

ASTINO BERHAD

Condensed Consolidated Statements Of Comprehensive Income For

The Second Quarter Ended 31 January 2021

(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
	31/1/2021	31/1/2020	31/1/2021	31/1/2020
	RM'000	RM'000	RM'000	RM'000
Revenue	175,291	149,289	335,489	302,105
Operating Expenses	(154,342)	(139,139)	(299,254)	(285,911)
Other Operating Income	254	(138)	923	393
Profit from Operations	21,203	10,012	37,158	16,587
Financial costs	(224)	(702)	(606)	(1,573)
Share of (loss) / profit of associate	(55)	(73)	(73)	(142)
Profit before tax	20,924	9,237	36,479	14,872
Taxation	(3,836)	(2,517)	(7,923)	(4,047)
Profit for the period	17,088	6,720	28,556	10,825
Other Comprehensive Income				
-Fair Value (Loss) / Gain on Investment	-	-	-	-
Total Comprehensive Income for the period	17,088	6,720	28,556	10,825
Total Comprehensive Income Attributable to:				
Owners of the parent	17,088	6,720	28,556	10,825
EPS - Basic (sen)	6.34	2.47	10.60	3.98
- Diluted (sen)	6.34	2.47	10.60	3.98

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2020)

ASTINO BERHAD**Condensed Consolidated Statements of Financial Position****As At 31 January 2021**

(The figures have not been audited)

	As At 31/Jan/21 RM'000	As At 31/Jul/20 RM'000
Property, Plant and Equipment	179,035	181,600
Investment properties	32,471	31,385
Right-of-use assets	2,861	3,031
Intangible assets	2,168	2,617
Investment in associate	2,306	2,279
Available-for-sale financial assets	179	127
Deferred Tax Assets	4	4
Current Assets		
Inventories	109,288	168,182
Receivables	103,163	80,796
Cash & Cash Equivalents	62,426	64,977
	<u>274,877</u>	<u>313,955</u>
Current Liabilities		
Payables	23,188	50,314
Loans & Borrowings	6,538	47,341
Dividend Declared	-	-
Contract Liabilities	8,446	11,538
Taxation	5,778	1,536
	<u>43,950</u>	<u>110,729</u>
Net Current Assets	230,927	203,226
Long Term Liabilities		
Loans & Borrowings	14,964	18,231
Deferred Taxation	5,790	4,119
	<u>20,754</u>	<u>22,350</u>
	<u>429,197</u>	<u>401,919</u>
Share Capital	138,274	138,274
Treasury shares, at costs	(3,383)	(2,105)
Reserves	294,306	265,750
Shareholders' Fund	<u>429,197</u>	<u>401,919</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2020)

ASTINO BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR The Second Quarter Ended 31 January 2021

(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
6 MONTHS ENDED 31-Jan-21					
Balance at 1-8-2020	138,274	(2,105)	30,124	235,626	401,919
Redemption of preference shares			-	-	-
Purchase of own shares		(1,278)	-		(1,278)
Total comprehensive income for the period				28,556	28,556
Dividend paid	-	-	-	-	-
Balance at 31-01-2021	<u>138,274</u>	<u>(3,383)</u>	<u>30,124</u>	<u>264,182</u>	<u>429,197</u>
6 MONTHS ENDED 31-Jan-20					
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				10,825	10,825
Dividend paid	-	-	-	-	-
Balance at 31-01-2020	<u>138,274</u>	<u>(1,453)</u>	<u>30,124</u>	<u>226,873</u>	<u>393,818</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2020)

ASTINO BERHAD

**Condensed Consolidated Statements of Cash Flow For
The Second Quarter Ended 31 January 2021**

(The figures have not been audited)

	6 MONTHS ENDED 31/1/2021 RM'000	6 MONTHS ENDED 31/1/2020 RM'000
Profit before tax	36,479	14,872
Adjustments for non-cash flow items:-		
Non-cash items	14,042	15,555
Non-operating items	127	1,295
Operating profit before changes in working capital	50,648	31,722
Changes in working capital		
Inventories	50,454	4,010
Receivables	(21,684)	14,363
Payables	(30,236)	(29,165)
Cash From Operation	49,182	20,930
Tax paid	(2,191)	(2,189)
Net Cash From Operating Activities	46,991	18,741
Investing Activities		
- Equity investments	(100)	(200)
- Dividend received	-	-
- Other investments	(3,883)	(5,343)
- Interest received	290	235
Net Cash Used In Investing Activities	(3,693)	(5,308)
Financing activities		
- Bank Borrowings	(44,071)	(3,272)
- Proceeds from issued of shares net of listing expenses	-	-
- Treasury shares	(1,278)	(140)
- Dividend paid	-	-
- Interest paid	(606)	(1,573)
Net Cash Used In Financing Activities	(45,955)	(4,985)
Effects of exchange rate changes on cash and cash equivalents	106	13
Net Change In Cash & Cash Equivalents	(2,551)	8,461
Cash & Cash Equivalents At Beginning Of Year	64,977	20,663
Cash & Cash Equivalents At End Of Period	62,426	29,124

**(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual
Financial Statement for the year ended 31 July 2020)**

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

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021

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 2020.

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 2020.

