

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 31.12.2020
Quarter : 4th 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 31/12/2020

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2020	Preceding year quarter 31.12.2019	Current year to date 31.12.2020	Preceding year to date 31.12.2019
	RM'000	RM'000	RM'000	RM'000
1 Revenue	2,885	3,923	17,931	16,395
2 Profit/(Loss) before tax	(588)	(6,274)	(6,377)	(11,841)
3 Profit/(Loss) for the period	4,396	(6,906)	(2,481)	(13,341)
4 Profit/(Loss) attributable to ordinary equity holders of the parent	4,388	(4,852)	(1,713)	(10,305)
5 Basic earning / (loss) per shares (sen)	0.66	(0.74)	(0.26)	(1.56)
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)		0.2791		0.2817

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2020	Preceding year quarter 31.12.2019	Current year to date 31.12.2020	Preceding year to date 31.12.2019
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	0	0	5	15
2 Gross interest expenses	167	148	761	1,068

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 4TH QUARTER ENDED 31 DECEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		<u>Current Year</u>	<u>Preceding Year</u>	<u>Current Year</u>	<u>Preceding Year</u>
		<u>4th Quarter</u>	<u>4th Quarter</u>	<u>Todate</u>	<u>Todate</u>
		<u>31-Dec-20</u>	<u>31-Dec-19</u>	<u>31-Dec-20</u>	<u>31-Dec-19</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Continuing Operations</u>					
Revenue		2,885	3,923	17,931	16,395
Cost of sales		(1,443)	(2,097)	(8,808)	(8,043)
Gross profit		<u>1,442</u>	<u>1,826</u>	<u>9,123</u>	<u>8,352</u>
Other income		3,014	10	4,521	831
Administrative expenses		(3,165)	(1,020)	(7,530)	(7,244)
Other expenses		0	0	0	(170)
Finance costs		(167)	(148)	(761)	(1,068)
Finance income		0	0	5	15
Depreciation and amortisation		(1,712)	(2,200)	(6,817)	(7,777)
Bearer plants written off due to replanting		0	(4,742)	(4,918)	(4,742)
Share of profit / (loss) in associate		0	0	0	(38)
Profit/(loss) before taxation		<u>(588)</u>	<u>(6,274)</u>	<u>(6,377)</u>	<u>(11,841)</u>
Tax income/(expense)	18	4,984	(632)	3,896	(1,500)
Profit/(loss) after taxation		<u>4,396</u>	<u>(6,906)</u>	<u>(2,481)</u>	<u>(13,341)</u>
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		<u>4,396</u>	<u>(6,906)</u>	<u>(2,481)</u>	<u>(13,341)</u>
Profit/(loss) attributable to:					
Owners of the parent		4,388	(4,852)	(1,713)	(10,305)
Non-controlling interests		1,366	(2,054)	(768)	(3,036)
Profit/(loss) for the period		<u>4,396</u>	<u>(6,906)</u>	<u>(2,481)</u>	<u>(13,341)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the parent		4,388	(4,852)	(1,713)	(10,305)
Non-controlling interests		1,366	(2,054)	(768)	(3,036)
Total comprehensive income/(loss) for the period		<u>4,396</u>	<u>(6,906)</u>	<u>(2,481)</u>	<u>(13,341)</u>
Earning Per Share attributable to owners of the parent:					
Earning / (loss) per share (Sen)	26	0.66	(0.74)	(0.26)	(1.56)

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 4TH QUARTER ENDED 31 DECEMBER 2020

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

	(UNAUDITED) CURRENT QUARTER END 31-Dec-20 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-19 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	50,239	65,123
Right-of -use assets	283,341	287,235
Investment property	18,800	18,800
Investment in associated company	1,206	1,206
	353,586	372,364
Current assets		
Inventories	1,040	332
Bearer biological assets	999	752
Trade receivables	255	964
Other receivables	11,739	502
Cash and cash equivalents	1,217	2,585
Tax recoverable	270	17
	15,520	5,152
TOTAL ASSETS	369,106	377,516
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share capital	131,997	131,997
Reserves	52,205	53,918
Total equity attributable to owners of the parent	184,202	185,915
Non-controlling Interests	84,952	86,770
TOTAL EQUITY	269,154	272,685
Non-current liabilities		
Borrowings	10,327	10,625
Lease liabilities	7,504	7,764
Finance lease payables	227	-
Deferred taxation	70,854	75,171
	88,912	93,560
Current liabilities		
Trade payables	361	1,347
Other payables	5,337	5,520
Dividend payables	-	-
Bank borrowings	4,415	3,325
Lease liabilities	213	320
Amount due to associate company	565	565
Provision for Taxation	149	194
	11,040	11,271
TOTAL LIABILITIES	99,952	104,831
TOTAL EQUITY AND LIABILITIES	369,106	377,516

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 4TH QUARTER ENDED 31 DECEMBER 2020

