

ASTINO BERHAD

Condensed Consolidated Statements Of Comprehensive Income For

The First Quarter Ended 31 October 2019

(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
	31/10/2019	31/10/2018	31/10/2019	31/10/2018
	RM'000	RM'000	RM'000	RM'000
Revenue	152,816	139,938	152,816	139,938
Operating Expenses	(146,772)	(134,329)	(146,772)	(134,329)
Other Operating Income	531	337	531	337
Profit from Operations	6,575	5,946	6,575	5,946
Financial costs	(871)	(998)	(871)	(998)
Share of (loss) / profit of associate	(69)	(184)	(69)	(184)
Profit before tax	5,635	4,764	5,635	4,764
Taxation	(1,530)	(1,537)	(1,530)	(1,537)
Profit for the period	4,105	3,227	4,105	3,227
Other Comprehensive Income				
-Fair Value (Loss) / Gain on Investment	-	(45)	-	(45)
Total Comprehensive Income for the period	4,105	3,182	4,105	3,182
Total Comprehensive Income Attributable to:				
Owners of the parent	4,105	3,227	4,105	3,227
EPS - Basic (sen)	1.51	1.18	1.51	1.18
- Diluted (sen)	1.51	1.18	1.51	1.18

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2019)

ASTINO BERHAD

Condensed Consolidated Statements of Financial Position

As At 31 October 2019

(The figures have not been audited)

	As At 31/Oct/19 RM'000	As At 31/Jul/19 RM'000
Property, Plant and Equipment	191,236	187,266
Investment properties	27,561	31,350
Investment in associate	2,257	2,226
Available-for-sale financial assets	148	156
Deferred Tax Assets	487	575
Current Assets		
Inventories	198,496	205,356
Receivables	86,435	97,671
Cash & Cash Equivalents	25,804	20,663
	<u>310,735</u>	<u>323,690</u>
Current Liabilities		
Payables	66,163	73,114
Loans & Borrowings	48,321	75,603
Dividend Declared	-	-
Contract Liabilities	4,030	7,079
Taxation	530	1,078
	<u>119,044</u>	<u>156,874</u>
Net Current Assets	191,691	166,816
Long Term Liabilities		
Loans & Borrowings	21,361	840
Deferred Taxation	4,921	4,416
	<u>26,282</u>	<u>5,256</u>
	<u>387,098</u>	<u>383,133</u>
Share Capital	138,274	138,274
Treasury shares, at costs	(1,453)	(1,313)
Reserves	250,277	246,172
Shareholders' Fund	<u>387,098</u>	<u>383,133</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2019)

ASTINO BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR The First Quarter Ended 31 October 2019

(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
3 MONTHS ENDED					
31-Oct-19					
Balance at 1-8-2019	138,274	(1,313)	30,124	216,048	383,133
Redemption of preference shares			-	-	-
Purchase of own shares		(140)	-		(140)
Total comprehensive income for the period				4,105	4,105
Dividend paid	-	-	-	-	-
Balance at 31-10-2019	<u>138,274</u>	<u>(1,453)</u>	<u>30,124</u>	<u>220,153</u>	<u>387,098</u>
3 MONTHS ENDED					
31-Oct-18					
Balance at 1-8-2018	138,274	(1,172)	434	224,724	362,260
Redemption of preference shares			-	-	-
Purchase of own shares		(141)	-		(141)
Total comprehensive income for the period			(45)	3,227	3,182
Dividend paid	-	-	-	-	-
Balance at 31-10-2018	<u>138,274</u>	<u>(1,313)</u>	<u>389</u>	<u>227,951</u>	<u>365,301</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2019)

ASTINO BERHAD

**Condensed Consolidated Statements of Cash Flow For
The First Quarter Ended 31 October 2019**

(The figures have not been audited)

	3 MONTHS ENDED 31/10/2019 RM'000	3 MONTHS ENDED 31/10/2018 RM'000
Profit before tax	5,635	4,764
Adjustments for non-cash flow items:-		
Non-cash items	9,930	8,762
Non-operating items	779	912
Operating profit before changes in working capital	<u>16,344</u>	<u>14,438</u>
Changes in working capital		
Inventories	(74)	(17,073)
Receivables	11,264	2,074
Payables	<u>(10,019)</u>	<u>3,055</u>
Cash From Operation	17,515	2,494
Tax paid	(1,804)	(3,337)
Net Cash From / (Used In) Operating Activities	<u>15,711</u>	<u>(843)</u>
Investing Activities		
- Equity investments	(100)	(100)
- Dividend received	-	8
- Other investments	(2,775)	(8,789)
- Interest received	122	69
Net Cash Used In Investing Activities	(2,753)	(8,812)
Financing activities		
- Bank Borrowings	(6,761)	5,156
- Proceeds from issued of shares net of listing expenses	-	-
- Treasury shares	(140)	(141)
- Dividend paid	-	-
- Interest paid	(871)	(998)
Net Cash (Used In) / From Financing Activities	(7,772)	4,017
Effects of exchange rate changes on cash and cash equivalents	(45)	49
Net Change In Cash & Cash Equivalents	<u>5,141</u>	<u>(5,589)</u>
Cash & Cash Equivalents At Beginning Of Year	20,663	17,790
Cash & Cash Equivalents At End Of Year	<u>25,804</u>	<u>12,201</u>

**(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual
Financial Statement for the year ended 31 July 2019)**

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

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 OCTOBER 2019

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 2019.

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 2019.

