ASTRAL ASIA
BERHAD

199601002254 (374600-X)

ANNUAL REPORT 2022

CONTENT

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

DATO' HAJI ARPAN SHAH BIN SATU
Independent Non- Executive Chairman

DATO' LIM KANG POH
Deputy Executive Chairman

MR LIM GUAN SHIUN
Managing Director

TAN SRI DATO' LIM KANG YEW
Executive Director

DATO' SUHAIMI BIN MOHD YUNUS
Non-Independent Non-Executive Director

TUAN HAJI KHALIT BIN KASMOIN
Independent Non-Executive Director

MS LEE SIEW CHEN
Independent Non-Executive Director

MR LIM DIAN HOONG
Alternate Director to Tan Sri Dato' Lim Kang Yew

CHARTERED SECRETARY

Ms Leong Yue Han

AUDIT COMMITTEE

Ms Lee Siew Chen
(Chairman)

Dato' Haji Arpan Shah Bin Satu
(Member)

Tuan Haji Khalit Bin Kasmoin
(Member)

NOMINATION COMMITTEE

Tuan Haji Khalit Bin Kasmoin
(Chairman)

Dato' Haji Arpan Shah Bin Satu
(Member)

Ms Lee Siew Chen
(Member)

REMUNERATION COMMITTEE

Ms Lee Siew Chen
(Chairman)

Dato' Haji Arpan Shah Bin Satu
(Member)

Tuan Haji Khalit Bin Kasmoin
(Member)

REGISTERED OFFICE

Level 12, Menara TSR
No. 12, Jalan PJU 7/3,
Mutiara Damansara,
47810 Petaling Jaya,
Selangor Darul Ehsan
Tel : 603-7717 5588
Fax : 603-7717 5599

WEBSITE

www.astralasia.com

SHARE REGISTRAR

Sectrars Management Sdn Bhd
Lot 9-7, Menara Sentral Vista
No. 150, Jalan Sultan Abdul Samad,
Brickfields
50470 Kuala Lumpur
Tel : 603-2276 6138
Fax : 603-2276 6131

AUDITORS

Grant Thornton Malaysia PLT
(Member of Grant Thornton International Ltd)
Chartered Accountants
Level 11, Sheraton Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur
Tel : 603-2692 4022
Fax : 603-2691 5229

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad
CIMB Bank Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : AASIA
Stock Code : 7054
Stock Sector : Plantation

GROUP CORPORATE **STRUCTURE**

ASTRAL ASIA
BERHAD

PLANTATION

- 65% **ASTRAL ASIA PLANTATION SDN BHD**
  Reg. No. 197801004717 (41665-H)

CONSTRUCTION

- 100% **TASJA SDN BHD**
  Reg. No. 199001018185 (209854-H)

OTHER INVESTMENTS

- 100% **ASTRAL CHEM SDN BHD**
  Reg. No. 202101017629 (1417929-V)
- 100% **TASJA PROPERTIES SDN BHD**
  Reg. No. 200801007115 (808399-W)
- 100% **CLEAN LINK SDN BHD**
  Reg. No. 199501031947 (361153-W)
- 100% **PTJ CONCRETE PRODUCTS SDN BHD**
  Reg. No. 199501014958 (344159-U)
  - 49% **JOHOR CONCRETE PRODUCTS SDN BHD**
    Reg. No. 199701021193 (436690-T)

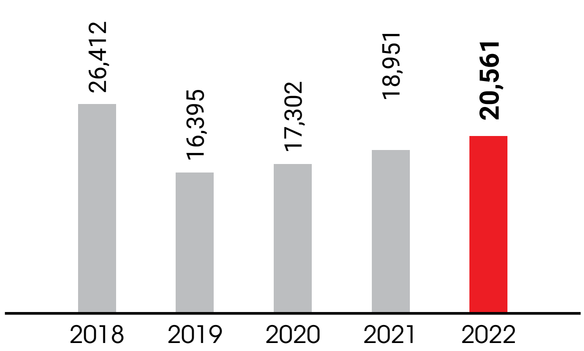
PROPERTY DEVELOPMENT

- 100% **TASJA DEVELOPMENT SDN BHD**
  Reg. No. 199501029631 (358837-U)

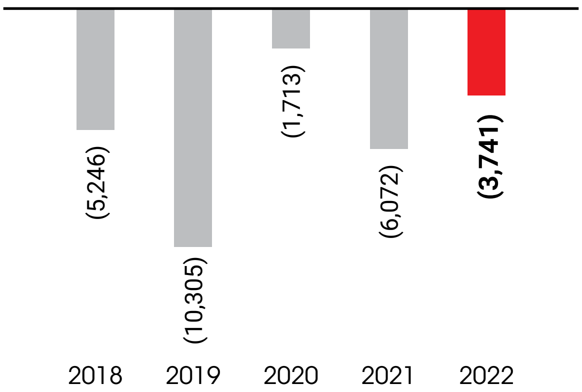
5-YEAR
FINANCIAL HIGHLIGHTS

		2018	2019	2020	2021	2022
Revenue	RM'000	26,412	16,395	17,302	18,951	**20,561**
Loss Before Taxation	RM'000	(5,370)	(11,842)	(6,351)	(7,225)	**(1,928)**
Loss attributable to Owners of the Parent	RM'000	(5,246)	(10,305)	(1,713)	(6,072)	**(3,741)**
Paid-up Capital	RM'000	131,997	131,997	131,997	131,997	**131,997**
Shareholders' Funds	RM'000	197,004	185,915	184,202	178,130	**174,389**
Total number of shares in issue	'000	659,984	659,984	659,984	659,984	**659,984**
Loss Per Share	Sen	(0.79)	(1.56)	(0.26)	(0.92)	**(0.57)**
Net Assets Per Share	RM	0.30	0.28	0.28	0.27	**0.26**
Fresh Fruit Bunches ("FFB") Production	Tonne	40,872	38,651	28,637	18,478	**18,250**
Prices of Crude Palm Oil realised	RM/Mt	2,248	2,071	2,675	4,451	**4,992**

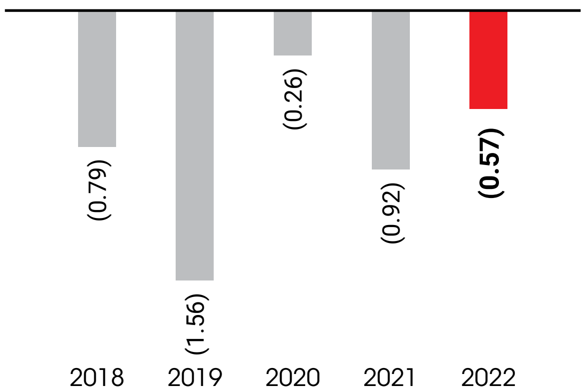
REVENUE
(RM'000)



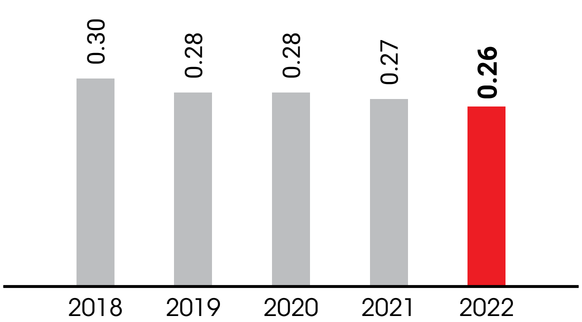
LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT
(RM'000)



EARNINGS PER SHARE
(SEN)



NET ASSETS PER SHARE
(RM)



DIRECTORS' **PROFILE**

DATO' HAJI ARPAN SHAH BIN SATU

Independent
Non-Executive Chairman

Aged : 68
Gender : Male
Nationality : Malaysian

Dato' Haji Arpan Shah Bin Satu was appointed as an Independent Non-Executive Chairman on 13 October 2020. He is also a member of the Audit, Nomination and Remuneration Committees.

Dato' Haji Arpan graduated with a Bachelor of Agricultural Science from Universiti Pertanian Malaysia in 1978 and Master of Business Administration ("MBA") from Universiti Kebangsaan Malaysia in 1998.

He has held various positions in the government sector. He was appointed as the Director General of Farmers Organization Authority ("FOA") in 2010 and has more than 37 years working experience with the FOA at the FOA Headquarters at State of Perak/Kelantan.

Dato' Haji Arpan does not hold any directorship in other public companies. He has no direct or indirect shareholdings in the Company nor having any family relationship with any director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Dato' Haji Arpan attended all the five (5) Board meetings held in the financial year ended 31 December 2022.

DATO' LIM KANG POH

Deputy Executive
Chairman

Aged : 66
Gender : Male
Nationality : Malaysian

Dato' Lim Kang Poh was appointed to the Board on 8 December 1995. He was subsequently re-designated as Managing Director of Astral Asia Berhad on 27 October 1997 and Deputy Executive Chairman on 1 December 2003.

Dato' Lim is one of the founder members of Tasja Sdn Bhd and was appointed to the Board on 8 December 1995. He started his career in the construction industry in 1976. He has been appointed as Managing Director of Astral Asia Plantation Sdn Bhd since April 2005. He is a director of several other private limited companies. His experience in the construction and plantation industries has strengthened the management of the Group.

Dato' Lim has a direct shareholdings of 89,552,289 ordinary shares in the Company. He is a brother of Tan Sri Dato' Lim Kang Yew and father to Mr Lim Guan Shiun. He is also an uncle to Mr Lim Dian Hoong. Save as disclosed, Dato' Lim does not have any family relationship with any other director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Dato' Lim attended three (3) out of the five (5) Board meetings held in the financial year ended 31 December 2022.

DIRECTORS' PROFILE (CONT'D)

MR LIM GUAN SHIUN

Managing Director

Aged : 36
Gender : Male
Nationality : Malaysian

Mr Lim Guan Shiun was appointed to the Board as Executive Director on 15 April 2013 and re-designated as Managing Director on 2 November 2016.

Mr Lim graduated with a Bachelor of Engineering (Hons) in Civil Engineering and Master of Science in Management of Projects from University of Manchester. He is currently an Executive Director of Astral Asia Plantation Sdn Bhd, a position he has held since 2011. He is currently also the General Manager of Tasja Development Sdn Bhd.

Mr Lim has no direct or indirect shareholdings in the Company. He is a son of Dato' Lim Kang Poh and nephew to Tan Sri Dato' Lim Kang Yew. He is also a cousin to Mr Lim Dian Hoong. Save as disclosed, Mr Lim does not have any family relationship with any other director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Mr Lim attended all the five (5) Board meetings held in the financial year ended 31 December 2022.

TUAN HAJI MD ADANAN BIN ABDUL MANAP

Deputy Managing Director

Aged : 80
Gender : Male
Nationality : Malaysian

(Resigned on 26 July 2022)

Tuan Haji Md Adanan Bin Abdul Manap was appointed to the Board of Astral Asia Berhad on 3 November 1997. He was re-designated as Executive Director on 3 September 2002 and as Deputy Managing Director on 2 November 2016.

Tuan Haji Md Adanan started his career as an Officer in the Accountant General office in 1970. In 1974, he was transferred to the Ministry of International Trade and Industry and was subsequently promoted to Higher Executive Officer in the Public Services Department in 1976. In 1984, he was transferred to the Ministry of Finance and served as Senior Executive Officer. In 1993 he joined the Ministry of Public Enterprise and retired optionally from service in 1996.

He does not have any family relationship with any director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Tuan Haji Md Adanan attended three (3) Board meetings in the financial year ended 31 December 2022 prior to his resignation.

DIRECTORS' PROFILE (CONT'D)

TAN SRI DATO' LIM KANG YEW

Executive Director

Aged : 66
Gender : Male
Nationality : Malaysian

Tan Sri Dato' Lim Kang Yew was appointed to the Board on 16 July 2020.

Tan Sri Dato' Lim is a businessman with over 40 years of experience in the construction, property development and plantations related industries. His vast experience in various fields will provide new direction and leadership to the Group as he has established good rapport with some government agencies.

Currently, Tan Sri Dato' Lim is also the Managing Director of PLS Plantations Berhad and Deputy Executive Chairman of TSR Capital Berhad. He is also a director of several other private limited companies.

Tan Sri Dato' Lim has a direct shareholdings of 89,552,289 ordinary shares in the Company. He is a brother of Dato' Lim Kang Poh and father to Mr Lim Dian Hoong. He is also an uncle to Mr Lim Guan Shiun. Save as disclosed, Tan Sri Dato' Lim does not have any family relationship with any other director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Tan Sri Dato' Lim attended four (4) out of the five (5) Board meetings held in the financial year ended 31 December 2022.

MR TAN EN CHONG

Senior Independent Non-Executive Director

Aged : 74
Gender : Male
Nationality : Malaysian

(Resigned on 7 April 2023)

Mr Tan En Chong was appointed to the Board of Directors on 1 July 2001 and was re-designated as Senior Independent Non-Executive Director on 1 March 2018. He serves as the Chairman of the Audit and Remuneration Committees. He is also a member of the Nomination Committee.

Mr Tan graduated with a Bachelor of Science (Hons) from Royal Holloway College, University of London. He is a Fellow of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. Upon graduation, he joined CHUBB Fire Security (UK) as Financial Assistant in 1976. He had served in various positions in construction, manufacturing, trading and property development companies. He is also a director of several other private limited companies.

Currently, Mr Tan is also an Independent Non-Executive Director of TSR Capital Berhad.

Mr Tan has no direct or indirect shareholdings in the Company. He does not have any family relationship with any other director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Mr Tan attended all the five (5) Board meetings held in the financial year ended 31 December 2022.

DIRECTORS' PROFILE (CONT'D)

TUAN HAJI KHALIT BIN KASMOIN

Independent Non-Executive Director

Aged : 65
Gender : Male
Nationality : Malaysian

Tuan Haji Khalit Bin Kasmoin was appointed to the Board as Independent Non-Executive Director on 1 March 2018. He serves as the Chairman of the Nomination Committee. He is also a member of the Audit and Remuneration Committees.

Tuan Haji Khalit graduated with a Bachelor of Social Science, majoring in Anthropology and Sociology from University Science of Malaysia in 1992, Master in Sociology Industry from Universiti Kebangsaan Malaysia in 2000 and Master of Philosophy Anthropology Sociology Economy from Universiti Kebangsaan Malaysia in 2004.

He started his career as an Administrative Officer in 1993 at Pusat Khidmat Kontraktor (PKK). From 1997 to 2008 he was involved in policy making at Ministry of Entrepreneur Development and Cooperative. In 2009 he was appointed as Diplomatic Administrative Officer ("PTD") in the Ministry of Agriculture with a title of Head of Assistant Secretary until his retirement on 12 January 2018. He has a wide range of experience in developing and administrating the entrepreneurs and also the government policy maker.

Tuan Haji Khalit has no direct or indirect shareholdings in the Company. He does not have any family relationship with any director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Tuan Haji Khalit attended all the five (5) Board meetings held in the financial year ended 31 December 2022.

DATO' SUHAIMI BIN MOHD YUNUS

Non-Independent Non-Executive Director

Aged : 57
Gender : Male
Nationality : Malaysian

Dato' Suhaimi Bin Mohd Yunus was appointed to the Board as Non-Independent Non-Executive Director on 8 August 2019.

Dato' Suhaimi graduated with a Master of Science in Land Administration and Development from University Technology of Malaysia.

He started his career in 1995 as Administration and Diplomatic Officer in Transport Ministry. Later, he moved to Public Service Department. In 1997, he was transferred back to Transport Ministry as Assistant Secretary and in 1999 he assumed the post as Assistant District Officer of Rompin, Pahang. Dato' Suhaimi was promoted as Chief Assistant Secretary in 2003 and he served in a few Ministries i.e. Agriculture and Natural Resources and Environment till 2005. He was appointed as Director of Pahang Sport Council until 2010 and later was promoted as Division Secretary and had served the Economy Planning Unit and Pahang State Secretary Office. In 2012 to 2014 he was appointed as a Secretary Division of Human Resources of Pahang State Secretary Office. In 2014, he was appointed as Deputy State Secretary (Development) of Pahang State Secretary Office till May 2019. Effective from 10 May 2019, he was appointed as a Chief Executive Officer of Perbadanan Kemajuan Pertanian Negeri Pahang, a substantial shareholder of the Company.

Currently, Dato' Suhaimi is also a Non-Independent Non-Executive Director of Far East Holdings Berhad and Tanah Makmur Berhad.

Dato' Suhaimi has no direct or indirect shareholdings in the Company. He does not have any family relationship with any director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Dato' Suhaimi attended three (3) out of the five (5) Board meetings held in the financial year ended 31 December 2022.

DIRECTORS' PROFILE (CONT'D)

LEE SIEW CHEN

Independent
Non-Executive Director

Aged : 51
Gender : Female
Nationality : Malaysian

Ms Lee Siew Chen was appointed to the Board as Independent Non-Executive Director on 7 April 2023.

Ms Lee graduated with a Bachelor of Accounting from University of Malaya and she is a member of the Malaysian Institute of Accountants.

Ms Lee has 15 years of extensive tax experience in a public listed company with diversified businesses and 7 years of tax experience in an audit firm.

Currently, she is also an Independent Non-Executive Director of TSR Capital Berhad.

Ms Lee has no direct or indirect shareholdings in the Company. She does not have any family relationship with any director and/or major shareholders of the Company. She has no conflict of interest in any business arrangement involving the Company. She has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

Ms Lee did not attend any Board meetings held in the financial year ended 31 December 2022 due to her new appointment.

MR LIM DIAN HOONG

Alternate Director to
Tan Sri Dato'
Lim Kang Yew

Aged : 35
Gender : Male
Nationality : Malaysian

Mr Lim Dian Hoong was appointed to the Board as Alternate Director to Tan Sri Dato' Lim Kang Yew on 24 September 2020.

Mr Lim graduated with a Master of Engineering in Civil Engineering from Imperial College London, UK. He has started his career with TSR Bina Sdn Bhd, a wholly-owned subsidiary of TSR Capital Berhad in 2011. He has been involved in the building construction and infrastructure projects managed by the group. He also has an active role in helping the TSR group to expand its property development and hospitality business.

Currently, Mr Lim is also an Executive Director in TSR Capital Berhad.

Mr Lim has no direct or indirect shareholdings in the Company. He is a son of Tan Sri Dato' Lim Kang Yew and nephew to Dato' Lim Kang Poh. He is also a cousin to Mr Lim Guan Shiun. Save as disclosed, Mr Lim does not have any family relationship with any other director and/or major shareholders of the Company. He has no conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT

MR LIM KUAN HWANG

Director of Tasja Development Sdn Bhd and Clean Link Sdn Bhd

Aged : 35
Gender : Male
Nationality : Malaysian

Mr. Lim Kuan Hwang was appointed as Director of Tasja Development Sdn Bhd, a position he has held since 2018 and manages the new e-commerce startup initiative under Clean Link Sdn Bhd.

Mr. Lim graduated with a Bachelor of Arts (Hons) degree from University College London, United Kingdom. He had served in various managerial positions for several businesses relating to digital and physical retail, trade distribution, food and beverage, as well as in property management. He was involved in the innovation and operation of new businesses and to date, he has founded and operated more than five new business ventures outside the Group.

Mr. Lim is also a Non-Independent Non-Executive Director of TSR Capital Berhad.

Mr Lim has no direct or indirect shareholdings in the Company. Mr. Lim is the son of Dato' Lim Kang Poh, the Deputy Executive Chairman and a substantial shareholder of AAB, a brother to Mr. Lim Guan Shiun, the Managing Director of AAB, a nephew to Tan Sri Dato' Lim Kang Yew, the Executive Director and a substantial shareholder of AAB and a cousin to Mr. Lim Dian Hoong, the Alternate Director to Tan Sri Dato' Lim Kang Yew. He does not hold any directorship in other public companies. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the regulatory bodies during the financial year, other than for traffic offences, if any.

DATO' IR HOW POOI GEN

Project Director, Construction and Properties Development Segments

Aged : 61
Gender : Male
Nationality : Malaysian

Dato' Ir How Pooi Gen joined Astral Asia Berhad Group in 1995 as a General Manager, Construction.

Dato' Ir How graduated from University of Auckland, New Zealand with a Bachelor of Engineering (1st Class Hons) in 1985 and was subsequently admitted as a member of the Institution of Engineers in New Zealand and Malaysia. He is also a Professional Engineer registered with the Board of Engineers Malaysia. After graduation, he served for a year as Project Engineer in Ang Yoke Lin Construction Sdn Bhd. In 1987, he went to New Zealand and worked there for 4 years. He started as a Structural Engineer in a consulting firm for a year and later joined Auckland City Council from 1988 to 1991 where he was subsequently promoted to Project Manager. He returned to Malaysia in 1991 and joined Kiara Development Sdn Bhd as a Resident Manager cum Assistant Project Manager. In 1994 he joined Pembinaan Limbongan Setia Sdn Bhd, a civil engineering and construction company as Senior Manager prior to joining Astral Asia Berhad Group in 1995. He was an Executive Director of Astral Asia Plantation Sdn Bhd from 2005 to 2008.

He is currently the Project Director of Astral Asia Berhad Group overseeing the Construction and Properties Development Segments.

Dato' Ir How has no direct or indirect shareholdings in the Company. He does not have any family relationship with any Directors and/or major shareholders of the Group nor any conflict of interest in any business arrangement involving the Company. He has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT (CONT'D)

MS JEDRENNIE NG

Group Accountant,
Astral Asia Berhad Group

Aged : 46
Gender : Female
Nationality : Malaysian

Ms Jedrennie Ng, joined Astral Asia Berhad Group in October 2021 as a Group Accountant.

Ms Ng started her accounting career in commercial sector as an Affiliate Member with The Associate of Chartered Certified Accountants ("ACCA") and obtained her ACCA full membership in year 2006 as a Chartered Accountant by profession. She is also a member of the Malaysia Institute of Accountants ("MIA"). In Year 2011, she was promoted to Fellow Member of Association of Chartered Accountants ("FCCA")

Ms Ng has extensive exposure in financial management with working experience of over 15 years which covers the principal area of auditing, accounting, corporate affairs and finances.

