

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Unaudited 31/12/2020 RM'000	Audited 31/03/2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	72,206	69,907
Right-of-use assets	1,390	1,048
Investment property	2,616	2,658
Other investments	12	12
Deferred tax assets	1,464	1,491
	77,688	75,116
Current assets		
Inventories	43,015	41,206
Receivables, deposits and prepayments	30,759	27,231
Current tax assets	7,017	6,083
Cash and cash equivalents	46,399	52,065
	127,190	126,585
TOTAL ASSETS	204,878	201,701
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	87,837	87,837
Fair value reserve	3	3
Retained profits	93,813	88,104
TOTAL EQUITY	181,653	175,944
LIABILITIES		
Current Liabilities		
Trade and other payables	22,064	24,752
Contract liabilities	1,161	1,005
	23,225	25,757
TOTAL LIABILITIES	23,225	25,757
TOTAL EQUITY AND LIABILITIES	204,878	201,701
Net assets per share (RM)	0.74	0.72

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Statements for the year ended 31 March 2020



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT PERIOD	PRECEDING YEAR CORRESPONDING	Changes	CURRENT YEAR	PRECEDING YEAR	Changes
	QUARTER	QUARTER		TO-DATE	TO-DATE	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019		
RM'000	RM'000	%	RM'000	RM'000	%	
Revenue	33,789	29,859	13%	81,468	94,032	-13%
Operating expenses	(28,659)	(26,825)	7%	(69,131)	(81,424)	-15%
Other operating income	466	137	240%	1,671	673	148%
Profit from operations	5,596	3,171	76%	14,008	13,281	5%
Finance costs	(4)	-	-100%	(4)	-	-100%
Profit before tax	5,592	3,171	76%	14,004	13,281	5%
Income tax expense	(1,523)	(1,030)	48%	(3,387)	(3,344)	1%
Profit for the period	4,069	2,141	90%	10,617	9,937	7%
Other comprehensive income/(loss)	-	-	0%	-	-	0%
Total comprehensive income attributable to owners of the Company	4,069	2,141	90%	10,617	9,937	7%
Earnings per share:						
Basic / Diluted (sen)	1.66	0.87	90%	4.33	4.05	7%

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 2020



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

	Share Capital RM'000	Fair Value Reserve RM'000	Share Option Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 April 2020	87,837	3	-	88,104	175,944
Total comprehensive income for the period	-	-	-	10,617	10,617
Dividend to owners of the Company	-	-	-	(4,908)	(4,908)
At 31 December 2020	87,837	3	-	93,813	181,653
At 1 April 2019	87,837	3	1,841	84,533	174,214
Total comprehensive income for the period	-	-	-	9,937	9,937
Dividend to owners of the Company	-	-	-	(4,663)	(4,663)
At 30 December 2019	87,837	3	1,841	89,807	179,488

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

	31/12/2020 RM'000	31/12/2019 RM'000
Cash flow from operating activities		
Net profit before tax	14,004	13,281
Adjustments for non-cash flows items	2,656	1,895
Operating profit before changes in working capital	16,660	15,176
Net change in current assets	(5,337)	(505)
Net change in current liabilities	(2,532)	(2,485)
Cash generated from operations	8,791	12,186
Income tax paid	(4,294)	(4,898)
Overdue interest received	45	21
Net cash from operating activities	4,542	7,309
Cash flow from investing activities		
Acquisition of property, plant and equipment	(5,153)	(2,515)
Short-term deposits interest received	707	1,133
Proceeds from disposal of property, plant and equipment	25	79
Payment of lease liabilities	(875)	-
Net cash used in investing activities	(5,296)	(1,303)
Cash flow from financing activities		
Dividend paid to owners of the Company	(4,908)	(4,663)
Interest paid	(4)	-
Net cash used in financing activities	(4,912)	(4,663)
Net changes in cash and cash equivalents	(5,666)	1,343
Cash and cash equivalents at beginning of year	52,046	49,526
Cash and cash equivalents at end of period	(i) 46,380	50,869
(i) Cash and cash equivalents comprise the following:		
Fixed deposits placed with a licensed bank	19	19
Short-term funds placed with financial institutions	43,675	45,386
Cash and bank balances	2,705	5,483
	46,399	50,888
Less: Pledged deposits	(19)	(19)
	46,380	50,869

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020

**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 2020.

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 March 2020, except the adoption of the following amendments to MFRSs mandatory for annual financial periods beginning on or after 1 April 2020.

Amendments to MFRS 3:	Definition of a Business
Amendments to MFRS 101 and MFRS 108:	Definition of Material
Amendments to MFRS 9, MFRS 139 and MFRS 7:	Interest Rate Benchmark Reform
Amendments to MFRS 9:	Financial Instruments
Amendments to MFRS 16:	Leases – Covid-19-Related Rent Concessions
MFRS17:	Insurance Contracts

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group.

