

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 31.12.2016
 Quarter : 4th 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 31/12/2016

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2016	Preceding year quarter 31.12.2015	Current year to date 31.12.2016	Preceding year to date 31.12.2015
	RM'000	RM'000	RM'000	RM'000
1 Revenue	6,363	5,875	25,813	24,584
2 Profit/(Loss) before tax	118	(703)	2,065	(2,932)
3 Profit/(Loss) for the period	2,314	(1,427)	2,391	(5,118)
4 Profit/(Loss) attributable to ordinary equity holders of the parent	720	(1,261)	5	(5,450)
5 Basic earning / (loss) per shares (sen)	0.11	(0.19)	- *	(0.83)
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)		0.3096		0.3086

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2016	Preceding year quarter 31.12.2015	Current year to date 31.12.2016	Preceding year to date 31.12.2015
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	-7	21	-42	-107
2 Gross interest expenses	177	127	855	406

* Basic earning / (loss) per shares (sen) for the year is 0.0007.

ASTRAL ASIA BHD (374600-X)
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FOURTH QUARTER ENDED 31 DECEMBER 2016**
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		<u>Current</u>	<u>Preceding</u>	<u>Current</u>	<u>Preceding</u>
		<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>
		<u>4th Quarter</u>		<u>To date</u>	
		<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Continuing Operations</u>					
Revenue		6,363	5,875	25,813	24,584
Cost of sales		(2,862)	(3,968)	(17,050)	(18,080)
Gross profit		<u>3,501</u>	<u>1,907</u>	<u>8,763</u>	<u>6,504</u>
Other income		(1,237)	520	3,306	1,835
Administrative expenses		(1,950)	(2,774)	(9,135)	(10,642)
Other expenses			(185)		(185)
Finance costs		(182)	(134)	(855)	(407)
Share of profit/(loss) in associate		(14)	(37)	(14)	(37)
Profit/(loss) before taxation		<u>118</u>	<u>(703)</u>	<u>2,065</u>	<u>(2,932)</u>
Tax expense	18	2,196	(724)	326	(2,186)
Profit/(loss) after taxation		<u>2,314</u>	<u>(1,427)</u>	<u>2,391</u>	<u>(5,118)</u>
Other Comprehensive income/(loss), net of tax		1,991	7,176	1,991	7,176
Total comprehensive income/(loss) for the period		<u><u>4,305</u></u>	<u><u>5,749</u></u>	<u><u>4,382</u></u>	<u><u>2,058</u></u>
Profit/(loss) attributable to:					
Owners of the parent		720	(1,261)	5	(5,450)
Non-controlling interests		1,594	(166)	2,386	332
Profit/(loss) for the period		<u><u>2,314</u></u>	<u><u>(1,427)</u></u>	<u><u>2,391</u></u>	<u><u>(5,118)</u></u>
Total comprehensive income attributable to:					
Owners of the parent		1,840	2,262	1,140	(1,927)
Non-controlling interests		2,450	3,487	3,242	3,985
Total comprehensive income/(loss) for the period		<u><u>4,305</u></u>	<u><u>5,749</u></u>	<u><u>4,382</u></u>	<u><u>2,058</u></u>
Earning Per Share attributable to owners of the parent:					
Earning/(loss) per share (Sen):-	27	0.11	(0.19)	- *	(0.83)

* Basic earning / (loss) per shares (sen) for the year is 0.0007.

