

## ASTRAL ASIA BHD (374600-X)

### Part A1 : Quarterly Report

Quarterly report for the financial period ended : 30.6.2020  
Quarter : 2nd Quarter  
Financial Year End : 31.12.2020  
The Figures : Have not been audited

### Part A2 : Summary of Key Financial Information for the financial period ending 30/6/2020

	Individual Quarter		Cumulative Period	
	Current year quarter 30.6.2020 RM'000	Preceding year quarter 30.6.2019 RM'000	Current year to date 30.6.2020 RM'000	Preceding year to date 30.6.2019 RM'000
1 Revenue	4,922	5,220	8,395	10,308
2 Profit/(Loss) before tax	(1,187)	(1,518)	(2,848)	(2,660)
3 Profit/(Loss) for the period	(1,658)	(1,815)	(3,319)	(3,273)
4 Profit/(Loss) attributable to ordinary equity holders of the parent	(1,447)	(1,566)	(2,728)	(2,830)
5 Basic earning / (loss) per shares (sen)	(0.22)	(0.24)	(0.41)	(0.43)
6 Proposed /Declared dividend per share (sen)	-	-	-	-
	<b>As at end of current quarter</b>		<b>As at preceding financial year end</b>	
7 Net assets per share attributable to ordinary equity holders of the company (RM)		0.2776		0.2817

### Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 30.6.2020 RM'000	Preceding year quarter 30.6.2019 RM'000	Current year to date 30.6.2020 RM'000	Preceding year to date 30.6.2019 RM'000
1 Gross interest income	0	41	0	41
2 Gross interest expenses	346	48	394	48

**ASTRAL ASIA BHD (374600-X)**
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 30 JUNE 2020**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Current Year 2nd Quarter 30-Jun-20 RM'000	Preceding Year 30-Jun-19 RM'000	Current Year 30-Jun-20 RM'000	Preceding Year 30-Jun-19 RM'000
<b><u>Continuing Operations</u></b>					
Revenue		4,922	5,220	8,395	10,308
Cost of sales		(2,819)	(3,128)	(4,944)	(5,867)
<b>Gross profit</b>		<b>2,103</b>	<b>2,092</b>	<b>3,451</b>	<b>4,441</b>
Other income		71	68	74	155
Administrative expenses		(1,551)	(1,921)	(2,986)	(3,815)
Other expenses		0	0	0	0
Finance costs		(346)	1	(394)	(54)
Finance income		0	0	0	0
Depreciation and amortisation		(1,464)	(1,758)	(2,993)	(3,387)
Bearer plants written off due to replanting		0	0	0	0
Share of profit / (loss) in associate		0	0	0	0
<b>Profit/(loss) before taxation</b>		<b>(1,187)</b>	<b>(1,518)</b>	<b>(2,848)</b>	<b>(2,660)</b>
Tax income/(expense)	18	(471)	(297)	(471)	(613)
<b>Profit/(loss) after taxation</b>		<b>(1,658)</b>	<b>(1,815)</b>	<b>(3,319)</b>	<b>(3,273)</b>
<b>Other Comprehensive income/(loss), net of tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>(1,658)</b>	<b>(1,815)</b>	<b>(3,319)</b>	<b>(3,273)</b>
<b>Profit/(loss) attributable to:</b>					
Owners of the parent		(1,447)	(1,566)	(2,728)	(2,830)
Non-controlling interests		(211)	(249)	(591)	(443)
<b>Profit/(loss) for the period</b>		<b>(1,658)</b>	<b>(1,815)</b>	<b>(3,319)</b>	<b>(3,273)</b>
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the parent		(1,447)	(2,830)	(2,728)	(2,830)
Non-controlling interests		(211)	(249)	(591)	(443)
<b>Total comprehensive income/(loss) for the period</b>		<b>(1,658)</b>	<b>(1,815)</b>	<b>(3,319)</b>	<b>(3,273)</b>
<b>Earning Per Share attributable to owners of the parent:</b>					
Earning / (loss) per share (Sen)	26	(0.22)	(0.24)	(0.41)	(0.43)

