

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 30.06.2016
 Quarter : 2nd Quarter
 Financial Year End : 31.12.2016
 The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ended 30/06/2016

	Individual Quarter		Cumulative Period	
	Current year quarter 30.06.2016	Preceding year quarter 30.06.2015	Current year to date 30.06.2016	Preceding year to date 30.06.2015
	RM'000	RM'000	RM'000	RM'000
1 Revenue	6,412	6,338	12,001	10,863
2 Profit/(Loss) before tax	3,279	(618)	1,528	(2,663)
3 Profit/(Loss) for the period	2,642	(926)	455	(3,125)
4 Profit/(Loss) attributable to ordinary equity holders of the parent	2,371	(1,087)	105	(3,271)
5 Basic earning / (loss) per shares (sen)	0.36	(0.16)	0.02	(0.50)
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)		0.3079		0.3086

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 30.06.2016	Preceding year quarter 30.06.2015	Current year to date 30.06.2016	Preceding year to date 30.06.2015
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	9	24	34	24
2 Gross interest expenses	239	136	485	159

ASTRAL ASIA BHD (374600-X)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE SECOND QUARTER ENDED 30 JUNE 2016**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		<u>Current Year</u> 30-Jun-16 RM'000	<u>Preceding Year</u> 30-Jun-15 RM'000	<u>Current Year</u> 30-Jun-16 RM'000	<u>Preceding Year</u> 30-Jun-15 RM'000
<u>Continuing Operations</u>					
Revenue		6,412	6,338	12,001	10,863
Cost of sales		(5,196)	(5,240)	(9,788)	(9,238)
Gross profit		<u>1,216</u>	<u>1,098</u>	<u>2,213</u>	<u>1,625</u>
Other income		4,189	291	4,717	328
Administrative expenses		(1,881)	(1,875)	(4,912)	(4,461)
Finance costs		(245)	(132)	(490)	(155)
Share of profit/(loss) in associate		0	0	0	0
Profit/(loss) before taxation		<u>3,279</u>	<u>(618)</u>	<u>1,528</u>	<u>(2,663)</u>
Tax expense	18	(637)	(308)	(1,073)	(462)
Profit/(loss) after taxation		<u>2,642</u>	<u>(926)</u>	<u>455</u>	<u>(3,125)</u>
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		<u><u>2,642</u></u>	<u><u>(926)</u></u>	<u><u>455</u></u>	<u><u>(3,125)</u></u>
Profit/(loss) attributable to:					
Owners of the parent		2,371	(1,087)	105	(3,271)
Non-controlling interests		271	161	350	146
Profit/(loss) for the period		<u><u>2,642</u></u>	<u><u>(926)</u></u>	<u><u>455</u></u>	<u><u>(3,125)</u></u>
Total comprehensive income attributable to:					
Owners of the parent		2,371	(1,087)	105	(3,271)
Non-controlling interests		271	161	350	146
Total comprehensive income/(loss) for the period		<u><u>2,642</u></u>	<u><u>(926)</u></u>	<u><u>455</u></u>	<u><u>(3,125)</u></u>
Earning Per Share attributable to owners of the parent:					
Earning/(loss) per share (Sen):-	27	0.36	(0.16)	0.02	(0.50)

