

## ASTINO BERHAD

### Condensed Consolidated Statements Of Comprehensive Income For

**The First Quarter Ended 31 October 2017**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter	Preceding year corresponding quarter	Current Year To date	Preceding year corresponding period
	31/10/2017	31/10/2016	31/10/2017	31/10/2016
	RM'000	RM'000	RM'000	RM'000
Revenue	138,789	113,430	138,789	113,430
Operating Expenses	(126,629)	(105,586)	(126,629)	(105,586)
Other Operating Income	423	461	423	461
Profit from Operations	12,583	8,305	12,583	8,305
Financial costs	(480)	(783)	(480)	(783)
Share of profit / (loss) of associate	(0)	(2)	(0)	(2)
Profit before tax	12,103	7,520	12,103	7,520
Taxation	(2,586)	(1,945)	(2,586)	(1,945)
Profit for the period	9,517	5,575	9,517	5,575
Other Comprehensive Income				
-Fair Value Gain / (Loss) on Investment	5	110	5	110
Total Comprehensive Income for the period	9,522	5,685	9,522	5,685
Total Comprehensive Income Attributable to:				
Owners of the parent	9,522	5,685	9,522	5,685
EPS - Basic (sen)	3.482	2.038	3.482	2.038
- Diluted (sen)	3.482	2.038	3.482	2.038

**(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2017)**

**ASTINO BERHAD****Condensed Consolidated Statements of Financial Position****As At 31 October 2017**

(The figures have not been audited)

	<b>As At 31/Oct/17 RM'000</b>	<b>As At 31/Jul/17 RM'000</b>
<b>Property, Plant and Equipment</b>	164,515	157,997
<b>Investment properties</b>	19,251	15,163
<b>Investment in associate</b>	2,877	2,877
<b>Available-for-sale financial assets</b>	260	255
<b>Deferred Tax Assets</b>	210	395
<b>Current Assets</b>		
Inventories	154,255	141,983
Receivables	83,379	86,199
Cash & Cash Equivalents	17,149	20,921
	<u>254,783</u>	<u>249,103</u>
<b>Current Liabilities</b>		
Payables	41,242	33,893
Loans & Borrowings	39,620	37,723
Dividend Declared	-	-
Taxation	1,361	2,773
	<u>82,223</u>	<u>74,389</u>
<b>Net Current Assets</b>	172,560	174,714
<b>Long Term Liabilities</b>		
Loans & Borrowings	9,533	10,813
Deferred Taxation	3,763	3,732
	<u>13,296</u>	<u>14,545</u>
	<u>346,378</u>	<u>336,856</u>
<b>Share Capital</b>	138,274	138,274
<b>Treasury shares, at costs</b>	(525)	(525)
<b>Reserves</b>	208,629	199,107
<b>Shareholders' Fund</b>	<u>346,378</u>	<u>336,856</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2017)

## ASTINO BERHAD

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR The First Quarter Ended 31 October 2017

(The figures have not been audited)

	Share Capital RM'000	Treasury Shares RM'000	Non-Distributable Reserves RM'000	Distributable Reserves RM'000	TOTAL RM'000
<b>3 MONTHS ENDED</b>					
<b>31-Oct-17</b>					
Balance at 1-8-2017	138,274	(525)	78	199,029	336,856
Total comprehensive income for the year			5	9,517	9,522
Balance at 31-10-2017	<u>138,274</u>	<u>(525)</u>	<u>83</u>	<u>208,546</u>	<u>346,378</u>
<b>3 MONTHS ENDED</b>					
<b>31-Oct-16</b>					
Balance at 1-8-2016	137,059	(393)	1,243	167,319	305,228
Total comprehensive income for the period			110	5,575	5,685
Balance at 31-10-2016	<u>137,059</u>	<u>(393)</u>	<u>1,353</u>	<u>172,894</u>	<u>310,913</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2017)

**ASTINO BERHAD**

**Condensed Consolidated Statements of Cash Flow For  
The First Quarter Ended 31 October 2017**

(The figures have not been audited)

	<b>3 MONTHS ENDED 31/10/2017 RM'000</b>	<b>3 MONTHS ENDED 31/10/2016 RM'000</b>
Profit before tax	12,103	7,520
Adjustments for non-cash flow items:-		
Non-cash items	8,402	10,592
Non-operating items	350	408
Operating profit before changes in working capital	20,855	18,520
Changes in working capital		
Inventories	(18,484)	(3,357)
Receivables	3,033	1,267
Payables	7,347	(11,116)
Cash From Operation	12,751	5,314
Tax paid	(3,929)	(2,228)
Net Cash From Operating Activities	8,822	3,086
Investing Activities		
- Equity investments	0	0
- Dividend received	-	-
- Other investments	(12,840)	(2,555)
- Interest received	103	114
Net Cash Used In Investing Activities	(12,737)	(2,441)
Financing activities		
- Bank Borrowings	617	(11,092)
- Proceeds from issued of shares net of listing expenses	-	-
- Treasury shares	0	-
- Dividend paid	-	-
- Interest paid	(480)	(783)
Net Cash From / (Used In) Financing Activities	137	(11,875)
Effects of exchange rate changes on cash and cash equivalents	6	90
Net Change In Cash & Cash Equivalents	(3,772)	(11,140)
Cash & Cash Equivalents At Beginning Of Year	20,921	35,005
Cash & Cash Equivalents At End Of Year	17,149	23,865

**(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual  
Financial Statement for the year ended 31 July 2017)**

**ASTINO BERHAD**  
**(Company No.: 523085-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 2017**

**1. Basis of preparation of the Financial Statements**

The Interim Financial Statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2017.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 July 2017.