**ASTRAL ASIA BHD (374600-X)**

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 30 JUNE 2020**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	(UNAUDITED) CURRENT QUARTER END 30-Jun-20 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-19 RM'000
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	63,773	65,123
Right-of -use assets	286,878	287,235
Investment property	18,800	18,800
Investment in associated company	1,169	1,206
	<u>370,620</u>	<u>372,364</u>
<b>Current assets</b>		
Inventories	714	332
Bearer biological assets	812	752
Trade receivables	1,845	964
Other receivables	1,020	502
Cash and cash equivalents	845	2,585
Tax recoverable	495	17
	<u>5,731</u>	<u>5,152</u>
<b>TOTAL ASSETS</b>	<b><u>376,351</u></b>	<b><u>377,516</u></b>
 <b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity Attributable To Owners of the parent</b>		
Share capital	131,997	131,997
Reserves	51,190	53,918
Total equity attributable to owners of the parent	<u>183,187</u>	<u>185,915</u>
Non-controlling Interests	86,179	86,770
<b>TOTAL EQUITY</b>	<b><u>269,366</u></b>	<b><u>272,685</u></b>
<b>Non-current liabilities</b>		
Borrowings	10,237	10,625
Lease liabilities	7,512	7,764
Finance lease payables	94	-
Deferred taxation	75,171	75,171
	<u>93,014</u>	<u>93,560</u>
<b>Current liabilities</b>		
Trade payables	3,052	1,347
Other payables	5,984	5,520
Dividend payables	-	-
Bank borrowings	3,811	3,325
Lease liabilities	312	320
Amount due to associate company	565	565
Provision for Taxation	247	194
	<u>13,971</u>	<u>11,271</u>
<b>TOTAL LIABILITIES</b>	<b><u>106,985</u></b>	<b><u>104,831</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>376,351</u></b>	<b><u>377,516</u></b>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 30 JUNE 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		
<b>As at 1 January 2019</b>	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)
<b>Balance as at 31 December 2019</b>	<b>131,997</b>						<b>53,918</b>	<b>185,915</b>	<b>86,770</b>	<b>272,685</b>
<b>As at 1 January 2020</b>	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							(2,728)	(2,728)	(591)	(3,319)
Other Comprehensive income for the financial period										
Total Comprehensive income for the financial period							(2,728)	(2,728)	(591)	(3,319)
Effects on adoption of MFRS							-	-	-	-
<b>Balance as at 30 JUNE 2020</b>	<b>131,997</b>						<b>51,190</b>	<b>183,187</b>	<b>86,179</b>	<b>269,366</b>

**ASTRAL ASIA BHD (374600-X)**

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE  
2ND QUARTER ENDED 30 JUNE 2020  
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>2ND QTER ENDED 30-Jun-20 RM'000</b>	<b>12 MONTHS ENDED 31-Dec-19 RM'000</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit before taxation	(2,848)	(11,842)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	2,993	12,211
Interest expense	394	1,068
Interest income	-	15
<b><i>Operating profit before working capital changes</i></b>	<b>539</b>	<b>1,452</b>
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(737)	4,459
Tax refund/(paid)	(198) (175)	5,911 (99)
<b><i>Net cash (Used In)/ generated from operating activities</i></b>	<b>(373)</b>	<b>5,812</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Interest received	-	15
Proceeds from disposal of property, plant and equipment	-	124
Purchase of property, plant and equipment	(1,195)	(2,639)
Purchase of right of use assets	-	(44)
<b><i>Net cash used in investing activities</i></b>	<b>(1,195)</b>	<b>(2,544)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Dividend Paid to Non-controlling interests	-	(1,050)
Repayment of term / flexi loan	(490)	(981)
Repayment of lease liabilities/payables	(222)	(476)
Interest paid	(394)	(1,068)
Drawdown of borrowings	381	67
<b><i>Net cash used in financing activities</i></b>	<b>(725)</b>	<b>(3,508)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,293)</b>	<b>(240)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>362</b>	<b>602</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER</b>	<b>(1,931)</b>	<b>362</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:</b>		
Cash and bank balances	841	2,581
Fixed Deposit placed with licensed banks	4	4
Bank overdraft	(2,776)	(2,223)
	<b>(1,931)</b>	<b>362</b>

**Astral Asia Berhad (374600-X)**

**Notes to the Interim Financial Statement - 30 JUNE 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>6 months financial period ended 30 June 2020</u>	<u>Plantation</u>	<u>Construction, Property Development &amp; 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	7,818	577	-	-	8,395
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>7,818</u>	<u>577</u>	<u>-</u>	<u>-</u>	<u>8,395</u>
 <u>Segment Results</u>					
Operating results	(1,216)	(1,238)	-	-	(2,454)
Properties fair value adjustment	-	-	-	-	-
Bearer plant written off due to replanting	-	-	-	-	-
Share of results of associate company	-	-	-	-	-
Finance cost	(3)	(391)	-	-	(394)
Profit/(loss) before tax	<u>(1,219)</u>	<u>(1,629)</u>	<u>-</u>	<u>-</u>	<u>(2,848)</u>
Tax (expense)/income	(471)	-	-	-	(471)
	<u>(1,690)</u>	<u>(1,629)</u>	<u>-</u>	<u>-</u>	<u>(3,319)</u>

