

**OKA CORPORATION BHD (519941-H)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Unaudited 31/03/2022 RM'000	Audited 31/03/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	74,946	71,491
Right-of-use assets	1,180	1,338
Investment property	1,860	2,602
Other investments	12	12
Deferred tax assets	1,159	1,654
	79,157	77,097
Current assets		
Inventories	49,895	41,218
Receivables, deposits and prepayments	34,602	34,346
Current tax assets	6,904	5,825
Cash and cash equivalents	48,572	52,538
	139,973	133,927
TOTAL ASSETS	219,130	211,024
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	87,837	87,837
Fair value reserve	3	3
Retained profits	97,690	93,891
TOTAL EQUITY	185,530	181,731
LIABILITIES		
Current Liabilities		
Trade and other payables	32,458	28,208
Contract liabilities	1,142	1,085
	33,600	29,293
TOTAL LIABILITIES	33,600	29,293
TOTAL EQUITY AND LIABILITIES	219,130	211,024
Net assets per share (RM)	0.76	0.72

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Statements for the year ended 31 March 2021



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022**

(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	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021		
RM'000	RM'000	%	RM'000	RM'000	%	
Revenue	33,818	34,544	-2%	113,724	116,012	-2%
Operating expenses	(28,983)	(27,236)	6.4%	(96,270)	(96,368)	-0.1%
Other operating income	162	329	-51%	1,887	2,001	-6%
Profit from operations	4,997	7,637	-35%	19,341	21,645	-11%
Finance costs	-	-	0%	(5)	(4)	25%
Profit before tax	4,997	7,637	-35%	19,336	21,641	-11%
Income tax expense	(1,034)	(2,405)	-57%	(4,249)	(5,792)	-27%
Profit for the period	3,963	5,232	-24%	15,087	15,849	-5%
Other comprehensive income/(loss)	-	-	0%	-	-	0%
Total comprehensive income attributable to owners of the Company	3,963	5,232	-24%	15,087	15,849	-5%
Earnings per share:						
Basic (sen)	1.61	2.13	-24%	6.15	6.46	-5%

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 2021



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2022**

	Share Capital RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 April 2021	87,837	3	93,891	181,731
Total comprehensive income for the period	-	-	15,087	15,087
Dividend to owners of the Company	-	-	(11,288)	(11,288)
At 31 Mar 2022	87,837	3	97,690	185,530
At 1 April 2020	87,837	3	88,104	175,944
Total comprehensive income for the period	-	-	15,849	15,849
Dividend to owners of the Company	-	-	(10,062)	(10,062)
At 31 Mar 2021	87,837	3	93,891	181,731

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021



OKA CORPORATION BHD (519941-H)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2022**

	31/03/2022 RM'000	31/03/2021 RM'000
Cash flow from operating activities		
Net profit before tax	19,336	21,641
Adjustments for non-cash flows items	2,371	2,520
Operating profit before changes in working capital	21,707	24,161
Net change in current assets	(8,933)	(7,127)
Net change in current liabilities	4,305	3,536
Cash generated from operations	17,079	20,570
Income tax paid	(4,832)	(5,698)
Overdue interest received	15	88
Net cash from operating activities	12,262	14,960
Cash flow from investing activities		
Acquisition of property, plant and equipment	(6,646)	(5,350)
Acquisition of investment properties	(653)	-
Proceeds from disposal of property, plant and equipment	56	25
Proceeds from disposal of investment property	1,439	-
Short-term deposits interest received	864	903
Net cash used in investing activities	(4,940)	(4,422)
Cash flow from financing activities		
Dividend paid to owners of the Company	(11,288)	(10,061)
Interest paid	-	(4)
Net cash used in financing activities	(11,288)	(10,065)
Net changes in cash and cash equivalents	(3,966)	473
Cash and cash equivalents at beginning of year	52,519	52,046
Cash and cash equivalents at end of period	(i) 48,553	52,519
(i) Cash and cash equivalents comprise the following:		
Fixed deposits placed with a licensed bank	19	19
Short-term funds placed with financial institutions	42,417	47,634
Cash and bank balances	6,136	4,885
	48,572	52,538
Less: Pledged deposits	(19)	(19)
	48,553	52,519

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021

**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 2021.

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the financial year ended 31 March 2021, except the adoption of the following amendments to MFRSs mandatory for annual financial periods beginning on or after 1 April 2021.

