

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	Unaudited 31/03/2018 RM'000	Audited 31/03/2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	63,122	62,292
Investment property	237	449
Other investments	12	10
	63,371	62,751
Current assets		
Inventories	41,349	38,459
Trade and other receivables	49,861	48,821
Asset classified as held for sale	640	-
Current tax assets	18	9
Cash and cash equivalents	56,762	49,170
	148,630	136,459
TOTAL ASSETS	212,001	199,210
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	87,807	85,920
Fair value reserve	3	3
Share option reserve	1,847	936
Retained profits	91,995	76,374
TOTAL EQUITY	181,652	163,233
LIABILITIES		
Non-current Liabilities		
Deferred tax liabilities	545	511
	545	511
Current Liabilities		
Trade and other payables	27,777	31,305
Current tax liabilities	2,027	4,161
	29,804	35,466
TOTAL LIABILITIES	30,349	35,977
TOTAL EQUITY AND LIABILITIES	212,001	199,210
Net assets per share (RM)	1.03	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 YEAR ENDED 31 MARCH 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	Changes %	CURRENT YEAR	PRECEDING YEAR	Changes %
	QUARTER 31/03/2018 RM'000	QUARTER 31/03/2017 RM'000		TO-DATE 31/03/2018 RM'000	TO-DATE 31/03/2017 RM'000	
Revenue	36,705	38,055	-3.5%	144,295	166,673	-13.4%
Operating expenses	(26,782)	(26,598)	0.7%	(113,377)	(131,713)	-13.9%
Other operating income	453	290	56.2%	1,204	2,461	-51.1%
Profit from operations	10,376	11,747	-11.7%	32,122	37,421	-14.2%
Finance costs	-	-	-100.0%	(5)	(2)	>100%
Profit before tax	10,376	11,747	-11.7%	32,117	37,419	-14.2%
Income tax expense	(2,871)	(2,001)	43.5%	(7,500)	(9,123)	-17.8%
Profit for the period	7,505	9,746	-23.0%	24,617	28,296	-13.0%
Other comprehensive income/(loss)	-	-	0.0%	-	-	0.0%
Total comprehensive income attributable to owners of the Company	7,505	9,746	-23.0%	24,617	28,296	-13.0%
Earnings per share:						
(a) Basic (sen)	4.59	5.88	-22.0%	15.05	17.07	-11.8%
(b) Fully Diluted (sen)	4.58	5.81	-21.2%	15.03	16.88	-11.0%

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 YEAR ENDED 31 MARCH 2018**

	<----- 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	-	-	-	-	24,617	24,617
Dividend to owners of the Company	-	-	-	-	(8,996)	(8,996)
Share-based payments	-	-	-	1,624	-	1,624
Exercise of ESOS	1,174	-	-	-	-	1,174
Transfer to share capital for ESOS exercised	713	-	-	(713)	-	-
At 31 March 2018	87,807	-	3	1,847	91,995	181,652
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	-	-	-	-	(8,830)	(8,830)
Share-based payments	-	-	-	1,286	-	1,286
Exercise of ESOS	3,825	614	-	-	-	4,439
Transfer to share premium for ESOS exercised	-	383	-	(383)	-	-
Transfer pursuant to S618(2) of CA 2016 ~	2,616	(2,616)	-	-	-	-
Transfer to share capital for ESOS exercised	427	-	-	(427)	-	-
At 31 March 2017	85,920	-	3	936	76,374	163,233

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 YEAR ENDED 31 MARCH 2018

	31/03/2018 RM'000	31/03/2017 RM'000
Cash flow from operating activities		
Net profit before tax	32,117	37,419
Adjustments for non-cash flows items	3,804	4,969
Operating profit before changes in working capital	35,921	42,388
Net change in current assets	(3,932)	(13,964)
Net change in current liabilities	(3,545)	4,226
Cash generated from operations	28,444	32,650
Income tax paid	(9,608)	(7,404)
Overdue interest received	135	91
Net cash from operating activities	18,971	25,337
Cash flow from investing activities		
Acquisition of property, plant and equipment	(5,145)	(4,497)
Acquisition of investment property	(650)	-
Withdrawal/(Placement) of fixed deposits	100	(400)
Short-term deposits interest received	1,838	1,212
Proceeds from disposal of property, plant and equipment	12	65
Proceeds from disposal of investment property	378	-
Increase in other investment	(2)	-
Net cash used in investing activities	(3,469)	(3,620)
Cash flow from financing activities		
Dividend paid to owners of the Company	(8,979)	(5,577)
Interest paid	(5)	(2)
Proceeds from issuance of shares arising from exercise of ESOS	1,174	4,439
Net cash used in financing activities	(7,810)	(1,140)
Net changes in cash and cash equivalents	7,692	20,577
Cash and cash equivalents at beginning of year	48,751	28,174
Cash and cash equivalents at end of period	(i) 56,443	48,751
(i) Cash and cash equivalents :		
Fixed deposits placed with a licensed bank	319	419
Cash and bank balances	56,443	48,751
	56,762	49,170
Less: Pledged deposit	(319)	(419)
	56,443	48,751

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

Dividends paid :

	Sen per share	Amount (RM)	Date of Payment
<u>Financial year ended 31 March 2017</u>			
- A final single-tier dividend	3.5	5,724,235.67	17-Nov-17
<u>Financial year ended 31 March 2018</u>			
- An interim single-tier dividend	2	3,271,538.00	20-Apr-18
		<u>8,995,773.67</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.

