



OKA CORPORATION BHD (519941-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Unaudited 31/03/2019 RM'000	Audited 31/03/2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	71,786	62,113
Investment property	2,713	237
Other investments	12	12
Deferred tax assets	1,746	-
	76,257	62,362
Current assets		
Inventories	41,109	41,349
Trade and other receivables	29,056	50,969
Current tax assets	2,536	18
Assets classified as held-for-sale	-	640
Cash and cash equivalents	49,544	56,762
	122,245	149,738
TOTAL ASSETS	198,502	212,100
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	87,837	87,808
Fair value reserve	3	3
Share option reserve	1,841	1,847
Retained profits	84,566	91,995
TOTAL EQUITY	174,247	181,653
LIABILITIES		
Non-current Liabilities		
Deferred tax liabilities	-	545
	-	545
Current Liabilities		
Trade and other payables	24,255	27,875
Current tax liabilities	-	2,027
	24,255	29,902
TOTAL LIABILITIES	24,255	30,447
TOTAL EQUITY AND LIABILITIES	198,502	212,100
Net assets per share (RM)	0.71	1.03

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Statements for the year ended 31 March 2018



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	Changes	CURRENT YEAR	PRECEDING YEAR	Changes
	QUARTER 31/03/2019 RM'000	QUARTER 31/03/2018 RM'000		TO-DATE 31/03/2019 RM'000	TO-DATE 31/03/2018 RM'000	
Revenue	31,549	36,705	-14%	129,034	144,295	-11%
Operating expenses	(28,566)	(26,782)	7%	(115,762)	(113,377)	2%
Other operating income	135	453	-70%	776	1,204	-36%
Profit from operations	3,118	10,376	-70%	14,048	32,122	-56%
Finance costs	-	-	0%	-	(5)	-100%
Profit before tax	3,118	10,376	-70%	14,048	32,117	-56%
Income tax expense	(550)	(2,871)	-81%	(3,095)	(7,500)	-59%
Profit for the period	2,568	7,505	-66%	10,953	24,617	-56%
Other comprehensive income/(loss)	-	-	0%	-	-	0%
Total comprehensive income attributable to owners of the Company	2,568	7,505	-66%	10,953	24,617	-56%
Earnings per share:						
Basic/Fully Diluted (sen)	1.05	4.59	-77%	4.46	15.05	-70%

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 2018



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	<----- Non-distributable ----->			Distributable	
	Share Capital RM'000	Fair Value Reserve RM'000	Share Option Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 31 March 2018	87,808	3	1,847	91,995	181,653
Adjustment on initial application of MFRS 9, net of tax	-	-	-	(8,239)	(8,239)
At 1 April 2018, <i>restated</i>	87,808	3	1,847	83,756	173,414
Total comprehensive income for the period	-	-	-	10,953	10,953
Dividend to owners of the Company	-	-	-	(10,143)	(10,143)
Exercise of ESOS	23	-	-	-	23
Transfer to share capital for ESOS exercised	6	-	(6)	-	-
At 31 March 2019	87,837	3	1,841	84,566	174,247
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	1,175	-	-	-	1,175
Transfer to share capital for ESOS exercised	713	-	(713)	-	-
At 31 March 2018	87,808	3	1,847	91,995	181,653

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2018



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	31/03/2019 RM'000	31/03/2018 RM'000
Cash flow from operating activities		
Net profit before tax	14,048	32,117
Adjustments for non-cash flows items	2,230	3,801
Operating profit before changes in working capital	16,278	35,918
Net change in current assets	11,330	(5,038)
Net change in current liabilities	(4,765)	(3,447)
Cash generated from operations	22,843	27,433
Income tax paid	(7,348)	(9,608)
Overdue interest received	15	135
Net cash from operating activities	15,510	17,960
Cash flow from investing activities		
Acquisition of property, plant and equipment	(13,682)	(4,786)
Acquisition of investment property	(2,508)	-
Acquisition of other investment	-	1
Decreased in fixed deposit	-	(2)
Dividend income	1	-
Short-term deposits interest received	1,715	1,838
Proceeds from disposal of property, plant and equipment	48	12
Proceeds from disposal of assets held-for-sale	672	-
Proceeds from disposal of investment property	-	378
Net cash used in investing activities	(13,754)	(2,559)
Cash flow from financing activities		
Dividend paid to owners of the Company	(8,997)	(8,979)
Interest paid	-	(5)
Proceeds from issuance of shares arising from exercise of ESOS	23	1,175
Net cash used in financing activities	(8,974)	(7,809)
Net changes in cash and cash equivalents	(7,218)	7,592
Cash and cash equivalents at beginning of year	56,743	49,151
Cash and cash equivalents at end of year	(i) 49,525	56,743
(i) Cash and cash equivalents comprise the following:		
Fixed deposits placed with a licensed bank	19	19
Cash and bank balances	49,525	56,743
	49,544	56,762
Less: Fixed deposits pledged to bank	(19)	(19)
	49,525	56,743

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2018



PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

This interim financial statements of the Group have been prepared in accordance with MFRS134: 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 2018.

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 March 2018, except the adoption of the following amendments to MFRSs mandatory for annual financial periods beginning on or after 1 April 2018.