Ms Ng does not have any family relationship with any director and/major shareholder of the Company, nor any conflict of interest in any business arrangement involving the Company. She does not hold any directorship in other public companies. She has no convictions for any offences within the past 5 years, and have not been subjected to any public sanctions and/or penalties imposed by any relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Astral Asia Berhad ("AAB"), I am pleased to present the Annual Report and Audited Financial Statements of AAB and its subsidiaries (hereinafter referred to as the "Group") for the financial year ending 31 December 2022.

OPERATING RESULTS

For the financial year under review, the Group recorded a 8.4% increase in revenue from RM19.0 million in the previous financial year to RM20.6 million in this financial year, a marginal increase of RM1.6 million.

At the operations level the Group recorded a loss after tax of RM3.5 million for the current financial year compared to a lower loss after tax of RM7.4 million in the previous financial year. This were mainly due to written off of the previously capitalized bearer plant cost in previous financial year under review.

The financial performance and prospects of the Group are further explained in the Management Discussion and Analysis section of this annual report.

DIVIDEND

The Board of Directors does not recommend any dividend payment in respect of the current financial year.

CORPORATE DEVELOPMENT

There are no corporate proposals that are pending completion as of the date of this report.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to thank our customers, business partners, financiers and regulatory authorities and shareholders of AAB for your utmost commitment, contribution and support to the Group.

To the management and staff of various segments within the Group, I would like to express my sincere appreciation for your hard work, commitment and dedication towards achieving our business objectives.

On behalf of the Board, I would like to thank our former Deputy Managing Director, Tuan Haji Md Adanan Bin Abdul Manap who stepped down from the Board in July 2022 for his invaluable guidance and contributions to the Group for more than 20 years.

Last but not least, my deep appreciation to my fellow members of the Board for your support, leadership and valuable contribution and I look forward to work with all of you as a team in the coming year.

Dato' Haji Arpan Shah Bin Satu
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

PLANTATION SEGMENT

The plantation arm of the Group is Astral Asia Plantation Sdn Bhd (previously known as Syarikat Ladang LKPP Sdn Bhd, hereinafter referred to as "AAP"). AAP started oil palm cultivation business since 1981 and currently owns and manages 4,019 hectares of oil palm plantation located in the state of Pahang Darul Makmur.

For the financial year under review, the harvested fresh fruit bunches ("FFB") production of 18,250 m/t is 1.2% slightly lower compared with the harvested FFB in the previous financial year (2021: 18,478 m/t). The decrease in FFB production was mainly due to the on-going replanting programme and also the ageing oil palm at both the Kertau and Pejing estates. As at the FYE 2022, a total of 1,300 hectares have been replanted. The higher yield was attributed to Bukit Kuin estate with an increment of 27.8% to 15.51 m/t per hectare compared to the last financial year (2021 : 12.14 m/t) and this was consistent with the palm oil industry trend.

Malaysia's average FFB yield in year 2022 had slightly increased by 0.1% to 15.49 m/t per hectare (2021:15.47 m/t per hectare). For the state of Pahang Darul Makmur, the Malaysian Palm Oil Board had also reported a 6.1% higher annual average yield of 16.37 m/t per hectare (2021:15.43 m/t per hectare).

At present, the Group's FFB sales are conducted through appointed agents and palm oil millers. The realised Crude Palm Oil ("CPO") and Palm Kernel Oil ("PK") prices are based on the Malaysian Palm Oil Board monthly average prices. The Group has yet to engage in the trading of commodity future but may do so in the near future to take advantage of the prevailing strong CPO prices.

For the financial year under review, the Group's realised CPO was 12.2% higher and at an average price of RM4,992 per m/t (2021: RM4,451 per m/t). The average realised price of PK increased by 6.7% to RM3,046 per m/t (2021: RM2,857 per m/t).

The plantation segment had registered a slight profit after tax of RM0.6million during the financial year under review compared to a loss after tax of RM3.9million in the previous financial year. This was mainly attributed to the following factors:

	RM'000
Favourable CPO and PK prices variance	2,162
Lower FFB production variance	(110)
Lower cost due to lower FFB production	(1,309)
Bearer Plants written off	5,787
Pineapple project's net expenses	33
Fair Value loss on bearer biological assets	(380)
Other operation items	(161)
Under provision of tax and deferred tax	(1,418)
	4,604

The Management will continue to monitor and manage all risks inherent to oil palm operations. The Management will also continue with the replanting of the remaining 1,446 hectares of old oil palm at both the Kertau and Pejing estates.

To enhance best agriculture practices and environmental protection, the Group is supportive of the Malaysian Sustainable Palm Oil ("MSPO") standards since its inception and the Group will continue to be a MSPO certified planter. Our specific contribution to the United Nation's sustainable development goals are as set out in our Sustainabililty Report.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

CONSTRUCTION SEGMENT

The construction arm of the Group is Tasja Sdn Bhd (hereinafter referred to as "Tasja"). Tasja was established in 1990 and registered with the Construction and Development Board as a Grade G7 contractor. It is also a registered "Class A" contractor with the Malaysian Government Contractor Services Centre ("Pusat Khidmat Kontraktor Malaysia").

During the financial year under review, Tasja had not been successful to secure any new jobs. Nevertheless, Tasja will continue to look for new construction work opportunities in the near future.

PROPERTY SEGMENT

Kuantan Hi-Tech Park

The Management team will continue its efforts to implement and promote Kuantan Hi-Tech Park amidst the on-going local economic uncertainty and weak industrial property climate. The Group is exploring other innovative development concepts that may be suitable for this property. In the meantime, this property with an area of 2,434 acres is planted with mature oil palm and is known as Bukit Kuin estate.

PROSPECTS

Oil palm cultivation will remain the core business of Astral Asia Berhad in the near future. The Group's performance in 2022 will likely to be affected by crucial factors such as FFB output, higher production costs and lower commodities prices.

The CPO prices have softened since June 2022 to around RM4,000 per mt. As of the date of this report, the CPO prices are sustaining above RM3,800 per m/t. The Management anticipates the CPO prices to stabilize within the range of RM3,800-RM4,000 per m/t in short-term, given the seasonally low production period at major producing countries due to monsoon season. However, CPO prices potentially be lower on increase supply and slow demand during the year.

We expect a lower FFB production for the Group during the FYE 2023 due to the on-going oil palm replanting programme at the Kertau & 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 the forthcoming FYE 2023 is not expected to improve further compared to FYE 2022.

SUSTAINABILITY **REPORT**

Astral Asia Berhad Group ("AAB Group") is committed in creating meaningful value that is focused on three intertwined strategic dimensions i.e. Economic, Environmental and Social ("EES"). All of our subsidiaries play major roles in adopting a sustainable business and operational practices.

This is our fifth sustainability report, and we have prepared this report to continuously convey to our stakeholders, as regards to our sustainability management and activities.

For this report, we present threshold data and information, which serve as a foundation in introducing sustainability in our business activities and operations.

ABOUT THIS REPORT

Scope: This report covers the core business activity, in oil palm plantation business of Astral Asia Berhad ("AAB"), of which AAB has direct control and holds a majority stake in Astral Asia Plantation Sdn Bhd ("AAP").

Reporting Period: The reporting period spans from 1 January 2022 to 31 December 2022. Historical data from previous years were included to provide comparison and trend.

Reporting Cycle: Annually; coinciding with our financial year end

Reporting Guideline: Bursa Malaysia Sustainability Reporting Guide (2nd Edition)

Feedback: Any comments or suggestions regarding our Report, please do not hesitate to contact us at sustainability@astralasia.com

Our Oil Palm operations have achieved Malaysian Sustainable Palm Oil ("MSPO") Certification. Following the guiding principles of MSPO, Malaysian Palm Oil Certification Order ("MPOCC") and Standards Malaysia, we aim to bring the palm oil industry to a higher level of sustainability by raising the bar and incorporating sustainability and transparency throughout the value chain of palm oil in Malaysia.

Consistent with the MSPO certification, we adopted the seven (7) MSPO priciples to create a more sustainable landscape and contribute growth to the country's agricultural sector.

SUSTAINABILITY REPORT (CONT'D)

UNITED NATION'S SUSTAINABILITY DEVELOPMENT GOALS ("SDGs")

As the SDGs gains traction across the world, we demonstrate to stakeholders our contributions by incorporating strategies aligned with the SDGs. Our report reflects the UN SDGs, in line with Malaysia's commitment to SDGs Agenda 2030.

Our Contributions

Goal 2. Promote Sustainable Agriculture: Adopted Good Agricultural Practices ("GAP").

Goal 5. Achieve gender equality: Upholded equal opportunity to its employees, suppliers and other stakeholders.

Goal 6. Sustainable management of water: Established river buffer zones.

Goal 8. Decent work for all: Increased employment opportunities through local hiring, material procurement and employment and improvement of local contractors. Promoted safe and secure working environments for all.

Goal 10. Reduce inequality within and among countries: Practice fair treatment in recruitment, housing and repatriation of foreign workers.

Goal 12. Sustainable consumption and production patterns: Practiced environmentally sound waste management .

Goal 13. Action to combat climate change: Certified to MSPO and minimised energy consumption.

Goal 14. Use of oceans, seas and marine resources for sustainable development: Implemented measures to diminish run-off and soil erosion to prevent water pollution.

Goal 15. Halt and reverse land degradation and halt biodiversity loss: Launched activities, such as terracing and the planting of cover crops in erosion-prone areas. Employed Integrated Pest Management ("IPM"), and responsible safeguarding of wildlife and their habitat.

Goal 16. Provide access to justice for all and build effective, accountable and inclusive institutions at all levels: Engaged with dialogues between the public and private sectors, and Code of Conduct prevents corruption and bribery in all their forms.

SUSTAINABILITY REPORT (CONT'D)

MATERIALITY

In 2022, we carried out a materiality analysis assessment to identify the material topics that affect our Group and our stakeholders. This process ensures that we address the issues that are most significant to our Group and our stakeholders. Also, it assures that the content contained in our sustainability report indicates the Group's economic, environmental and social impacts to our oil palm plantation operations.

Materiality Process

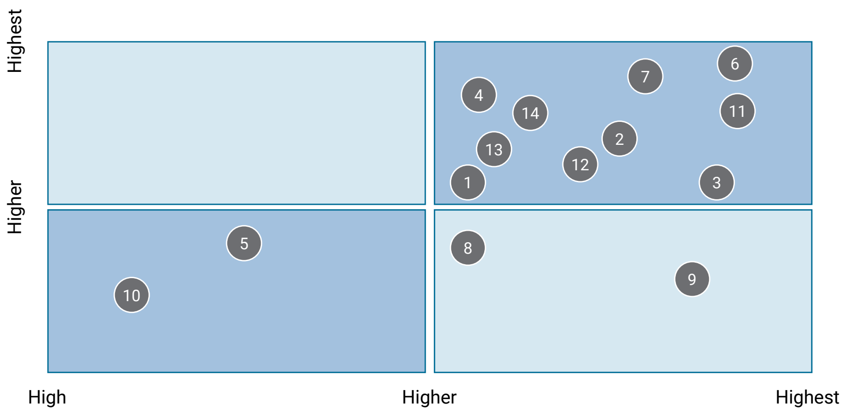
Identify and Categorise	Prioritise	Stakeholder Input	Validate and Approve
• We identified a comprehensive list of stakeholders and material themes which we deemed to directly impact the sustainability of our oil palm estates. • Thereafter, we categorised each theme under EES topics and narrowed them down to avoid redundancy.	• Each topic and stakeholder groups were assessed and scored according to their importance and impact.	• To ensure that the stakeholders' voices are incorporated, the identified stakeholder groups were sought and requested to score the themes according to importance.	• The matrix was reviewed by the Management and subsequently validated and approved by the Board of Directors of AAB.

For the financial year under review, together with our heads of departments, we have reviewed our materiality themes. As there is no significant change applied to our scope of business, we are confident that it is unnecessary to revisit our materiality matrix in the current report.

Materiality Matrix

The sustainability matrix shown below presents the result of our assessment. The Y-axis represents the decisions or matters that are important to the stakeholders, whereas the X-axis denotes the EES items and matters that are significant to the Group's core business.

In this report, we present our matrix, which identified fourteen (14) issues that are most material to the Group and the stakeholders. The matters situated on the top right of the matrix are the themes considered to be of the highest significance. The material issues that tie closely with the fundamental nature of our business and activities are Biodiversity, Open Burning, Health and Safety. Hence these ranks high in our priority and that of the stakeholders.



Economic
1. Local Employment
2. Employee Benefit
3. Foreign Labour
4. Accreditation
5. Technology & Innovation

Environment
6. Biodiversity
7. Open Burning
8. Waste Management
9. Energy Efficiency
10. Water Consumption

Social
11. Health and Safety
12. Work-life Balance
13. Grievance
14. Compliance

SUSTAINABILITY REPORT (CONT'D)

STAKEHOLDER ENGAGEMENT

We communicate with our stakeholders throughout the year to ascertain their expectations and respond to their latest concerns. We believe that engaging with our stakeholders and identifying their issues allow us to cater to their needs more effectively and foster better relationships.

Stakeholders	Issue	Response
Employees	Health and Safety ("H&S") Remuneration and Benefits Clear Policy	- H&S trainings - Performance review - Compliance to labour laws and regulations - Established policies and communicated to all employees
Customers	Quality and Traceability of FFB Buying Price Food Health and Safety	- Compliance with current market prices and FFB quality - Attended training organised by MPOB as regards to ripeness standard - Established traceability SOP, and appointed estate supervisor to implemented and maintained the traceability system. - Food hygiene and safety
Community	Road Access Local Employment Grievance Procedure Local Purchasing	- Grant the community access to Company-built road - Priority recruitment from the local community - Established grievance procedures - Prioritised local purchasing whenever applicable
NGO's	Accreditation & Best Practices	- Achieved MSPO Accreditation and adopted its principles
Investor / Financier	Transparent Information and communication	- Provide accurate, timely, consistent and fair disclosure of corporate information - Compliance with latest accounting standards - AGM/EGM meetings.
Government	Compliance and Environmental Protection	- Engage with the Department of Wildlife and Natural Parks - Complied with DOE regulations - Updated relevant licences and permits
Suppliers / Vendors / Contractors	Payment Price and terms Timely Delivery	- Fair and transparent contracts - Fulfilment of contractual obligations - Transparent tender management - Delivery schedule management

SUSTAINABILITY REPORT (CONT'D)

SUSTAINABILITY GOVERNANCE

The Board

Our AAB Board is tasked with the paramount duty of developing a sustainable strategic direction and formulating leadership and corporate strategies for managing our oil palm plantations. The Board regularly reviews our sustainable approaches, makes informed decisions and applies current sustainability trends that may influence our strategic direction.

The Management

The Board of AAB appointed the Managing Director to manage all sustainability matters with the support of the Heads of Departments. The Managing Director is responsible for implementing, addressing, monitoring, and delivering EES growth and progress. He must also ensure that our sustainability strategies are aligned and guarantee that our goals are achieved whilst enhancing stakeholder value. In addition, the Managing Director must keep the Board well-informed of the current position of AAB's sustainability issues.

Ethics and Transparency

Our Code of Conduct upholds the spirit of social responsibility following the relevant legislation, regulation, and guidelines. It also guides our relationships with our various stakeholders, including employees, suppliers, shareholder and customers.

Risk Management

The Group's Risk Management is compliant with applicable laws, regulation, and employment of foreign workers. Our Management will continue to manage all risks inherent to oil palm operations, strive for continuous sustainable improvement, and design appropriate action plans, as we work towards realising maximum sustainability in oil palm plantations.

ECONOMIC

Palm oil is used in most of the products sold in a typical supermarket and also as replacement for fossil fuel. The industry has also contributed significantly to the advancement of Malaysian economy through tax payments and the downstream business and jobs associated with the production of goods using palm oil.
Direct Economic Impact

Direct Economic Impact

Economic Impact	FYE2022	FYE2021
o Plantation Area:	4,019 hectares	4,019 hectares
o Revenue:	RM 21.2 Million	RM 18.0 Million
o Number of Employees:	77	59
o FFB Production:	18,250 m/t	18,478 m/t

AAB Group's direct economic impact is directly related to the Group's revenue and the capacity to produce FFB.

Indirect Impact

The indirect economic impact is produced from our flow-on employment which include jobs generated as a result of plantation employees buying household necessities and demand of goods and services from the local suppliers. The local community is also benefiting from the internal roads built mainly for the use of estate.

Climate-Related Economic Risks and Opportunities

Financial risks and opportunities abound in palm oil cultivation. At AAB, we carry out the sustainable production and trade of palm oil by faithfully adhering to Malaysia's agenda of brand sustainable palm oil certification. We believe that being sensitive and responding to emerging regulations, policy changes, buyers' market and consumer behaviour will reduce risks and result in improved economic opportunities.

SUSTAINABILITY REPORT (CONT'D)

ENVIRONMENT

Pesticides are an essential agricultural tool for crop protection. Nonetheless, we understand that pesticides could pose potential health and environmental risks. Therefore, we guarantee that our purchase of pesticides complies with the Ministry of Agriculture's ("MOA") environmental regulations and is in accordance with Malaysia's pesticide legislative framework. We expect our suppliers to comply with the Pesticide Act 1974 as well as other relevant legislation concerning the labelling, importation and sale of controlled pesticides, amongst others.

We recognise that our operations may potentially affect biodiversity and the ecosystem. Therefore, we see it as our responsibility to understand, evaluate and minimise the environmental impacts of our operations to foster environmental protection and care.

Good Agricultural Practices ("GAP")

To advance sustainable cultivation and plantation practices, we have adopted Buku Panduan Amalan Petanian Baik MPOB for GAP. The elements of GAP ensure that we are implementing environmentally sound, socially acceptable and profitable practices that do not exert adverse impacts.

Zero Burning Policy

The recurring haze caused by open burning has become a perennial problem and has resulted in diplomatic, economic and health issues. In this light, we have established the Open Burning Prevention Policy and have implemented strict monitoring and preventive measures to ensure that such an incident does not occur in any of the plantations of AAP.

Soil Management

To address soil erosion, AAP has launched several activities, such as terracing and the planting of cover crops in erosion-prone areas. Contour terraces, roadside camber and platforms were constructed along steeps and slopes to diminish run-off and soil erosion as well as to divert water, thereby preventing surface damage. We plant Leguminous Cover Crops ("LCC") in our estates to prevent weed onset and to deter cattle and insects. LCC also increases the fertility of the surface soil, conserves water and hinders soil erosion.

Pest and Pesticide Management

We employ Integrated Pest Management ("IPM") for the sustainable management of oil palm pests to minimise the frequency and use of synthetic pesticides. Moreover, we have also installed rat traps and have released barn owls to act as a natural biological rodent control. To ensure that any spill, regardless of amount, is well mitigated and properly managed, we have established an SOP for chemical spraying, mixing, storage and spillage.

SUSTAINABILITY REPORT (CONT'D)

ENVIRONMENT (CONT'D)

Biodiversity and Wildlife Protection

Human fate is closely interlinked with wildlife protection and biodiversity; as such, all land users must consider the effects of their activities on wildlife as well as on flora and fauna. At our estates, we have carried out measures for the responsible safeguarding of wildlife and their habitat.

Buffer Zones and Demarcation Points

We have initiated different programmes, such as establishing a buffer zone and instituting the reserve jungle, to address biodiversity loss and wildlife protection. The buffer zone at the Kertau Estate was created in 2006. It is a 20-metre wide area located near the river with a distance of approximately 13 km from the nearest community. No planting activities are conducted in the buffer zone, and no negative impact on the community and biodiversity have been recorded.

Monitoring

PERHILITAN

Wild animals occasionally encroach into our plantations. When an animal is spotted by our CCTV cameras or workers within the boundaries of the estates, we immediately coordinate with the Department of Wildlife and National Parks, so that they can translocate the animals back to the forest reserve or the sanctuary.

The buddy patrol system will monitor the surrounding boundaries and high-risk areas for elephant and other wild animal sightings. They also monitor the buffer zones and look for signs of animal intrusion which will also discourages illegal or inappropriate hunting, fishing and collecting activities.

Water Management

Water is a shared resource that must be conserved for our sustainable future. As such, AAP implements monitoring programmes to ensure that our water usage is consistent with the best environmental practices.

Water Consumption (m^3)			
Water Consumption	**2020**	**2021**	**2022**
Kertau Estate – Underground / Tube well and surface water	1,256	5,434	3,621
Sg Pejing Estate - Underground / Tube well and surface water	601	788	896
Bukit Kuin Estates - Surface water	1,314	5,345	2,320
Total Water Consumption	**3,171**	**11,567**	**6,837**

Pejing and Bukit Kuin Estates draw water supply from local waterways or surface water, whereas Kertau Estate draws supply from the tube well. We have considerably invested in water treatment facilities that can treat our used water and make it available for reuse. The safety of the treated water is tested and certified by the Ministry of Health.

To reduce our dependence on ground water, we tap into nature's free resource by taking advantage of rainfall. A rain-harvesting equipment has been installed for use within our operations. During the year, we had installed a flow meter for tubewell as requested by Government in Bukit Kuin Estate and Kertau Estate to monitor the usage of water. Therefore the figures on year 2020 was under-reported.

Waste Management

Given that fresh fruit bunch ("FFB") production is our primary business activity, we do not produce palm oil mill effluents ("POME"). Nevertheless, we have identified our waste products and have devised 3R action plans for the management, elimination and reduction of waste.

SUSTAINABILITY REPORT (CONT'D)

ENVIRONMENT (CONT'D)

General Waste

When palm trees reach the end of their lifecycle and are no longer productive, they are felled to make way for new trees to be planted. The short trunks of the palm trees are left to decompose on their own, and the wood chips from the tree trunks are used for composting. We have initiated programmes for recycling empty chemical containers or for reusing them for the same purpose and domestic waste management.

Scheduled Waste

Aligned with the scheduled waste guideline, empty pesticide containers are punctured to discourage reuse, and storage areas are strictly managed. In addition, only DOE-certified waste contractors are allowed to collect the scheduled wastes of the estates. More importantly, chemical handling SOP documents and training procedures are disseminated to instil awareness.