The Group have not applied the following MFRSs which have been issued but are not yet effective:

<u>MFRSs (issues as at the end of the reporting period)</u>	<b>Effective for annual periods beginning on or after</b>
MFRS 9 <i>Financial Instruments</i> (IFRS 9 <i>Financial Instruments</i> as issued by IASB in July 2014)	<b>1 January 2018</b>
MFRS 15 <i>Revenue from Contracts with Customers</i>	<b>1 January 2018</b>
MFRS 16 <i>Leases</i>	<b>1 January 2019</b>
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	<b>1 January 2018</b>
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	<b>1 January 2018</b>
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	<b>1 January 2018</b>
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	<b>Deferred</b>
Amendments to MFRS 15 <i>Clarifications to MFRS 15 Revenue from Contracts with Customers</i>	<b>1 January 2018</b>
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	<b>1 January 2018</b>
Annual Improvements to MFRS standards 2014-2016 Cycle:-	
(i) Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	<b>1 January 2018</b>
(ii) Amendments to MFRS 128 <i>Investments in Associates and Joint Ventures</i>	<b>1 January 2018</b>

Management foresees that the initial application of the above MFRSs will not have any significant impact on the financial statements except as follows :-

MFRS 9 *Financial Instruments*

MFRS 9 *Financial Instruments*, which replaces MFRS 139 *Financial Instruments: Recognition and Measurement*, sets out the requirements for recognising and measuring financial instruments. The major changes introduced by MFRS 9 (that are relevant to the Company) relate to the classification and measurement of financial assets. Under MFRS 9, financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both the business model within which they are held and their contractual

cash flow characteristics. Management foresees that the adoption of these new classifications will not result in any significant changes in the existing measurement bases of financial assets of the Company.

**2. Disclosure of the qualification on the preceding annual financial statements**

There was no qualification on the Group's preceding annual financial statements.

**3. Seasonal or Cyclical Factors**

The business of the Group was not affected significantly by cyclical factors as it does not have any distinguishable cycle.

**4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size, or incidence**

There was no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size, or incidence.

**5. Changes in estimates of amounts reported in prior interim period of the current financial year or in prior financial years**

There was no material changes in the estimates of amounts reported in prior interim period of the current financial period or in prior financial years.

**6. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no cancellation, repurchases, resale and repayment of debt and equity securities for the financial period ended 31 October 2017.

**7. Dividend paid**

No dividend had been paid for current financial quarter ended 31 October 2017.

**8. Segmental Reporting**

**a) Operating Segment**

Information about operating segments has not been reported separately as the Group's profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the manufacture and sale of metal building related products.

**b) Geographical segment**

	<u>Individual quarter ended</u>		<u>Cumulative quarter ended</u>	
	<u>31-10-2017</u>	<u>31-10-2016</u>	<u>31-10-2017</u>	<u>31-10-2016</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Revenue</u>				
- Local	124,501	110,444	124,501	110,444
- Overseas	14,288	2,986	14,288	2,986
	<u>138,789</u>	<u>113,430</u>	<u>138,789</u>	<u>113,430</u>

**9. Material Events not reflected in the Financial Statements**

There were no material subsequent events to be disclosed as at the date of this report.

## 10. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial period to date.

## 11. Contingent Liabilities or Contingent Assets

As at the date of report the total corporate guarantee given by the Company to secure credit facilities to its subsidiary companies are RM370million.

## 12. Capital commitments

Authorised capital commitments not provided for in the financial statements as at 31 October 2017:

	<b>RM'000</b>
Contracted but not provided for	28,049
	<u>28,049</u>

## 13. Review of Performance

For the quarter under review, the Group achieved total turnover of RM138.8 million for the current quarter ended 31 October 2017, an increase of 22.4% or RM25.4 million from RM113.4 million recorded in the preceding year's corresponding quarter. The increase in Group turnover for the current quarter was mainly due to the increase in overseas sales from preceding year's corresponding quarter of RM3 million to current quarter of RM14 million.

The profit before tax ("PBT") for current quarter under review was 60.9% higher than the preceding year corresponding quarter ended 31 October 2016. These were mainly due increase in oversea sales and profit margin.

For the 3 months period ended 31 October 2017, the Group recorded a revenue of RM138.8 million and PBT of RM12.1 million as compared with a revenue and PBT of RM113.4 million and RM7.5 million respectively for the corresponding period of the financial year 2017. The higher revenue and profit was mainly due to the increase in local and overseas market demand.