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE SECOND QUARTER ENDED 30 JUNE 2016****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(UNAUDITED) CURRENT QUARTER END 30-Jun-16 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	305,713	315,122
Biological assets	50,877	50,837
Investment Property	23,250	15,500
Investment in associated company	1,326	1,326
	<u>381,166</u>	<u>382,785</u>
Current assets		
Inventories	639	452
Trade receivables	2,636	3,464
Other receivables	3,869	3,097
Cash and cash equivalents	11,608	15,285
Tax Recoverable	58	-
	<u>18,810</u>	<u>22,298</u>
TOTAL ASSETS	<u>399,976</u>	<u>405,083</u>
<u>EQUITY AND LIABILITIES</u>		
Equity Attributable To Owners of the parent		
Share Capital	131,996	23,999
Share Premium	-	1,333
Capital Reserve	-	22,726
Revaluation Reserve	143,952	143,952
AFS Fair Value Reserve	(84,538)	
Retained Earnings	11,782	11,677
Total equity attributable to owners of the parent	<u>203,192</u>	<u>203,687</u>
Non-controlling Interests	93,209	92,859
TOTAL EQUITY	<u>296,401</u>	<u>296,546</u>
Non-current liabilities		
Borrowings	18,716	19,925
Hire purchase creditors	408	587
Deferred taxation	75,361	75,361
	<u>94,485</u>	<u>95,873</u>
Current liabilities		
Trade payables	3,378	876
Other payables	2,420	7,284
Dividend payables	525	1,575
Borrowings	836	1,134
HP creditors	854	696
Amount due to associate company	565	565
Provision for Taxation	512	534
	<u>9,090</u>	<u>12,664</u>
TOTAL LIABILITIES	<u>103,575</u>	<u>108,537</u>
TOTAL EQUITY AND LIABILITIES	<u>399,976</u>	<u>405,083</u>
Net Assets per share attributable to owners of the parent (RM)	<u>0.3079</u>	<u>0.3086</u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2016

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	Capital Reserve	Revaluation Reserve	AFS Fair Value Reserve	Retained Earnings			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
As at 1 January 2016	23,999	1,333	22,726	143,952		11,677	203,687	92,859	296,546
Net profit/(loss) for the quarter						105	105	350	455
Other Comprehensive income for the period									
Total Comprehensive income for the period						105	105	350	455
Dividend paid to equity holders									
Dividend paid to non-controlling Interests									
Issuance of bonus shares (See Note 21)	107,997	(733)	(22,726)		(84,538)				
Expenses incurred for the proposed bonus issue		(600)					(600)		(600)
Balance as at 30 June 2016	131,996			143,952	(84,538)	11,782	203,192	93,209	296,401
As 1 January 2015	119,997	1,333		140,429		(56,145)	205,614	90,973	296,587
Par value reduction	(95,998)		22,726			73,272	-		
Net profit/(loss) for the financial year						(5,450)	(5,450)	332	(5,118)
Other Comprehensive income for the period				3,523			3,523	3,654	7,177
Total Comprehensive income for the period	(95,998)		22,726	3,523		67,822	(1,927)	3,986	2,059
Dividend paid to equity holders									
Dividend paid to non-controlling Interests								(2,100)	(2,100)
Balance as at 31 December 2015	23,999	1,333	22,726	143,952		11,677	203,687	92,859	296,546

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND QUARTER ENDED 30 JUNE 2016
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	6 MONTHS ENDED 30-Jun-16 RM'000	12 MONTHS ENDED 31-Dec-15 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	1,528	(2,931)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	1,687	6,085
Interest expense	485	406
Interest income	(34)	(107)
<i>Operating profit before working capital changes</i>	3,666	3,453
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(2,553)	253
	1,113	3,706
Tax refund/(paid)	(1,153)	(1,603)
Interest received	34	107
Dividend Paid to Non-controlling interests	(1,050)	(1,575)
<i>Net cash (Used In)/ generated from operating activities</i>	(1,056)	635
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment		24
Purchase of property, plant and equipment	(824)	(8,426)
Purchase of biological assets		(94)
<i>Net cash used in investing activities</i>	(824)	(8,496)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of term / flexi loan	(1,103)	(2,154)
Repayment of hire purchase creditors	(209)	(613)
Interest paid	(485)	(406)
Drawdown of term loan	-	6,375
<i>Net cash used in financing activities</i>	(1,797)	3,202
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,677)	(4,659)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	15,285	19,944
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	11,608	15,285
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	10,717	14,269
Fixed Deposit placed with licensed banks	1,016	1,016
	11,608	15,285

Notes to the Interim Financial Statement - 30 June 2016

1 Statement of compliance

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard ("FRS") 134 *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements.