MFRS 15:	Revenue from Contracts with Customers, Clarification to MFRS 15
MFRS 9:	Financial Instruments
Amendments to MFRS 2:	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4:	Insurance Contracts
Amendments to MFRS 140:	Investment Property
MFRS 16:	Leases
IC Interpretation 22:	Foreign Currency Transactions and Advance Consideration
IC Interpretation 23:	Uncertainty over Income Tax Treatments
Annual Improvements to MFRSs	2014 - 2016 Cycle
Annual Improvements to MFRSs	2015 - 2017 Cycle
Amendments to MFRS 9:	Financial Instruments
Amendments to MFRS 119:	Employee Benefits
Amendments to MFRS 128:	Investments in Associates and Joint Ventures

The initial adoption of these new MFRS did not have material impact to the Group except MFRS 9.

Arising from the adoption of MFRS 9, *Financial Instruments*, there are changes to the accounting policies of impairment losses of financial instruments as compared to those adopted in previous financial statements. The impacts arising from the changes as below :

	As at 31 Mar 2018 RM'000	Effects of adoption of MFRS 9 RM'000	As at 01 Apr 2018 RM'000
Current assets			
Trade and other receivables	50,969	(10,823)	40,146

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 2018</u>			
- A final single-tier dividend	3.5	5,725,891.17	31-Oct-18
<u>Financial year ended 31 March 2019</u>			
- An interim single-tier dividend	1.8	4,417,115.87	26-Apr-19
		<u>10,143,007.04</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 2018: RM73,050,000) 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 2019:-

	RM'000
Trade balance outstanding	2,006
Short-term borrowings – Bankers' acceptances	<u>0</u>

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

11. DEBT AND EQUITY SECURITIES

There were no 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 31/03/2019	Quarter 31/03/2018		To-Date	Period	
Revenue	31.5	36.7	(5.2) -14%	129.0	144.3	(15.3) -11%
Profit Before Tax	3.1	10.4	(7.3) -70%	14.0	32.1	(18.1) -56%

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded lower revenue of RM31.5 million for the quarter under review as compared to RM36.7 million in the corresponding quarter of the preceding year. The Group's profit before tax has decreased by RM7.3 million from RM10.4 million in the corresponding quarter of the preceding year to RM3.1 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 12,200mt during the current quarter which is 100,400mt as compared to the preceding year of 112,600mt.

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

The Group registered lower revenue of RM129.0 million for the current period to-date as compared to RM144.3 million in the preceding year. The Group recorded lower profit before tax of RM14.0 million as compared to RM32.1 million in the preceding year. The decrease in profit before tax was contributed by lower volume products sold by 23,000mt during the current quarter which is 419,000mt as compared to the preceding year which was 442,000mt.

14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER

RM'million	Current Quarter 31/03/2019	Immediate Preceding Quarter 31/12/2018	Changes (Amount / %)
Revenue	31.5	34.1	(2.6) -8%
Profit Before Tax	3.1	3.1	0.0 2%

The Group registered lower revenue of RM31.5 million for the current quarter as compared to RM34.1 million in the immediate preceding quarter. Profit before tax maintained at RM3.1 million same as immediate preceding quarter. This was mainly due to lower operating expenses incurred during the current 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 2020.

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 income tax expenses:		
- Current period	257	3,019
- Overprovision in prior years	-	(217)
Deferred tax expense	293	293
	<u>550</u>	<u>3,095</u>

The Group's effective tax rate for the current quarter and year-to-date are lower than the Malaysia statutory tax rate mainly due to non-taxable income.

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 1.9 sen (2018 : 3.5 sen) per each ordinary share for the financial year ending 31 March 2019 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)	<u>2,568</u>	<u>10,953</u>
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	163,577	163,577
Effect of exercise of ESOS	20	20
Bonus issue	81,798	81,798
Weighted average number of ordinary shares in issue	<u>245,395</u>	<u>245,395</u>
Basic EPS (sen)	<u>1.05</u>	<u>4.46</u>
Fully Diluted EPS		
Profit attributable to owners of the Company (RM'000)	<u>2,568</u>	<u>10,953</u>
<u>Number of shares ('000)</u>		
Number of ordinary shares in issue as at beginning of year	163,577	163,577
Effect of exercise of ESOS	20	20
Bonus issue	81,798	81,798
Effect of dilution from share option*	-	-
Weighted average number of ordinary shares in issue	<u>245,395</u>	<u>245,395</u>
Fully Diluted EPS (sen)	<u>1.05</u>	<u>4.46</u>

* The Group's diluted profit per ordinary share is not presented as the assumed potential new ordinary shares are anti-dilutive. Therefore, the diluted profit per ordinary share is the same as basic profit per ordinary share.

**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	1,103	4,213
Loss/(Gain) on foreign exchange (realised)	(7)	78
Impairment loss on trade receivables	679	2,539
Interest expense	-	-
Interest income	(402)	(1,730)
Rental expense	515	1,926
Rental income	(56)	(222)
Reversal of impairment loss on receivables	(7)	(117)

25. TRADE AND OTHER RECEIVABLES

	As at 31/03/19 RM'000
Trade receivables (non-related parties)	45,876
Less : Accumulated allowance for impairment	(17,481)
	28,395
Other receivables	661
	29,056

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	21,235
Past due but not impaired:	
1 - 30 days	4,257
31 - 120 days	2,590
Above 120 days	313
	7,160
	28,395
Past due and impaired:	
Above 120 days	17,481
	45,876

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 27 May 2019.