

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 31.03.2015
 Quarter : 1st Quarter
 Financial Year End : 31.12.2015
 The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ended 31/03/2015

	Individual Quarter		Cumulative Period	
	Current year quarter 31.03.2015	Preceding year quarter 31.03.2014	Current year to date 31.03.2015	Preceding year to date 31.03.2014
	RM'000	RM'000	RM'000	RM'000
1 Revenue	4,524	7,478	4,524	7,478
2 Profit/(Loss) before tax	(2,045)	1,916	(2,045)	1,916
3 Profit/(Loss) for the period	(2,199)	1,348	(2,199)	1,348
4 Profit/(Loss) attributable to ordinary equity holders of the parent	(2,184)	592	(2,184)	592
5 Basic earning / (loss) per shares (sen)	(1.82)	0.49	(1.82)	0.49
6 Proposed /Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the company (RM)		1.6953		1.7135

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.03.2015	Preceding year quarter 31.03.2014	Current year to date 31.03.2015	Preceding year to date 31.03.2014
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	0	87	0	87
2 Gross interest expenses	23	38	23	38

ASTRAL ASIA BHD (374600-X)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FORTH QUARTER ENDED 31 MARCH 2015**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		1st Quarter	1st Quarter	ToDate	ToDate
		31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
		RM'000	RM'000	RM'000	RM'000
<u>Continuing Operations</u>					
Revenue		4,524	7,478	4,524	7,478
Cost of sales		(3,997)	(5,575)	(3,997)	(5,575)
Gross profit		527	1,903	527	1,903
Other income		36	1,522	36	1,522
Administrative expenses		(2,585)	(1,471)	(2,585)	(1,471)
Finance costs		(23)	(38)	(23)	(38)
Share of profit / (loss) in associate		0	0	0	0
Profit before taxation		(2,045)	1,916	(2,045)	1,916
Tax expense	18	(154)	(568)	(154)	(568)
Profit/(loss) after taxation		(2,199)	1,348	(2,199)	1,348
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		(2,199)	1,348	(2,199)	1,348
Profit/(loss) attributable to:					
Owners of the parent		(2,184)	592	(2,184)	592
Non-controlling interests	-	15	756	(15)	756
Profit/(loss) for the period		(2,199)	1,348	(2,199)	1,348
Total comprehensive income attributable to:					
Owners of the parent		(2,184)	592	(2,184)	592
Non-controlling interests		15	756	(15)	756
Total comprehensive income/(loss) for the period		(2,199)	1,348	(2,199)	1,348
Earning Per Share attributable to owners of the parent:					
Earning/(loss) per share (Sen):-	27	(1.82)	0.49	(1.82)	0.49

