

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 30.09.2019
Quarter : 3rd Quarter
Financial Year End : 31.12.2019
The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ended 30/09/2019

	Individual Quarter		Cumulative Period	
	Current year quarter 30.09.2019	Preceding year quarter 30.09.2018	Current year to date 30.09.2019	Preceding year to date 30.09.2018
	RM'000	RM'000	RM'000	RM'000
1 Revenue	5,251	6,948	15,559	23,055
2 Profit/(Loss) before tax	(1,995)	(1,493)	(4,655)	(6,701)
3 Profit/(Loss) for the period	(1,873)	(1,172)	(5,146)	(7,373)
4 Profit /(Loss) attributable to ordinary equity holders of the parent	(1,855)	(519)	(4,685)	(6,403)
5 Basic earning / (loss) per shares (sen)	(0.28)	(0.08)	(0.71)	(0.97)
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)		0.2914		0.2984

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 30.09.2019	Preceding year quarter 30.09.2018	Current year to date 30.09.2019	Preceding year to date 30.09.2018
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	0	5	5	9
2 Gross interest expenses	508	45	562	243

ASTRAL ASIA BHD (374600-X)
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2019
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter	
		Current Year	Preceding Year	Current Year	Preceding Year
		1st Quarter		ToDate	
		30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18
		RM'000	RM'000	RM'000	RM'000
<u>Continuing Operations</u>					
Revenue		5,251	6,948	15,559	23,055
Cost of sales		(2,940)	(5,495)	(8,807)	(16,971)
Gross profit		<u>2,311</u>	<u>1,453</u>	<u>6,752</u>	<u>6,084</u>
Other income		6	1,786	161	1,786
Administrative expenses		(3,804)	(3,298)	(11,006)	(12,732)
Other expenses		0	(1,205)	0	(1,205)
Finance costs		(508)	(229)	(562)	(634)
Share of profit / (loss) in associate		0	0	0	0
Profit/(loss) before taxation		<u>(1,995)</u>	<u>(1,493)</u>	<u>(4,655)</u>	<u>(6,701)</u>
Tax income/(expense)	18	122	321	(491)	(672)
Profit/(loss) after taxation		<u>(1,873)</u>	<u>(1,172)</u>	<u>(5,146)</u>	<u>(7,373)</u>
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		<u><u>(1,873)</u></u>	<u><u>(1,172)</u></u>	<u><u>(5,146)</u></u>	<u><u>(7,373)</u></u>
Profit/(loss) attributable to:					
Owners of the parent		(1,855)	(519)	(4,685)	(6,403)
Non-controlling interests		(18)	(653)	(461)	(1,330)
Profit/(loss) for the period		<u>(1,873)</u>	<u>(1,172)</u>	<u>(5,146)</u>	<u>(7,733)</u>
Total comprehensive income attributable to:					
Owners of the parent		(1,855)	(519)	(4,685)	(6,043)
Non-controlling interests		(18)	(653)	(461)	(1,330)
Total comprehensive income/(loss) for the period		<u>(1,873)</u>	<u>(1,172)</u>	<u>(5,146)</u>	<u>(7,373)</u>
Earning Per Share attributable to owners of the parent:					
Earning / (loss) per share (Sen)	26	(0.28)	(0.08)	(0.71)	(0.97)

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE THIRD QUARTER ENDED 30 SEPT 2019****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(UNAUDITED) CURRENT QUARTER END 30-Sep-19 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-18 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	352,312	355,302
Investment property	18,800	18,800
Investment in associated company	1,244	1,244
	<u>372,356</u>	<u>375,346</u>
Current assets		
Inventories	373	357
Bearer biological assets	720	677
Trade receivables	1,245	1,003
Other receivables	490	5,986
Cash and cash equivalents	2,600	3,095
Tax recoverable	135	-
	<u>5,563</u>	<u>11,118</u>
TOTAL ASSETS	<u><u>377,919</u></u>	<u><u>386,464</u></u>
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share capital	131,997	131,997
Reserves	60,322	65,007
Total equity attributable to owners of the parent	<u>192,319</u>	<u>197,004</u>
Non-controlling Interests	89,345	89,806
TOTAL EQUITY	<u>281,664</u>	<u>286,810</u>
Non-current liabilities		
Borrowings	10,484	11,661
Hire purchase creditors	191	231
Deferred taxation	74,089	74,089
	<u>84,764</u>	<u>85,981</u>
Current liabilities		
Trade payables	3,262	1,889
Other payables	5,534	6,184
Dividend payables	-	1,050
Borrowings	2,093	3,473
HP creditors	511	406
Amount due to associate company	565	565
Provision for Taxation	(474)	106
	<u>11,491</u>	<u>13,673</u>
TOTAL LIABILITIES	<u>96,255</u>	<u>99,654</u>
TOTAL EQUITY AND LIABILITIES	<u><u>377,919</u></u>	<u><u>386,464</u></u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2019

