)
Net change in current liabilities	(2,249)	(525)
Cash generated from operations	24,379	21,896
Income tax paid	(6,906)	(4,944)
Overdue interest received	125	53
Net cash from operating activities	17,598	17,005
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(3,355)	(3,578)
Placement/(Withdrawal) of fixed deposits	150	(1,300)
Short-term deposits interest received	1,356	846
Proceeds from disposal of property, plant and equipment	12	-
Increase in other investment	(2)	-
Net cash used in investing activities	(1,839)	(4,032)
<b>Cash flow from financing activities</b>		
Dividend paid to owners of the Company	(8,978)	(5,577)
Interest paid	(5)	(2)
Proceeds from issuance of shares arising from exercise of ESOS	1,146	1,078
Net cash used in financing activities	(7,837)	(4,501)
Net changes in cash and cash equivalents	7,922	8,472
Cash and cash equivalents at beginning of year	48,751	28,174
<b>Cash and cash equivalents at end of period</b>	<b>(i) 56,673</b>	<b>36,646</b>
<b>(i) Cash and cash equivalents :</b>		
Fixed deposits placed with a licensed bank	269	1,319
Cash and bank balances	56,673	36,646
	56,942	37,965
Less: Pledged deposit	(269)	(1,319)
	56,673	36,646

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.

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 31 December 2017:-

	RM'000
Trade balance outstanding	2,713
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 6,500 ordinary shares (@ RM0.86) and 87,600 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 31/12/2017	Quarter 31/12/2016		To-Date	Period	
Revenue	36.5	41.9	(5.4) -13%	107.6	128.6	(21.0) -16%
Profit Before Tax	6.0	9.2	(3.2) -35%	21.7	25.7	(3.9) -15%

#### (a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded lower revenue of RM36.5 million for the quarter under review as compared to RM41.9 million in the corresponding quarter of the preceding year. The Group's profit before tax has decreased by RM3.2m from RM9.2 million in the corresponding quarter of the preceding year to RM6.0 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 17,000mt during the current quarter which is 112,000mt as compared to the corresponding quarter of the preceding year which was 129,000mt.

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

The Group registered lower revenue of RM107.6 million for the current period to-date as compared to RM128.6 million in the preceding year. The Group recorded lower profit before tax of RM21.7 million as compared to RM25.7 million in the preceding year. The decrease in profit before tax was contributed by lower volume products sold by 81,000mt during the current quarter which is 329,000mt as compared to the preceding year which was 410,000mt.

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

	Current Quarter	Immediate Preceding Quarter	Changes (Amount / %)	
RM'million	31/12/2017	30/09/2017		
Revenue	36.5	36.1	0.4	1%
Profit Before Tax	6.0	8.7	(2.7)	-31%

The Group registered higher revenue of RM36.5 million for the current quarter as compared to RM36.1 million in the immediate preceding quarter. Profit before tax decreased by RM2.7 million from RM8.7 million in the immediate preceding quarter to RM6.0 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. 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	1,314	5,366
- Overprovision for prior year	(726)	(762)
Deferred tax	9	25
	597	4,629

The Group's effective tax rate for the current quarter and financial period to-date is lower than the Malaysia statutory tax rate mainly due to overprovision of taxation in previous year.

## 18. STATUS OF CORPORATE PROPOSALS

The Company has offered a total of 4,348,500 share options under the Executives Share Option Scheme to the Directors and eligible employees of OKA and its subsidiaries on 05 January 2018 of which 4,348,500 share options have been duly accepted. The options not exercised upon expiry of the ESOS on 04 January 2020 shall be null and void.

Other than the above, there were no other corporate proposals announced and not completed 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 single-tier interim dividend of 2.0 sen (2017 : 2.0 sen) per each ordinary share for the financial year ending 31 March 2018 and payable on 20 April 2018 to depositors registered in the Records of Depositors at close of business on 10 April 2018.

## 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)	5,404	17,111
<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	1,098	1,098
Weighted average number of ordinary shares in issue	163,552	163,552
Basic EPS (sen)	3.30	10.46
<b>Fully Diluted EPS</b>		
Profit attributable to owners of the Company (RM'000)	5,404	17,111
<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	1,098	1,098
Effect of share options	271	271
Weighted average number of ordinary shares in issue	163,823	163,823
Fully Diluted EPS (sen)	3.30	10.44



## 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	1,097	3,301
Gain on foreign exchange (realised)	(8)	(124)
Impairment loss on trade receivables	(9)	(12)
Interest expense	-	5
Interest income	(490)	(1,356)
Rental expense	664	2,001
Rental income	(49)	(146)
Reversal of impairment loss on receivables	(43)	(204)

## 25. TRADE AND OTHER RECEIVABLES

	As at 31/12/17 RM'000
Trade receivables (non-related parties)	51,098
Less : Allowance for impairment	(4,283)
	46,815
Other receivables	919
	47,734

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	19,312
Past due but not impaired:	
1 - 30 days	10,317
31 - 120 days	12,645
Above 120 days	4,541
	27,503
	46,815
Past due and impaired:	
Above 120 days	4,283
	51,098

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

## 26. 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 28 February 2018.