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			Total
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									(1,050)	(1,050)
Total transactions with owners									(1,050)	(1,050)
Profit / (loss) for the financial period							(1,713)	(1,713)	(768)	(2,481)
Other Comprehensive income for the financial period										
Total Comprehensive income for the financial period				-			(1,713)	(1,713)	(768)	(2,481)
Effects on adoption of MFRS				-	-		-	-	-	-
Balance as at 31 December 2020	131,997			-	-		52,205	184,202	84,952	269,154

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
4TH QUARTER ENDED 31 DECEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	YEAR ENDED 31-Dec-20 RM'000	YEAR ENDED 31-Dec-19 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(6,377)	(11,841)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	9,135	12,240
Interest expense	761	1,068
Interest income	(5)	(15)
<i>Operating profit before working capital changes</i>	3,514	1,452
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(2,440)	4,459
Tax refund / (paid)	1,074 (664)	5,911 (99)
<i>Net cash (Used In)/ generated from operating activities</i>	410	5,812
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest received	5	15
Proceeds from disposal of property, plant and equipment	1,002	124
Purchase of property, plant and equipment	(2,835)	(2,639)
Purchase of right of use assets	-	(44)
<i>Net cash used in investing activities</i>	(1,828)	(2,544)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend Paid to Non-controlling interests	(1,050)	(1,050)
Repayment of term / flexi loan	(296)	(981)
Repayment of lease liabilities/payables	(476)	(476)
Interest paid	(761)	(1,068)
Drawdown of borrowings	442	67
<i>Net cash used in financing activities</i>	(2,141)	(3,508)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,559)	(240)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	362	602
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	(3,197)	362
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	1,213	2,581
Fixed Deposit placed with licensed banks	4	4
Bank overdraft	(4,414)	(2,223)
	(3,197)	362

Astral Asia Berhad (374600-X)

Notes to the Interim Financial Statement - 31 December 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>Financial year</u> <u>ended 31 December 2020</u>	<u>Plantation</u>	<u>Construction &</u> <u>Property Development</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	15,778	1,075	1,078	-	17,931
Inter-segment revenue	-	-	1,950	(1,950)	-
Total revenue	<u>15,778</u>	<u>1,075</u>	<u>3,028</u>	<u>(1,950)</u>	<u>17,931</u>
<u>Segment Results</u>					
Operating results	5,755	393	(31)	-	6,117
Depreciation and bearer plant write off	(6,396)	(378)	(41)	-	(6,815)
Bearer plant written off due to replanting	(4,918)	-	-	-	(4,918)
Share of results of associate company	-	-	-	-	-
Interest Income	-	-	-	-	-
Finance cost	(71)	(228)	(462)	-	(761)
Profit/(loss) before tax	<u>(5,630)</u>	<u>(213)</u>	<u>(534)</u>	<u>-</u>	<u>(6,377)</u>
Tax (expense)/income	3,435	517	(56)	-	3,896
	<u>(2,195)</u>	<u>304</u>	<u>(590)</u>	<u>-</u>	<u>(2,481)</u>

<u>Financial year</u> <u>ended 31 December 2019</u>	<u>Plantation</u>	<u>Construction &</u> <u>Property Development</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	15,724	-	671	-	16,395
Inter-segment revenue	-	-	673	(673)	-
Total revenue	<u>15,724</u>	<u>-</u>	<u>1,344</u>	<u>(673)</u>	<u>16,395</u>
<u>Segment Results</u>					
Operating results	3,394	(3,373)	1,432	-	1,453
Depreciation and bearer plant write off	(6,869)	(533)	(375)	-	(7,777)
Other non-cash expenses	(4,838)	412	-	-	(4,426)
Share of results of associate company	-	(38)	-	-	(38)
Interest Income	15	-	-	-	15
Finance cost	(377)	(106)	(585)	-	(1,068)
Profit/(loss) before tax	<u>(8,675)</u>	<u>(3,638)</u>	<u>472</u>	<u>-</u>	<u>(11,841)</u>
Tax (expense)/income	(1,392)	-	(108)	-	(1,500)
	<u>(10,067)</u>	<u>(3,638)</u>	<u>364</u>	<u>-</u>	<u>(13,341)</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 subsequent events to the end of the current quarter.

There were no material subsequent events to the end of the current quarter.

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 as at the date of this report.

14 Review of performance

The Group incurred a lower pre-tax losses of RM6.4 million on revenue of RM17.9.0 million for the year under review compared to the pre-tax losses of RM11.8 million on revenue of RM16.4 million for the corresponding year in 2019. The lower pre-tax losses recorded were mainly attributed to the significant improvement in CPO prices offsetted by a lower FFB production harvested during the financial year.

