

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended	: 31.3.2020
Quarter	: 1st Quarter
Financial Year End	: 31.12.2020
The Figures	: Have not been audited

Part A2 : Summary of Key Financial Information for the financial year ending 31/3/2020

	Individual Quarter		Cumulative Period	
	Current year quarter 31.3.2020 RM'000	Preceding year quarter 31.3.2019 RM'000	Current year to date 31.3.2020 RM'000	Preceding year to date 31.3.2019 RM'000
1 Revenue	3,473	5,088	3,473	5,088
2 Profit/(Loss) before tax	(1,661)	(1,142)	(1,661)	(1,142)
3 Profit/(Loss) for the period	(1,661)	(1,458)	(1,661)	(1,458)
4 Profit /(Loss) attributable to ordinary equity holders of the parent	(1,281)	(1,264)	(1,281)	(1,264)
5 Basic earning / (loss) per shares (sen)	(0.19)	(0.19)	(0.19)	(0.19)
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)		0.2798		0.2817

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.3.2020 RM'000	Preceding year quarter 31.3.2019 RM'000	Current year to date 31.3.2020 RM'000	Preceding year to date 31.3.2019 RM'000
1 Gross interest income	0	41	0	41
2 Gross interest expenses	48	48	48	48

ASTRAL ASIA BHD (374600-X)
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 31 MARCH 2020
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>1st Quarter</u>		<u>ToDate</u>	
		<u>31-Mar-20</u>	<u>31-Mar-19</u>	<u>31-Mar-20</u>	<u>31-Mar-19</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Continuing Operations</u>					
Revenue		3,473	5,088	3,473	5,088
Cost of sales		(2,125)	(2,739)	(2,125)	(2,739)
Gross profit		1,348	2,349	1,348	2,349
Other income		3	87	3	87
Administrative expenses		(1,435)	(1,765)	(1,435)	(1,765)
Other expenses		0	0	0	0
Finance costs		(48)	(55)	(48)	(55)
Finance income		0	0	0	0
Depreciation and amortisation		(1,529)	(1,758)	(1,529)	(1,758)
Bearer plants written off due to replanting		0	0	0	0
Share of profit / (loss) in associate		0	0	0	0
Profit/(loss) before taxation		(1,661)	(1,142)	(1,661)	(1,142)
Tax income/(expense)	18	0	(316)	0	(316)
Profit/(loss) after taxation		(1,661)	(1,458)	(1,661)	(1,458)
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		(1,661)	(1,458)	(1,661)	(1,458)
Profit/(loss) attributable to:					
Owners of the parent		(1,281)	(1,264)	(1,281)	(1,264)
Non-controlling interests		(380)	(194)	(380)	(194)
Profit/(loss) for the period		(1,661)	(1,458)	(1,661)	(1,458)
Total comprehensive income attributable to:					
Owners of the parent		(1,281)	(1,264)	(1,281)	(1,264)
Non-controlling interests		(380)	(194)	(380)	(194)
Total comprehensive income/(loss) for the period		(1,661)	(1,458)	(1,661)	(1,458)
Earning Per Share attributable to owners of the parent:					
Earning / (loss) per share (Sen)	26	(0.19)	(0.19)	(0.19)	(0.19)