Energy Management

Greenhouse gas ("GHG") emission is one of the main contributors to climate change and one of the most serious threats faced by society. It requires global action, especially by companies worldwide. For our part, we continually endeavour to reduce our GHG emission in our operations. Apart from keeping a record of our energy consumption and checking for any leakage that could hamper efficiency, we also report to the electrical consultant should any abnormalities occur in our energy use.

ENERGY CONSUMPTION				
ESTATE LOCATION	FY: Size (ha)	Electricity using Generator	Transportation	
		Diesel/Litres (Kertau and Pejing)	Diesel/Litres	Petrol/Litres
Kertau	2020: 817 2021: 802 2022: 802	38,598 35,713 38,796	16,389 12,209 14,416	1,568 874 860
Pejing	2020: 1,143 2021: 643 2022: 643	10,778 10,190 18,060	24,692 19,155 13,206	1,152 1,668 1,783
Bukit Kuin	2020: 792 2021: 792 2022: 792	68,206 KwH 52,570 KwH 54,961 KwH	28,861 25,203 26,130	900 803 0

The majority of the palm trees in Kertau and Pejing have reached their end-of-life cycles, and the areas for the newly planted trees cover only 800 hectares for Kertau and 500 hectares for Pejing. Thus, there were a decrease in energy consumption due to the lower harvesting activities.

A utility company supplies the fuel used by Bukit Kuin. Pejing has bought in another unit of generator to cater for the estate needs, therefore the energy consumption was increase 80% compared last 2 years of the estates.

SUSTAINABILITY REPORT
(CONT'D)

ENVIRONMENT (CONT'D)

Instilling Environmental Values

We recognise the importance of cultivating environmental awareness and pro-activeness amongst our employees in all environmental activities and situations. Our workforce is regularly educated through informal trainings particularly, on the subjects related to their job scopes. In this way, our workers are equipped with suitable knowledge and skills needed to accomplish their tasks whilst maintaining proper environmental management.

Our daily environmental awareness reminders consist of the following:

- Wildlife Spotting
- Pesticide Handling
- Barn Owl Protection
- Energy Monitoring
- Water Management
- Waste Management

Compliance

We comply with the relevant environmental regulations, and during the year under review, we had no non-compliance or fine directed to us by the DOE or any regulatory bodies. We strictly abide by the government regulations imposed on the controlled pesticides used in our operations. We guarantee that the relevant government regulatory body has approved all the pesticides and fertilisers that we use.

SOCIAL: SUPPLY CHAIN MANAGEMENT

Traceability

We espouse high social and environmental standards. We build relationships with our suppliers based on professionalism, trust, transparency and fairness. To this end, we subscribe to the MSPO supply chain standard to credibly guarantee our end-users that our FFB originated from a sustainably managed oil palm plantation throughout the supply chain.

Social Consideration


Health & Safety Training

Our Company provides equal opportunities to all suppliers and contractors. As part of our purchasing policy, we direct our suppliers to follow the necessary protocol. A tender process is announced through published advertisements in leading newspapers. Then, interested suppliers are interviewed by the Management. During these meetings, suppliers and contractors are shortlisted, and prices are negotiated. The review and approval of suppliers and contractors are conscientiously performed by the Group's Managing Director, the Group's Accountant and the General Manager in Charge.

Supplier Monitoring

We regularly evaluate and monitor our supply chain to ensure compliance with our policies. Monitoring covers cost, pricing, quality and regulatory standard. We ensure that our quality and lead time delivery satisfy the government-mandated criteria. Non-compliant suppliers are given reminders, issued memorandum, invited to discussions and ultimately penalized should they fail to comply with the set criteria.

SUSTAINABILITY REPORT (CONT'D)

SOCIAL: COMMUNITY

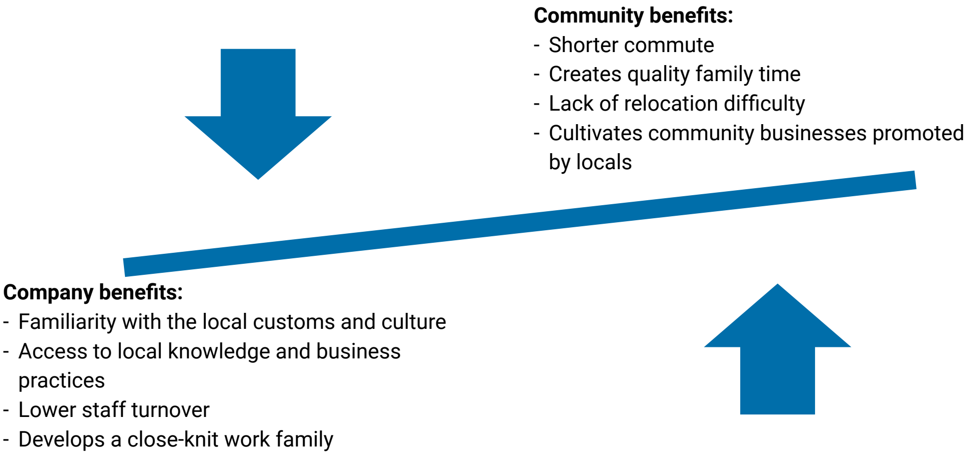
At AAP, we ensure that the activities and operations of the Company do not impair the interests and wellbeing of society as a whole.

Human Rights

We have established the Social Policy and the Social & Humanity Management Policy as preventive measures against forced and child labour under 16 years of age as well as sexual harassment. We make sure that the recruitment of all of our foreign workers are conducted properly and ethically, and that recruitment agencies as well as the recruited workers are aware of our implemented policies. More importantly, all of our existing estates are not encumbered by customary land rights.

Developing Local Potential

"Developing local potential is a mutually advantageous and sustainable partnership."



Local Purchasing: We pledge to purchase local goods and services to promote local empowerment. The use of local goods and services leads to advantages such as saved time, reduced cost, and timely delivery of maintenance and equipment. At the same time, we provide the local community with opportunities to stimulate businesses

Local Hiring: We are committed in prioritising local hiring to encourage community involvement. We believe that this initiative is an empowering programme that can concretely address the needs of the community and yield long-term results.

Accessibility

Access to Infrastructure: AAP has built roads for transporting the harvested FFB. However, aside from just transferring the harvest, these roads serve as a network for establishing connectivity and mobility as well as for linking communities socially and economically. Moreover, given that parts of the roads have been paved on community-owned land, AAP compensates and shoulders the repair and maintenance costs during the reporting period.

Access to Socio-Cultural Activities: The strong preservation of cultural practices and rights is typical conducting business in rural areas, and AAP recognises that corporations and communities significantly influence one another. Aside from the Malay, Chinese and Indian communities living near our plantations, minority tribes called the Orang Asli also inhabit the nearby forest reserve. We stand by our promise to sustain and safeguard the Orang Asli's cultural practices and rights to a nomadic existence. We recognise and do not dispute their anthropological notion of culture as a way of life. They are free to fish or hunt in our plantations.

SUSTAINABILITY REPORT (CONT'D)

SOCIAL: COMMUNITY

Community Engagement

Community engagement suggests that everyone should have a say in the decision-making regarding matters that impact their community. For this reason, the Group maintains open communication with stakeholders, who during these interactions can voice their opinions and consequently influence our decisions on issues that affect the overall sustainability of neighbouring communities and oil palm plantations.

Engagement with MSPO: As a sign of our intent to push forward the Malaysian palm oil industry and promote good agricultural practices and environmental protection, AAP has been recognised with the MSPO certification since 2019.

Engagement with Nearby Plantations

Information exchange and interactions amongst neighbouring plantations and smallholders are conducted casually. We attend one another's festive celebrations, occasionally meet at public spaces and participate in the same functions. In these gatherings, news and information are shared regarding employees, operational concerns and other general activities in the community. Additionally, shared infrastructure such as road maintenance are discussed with the nearby estates. We also provide financial support to the nearby estates' people as and when the need arises.

Engagement with the Village Headman

To foster better relationships with the neighbouring communities, we hold monthly meetings with the village headman. In these meetings, we discuss issues that affect the estate and the village as well as exchange ideas and information about community. These meeting also serve as a platform for the community to voice their concerns, issues and ideas.

Most importantly, members of the community are welcome to approach the plantation manager anytime for any urgent matters which they wish to discuss.

Engagement with Authorities: Our regular engagement with the authorities, such as the Immigration Department, the Pahang Land Office, the Department of Social Welfare and Department of Wildlife and National Parks, keeps up updated with regulations and allows us to collaborate on ideas to enhance our initiatives.

SUSTAINABILITY REPORT (CONT'D)

SOCIAL: EMPLOYEES

Employees are a significant component of our organisation. Their knowledge, skills, productivity and performance are critical tools that enable us to successfully achieve our goals and milestones.

Training and Development

"We uphold a policy that promotes professionalism and improves the competencies of the management and the employees by fostering a safe and productive working environment."

Aligned with our policy, we ensure that our people acquire the ideal set of skills, knowledge, attitude and traits necessary for their particular roles. We have designed two types of training programmes, namely, office-based and plantation-based, which are geared towards attaining specific performance and capability targets. In addition, we conduct employee performance appraisal to assess and acknowledge their accomplishments. Through this strategy, we jointly plan their career path by evaluating their achievements and identifying areas for further growth. We also ensure that the estate workers complied with the SOP by practising the efficient method of harvesting the FFB.

Trainings conducted during FY2022 are shown below.

No.	Training Topics	Number of Hours	Training
Plantation-Based Training			
1	Harvesting Ops	90	30
2	Spraying / P&D Ops	52	26
3	Environmental & Biodiversity	60	20
4	Planting Ops	24	12
5	Safety & Health Talk Session	72	36
Office-Based Training			
1	MSPO Certification Talk Session	24	12
2	SOP for Replanting Ops & Safety	24	12
3	Calibration Technique	36	12

Plantation-Based Training: Capability and competency on job programmes aimed towards equipping our field workers with the necessary skills and knowledge that would make them adept in accomplishing their tasks within their job scope. The training consists of acquiring plantation related knowledge, practical skills, SOP and laws and regulatory compliance.

Office-Based Training: Support the management as well as administrative and operational needs of the plantation.

SUSTAINABILITY REPORT (CONT'D)

SOCIAL: EMPLOYEES (CONT'D)

Employee Benefits

Our core set of benefits consists of compulsory and non-compulsory benefits. Compulsory benefits are mandatory employee benefits that employers are legally required to provide, such as Employee's Provident Fund (EPF) and SOCSO. We go beyond the basic coverage by taking care of our employees' immediate needs. Our compulsory benefits include bonuses, medical fees, free hospitalisation and different kinds of leaves (i.e. annual, medical, maternity, paternity, marriage and compassionate leaves).

Given the scarcity of local employees, foreign workers comprise a substantial proportion of our field workforce. As is typical of plantation and manufacturing sectors, foreign workers play a crucial role in our operations. We ensure that all of our foreign workers are effectively managed starting from recruitment and training and by offering living conditions, health management and sanitation as well as proper repatriation.

Provide Food to Estate Workers during Festival

During the last Hari Raya Aidiladha festival, certain estate workers could not afford to purchase the necessities which they need as their residential place are far from the town area. Hence, we decided to provide the meals to estate workers so that they can enjoy it happily.

Diversity

Our Company guarantees equal opportunities for all employees. We value workplace diversity and cultivate a culture of respects for all employees regardless of age, ethnicity, gender and nationality. However, male employees have consistently accounted for majority of our workforce due to the physically demanding work involve in the plantation.

Our goal is to find and develop leaders originating from diverse backgrounds who possess a wide array of skills, expertise, knowledge and perspectives. We strongly believe that such individualities will drive the Company's towards innovation and success.

The increase in employee count this year is due to new recruitment of contractual foreign workers.

Ethnic Composition for AAP			
Year	2020	2021	2022
Malay	66	74	99
Non-Malay	13	12	12
Foreign	75	59	78
Total	154	145	189

Gender Breakdown in the Workforce			
Year	2020	2021	2022
Male	30	41	39
Female	13	4	11
Total	43	45	50

SUSTAINABILITY REPORT (CONT'D)

SOCIAL: EMPLOYEES (CONT'D)

Diversity (Cont'd)

Employee Turnover (Office based)			
Year	2020	2021	2022
Employee Turnover	1	1	5
Number of Newly Hired	5	2	3
Number of Resignations	4	3	8

Total Number of Employees						
Location	Office			Plantation		
Year	2020	2021	2022	2020	2021	2022
Number of Employees	43	35	50	111	100	139

Gender Representation in the Management									
Position	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Board of Directors	4	1	5	8	0	8	4	1	5
Managers	8	-	8	4	2	6	9	0	9
Executives	1	6	7	12	2	14	7	6	13

Health and Safety

"Ensure adequate safety measures and deliver proper protection to workers and employees at the workplace."

As mandated by our Code of Conduct, commitment to the Health and Safety of our employees is high in our sustainability issues. At AAP, we observe stringent measures and strictly adhere to the Occupational Safety and Health ("OSH") Committee Regulations 1996.

We are committed in reducing our risks and achieving the objectives of the OSH. In this respect, we refer to HIRARC as our basis for occupational safety and health. By applying HIRARC, we can plan, introduce and monitor preventive measures, and we ensure that risks are adequately controlled at all times. However, despite our best efforts, mishaps could still occasionally happen. In the event of an injury, our H&S team investigates the incident and determines the root cause. Appropriate advice and notices are issued to workers, such as suspending operations, if necessary. The assessment process strengthens and improves our safety and health programmes and consequently guarantees the safety of our workers.

Health Identification, Risk Assessment and Risk Control ("HIRARC")

SUSTAINABILITY REPORT (CONT'D)

SOCIAL: EMPLOYEES (CONT'D)

H&S Awareness and Training

One of our key strategies in reducing the occurrence of accidents in our operations is to enhance the safety awareness and competency of our employees. For the employees to effectively perform they tasks, they undergo both formal trainings, particularly in plantation estates, and informal trainings from their direct supervisors. Our H&S trainings emphasise to our employees the importance of safe work practices in our operations. OSH trainings are conducted during job commencement and are dutifully and consistently organised henceforth. At the plantation, ad hoc programmes are also implemented, so that employees can familiarise themselves about their duties as well as all aspects of PPE and amended SOPs.

To inculcate H&S awareness, safety precaution signage posts are placed around the plantation. The H&S Policy is displayed prominently on the employees' memo board, and employees are reminded of this policy during daily morning briefings.

Also, for the estate employees' safety purpose, we had arrange the employees to join a talk regarding to the H&S at the workplace. We also provide body check-up in order to prevent the mosquito disease affected the estate employees.

Safety Performance

	Kertau Estate			Pejing Estate			Bukit Kuin Estate		
Financial Year	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**
Number of Workers	37	35	41	28	24	31	46	45	25
Number of Sick Notes	100	188	133	38	21	147	9	518	135
Total Working Hours	820	1504	287	306	168	217	70	4144	1080
LOST TIME INJURY									
Number of SH	–	27	–	–	42	8	–	5	4
Total Lost Hours	–	216	–	–	336	64	–	40	32
OSHA RATE									
Number of Cases	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–

Consistent with our safety performance over the past years, we are pleased to report that no fatalities was recorded during the FY 2022.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

The Board of Directors supports the objective of the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") and also acknowledges its role to direct and manage the business and affairs of the Company towards enhancing business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value, whilst taking into account the interests of other stakeholders.

The Directors believe that good corporate governance results in quantifiable long-term success and creation of long-term shareholders' value. The Board of Directors of the Company has endeavoured to observe the best practices and guidance by MCCG 2021 and will continue to review its compliance of the same to further strengthen and enhance corporate governance practices within the Group.

Pursuant to Bursa Malaysia's corporate governance disclosure requirements as per Para 15.25 and Practice Note 9 of the MMLR, the Board is pleased to set out a summary of the Group's corporate governance practices during the financial year ended 31 December 2022 ("FYE 2022") in this Corporate Governance Overview Statement ("CG Overview Statement"). In addition to this, the application of each of the Practices set out in the MCCG is disclosed in our Corporate Governance Report ("CG Report") which is available on the Group's corporate website at www.astralasia.com.my and an announcement made by the Company on the website of Bursa Malaysia at www.bursamalaysia.com.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board views the importance of sustainable and responsible business practices in developing the corporate strategy of the Group. The Group's businesses are conducted in responsible, trustworthy and ethical manner while accepting accountability for impacts on environment, social and governance.

The Group is led by an experienced and dynamic Board. It has a balanced board composition with effective independent directors. The Board provides leadership and stewardship to the Group's strategic direction and operations and ultimately enhancing shareholders value. To fulfil this role, the Board is responsible for:

- Reviewing and adopting a strategic plan for the Group which will enhance the future growth and profitability of the Group;
- Overseeing the conduct of the Group's business and to evaluate whether the business is being properly managed;
- Determining the level of risk tolerance and identify, assess and monitor principal risks of the business and ensure implementation of appropriate systems to manage these risks; and
- Reviewing adequacy and effectiveness of the Group's risk management and internal control system and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

No individual or group of individuals dominates the Board's decision making processes and the number of independent directors reflects fairly the investment of the minority shareholders. This is to ensure that issues of strategy, performance and resources are fully discussed and examined to take into account long-term interest of stakeholders of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Separation of Positions of the Chairman and Managing Director

The Board is led by an Independent Non-Executive Chairman. The distinction of responsibilities between the roles of the Chairman and Managing Director which is to ensure the balance of power and authority is also stated in the Board Charter.

The Independent Non-Executive Chairman, Dato' Haji Arpan Shah Bin Satu is primarily responsible for the orderly conduct and working of the Board whilst the Managing Director, Mr Lim Guan Shiun is responsible for the overall operations of the business and the implementation of Board strategy and policy.

The Managing Director leads the Management team to ensure high level of work efficiency and plans towards profitable growth and operation of the Group. Management is responsible for the execution of activities to meet corporate plans as well as instituting various measures to ensure due compliance with various governing legislations.

Qualified Company Secretary

The Company has appointed Ms. Leong Yue Han who is qualified to act as Company Secretary under Section 235 of the Companies Act 2016 ("CA") for the Company and its subsidiaries. She is an Associate of The Institute of Chartered Secretaries and Administrators, an Associate of The Chartered Governance Institute and she also holds an LLB (Hons) from University of London. The Company Secretary provides support to the Board in fulfilling her fiduciary duties and leadership role in shaping the CG of AAB Group. In this respect, she plays an advisory role to the Board, particularly with regard to the Company's constitution, Board policies, procedures and its compliance with regulatory requirements, codes, guidance and legislations. The Company Secretary also support the Board in managing the Group Governance Model to ensure its relevance and effectiveness.

The Company Secretary is constantly keep herself abreast of the evolving capital market environment, regulatory change and developments in CG through attendance at relevant conferences and training programmes. The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging in functions.

Meeting Materials and Supply of Information

The Senior Management has an obligation to supply the Board and its Committees with adequate information, in a timely manner. The agenda and full set of Board papers (including qualitative information of the Company) for consideration are distributed 7 days before each meeting of the Board to ensure that the Directors have sufficient time to study them and be properly prepared for discussion and decision making.

The Board's deliberation of the issues discussed and conclusions reached is duly recorded in the minutes of meetings which will be circulated to Board members and subsequently confirmed by the Chairman in the next meeting. Chairman of the respective Committees informs the Board at its meetings any salient matters raised at the Committee meetings which require the Board's approval.

All Directors of the Company whether in full Board or in their individual capacity, have access to all information within the Company and they could seek independent professional advice where necessary to discharge their duties.

The Company Secretary attends all board meetings and ensure that accurate and adequate records of the proceedings of board meetings and decisions made are properly kept. The Board is updated by the Company Secretary on the follow-up of its decisions and recommendations by the Management. During the FYE 2022, the Board was updated by the Company Secretary with new practices, regulatory, regulations or requirements concerning their duties and responsibilities mainly on the implementation of Malaysian Code on Corporate Governance 2021, amendments in the MMLR of Bursa Malaysia and Companies Act 2016.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Charter

The Board has established the Board Charter as a source of reference to the Board in the fulfilment of its authority, roles, functions, composition, duties and responsibilities which are in line with the principles of good corporate governance and provide a primary induction literature by providing insights to prospective Board members and Senior Management.

The Board updates the Board Charter from time to time to reflect changes to the Company's policies, procedures and processes as well as the latest relevant legislation and regulations. The Board reviews the Board Charter periodically. The Board Charter can be accessed at the Company's website at https://astralasia.com/board-charter/.

Board Committees

The Board delegates specific responsibilities to the respective committees of the Board, namely Audit Committee, Nomination Committee and Remuneration Committee in order to enhance business and corporate efficiency and effectiveness. The Chairman of the respective Board Committee will brief the Board on the matters discussed at the respective Committees' meeting and minutes of these meetings are circulated to the Board. All the Board Committees operate within their clearly defined terms of reference and operating procedures whereupon the Board receives reports of their proceedings and deliberations with their recommendations. The ultimate responsibility for decision making lies with the Board.

Audit Committee is responsible for oversight of the Group's financial and reporting processes, the integrity of the financial statements, the external and internal audit and the systems of internal control and management.

Nomination Committee is responsible for review and recommend to the Board on the board composition and board evaluation while Remuneration Committee is responsible to the remuneration policy and recommend the remuneration packages of the Executive Directors and other members of the Executive Committee.

Directors' Code of Conduct

The Board has formalized a Code of Conduct to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:

1. To establish a standard of ethical behaviour for Directors based on trustworthiness and values that can be accepted, are held or upheld by any one person; and

2. To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administrating a company.

The Code of Conduct can be accessed at the Company's website at https://astralasia.com/code-of-conduct/.

Whistleblowing Policy and Procedures

The Board believes in promoting high standard of integrity and accountability in managing its day-to-day businesses and operations and aims to conduct its affairs in an ethical, responsible and transparent manner.

The Board has established a Whistleblowing Policy for the Group to encourage employees and stakeholders to report or disclose any improper conduct in accordance with the procedures and provide protection to them from reprisal as consequences of making such disclosure.

