



28 January 2020

The Manager
Company Announcements Office
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
PERTH WA 6000

By: e-lodgement (ASX code SBI)

QUARTERLY CASH FLOW REPORT

Please find attached Sterling Plantations Limited's quarterly cash flow report for the quarter ended 31 December 2019.

Yours sincerely

A handwritten signature in black ink, appearing to read "S Menezes", with a stylized flourish at the end.

Shaun Menezes
Company Secretary

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Sterling Plantations Limited

ABN

62 119 880 492

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	294	441
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets (land lease incl. mgt fees)		
(e) staff costs	(3)	(27)
(f) administration and corporate costs	(41)	(88)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
- Plantation development expenditure (Incl. staff cost & estate workers cost)	(113)	(306)
- Insurance		
- GST / Tax -Refund / (Paid)	(7)	(12)
- Others	2	7
1.9 Net cash from / (used in) operating activities	132	15

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	28	106
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	28	106

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings	36	111
3.6 Repayment of borrowings	(38)	(134)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	(2)	(23)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	16	77
4.2 Net cash from / (used in) operating activities (item 1.9 above)	132	15
4.3 Net cash from / (used in) investing activities (item 2.6 above)	28	106
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(2)	(23)
4.5 Effect of movement in exchange rates on cash held	10	9
4.6 Cash and cash equivalents at end of quarter	184	184

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	184	16
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	184	16

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000
-
-

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

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7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	2,825	2,036
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

1. The unsecured loan from a founder shareholder is a standby credit line of up to RM8.1 million equivalent to \$2.825 million. The loan is repayable on demand and may be drawn down from time to time for working capital purposes. Interest is payable at the base lending rate of a leading Malaysian financial institution of between 4.45% and 6.65% per annum respectively. The founder shareholder has indicated that he will be reducing the line of standby credit, as the Growers Scheme has been put into liquidation on 11 November 2019 and a Liquidator has been appointed on 5 December 2019.
2. A secured loan facility of \$100,000 has been provided by a consortium of lenders organised by 3F Asset Management and is repayable within 6 months from the date of the loan agreement. Interest is payable at the rate of 15% per annum.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(25)
9.6 Administration and corporate costs	(20)
9.7 Other (provide details if material)	
- Plantation development expenditure (Incl. staff cost & estate workers cost)	(165)
9.8 Total estimated cash outflows *	(210)
* Excludes estimates for receipts from customer of \$255K	

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 28 January 2020

Executive Director

Print name: **Dhanesh A/L Gunaratnam**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.