

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 30.9.2021
 Quarter : 3rd 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 30/9/2021

	Individual Quarter		Cumulative Period	
	Current year quarter 30.9.2021 RM'000	Preceding year quarter 30.9.2020 RM'000	Current year to date 30.9.2021 RM'000	Preceding year to date 30.9.2020 RM'000
1 Revenue	5,915	6,651	14,001	15,046
2 Profit/(Loss) before tax	1,041	(4,299)	(517)	(7,147)
3 Profit/(Loss) for the period	243	(4,916)	(2,082)	(8,235)
4 Profit/(Loss) attributable to ordinary equity holders of the parent	(67)	(3,373)	(2,081)	(6,101)
5 Basic earning / (loss) per shares (sen)	(0.01)	(0.51)	(0.32)	(0.92)
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)		0.2759		0.2791

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 30.9.2021 RM'000	Preceding year quarter 30.9.2020 RM'000	Current year to date 30.9.2021 RM'000	Preceding year to date 30.9.2020 RM'000
1 Gross interest income	2	5	5	5
2 Gross interest expenses	39	200	142	594

ASTRAL ASIA BHD (374600-X)
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Current Year 1st Quarter 30-Sep-21 RM'000	Preceding Year 30-Sep-20 RM'000	Current Year 30-Sep-21 RM'000	Preceding Year 30-Sep-20 RM'000
<u>Continuing Operations</u>					
Revenue		5,915	6,651	14,001	15,046
Cost of sales		(1,768)	(2,421)	(4,879)	(7,365)
Gross profit		<u>4,147</u>	<u>4,230</u>	<u>9,122</u>	<u>7,681</u>
Other income		37	75	154	149
Administrative expenses		(1,485)	(1,379)	(4,687)	(4,365)
Other expenses		-	-	-	-
Finance costs		(39)	(200)	(142)	(594)
Finance income		2	5	5	5
Depreciation and amortisation		(1,621)	(2,112)	(4,969)	(5,105)
Bearer plants written off due to replanting		-	(4,918)	-	(4,918)
Share of profit / (loss) in associate		-	-	-	-
Profit/(loss) before taxation		<u>1,041</u>	<u>(4,299)</u>	<u>(517)</u>	<u>(7,147)</u>
Tax income/(expense)	18	(798)	(617)	(1,565)	(1,088)
Profit/(loss) after taxation		<u>243</u>	<u>(4,916)</u>	<u>(2,082)</u>	<u>(8,235)</u>
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		<u>243</u>	<u>(4,916)</u>	<u>(2,082)</u>	<u>(8,235)</u>
Profit/(loss) attributable to:					
Owners of the parent		(67)	(3,373)	(2,081)	(6,101)
Non-controlling interests		310	(1,543)	(1)	(2,134)
Profit/(loss) for the period		<u>243</u>	<u>(4,916)</u>	<u>(2,082)</u>	<u>(8,235)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the parent		(67)	(3,373)	(2,081)	(6,101)
Non-controlling interests		310	(1,543)	(1)	(2,134)
Total comprehensive income/(loss) for the period		<u>243</u>	<u>(4,916)</u>	<u>(2,082)</u>	<u>(8,235)</u>
Earning Per Share attributable to owners of the parent:					
Earning / (loss) per share (Sen)	26	(0.01)	(0.51)	(0.32)	(0.92)

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	(UNAUDITED) CURRENT QUARTER END 30-Sep-21 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-20 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	51,540	50,326
Right-of -use assets	280,203	283,341
Investment property	18,800	18,800
Investment in associated company	1,167	1,167
	351,710	353,634
Current assets		
Inventories	1,253	974
Bearer biological assets	956	998
Trade receivables	169	317
Other receivables	908	11,654
Cash and cash equivalents	6,788	3,647
Tax recoverable	738	66
	10,812	17,656
TOTAL ASSETS	362,522	371,290
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share capital	131,997	131,997
Reserves	50,125	52,205
Total equity attributable to owners of the parent	182,122	184,202
Non-controlling Interests	84,976	84,978
TOTAL EQUITY	267,098	269,180
Non-current liabilities		
Borrowings	9,262	10,271
Lease liabilities	7,504	7,737
Finance lease payables	123	-
Deferred taxation	70,854	70,854
	87,743	88,862
Current liabilities		
Trade payables	169	618
Other payables	4,080	4,892
Dividend payables	-	-
Bank borrowings	1,026	6,920
Lease liabilities	137	253
Amount due to associate company	565	565
Provision for Taxation	1,704	-
	7,681	13,248
TOTAL LIABILITIES	95,424	102,110
TOTAL EQUITY AND LIABILITIES	362,522	371,290