The Whistleblowing Policy has been reviewed in 2020 to enhance its appropriateness and relevance to the Company and its compliance with the relevant laws, rules and regulations. The full version of the Whistleblowing Policy is published on the Company's website at https://astralasia.com/whistleblowing-policy/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Anti-Bribery and Anti-Corruption Policy

In response to the corporate liability provision of the Malaysian Anti- Corruption Commission (Amendment) Act 2018 which took effect on 1 June 2020 and based on the Guidelines on Adequate Procedures issued by the Prime Minister's Office on 4 December 2018, Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") was adopted on 25 November 2020. The ABAC Policy serves to provide guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business. The ABAC Policy is applicable to all Board, Employees and the Third Parties.

The ABAC Policy is available on the Company's website at https://astralasia.com/abac-policy/.

Directors' Fit and Proper Policy

Astral Asia Berhad is obliged to formulate a fit and proper policy for the appointment and/or re-election of Directors of the Company and its subsidiaries ("Group") pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Directors' Fit and Proper Policy sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process is being adhered for the appointment, re-appointment and/or re-election of the Directors of the Group. The Directors' Fit and Proper Policy is available on the Company's website at https://astralasia.com/directors-fit-proper-policy/.

Board Composition

The Board presently is having seven (7) members and one (1) alternate director. The seven (7) members comprising three (3) Executive Directors, and three (3) Independent Directors and one (1) Non- Independent Non-Executive Director. This composition fulfils the requirements as set out under Main Market Listing Requirement ("MMLR") of Bursa Malaysia, which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent.

The Board which consists of members with a wide range of skills and experiences from financial, business public services background is capable of leading the Group. A brief profile of each director is presented in the "Directors' Profile" section of this Annual Report.

The Board continues to give close consideration to its size, composition and spread of experience and expertise to the Group's plantation, construction, property investment, e-Commerce business and development businesses.

The Board is supportive of gender diversity policy. In its selection of Board members, the Board provides equal opportunity to all candidates who meet the criteria (i.e. individual experience, knowledge and competency) and other qualities vis-a-vis the Group present business portfolios and prospective investment. Presently, the Board strives to search and appoint female board member in order to observe the recommendations from Malaysian Code on Corporate Governance 2021.

All the Independent Non-Executive Directors are independent of management and are free from any business or other relationship that could materially interfere with the exercise of their independent judgment. They have the calibre to ensure that the strategies proposed by the Management are fully deliberated and examined in the long-term interest of the Group, as well as its shareholders, employees and customers.

The Board acts as a point of contact for shareholders and other stakeholders with concerns or queries relating to the Group to be communicated through the normal channels.

The Board not only considered the state of mind of the long-serving Independent Directors but also focused on their background, current professional activities, economic and family relationships. The assessment also took into account that they have performed their duties without being subject to the influence of Management. The quantitative aspects of independence was dealt with under the Listing Requirements and for the qualitative aspects, the Board took into consideration various factors including character, values, and skills of the individual director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Nomination

The Nomination Committee was established on 2 January 2002. The Nomination Committee is responsible for proposing and recommending new nominees to the Board and for assessing the performance of Directors on an on-going basis. The actual decision as to who shall be appointed is the responsibility of the full Board after considering the recommendations of the Nomination Committee.

During the financial year ended 31 December 2022, the Nomination Committee comprises of the following directors:

Chairman :	Tuan Haji Khalit Bin Kasmoin
Members :	Dato' Haji Arpan Shah Bin Satu
	Mr Tan En Chong

The Nomination Committee deliberated the following matters at its meetings:

(a) Assessed the effectiveness of the Board, Board Committees and the contributions of each individual Directors through a set of questionnaires;

(b) Reviewed the required mix of skills and experience and other core competencies, which Non-Executive Directors should bring to the Board;

(c) Reviewed the profile of Directors retiring at the 27th AGM and recommended the same for re-election by shareholders; and

(d) Assessed the independence of Independent Directors based on the criteria of independence adopted by the Company.

All Directors shall abstain when matters affecting their own interests are discussed.

The Board recognises the importance of having succession plan and will ensure that appropriate plans are in place, including appointing, training for replacing Board members and Senior Management of the Group.

Procedures relating to the appointment and re-election of Directors are contained in the Company's Constitution. New appointees will be considered and reviewed by the Nomination Committee. The Nomination Committee will then recommend the candidates to be approved and appointed by the Board. The Company ensures that all regulatory obligations are met before any appointment made.

The names of the 3 Directors seeking for re-election at the forthcoming 27th AGM are disclosed in the Notice of AGM. The Board after having evaluated the recommendation of the Nomination Committee, and with retiring Directors abstaining, has endorsed the re-election of the retiring Directors.

Time Commitment

All the Board members shall notify the Chairman of the Board at least one (1) week before accepting any new directorships in public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The Chairman of the Board shall notify all the Board members at least one (1) week before accepting any new directorships in public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The notification should include an indication of the time that will be spent on the new appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Meetings

A pre-scheduled annual calendar of the Board Meetings are circulated to all the Board members at the end of each year to facilitate the Directors to plan their following year schedules ahead. During the financial year under review, the Board meets at least 5 times a year with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings with sufficient notice. Directors are allowed to participate in Board Meetings via tele-conference.

All the Directors have complied with the minimum 50% attendance requirement in respect of the Board Meetings as stipulated in the MMLR of Bursa Malaysia.

During the FYE 2022, 5 meetings of the Board were held. Details of attendance at Board meetings held in the FYE 2022 are as follows:

Name of Directors	No. of Meetings attended
Dato' Haji Arpan Shah Bin Satu	5/5
Dato' Lim Kang Poh	3/5
Mr Lim Guan Shiun	5/5
Tuan Haji Md. Adanan Bin Abdul Manap (Resigned on 26 July 2022)	3/3
Tan Sri Dato' Lim Kang Yew	4/5
Mr Tan En Chong (Resigned on 7 April 2023)	5/5
Tuan Haji Khalit Bin Kasmoin	5/5
Dato' Suhaimi Bin Mohd Yunus	3/5

Directors' Training

During the financial year ended 31 December 2022, the training programme attended by the Directors is as follows:-

Members of the Board	Training Attended
Dato' Haji Arpan Shah Bin Satu Dato' Lim Kang Poh Mr Lim Guan Shiun Tan Sri Dato' Lim Kang Yew Mr Tan En Chong (Resigned on 7 April 2023) Tuan Haji Khalit Bin Kasmoin Dato' Suhaimi Bin Mohd Yunus Mr Lim Dian Hoong *(Alternate Director to Tan Sri Dato' Lim Kang Yew)*	Introduction to ESG Awareness and Sustainability Trends

With the assistance of the Company Secretary, the Board will continue to evaluate and determine the training needs of its members to assist them in discharging their duties as Directors of the Company effectively.

Remuneration

The Remuneration Committee was established on 2 January 2002. The Remuneration Committee reviews the performance of the Executive Directors and furnishes recommendations to the Board on specific adjustments in remuneration, including reward payments commensurate with the respective contributions of the Executive Directors for the year. In the case of Non-Executive Directors, the Board as a whole will determine the remuneration package. The level of remuneration reflects the level of experience and responsibilities undertaken and the individuals concerned are abstained from discussion and decision making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Remuneration (Cont'd)

During the financial year under review, the Remuneration Committee comprises of the following directors:

Chairman : Mr Tan En Chong
Members : Dato' Haji Arpan Shah Bin Satu
Tuan Haji Khalit Bin Kasmoin

The remuneration for Executive Directors is structured so as to link reward to corporate and individual performance. In the case of Non-Executive Directors, the quantum of remuneration reflects the level of experience and responsibilities undertaken by them during the period under review.

Details of the remuneration of the Directors for the FYE 2022 for the Group and the Company are as follows:

	Group			Company		
	Fees (RM'000)	Salaries & Bonus & Other Benefits (RM'000)	Total (RM'000)	Fees (RM'000)	Salaries & Bonus & Other Benefits (RM'000)	Total (RM'000)
Names						
Dato' Haji Arpan Shah Bin Satu	24.0	–	24.0	24.0	–	24.0
Dato' Lim Kang Poh	30.0	1,288.9	1,318.9	30.0	–	30.0
Mr Lim Guan Shiun	30.0	639.9	669.9	30.0	–	30.0
Tuan Haji Md Adanan Bin Abdul Manap *(Resigned on 26 July 2022)*	21.0	8.7	29.7	21.0	–	21.0
Tan Sri Dato' Lim Kang Yew	30.0	–	30.0	30.0	–	30.0
Dato' Suhaimi Bin Mohd Yunus	24.0	–	24.0	24.0	–	24.0
Mr Tan En Chong (Resigned on 7 April 2023)	24.0	–	24.0	24.0	–	24.0
Tuan Haji Khalit Bin Kasmoin	24.0	–	24.0	24.0	–	24.0
Subtotal	207.0	1,937.5	2,144.5	207.0	–	207.0
Subsidiaries' Directors	–	485.5	485.5	–	–	–
Total	**207.0**	**2,423.0**	**2,630.0**	**207.0**	**–**	**207.0**

The Board opines that disclosure of the Senior Management personnel's names exclude the Executive Directors and the various remuneration components (salaries, bonuses, benefit-in-kind and other emoluments) would not be in the best interest of the Group to safeguard the confidentiality of the compensation among the Senior Management personnel and to avoid the poaching of our executives by competitors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee comprises of three (3) Independent Non-Executive Directors, having explicit authority from the Board to investigate any matter and is given full responsibility within its term of reference and necessary resources which it needs to do so and has full access to information of the Group.

For the details of Audit Committee's composition and activities during the FYE 2022, please refer to the "Audit Committee Report" section in this Annual Report.

It is required under the Terms of Reference of Audit Committee for a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the Audit Committee. In the annual assessment on the suitability, objectivity and independence of the external auditors, the Audit Committee is guided by the factors as prescribed under Paragraph 15.21 of the MMLR.

The composition of the Audit Committee was reviewed by the Nomination Committee in April 2022 and recommended to the Board for approval to maintain the current membership of the Audit Committee. With the view to maintain an independent and effective Audit Committee, an Independent Non-Executive Directors who is financially literate, possesses the appropriate level of expertise and experience, and has the strong understanding of the Company's business would be considered for membership on Audit Committee.

The specific responsibilities of the Audit Committee are set out in its terms of reference and are available at the Company's website at https://astralasia.com/audit-committee/.

In presenting the annual financial statements and quarterly announcement of results, the Directors aim to present a balanced, clear and understandable assessment of the Group's financial position and prospects. Each financial report and the information to be disclosed are reviewed by the Audit Committee and approved by the Board prior to its release to Bursa Securities. Timely release of announcements on quarterly and full year financial reports reflects the Board's accountability to its shareholders.

During the FYE 2022, the amount of statutory audit and non-audit fees paid to the external auditors by the Company and the Group respectively were as follows:

	Audit Fee (RM)	Non-Audit Fee (RM)
Company	28,000	5,000
Group	97,500	5,000

The Audit Committee is empowered by the Board to review all issues in relation to the appointment and re-appointment, resignation or dismissal of external auditors. In reviewing the nomination of Grant Thornton Malaysia PLT for re-appointment for the FYE 2022, the Audit Committee, had assessed and affirmed the independence and suitability of the external auditors to continue in office until close of the upcoming Annual General Meeting and the Audit Committee had evaluated the external auditors based on review of performance and written assurances from the external auditors as well as discussion with Management on the independence of the external auditors.

The External Auditors had confirmed, at an Audit Committee Meeting, that they are and have been, independent throughout the conduct of audit engagement in accordance with the terms of relevant professional and regulatory requirements.

The Audit Committee is satisfied with the competence and independence of the external auditors and had recommended to the Board the re-appointment of the external auditors, upon which the shareholders' approval will be sought at the forthcoming 27th Annual General Meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Statement of Directors' Responsibilities

The Board of Directors is primarily responsible for ensuring that the audited financial statements of the Group and the Company are drawn up in accordance with Malaysian Financial Reporting Standards and the requirements of the Companies Act 2016 and the Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2022 and of the results and cash flows of the Group and Company for the financial year ended on that date.

In the preparation of the financial statements, the Directors have taken the following steps:

(a) adopted suitable accounting policies and applied them consistently;
(b) made judgments and estimates that are prudent and reasonable;
(c) ensured the adoption of applicable approved accounting standards; and
(d) used the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Group and the Company and are kept in accordance with the Companies Act 2016. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the Group's assets and to prevent and detect fraud and other irregularities.

Relationship with External Auditors

The Board maintains a formal and transparent relationship with its External Auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The External Auditors regularly bring up relevant matters that need to be addressed during the Audit Committee Meetings.

During the financial year under review, the external auditors were invited to attend 2 meetings of the Audit Committee without the presence of the Executive Directors and Management and were given access to books and records of the Group.

Risk Management

The Board has the ultimate responsibility for reviewing the Company's policy, approving the risk management framework policy and overseeing the Company's strategic risk management and internal control framework.

The Board discharges its responsibilities by overseeing and reviewing the risk management framework and the effectiveness of risk management of the Company.

Internal Control Framework

The Board has established an independent internal audit function that reports to the Audit Committee. The summary of the work of the internal audit function during the financial year under review is provided in the Audit Committee Report.

In addition, the Group's Statement on Risk Management and Internal Control are disclosed in the sections entitled "Statement on Risk Management and Internal Control" of this Annual Report provides an overview on the state of risk management and internal control systems within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Board recognises the importance of keeping the shareholders, investors and general public informed of the Group's business and corporate developments. Such information is disseminated via the Company's annual report and the announcements made from time to time. Shareholders may obtain the Company's latest announcements from the Bursa Malaysia website. The Company also maintains its homepage that allows all shareholders and investor access to information about the Group at www.astralasia.com.

All shareholders including private investors have an opportunity to participate in discussion with the Board on matters relating to the Company's operation and performance at the Company's AGM. It is the principal forum for dialogue with shareholders. The Management will take note of the shareholders' suggestions and comments for consideration.

Whilst the Company endeavours to provide as much information as possible to its shareholders, it must also be wary of the legal regulatory framework governing the release of material and price-sensitive information. As such, corporate disclosure will take into account the prevailing legislative restrictions and requirements as well as the investors' needs for timely release of price-sensitive information, such as financial performance results and statements, material acquisitions, significant corporate proposals as well as other significant corporate events.

Conduct of General Meetings

The Directors of the Company together with the respective Chairman of the Board Committees participate in the AGM to facilitate discussion on matters such as audit, nomination, remuneration and risk management.

Notice of AGM has been sent to all shareholders more than recommended practice of 28 days in advance to allow them sufficient time to prepare for the general meeting and raise meaningful questions during the meeting. The Chairman of the meeting will provide sufficient time to shareholders' questions on matters pertaining to the Company's performance and would respond to the shareholders with regards to their concern and question raised. Members of the Board, Chairman of Board Committees and Key Senior Management, as well as the External Auditors of the Company are present to respond to questions raised at the meeting.

Extraordinary General Meeting is held as and when shareholders' approvals are required on specific matters. The Chairman and directors together with relevant Advisors to the Board, lawyers and/or Reporting Accountants engaged in advising the Board on these specific matters would respond to the questions raised by the shareholders.

All resolutions tabled at general meetings will be carried out by way of poll.

Summary of Corporate Governance Practices

The Board is pleased to report that during the FYE 2022, the Company had applied and adopted 36 of the 48 Practices (36 Practices and 1 Step Up) encapsulated in the 3 Principles of MCCG. The breakdown of the status of application by Principle is provided below:

	Practice			Step-up	
Principle	**Applied**	**Departure**	**Not Applicable**	**Adopted**	**Not Adopted**
A - Board Leadership and Effectiveness	22	5	–	–	3
B - Effective Audit and Risk Management	8	–	–	1	1
C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders	6	2	–	–	–
Total	**36**	**7**	**–**	**1**	**4**

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Summary of Corporate Governance Practices (Cont'd)

The summary of the 7 departed Practices is as follows.

Principal	Practice	Gap Summary
A - Board Leadership and Effectiveness	1.4 The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee	The Chairman of the Board, Dato' Haji Arpan Shah Bin Satu is a member of the Audit Committee, Nomination Committee and Remuneration Committee. The Board has put in place safeguard mechanisms in the form of checks and balance to prevent the exercising of undue influence on Committee- level deliberations by the Chairman. The decision- making processes of the respective Committees are collectively made in accordance with the TOR of each Committee as well as all other applicable policies, procedures and laws. Given his background, the Audit Committee, Nomination Committee and Remuneration Committee are often able to leverage on the implicit knowledge, accumulated experience and insights of the Chairman in making key Committee decisions, that are made in the best interests of the Company.
	4.2 The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.	The Board is aware of the shortfall in the Company's sustainability reporting suite and therefore, has put necessary action plans into considerations. The Board shall undertake incremental steps to further develop the Company's sustainability reporting regime for the benefit of all stakeholders.
	5.2 At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.	3 out of 8 directors or 37.5% of the Board are independent directors. During the financial year under review, Mr Tan En Chong had been appointed as a Senior Independent Non-Executive Director to ensure that board decisions are made objectively in the best interest of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Summary of Corporate Governance Practices (Cont'd)

Principal	Practice	Gap Summary
	5.9 The board comprises at least 30% women directors.	The Board recognises that diversity in its composition is crucial in ensuring effectiveness and good corporate governance. The Nomination Committee reviews and recommends the criteria for appointment of Directors based on the skills, composition and requirements of operations. The search for suitable female candidates for nomination to the Board is currently in progress.
	8.2 The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.	Due to confidentiality of the remuneration package of Senior Management, exclude the Executive Directors, it would be in the best interest of the Company not to disclose their remunerations on named basis.
C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders	12.2 Large Companies are encouraged to adopt Integrated Reporting based on a globally recognised framework	The Group does not fall under the category of large companies and has yet to adopt Integrated Reporting. The Board and Senior Management will regularly review this practice requirement.
	13.3 Listed companies should leverage technology to facilitate– • voting including voting in absentia; and • remote shareholders' participation at general meetings. Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.	The Board will explore and review the availability, feasibility, cost and benefit of the technology before implementing this practice.

Further information about the Company's corporate governance practices, in the form of the Corporate Governance Report, is available on the Company's website at www.astralasia.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Key Focus Areas and Future Priorities

There were clear signs that the Malaysian economy had recovered from the debilitating effects of the pandemic. Rebounding from the pandemic- induced economic shock, the Malaysian economy gathered momentum in 2023 as its growth rate surpassed expectations quarter after quarter. The Company will constantly strive to meet the Company's objectives, strategies, plans and initiatives in the context of the Company's business.

Simultaneously, the Company will focus to observe the changes in MCCG 2021, MMLR, the applicable rules and regulations and to keep abreast of industry best practices.

This Corporate Governance Overview Statement was approved by the Board of Directors on 7 April 2023.

Compliance Statement

The Board had deliberated, reviewed and approved this Corporate Governance Statement. The Board considered that the CG Statement provides the information necessary to enable shareholders of the Company to evaluate how the principles and best practices as set out in the MCCG have been complied with. The Board shall remain committed in attaining the possible standards through the continuous adoption of the principles and best practice of the MCCG and all other applicable laws and regulations.

STATEMENT OF
DIRECTORS' RESPONSIBILITIES
IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Company and its subsidiaries ("Group") as at the end of each financial year, and of the results and cash flows of the Group and of the Company for that financial year then ended. In preparing the financial statements of the Group and of the Company for the financial year ended 31 December 2022, the Directors have:-

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- ensured that applicable accounting standards have been followed.

The Directors have relied on the system of internal controls to ensure that the information generated for the preparation of the financial statements from the underlying accounting records are accurate and reliable.

The Directors have responsibilities to ensure that the Company and the Group keep accounting records which disclose with reasonable accuracy, the financial position of the Group and the Company and also to ensure that the financial statements comply with the regulatory requirements.

The Directors have overall responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution passed by the Directors on 20 April 2023.

AUDIT COMMITTEE **REPORT**

The Audit Committee ("AC") of AAB was established on 12 February 1998. The principal objective of the AC is to assist the Board of Directors in discharging its duties and responsibilities in the areas of corporate disclosure and transparency, public accountability of the Company and its subsidiaries. The specific responsibilities of the AC are set out in its terms of reference and are available at the Company's website at www.astralasia.com

COMPOSITION AND MEETINGS

The AC consists of three Independent Non-Executive Directors during the FYE 2022. Mr Tan En Chong, the Chairman of the AC is a Fellow of the Association of Chartered Certified Accountants and also a member of the MIA.

During the FYE 2022, the AC held a total of five (5) meetings. The attendance of the AC members is set out below:

Name of Directors	No. of Meetings attended
Mr Tan En Chong (Chairman) *Senior Independent Non-Executive Director*	5/5
Dato' Haji Arpan Shah Bin Satu *Independent Non-Executive Director*	5/5
Tuan Haji Khalit bin Kasmoin *Independent Non-Executive Director*	5/5

SUMMARY OF WORK OF THE AC

1. Financial Reporting

Reviewed the following Group financial statements and made recommendation to the Board for approval of the same:

Date of AC Meetings	Quarterly Results / Financial Statements Reviewed
25 February 2022	Unaudited fourth quarter results for the period ended 31 December 2021
7 April 2022	Audited Financial Statements for the financial year ended 31 December 2021
25 May 2022	Unaudited first quarter results for the period ended 31 March 2022
25 August 2022	Unaudited second quarter results for the period ended 30 June 2022
23 November 2022	Unaudited third quarter results for the period ended 30 September 2022

At the meetings held, the AC reviewed the annual financial statements and quarterly interim results of AAB and the Group before submission to the Board for approval, focusing particularly on:

a. Changes in major accounting policies;
b. Key audit matters;
c. Significant and unusual events;
d. Compliance with approved accounting standards and other legal requirements;
e. Compliance with the Listing Requirements;
f. Significant adjustments and recommendations arising from the audit;
g. Going concern assumption;
h. Major judgmental areas; and
i. Related party transactions and conflict of interest situation.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE AC (CONT'D)

2. External Audit

a. Reviewed the audit scope, plan and report issued by the external auditors and their evaluation of the system of internal controls and followed up on the implementation of recommendation;
b. Evaluated the performance of the external auditors and made recommendation to the Board the their re-appointment and audit fee; and
c. Two private sessions were held with the external auditors without the presence of Management and Executive Directors.