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 2021 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

	Sen per share	Amount (RM)	Date of Payment
<u>Financial year ended 31 March 2021</u> - An interim single-tier dividend	2.1	5,153,300.11	06-May-21
<u>Financial year ended 31 March 2022</u> - An interim single-tier dividend	2.2	5,398,697.35	05-May-22
		<u>10,551,997.46</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 RM83,550,000 (31 March 2021: 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 Mar 2022:-

	RM'000
Trade balance outstanding	8,439
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		Changes (Amount / %)	Cumulative Period		Changes (Amount / %)
	Current Year	Preceding Year Corresponding		Current Year	Preceding Year Corresponding	
	Quarter 31/03/2022	Quarter 31/03/2021		To-Date 31/03/2022	Period 31/03/2021	
Revenue	33.8	34.5	(0.7) -2%	113.7	116.0	(2.3) -2%
Profit Before Tax	5.0	7.6	(2.6) -35%	19.3	21.6	(2.3) -11%

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded lower revenue of RM33.8 million for the quarter under review as compared to RM34.5 million in the corresponding quarter of the preceding year. The Group's profit before tax decreased by RM2.6 million from RM7.6 million in the corresponding quarter of the preceding year to RM5.0 million in the current quarter. The decrease of the Group's profit before tax was mainly due to lower volume products sold by 9,000mt during the current quarter of 102,000mt as compared to the preceding year quarter of 111,000mt. The profit margin was also affected due to the increase in raw materials prices.

The Group incurred an expense of RM2.2m by a subsidiary being a penalty imposed for land conversion from agriculture to industrial.

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

The Group registered lower revenue of RM113.7 million for the current period to-date as compared to RM116.0 million in the preceding year. The Group's profit before tax has decreased by RM2.3 million from RM21.6 million in the preceding year to RM19.3 million in the current year. The decrease in profit before tax was mainly due to lower volume products sold by 11,000mt during the current year of 363,000mt as compared to the preceding year of 374,000mt.

14. VARIATION OF RESULTS AGAINST IMMEDIATE PRECEDING QUARTER

RM'million	Current Quarter 31/03/2022	Immediate Preceding Quarter 31/12/2021	Changes (Amount / %)	
Revenue	33.8	32.8	1.0	3%
Profit Before Tax	5.0	4.9	0.1	2%

The Group registered slightly higher revenue of RM33.8 million for the current quarter as compared to RM32.8 million in the immediate preceding quarter. Profit before tax increased by RM0.1 million from RM4.9 million in the immediate preceding quarter to RM5.0 million in the current quarter. The increase of the Group's profit before tax was mainly due to higher margin products sold.

15. CURRENT YEAR PROSPECTS

The global market faces challenges and uncertainties amid the ongoing Russia-Ukraine geopolitical conflict and China's extended Covid-19 lockdowns in major cities. These factors continue to cause major disruptions to the global supply chain and hamper economic recovery.

Barring any unforeseen circumstances and premised on the above as well as the relevant economy and industry outlook, the Group holds a cautiously optimistic view on the prospect of 2023.

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	1,099	4,550
- Overprovision for prior year	-	(265)
	1,099	4,285
Deferred tax:		
- Current period	(16)	12
- Overprovision for prior year	(49)	(48)
	(65)	(36)
	<u>1,034</u>	<u>4,249</u>

The Group's effective tax rates are lower than the Malaysia statutory tax rate mainly due to non-taxable income coupled with overprovision of tax for prior 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 final single-tier dividend of 2.3 sen (2021 : 2.4 sen) per each ordinary share for the financial year ended 31 March 2022 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)

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
Profit attributable to owners of the Company (RM'000)	3,963	15,087
Weighted average number of ordinary shares ('000)	245,395	245,395
Earnings per share (sen)	1.61	6.15

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	1,311	4,107
Depreciation of right-of-use assets	36	144
Government grants	(22)	(529)
Loss on foreign exchange (net)	68	60
Impairment loss on trade receivables	-	490
Interest expense	-	5
Interest income	(207)	(879)
Rental expense	274	743
Rental income	(2)	(28)
Reversal of impairment loss on receivables	(2,859)	(3,150)

** 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 31/03/22 RM'000
Trade receivables (non-related parties)	40,983
Less : allowance for impairment loss	(6,843)
	34,140
Other receivables	462
	34,602

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	22,407
Past due :	
1 - 30 days	7,883
31 - 120 days	5,227
Above 120 days	5,466
	18,576
	40,983
Allowance for impairment loss	(6,843)
	34,140

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 31 May 2022.