

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 30.09.2015
 Quarter : 3rd 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 30/09/2015

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
1 Revenue	7,846	7,735	18,709	23,359
2 Profit/(Loss) before tax	435	3,556	(2,228)	8,025
3 Profit/(Loss) for the period	(565)	2,501	(3,690)	5,642
4 Profit/(Loss) attributable to ordinary equity holders of the parent	(916)	1,282	(4,188)	2,702
5 Basic earning / (loss) per shares (sen)	(0.76)	1.07	(3.49)	2.25
6 Proposed /Declared dividend per share (sen)	-	-	-	2.00
	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)		1.6786		1.7135

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	104	53	128	144
2 Gross interest expenses	120	36	279	79

ASTRAL ASIA BHD (374600-X)
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Current Year 3rd Quarter 30-Sep-15 RM'000	Preceding Year 30-Sep-14 RM'000	Current Year 30-Sep-15 RM'000	Preceding Year 30-Sep-14 RM'000
<u>Continuing Operations</u>					
Revenue		7,846	7,735	18,709	23,359
Cost of sales		(4,874)	(5,347)	(14,112)	(15,476)
Gross profit		<u>2,972</u>	<u>2,388</u>	<u>4,597</u>	<u>7,883</u>
Other income		988	1,877	1,315	4,261
Administrative expenses		(3,407)	(674)	(7,868)	(4,026)
Finance costs		(118)	(36)	(273)	(79)
Share of profit / (loss) in associate		-	-	-	(14)
Profit before taxation		<u>435</u>	<u>3,556</u>	<u>(2,228)</u>	<u>8,025</u>
Tax expense	18	(1,000)	(1,054)	(1,462)	(2,383)
Profit/(loss) after taxation		<u>(565)</u>	<u>2,501</u>	<u>(3,690)</u>	<u>5,642</u>
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		<u>(565)</u>	<u>2,501</u>	<u>(3,690)</u>	<u>5,642</u>
Profit/(loss) attributable to:					
Owners of the parent		(916)	1,282	(4,188)	2,702
Non-controlling interests		351	1,219	498	2,940
Profit/(loss) for the period		<u>(565)</u>	<u>2,501</u>	<u>(3,690)</u>	<u>5,642</u>
Total comprehensive income attributable to:					
Owners of the parent		(916)	1,282	(4,188)	2,702
Non-controlling interests		351	1,219	498	2,940
Total comprehensive income/(loss) for the period		<u>(565)</u>	<u>2,501</u>	<u>(3,690)</u>	<u>5,642</u>
Earning Per Share attributable to owners of the parent:					
Earning/(loss) per share (Sen):-	27	(0.76)	1.07	(3.49)	2.25

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE THIRD QUARTER ENDED 30 SEPTEMBER 2015****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(UNAUDITED) CURRENT QUARTER END 30-Sep-15 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	306,507	318,158
Biological assets	50,909	50,840
Investment Property	16,405	-
Investment in associated company	1,363	1,363
	<u>375,183</u>	<u>370,361</u>
Current assets		
Inventories	967	350
Trade receivables	3,350	1,982
Other receivables	1,503	4,991
Cash and cash equivalents	16,244	19,944
Tax Recoverable	63	171
	<u>22,127</u>	<u>27,438</u>
TOTAL ASSETS	<u>397,311</u>	<u>397,799</u>
<u>EQUITY AND LIABILITIES</u>		
Equity Attributable To Owners of the parent		
Share Capital	23,999	119,997
Share Premium	1,333	1,333
Capital Reserve	39,853	-
Revaluation Reserve	140,429	140,429
Accumulated losses	(4,188)	(56,145)
Total equity attributable to owners of the parent	<u>201,426</u>	<u>205,614</u>
Non-controlling Interests	91,471	90,973
TOTAL EQUITY	<u>292,897</u>	<u>296,587</u>
Non-current liabilities		
Borrowings	19,854	16,029
Hire purchase creditors	452	591
Deferred taxation	73,198	73,198
	<u>93,503</u>	<u>89,818</u>
Current liabilities		
Trade payables	629	2,066
Other payables	7,504	6,166
Dividend payables	-	1,050
Borrowings	1,615	809
HP creditors	415	569
Amount due to associate company	565	565
Provision for Taxation	181	169
	<u>10,910</u>	<u>11,394</u>
TOTAL LIABILITIES	<u>104,413</u>	<u>101,212</u>
TOTAL EQUITY AND LIABILITIES	<u>397,311</u>	<u>397,799</u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the parent →						Non-controlling Interest	Total Equity
	← Non-distributable →				Accumulated losses	Total		
	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve				
	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
Par value reduction	(95,998)		39,853		56,145	-		
Net profit for the period ended					(4,188)	(4,188)	498	(3,690)
Other Comprehensive income for the period				-	-	-		
Total Comprehensive income for the period	-	-		-	(4,188)	(4,188)	498	(3,690)
Capital reserve								
Revaluation reserve realised								
Dividend paid to equity holders								
Dividend paid to non-controlling Interests								
Balance as at 30 September 2015	23,999	1,333	39,853	140,429	(4,188)	201,426	91,471	292,897
As 1 January 2014	119,997	1,333	-	91,335	(55,771)	156,894	68,822	225,716
Net profit for the period ended								
Other Comprehensive income for the period								
Total Comprehensive income for the period					2,702	2,702	2,940	5,642
Revaluation reserve realised				(2,043)	2,043	-	-	-
Dividend paid to equity holders					(2,400)	(2,400)	-	(2,400)
Transferred from deferred tax					-	-	-	-
Dividend paid to non-controlling Interests							(4,200)	(4,200)
Balance as at 30 September 2014	119,997	1,333		89,292	(53,426)	157,196	67,562	224,758