2 Accounting policies

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2015. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2015.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2015 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>6 months financial period ended 30 June 2016</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	11,115	886	-	-	12,001
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>11,115</u>	<u>886</u>	<u>-</u>	<u>-</u>	<u>12,001</u>
<u>Segment Results</u>					
Operating results	2,037	(165)	146	-	2,018
Share of results of associate company	-	-	-	-	-
Finance cost	(18)	(472)	-	-	(490)
Profit/(loss) before tax	<u>2,019</u>	<u>(637)</u>	<u>146</u>	<u>-</u>	<u>1,528</u>
Income tax expense	(1,018)	(55)	-	-	(1,073)
	<u>1,001</u>	<u>(692)</u>	<u>146</u>	<u>-</u>	<u>455</u>

**6 months financial period
ended 30 June 2015**

	<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
Segment Revenue					
External revenue	10,333	530	-	-	10,863
Inter-segment revenue	-	-	-	-	-
Total revenue	10,333	530	-	-	10,863
Segment Results					
Operating results	904	(3,139)	(273)	-	(2,508)
Share of results of associate company	-	-	-	-	-
Finance cost	(9)	(146)	-	-	(155)
Profit/(loss) before tax	895	(3,285)	(273)	-	(2,663)
Income tax expense	(476)	14	-	-	(462)
	419	(3,271)	(273)	-	(3,125)

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 profit of RM 1.5 million on revenue of RM 12.0 million for the 1H under review compared to pre-tax loss of RM 2.7 million on revenue of RM 10.9 million for the corresponding period in 2015.

The 7.6 % increase in the revenue of the plantation division to RM 11.1 million for the 1H under review was due to the higher CPO prices realised compared to the corresponding period last year. The average CPO prices realised during 1H under review had increased by 11.9 % to RM 2,481 per M/T (2015: RM 2,218 per M/T). The Group's total FFB harvested during the 1H under review had decreased by 6.3% to 17,998 M/T (2015: 19,205 M/T) compared to the corresponding period in 2015.

The construction, property development and property investment divisions' losses before tax for the 1H had been reduced from RM3.3 million to RM 0.6 million mainly due to the recognition of a construction contract Arbitration Award in favour of a subsidiary company amounting to RM 2.98 million during the current quarter.

15 Comparison with the immediate preceding quarter's results

The significant change to the profit before tax for the current quarter of RM 3.3 million compared to the preceding quarter's losses before tax of RM 1.8 million was mainly due to the recognition of a construction contract final Arbitration Award in favour of a subsidiary company amounting to RM 2.98 million during the current quarter.

16 Commentary on prospects

The Group anticipates the plantation division to record higher profit in the current financial year should the recovery of crude palm oil prices are sustainable.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>6 months ended</u>		<u>6 months ended</u>	
	30.06.2016	30.6.2015	30.06.2016	30.6.2015
	RM'000	RM'000	RM'000	RM'000
Current Taxation	637	308	1,073	462
Under/(Over) provision of tax in prior	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Total income tax expense	<hr/>	<hr/>	<hr/>	<hr/>
	637	308	1,073	462

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 proposal

There was no uncompleted corporate proposal as at the date of this report. The Proposed Bonus Issue as at 26.01.2016 had been completed following the listing and quotation of 539,986,500 Bonus Shares on the Main Market of Bursa Securities on 30.5.2016.

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	836
Long term bank borrowings	18,716
	<hr/>
	19,552

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 30.6.2016 RM'000	As at 31.12.2015 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(13,495)	(13,864)
- Unrealised	(6,845)	(6,845)
	(20,340)	(20,709)
Total accumulated losses from associate company:		
- Realised	(1,124)	(1,124)
	(21,464)	(21,833)
Less: Consolidated adjustments	33,246	33,510
Total group retained profits / (accumulated losses) as per consolidated accounts	11,782	11,677

25 Material Litigation

There were no pending material litigation claims against the Group as at the 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> 6 months ended		<u>Cumulative Quarter</u> 6 months ended	
	30.6.2016	30.6.2015	30.6.2016	30.6.2015
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	2,371	(1,087)	105	(3,271)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	0.36	(0.16)	0.02	(0.50)

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> 6 months ended		<u>Cumulative Quarter</u> 3 months ended	
	30.6.2016 RM'000	30.6.2015 RM'000	30.6.2016 RM'000	30.6.2015 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	9	24	34	24
Interest expense	239	136	485	159
Depreciation and amortization	1274	743	2434	1356

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.