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	Available-for-sales Fair Value Reserve	Other Reserve	Accumulated Profit		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 1 January 2018	131,997					70,253	202,250	93,335	295,585
Transactions with owners:-									
Dividend paid to non-controlling Interests								(1,960)	(1,960)
Total transactions with owners						-	-	(1,960)	(1,960)
Profit / (loss) for the period						(5,246)	(5,246)	(1,569)	(6,815)
Other Comprehensive income for the period									
Total Comprehensive income for the period						(5,246)	(5,246)	(1,569)	(6,815)
Balance as at 31 December 2018	131,997			-	-	-	65,007	197,004	89,806
As at 1 January 2019	131,997					65,007	197,004	89,806	286,810
Transactions with owners:-									
Issuance of bonus shares									
Share issuance expenses									
Dividend paid to non-controlling Interests								-	-
Total transactions with owners								-	-
Profit / (loss) for the financial year						(4,685)	(4,685)	(461)	(5,146)
Other Comprehensive income for the financial year									
Total Comprehensive income for the financial year				-		(4,685)	(4,685)	(461)	(5,146)
Effects on adoption of MFRS				-	-	-	-	-	-
Balance as at 30 September 2019	131,997			-	-	60,322	192,319	89,345	281,664

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
THIRD QUARTER ENDED 30 SEPTEMBER 2019
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 MONTHS ENDED 30-Sep-19 RM'000	12 MONTHS ENDED 31-Dec-18 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(4,655)	(5,370)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	4,573	4,883
Interest expense	562	861
Interest income	(5)	(41)
<i>Operating profit before working capital changes</i>	475	333
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	6,614	(932)
Tax refund/(paid)	(622)	(1,936)
<i>Net cash (Used In)/ generated from operating activities</i>	6,467	(2,535)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest received	5	41
Proceeds from disposal of property, plant and equipment	124	44
Purchase of property, plant and equipment	(2,132)	(2,253)
Purchase of biological assets	-	-
<i>Net cash used in investing activities</i>	(2,003)	(2,168)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend Paid to Non-controlling interests	(1,050)	(910)
Repayment of term / flexi loan	(694)	(926)
Repayment of hire purchase creditors	(160)	(203)
Interest paid	(562)	(861)
<i>Net cash used in financing activities</i>	(2,466)	(2,900)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,998	(7,603)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	602	8,205
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	2,600	602
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	2,092	2,587
Fixed Deposit placed with licensed banks	508	508
Bank overdraft	-	(2,493)
	2,600	602

Astral Asia Berhad (374600-X)

Notes to the Interim Financial Statement - 30 September 2019

1 Statement of compliance

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ("MFRS") 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 and basis of preparation

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. 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 2018.

The accounting policies are consistent with the recent audited financial statements for the year ended 31 December 2018.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2018 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 2019</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	14,533	1,025	-	-	15,558
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>14,533</u>	<u>1,025</u>	<u>-</u>	<u>-</u>	<u>15,558</u>
 <u>Segment Results</u>					
Operating results	(814)	(3,279)	-	-	(4,093)
Properties fair value adjustment	-	-	-	-	-
Share of results of associate company	-	-	-	-	-
Finance cost	(13)	(549)	-	-	(562)
Profit/(loss) before tax	(827)	(3,828)	-	-	(4,655)
Tax (expense)/income	(491)	-	-	-	(491)
	<u>(1,318)</u>	<u>(3,828)</u>	<u>-</u>	<u>-</u>	<u>(5,146)</u>