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
THIRD QUARTER ENDED 30 SEPTEMBER 2015
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 MONTHS ENDED 30-Sep-15 RM'000	12 MONTHS ENDED 31-Dec-14 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(2,228)	5,296
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	3,642	2,308
Interest expense	279	137
Interest income	(128)	(150)
<i>Operating profit before working capital changes</i>	1,566	7,591
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(1,461)	(8,882)
	104	(1,291)
Tax refund/(paid)	(1,341)	(3,782)
Interest received	128	150
Dividend Paid to Non-controlling interests	(1,050)	(3,150)
Dividend Paid	-	(2,400)
<i>Net cash (Used In)/ generated from operating activities</i>	(2,159)	(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	(8,465)	(2,274)
Purchase of biological assets	-	(231)
<i>Net cash used in investing activities</i>	(6,065)	1,758
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of term / flexi loan	(1,100)	
Repayment of hire purchase creditors	(473)	(712)
Interest paid	(279)	(137)
Drawdown of term loan	6,375	16,838
<i>Net cash used in financing activities</i>	4,524	15,989
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,700)	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	16,244	19,944
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	15,228	18,409
Fixed Deposit placed with licensed banks	1,016	1,535
	16,244	19,944

Notes to the Interim Financial Statement - 30 September 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 2017.

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
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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>9 months financial period ended 30 September 2015</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	17,717	992	-	-	18,709
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>17,717</u>	<u>992</u>	<u>-</u>	<u>-</u>	<u>18,709</u>
<u>Segment Results</u>					
Operating results	2,910	(4,433)	(432)	-	(1,955)
Share of results of associate company	-	-	-	-	-
Finance cost	(12)	(261)	-	-	(273)
Profit/(loss) before tax	<u>2,898</u>	<u>(4,694)</u>	<u>(432)</u>	<u>-</u>	<u>(2,228)</u>
Income tax expense	(1476)	14	-	-	(1,462)
	<u>1,422</u>	<u>(4,680)</u>	<u>(432)</u>	<u>-</u>	<u>(3,690)</u>

<u>9 months financial period ended 30 September 2014</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	22,930	429	-	-	23,359
Inter-segment revenue	-	-	7,800	(7,800)	-
Total revenue	<u>22,930</u>	<u>429</u>	<u>7,800</u>	<u>(7,800)</u>	<u>23,359</u>
<u>Segment Results</u>					
Operating results	10,730	(2,626)	-	-	8,104
Share of results of associate company	-	-	-	-	-
Finance cost	(38)	(41)	-	-	(79)
Profit/(loss) before tax	<u>10,692</u>	<u>(2,667)</u>	<u>-</u>	<u>-</u>	<u>8,025</u>
Income tax expense	(2,292)	(91)	-	-	(2,383)
	<u>8,400</u>	<u>(2,758)</u>	<u>-</u>	<u>-</u>	<u>5,642</u>

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 2.2 million on revenue of RM 18.7 million for the 9 months under review compared to pre-tax profit of RM 8 million on revenue of RM 23.3 million for the corresponding period in 2014.

The 22.7 % decrease in the revenue of the plantation division to RM 17.7 million for the 9 months 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 13.1 % to RM 2,142 per M/T (2014: RM 2,466 per M/T). The Group's total FFB harvested during the 9 months under review had decreased by 11.4 % to 34,410 M/T (2014: 38,851 M/T) compared to the corresponding year in 2014 and this was mainly due to the severe monsoon in January 2015.

The construction, property development and property investment divisions' losses before tax of RM 4.69 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

The profit before tax for the current quarter of RM 0.4 million compared to the preceding quarter losses of RM 0.6 million and this was mainly due to higher FFB production output.

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>9 months ended</u>	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Current Taxation	1,000	1,054	1,462	2,383
Under/(over) provision of tax in prior year	-	-	-	-
	<u>1,000</u>	<u>1,054</u>	<u>1,462</u>	<u>2,383</u>
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Total income tax expense	<u>1,000</u>	<u>1,054</u>	<u>1,462</u>	<u>2,383</u>

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

There were no uncompleted corporate proposal as at the date of this report.

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	1,615
Long term bank borrowings	19,854
	<u>21,469</u>

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 30.9.2015 RM'000	As at 30.9.2014 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(19,325)	(22,143)
- Unrealised	(6,582)	(53,922)
	(25,907)	(76,065)
Total accumulated losses from associate company:		
- Realised	(1,087)	(1,047)
	(26,994)	(77,112)
Less: Consolidated adjustments	22,806	23,686
Total group retained profits / (accumulated losses) as per consolidated accounts	(4,188)	(53,426)

25 Material Litigation

There were no pending material litigation claims against the Group as at end of this quarter.

26 Dividend Payable

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

27 Earnings per share

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.9.2015	30.9.2014	30.9.2015	30.9.2014
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	(916)	1,282	(4,188)	2,702
Weighted average number of ordinary share in issue ('000)	119,997	119,997	119,997	119,997
Basic earning / (loss) per share (sen)	(0.76)	1.07	(3.49)	2.25

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

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.9.2015 RM'000	30.9.2014 RM'000	30.9.2015 RM'000	30.9.2014 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	(104)	(53)	(128)	(144)
Interest expense	120	36	279	79
Depreciation and amortization	2,286	577	3,642	1,732

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.