

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 31.3.2021
Quarter : 1st Quarter
Financial Year End : 31.12.2021
The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ending 31/3/2021

	Individual Quarter		Cumulative Period	
	Current year quarter 31.3.2021 RM'000	Preceding year quarter 31.3.2020 RM'000	Current year to date 31.3.2021 RM'000	Preceding year to date 31.3.2020 RM'000
1 Revenue	3,165	3,473	3,165	3,473
2 Profit/(Loss) before tax	(1,246)	(1,661)	(1,246)	(1,661)
3 Profit/(Loss) for the period	(1,490)	(1,661)	(1,490)	(1,661)
4 Profit/(Loss) attributable to ordinary equity holders of the parent	(1,198)	(1,281)	(1,198)	(1,281)
5 Basic earning / (loss) per shares (sen)	(0.18)	(0.19)	(0.18)	(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)		0.2773		0.2791

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.3.2021 RM'000	Preceding year quarter 31.3.2020 RM'000	Current year to date 31.3.2021 RM'000	Preceding year to date 31.3.2020 RM'000
1 Gross interest income	0	0	0	0
2 Gross interest expenses	62	48	62	48

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 31 MARCH 2021

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>1st Quarter</u>	<u>1st Quarter</u>	<u>Todate</u>	<u>Todate</u>
		<u>31-Mar-21</u>	<u>31-Mar-20</u>	<u>31-Mar-21</u>	<u>31-Mar-20</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Continuing Operations</u>					
Revenue		3,165	3,473	3,165	3,473
Cost of sales		(1,144)	(2,125)	(1,144)	(2,125)
Gross profit		<u>2,021</u>	<u>1,348</u>	<u>2,021</u>	<u>1,348</u>
Other income		49	3	49	3
Administrative expenses		(1,144)	(1,435)	(1,144)	(1,435)
Other expenses		0	0	0	0
Finance costs		(62)	(48)	(62)	(48)
Finance income		0	0	0	0
Depreciation and amortisation		(2,110)	(1,529)	(2,110)	(1,529)
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		<u>(1,246)</u>	<u>(1,661)</u>	<u>(1,246)</u>	<u>(1,661)</u>
Tax income/(expense)	18	(244)	0	(244)	0
Profit/(loss) after taxation		<u>(1,490)</u>	<u>(1,661)</u>	<u>(1,490)</u>	<u>(1,661)</u>
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		<u>(1,490)</u>	<u>(1,661)</u>	<u>(1,490)</u>	<u>(1,661)</u>
Profit/(loss) attributable to:					
Owners of the parent		(1,198)	(1,281)	(1,198)	(1,281)
Non-controlling interests		(292)	(380)	(292)	(380)
Profit/(loss) for the period		<u>(1,490)</u>	<u>(1,661)</u>	<u>(1,490)</u>	<u>(1,661)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the parent		(1,198)	(1,281)	(1,198)	(1,281)
Non-controlling interests		(292)	(380)	(292)	(380)
Total comprehensive income/(loss) for the period		<u>(1,490)</u>	<u>(1,661)</u>	<u>(1,490)</u>	<u>(1,661)</u>
Earning Per Share attributable to owners of the parent:					
Earning / (loss) per share (Sen)	26	(0.18)	(0.19)	(0.18)	(0.19)

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	(UNAUDITED) CURRENT QUARTER END 31-Mar-21 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-20 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	50,276	50,326
Right-of -use assets	282,295	283,341
Investment property	18,800	18,800
Investment in associated company	1,167	1,167
	352,538	353,634
Current assets		
Inventories	1,207	974
Bearer biological assets	1,094	998
Trade receivables	114	317
Other receivables	1,102	11,654
Cash and cash equivalents	9,469	3,647
Tax recoverable	694	66
	13,680	17,656
TOTAL ASSETS	366,218	371,290
 <u>EQUITY AND LIABILITIES</u>		
Equity Attributable To Owners of the parent		
Share capital	131,997	131,997
Reserves	51,008	52,205
Total equity attributable to owners of the parent	183,005	184,202
Non-controlling Interests	84,685	84,978
TOTAL EQUITY	267,690	269,180
Non-current liabilities		
Borrowings	9,950	10,271
Lease liabilities	7,504	7,737
Finance lease payables	197	-
Deferred taxation	70,854	70,854
	88,505	88,862
Current liabilities		
Trade payables	470	618
Other payables	4,999	4,892
Dividend payables	-	-
Bank borrowings	3,408	6,920
Lease liabilities	198	253
Amount due to associate company	565	565
Provision for Taxation	383	-
	10,023	13,248
TOTAL LIABILITIES	98,528	102,110
TOTAL EQUITY AND LIABILITIES	366,218	371,290