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	(UNAUDITED) CURRENT QUARTER END 31-Mar-20 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-19 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	65,253	65,123
Right-of -use assets	287,235	287,235
Investment property	18,800	18,800
Investment in associated company	1,244	1,206
	<u>372,532</u>	<u>372,364</u>
Current assets		
Inventories	460	332
Bearer biological assets	752	752
Trade receivables	838	964
Other receivables	305	502
Cash and cash equivalents	2,105	2,585
Tax recoverable	378	17
	<u>4,838</u>	<u>5,152</u>
TOTAL ASSETS	<u>377,370</u>	<u>377,516</u>
 <u>EQUITY AND LIABILITIES</u>		
Equity Attributable To Owners of the parent		
Share capital	131,997	131,997
Reserves	52,637	53,918
Total equity attributable to owners of the parent	<u>184,634</u>	<u>185,915</u>
Non-controlling Interests	86,390	86,770
TOTAL EQUITY	<u>271,024</u>	<u>272,685</u>
 Non-current liabilities		
Borrowings	10,297	10,625
Lease liabilities	7,065	7,764
Finance lease payables	262	-
Deferred taxation	74,089	75,171
	<u>91,713</u>	<u>93,560</u>
 Current liabilities		
Trade payables	2,324	1,347
Other payables	7,329	5,520
Dividend payables	-	-
Borrowings	3,811	3,325
Lease liabilities	357	320
Amount due to associate company	565	565
Provision for Taxation	247	194
	<u>14,633</u>	<u>11,271</u>
TOTAL LIABILITIES	<u>106,346</u>	<u>104,831</u>
TOTAL EQUITY AND LIABILITIES	<u>377,370</u>	<u>377,516</u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent						Total	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 2019	131,997						65,007	197,004	89,806	286,810
Transactions with owners:-										
Effect of adoption of MFRS 16							(784)	(784)	-	(784)
Balance as at 1 January 2019, as restated	131,997									
Total transactions with owners							64,223	196,220	89,806	286,026
Profit / (loss) for the year							(10,305)	(10,305)	(3,036)	(13,341)
Other Comprehensive income for the period							-	-	-	-
Total Comprehensive income for the period							(10,305)	(10,305)	(3,036)	(13,341)
Balance as at 31 December 2019	131,997						53,918	185,915	86,770	272,685
As at 1 January 2020	131,997						53,918	185,915	86,770	272,685
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 period							(1,281)	(1,281)	(380)	(1,661)
Other Comprehensive income for the financial period										
Total Comprehensive income for the financial period							(1,281)	(1,281)	(380)	(1,661)
Effects on adoption of MFRS							-	-	-	-
Balance as at 31 March 2020	131,997						52,637	184,634	86,390	271,024

ASTRAL ASIA BHD (374600-X)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
1ST QUARTER ENDED 31 MARCH 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	3 MONTHS ENDED 31-Mar-20 RM'000	12 MONTHS ENDED 31-Dec-19 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(1,661)	(11,842)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	1,529	12,211
Interest expense	48	1,068
Interest income	-	15
<i>Operating profit before working capital changes</i>	(84)	1,452
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	4,108	4,459
Tax refund/(paid)	(820)	(99)
<i>Net cash (Used In)/ generated from operating activities</i>	3,204	5,812
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest received	-	15
Proceeds from disposal of property, plant and equipment	-	124
Purchase of property, plant and equipment	(552)	(2,639)
Purchase of right of use assets	-	(44)
<i>Net cash used in investing activities</i>	(552)	(2,544)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend Paid to Non-controlling interests	-	(1,050)
Repayment of term / flexi loan	(694)	(981)
Repayment of lease liabilities/payables	(167)	(476)
Interest paid	(48)	(1,068)
Drawdown of borrowings	-	67
<i>Net cash used in financing activities</i>	(909)	(3,508)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,743	(240)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	362	602
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	2,105	362
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	2,102	2,581
Fixed Deposit placed with licensed banks	4	4
Bank overdraft	-	(2,223)
	2,105	362

Astral Asia Berhad (374600-X)

Notes to the Interim Financial Statement - 31 March 2020

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 2019. 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 2019.

The accounting policies are consistent with the recent audited financial statements for the year ended 31 December 2019.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2019 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 ended 31 March 2020</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	3,133	340	-	-	3,473
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>3,133</u>	<u>340</u>	<u>-</u>	<u>-</u>	<u>3,473</u>
 <u>Segment Results</u>					
Operating results	(1,084)	(459)	(70)	-	(1,613)
Properties fair value adjustment	-	-	-	-	-
Bearer plant written off due to replanting	0	-	-	-	-
Share of results of associate company	-	-	-	-	-
Finance cost	(3)	(45)	-	-	(48)
Profit/(loss) before tax	<u>(1,087)</u>	<u>(504)</u>	<u>(70)</u>	<u>-</u>	<u>(1,661)</u>
Tax (expense)/income	-	-	-	-	-
	<u>(1,087)</u>	<u>(504)</u>	<u>(70)</u>	<u>-</u>	<u>(1,661)</u>

<u>3 months financial period ended 31 March 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	4,823	265	-	0	5,088
Inter-segment revenue	-	-	0	0	-
Total revenue	<u>4,823</u>	<u>265</u>	<u>0</u>	<u>0</u>	<u>5,088</u>
<u>Segment Results</u>					
Operating results	(230)	(857)	0	0	(1,087)
Properties fair value adjustment		0			0
Bearer plant written off due to replanting	-				0
Share of results of associate company	-	0	-	-	0
Finance cost	(9)	(46)	-	-	(55)
Profit/(loss) before tax	<u>(239)</u>	<u>(903)</u>	<u>0</u>	<u>0</u>	<u>(1,142)</u>
Tax (expense)/income	<u>(316)</u>	<u>0.00</u>	<u>-</u>	<u>-</u>	<u>(316)</u>
	<u>(555)</u>	<u>(903)</u>	<u>0</u>	<u>0</u>	<u>(1,458)</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 incurred a marginal higher pre-tax loss of RM 1.7 million on revenue of RM 3.5 million for the quarter under review compared to pre-tax loss of RM 1.4 million on revenue of RM 5.0 million for the corresponding period in 2019.