<u>9 months financial period ended 30 September 2018</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	17,378	6,180	-	(503)	23,055
Inter-segment revenue	-	-	1,690	(1,690)	-
Total revenue	<u>17,378</u>	<u>6,180</u>	<u>1,690</u>	<u>(2,193)</u>	<u>23,055</u>
<u>Segment Results</u>					
Operating results	(3,110)	(2,621)	1,472	(1,808)	(6,067)
Share of results of associate company	-	-	-	-	-
Finance cost	(18)	(616)	-	-	(634)
Profit/(loss) before tax	<u>(3,128)</u>	<u>(3,237)</u>	<u>1,472</u>	<u>(1,808)</u>	<u>(6,701)</u>
Tax (expense)/income	(672)	-	-	-	(672)
	<u>(3,800)</u>	<u>(3,237)</u>	<u>1,472</u>	<u>(1,808)</u>	<u>(7,373)</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 lower pre-tax loss of RM 5.1 million on revenue of RM 15.6 million for the 9 months under review compared to pre-tax loss of RM 7.3 million on revenue of RM 23.0 million for the corresponding period in 2018.

The construction, property development and property investment divisions' losses before tax of RM 3.8 million was mainly due to Group's operating overheads costs.

The 20.3 % decrease in the revenue of the plantation sector from RM12.3 million to RM 9.8 million for the 9 months under review was mainly due to the lower Crude Palm Oil ("CPO") prices realised compared to the corresponding period last year. The average CPO prices realised during the period under review had decreased by 15.0 % to RM 1,997 per M/T (2018: RM 2,352 per M/T). The Group's total Fresh Fruit Bunches ("FFB") harvested for the 9 months under review had increased marginally by 2.7% to 32,085 M/T (2018: 31,238 M/T). The FFB production and yield of the Group's estates were:-

Table of FFB production and yield

Estate	Planted area as at 30.09.2019			FFB production (m/t)		Yield (m/t / ha)	
	Mature (hectares)	Immature (hectares)	Total (hectares)	Quarter ended	Quarter ended	Quarter ended	Quarter ended
				30.09.2019	30.09.2018	30.09.2019	30.09.2018
Bukit Kuin 1	601	0	601	6,900	4,887	11.5	8.13
Bukit Kuin 2	191	0	191	3,746	2,709	19.6	14.18
Kertau	1,216	400	1,616	10,862	12,729	8.9	7.88
Sungai Pejing	1,143	0	1,143	10,577	10,913	9.3	9.55
	3,151	400	3,551				
Buildings, roads and others			357				
Total area (hectares)			3,908				
Total FFB production (m/t)				32,085	31,238		

15 Comparison with the immediate preceding quarter's results

There were no material differences in the Group's operating results for the current quarter and the immediate preceding quarter.

16 Commentary on prospects

In view of the expectation of stabilised CPO prices above RM2,300 m/t , the Group could look forward to achieving better operating results in the forthcoming financial year.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation	<u>Individual Quarter</u> 9 months ended		<u>Cumulative Quarter</u> 6 months ended	
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Current Taxation	122	321	(491)	(672)
Over provision of tax in prior year	-	-	-	-
	122	321	(491)	(672)
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Tax income/(expense)	122	321	(491)	(672)

The provision for income tax for the Group is mainly due to the chargeable income from the Plantation Segment. 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 were no quoted securities held as at end of the current quarter.

21 Status of uncompleted corporate proposals

There were no uncompleted corporate proposals as at end of the current quarter.

22 Borrowings and debts securities

The Group's borrowings and debts securities were as follows:

	<u>As at</u> <u>30.09.2019</u> <u>RM'000</u>	<u>As at</u> <u>31.12.2018</u> <u>RM'000</u>
Short term bank borrowings	2,093	3473
Long term bank borrowings	10,484	11,661
	<u>12,577</u>	<u>15,134</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 Material Litigation

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

25 Dividend Payable

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

26 Earnings per share

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	9 months ended		9 months ended	
	30.09.2019	31.12.2018	30.09.2019	31.12.2018
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	(1,855)	(519)	(4,685)	(6,403)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	(0.28)	(0.08)	(0.71)	(0.97)

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

27 Additional notes to the Statement of Comprehensive Income

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	9 months ended		9 months ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	0	5	5	356
Interest expense	508	45	562	639
Depreciation and amortization	1186	1776	4573	5453

28 Capital Commitment not provided for in the Financial Statements

Save as disclosed below, as at the date of this quarterly report, the Group did not have any capital commitment as at the end of the current financial quarter under review.

Replanting of oil palm RM852,400 (2018: RM852,400)
(Approved and contracted for)