<u>6 months financial period ended 30 June 2019</u>	<u>Plantation</u>	<u>Construction, Property Development &amp; 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	9,777	531	-	-	10,308
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>9,777</u>	<u>531</u>	<u>-</u>	<u>-</u>	<u>10,308</u>
<b><u>Segment Results</u></b>					
Operating results	(653)	(1,953)	-	-	(2,606)
Properties fair value adjustment		0			-
Bearer plant written off due to replanting	-				-
Share of results of associate company	-	0	-	-	-
Finance cost	(1)	(53)	-	-	(54)
Profit/(loss) before tax	(654)	(2,006)	-	-	(2,660)
Tax (expense)/income	(613)	0.00	-	-	(613)
	<u>(1,267)</u>	<u>(2,006)</u>	<u>-</u>	<u>-</u>	<u>(3,273)</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 2.8 million on revenue of RM 8.3 million for the 6 months under review compared to pre-tax loss of RM 2.6 million on revenue of RM 10.3 million for the corresponding period in 2019.

The losses before tax of RM 1.6 million in the construction, property development and property investment segments were mainly due to the Group's operating overheads and interest expense.

The 35.0 % decrease in the revenue of the plantation segment from RM4.8 million to RM 3.1 million was mainly due to lower Fresh Fruit Bunches ("FFB") harvested for the 6 months under review. The FFB production had decreased substantially by 34.6 % to 14,199 M/T (2019: 21,708 M/T) due to low yield season during the first quarter of 2020. The decrease in FFB production was also attributed to the further replanting of 400 hectares of oil palm at the Kertau Estate during the 2nd quarter. The average CPO prices realised during the period under review had, however, increased by 20.7 % to RM 2,398 per M/T (2019: RM1,987 per M/T). The FFB production and yield of the Group's estates during the 6 months were:-

**Table of FFB production and yield**

Estate	Planted area as at 30.6.2020			FFB production (m/t)		Yield (m/t / ha)	
	Mature (hectares)	Immature (hectares)	Total (hectares)	6 months ended	6 months ended	6 months ended	6 months ended
				30.6.2020	30.6.2019	30.6.2020	30.6.2019
Bukit Kuin 1	601	125	726	3,492	3,834	5.8	5.28
Bukit Kuin 2	191	0	191	1,652	2,187	8.6	11.45
Kertau	817	800	1,617	3,895	8,239	4.8	5.10
Sungai Pejing	1,143	0	1,143	5,160	7,448	4.5	6.52
	2,752	925	3,677				
Buildings, roads and others			342				
Total area (hectares)			4,019				
Total FFB production (m/t)				14,199	21,708		

**15 Comparison with the immediate preceding quarter's results**

The Group reported a lower loss before tax of RM 1.2 million for the current quarter as compared to a loss before tax of RM 1.7 million for the immediate preceding quarter due mainly to higher harvested FFB and better CPO prices during the current quarter. The Q2 FFB production had increased 60.3 % to 8,417 m/t compared with Q1 FFB production of 5,250 m/t.

**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 in 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, there are strong indications of the reopening of global economies but we are still 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. The CPO prices recovered subsequently and traded above RM2,850 m/t in early August 2020. As of the date of this report, the CPO prices are sustaining above RM2,500/mt. The CPO prices are expected to remain volatile in the remaining months of 2020.

In view of the oil palm replanting programme at the Kertau estate, the unstable CPO 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		6 months ended	
	30.6.2020	30.6.2019	30.6.2020	30.6.2019
	RM'000	RM'000	RM'000	RM'000
Current Taxation	(471)	(297)	(471)	(613)
Over provision of tax in prior year	-	-	-	-
	(471)	(297)	(471)	(613)
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Tax income/(expense)	(471)	(297)	(471)	(613)

**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:

	<b>As at</b>	<b>As at</b>
	<b>30.6.2020</b>	<b>31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Short term bank borrowings	3,811	3325
Long term bank borrowings	10,237	10,625
	<u>14,048</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**

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 6 months ended	
	30.6.2020	30.6.2019	30.6.2020	30.6.2019
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000 )	(1,447)	(1,566)	(2,728)	(2,830)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	(0.22)	(0.24)	(0.41)	(0.43)

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> 3 months ended		<u>Cumulative Quarter</u> 6 months ended	
	30.6.2020 RM'000	30.6.2019 RM'000	30.6.2020 RM'000	30.6.2019 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	0	41	0	41
Interest expense	346	48	394	48
Depreciation and amortization	1464	1758	2993	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.