## 14. Variation of results against preceding quarter

The Group's revenue has increased by 11.2% from RM124.8 million in the preceding quarter to RM138.8 million in this quarter. The increase in revenue is primarily due to increase in local and oversea market demand.

The Group registered a profit before taxation of RM12.1 million, an increase of RM5 million as compared to the preceding quarter ended 31 July 2017, which was recorded at RM7.1 million. The increased on the profit before tax for the current quarter under review was mainly due to increase in sales and profit margin.

## 15. Prospects

The volatile steel price has caused uncertainties in our pricing policies. In this regard, we will continue to closely monitor the changes in steel price in order to ensure that our profit margins are reasonably protected as well as our selling prices remain competitive.

The Group will continue to explore the opportunities to expand our product range in Local and Export market. Continuous efforts will be made to improve our delivery time to customers and operation efficiency in order to sustain our market share. Our emphasis will be on sustainable improvements in business performance and customers satisfaction, so as to maintain the Group's competitiveness in the long term.

## 16. Profit Forecast and Profit Guarantee

Not applicable.

## 17. Profit for the period

	Current Quarter Ended 31 October 2017 RM'000	Current Year To Date 31 October 2017 RM'000
<b>Profit before tax is arrived at after charging / crediting</b>		
Allowance / (Reversal) for diminution in value of inventories	6,212	6,212
Allowance / (Reversal) for impairment losses of receivables	(65)	(65)
Depreciation and amortization	2,253	2,253
Gain / (Loss) on disposal of property, plant & equipment	20	20
Gain / (Loss) on financial instrument	(1)	(1)
Gain / (Loss) on foreign exchange	3	3
Interest Expenses	480	480
Interest Income	103	103
Other Income	266	266

## 18. Taxation

	Current Quarter Ended 31 October 2017 RM'000	Current Year To Date 31 October 2017 RM'000
Income Tax		
- Current year	(2,371)	(2,371)
- Prior year	0	0
	<u>(2,371)</u>	<u>(2,371)</u>
Deferred Tax		
- Current year	(690)	(690)
- Prior year	475	475
	<u>(2,586)</u>	<u>(2,586)</u>

The Group's effective tax rate for the period ended 31 October 2017 was higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes.

## 19. Corporate Proposals

There was no corporate proposal being carried out during the period under review.

## 20. Group Borrowings and Debt Securities

a) Group borrowings as at 31 October 2017 are as follows: -

	Unsecured RM'000	Secured RM'000	TOTAL RM'000
<i>Short term borrowings</i>			
Bank Overdrafts	-	-	-
Other borrowings	39,620	-	39,620
	<u>39,620</u>	<u>-</u>	<u>39,620</u>
<i>Long term borrowings</i>			
	9,533	-	9,533
	<u>49,153</u>	<u>-</u>	<u>49,153</u>

## 21. Financial Assets / (Liabilities) At Fair Value Through Profit Or Loss

There were no financial instruments with off balance sheet risk for the financial period ended 31 October 2017.

## 22. Changes in Material Litigation

As at the date of this report, neither the Company nor any of its subsidiaries are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Directors of the Company are not aware of any proceedings pending or threatened against the Company or its subsidiary companies or of any other facts likely to give rise to any proceedings which might materially or adversely affect the position or business of the Group financially or otherwise.

## 23. Dividends

A final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2017 will be proposed for shareholder's approval at the forthcoming Annual General Meeting.

## 24. Earnings Per Share

	<b>Current Year Quarter 31-10-2017</b>	<b>Preceding Year Corresponding Quarter 31-10-2016</b>	<b>Current Year To Date 31-10-2017</b>	<b>Preceding Year Corresponding period 31-10-2016</b>
<b>a) Basic Earnings per share</b>				
Net profit attributable to shareholders (RM'000)	9,517	5,575	9,517	5,575
Weighted average no. of Ordinary shares in issue ('000)	273,329	273,511	273,329	273,511
Basic earnings per share (sen)	3.482	2.038	3.482	2.038
<b>b) Diluted Earnings per share</b>				

The Group has no dilution in its earnings per ordinary share in the period under review / financial year-to-date as there are no dilutive potential ordinary shares.

## 25. Realised and Unrealised Profit or (Losses) Disclosure

The breakdown of the retained profits of the Group as at the end of the reporting period, into realised and unrealised profit or (losses), is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010. Total retained profits / (accumulated losses) of the Company and its subsidiary companies are analysed as follows:

	<b>Current financial year RM'000</b>	<b>As at end of last financial year RM'000</b>
Total retained earnings of the Group		
- Realised	245,766	235,582
- Unrealised	9,354	9,645
	<hr/>	<hr/>
	255,120	245,227
Consolidation adjustments and eliminations	(46,574)	(46,198)
	<hr/>	<hr/>
Total retained profits as per statement of financial position	208,546	199,029