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FORTH QUARTER ENDED 31 MARCH 2015****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(UNAUDITED) CURRENT QUARTER END 31-Mar-15 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	325,657	318,158
Biological assets	50,840	50,840
Investment Property	-	-
Investment in associated company	1,363	1,363
	<u>377,860</u>	<u>370,361</u>
Current assets		
Inventories	1,128	350
Amount due from customers	-	-
Trade receivables	2,120	1,982
Other receivables	1,778	4,991
Cash and cash equivalents	13,462	19,944
Tax Recoverable	63	171
	<u>18,551</u>	<u>27,438</u>
TOTAL ASSETS	<u>396,411</u>	<u>397,799</u>
 EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share Capital	119,997	119,997
Share Premium	1,333	1,333
Revaluation Reserve	140,429	140,429
Accumulated losses	(58,329)	(56,145)
Total equity attributable to owners of the parent	<u>203,430</u>	<u>205,614</u>
Non-controlling Interests	90,958	90,973
TOTAL EQUITY	<u>294,388</u>	<u>296,587</u>
Non-current liabilities		
Borrowings	16,866	16,029
Hire purchase creditors	540	591
Deferred taxation	73,198	73,198
	<u>90,604</u>	<u>89,818</u>
Current liabilities		
Trade payables	595	2,066
Amount due to customers	-	-
Other payables	7,803	6,166
Dividend payables	1,050	1,050
Borrowings	809	809
HP creditors	443	569
Amount due to associate company	565	565
Provision for Taxation	154	169
	<u>11,419</u>	<u>11,394</u>
TOTAL LIABILITIES	<u>102,023</u>	<u>101,212</u>
TOTAL EQUITY AND LIABILITIES	<u>396,411</u>	<u>397,799</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the parent →				Non- controlling Interest	Total Equity	
	← Non-distributable →						
	Share Capital	Share Premium	Revaluation Reserve	Accumulated losses			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 1 January 2015	119,997	1,333	140,429	(56,145)	205,614	90,973	296,587
Net profit for the quarter				(2,184)	(2,184)	(15)	(2,199)
Other Comprehensive income for the period			-	-	-		
Total Comprehensive income for the period				(2,184)	(2,184)	(15)	(2,199)
Revaluation reserve realised			-				
Dividend paid to equity holders							
Dividend paid to non-controlling Interests							
Balance as at 31 March 2015	119,997	1,333	140,429	(58,329)	203,430	90,958	294,388
As 1 January 2014	119,997	1,333	91,335	(55,771)	156,894	68,822	225,717
Net profit for the quarter				(717)	(717)	2,818	2,101
Other Comprehensive income for the period			49,094	2,742	51,836	23,534	75,370
Total Comprehensive income for the period			49,094	2,026	51,119	26,351	77,470
Dividend paid to equity holders				(2,400)	(2,400)	-	(2,400)
Dividend paid to non-controlling Interests						(4,200)	(4,200)
Balance as at 31 December 2014	119,997	1,333	140,429	(56,145)	205,614	90,973	296,587

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
FORTH QUARTER ENDED 31 MARCH 2015
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	3 MONTHS ENDED 31-Mar-15 RM'000	12 MONTHS ENDED 31-Dec-14 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(2,045)	5,296
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	647	2,308
Interest expense	23	137
Interest income	-	(150)
<i>Operating profit before working capital changes</i>	(1,375)	7,591
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(6,106)	(8,882)
	(7,481)	(1,291)
Tax refund/(paid)	(751)	(3,782)
Interest received	-	150
Dividend Paid to Non-controlling interests	-	(3,150)
Dividend Paid	-	(2,400)
<i>Net cash (Used In)/ generated from operating activities</i>	(8,232)	(10,473)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment	2,401	4,264
Purchase of property, plant and equipment	(46)	(2,274)
Purchase of biological assets	-	(231)
<i>Net cash used in investing activities</i>	2,355	1,758
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of term / flexi loan	(404)	
Repayment of hire purchase creditors	(178)	(712)
Interest paid	(23)	(137)
Drawdown of term loan	-	16,838
<i>Net cash used in financing activities</i>	(605)	15,989
NET CHANGE IN CASH AND CASH EQUIVALENTS	(6,482)	7,274
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	19,944	12,670
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	13,462	19,944
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	2,541	18,409
Fixed Deposit placed with licensed banks	10,921	1,535
	13,462	19,944

5(The Condensed Consolidated Statement of Cash Flows should be read conjunction with the Annual Financial Report for the year ended 31st December 2014)

Notes to the Interim Financial Statement - 31 March 2015

1 Basis of preparation

The unaudited interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2014. The explanatory notes attached to the unaudited interim financial report provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

To converge with International Financial Reporting Standards ("IFRSs") in 2012, the Malaysian Accounting Standards Board, the MASB had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs"), which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRSs for an additional one year. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Group falls within the scope of Transitioning Entities and has opted to defer adoption of MFRSs. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2015.