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent										Non-controlling Interest	Total Equity
	Non-distributable					Distributable						
	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Available-for-sales Fair Value Reserve	Other Reserve	Accumulated Profit	Total	Non-controlling Interest	Total Equity		
	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							(2,081)	(2,081)	(1)	(2,082)		
Other Comprehensive income for the financial period												
Total Comprehensive income for the financial period							(2,081)	(2,081)	(1)	(2,082)		
Effects on adoption of MFRS												
Balance as at 30 September 2021	131,997	-	-	-	-	-	50,125	182,121	84,977	267,098		

4(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 31st December 2020)

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
3RD QUARTER ENDED 30 SEPTEMBER 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	PERIOD ENDED 30-Sep-21 RM'000	YEAR ENDED 31-Dec-20 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Loss before taxation	(517)	(6,351)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	4,475	10,050
Interest expense	142	1,084
Interest income	(5)	(5)
<i>Operating profit before working capital changes</i>	4,095	4,778
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	(1,938)	(1,243)
Tax refund / (paid)	2,157 (533)	3,535 (664)
<i>Net cash (Used In)/ generated from operating activities</i>	1,624	2,871
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest received	5	5
Proceeds from disposal of property, plant and equipment	10,952	1,017
Purchase of property, plant and equipment	(3,231)	(3,589)
Purchase of right of use assets	-	(21)
<i>Net cash used in investing activities</i>	7,726	(2,588)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend Paid to Non-controlling interests	-	(1,050)
Repayment of term / flexi loan	(1,536)	(296)
Repayment of lease liabilities/payables	(235)	(329)
Interest paid	(142)	(1,084)
Drawdown of borrowings	-	442
<i>Net cash used in financing activities</i>	(1,913)	(2,317)
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,437	(2,034)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	(1,675)	359
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	5,762	(1,675)
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	6,784	3,643
Fixed Deposit placed with licensed banks	4	-
Bank overdraft	(1,026)	(5,318)
	5,762	(1,675)

5(The Condensed Consolidated Statement of Cash Flows should be read conjunction with the Annual Financial Report for the year ended 31st December 2020)

Notes to the Interim Financial Statement - 30 September 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:

	Period ended 30-Sep-21				
	Plantation	Construction & Property Development	Investment	Trading	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue					
External revenue	12,780	-	732	489	14,001
Inter-segment revenue	-	-	-	-	-
Total revenue	12,780	-	732	489	14,001
Segment Results					
Operating results	6,408	(1,652)	(30)	(137)	4,589
Depreciation and bearer plant write off	(4,723)	(223)	(21)	(2)	(4,969)
Bearer plant written off due to replanting	-	-	-	-	-
Share of results of associate company	-	-	5	-	5
Interest Income	(123)	(19)	-	-	(142)
Finance cost	1,562	(1,894)	(46)	(139)	(517)
Profit/(loss) before tax	(1,565)	-	-	-	(1,565)
Tax (expense)/income	(3)	(1,894)	(46)	(139)	(2,082)

	Period ended 30-Sep-20				
	Plantation	Construction & Property Development	Investment	Trading	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue					
External revenue	13,542	675	829	-	15,046
Inter-segment revenue	-	-	-	-	-
Total revenue	13,542	675	829	-	15,046
Segment Results					
Operating results	(69)	(1,945)	379	-	(1,635)
Depreciation and bearer plant write off	(4,918)	-	-	-	(4,918)
Other non-cash expenses	-	-	-	-	-
Share of results of associate company	-	-	-	-	-
Interest Income	-	-	-	-	-
Finance cost	(24)	(132)	(438)	-	(594)
Profit/(loss) before tax	(5,011)	(2,077)	(59)	-	(7,147)
Tax (expense)/income	(1,088)	-	(59)	-	(1,088)
	(6,099)	(2,077)	(59)	-	(8,235)