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>	<u>Effective for annual periods beginning on or after</u>
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 3 <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 101 and MFRS 108 <i>Definition of Material</i>	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

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

Save as disclosed below, there were no cancellation, repurchases, resale and repayment of debt and equity securities for the financial period ended 31 October 2019 :-

The Company had bought back 200,000 of its own shares at a total cash consideration of RM140,182. The highest and the lowest price per share purchased were at RM0.70 and RM0.69 respectively.

7. Dividend paid

No dividend had been paid for current financial quarter ended 31 October 2019.

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>31-10-2019</u>	<u>31-10-2018</u>	<u>31-10-2019</u>	<u>31-10-2018</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Revenue</u>				
- Local	139,158	129,697	139,158	129,697
- Overseas	13,658	10,241	13,658	10,241
	<u>152,816</u>	<u>139,938</u>	<u>152,816</u>	<u>139,938</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 RM411million.

12. Capital commitments

Authorised capital commitments not provided for in the financial statements as at 31 October 2019:

	RM'000
Contracted but not provided for	<u>7,170</u>
	<u>7,170</u>

13. Review of Performance

	Individual Period (1st Quarter)		Changes		Cumulative Period		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount (RM'000)	%	Current YTD	Preceding Year Corresponding Period	Amount (RM'000)	%
	31-Oct-2019 RM'000	31-Oct-2018 RM'000			31-Oct-2019 RM'000	31-Oct-2018 RM'000		
	Revenue	152,816	139,938	12,878	9.2%	152,816	139,938	12,878
Profit From Operation	6,575	5,946	629	10.6%	6,575	5,946	629	10.6%
Profit Before Tax	5,635	4,764	871	18.3%	5,635	4,764	871	18.3%
Profit After Tax	4,105	3,227	878	27.2%	4,105	3,227	878	27.2%

For the quarter under review, the Group achieved total turnover of RM152.8 million for the current quarter ended 31 October 2019, an increase of 9.2% or RM12.9 million from RM139.9 million recorded in the preceding year's corresponding quarter. The increase in Group turnover for the current quarter was mainly due to increase in local and overseas demand.

The profit before tax ("PBT") for current quarter under review was 18.3% higher than the preceding year corresponding quarter ended 31 October 2018. These were mainly due to increase in overseas sales which with higher profit margin.

14. Variation of results against preceding quarter

	Current Quarter	Immediate Preceding Quarter	Changes	
	31-Oct-2019 RM'000	31-Jul-2019 RM'000	Amount (RM'000)	%
	Revenue	152,816	152,856	(40)
Profit From Operation	6,575	8,111	(1,536)	-18.9%
Profit Before Tax	5,635	7,325	(1,690)	-23.1%
Profit After Tax	4,105	5,546	(1,441)	-26.0%

The Group's revenue has maintained by RM152.8 million which compares with the preceding quarter.

The Group registered a profit before taxation of RM5.6 million, a decrease of RM1.7 million as compared to the preceding quarter ended 31 July 2019, which was recorded at RM7.3 million. The decrease in profit before tax for the current quarter under review was mainly due to decrease in profit margin.

15. Prospects

The volatile steel price and foreign currency 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.

Barring any unforeseen circumstances, the Group will continue to strive for a commendable performance to maintain the Group's competitiveness in the long term.

16. Profit Forecast and Profit Guarantee

Not applicable.

17. Profit for the year

	Current Quarter Ended 31 October 2019 RM'000	Current Year To Date 31 October 2019 RM'000
Profit before tax is arrived at after charging / crediting		
Allowance / (Reversal) for diminution in value of inventories	6,934	6,934
Allowance / (Reversal) for impairment losses of receivables	235	235
Depreciation and amortization	2,691	2,691
Gain / (Loss) on disposal of property, plant & equipment	97	97
Gain / (Loss) on financial instrument	(5)	(5)
Gain / (Loss) on foreign exchange	196	196
Interest Expenses	871	871
Interest Income	122	122
Other Income	11	11

18. Taxation

	Current Quarter Ended 31 October 2019 RM'000	Current Year To Date 31 October 2019 RM'000
Income Tax		
- Current year	(936)	(936)
- Prior year	-	-
	<hr/>	<hr/>
	(936)	(936)
Deferred Tax		
- Current year	(972)	(972)
- Prior year	378	378
	<hr/>	<hr/>
	(1,530)	(1,530)

The Group's effective tax rate for the period ended 31 October 2019 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 year under review.

20. Group Borrowings and Debt Securities

a) Group borrowings as at 31 October 2019 are as follows: -

	Unsecured RM'000	Secured RM'000	TOTAL RM'000
<i>Short term borrowings</i>			
Bank Overdrafts	-	-	-
Other borrowings	48,321	-	48,321
	<u>48,321</u>	<u>-</u>	<u>48,321</u>
<i>Long term borrowings</i>			
	21,361	-	21,361
	<u>69,682</u>	<u>-</u>	<u>69,682</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 2019.

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 first & final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2019 will be proposed for shareholder's approval at the forthcoming Annual General Meeting.

24. Earnings Per Share

	Current Year Quarter 31-10-2019	Preceding Year Corresponding Quarter 31-10-2018	Current Year To Date 31-10-2019	Preceding Year Corresponding period 31-10-2018
a) Basic Earnings per share				
Net profit attributable to shareholders (RM'000)	4,105	3,182	4,105	3,182
Weighted average no. of Ordinary shares in issue ('000)	272,222	272,789	272,222	272,789
Basic earnings per share (sen)	1.51	1.17	1.51	1.17
b) Diluted Earnings per share				

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.