2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011, except for the adoption of the following Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8 Operating Segments

Effective for financial periods beginning on or after 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First Time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based Payment-Vesting Conditions and Cancellations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2- Group and Treasury Share Transactions

Other than for the implications as discussed below, the application of the above FRSs, Amendments to FRSs and Interpretation did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

(a) FRS 8: Operating Segment

FRS 8 requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on that used for internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 has introduced changes in terminology used, format and contents of financial statements. Amongst others, components of interim financial statements presented now consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements. This standard separates owner and non-owner changes in equity. Therefore, the statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognized in the income statement, together with all other items of recognized income and expense, either in one single statement, or in two linked statements. The revised FRS does not have any impact on the financial position and results of the Group.

(c) Amendment to FRS 117, Lease

Prior to 1 January 2010, leasehold land that normally had an indefinite economic life and where title is not expected to pass to the lessee by the end of the lease term, was treated as operating lease. The minimum lease payment or the up-front payment made on entering into or acquiring a leasehold land was accounted as prepaid lease payments and was amortised on a straight-line basis over the lease term.

(d) FRS 139: Financial Instruments- Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of financial instruments. Financial instruments are recognised initially at fair value plus, in the case of financial assets or liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

(i) Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short term deposits, trade and other receivables.

All the Group's financial assets are measured at amortised cost using the effective interest method.

(ii) Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables.

All the Group's financial liabilities are measured at amortised cost using the effective interest method.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2014 was not qualified.

4 Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

5 Unusual items affecting the assets, liabilities, equity, net income, or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group for the current quarter and financial year-to-date.

6 Material changes in estimates

There were no changes in estimates that have had material effect in the current results.

7 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

8 Dividend paid

No dividend was paid out during the current quarter under review.

9 Segmental reporting

Segmental information for the Group is presented as follows:

<u>3 months financial period</u> <u>ended 31 Mar 2015</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Elimination</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>					
External revenue	4,260	264	-	-	4,524
Inter-segment revenue	-	-	-	-	-
Total revenue	4,260	264	-	-	4,524
<u>Segment Results</u>					
Operating results	116	(2,029)	(109)	-	(2,022)
Share of results of associate company	-	-	-	-	-
Finance cost	(5)	(18)	-	-	(23)
Profit/(loss) before tax	111	(2,047)	(109)	-	(2,045)
Income tax expense	(154)	0	-	-	(154)
	(43)	(2,047)	(109)	-	(2,199)

<u>3 months financial period</u> <u>ended 31 Mar 2014</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Elimination</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>					
External revenue	7,478	-	-	-	7,478
Inter-segment revenue	-	-	-	-	-
Total revenue	7,478	-	-	-	7,478
<u>Segment Results</u>					
Operating results	2,739	(711)	(74)	-	1,954
Share of results of associate company	-	-	-	-	-
Finance cost	(20)	(19)	-	-	(39)
Profit/(loss) before tax	2,719	(730)	(74)	-	1,915
Income tax expense	(558)	(11)	-	-	(569)
	2,161	(741)	(74)	-	1,346

The Group principally operates within Malaysia.

10 Valuation of Property, Plant & Equipment

There were no material changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

11 Material event subsequent to the end of the period not reflected in the current financial period.

There were no material events subsequent to the end of the period that have not been reflected in this quarterly report.

12 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and year-to-date.

13 Contingent liabilities or assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

14 Review of performance

The Group recorded a pre-tax loss of RM 2.0 million on revenue of RM 4.5 million for the Q1 under review compared to pre-tax profit of RM 1.9 million on revenue of RM 7.5 million for the corresponding period in 2014.

The 43.0 % decrease in the revenue of the plantation division to RM 4.2 million for the Q1 under review was due to both the lower FFB production and the lower CPO prices realised compared to the corresponding period last year. The average CPO prices realised during the period under review had decreased by 15.2 % to RM 2,268 per M/T (2014: RM 2,676 per M/T). The Group's total FFB harvested during the Q1 under review had decreased by 33.7 % to 7,671 M/T (2014: 11,576 M/T) compared to the corresponding year in 2014 and this was mainly due to the severe monsoon in January 2015 which significantly had affected the harvesting process.