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 March 2020 was unmodified.

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 final dividend of 2.0 sen per each ordinary share which was declared on 30 June 2020 (2019 : 1.9 sen) amounting to RM4,907,907 for the financial year ended 31 March 2020 was paid on 11 December 2020.

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 RM81,050,000 (31 March 2020: RM81,050,000) 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 December 2020:-

	RM'000
Trade balance outstanding	4,206
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 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 were no other 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			Cumulative Period		
	Current Year	Preceding Year Corresponding	Changes (Amount / %)	Current Year	Preceding Year Corresponding	Changes (Amount / %)
	Quarter 31/12/2020	Quarter 31/12/2019		To-Date 31/12/2020	Period 31/12/2019	
Revenue	33.8	29.9	3.9 13%	81.5	94.0	(12.5) -13%
Profit Before Tax	5.6	3.2	2.4 76%	14.0	13.3	0.7 5%

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded higher revenue of RM33.8 million for the quarter under review as compared to RM29.9 million in the corresponding quarter of the preceding year. The Group's profit before tax increased by RM2.4 million from RM3.2 million in the corresponding quarter of the preceding year to RM5.6 million in the current quarter. The increase of the Group's profit before tax was mainly due to higher volume products sold by 9,000mt during the current quarter of 107,000mt as compared to the preceding year quarter of 98,000mt.

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

The Group registered lower revenue of RM81.5 million for the current period to-date as compared to RM94.0 million in the preceding year. The Group's profit before tax has slightly increased by RM0.7 million from RM13.3 million in the preceding year to RM14.0 million in the current year. The increase in profit before tax was contributed by lower operating expenses incurred offset by lower volume products sold by 59,000mt during the current quarter which is 263,000mt as compared to the preceding year of 322,000mt.

14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER

RM'million	Current Quarter 31/12/2020	Immediate Preceding Quarter 30/09/2020	Changes (Amount / %)	
Revenue	33.8	34.1	(0.3)	-1%
Profit Before Tax	5.6	7.9	(2.3)	-29%

The Group registered slightly lower revenue of RM33.8 million for the current quarter as compared to RM34.1 million in the immediate preceding quarter. Profit before tax decreased by RM2.3 million from RM7.9 million in the immediate preceding quarter to RM5.6 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 4,000mt during the current quarter at 107,000mt as compared to the immediate preceding quarter of 111,000mt coupled with higher operating expenses incurred.

15. CURRENT YEAR PROSPECTS

The COVID-19 pandemic will undeniably have an adverse impact to the global markets and businesses including us. However, the Management believes the impact by the pandemic to the Group is manageable as most of our on-going projects are expected to carry us through the financial year ending 2021.

Barring any unforeseen circumstances, the Board of Directors is cautiously optimistic that the performance of the Group will remain satisfactory for the financial year ending 2021 amidst a very challenging global economic environment.

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
Income tax expense:		
- Current period	1,518	3,364
- Overprovision for prior year	(4)	(4)
	<u>1,514</u>	<u>3,360</u>
Deferred tax:		
- Current period	9	27
	<u>1,523</u>	<u>3,387</u>

The Group's effective tax rate for current quarter 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

The Board of Directors proposed a single-tier interim dividend of 2.1 sen (2020 : 2.0 sen) per each ordinary share for the financial year ending 31 March 2021 and payable on 06 May 2021 to depositors registered in the Records of Depositors at close of business on 22 April 2021.

22. MATERIAL LITIGATION

There are no material litigation as at the date of this report.

23. EARNINGS PER SHARE (EPS)

The basic earnings per share is calculated based on the Group's net profit attributable to Owners of the Company and a weighted average number of ordinary shares issued during the financial period:

	Current Quarter	Current Year To-Date
Profit attributable to owners of the Company (RM'000)	4,069	10,617
Weighted average number of ordinary shares ('000)	245,395	245,395
Earnings per share (sen)	1.66	4.33

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	1,023	3,006
Depreciation of right-of-use assets	10	30
Government grants	(154)	(1,046)
Impairment loss on trade receivables	164	502
Interest expense	4	4
Interest income	(204)	(752)
Rental expense	165	531
Rental income	(63)	(182)
Reversal of impairment loss on receivables	(150)	(311)

** The Group received government grants as wage subsidies to retain local employees during the approved period of economic uncertainty brought about by the Coronavirus (COVID-19) outbreak.

25. TRADE AND OTHER RECEIVABLES

	As at 31/12/20 RM'000
Trade receivables (non-related parties)	43,181
Less : allowance for impairment loss	(12,914)
	30,267
Other receivables	492
	30,759

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
Current	16,643
Past due :	
1 - 30 days	8,819
31 - 120 days	9,812
Above 120 days	7,907
	26,538
	43,181
Allowance for impairment loss	(12,914)
	30,267

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 25 February 2020.