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 31 MARCH 2021

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	RM'000	
As at 1 January 2020	131,997						53,918	185,914	86,769	272,683
Transactions with owners:-										
							-	-	-	-
Total transactions with owners							-	-	-	-
Profit / (loss) for the year							(1,712)	(1,712)	(741)	(2,453)
Dividend paid to non-controlling Interests							-	-	(1,050)	(1,050)
Total Comprehensive income for the period							(1,712)	(1,712)	(1,791)	(3,503)
Balance as at 31 December 2020	131,997	-	-	-	-	-	52,206	184,202	84,978	269,180
As at 1 January 2021	131,997						52,206	184,202	84,978	269,180
Transactions with owners:-										
Dividend paid to non-controlling Interests									-	-
Total transactions with owners									-	-
Profit / (loss) for the financial period							(1,198)	(1,198)	(292)	(1,490)
Other Comprehensive income for the financial period										
Total Comprehensive income for the financial period							(1,198)	(1,198)	(292)	(1,490)
Effects on adoption of MFRS							-	-	-	-
Balance as at 31 March 2021	131,997						51,008	183,004	84,686	267,690

ASTRAL ASIA BHD (374600-X)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
1ST QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	PERIOD ENDED 31-Mar-21 RM'000	YEAR ENDED 31-Dec-20 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Loss before taxation	(1,246)	(6,351)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	2,015	10,050
Interest expense	62	1,084
Interest income	-	(5)
<i>Operating profit before working capital changes</i>	831	4,778
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(2,251)	(1,243)
	(1,420)	3,535
Tax refund / (paid)	(119)	(664)
<i>Net cash (Used In)/ generated from operating activities</i>	(1,539)	2,871
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest received	-	5
Proceeds from disposal of property, plant and equipment	10,952	1,017
Purchase of property, plant and equipment	(945)	(3,589)
Purchase of right of use assets	-	(21)
<i>Net cash used in investing activities</i>	10,007	(2,588)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend Paid to Non-controlling interests	-	(1,050)
Repayment of term / flexi loan	(586)	(296)
Repayment of lease liabilities/payables	(84)	(329)
Interest paid	(62)	(1,084)
Drawdown of borrowings	-	442
<i>Net cash used in financing activities</i>	(732)	(2,317)
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,736	(2,034)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	(1,675)	359
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	6,061	(1,675)
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	9,465	3,643
Fixed Deposit placed with licensed banks	4	-
Bank overdraft	(3,408)	(5,318)
	6,061	(1,675)

Astral Asia Berhad (374600-X)

Notes to the Interim Financial Statement - 31 March 2021

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 2020. 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 2020.

The accounting policies are consistent with the recent audited financial statements for the year ended 31 December 2020.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2020 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>Period ended</u> <u>31-Mar-21</u>	<u>Plantation</u>	<u>Construction & Property Development</u>	<u>Investment</u>	<u>Trading</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	2,849	-	241	75	3,165
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>2,849</u>	<u>-</u>	<u>241</u>	<u>75</u>	<u>3,165</u>
<u>Segment Results</u>					
Operating results	1,084	(136)	(6)	(16)	926
Depreciation and bearer plant write off	(1,633)	(469)	(7)	(1)	(2,110)
Bearer plant written off due to replanting	-	-	-	-	-
Share of results of associate company	-	-	-	-	-
Interest Income	-	-	-	-	-
Finance cost	(42)	(20)	-	-	(62)
Profit/(loss) before tax	<u>(591)</u>	<u>(625)</u>	<u>(13)</u>	<u>(17)</u>	<u>(1,246)</u>
Tax (expense)/income	(244)	-	-	-	(244)
	<u>(835)</u>	<u>(625)</u>	<u>(13)</u>	<u>(17)</u>	<u>(1,490)</u>

<u>Period ended</u> <u>31-Mar-20</u>	<u>Plantation</u>	<u>Construction & Property Development</u>	<u>Investment</u>	<u>Trading</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)
Depreciation and bearer plant write off	-	-	-	-	-
Other non-cash expenses	-	-	-	-	-
Share of results of associate company	-	-	-	-	-
Interest Income	-	-	-	-	-
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>

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 save for the Company has incorporated a new subsidiary, Astral Chem Sdn Bhd under the Companies Act 2016 on 10 May 2021.