During the financial year under review, the Group did not undertake new jobs except it completed few minor sub-contract works of low profit margin. The summary of the results of the construction and property development segments are as follows :

RM'000		2019
Revenue	1,075	-
Group operating overheads	(3,167)	(3,532)
Gain on the disposal of Bangsar Land	1,542	-
Interest expense	(228)	(106)
Overprovision of liabilities written back	1,499	-
Others	141	-
Segment loss before tax	(213)	(3,638)

The revenue of the plantation segment had remained flat at RM15.7 million during the financial year under review compared to the previous financial year. The Fresh Fruit Bunches ("FFB") harvested for the year under review had decreased by 25.9% to 28,636 M/T (2019: 38651 M/T) in line with the industry trend and the further replanting of 400 hectares of oil palm at the Kertau Estate. However, the drop in revenue due to the lower FFB production was compensated by a significant higher CPO prices realised during the financial year. The average CPO prices realised during the year under review had increased by 29.1 % to RM 2,675 M/T (2019: 2,071 M/T). The planted acreage, FFB production and yield of the Group's estates during the financial year are as follows:-

Table of FFB production and yield

Estate	Planted area as at 31.12.2020			FFB production (m/t)		Yield (m/t / ha)	
	Immature (ha)	Mature (ha)	Total (ha)	year ended	year ended	year ended	year ended
				31.12.2020	31.12.2019	31.12.2020	31.12.2019
Bukit Kuin 1	125	601	726	8,619	9,011	14.3	15.00
Bukit Kuin 2	0	191	191	4,062	4,931	21.3	25.80
Kertau	800	817	1,617	6,609	12,433	8.1	10.20
Sungai Pejing	0	1,143	1,143	9,346	12,276	8.2	10.70
	925	2,752	3,677				
Buildings, roads and others			342				
Total area (hectares)			4,019				
Total FFB production (m/t)				28,636	38,651		

15 Comparison with the immediate preceding quarter's results

The Group reported a lower losses before tax of RM0.59 million for the current quarter as compared to losses before tax amounted to RM4.9 million for the immediate preceding quarter mainly due to the writing off of the bearer plant cost of RM4.2 million in the previous quarter.

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 continue to materially affect the world economy in 2021 due mainly to international borders lockdowns and Malaysia is not excluded from this health crisis. The various Movement Control Orders ("MCOs") implemented by the Malaysian Government have been extended to 18 March 2021 and it will continue to have a substantial impact on most economic activities in Malaysia. In February 2021, the Malaysian Health Ministry (MoH) has kick-started the Covid-19 vaccination on a nationwide scale and it is hopeful that the vaccine will help us to return to our normal lives and to bring the pandemic to an end sooner than as foreseen.

The Group's oil palm estates have been allowed to operate during the various MCOs as oil palm cultivation is considered as an essential economic sector. However, the lockdowns and the new foreign workers recruitment restrictions have severely affected the employment of new foreign workers required by the oil palm industry.

To expand the Group's business activities, the Group has started its maiden e-commerce business in December 2020. The new business entails the selling of fast moving consumer goods via the online trading platform. The Group is positive that this new e-commerce venture will be a source of income stream to the Group in the long term.

The prices of CPO started high in January 2021 and the price hit a 13-year high of RM3,987 per mt on 7 January 2021 and thereafter the prices had maintained above RM3,500 per mt since January 2021. The CPO prices are expected to remain above RM3,000 during the year 2021. The current buoyant CPO prices will mitigate the losses of the Group's plantation segment.

We expect a lower FFB production for the Group during the FYE 2021 due to the on-going oil palm replanting programme at the Kertau estate. In the absence of positive contributions from the Group's other business segments in the near term, the Group's operating results in 2021 is not expected to improve further compared to FYE 2020.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation

	<u>Individual Quarter</u> year ended		<u>Cumulative Quarter</u> year ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Current Taxation	(724)	(632)	(571)	(1,500)
Over provision of tax in prior year	-	-	206	-
	(724)	(632)	(365)	(1,500)
Deferred tax - reversal due to bearer plant written off	3,800	-	3,800	-
Deferred tax- reversal due to leasehold land not required	517	-	517	-
Tax income/(expense)	4,984	(632)	3,896	(1,500)

The provision for income tax for the Group is mainly due to the chargeable income of the plantation segment.

The tax charge is higher than the statutory rate owing to certain expenses not claimable for tax purposes.

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

Save for the disposal of the Bangsar Land for a total cash consideration of RM12.1 million as announced on 9 October 2020, there were no disposal and purchase of quoted investments or properties for the current quarter and financial year-to-date. The disposal of the Bangsar Land has been completed on 5 February 2021.

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 and year-to-date.

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 31.12.2020 RM'000	As at 31.12.2019 RM'000
Short term bank borrowings	4,415	3,325
Long term bank borrowings	10,327	10,625
	<u>14,742</u>	<u>13,950</u>

The above bank borrowings are secured by the properties of the subsidiary companies 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> year ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	4,388	(4,852)	(1,713)	(10,305)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	0.66	(0.74)	(0.26)	(1.56)

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> year ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	0	0	5	15
Interest expense	167	148	761	1,068
Depreciation and amortization	1,712	2,200	11,735	12,519

28 Capital Commitment not provided for in the Financial Statements

As at 31.12.2020, the oil palm replanting cost contracted but not provided for in the financial statements amounted to RM1,393,000 (2019 : RM 852,000).

This announcement is dated 9 March 2021.