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) CURRENT QUARTER END 31-Dec-16 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	308,659	315,122
Biological assets	50,837	50,837
Investment Property	23,250	15,500
Investment in associated company	1,312	1,326
	<u>384,058</u>	<u>382,785</u>
Current assets		
Inventories	353	452
Trade receivables	4,368	3,464
Other receivables	4,824	3,097
Cash and cash equivalents	4,015	15,285
Tax Recoverable	-	-
	<u>13,560</u>	<u>22,298</u>
TOTAL ASSETS	<u>397,618</u>	<u>405,083</u>
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share Capital	131,997	23,999
Share Premium	-	1,333
Capital Reserve	-	22,726
Revaluation Reserve	145,087	143,952
AFS Fair Value Reserve	(84,414)	
Retained Earnings	11,681	11,677
Total equity attributable to owners of the parent	<u>204,351</u>	<u>203,687</u>
Non-controlling Interests	94,001	92,859
TOTAL EQUITY	<u>298,352</u>	<u>296,546</u>
Non-current liabilities		
Borrowings	13,681	19,925
Hire purchase creditors	654	587
Deferred taxation	73,382	75,361
	<u>87,717</u>	<u>95,873</u>
Current liabilities		
Trade payables	1,214	876
Other payables	6,095	7,284
Dividend payables	1,050	1,575
Borrowings	897	1,134
HP creditors	696	696
Amount due to associate company	565	565
Provision for Taxation	1,032	534
	<u>11,549</u>	<u>12,664</u>
TOTAL LIABILITIES	<u>99,266</u>	<u>108,537</u>
TOTAL EQUITY AND LIABILITIES	<u>397,618</u>	<u>405,083</u>
Net Assets per share attributable to owners of the parent (RM)	<u>0.3096</u>	<u>0.3086</u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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						4	4	2,386	2,390
Other Comprehensive income for the period				1,135			1,135	856	1,991
Total Comprehensive income for the period				1,135		4	1,139	3,242	4,381
Dividend paid to equity holders									
Dividend paid to non-controlling Interests								(2,100)	(2,100)
Issuance of bonus shares (See Note 21)	107,998	(857)	(22,726)	-	(84,414)		1	-	1
Expenses incurred for the proposed bonus issue		(476)					(476)		(476)
Balance as at 31 December 2016	131,997	-	-	145,087	(84,414)	11,681	204,351	94,001	298,352
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
FOURTH QUARTER ENDED 31 DECEMBER 2016
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	12 MONTHS ENDED 31-Dec-16 RM'000	12 MONTHS ENDED 31-Dec-15 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	2,065	(2,931)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	5,082	6,085
Interest expense	855	406
Interest income	(42)	(107)
<i>Operating profit before working capital changes</i>	7,960	3,453
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(4,732)	253
	3,228	3,706
Tax refund/(paid)	(1,918)	(1,603)
Interest received	42	107
Dividend Paid to Non-controlling interests	(2,625)	(1,575)
<i>Net cash (Used In)/ generated from operating activities</i>	(1,273)	635
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment	164	24
Purchase of prepaid land lease	833	-
Purchase of property, plant and equipment	(2,353)	(8,426)
Purchase of biological assets	(63)	(94)
<i>Net cash used in investing activities</i>	(1,419)	(8,496)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of term / flexi loan	(6,481)	(2,154)
Repayment of hire purchase creditors	(766)	(613)
Interest paid	(855)	(406)
Drawdown of term loan	-	6,375
Share issuance expenses	(476)	-
<i>Net cash used in financing activities</i>	(8,578)	3,202
NET CHANGE IN CASH AND CASH EQUIVALENTS	(11,270)	(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	4,015	15,285
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	3,499	14,269
Fixed Deposit placed with licensed banks	516	1,016
	4,015	15,285

Notes to the Interim Financial Statement - 31 December 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, except for changes in accounting policy in the measurement of investment in subsidiaries from cost model to fair value model (in accordance with MFRS 139) in the Company's financial position. The initial changes in fair value will be treated as Available For Sales "AFS" reserve. Any subsequent gains and losses are recognised in other comprehensive income and reported within the AFS Reserve, except for impairment losses which are recognised in profit or loss.

The effects of the changes in accounting policy mentioned above will not have financial impact at the Group level.