3. Internal Audit

a. Reviewed the internal audit plan issued by the Internal Auditors to ensure adequate scope and coverage on the activities of the Company and the Group;
b. Reviewed and deliberated on the reports of audit conducted by the Internal Auditors; and
c. Appraised the adequacy of actions and remedial measures taken by the Management in solving the audit issues reported and the improvements required.
d. Reviewed and deliberated the internal audit function evaluation pursuant to Practice 11.1 and Guidance 11.1 of MCCG 2021.

4. Other Duties

Reviewed the AC Report, Statement on Risk Management and Internal Control, Sustainability Statement and Corporate Governance Overview Statement before submitting the same for the Board's approval and inclusion into the Company's Annual Report.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The internal audit function of the Group is presently outsourced to a firm of Chartered Accountants to provide the Board and the AC with assurance on the adequacy and effectiveness of the system of internal control of the Group. The internal auditors focus their review on significant and high risk areas of the Group's businesses. The internal audit function reports directly to the AC.

During the financial year under review, the Internal Auditors had completed audit cycles with reviews being focused on revenue cycle and inventory management, payroll, corporate governance issues and other operational issues that have came across during their audit. Follow-up reviews were also being carried out to ascertain the extent of compliance with agreed implementation actions.

For the financial year ended 31 December 2022, the total costs incurred for the Internal Audit function were RM23,775.16.

ADDITIONAL COMPLIANCE **INFORMATION**

OTHER INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

Utilisation of Proceeds

No proceeds were raised by the Company from any corporate exercise during the financial year.

Material Contracts

There were no material contracts of the Company and its subsidiaries involving directors' and major shareholders' interests for the financial year under review.

Contract Relating to Loans

On 26 August 2022, the Group has signed up a Facility Agreement with CIMB Bank Berhad for RM20 million of term loan to finance the replanting cost in Kertau and Pejing estates with repayable over 96 monthly instalments after 48 months of moratorium period. This facility is secured by the properties of the subsidiary companies and the corporate guarantee of the Company.

Related Parties Transactions

There were no related parties' transactions during the financial year under review except as disclosed in Note 28 to the Financial Statements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance 2021 has been a significant tool for corporate governance reform, has influenced corporate governance practices of companies positively and requires listed companies to maintain a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. Set out below is the Board of Director's Statement on Risk Management and Internal Control ("Statement") as a Group for the financial year ended 31 December 2022 in compliance with paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers which is issued by the Taskforce on Internal Control with the support and endorsement of Bursa Malaysia.

THE BOARD'S RESPONSIBILITY

The Board of Directors ("the Board") recognises the importance of maintaining sound internal control systems and risk management practices to ensure good corporate governance. The Board affirms its overall responsibility for reviewing the adequacy and integrity of the Group's system of risk management and internal control. However, as there are inherent limitations in any system of internal controls, such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. It follows, therefore, the internal control system can only provide reasonable but not absolute assurance against material misstatement or loss to the Group.

THE GROUP'S SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The Board has implemented a risk management framework to identify, evaluate and manage the significant risks affecting the Group's operations to ensure communication of the Group's business objectives, operational and financial issues or risks through management meetings at various levels. In addition, the Board is of the opinion that it has experienced Executive Directors and qualified managers with relevant industry experience to run and manage the operations and businesses of the Group.

Furthermore, the current system of internal control in the Group has within it, the following key elements:

- The Group maintains a formal organisation structure which defines the reporting lines up to the Board level.

- The Group has documented policies and procedures for all significant processes for its active subsidiaries to ensure that it maintains its effectiveness and continues to support the Group's business activities at all times as the Group continues to grow.

- The Board reviews and adopts the quarterly financial statements on a quarterly basis, in conjunction with the quarterly announcement of results of the Group to Bursa Malaysia.

- The Board plays an active role in discussing and reviewing the business plans, strategies, performance and risks faced by the Group.

- The internal audit function performs an independent assessment of the system of internal control and provides independent review of the risk management areas as well as identifies controls to mitigate these risks.

INTERNAL AUDIT FUNCTION

The AC has appointed a firm of Chartered Accountants to provide internal audit services on an outsourced basis.

The internal audit function provides the AC with reports, wherein it highlights observations and recommends to the Management where action plans necessary to be taken to improve the system of internal control.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia's Main Market Listing Requirements, the External Auditors have reviewed this Statement for inclusion in the Annual Report. Their review was performed in accordance with the Recommended Practice Guide 5 (RPG 5), Guidance for Auditors on the Review of Directors' Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and the integrity of the system of risk management and internal control for the Group.

THE BOARD'S COMMITMENT

The Board is of the view that the internal control system that has been in place throughout the Group is adequate to safeguard shareholders' investment and the Group's assets. The Board, however, recognises that the Group operates in a dynamic business environment in which the internal control system must be responsive in order to be able to support its business objectives.

Assurance has been received by the Board from the Managing Director that the Group's risk management and internal control system is operating adequately and effectively in all material aspects and there are no major weaknesses at the existing level of operations of the Group. Recognizing that the risk management and internal control system must continuously improve to meet the challenging business environment, the Board will continue to take appropriate action plans to strengthen the Group's risk management and internal control system.

To this end, the Board remains committed towards maintaining a sound system of risk management and internal control and therefore recognises that the system must continuously develop to support the growth and dynamics of the Group. As such, the Board, in striving for continuous improvement, will put in place appropriate action plans, when necessary, to further enhance the Group's system of risk management and internal control.

This statement was approved by the Board of Directors on 7 April 2023.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The subsidiaries of the Company are principally involved in the operation of oil palm estates, properties investment, property development, retail sale over the internet and dormant.

The information on the name, place of incorporation/ principal place of business, principal activities and effective equity interest held by the Company in the subsidiaries are disclosed in Note 7 to the financial statements.

FINANCIAL RESULTS

	Group RM	Company RM
(Loss)/Profit for the financial year	(3,513,586)	505,018
Attributable to:-		
Owners of the Company	(3,740,554)	
Non-controlling interest	226,968	
	(3,513,586)	

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

DIRECTORS OF THE COMPANY

The name of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are:-

Dato' Haji Arpan Shah Bin Satu (Independent and Non-Executive Chairman)
Dato' Lim Kang Poh (Deputy Executive Chairman) *
Mr. Lim Guan Shiun (Managing Director) *
Tan Sri Dato' Lim Kang Yew (Executive Director)
Dato' Suhaimi Bin Mohd Yunus (Non-Independent and Non-Executive Director) *
Tuan Haji Khalit Bin Kasmoin (Independent Non-Executive Director)
Mr. Lim Dian Hoong (Alternative Director to Tan Sri Dato' Lim Kang Yew)
Ms. Lee Siew Chen (Independent Non-Executive Director) (appointed on 7 April 2023)
Tuan Haji Md Adanan Bin Abdul Manap (Deputy Managing Director) (resigned on 26 July 2022) *
Mr. Tan En Chong (Senior Independent Non-Executive Director) (resigned on 7 April 2023)

* Directors of the Company and certain subsidiaries.

DIRECTORS' REPORT (CONT'D)

DIRECTORS OF THE COMPANY (CONT'D)

The Directors who held office in the subsidiaries of the Company (excluding Directors who are also Directors of the Company) during the financial year and during the period from the end of the financial year to the date of this report are:-

Dato' Sri Haji Shahiruddin Bin Ab. Moin
Ms. Lim Hai
Mr. Lim Kuan Hwang

DIRECTORS' REMUNERATION

During the financial year, the fees and other benefits received and receivable by the Directors of the Company are as follows:-

	Incurred by the Company RM	Incurred by the subsidiaries RM	Group RM
Directors' salaries and other emoluments	–	2,324,800	2,324,800
Directors' fees	207,000	7,000	214,000
Directors' defined contribution plan and social security contribution	–	255,027	255,027
	207,000	2,586,827	2,793,827

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings, the interests and deemed interests of those who were Directors at the end of the financial year in the ordinary shares of the Company and its related corporations are as follows:-

	Number of ordinary shares			
	At 1.1.2022	Bought	Sold	At 31.12.2022
Interests in the Company				
Direct interests				
Dato' Lim Kang Poh	89,552,289	–	–	89,552,289
Tan Sri Dato' Lim Kang Yew	89,552,289	–	–	89,552,289
Deemed interests				
Mr. Lim Guan Shiun #	89,552,289	–	–	89,552,289
Mr. Lim Dian Hoong #	89,552,289	–	–	89,552,289

Deemed interest by virtue of the shares held by close family members.

By virtue of his interest in ordinary shares of the Company, Dato' Lim Kang Poh and Tan Sri Dato' Lim Kang Yew are also deemed to have interest in the shares of all the subsidiaries to the extent that the Company has an interest under Section 59 of the Companies Act 2016.

Other than the disclosed above, none of the other Directors in office at the end of the financial year held any interest in the shares of the Company and its related corporations during the financial year.

DIRECTORS' REPORT (CONT'D)

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year.

There was no issuance of debentures during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the provision for doubtful debts, and satisfied themselves that no provision for doubtful debts was required and there were no debts to be written off; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:-

(a) which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Group and of the Company.

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the current financial year in which this report is made.

DIRECTORS' REPORT
(CONT'D)

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There was no indemnity coverage and insurance premium paid for Directors and Officers of the Company during the financial year.

AUDITORS

The amount of audit and other fees paid or payable to the external auditor and its member firms by the Group and the Company for the financial year ended 31 December 2022 amounted to RM102,500 and RM33,000 respectively. Further details are disclosed in Note 24 to the financial statements.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

The Auditors, Grant Thornton Malaysia PLT have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

.... DATO' LIM KANG POH	)	
	)	DIRECTORS
.... LIM GUAN SHIUN	)	

Kuala Lumpur

20 April 2023

STATEMENT BY **DIRECTORS**

In the opinion of the Directors, the financial statements set out on pages 60 to 120 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

....
DATO' LIM KANG POH LIM GUAN SHIUN

Kuala Lumpur

20 April 2023

STATUTORY **DECLARATION**

I, Ng Chen Khim, being the Officer primarily responsible for the financial management of Astral Asia Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 60 to 120 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
20 April 2023)

....
NG CHEN KHIM
(CA 27280)
CHARTERED ACCOUNTANT

Before me:

Commissioner for Oaths

RAMATHILAGAM A/P T RAMASAMY
W671

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ASTRAL ASIA BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Astral Asia Berhad, which comprise the statements of financial position as at 31 December 2022, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 60 to 120.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as of 31 December 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Group</u>

Key Audit Matters	**How our audit addressed the Key Audit Matter**
Impairment of property, plant and equipment and right-of-use assets (Notes 4 and 5 to the financial statements) The Group's carrying amount of property, plant and equipment and right-of-use assets are RM44,745,184 and RM275,247,994 respectively as at 31 December 2022. Property, plant and equipment and right-of-use assets measured at cost are depreciated on a straight-line basis over their useful life, in which management estimates the useful lives of the property, plant and equipment and right-of-use assets to be within 5 to 99 years and reviews the useful lives of depreciable assets at each end of the reporting period. This estimation however may vary due to change in the expected level of usage, technological developments and environmental exposure. We focused on this area because of its large carrying amount on the face of the statements of financial position and also due to high subjectivity and estimation involved in estimating the useful lives of each assets. We have identified impairment of property, plant and equipment and right-of-use assets as key audit matter because the determination of whether or not an impairment charge for these assets was necessary involved management judgements and estimation uncertainty in order to ensure the assets are recoverable at their carrying amounts.	Our audit procedures in relation to impairment review of these assets included:- • Obtaining an understanding of: - how the Group identifies impairment indicators; and - how the Group makes the accounting estimates for impairment. • Reviewing the reasonableness of assumptions and judgement made by the management for the impairment assessment of assets. • Performing physical sighting of property, plant and equipment, right-of-use assets, and estate visits on sampling basis to ensure the property, plant and equipment, right-of-use assets, and estate assets are in good working condition. • Assessed the competency, capability and objectivity of the external valuation specialist. • Checking the accuracy and relevance of input data used in the valuations by the external valuation specialist. • Held discussion with the external valuation specialist to obtain an understanding of assumptions used in the valuation report.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Group (cont'd)

Key Audit Matters	How our audit addressed the Key Audit Matter
Fair value on bearer biological assets (Note 10 to the financial statements) The fair value of bearer biological assets of the Group is RM570,884. The fair value of biological assets was subject to the life to maturity, mortality rate, production quantity, selling prices and variable costs and profit margin. We have identified the fair value on biological assets as a key audit matter because of the significant judgement and estimates involved in applying the valuation method on the biological assets.	Our audit procedures in relation to the fair value of biological assets included:- • Assessing the reasonableness of discount rate used to reflect the time value of money and the risk. • Assessing the adequacy and appropriateness of the disclosures relating to the valuation methodology and estimation made in the financial statements. • Recalculating the average Malaysian Palm Oil Board ("MPOB") price to ensure the valuation technique used is reasonable.

Company

Key Audit Matters	How our audit addressed the Key Audit Matter
Impairment of investment in subsidiaries (Note 7 to the financial statements) The Company's carrying amount of the investment in subsidiaries is RM171,114,309 as at 31 December 2022 as disclosed in Note 7 to the financial statements. On annual basis, management is required to assess for indications of impairment to determining if impairment assessment should be carried out. The impairment testing requires management to make assumptions in the recoverable amounts of the investment in subsidiaries. The assumptions include assessment of appropriateness and accuracy of valuations by external valuation specialist. We have identified impairment of investment in subsidiaries as key audit matter because the determination of whether or not an impairment charge for the investment in subsidiaries was adequate and involved management judgements in determining the recoverable amounts.	Our audit procedures in relation to the impairment review of investment in subsidiaries included:- • Assessing the indication of impairment performed by the management by considering whether it had factored or consider relevant internal and external information. • Reviewing the reasonableness of assumptions and judgement made by the management for the impairment assessment. • Checking the accuracy and relevance of input data used in the valuations by the external valuation specialist. • Held discussion with the external valuation specialist to obtain an understanding of assumptions used in the valuation report.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Report on the Audit of the Financial Statements (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Report on the Audit of the Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd):-

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the directors, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

CHAN LOO PEI
(NO: 03628/12/2023 J)
CHARTERED ACCOUNTANT

Kuala Lumpur

20 April 2023

STATEMENTS OF
FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	44,745,184	45,710,733	–	–
Right-of-use assets	5	275,247,994	279,115,632	–	–
Investment properties	6	18,800,000	18,800,000	–	–
Investment in subsidiaries	7	–	–	171,114,309	171,190,073
Investment in an associate	8	1,059,377	1,127,733	–	–
Total non-current assets		339,852,555	344,754,098	171,114,309	171,190,073
Current assets					
Inventories	9	1,352,021	1,322,018	–	–
Bearer biological assets	10	570,884	974,895	–	–
Trade receivables	11	264,158	258,574	–	–
Other receivables	12	591,860	499,197	1,000	1,790
Amount due from subsidiaries	13	–	–	50	300
Tax recoverable		–	–	39,571	39,571
Fixed deposits with licensed financial institutions	14	3,500	3,500	–	–
Cash and bank balances		6,115,256	7,560,657	46,777	52,662
Total current assets		8,897,679	10,618,841	87,398	94,323
Total assets		348,750,234	355,372,939	171,201,707	171,284,396
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company:-					
Share capital	15	131,996,700	131,996,700	131,996,700	131,996,700
Retained earnings		42,392,557	46,133,111	36,013,345	35,508,327
		174,389,257	178,129,811	168,010,045	167,505,027
Non-controlling interest	7	80,693,785	82,566,817	–	–
Total equity		255,083,042	260,696,628	168,010,045	167,505,027

STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
LIABILITIES					
Non-current liabilities					
Loans and borrowings	16	7,893,869	9,189,472	–	–
Lease liabilities	5	7,492,699	7,536,121	–	–
Deferred tax liabilities	17	69,880,682	69,773,103	–	–
Total non-current liabilities		85,267,250	86,498,696	–	–
Current liabilities					
Trade payables	18	231,805	433,759	–	–
Other payables	19	5,302,424	4,563,939	55,387	34,094
Amount due to a subsidiary	20	–	–	3,136,254	3,745,254
Amount due to an associate	21	565,195	565,195	–	–
Dividend payable		21	21	21	21
Loans and borrowings	16	2,188,854	2,181,888	–	–
Lease liabilities	5	45,527	180,554	–	–
Tax payable		66,116	252,259	–	–
Total current liabilities		8,399,942	8,177,615	3,191,662	3,779,369
Total liabilities		93,667,192	94,676,311	3,191,662	3,779,369
Total equity and liabilities		348,750,234	355,372,939	171,201,707	171,284,396

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Revenue	22	20,560,717	18,950,984	3,900,000	1,950,000
Cost of sales	23	(7,689,710)	(6,763,874)	–	–
Gross profit		12,871,007	12,187,110	3,900,000	1,950,000
Other income		64,906	507,003	–	–
Administration expenses		(7,201,071)	(6,175,753)	(370,913)	(394,938)
Depreciation for property, plant and equipment and right-of-use asset		(6,499,903)	(7,018,002)	–	–
Property, plant and equipment written off		–	(5,786,860)	–	–
Net gain/(loss) on impairment of financial instruments		39,442	–	(2,948,305)	(2,064,125)
Other expenses		(481,944)	(108,855)	(75,764)	(329,379)
Finance costs		(651,139)	(790,823)	–	–
Finance income		–	2	–	–
Share of loss in associate	8	(68,356)	(39,023)	–	–
(Loss)/Profit before tax	24	(1,927,058)	(7,225,201)	505,018	(838,442)
Taxation	25	(1,586,528)	(208,417)	–	–
(Loss)/Profit for the financial year		(3,513,586)	(7,433,618)	505,018	(838,442)
Other comprehensive income		–	–	–	–
Total comprehensive (loss)/income for the financial year		(3,513,586)	(7,433,618)	505,018	(838,442)
Loss for the financial year attributable to:-					
Owners of the Company		(3,740,554)	(6,072,310)		
Non-controlling interest	7	226,968	(1,361,308)		
		(3,513,586)	(7,433,618)		
Total comprehensive loss attributable to:-					
Owners of the Company		(3,740,554)	(6,072,310)		
Non-controlling interest	7	226,968	(1,361,308)		
		(3,513,586)	(7,433,618)		
Basic and diluted loss per share attributable to owners of the Company (sen)	26	(0.57)	(0.92)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Attributable to owners of the Company				
		Distributable			
Group	**Share capital RM**	**Retained earnings RM**	**Total RM**	**Non-controlling interest RM**	**Total equity RM**
Balance at 1 January 2021	131,996,700	52,205,421	184,202,121	84,978,125	269,180,246
Transactions with owners:-					
Dividend paid to non-controlling interest	–	–	–	(1,050,000)	(1,050,000)
Total comprehensive loss for the financial year	–	(6,072,310)	(6,072,310)	(1,361,308)	(7,433,618)
Balance at 31 December 2021	131,996,700	46,133,111	178,129,811	82,566,817	260,696,628
Transactions with owners:-					
Dividend paid to non-controlling interest	–	–	–	(2,100,000)	(2,100,000)
Total comprehensive loss for the financial year	–	(3,740,554)	(3,740,554)	226,968	(3,513,586)
Balance at 31 December 2022	131,996,700	42,392,557	174,389,257	80,693,785	255,083,042

Company			
Balance at 1 January 2021	131,996,700	36,346,769	168,343,469
Total comprehensive loss for the financial year	–	(838,442)	(838,442)
Balance at 31 December 2021	131,996,700	35,508,327	167,505,027
Total comprehensive income for the financial year	–	505,018	505,018
Balance at 31 December 2022	131,996,700	36,013,345	168,010,045

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before tax		(1,927,058)	(7,225,201)	505,018	(838,442)
Adjustments for:-					
Depreciation of property, plant and equipment		2,852,018	2,835,636	–	–
Depreciation of right-of-use assets		3,647,885	4,182,366	–	–
Fair value loss on bearer biological assets		404,011	23,514	–	–
Property, plant and equipment written off		–	5,786,860	–	–
Dividend income		–	–	(3,900,000)	(1,950,000)
Loss/(Gain) on disposal of:-					
- property, plant and equipment		77,468	–	–	–
- right-of-use assets		–	(56,680)	–	–
Interest expense		651,139	790,823	–	–
Interest income		–	(2)	–	–
Allowance for expected credit loss on:-					
- amount due from subsidiaries		–	–	2,948,305	2,154,125
Reversal of allowance for expected credit loss on:-					
- amount due from subsidiaries		–	–	–	(90,000)
- trade receivables		(37,250)	–	–	–
- non-trade receivables		(2,192)	–	–	–
Impairment loss on investment in subsidiaries		–	–	75,764	329,379
Inventories written off		6,125	–	–	–
Share of loss in associate		68,356	39,023	–	–
Operating profit/(loss) before working capital changes		5,740,502	6,376,339	(370,913)	(394,938)
Changes in working capital:-					
Inventories		(36,128)	(347,868)	–	–
Receivables		(58,805)	11,213,285	790	4,510
Payables		536,624	(511,828)	21,293	(31,990)
Cash generated from/(used in) operations		6,182,193	16,729,928	(348,830)	(422,418)
Tax paid		(1,665,092)	(970,649)	–	–
Net cash from/(used in) operating activities		4,517,101	15,759,279	(348,830)	(422,418)
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of subsidiary		–	–	–	(2)
Dividend received		–	–	3,900,000	1,950,000
Interest received		–	2	–	–
Proceeds from disposal of property, plant and equipment		1,330,800	–	–	–
Proceeds from disposal of right-of-use assets		–	100,000	–	–
Purchase of property, plant and equipment		(3,075,077)	(4,007,256)	–	–
Advances to a subsidiary		–	–	(2,948,055)	(1,510,100)
Net cash (used in)/from investing activities		(1,744,277)	(3,907,254)	951,945	439,898

STATEMENTS OF CASH FLOWS (CONT'D)

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid to non-controlling interest		(2,100,000)	(1,050,000)	–	–
Repayment of term loan		(1,171,689)	(1,607,521)	–	–
Interest paid		(651,139)	(790,823)	–	–
Repayment of principal portion of lease liabilities		(178,449)	(273,651)	–	–
(Advances to)/Repayment from a subsidiary		–	–	(609,000)	5,304
Net cash (used in)/from financing activities		(4,101,277)	(3,721,995)	(609,000)	5,304
CASH AND CASH EQUIVALENTS					
Net changes		(1,328,453)	8,130,030	(5,885)	22,784
Brought forward		6,455,020	(1,675,010)	52,662	29,878
Carried forward	A	5,126,567	6,455,020	46,777	52,662

NOTE TO THE STATEMENTS OF CASH FLOWS

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:-

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Cash and bank balances	6,115,256	7,560,657	46,777	52,662
Fixed deposits with licensed financial institutions (Note 14)	3,500	3,500	–	–
Bank overdraft (Note 16)	(988,689)	(1,105,637)	–	–
	5,130,067	6,458,520	46,777	52,662
Less: Fixed deposits pledged	(3,500)	(3,500)	–	–
	5,126,567	6,455,020	46,777	52,662

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2022

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company are both located at Level 12, Menara TSR, No. 12, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of activities of the Company and its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 April 2023.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") the Companies Act 2016 in Malaysia.