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 loss of RM0.5 million on a revenue of RM14.0 million for the 9 months under review compared to the pre-tax loss of RM7.1 million on revenue of RM15.0 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 3rd quarter under review, Clean Link Sdn Bhd which has started the e-commerce business since December 2020 had increased its sales tremendously to RM490,000, compared to the revenue of RM229,000 attained in the 2nd quarter of 2021. In the construction segment, the Group had not been successful to secure new construction projects during the quarter under review. The prolonged Covid -19 pandemic which had affected the economic recovery of the construction sector.

The revenue of the plantation segment had dropped by 6% to RM12.8 million for the 9 months under review compared to the previous financial period. The Fresh Fruit Bunches ("FFB") harvested for the period under review had decreased by 40.0% to 13,946 M/T (2020: 23,261 M/T). This was in line with the lower industry output and the current replanting programme at both the Kertau and Pejing estates. However, the drop in revenue due to the lower FFB production was compensated by a significant higher CPO prices realised during the 9 months under review. The average CPO prices realised during the 9 months under review had, however, increased by 65.0% to RM 4,221 M/T (2020: 2,559 M/T). The planted acreage, FFB production and yield of the Group's estates during the 9 months were as follows. -

Table of FFB production and yield

Estate	Planted area as at 30.9.2021		Total (ha)	FFB production (m/t)		Yield (m/t / ha)	
	Immature (ha)	Mature (ha)		period ended 30.9.2021	period ended 30.9.2020	period ended 30.9.2021	period ended 30.9.2020
Bukit Kuin 1	0	601	601	4,555	6,550	7.6	10.9
Bukit Kuin 2	0	191	191	1,689	2,875	8.8	15.1
Kertau	800	817	1,617	3,745	5,901	4.6	7.2
Sungai Pejing	500	643	1,143	3,957	7,935	6.2	6.9
Buildings, roads and others	1,300	2,252	3,552				
Total area (hectares)			467				
Total FFB production (m/t)			4,019	13,946	23,261		

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

The Group reported a profit before tax of RM1.0 million for the current quarter as compared to a loss before tax amounted to RM4.30 million for the immediate preceding quarter mainly due to written off of the previously capitalised bearer plant cost of RM4.9million in the previous quarter.

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 since March last year have now been replaced by the National Recovery Plan (PNP) comprising four phases of recovery. The measures undertaken by the PPN will continue to have a substantial impact on most economic activities in Malaysia. In September 2021, Malaysian Prime Minister has announced flexibility for selected sectors in the country to operate at a least 60% capacity. The Group's oil palm estates will be allowed to operate during the various phases of the PPN 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 RM4,000 per mt since 13 July 2021. The CPO prices are expected to remain above RM3,500 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 Kerbau 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

	Individual Quarter ended		Cumulative Quarter ended	
	30.9.2021 RM'000	30.9.2020 RM'000	30.9.2021 RM'000	30.9.2020 RM'000
Current Taxation	(798)	(617)	(1,565)	(1,088)
Over provision of tax in prior year	-	-	-	-
Deferred tax - reversal due to bearer plant written off	(798)	(617)	(1,565)	(1,088)
Deferred tax- reversal due to leasehold land not required	-	-	-	-
Tax income/(expense)	(798)	(617)	(1,565)	(1,088)

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

There were no disposal and purchase of quoted investments 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 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 30.9.2021 RM'000	As at 31.12.2020 RM'000
Short term bank borrowings	1,026	6,920
Long term bank borrowings	9,262	10,271
	<u>10,288</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>	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	(67)	(3,373)	(2,081)	(6,101)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	(0.01)	(0.51)	(0.32)	(0.92)

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):

	<u>Individual Quarter ended</u>	<u>Cumulative Quarter ended</u>
	30.9.2021	30.9.2021
	RM'000	RM'000
Interest Income		30.9.2020
Interest expense	2	5
Depreciation and amortization	39	5
	1,621	142
		2,112
		4,969
		5,105

28 Capital Commitment not provided for in the Financial Statements

As at 30.9.2021, 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 September 2021.