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 loss of RM1.2 million on a revenue of RM3.2 million for the period under review compared to the pre-tax loss of RM1.7 million on revenue of RM3.5 million for the corresponding period in 2020. The lower pre-tax loss recorded was mainly attributed to the significant improvement in CPO prices offset by a lower FFB harvested during the first quarter of 2021.

During the current quarter under review, Clean Link Sdn Bhd which has started the e-commerce business under the business name " THE CLEAN SHOP" had generated a revenue of RM75,000 during the first three months of trading. In the construction segment, the Group had not been successful to secure new construction projects during the quarter under review. Nevertheless, the Group will continue to reassess the current construction industry and to implement new measures to win niche construction jobs.

The revenue of the plantation segment had dropped by 9 % to RM2.8 million during the financial period under review compared to the previous financial period. The Fresh Fruit Bunches ("FFB") harvested for the period under review had decreased by 36.4% to 3,340 M/T (2020: 5,250 M/T). This was in line with the lower industry output and the current replanting programme at both the Kertau and Peijing estates. However, the drop in revenue due to the lower FFB production was compensated by a significant higher CPO prices realised during the financial period under review. The average CPO prices realised during the period under review had increased by 46.5 % to RM 3,924 M/T (2020: 2,678 M/T). The planted acreage, FFB production and yield of the Group's estates during the financial period are as follows:-

Table of FFB production and yield

Estate	Planted area as at 31.3.2021			FFB production (m/t)		Yield (m/t / ha)	
	Immature (ha)	Mature (ha)	Total (ha)	period ended	period ended	period ended	period ended
				31.3.2021	31.3.2020	31.3.2021	31.3.2020
Bukit Kuin 1	0	601	601	881	1,161	1.5	1.9
Bukit Kuin 2	0	191	191	501	689	2.6	3.6
Kertau	800	817	1,617	860	1,495	1.1	1.2
Sungai Pejing	500	643	1,143	1,098	1,905	1.7	1.7
	1,300	2,252	3,552				
Builldings, roads and others			467				
Total area (hectares)			4,019				
Total FFB production (m/t)				3,340	5,250		

15 Comparison with the immediate preceding quarter's results

The Group reported a higher loss before tax of RM1.2 million for the current quarter as compared to a loss before tax amounted to RM0.59 million for the immediate preceding quarter mainly due to the gain on the disposal of the Bangsar Land amounted to RM1.5 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 closures and Malaysia is not excluded from this health crisis. The various Movement Control Orders ("MCOs") implemented by the Malaysian Government have been extended to 28 June 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 aimed to achieve the desired herd immunity. It is hopeful that the MoH vaccination programme which is targeted to be completed by February 2022 will bring the pandemic to an end.

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.

The prices of CPO started high in January 2021 and the commodity price hit a 13-year high of RM4,773 per mt on 20 May 2021 and thereafter the prices had maintained above RM3,400 per mt since 15 June 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 both the Kertau and Pejing estates. 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 the FYE 2020.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	31.3.2021 RM'000	31.3.2020 RM'000	31.3.2021 RM'000	31.3.2020 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)	(244)	0	(244)	0

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 had been completed during the current quarter under review.

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 31.3.2021 RM'000	As at 31.3.2020 RM'000
Short term bank borrowings	3,408	6,920
Long term bank borrowings	9,950	10,271
	<u>13,358</u>	<u>17,191</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 ended</u>		<u>Cumulative Quarter ended</u>	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	(1,198)	(1,281)	(1,198)	(1,281)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	(0.18)	(0.19)	(0.18)	(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

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	31.3.2021 RM'000	31.3.2020 RM'000	31.3.2021 RM'000	31.3.2020 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	0	0	0	5
Interest expense	62	1,084	62	1,084
Depreciation and amortization	2,110	1,529	2,110	1,529

28 Capital Commitment not provided for in the Financial Statements

As at 31.3.2021, the oil palm replanting cost contracted but not provided for in the financial statements amounted to RM1,393,000 (2020 : RM Nil).

This announcement is dated 30 June 2021.