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for investment in properties and biological assets that are measured at fair values at the end of each reporting period as indicated in the summary of significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 Adoption of new amendments/improvements to MFRSs

The Group and the Company have consistently applied the accounting policies set out in Note 3 to all periods presented in these financial statements.

At the beginning of the current financial year, the Group and the Company adopted new amendments/ improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2022.

Initial application of the amendments/improvements to the standards did not have material impact to the financial statements. The details of the amendments/improvements are disclosed below:

- Amendments to MFRS 3 Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Costs of Fulfilling a Contract
- Annual improvements to MFRS Standards 2018 - 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective in the respective financial period.

Effective for financial period beginning on or after 1 January 2023
- MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts*
- Amendments to MFRS 17 - Initial Application of MFRS 17 and MFRS 9 - Comparative Information*
- Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
- Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective for financial period beginning on or after 1 January 2024
- Amendments to MFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Presentation of Financial Statements - Non-current Liabilities with Covenants

Deferred to a date to be determined by the MASB
- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* Not applicable to the Group's and the Company's operation.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company upon their first adoption.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainties

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:-

Fair value of biological assets

The Group's bearer biological assets are measured at fair value less point-of-sale costs. In measuring fair values of fresh fruit bunches, management uses estimates of cash flows using inputs or assumptions of life to maturity, productivity quantity, mortality rate, selling prices of fresh fruit bunches, variable costs and profit margins. The probability-weighted cash flows are discounted using an appropriate discount rate that reflects the time value of money and the risk. As prices in agricultural business are volatile, the actual cash flows and discount rate may not coincide with the estimates made and this may have a significant effect on the Group's financial position and results.

Useful lives of depreciable assets

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over their useful life. Management estimates the useful lives of the property, plant and equipment and right-of-use assets to be within 5 to 99 years and reviews the useful lives of depreciable assets at each end of the reporting period. As at 31 December 2022, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company.

Actual results, however, may vary due to change in the expected level of usage and technological developments, which may result in the adjustment to the Group's and the Company's assets. The carrying amounts are analysed in Notes 4 and 5 to the financial statements.

Management expects that the expected useful lives of the property, plant and equipment would not have material difference from the management's estimates and hence it would not result in material variance in the Group's and the Company's loss for the financial year.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable value, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to environment changes which may cause inventories to be written down, and the Group's loss to change.

The carrying amount of the Group's inventories at the reporting date is disclosed in Note 9 to the financial statements.

The management expects that the expected net realisable value of the inventories would not have material difference from the management's estimates and hence it would not result in material variance in the Group's loss for the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainties (cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product and inflation rates) are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction and plantation sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal or its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounting cash flows ("DCF") model. The cash flows are derived from the budget for the remaining useful life and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainties (cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Income taxes and deferred tax liabilities

The Group is exposed to income taxes. Significant judgement is involved in determining the Group's provision for income taxes and deferred tax liabilities. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.6.2 Significant management judgement

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:-

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. The Group accounts for the portions separately if the portions could be sold separately (or leased out separately under a financial lease). If the portion could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company applied the significant accounting policies, as summarised below, consistently throughout all periods presented in the financial statements, unless otherwise stated.

3.1 Consolidation

3.1.1 Subsidiaries

A subsidiary is an entity, including structured entity, controlled by the Company. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. Besides, the Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investment in a subsidiary is stated at fair value in the Company's statement of financial position.

Upon the disposal of investment in a subsidiary, the difference between the net disposal proceeds and its carrying amount is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

3.1.2 Basis of consolidation

The Group's financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiaries are all drawn up to the same reporting date.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in asset, such as inventory and property, plant and equipment) are eliminated in full in preparing the consolidated financial statements. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (cont'd)

3.1.3 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

3.1.4 Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

3.1.5 Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statements of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if that results in a deficit balance.

3.1.6 Associate

Associate is entity in which the Group has significant influence, but no control, over its financial and operating policies.

The Group's investment in an associate is accounted for using the equity method. Under the equity method, investment in an associate is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate since the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (cont'd)

3.1.6 Associate (cont'd)

The share of the result of an associate is reflected in profit or loss. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, where there has been a change recognised directly in the equity of an associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statements of profit or loss and other comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

The financial statements of the associates are prepared as of the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies of the associates in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate. The Group determines at each end of the reporting period whether there is any objective evidence that the investments in the associates is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and their carrying value, then recognises the amount in the "share of profit of investments accounted for using the equity method" in profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

3.2 Property, plant and equipment

All property, plant and equipment, except for bearer plant, are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Property, plant and equipment (cont'd)

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised on the straight-line method in order to write off the cost or valuation of each asset over its estimated useful life. Freehold land with an infinite life is not depreciated. Other property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Buildings	2%
Plant and machinery	15% - 20%
Motor vehicles	20%
Fittings and office equipment	10% - 20%
Road and infrastructure	2%
Renovation	20%

Bearer plants comprise oil palm plants are stated at fair value deemed cost less any accumulated depreciation and any accumulated impairment losses. Cost of bearer plant includes expenditures that are directly attributable to the acquisition of the plants and any other costs directly attributable to bringing the plants to maturity. The cost also includes cost of planting, upkeep and maintenance, direct labour and estate overheads. For immature plants, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Immature bearer plants which are under construction are not depreciated. Upon maturity of the plants, accumulated cost will be depreciated over estimated production life of the plants of approximately 25 years from date of maturity. When the plants reach the end of their useful lives and are replanted, the carrying amount of the plants is derecognised.

The residual values, useful lives and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable, or at least annually to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gain or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

3.3 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a first-in-first-out method. The costs of material and stores comprise costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Investment properties

Investment properties consist of shop lots held for capital appreciation or rental purpose and not occupied or only an insignificant portion is occupied for use or in the operations of the Group.

Investment properties are stated at fair value, which reflects market conditions at the reporting date by external valuers. Changes in the fair values of investment properties are included in the profit or loss in the financial year in which they arise.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the profit or loss in the year of retirement or disposal.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability on equity instrument of another entity.

3.5.1 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

3.5.1 Financial assets (cont'd)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:-

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

In the year presented, the Group and the Company carry financial assets at amortised cost only.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and the Company's financial assets at amortised cost includes fixed deposits with licensed financial institutions, cash and bank balances, trade and most other receivables and amount due from subsidiaries.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:-

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

3.5.1 Financial assets (cont'd)

Impairment

The Group and the Company recognise an allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experiences and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Company assess whether the financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

3.5.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:-

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

In the year presented, the Group and the Company carry financial liabilities at amortised cost only.

Financial liabilities at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

The Group's and the Company's financial liabilities include trade and other payables, amount due to a subsidiary, amount due to an associate, dividend payable, loans and borrowings including bank overdrafts.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.5.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.6.1 Group as a lessee

The Group as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.6.1.1 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	Over the lease term from 60 to 99 years
Motor vehicles	5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as set out in Note 3.9 Impairment of non-financial assets to the financial statements.

3.6.1.2 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Leases (cont'd)

3.6.1 Group as a lessee (cont'd)

3.6.1.3 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3.6.2 Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

3.7 Tax expense

Tax expense comprises current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

3.7.1 Current tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax is recognised in the statement of financial position as a liability (or an asset) to the extent that it is unpaid (or refundable).

3.7.2 Deferred tax

Deferred tax liabilities and assets are provided for under the liability method at the current tax rate in respect of all temporary differences at the reporting date between the carrying amount of an asset or liability in the statements of financial position and its tax base including unutilised tax losses and unabsorbed capital allowances.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

Current and deferred tax are recognised as expenses in the profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Biological assets

Biological assets comprised produce growing on bearer plants. Biological assets are measured at fair value less costs of disposal. Any gains or losses arising from changes in the fair value less costs of disposal net of transfers to produce stocks are recognised net in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets for bearer plants that are expected to be harvested on a date not more than 12 months after the reporting date, and the balance is classified as non-current.

3.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the recoverable amount of the assets. The assets' recoverable amount is the higher of:

(a) fair value less costs to sell; and
(b) value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group's impairment calculation is based on detailed budgets and forecast calculations for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the recoverable amount of the assets or CGU. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at the end of each reporting period, and when circumstances indicate that the carrying value may be impaired.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Revenue recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

(a) the customer simultaneously receives and consumes the benefits provided as the Group performs;
(b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
(c) the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

3.10.1 Sales of fresh fruit bunches

Revenue from sale of fresh fruit bunches from operation of oil palm estates is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the fresh fruit bunches. The normal credit term is 30 days upon delivery.

3.10.2 Construction revenue

Revenue from construction contracts are accounted for under the percentage of completion method. The stage of completion is measured by reference to the survey work performed for each contract. Any anticipated loss will be recognised in full.

3.10.3 Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

3.10.4 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

3.10.5 Dividend income

Dividend income is recognised when the Group's right to receive payment is established, which is generally when shareholders approve the dividend.

3.10.6 Sales of goods

Revenue relating to sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Transaction price of the sales of goods will be net of sales returns and discount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Employee benefits

3.11.1 Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the financial year, in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occurred.

3.11.2 Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contributions are recognised as expenses in the profit or loss as incurred. As required by law, the Group and the Company made such contributions to Employees Provident Fund ("EPF").

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, fixed deposits with licensed financial institutions and bank overdraft which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

Bank overdraft are shown in current liabilities in the statements of financial position.

For the purpose of the statement of cash flows, cash and cash equivalent are presented net of pledged fixed deposits and bank overdraft.

3.13 Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3.14 Equity, reserves and distributions to owners

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Share capital represents the nominal value of shares that have been issued.

Retained earnings include all current year's loss and prior periods' retained profits.

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings.

All transactions with owners of the Company are recorded separately within equity.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3.16 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:-

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax payable to the taxation authority is included as part of payables in the statements of financial position.

3.17 Earnings per ordinary share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shares of the Group over the average number of ordinary shares outstanding during the period.

3.18 Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.19 Borrowing cost

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.19 Borrowing cost (cont'd)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

3.20 Related parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

A party is related to an entity if:-

(a) A person or a close member of that person's family is related to the Group if that person:-

- (i) has control or joint control over the Group; or
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group.

(b) An entity is related to the Group if any of the following conditions applies:-

- (i) the entity and the Group are members of the same group.
- (ii) the entity is an associate or joint venture of the Group.
- (iii) both the Group and the entity are joint ventures of the same third party.
- (iv) the Group is a joint venture of a third entity and the other entity is an associate of the same third entity.
- (v) the entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
- (vi) the entity is controlled or jointly-controlled by a person identified in (a) above.
- (vii) a person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity.
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Bearer plants RM	Leasehold buildings RM	Freehold land and buildings RM	Plant and machinery RM	Motor vehicles RM	Fittings and equipment RM	Road and infrastructure RM	Renovation RM	Total RM
Cost										
At 1 January 2021	65,000	75,205,726	5,586,570	8,160,047	6,209,109	7,802,460	3,461,353	1,489,503	1,084,879	109,064,647
Additions	–	3,762,423	–	–	206,758	–	38,075	–	–	4,007,256
Written off	–	(13,725,149)	–	–	–	–	–	–	–	(13,725,149)
At 31 December 2021	65,000	65,243,000	5,586,570	8,160,047	6,415,867	7,802,460	3,499,428	1,489,503	1,084,879	99,346,754
Additions	–	2,931,796	921	–	101,472	–	40,888	–	–	3,075,077
Disposals	–	–	(2,007,540)	–	–	–	(3,900)	–	–	(2,011,440)
Reclassification from right-of-use assets (Note 5)	–	–	–	–	–	678,227	–	–	–	678,227
At 31 December 2022	65,000	68,174,796	3,579,951	8,160,047	6,517,339	8,480,687	3,536,416	1,489,503	1,084,879	101,088,618
Accumulated depreciation										
At 1 January 2021	–	37,484,622	2,894,040	701,490	6,115,688	7,352,699	3,040,274	145,786	1,004,075	58,738,674
Charge for the financial year	–	2,302,828	80,621	163,201	30,738	107,312	97,350	29,796	23,790	2,835,636
Written off	–	(7,938,289)	–	–	–	–	–	–	–	(7,938,289)
At 31 December 2021	–	31,849,161	2,974,661	864,691	6,146,426	7,460,011	3,137,624	175,582	1,027,865	53,636,021
Charge for the financial year	–	2,318,416	61,217	163,201	62,619	98,041	94,938	29,796	23,790	2,852,018
Disposals	–	–	(600,507)	–	–	–	(2,665)	–	–	(603,172)
Reclassification from right-of-use assets (Note 5)	–	–	–	–	–	458,567	–	–	–	458,567
At 31 December 2022	–	34,167,577	2,435,371	1,027,892	6,209,045	8,016,619	3,229,897	205,378	1,051,655	56,343,434
Net carrying amount										
At 31 December 2022	65,000	34,007,219	1,144,580	7,132,155	308,294	464,068	306,519	1,284,125	33,224	44,745,184
At 31 December 2021	65,000	33,393,839	2,611,909	7,295,356	269,441	342,449	361,804	1,313,921	57,014	45,710,733

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Office equipment RM
Cost	
At 1 January 2021/31 December 2021/2022	5,330
Accumulated depreciation	
At 1 January 2021/31 December 2021/2022	(5,330)
Net carrying amount	
At 1 January 2021/31 December 2021/2022	–

(a) Bearer plants of the Group with a net carrying amount of RM644,666 (2021: RM576,747) were pledged as a security for bank overdraft facility granted to a subsidiary as disclosed in Note 16 to the financial statements.

(b) The buildings and the freehold land of the Group with a net carrying amount of RM7,122,642 (2021: RM7,280,923) were pledged as a security for credit facilities granted to the subsidiaries as disclosed in Note 16 to the financial statements.

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

The Group has lease contracts for leasehold land and motor vehicles used in its operations. Lease of land are between 60 to 99 years and motor vehicles generally have lease terms of 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Right-of-use assets (cont'd)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period.

	Leasehold land RM	Motor vehicles RM	Total RM
Group			
Cost			
At 1 January 2021	315,465,903	1,367,508	316,833,411
Disposal	–	(136,800)	(136,800)
At 31 December 2021	315,465,903	1,230,708	316,696,611
Reclassification to property, plant and equipment (Note 4)	–	(678,320)	(678,320)
At 31 December 2022	315,465,903	552,388	316,018,291
Accumulated depreciation			
At 1 January 2021	32,959,040	533,053	33,492,093
Charge for the financial year	3,911,144	271,222	4,182,366
Disposal	–	(93,480)	(93,480)
At 31 December 2021	36,870,184	710,795	37,580,979
Charge for the financial year	3,510,769	137,116	3,647,885
Reclassification to property, plant and equipment (Note 4)	–	(458,567)	(458,567)
At 31 December 2022	40,380,953	389,344	40,770,297
Net carrying amounts			
At 31 December 2022	275,084,950	163,044	275,247,994
At 31 December 2021	278,595,719	519,913	279,115,632

(a) Leasehold land of the Group with a net carrying amount of RM183,722,331 (2021: RM185,840,704) is registered in the name of a shareholder, Perbadanan Kemajuan Pertanian Negeri Pahang.

(b) Leasehold land of the Group with a net carrying amount of RM4,541,530 (2021: RM4,594,473) were pledged as a security for bank overdraft facility granted to a subsidiary as disclosed in Note 16 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the financial year:-

	Group	
	2022 RM	**2021 RM**
At 1 January	7,716,675	7,990,326
Interest expense on lease liabilities	373,700	380,460
Payments	(552,149)	(654,111)
At 31 December	7,538,226	7,716,675
Analysed as:		
Current	45,527	180,554
Non-current	7,492,699	7,536,121
	7,538,226	7,716,675

Lease liabilities are secured over the right-of-use assets.

The maturity analysis of lease liabilities is disclosed in Note 30(b) to the financial statements.

The following amount are the amounts recognised in profit or loss:-

	Group	
	2022 RM	**2021 RM**
Depreciation of right-of-use assets	3,647,885	4,182,366
Interest expense on lease liabilities	373,700	380,460
Expenses included in administrative expenses:-		
- Short-term leases	274,997	253,604
Total amount recognised in profit or loss	4,296,582	4,816,430

The following are total cash outflows from lease:

	Group	
	2022 RM	**2021 RM**
Interest paid	373,700	380,460
Payment for principal portion lease liabilities	178,449	273,651
Payment relating to short-term leases	274,997	253,604
	827,146	907,715

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENT PROPERTIES

	Group 2022 RM	2021 RM
At fair value		
Freehold land and building		
1 January/31 December	18,800,000	18,800,000

Investment properties are stated at fair value, which have been determined based on valuation performed by Hartamas Valuation and Consultancy Sdn. Bhd., a registered valuer using income approach by investment method and the comparison method in arriving at the market value.

The income approach by investment method involved capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate. The comparison method entails critical analysis of recent evidence of values of comparable properties in the neighbourhood and making adjustments for any differences noted.

The investment properties with a net carrying amount of RM18,800,000 (2021: RM18,800,000) have pledged to financial institutions for credit facilities granted to a subsidiary, as disclosed in Note 16 to the financial statements.

Investment properties at valuation are categorised at Level 2 fair value.

Level 2 Fair Value

Level 2 fair values of investment properties have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

Income and expenses recognised in profit or loss

	Group 2022 RM	2021 RM
Rental income	295,960	295,371
Direct operating expenses:-		
- Income generating investment properties	297,480	297,480

7. INVESTMENT IN SUBSIDIARIES

	Company 2022 RM	2021 RM
Unquoted shares:-		
Brought forward	181,523,002	181,523,000
Addition	–	2
Carried forward	181,523,002	181,523,002
Less: Impairment losses	(10,408,693)	(10,332,929)
	171,114,309	171,190,073

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The movement of impairment losses is as follows:-

	Company 2022 RM	Company 2021 RM
Brought forward	10,332,929	10,003,550
Impairment loss recognised	75,764	329,379
Carried forward	10,408,693	10,332,929

Impairment loss on a subsidiary is recognised to reduce the carrying value of the investment to the estimated recoverable amount.

The particulars of the subsidiaries are as follows:-

	Name of company	Place of incorporation/ Principal place of business	Effective equity interest 2022 %	Effective equity interest 2021 %	Principal activities
1.	Tasja Sdn. Bhd.	Malaysia	100	100	Civil engineering and building construction
2.	PTJ Concrete Products Sdn. Bhd.	Malaysia	100	100	Dormant
3.	Tasja Development Sdn. Bhd.	Malaysia	100	100	Property development
4.	Clean Link Sdn. Bhd.	Malaysia	100	100	Retail sale of any kind of products over the internet
5.	Tasja Properties Sdn. Bhd.	Malaysia	100	100	Properties investment
6.	Astral Asia Plantation Sdn. Bhd. ("AAP")	Malaysia	65	65	Operations of oil palm estates
7.	Astral Chem Sdn. Bhd.	Malaysia	100	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiary

The Group's subsidiary that has material non-controlling interests are as follows:-

	Astral Asia Plantation Sdn. Bhd. 2022	2021
Percentage of ownership interest and voting interest (%)	**35%**	**35%**
Carrying amount of non-controlling interests (RM)	80,693,785	82,566,817
Profit/(Loss) allocated to non-controlling interests (RM)	226,968	(1,361,308)

The summary of financial information before intra-group elimination for the Group's subsidiary that has a material non-controlling interests is as below:-

	Astral Asia Plantation Sdn. Bhd. 2022 RM	2021 RM
Statement of financial position as at 31 December		
Non-current assets	309,326,367	313,821,822
Current assets	3,975,728	4,747,882
Non-current liabilities	(81,016,141)	(80,951,984)
Current liabilities	(5,606,942)	(5,587,187)
Net assets	226,679,012	232,030,533
Summary of financial performance for the financial year ended		
Total comprehensive profit/(loss) for the financial year	648,479	(3,889,450)
Included in the total comprehensive profit/(loss) is:-		
Revenue	20,156,844	18,010,433
Summary of cash flows for the financial year ended		
Net cash inflow/(outflow) from		
- operating activities	7,841,324	7,878,747
- investing activities	(1,732,777)	(3,982,776)
- financing activities	(6,678,288)	(3,641,455)
Net cash (outflow)/inflow	(569,741)	254,516
Other information		
Dividend paid to non-controlling interest	2,100,000	1,050,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. INVESTMENT IN AN ASSOCIATE

	Group 2022 RM	Group 2021 RM
Unquoted shares, at cost	2,450,000	2,450,000
Share of post-acquisition loss	(1,390,623)	(1,322,267)
	1,059,377	1,127,733

Details of the associate are as follows:-

Name of company	Place of incorporation/ Principal place of business	Effective equity interest 2022 %	Effective equity interest 2021 %	Principal activities
Johor Concrete Products Sdn. Bhd. (436690 - T) *	Malaysia	49	49	Dormant

* Associate not audited by Grant Thornton Malaysia PLT.