The construction, property development and property investment segments' losses before tax of RM 0.5 million was mainly due to Group's operating overheads.

The 35.0 % decrease in the revenue of the plantation sector from RM4.8 million to RM 3.1 million was mainly due to lower Fresh Fruit Bunches ("FFB") harvested for the quarter under review. The FFB production had decreased substantially by 50.1.% to 5,250 M/T (2019: 10,537M/T) due to low yield season. The decrease in FFB production was also attributed to the replanting of a total of 400 hectares of oil palm in Kertau Estate. The average CPO prices realised during the period under review had, however, increased by 29.6 % to RM 2,597 per M/T (2019: RM2,004 per M/T). The FFB production and yield of the Group's estates during the current quarter were:-

Table of FFB production and yield

Estate	Planted area as at 31.3.2020			FFB production (m/t)		Yield (m/t / ha)	
	Mature (hectares)	Immature (hectares)	Total (hectares)	Quarter ended 31.3.2020	Quarter ended 31.3.2019	Quarter ended 31.3.2020	Quarter ended 31.3.2019
	Bukit Kuin 1	601	125	726	1,161	1,790	1.9
Bukit Kuin 2	191	0	191	689	1,089	3.6	5.70
Kertau	1,217	400	1,617	1,495	3,927	1.2	2.43
Sungai Pejing	1,143	0	1,143	1,905	3,731	1.7	3.26
	3,152	525	3,677				
Buildings, roads and others			342				
Total area (hectares)			4,019				
Total FFB production (m/t)				5,250	10,537		

15 Comparison with the immediate preceding quarter's results

The Group reported a lower loss before tax of RM 1.7 million for the current quarter as compared to a loss before tax of RM 6.2 million for the immediate preceding quarter due mainly to the write off of the bearer plants with the net book value of RM 4.7 million in the immediate preceding quarter results.

16 Commentary on prospects

The outbreak of the Coronavirus Disease 2019 ("COVID-19") which started in December 2019 has now been declared as a pandemic by World Health Organization on 11 March 2020. The pandemic will materially affect the world economy in 2020 due mainly to international borders lockdown and Malaysia is not excluded from this health crisis. The various Movement Control Orders implemented by the Malaysian Government from 18 March 2020 to 31 August 2020 will have substantial impact on most economic activities in Malaysia. As of today, we are uncertain as to when the pandemic will come to an end.

The prices of CPO peaked at RM3,111/mt in January 2020 and thereafter had fallen to RM2,050/mt by mid of May 2020. As of the date of this report, CPO prices are sustaining above RM2,300/mt. The demand for palm oil is likely to decline due to the anticipated weaker world economy ahead. The trading of CPO commodity prices is expected to remain volatile in 2020.

In view of the oil palm replanting programme at the Kertau estate, the unstable commodities prices in 2020 and the absence of positive contributions from the Group's other business segments, the Group's operating results in 2020 is expected to decline.

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		3 months ended	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
	RM'000	RM'000	RM'000	RM'000
Current Taxation	0	(316)	0	(316)
Over provision of tax in prior year	-	-	-	-
	0	(316)	0	(316)
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Tax income/(expense)	0	(316)	0	(316)

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 of the date of this report.

22 Borrowings and debts securities

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

	As at	As at
	31.3.2020	31.12.2019
	RM'000	RM'000
Short term bank borrowings	3,811	3325
Long term bank borrowings	10,297	10,625
	<u>14,108</u>	<u>13,950</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

Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)
Weighted average number of ordinary share in issue ('000)
Basic earning / (loss) per share (sen)

<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
31.3.2020	31.3.2019	31.3.2020	31.3.2019
(1,281)	(1,264)	(1,281)	(1,264)
659,984	659,984	659,984	659,984
(0.19)	(0.19)	(0.19)	(0.19)

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

Profit before tax is arrived at after charging / (crediting):

Interest Income
Interest expense
Depreciation and amortization

<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
31.3.2020 RM'000	31.3.2019 RM'000	31.3.2020 RM'000	31.3.2019 RM'000
0	41	0	41
48	48	48	48
1529	1758	1529	1758

28 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.