10. The contingent liabilities represent corporate guarantees totalling RM73,050,000 (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 March 2018:-

	RM'000
Trade balance outstanding	3,654
Short-term borrowings – Bankers' acceptances	0

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

11. DEBT AND EQUITY SECURITIES

The Company had issued 10,000 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

Except as disclosed below, there were no other material capital commitments as at the end of current quarter.

	RM'000
Property, plant and equipment: Approved and contracted for	9,078

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA

13. REVIEW OF PERFORMANCE

	Individual Period			Cumulative Period		
	Current Year Quarter 31/03/2018	Preceding Year Corresponding Quarter 31/03/2017		Changes (Amount / %)	Current Year To-Date	
(RM'million)						
Revenue	36.7	38.1	(1.4) -4%	144.3	166.7	(22.4)
Profit Before Tax	10.4	11.7	(1.4) -12%	32.1	37.4	(5.3)

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded lower revenue of RM36.7 million for the quarter under review as compared to RM38.1 million in the corresponding quarter of the preceding year. The Group's profit before tax has decreased by RM1.4m from RM11.7 million in the corresponding quarter of the preceding year to RM10.4 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 5,000mt during the current quarter which is 112,000mt as compared to 117,000mt coupled with higher high margin products sold in the corresponding quarter of the preceding year.

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

The Group registered lower revenue of RM144.3 million for the current period to-date as compared to RM166.7 million in the preceding year. The Group recorded lower profit before tax of RM32.1 million as compared to RM37.4 million in the preceding year. The decrease in profit before tax was contributed by lower volume products sold by 86,000mt during the current quarter which is 442,000mt as compared to the preceding year which was 528,000mt.

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

	Current Quarter	Immediate Preceding Quarter	Changes (Amount / %)	
RM'million	31/03/2018	31/12/2017		
Revenue	36.7	36.5	0.2	1%
Profit Before Tax	10.4	6.0	4.4	73%

The Group registered slightly higher revenue of RM36.7 million for the current quarter as compared to RM36.5 million in the immediate preceding quarter. Profit before tax increased by RM4.4 million from RM6.0 million in the immediate preceding quarter to RM10.4 million in the current 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 year ending 31 March 2019.

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	2,862	8,228
- Overprovision for prior year	-	(762)
Deferred tax	9	34
	<u>2,871</u>	<u>7,500</u>

The Group's effective tax rate for the current quarter is higher than the Malaysia statutory tax rate due to certain expenses not deductible for tax purposes.

The Group's effective tax rate for the current year to-date is marginally lower than the statutory income tax rate mainly due to overprovision of taxation in previous year.

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 single-tier final dividend of 3.5 sen (2017 : 3.5 sen) per each ordinary share for the financial year ending 31 March 2018 subject to shareholders' approval at the forthcoming annual general meeting.

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)	7,505	24,617
Number of shares ('000)		
Number of ordinary shares in issue as at beginning of year	162,454	162,454
Effect of exercise of ESOS	1,123	1,123
Weighted average number of ordinary shares in issue	163,577	163,577
Basic EPS (sen)	4.59	15.05
Fully Diluted EPS		
Profit attributable to owners of the Company (RM'000)	7,505	24,617
Number of shares ('000)		
Number of ordinary shares in issue as at beginning of year	162,454	162,454
Effect of exercise of ESOS	1,123	1,123
Effect of share options	249	249
Weighted average number of ordinary shares in issue	163,826	163,826
Fully Diluted EPS (sen)	4.58	15.03

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	1,171	4,472
Loss/(Gain) on foreign exchange (realised)	36	(87)
Impairment loss on trade receivables	28	16
Interest expense	-	5
Interest income	(617)	(1,973)
Rental expense	555	2,556
Rental income	(78)	(224)
Reversal of impairment loss on receivables	(122)	(326)

25. TRADE AND OTHER RECEIVABLES

	As at 31/03/18 RM'000
Trade receivables (non-related parties)	53,271
Less : Allowance for impairment	(4,148)
	49,123
Other receivables	738
	49,861

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	29,359
Past due but not impaired:	
1 - 30 days	6,964
31 - 120 days	5,766
Above 120 days	7,034
	19,764
	49,123
Past due and impaired:	
Above 120 days	4,148
	53,271

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 May 2018.