The following table summarised the information of the Group's associate, adjusted for any differences in accounting policies and reconciled the information to the carrying amount of the Group's interest in the associate:-

	2022 RM	2021 RM
Statement of financial position as at 31 December		
Non-current assets	2,726,288	2,800,347
Current assets	690,850	756,292
Current liabilities	(1,253,620)	(1,253,620)
Net assets	2,163,518	2,303,019
Summary of financial performance for the financial year ended 31 December		
Loss for the financial year/Total comprehensive loss for the financial year	139,502	79,638
Reconciliation of net assets to carrying amount as at 31 December		
Group's share of net assets	1,082,303	1,150,659
Negative goodwill	(22,926)	(22,926)
Carrying amount in the statements of financial position	1,059,377	1,127,733
Group's share of results for the financial year ended 31 December		
Group's share of loss/total comprehensive loss	68,356	39,023

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. INVENTORIES

	Group	
	2022 RM	2021 RM
Materials and stores	1,352,021	1,210,836
Finished goods	–	111,182
	1,352,021	1,322,018
Recognised in profit or loss:-		
Inventories recognised in cost of sales	111,182	580,661
Inventories written off	6,125	–

10. BEARER BIOLOGICAL ASSETS

	Group	
At valuation	2022 RM	2021 RM
At 1 January	974,895	998,409
Fair value loss	(404,011)	(23,514)
At 31 December	570,884	974,895

The Group's biological assets were fair valued within Level 3 of the fair value hierarchy. Fair value assessments have been completed consistently using the same valuation techniques.

There were no transfers Level 3 of the fair value hierarchy during the financial year.

The biological assets have the following maturity periods:-

	2022 RM	2021 RM
Current		
Due not later than one year	570,884	974,895

The biological assets of the Group comprise of:-

Oil palm

Oil palm represents the fresh fruit bunches ("FFB") of up to 2 weeks prior to harvest for use in the Group's palm producer operations. During the financial year, the Group harvested approximately 18,250 (2021: 18,478) metric tonnes ("MT") of FFB.

The Group attributes a fair value on the FFB prior to harvest at each statements of financial position date as required under MFRS 141 "Agriculture". FFB are produce of oil palm trees and are harvested continuously throughout the financial year to be used in the production of crude palm oil ("CPO").

Each FFB takes approximately 22 weeks from pollination to reach maximum oil content to be ready for harvesting. The value of each FFB at each point of the FFB production cycle will vary based on the cumulative oil content in each fruit.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. BEARER BIOLOGICAL ASSETS (CONT'D)

The biological assets of the Group comprise of (cont'd):-

Oil palm (cont'd)

In determining the fair values of FFB, management has considered the oil content of all unripe FFB from the week after pollination to the week prior to harvest. As the oil content accrues exponentially in the 2 weeks prior to harvest, the FFB prior to 2 weeks before harvesting are excluded in the valuation as the fair values are considered negligible.

The valuation model adopted by the Group is a discounted cash flow model which includes all cash inflows, cash outflows and imputed contributory asset charges where no actual cash associated with the use of assets essential to the agricultural activity are accounted for. The net present value of cash flows is then determined with reference to the market value of CPO at the date of harvest, size of the land, metric ton produced and other cost to sell at the point of harvest. Changes to the assumed prices of the FFB and tonnage included in the valuation will have a direct effect on the reported valuation.

The following valuation techniques and significant inputs were used to measure the biological assets:-

Description	Fair value at 2022 RM	Valuation technique	Discount rate	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Oil palm	570,884	Average MPOB price	5%	Estimation of produce growing on trees	10.00 MT to 235.16 MT	The higher the average MPOB price and metric ton produced, the higher the fair value

Description	Fair value at 2021 RM	Valuation technique	Discount rate	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Oil palm	974,895	Average MPOB price	5%	Estimation of produce growing on trees	6.77 MT to 357.54 MT	The higher the average MPOB price and metric ton produced, the higher the fair value

If the FFB selling price changes by 5%, profit or loss for the Group would have equally increased or decreased by approximately RM32,000 (2021: RM47,000).

Risks

The Group is exposed to a number of risks regarding its bearer biological assets:-

- Regulatory and environmental risks

  The Group's plantation operations are subject to laws and regulations. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

10. BEARER BIOLOGICAL ASSETS (CONT'D)

Risks (cont'd)

The Group is exposed to a number of risks regarding its bearer biological assets (cont'd):-

- Supply and demand risks

  The Group is exposed to risks arising from the fluctuations of price and sales volumes of its agricultural produces. Management performs regular industry trend analysis to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

- Other risks

  The Group's oil palm plantations are exposed to the risk of damage from climate changes, disease, forest fires and other natural forces.

  The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry and pest disease surveys. The Group also insures itself, where cost-effective, against natural disasters such as fire.

11. TRADE RECEIVABLES

	Group	
	2022	**2021**
	RM	**RM**
Trade receivables	1,038,745	1,070,411
Less: Allowance for expected credit loss	(774,587)	(811,837)
Net trade receivables	264,158	258,574

The movement of allowance for expected credit losses during the financial year is as follow:-

	Group	
	2022	**2021**
	RM	**RM**
Brought forward	811,837	811,837
Reversal	(37,250)	–
Carried forward	774,587	811,837

Reversal of allowance for expected credit losses ("ECL")

The allowance for ECL on trade receivables was reversed during the financial year as a result of write off.

The normal credit terms granted by the Group to the trade receivables ranging from 30 to 60 (2021: 30 to 60) days.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. OTHER RECEIVABLES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-trade receivables	2,088,108	2,044,691	5,303	5,303
Retention fund receivables	13,750	25,255	–	–
Deposits	368,453	337,823	1,000	1,790
Less: Allowance for expected credit loss	(2,003,449)	(2,005,641)	(5,303)	(5,303)
	466,862	402,128	1,000	1,790
Prepayments	37,287	9,356	–	–
GST receivable	87,711	87,713	–	–
	591,860	499,197	1,000	1,790

The movement of allowance for expected credit loss is as follows:-

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Brought forward	2,005,641	2,005,641	5,303	5,303
Reversed	(2,192)	–	–	–
Carried forward	2,003,449	2,005,641	5,303	5,303

13. AMOUNT DUE FROM SUBSIDIARIES

	Company	
	2022 RM	2021 RM
Amount due from subsidiaries	30,856,810	27,908,755
Less: Allowance for expected credit losses	(30,856,760)	(27,908,455)
	50	300

The movement of allowance for expected credit loss is as follows:-

	Company	
	2022 RM	2021 RM
Brought forward	27,908,455	25,844,330
Allowance for expected credit loss recognised	2,948,305	2,154,125
Reversal of expected credit loss	–	(90,000)
Carried forward	30,856,760	27,908,455

The amount due from subsidiaries arising from non-trade transactions is unsecured, bears no interest and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. FIXED DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

Group

The fixed deposits with licensed financial institutions amounted to RM3,500 (2021: RM3,500) are pledged for the guarantee facilities granted to a subsidiary.

The interest rate of fixed deposits with licensed financial institutions is 3.35% (2021: 3.35%) per annum.

15. SHARE CAPITAL

	Group and Company No. of ordinary shares		Group and Company Amount	
	2022	**2021**	**2022 RM**	**2021 RM**
Issued and fully paid with no par value:-				
Brought forward/Carried forward	659,983,500	659,983,500	131,996,700	131,996,700

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company residual assets.

16. LOANS AND BORROWINGS

	Group	
	2022 RM	**2021 RM**
Secured:-		
Term loan	9,094,034	10,265,723
Bank overdraft	988,689	1,105,637
	10,082,723	11,371,360

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. LOANS AND BORROWINGS (CONT'D)

The term loan and bank overdraft are repayable as follows:-

	Group 2022 RM	Group 2021 RM
Within 1 year	2,188,854	2,181,888
More than 1 year but less than 2 years	1,255,321	1,111,200
More than 2 years but less than 5 years	5,572,839	3,554,834
More than 5 years	1,065,709	4,523,438
	7,893,869	9,189,472
	10,082,723	11,371,360

	Group 2022 %	Group 2021 %
Term loan	4.70 – 8.35	4.70 – 8.35
Bank overdraft	4.90 – 6.95	4.90 – 6.95

Term loan is repayable over 180 monthly installments of RM115,755 each commencing after one month from the date of full disbursement.

Term loan is secured by the following:-

(a) Legal charge against the Group's freehold land and building as disclosed in Notes 4 and 6 to the financial statements;
(b) Corporate guarantee by the Company;
(c) Deed of Assignment and Power of Attorney in respect of the rental proceeds from the security property of the lender; and
(d) Charge over the customer's ESCROW account with the bank.

The bank overdraft is secured by:-

(a) legal charge over the bearer plants, freehold land and buildings, leasehold land and investment properties as disclosed in Notes 4 and 5 to the financial statements; and
(b) Corporate guarantee by the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. DEFERRED TAX LIABILITIES

Recognised deferred tax liabilities

	Group	
	2022 RM	**2021 RM**
At 1 January	69,773,103	70,853,622
Recognised in profit or loss (Note 25)	107,579	(1,080,519)
At 31 December	69,880,682	69,773,103

The balance of deferred tax liabilities is made up of tax effect on temporary differences arising from the following items:-

	Group		
	1 January 2022 RM	**Recognised in profit or loss RM**	**31 December 2022 RM**
Property, plant and equipment	6,150,164	(260,412)	5,889,752
Revaluation of leasehold land and buildings	61,377,309	–	61,377,309
Revaluation of bearer plants	2,310,371	384,887	2,695,258
Revaluation of biological assets	233,975	–	233,975
Right-of-use assets and lease liabilities	(298,716)	(16,896)	(315,612)
	69,773,103	107,579	69,880,682

	Group		
	1 January 2021 RM	**Recognised in profit or loss RM**	**31 December 2021 RM**
Property, plant and equipment	7,166,260	(1,016,096)	6,150,164
Revaluation of leasehold land and buildings	61,377,309	–	61,377,309
Revaluation of bearer plants	2,352,160	(41,789)	2,310,371
Revaluation of biological assets	239,618	(5,643)	233,975
Right-of-use assets and lease liabilities	(281,725)	(16,991)	(298,716)
	70,853,622	(1,080,519)	69,773,103

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. DEFERRED TAX LIABILITIES (CONT'D)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:-

	Group	
	2022 RM	**2021 RM**
Unabsorbed capital allowances	610,000	570,000
Unutilised tax losses	116,593,000	114,118,000
Carrying amount of qualifying property, plant and equipment in excess of their tax base	(61,000)	(41,000)
	117,142,000	114,647,000

Deferred tax assets have not been recognised as the subsidiaries may not have sufficient taxable profits to be used to offset and there have arisen in subsidiaries that have a recent history of losses.

Effective Year of Assessment 2019 as announced in the Annual Budget 2022, the unused tax losses of Group and the Company as of 31 December 2018 and thereafter will be available for carry forward for a period of 10 consecutive years. Upon expiry of the 10 years, the unutilised tax losses will be disregarded.

The expiry of the unutilised tax losses as follows:-

	Group	
	2022 RM	**2021 RM**
Year of assessment 2029	97,800,000	97,800,000
Year of assessment 2030	13,402,000	13,402,000
Year of assessment 2031	856,000	856,000
Year of assessment 2032	2,060,000	2,060,000
Year of assessment 2033	2,475,000	–
	116,593,000	114,118,000

18. TRADE PAYABLES

Group

Included in trade payables is retention sums on contracts amounted to RM88,120 (2021: RM93,694). The normal credit terms granted by the trade payables range from 30 to 60 (2021: 30 to 60) days.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19. OTHER PAYABLES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-trade payables	284,109	386,989	21,887	594
Accrual of expenses	1,571,687	737,160	33,500	33,500
Deposit received	747,892	738,455	–	–
Advances from customers	510	3,109	–	–
Amount due to corporate shareholders	2,698,226	2,698,226	–	–
	5,302,424	4,563,939	55,387	34,094

One of the corporate shareholders refer to Perbadanan Kemajuan Pertanian Negeri Pahang, who is a shareholder of the Company and a minority shareholder of a subsidiary, Astral Asia Plantation Sdn. Bhd..

The amount due to corporate shareholders arising from non-trade transactions is unsecured, bears no interest and repayable on demand.

20. AMOUNT DUE TO A SUBSIDIARY

The amount due to a subsidiary arising from non-trade transactions is unsecured, bears no interest and repayable on demand.

21. AMOUNT DUE TO AN ASSOCIATE

The amount due to an associate arising from non-trade transactions is unsecured, bears no interest and repayable on demand.

22. REVENUE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Type of goods or services				
Dividend income	–	–	3,900,000	1,950,000
Sales of fresh fruit bunches	20,156,844	18,010,433	–	–
Construction revenue	10,547	–	–	–
Rental income	295,960	295,371	–	–
Sales of goods	97,366	645,180	–	–
	20,560,717	18,950,984	3,900,000	1,950,000
Timing of revenue recognition				
Goods transferred and services rendered at a point in time	20,550,170	18,950,984	3,900,000	1,950,000
Performance obligations satisfied over time	10,547	–	–	–
	20,560,717	18,950,984	3,900,000	1,950,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. COST OF SALES

	Group 2022 RM	Group 2021 RM
Cost of oil palm produce	7,279,367	5,885,733
Insurance	25,584	25,584
Building maintenance charges	204,372	204,372
Quit rent and assessment	67,524	67,524
Purchases of goods	112,863	580,661
	7,689,710	6,763,874

24. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax has been determined:-

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
After charging/(crediting):-				
Auditors' remuneration:-				
- statutory	97,500	95,000	28,000	28,000
- non-statutory	5,000	5,000	5,000	5,000
Interest expenses:-				
- lease liabilities	373,700	380,460	–	–
- term loan	223,785	267,956	–	–
- bank overdraft	53,654	142,407	–	–
Interest income:-				
- current account	–	(2)	–	–
Other income:-				
- rental income	(48,258)	(27,100)	–	–
Short-term leases	274,997	253,604	–	–
Depreciation:-				
- property, plant and equipment	2,852,018	2,835,636	–	–
- right-of-use assets	3,647,885	4,182,366	–	–
Direct operating expenses of investment properties:-				
- income generating investment properties	297,480	297,480	–	–
Loss/(Gain) on disposal of:-				
- property, plant and equipment	77,468	–	–	–
- right-of-use assets	–	(56,680)	–	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. TAXATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Current tax:-				
- current year provision	1,503,535	1,158,527	–	–
- (over)/under provision in prior years	(24,586)	130,409	–	–
	1,478,949	1,288,936	–	–
Deferred tax (Note 17):-				
- current year	108,309	(1,028,944)	–	–
- over provision in prior years	(730)	(51,575)	–	–
	107,579	(1,080,519)	–	–
	1,586,528	208,417	–	–

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year.

A reconciliation of income tax of statutory tax rate to effective tax rate of the Group and of the Company are as follows:-

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
(Loss)/Profit before tax	(1,927,058)	(7,225,201)	505,018	(838,442)
Taxation at Malaysian statutory tax rate of 24%	(462,494)	(1,734,048)	121,204	(201,226)
Tax effects in respect of:-				
Movement of deferred tax assets not recognised	598,800	573,360	–	–
Expenses not deductible for tax purposes	1,565,728	1,325,474	814,796	690,826
Income not subject to tax	(90,190)	(35,203)	(936,000)	(489,600)
(Over)/Under provision of taxation in prior years	(24,586)	130,409	–	–
Over provision of deferred tax in prior years	(730)	(51,575)	–	–
Taxation	1,586,528	208,417	–	–

The Group's unutilised tax losses and unabsorbed capital allowances which can be carried forward to offset against future taxable profits amounted to approximately RM116,593,000 (2021: RM114,118,000) and RM610,000 (2021: RM570,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. LOSS PER SHARE

Basic and diluted loss per ordinary shares

Basic and diluted loss per share are calculated based on the loss of the financial year attributable to ordinary equity holders of the Company and the number of ordinary shares in issue during the financial year.

	Group	
	2022 RM	2021 RM
Loss attributable to owners of the Company (RM)	(3,740,554)	(6,072,310)
Number of ordinary shares in issue:- Brought forward/Carried forward	659,983,500	659,983,500
Basic and diluted loss per ordinary shares (sen)	(0.57)	(0.92)

27. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Salaries, bonuses and allowances	4,608,124	4,128,118	207,000	220,000
Defined contribution plan	440,727	416,577	–	–
Social security contributions	18,440	19,789	–	–
Other benefits	171,186	62,240	–	–
	5,238,477	4,626,724	207,000	220,000

Included in employee benefits expense is Directors' remuneration as below:-

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Executive				
Salaries and other emoluments	2,324,800	1,753,000	–	–
Defined contribution plan	251,791	193,164	–	–
Social security contribution	3,236	3,308	–	–
Fees	118,000	138,000	111,000	126,000
	2,697,827	2,087,472	111,000	126,000
Non-executive				
Fees	96,000	96,000	96,000	96,000
Other emoluments	–	25,000	–	–
	96,000	121,000	96,000	96,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

28. RELATED PARTY DISCLOSURES

(a) Significant related party transactions during the financial year are as follows:-

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Dividend received from a subsidiary	-	-	3,900,000	1,950,000
Lease payment to a corporate shareholder	375,791	375,791	-	-

Related parties transactions have been entered into the normal course of business under normal trade terms.

(b) The Group and the Company have no other members of key management personnel apart from the Board of Directors. Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group and the Company. The Directors' remuneration is disclosed in Note 27 to the financial statements.

(c) The outstanding balances arising from related party transactions as at reporting date are disclosed in Notes 13, 19, 20 and 21 to the financial statements.

29. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities are measured at amortised cost ("AC").

Group	**Carrying amount RM**	**AC RM**
2022		
Financial assets		
Trade receivables	264,158	264,158
Other receivables	466,862	466,862
Fixed deposit with licensed financial institutions	3,500	3,500
Cash and bank balances	6,115,256	6,115,256
	6,849,776	6,849,776
Financial liabilities		
Trade payables	231,805	231,805
Other payables	5,302,424	5,302,424
Amount due to an associate	565,195	565,195
Loan and borrowings	10,082,723	10,082,723
Dividend payable	21	21
	16,182,168	16,182,168

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities are measured at amortised cost ("AC") (cont'd).

Group (cont'd)	**Carrying amount RM**	**AC RM**
2021		
Financial assets		
Trade receivables	258,574	258,574
Other receivables	402,128	402,128
Fixed deposit with licensed financial institutions	3,500	3,500
Cash and bank balances	7,560,657	7,560,657
	8,224,859	8,224,859
Financial liabilities		
Trade payables	433,759	433,759
Other payables	4,563,939	4,563,939
Amount due to an associate	565,195	565,195
Loan and borrowings	11,371,360	11,371,360
Dividend payable	21	21
	16,934,274	16,934,274
Company		
2022		
Financial assets		
Other receivables	1,000	1,000
Amount due from subsidiaries	50	50
Cash and bank balances	46,777	46,777
	47,827	47,827
Financial liabilities		
Other payables	55,387	55,387
Amount due to a subsidiary	3,136,254	3,136,254
Dividend payable	21	21
	3,191,662	3,191,662

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities are measured at amortised cost ("AC") (cont'd).

Company	**Carrying amount RM**	**AC RM**
2021		
Financial assets		
Other receivables	1,790	1,790
Amount due from subsidiaries	300	300
Cash and bank balances	52,662	52,662
	54,752	54,752
Financial liabilities		
Other payables	34,094	34,094
Amount due to a subsidiary	3,745,254	3,745,254
Dividend payable	21	21
	3,779,369	3,779,369

Net (loss)/gain arising from financial instruments

	Group		**Company**	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Net (loss)/gain on:-				
Financial assets at amortised cost	39,442	2	(2,948,305)	(2,064,125)
Financial liabilities at amortised cost	(651,139)	(790,823)	–	–
	(611,697)	(790,821)	(2,948,305)	(2,064,125)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Risks

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's and the Company's business whilst managing its credit risk, liquidity risk and interest rate risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process. The Group and the Company have not active engage in the trading of financial assets for speculative purposes nor does it write options. The Group and the Company do not apply hedge accounting.

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's and the Company's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group and the Company do not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation of the Group's and the Company's total credit exposure. The Group's and the Company's portfolio of financial instrument is broadly diversified along industry, product and geographical lines, and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

The Group's maximum exposure credit risk is represented by the carrying amount of trade and other receivables in the statements of financial position.

The Company's maximum exposure credit risk is represented by the carrying amount of other receivables including amount due from subsidiaries in the statements of financial position.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group and the Company do not offer credit terms without the approval of the management.

Following are the areas where the Group and the Company are exposed to credit risk:-

(i) Trade receivables

The Group's exposure to credit risk are influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Directors have established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external rating, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Directors.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial Risks (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

(i) Trade receivables (cont'd)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11 to the financial statements.

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables which are grouped together as they are expected to have similar risk nature:-

Group	Gross-carrying amount RM	Loss allowances RM	Net balance RM
2022			
Current (not past due)	264,158	–	264,158
Credit impaired			
Individually impaired	774,588	(774,588)	–
	1,038,746	(774,588)	264,158
2021			
Current (not past due)	184,419	–	184,419
91- 120 days past due	22,050	–	22,050
More than 121 days past due	52,105	–	52,105
Credit impaired			
Individually impaired	811,837	(811,837)	–
	1,070,411	(811,837)	258,574

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial Risks (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

(ii) Other receivables

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

(iii) Intercompany balances

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The Company provides unsecured advances to subsidiaries and monitors their results regularly.

As of the end of the reporting date, there was no indication that advances to subsidiaries are not recoverable except for amount due from subsidiaries amounted to RM30,856,810 (2021: RM27,908,455).

(iv) Financial guarantees

The maximum exposure to credit risk is amounted to RM9,094,034 (2021: RM10,265,723), represented by the outstanding banking facilities of the subsidiaries as at the end of the reporting date.

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an on-going basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

Financial guarantees have not been recognised since the fair value on initial recognition was not material.

(b) Liquidity risk

Liquidity risk is a risk that the Group and the Company will not be able to meet their financial obligations as they fall due as a result of shortage of funds.