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>12 months financial period ended 31 December 2016</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Others</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	23,924	1,889			-	25,813
Inter-segment revenue			3,900		(3,900)	-
Total revenue	<u>23,924</u>	<u>1,889</u>	<u>3,900</u>		<u>(3,900)</u>	<u>25,813</u>
 <u>Segment Results</u>						
Operating results	6,510	(2,874)	1,938	22	(2,662)	2,934
Share of results of associate company		(14)				(14)
Finance cost	(32)	(163)	(660)			(855)
Profit/(loss) before tax	6,478	(3,051)	1,278	22	(2,662)	2,065
Income tax expense	335	-	(9)		-	326
	<u>6,813</u>	<u>(3,051)</u>	<u>1,269</u>	<u>22</u>	<u>(2,662)</u>	<u>2,391</u>

<u>12 months financial period ended 31 December 2015</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Others</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	23,171	354	1,060			24,585
Inter-segment revenue			3,900		(3,900)	-
Total revenue	<u>23,171</u>	<u>354</u>	<u>4,960</u>		<u>(3,900)</u>	<u>24,585</u>
Segment Results						
Operating results	3,537	(4,421)	(6,597)	(6)	4,999	(2,488)
Share of results of associate company		(37)				(37)
Finance cost	(26)	(198)	(183)			(407)
Profit/(loss) before tax	3,511	(4,656)	(6,780)	(6)	4,999	(2,932)
Income tax expense	(2,070)	14	(130)			(2,186)
	<u>1,441</u>	<u>(4,642)</u>	<u>(6,910)</u>	<u>(6)</u>	<u>4,999</u>	<u>(5,118)</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 profit of RM 2.1 million on revenue of RM 25.8 million for the year under review compared to a pre-tax loss of RM 2.9 million on revenue of RM 24.6 million for the corresponding period in 2015.

The 3.2% increase in the revenue of the plantation division to RM 23.9 million for the year under review was due to the higher CPO prices realised compared to the corresponding period last year. The average CPO prices realised during the year under review had increased by 22.9% to RM 2,643 per M/T (2015: RM 2,149 per M/T). The Group's total FFB harvested during the year under review had decreased by 19.1% to 37,240 M/T (2015: 46,020 M/T) compared to the corresponding period in 2015. The drop in the Group's FFB production during the year was partly due to the prolong dry and warm weather throughout the country in 2016.

The construction, property development and property investment divisions' losses before tax of RM4.0 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 profit before tax for the current quarter of RM0.1 million compared to the preceding quarter's profit before tax.

16 Commentary on prospects

The Group anticipates the plantation division to record higher profit in forthcoming financial year due to the recovery of crude palm oil prices which are currently traded around RM 2,700 per M/T.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		12 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
Current Taxation	579	(615)	2,449	847
Under/(Over) provision of tax in prior year	(41)	(15)	(41)	(15)
	538	(630)	2,408	832
Deferred Tax	(2,734)	1,354	(2,734)	1,354
Share of taxation of subsidiary	-	-	-	-
Total income tax expense	(2,196)	724	(326)	2,186

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 announced on 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 30.05.2016.

22 Borrowings and debts securities

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

	RM'000
Short term bank borrowings	897
Long term bank borrowings	13,681
	<u>14,578</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 31.12.2016 RM'000	As at 31.12.2015 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(14,780)	(13,864)
- Unrealised	(6,876)	(6,845)
	(21,656)	(20,709)
Total accumulated losses from associate company:		
- Realised	(1,138)	(1,124)
	(22,794)	(21,833)
Less: Consolidated adjustments	34,475	33,510
Total group retained profits / (accumulated losses) as per consolidated accounts	11,681	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

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	720	(1,261)	5	(5,450)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	0.11	(0.19)	- *	(0.83)

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

* Basic earning / (loss) per shares (sen) for the year is 0.0007.

28 Additional notes to the Statement of Comprehensive Income

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	(7)	21	(42)	(107)
Interest expense	177	127	855	406
Depreciation and amortization	1,476	1,540	5,200	5,182

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.