The construction, property development and property investment divisions' losses before tax of RM 2.0 million was mainly due to the Group's operating overheads and the development cost of Kuantan Hi-Tech Park development project.

15 Comparison with the immediate preceding quarter's results

There were no material changes to the losses before tax for the current quarter of RM 2.0 million compared to the preceding quarter losses of RM 2.6 million.

16 Commentary on prospects

The Group anticipates the plantation division to record lower profit in the current financial year as the recovery of crude palm oil prices is not imminent.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	31.03.2015	31.3.2014	31.03.2015	31.3.2014
	RM'000	RM'000	RM'000	RM'000
Current Taxation	154	568	154	568
Under/(Over) provision of tax in prior	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	154	568	154	568
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total income tax expense	154	568	154	568

The provision for income tax for the Group is mainly due to the chargeable income from the Plantation Division. The tax charge is higher than the statutory tax rate owing to certain expenses not deductible for tax purpose.

19 Unquoted investments and properties

There were no disposals of unquoted investments or properties during the current quarter.

20 Purchase or disposal of quoted securities

a. Sale proceeds and purchase consideration

There were no disposals and purchase of quoted investment or properties for the current quarter and financial year-to-date.

b. Investment in quoted securities as at end of the reporting period

There was no quoted securities as at end of the current quarter.

21 Status of uncompleted corporate proposals

On 3 April 2015, the Company proposes to undertake the following proposals:-

(i) Proposed reduction of the issued and paid-up share capital of the Company pursuant to Section 64(1) of the Companies Act, 1965 involving the cancellation of RM0.80 of the par value of each ordinary share of RM1.00 each in the Company ("Proposed Par Value Reduction"); and

(ii) Proposed amendment to the memorandum of association of the Company to facilitate the change in par value of each ordinary share in the Company from RM1.00 to RM0.20 arising from the Proposed Par Value Reduction ("Proposed Amendment").

The above proposals are expected to be completed in the 3rd quarter of 2015.

22 Borrowings and debts securities

The Goup's borrowings and debts securities as at the end of the current quarter were as follows:

	RM'000
Short term bank borrowings	809
Long term bank borrowings	16,866
	<hr/>
	17,675

The above bank borrowings are secured by the properties of the subsidiary company and the corporate guarantee of the Company.

23 Off balance sheet financial instruments

During the quarter under review, the Group did not enter into any contracts involving off balance sheet financial instruments.

24 Disclosure of Realised and Unrealised Profits (Unaudited)

	As at 31.3.2015 RM'000	As at 31.3.2014 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(73,466)	(21,249)
- Unrealised	(6,582)	(52,991)
	(80,048)	(74,240)
Total accumulated losses from associate company:		
- Realised	(1,087)	(1,010)
	(81,135)	(75,250)
Less: Consolidated adjustments	22,806	20,071
Total group retained profits / (accumulated losses) as per consolidated accounts	(58,329)	(57,955)

25 Material Litigation

There were no pending material litigation as at end of this quarter.

26 Dividend Payable

No dividend has been proposed for the financial quarter under review.

27 Earnings per share

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	(2,184)	592	(2,184)	592
Weighted average number of ordinary share in issue ('000)	119,997	119,997	119,997	119,997
Basic earning / (loss) per share (sen)	(1.82)	0.49	(1.82)	0.49

There is no diluted earning per share as the Group has no dilutive potential ordinary share.

28 Additional notes to the Statement of Comprehensive Income

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	0	(87)	0	(87)
Interest expense	23	38	23	38
Depreciation and amortization	613	508	613	508

29 Capital Commitment not provided for in the Financial Statements

The Group did not have any capital commitment as at the end of the current financial quarter under review.