In managing their exposure risk arises from payables and borrowings, the Group and the Company maintain a level of cash and cash equivalents deemed adequate by management to ensure that they will have sufficient liquidity to meet their obligations as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial Risks (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity risk (cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

			Maturity			
	Carrying amount RM	**Contractual cash flows RM**	**Within 1 year RM**	**1 to 2 years RM**	**2 to 5 years RM**	**More than 5 years RM**
Group						
2022						
Trade payables	231,805	231,805	231,805	–	–	–
Other payables	5,302,424	5,302,424	5,302,424	–	–	–
Amount due to an associate	565,195	565,195	565,195	–	–	–
Dividend payable	21	21	21	–	–	–
Lease liabilities	7,538,226	29,457,123	427,268	375,791	1,127,373	27,526,691
Loans and borrowings	10,082,723	11,174,344	2,508,297	1,519,608	6,078,432	1,068,007
Total	23,720,394	46,730,912	9,035,010	1,895,399	7,205,805	28,594,698
2021						
Trade payables	433,759	433,759	433,759	–	–	–
Other payables	4,563,939	4,563,939	4,563,939	–	–	–
Amount due to an associate	565,195	565,195	565,195	–	–	–
Dividend payable	21	21	21	–	–	–
Lease liabilities	7,716,675	30,006,992	552,150	424,987	1,127,373	27,902,482
Loans and borrowings	11,371,360	12,800,815	2,494,697	1,389,060	4,167,180	4,749,878
Total	24,650,949	48,370,721	8,609,761	1,814,047	5,294,553	32,652,360

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial Risks (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity risk (cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

	Carrying amount RM	Contractual cash flows RM	Maturity Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Company						
2022						
Other payables	55,387	55,387	55,387	–	–	–
Amount due to a subsidiary	3,136,254	3,136,254	3,136,254	–	–	–
Dividend payable	21	21	21	–	–	–
Total	3,191,662	3,191,662	3,191,662	–	–	–
Corporate guarantee *	–	9,094,034	–	–	–	–
2021						
Other payables	34,094	34,094	34,094	–	–	–
Amount due to a subsidiary	3,745,254	3,745,254	3,745,254	–	–	–
Dividend payable	21	21	21	–	–	–
Total	3,779,369	3,779,369	3,779,369	–	–	–
Corporate guarantee *	–	10,265,723	–	–	–	–

* This exposure is included in liquidity risk for illustration only. No financial guarantee was called upon by the holders as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial Risks (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were as follows:-

	Group RM
2022	
Fixed rate instruments	
Financial asset	
Fixed deposits with licensed financial institutions	3,500
Financial liability	
Lease liabilities	7,538,226
Floating rate instrument	
Financial liability	
Loans and borrowings	10,082,723
2021	
Fixed rate instruments	
Financial asset	
Fixed deposits with licensed financial institutions	3,500
Financial liability	
Lease liabilities	7,716,675
Floating rate instrument	
Financial liability	
Loans and borrowings	11,371,360

Fair value sensitivity analysis for fixed rate instruments:

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates as at the end of the reporting period would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial Risks (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(c) Interest rate risk (cont'd)

Cash flow sensitivity analysis for variable rate instruments:

The following table illustrates the sensitivity of profit or loss and equity to a reasonable possible change in interest rates of +/- 50 basis point ("bp"). These changes considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Loss for the year RM		Equity RM	
	+50 bp	**-50bp**	**+50bp**	**-50bp**
2022	(50,414)	50,414	(50,414)	50,414
2021	(56,857)	56,857	(56,857)	56,857

Fair value of financial instruments

The carrying amounts of short-term borrowings (except for lease liabilities), receivables, payables and cash and cash equivalents approximate their fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	**1 January RM**	**Cash flows RM**	**31 December RM**
2022			
Term loans	10,265,723	(1,171,689)	9,094,034
Lease liabilities	7,716,675	(178,449)	7,538,226
2021			
Term loans	11,873,244	(1,607,521)	10,265,723
Lease liabilities	7,990,326	(273,651)	7,716,675
Company			
2022			
Amount due to a subsidiary	3,745,254	(609,000)	3,136,254
2021			
Amount due to a subsidiary	3,739,950	5,304	3,745,254

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and financially prudent capital ratios in order to support their current business as well as future expansion so as to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to them, in light of changes in economic conditions including the interest rate movements. To maintain and adjust the capital structure, the Group and the Company may attain future profitable operations, adjust dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25% of the issued and paid-up capital. The Company has complied with this requirement.

32. OPERATING SEGMENTS

(a) Business segments

Management currently identifies the Group's operating segment into the following:-

Business segments	Business activities
Investment	Investment holding
Property development and construction	Development and civil engineering and building construction
Plantation	Operations of oil palm estates
Trading	Retail sale of any kind of product over internet

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. OPERATING SEGMENTS (CONT'D)

(a) Business segment (cont'd)

2022	Note	Investment RM	Property development and construction RM	Plantation RM	Trading RM	Adjustments and eliminations RM	Total RM
Revenue							
External revenue		295,960	10,547	20,156,844	97,366	–	20,560,717
Intersegment revenue	(i)	4,340,868	–	–	–	(4,340,868)	–
Total revenue		4,636,828	10,547	20,156,844	97,366	(4,340,868)	20,560,717
Results							
Finance cost		(223,785)	(256)	(427,098)	–	–	(651,139)
Depreciation of property, plant and equipment and right-of-use assets		(186,412)	(158,417)	(6,151,199)	(3,875)	–	(6,499,903)
Taxation		(48,304)	–	(1,538,224)	–	–	(1,586,528)
Other non-cash expenses	(ii)	–	(435)	(481,044)	39,442	(68,356)	(510,393)
Segment loss		199,399	(3,232,541)	648,479	(94,711)	(1,034,212)	(3,513,586)
Assets							
Investment in associate		–	1,060,124	–	–	(747)	1,059,377
Additions to non-current assets	(iii)	–	8,027	3,062,777	4,273	–	3,075,077
Segment assets		202,708,497	21,169,336	313,302,004	94,284	(188,523,887)	348,750,234
Liabilities							
Segment liabilities		35,544,849	29,325,286	86,623,083	452,550	(58,278,576)	93,667,192

32. OPERATING SEGMENTS (CONT'D)

(a) Business segment (cont'd)

2021	Note	Investment RM	Property development and construction RM	Plantation RM	Trading RM	Adjustments and eliminations RM	Total RM
Revenue							
External revenue		295,371	–	18,010,433	645,180	–	18,950,984
Intersegment revenue	(i)	2,630,868	–	–	–	(2,630,868)	–
Total revenue		2,926,239	–	18,010,433	645,180	(2,630,868)	18,950,984
Results							
Finance income		–	–	2	–	–	2
Finance cost		(267,956)	(22,230)	(500,637)	–	–	(790,823)
Depreciation of property, plant and equipment and right-of-use assets		(186,412)	(279,046)	(6,549,804)	(2,740)	–	(7,018,002)
Taxation		(88,139)	–	(120,278)	–	–	(208,417)
Other non-cash expenses	(ii)	–	56,680	(5,810,374)	–	(39,023)	(5,792,717)
Segment loss		(1,663,094)	(2,512,676)	(3,889,450)	(191,448)	823,050	(7,433,618)
Assets							
Investment in associate		–	1,128,480	–	–	(747)	1,127,733
Additions to non-current assets	(iii)	–	17,828	3,982,778	6,650	–	4,007,256
Segment assets		203,142,274	22,607,982	318,569,704	365,574	(189,312,595)	355,372,939
Liabilities							
Segment liabilities		36,178,025	27,531,391	86,539,171	629,129	(56,201,405)	94,676,311

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. OPERATING SEGMENTS (CONT'D)

(a) Business segment (cont'd)

(i) Inter-segment revenue are eliminated on consolidation.

(ii) Other non-cash (expenses)/income consist of the following items as presented in the notes to the financial statements:-

	Group	
	2022 RM	2021 RM
Fair value loss on bearer biological assets	(404,011)	(23,514)
(Loss)/Gain on disposal of:-		
- property, plant and equipment	(77,468)	–
- right-of-use assets	–	56,680
Reversal of ECL on other receivables	2,192	–
Reversal of ECL on trade receivables	37,250	–
Property, plant and equipment written off	–	(5,786,860)
Share of loss in associate	(68,356)	(39,023)
	(510,393)	(5,792,717)

(iii) Additions to non-current assets consist of:-

	Group	
	2022 RM	2021 RM
Property, plant and equipment	3,075,077	4,007,256

(b) Geographical segment

No geographical segmental information being presented as the Group operates principally within Malaysia.

(c) Information about a major customer

Revenue from one (2021: one) major customer amounted to RM20,156,844 (2021: RM18,010,433), arising from sales by the plantation segment.

GROUP'S PROPERTIES
AS AT 31 DECEMBER 2022

	Address /Location	Description/ Existing	Land Area	Built Up Area	Tenure	Age of Building	Net Book Value RM	Year Revalued/ Acquired
1.	HS (D) 28295 PT 86317 HS (D) 38537 PT 104729 HS (D) 38538 PT 104730 Mukim of Kuala Kuantan District of Kuantan Pahang	Oil palm estate	985 hectares	–	Leasehold expiring in between years 2090 and 2106	–	81,871,000	2017
2.	HS(D) 853 PT 631 HS(D) 854 PT 632 HS(D) 406 PT 608 Mukim of Kertau HS(D) 609 PT 5616 HS(D) 852 PT 6566 Mukim of Luit HS(D) 610 PT 11316 HS(D) 611 PT 11317 HS(D) 612 PT 11318 HS(D) 849 PT 21456 HS(D) 850 PT 21457 HS(D) 851 PT 21458 Mukim of Chenor District of Maran, Pahang	Oil palm estate	3,034 hectares	–	Leasehold expiring between years 2094 and 2101	–	183,722,000	2017
3.	HSM 61911 (PT 85592) to HSM 61961 (PT 85642), Mukim of Kuala Kuantan District of Kuantan Pahang	51 Units Vacant Shoplot	6,886 square metres	–	Leasehold year 2104	–	1,992,000	2017
4.	HS (D) 2820 PT 6156 HS (D) 2821 PT 6157 HS (D) 2854 PT 6190 HS (D) 2855 PT 6191 HS (D) 2856 PT 6192 HS (D) 3096 PT 6422 HS (D) 3088 PT 6430 Mukim Bernam Timur Daereh Batang Padang Perak	Vacant Bungalow Lots	8,925 square metres	–	Leasehold expiring in year 2095	–	1,327,000	2017
5.	Level 10,11 & 12 Menara TSR, No 12, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan	3 levels Office Lot	–	2,875 square metres	Freehold	9 Years	26,550,000	2017
6.	No. 77-1, Jalan SBC 1, Taman Sri Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan	1 unit of Office Premise	–	123 square metres	Freehold	24 Years	226,000	2018

ANALYSIS OF SHAREHOLDINGS
AS AT 17 APRIL 2023

Total Number of Issued Shares	:	659,983,500
Class of shares	:	Ordinary Shares
Voting rights	:	One vote per ordinary share
No of Shareholders	:	1,786

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	52	2.9115	2,555	0.0004
100 – 1,000	243	13.6058	107,883	0.0163
1001 - 10,000	424	23.7402	2,632,642	0.3989
10,001 – 100,000	923	51.6797	33,425,673	5.0646
100,001 – less than 5% of issued shares	140	7.8387	209,225,300	31.7016
5% and above issued shares	4	0.2240	414,589,447	62.8182
TOTAL	1,786	100.00	659,983,500	100.00

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct shareholdings	%	Indirect shareholdings	%
1. Perbadanan Kemajuan Pertanian Negeri Pahang	177,622,559	26.91	2,379,850*	0.36
2. Dato' Lim Kang Poh	89,552,289	13.57	–	–
3. Tan Sri Dato' Lim Kang Yew	89,552,289	13.57	–	–
4. Agur Tegap Sdn Bhd	57,862,310	8.77	–	–

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct shareholdings	%	Indirect shareholdings	%
Dato' Lim Kang Poh	89,552,289	13.57	–	–
Tan Sri Dato' Lim Kang Yew	89,552,289	13.57	–	–

Note
* By virtue of deemed interest in LKPP Corporation Sdn Bhd

ANALYSIS OF SHAREHOLDINGS (CONT'D)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of shareholders	No. of No. of shareholdings	%
1.	Perbadanan Kemajuan Pertanian Negeri Pahang	177,622,559	26.91
2.	Dato' Lim Kang Poh	89,552,289	13.57
3.	Tan Sri Dato' Lim Kang Yew	89,552,289	13.57
4.	Agur Tegap Sdn Bhd	57,862,310	8.77
5.	Terusan Al-Maju Sdn Bhd	23,361,500	3.54
6.	Ngai Sok Tien	19,776,350	3.00
7.	Yap Kong Wooi	17,851,500	2.70
8.	Lim Hai	16,145,250	2.45
9.	Kencang Kuasa Sdn Bhd	14,706,550	2.23
10.	Wan Ah Keow	13,683,950	2.07
11.	Wong Chooi Lin	13,521,100	2.05
12.	RHB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for VM Team Engineering Sdn Bhd*	12,389,300	1.88
13.	Mohd Saini Bin Kariman	10,320,050	1.56
14.	Wong Chooi Fah	6,922,100	1.05
15.	Lim Ah Ya	5,726,000	0.87
16.	Dato' Lim Kang Swee	4,950,000	0.75
17.	Maybank Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Mohammad Anuwar Bin Ahmad*	3,501,900	0.53
18.	Liew Chin Choi	2,848,700	0.43
19.	Tan Sri Dato' Husein Bin Ahmad	2,805,000	0.43
20.	TA Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for LKPP Corporation Sdn Bhd*	2,379,850	0.36
21.	Baskaran A/L Krishnan	2,054,700	0.31
22.	Chan Ling Lee	1,861,750	0.28
23.	Mohd Azmi Bin Md Yusof	1,760,000	0.27
24.	Rukun Bayu Sdn Bhd	1,558,700	0.24
25.	Citigroup Nominees (Asing) Sdn Bhd *Exempt An for OCBC Securities Private Limited (Client A/C-NR)*	1,516,050	0.23
26.	Tiong Sheue Yng	1,233,500	0.19
27.	Roszilawati Binti Akhir	885,500	0.13
28.	Mohd Yusrijal Bin Mohd Zahir	806,400	0.12
29.	Ang Ah Bah	792,250	0.12
30.	Tiang Seng Diong	708,000	0.11
	TOTAL	**598,655,397**	**90.71**

NOTICE OF THE 27TH
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 27th Annual General Meeting of the Company will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 20 June 2023 at 11 a.m. for the following purposes :-

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon. **[PLEASE REFER TO EXPLANATORY NOTE (1)]**

2. To approve the payment of Directors' Fees and Benefits for the financial year ended 31 December 2022. **[ORDINARY RESOLUTION 1]**

3. To approve the payment of Directors' Benefits of up to an amount of RM50,000.00 from the 27th Annual General Meeting until the next Annual General Meeting of the Company. **[ORDINARY RESOLUTION 2]**

4. To re-elect Tuan Haji Khalit Bin Kasmoin who is retiring pursuant to Clause 119 of the Company's Constitution. **[ORDINARY RESOLUTION 3]**

5. To re-elect Dato' Lim Kang Poh who is retiring pursuant to Clause 119 of the Company's Constitution. **[ORDINARY RESOLUTION 4]**

6. To re-elect Ms Lee Siew Chen who is retiring pursuant to Clause 123 of the Company's Constitution. **[ORDINARY RESOLUTION 5]**

7. To re-appoint Grant Thornton Malaysia PLT, as auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **[ORDINARY RESOLUTION 6]**

SPECIAL BUSINESS

8. **AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **[ORDINARY RESOLUTION 7]**

   "**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant Governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company, at such time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued share capital of the Company for the time being **AND THAT** the Directors be and are also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued **AND THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held in accordance with the provisions of the Companies Act 2016, whichever is the earlier."

NOTICE OF THE 27TH ANNUAL GENERAL MEETING (CONT'D)

9. To transact any other business of which due notices shall be given.

BY ORDER OF THE BOARD,

LEONG YUE HAN (MAICSA 7070565)
Company Secretary

Petaling Jaya
27 April 2023

Notes :
1. In respect of deposited securities, only depositors whose names appear in the Record of Depositors on 12 June 2023 ("General Meeting Record of Depositors") shall be regarded as a member and entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend and vote on his/ her behalf.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or more (subject to a maximum of two (2) proxies) to attend and vote in his stead. A proxy may but need not be a member of the Company.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy/proxies and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority must be deposited at the office of the Company's share registrar at Sectrars Management Sdn Bhd at Lot 9-7 Menara Sentral Vista No 150 Jalan Sultan Abdul Samad Brickfields 50470 Kuala Lumpur, not less than 48 hours before the time for holding the meeting or adjourned meeting.

<u>EXPLANATORY NOTES</u>

1. The Item 1 of the Agenda is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence this Agenda item is not put forward for voting.

2. Resolutions 1 & 2

Section 230(1) of the CA 2016 provides amongst other, that the fees of the directors, and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board of Directors ("Board") agreed that the members' approval shall be sought at the 27th Annual General Meeting ("AGM") on the Directors' fees and benefits.

- <u>Resolution 1 on payment of Directors' fees and benefits for the financial year ended 31 December 2022</u>

  The total amount of Directors' fees and benefits payable to the Directors for the financial year ended 31 December 2022 tabled for the members' approval.

  Details of the Directors' fees and benefits payable to the Directors for the financial year ended 31 December 2022 are disclosed in the Corporate Governance Overview Statement as contained in Annual Report 2022.

- <u>Resolution 2 on payment of Directors' benefits from the 27th AGM until the next AGM</u>

  The total amount of Directors' benefits payable to the Directors tabled for the members' approval is for an amount up to RM50,000.00. The figure is calculated with the assumption that there will be changes to the Board size during the aforesaid period.

  The Board will seek members' approval at the next AGM in the event the amount of Directors' benefits is insufficient due to an increase in Board size.

NOTICE OF THE 27TH ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES (CONT'D)

3. **Resolutions 3, 4 & 5**

Clause 119 of the Company's Constitution expressly states that at the Annual General Meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then, the number nearest to one-third shall retire from office and be eligible for re-election.

Clause 123 of the Company's Constitution expressly states that any Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the retirement of Directors by rotation at such meeting.

Pursuant to Clause 119 of the Company's Constitution, Tuan Haji Khalit Bin Kasmoin and Dato' Lim Kang Poh are standing for re-election at this Annual General Meeting.

Pursuant to Clause 123 of the Company's Constitution, Ms Lee Siew Chen is standing for re-election at this Annual General Meeting.

The profiles of the Directors standing for re-election are set out in their respective profiles in the Annual Report. The Nomination Committee of the Company has assessed the criteria and contribution of Tuan Haji Khalit Bin Kasmoin and Dato' Lim Kang Poh, criteria of Ms Lee Siew Chen and recommend them for their re-election.

The Board endorsed the Nomination Committee's recommendation that Tuan Haji Khalit Bin Kasmoin, Dato' Lim Kang Poh and Ms Lee Siew Chen be re-elected as Directors of the Company.

4. **Resolution 6**

The Audit Committee and the Board have recommended the re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company as they have met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

5. **Resolution 7**

The Proposed Resolution 7, if passed, will empower the Directors of the Company to issue and allot shares in the Company up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as they consider would be in the interest of the Company. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting. As at the date of this notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 15 June 2022 and which will lapse at the conclusion of the 27th Annual General Meeting. The general mandate will provide flexibility to the Company for any possible fund raising activities including but not limited for further placing of shares for purpose of funding future investment(s), working capital and/or acquisitions and to avoid incurring any costs or delay in convening a general meeting.

STATEMENT ACCOMPANYING
NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, there are no individuals who are standing for election as directors at the 27th Annual General Meeting of the Company.

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ASTRAL ASIA BERHAD
Registration No. 199601002254 (374600-X)

PROXY FORM

No. of Shares held

CDS Account No.

I/We (full name in capital letters) ______________________________ NRIC/Company/Passport No.____________________

of (full address)____

being members(s) of Astral Asia Berhad, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the CHAIRMAN OF THE MEETING as *my/our proxy to attend and vote for *me/us and on *my/our behalf at the 27th Annual General Meeting of the Company to be held on Tuesday, 20 June 2023 at 11 a.m. at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur and at any adjournment thereof.

No	Resolutions		For	Against
1.	To approve the payment of Directors' Fees and Benefits for the financial year ended 31 December 2022.	(Resolution 1)		
2.	To approve the payment of Directors' Benefits of up to an amount of RM50,000.00 from the 27th AGM until the next Annual General Meeting of the Company.	(Resolution 2)		
3.	To re-elect Tuan Haji Khalit Bin Kasmoin as Director (Clause 119).	(Resolution 3)		
4.	To re-elect Dato' Lim Kang Poh as Director (Clause 119).	(Resolution 4)		
5.	To re-elect Ms Lee Siew Chen as Director (Clause 123).	(Resolution 5)		
6.	To re-appoint Grant Thornton Malaysia PLT as Auditors and to authorise the Directors to fix their remuneration.	(Resolution 6)		
7.	**SPECIAL BUSINESS** Proposed Authority for Directors to Allot and Issue Shares.	(Resolution 7)		

* *Strike out whichever not applicable*

Dated this .... day of 2023

....
Signature of Shareholder(s)

Notes :

1. In respect of deposited securities, only depositors whose names appear in the Record of Depositors on 12 June 2023 ("General Meeting Record of Depositors") shall be regarded as a member and entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend and vote on his/her behalf.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or more (subject to a maximum of two (2) proxies) to attend and vote in his stead. A proxy may but need not be a member of the Company.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy/proxies and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority must be deposited at the office of the Company's share registrar at Sectrars Management Sdn Bhd at Lot 9-7 Menara Sentral Vista No 150 Jalan Sultan Abdul Samad Brickfields 50470 Kuala Lumpur, not less than 48 hours before the time for holding the meeting or adjourned meeting.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar

ASTRAL ASIA BERHAD
c/o Sectrars Management Sdn Bhd
Lot 9-7 Menara Sentral Vista
No 150 Jalan Sultan Abdul Samad Brickfields
50470 Kuala Lumpur

1st fold here

ASTRAL ASIA
BERHAD

199601002254 (374600-X)

Level 12, Menara TSR, No. 12, Jalan PJU 7/3, Mutiara Damansara
47810 Petaling Jaya, Selangor Darul Ehsan
Tel: +603 7717 5588 Fax: +603 7717 5599