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>Reference to the Conceptual Framework</i>	1 January 2022
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 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022

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 period 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 January 2021:-

The Company had bought back 1,973,500 of its own shares at a total cash consideration of RM1,278,245. The highest and the lowest price per share purchased were at RM0.735 and RM0.565 respectively.

7. Dividend paid

No dividend had been paid for current financial quarter ended 31 January 2021.

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>31-01-2021</u>	<u>31-01-2020</u>	<u>31-01-2021</u>	<u>31-01-2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Revenue</u>				
- Local	169,168	139,691	319,206	278,849
- Overseas	6,123	9,598	16,283	23,256
	<u>175,291</u>	<u>149,289</u>	<u>335,489</u>	<u>302,105</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 RM347million.

12. Capital commitments

Authorised capital commitments not provided for in the financial statements as at 31 January 2021:

	RM'000
Contracted but not provided for	<u>13,077</u>
	<u>13,077</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-Jan-2021 RM'000	31-Jan-2020 RM'000			31-Jan-2021 RM'000	31-Jan-2020 RM'000		
	Revenue	175,291	149,289	26,002	17.4%	335,489	302,105	33,384
Profit From Operation	21,203	10,012	11,191	111.8%	37,158	16,587	20,571	124.0%
Profit Before Tax	20,924	9,237	11,687	126.5%	36,479	14,872	21,607	145.3%
Profit After Tax	17,088	6,720	10,368	154.3%	28,556	10,825	17,731	163.8%

For the quarter under review, the Group achieved total turnover of RM175.3million for the current quarter ended 31 Jan 2021, an increase of 17.4% or RM26 million from RM149.3 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 steel price and local market demand.

The profit before tax ("PBT") for current quarter under review was 126.5% higher than the preceding year corresponding quarter ended 31 Jan 2020. These were mainly due to the increase in sales and profit margin.

For the financial period to date, the Group recorded a revenue of RM335.5million and PBT of RM36.5million as compared with a revenue and PBT of RM302.1million and RM14.9million respectively for the corresponding period of the financial year 2020. The higher revenue and profit was mainly due to the increase of local sales and profit margin.

14. Variation of results against preceding quarter

	Current Quarter	Immediate Preceding Quarter	Changes	
	31-Jan-2021 RM'000	31-Oct-2020 RM'000	Amount (RM'000)	%
	Revenue	175,291	160,198	15,093
Profit From Operation	21,203	15,955	5,248	32.9%
Profit Before Tax	20,924	15,555	5,369	34.5%
Profit After Tax	17,088	11,468	5,620	49.0%

The Group's revenue has increased by 9.4% from RM160.2 million in the preceding quarter to RM175.3 million in this quarter. The increase in revenue is primarily due to increase in local market demand.

The Group registered a profit before taxation of RM20.9million, an increase of RM5.4million as compared to the preceding quarter ended 31 October 2020, which was recorded at RM15.6 million. The increased on the profit before tax for the current quarter under review was mainly due to increase in local sales from RM150million in preceding quarter to current quarter of RM169million and

improvement of profit margin due to steel price increased. In addition, the allowance for diminution in value of inventories was RM3.5million lower than the immediate preceding quarter.

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 January 2021 RM'000	Current Year To Date 31 January 2021 RM'000
Profit before tax is arrived at after charging / crediting		
Allowance / (Reversal) for diminution in value of inventories	2,475	8,440
Allowance / (Reversal) for impairment losses of receivables	(371)	(526)
Depreciation and amortization	3,002	6,030
Gain / (Loss) on disposal of property, plant & equipment	-	55
Gain / (Loss) on financial instrument	(18)	(17)
Gain / (Loss) on foreign exchange	(511)	(935)
Interest Expenses	224	606
Interest Income	152	290
Other Income	92	557

18. Taxation

	Current Quarter Ended 31 January 2021 RM'000	Current Year To Date 31 January 2021 RM'000
Income Tax		
- Current year	(4,483)	(6,252)
- Prior year	-	-
	<u>(4,483)</u>	<u>(6,252)</u>
Deferred Tax		
- Current year	545	(1,833)
- Prior year	102	162
	<u>(3,836)</u>	<u>(7,923)</u>

The Group's effective tax rate for the period ended 31 January 2021 was lower than the statutory tax rate mainly due to reversal for diminution in value of inventories.

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 January 2021 are as follows: -

	Unsecured RM'000	Secured RM'000	TOTAL RM'000
<i>Short term borrowings</i>			
Bank Overdrafts	-	-	-
Other borrowings	6,538	-	6,538
	<u>6,538</u>	<u>-</u>	<u>6,538</u>
<i>Long term borrowings</i>			
	14,964	-	14,964
	<u>21,502</u>	<u>-</u>	<u>21,502</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 January 2021.

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

Save for a first & final single tier dividend of 1.5 sen per share in respect of the financial year ended 31 July 2020 will pay on 31 March 2021, there was no dividends being declared for the financial year ending 31 July 2021.

24. Earnings Per Share

	Current Year Quarter 31-01-2021	Preceding Year Corresponding Quarter 31-01-2020	Current Year To Date 31-01-2021	Preceding Year Corresponding period 31-01-2020
a) Basic Earnings per share				
Net profit attributable to shareholders (RM'000)	17,088	6,720	28,556	10,825
Weighted average no. of Ordinary shares in issue ('000)	269,405	272,222	269,405	272,222
Basic earnings per share (sen)	6.34	2.47	10.60	3.98
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.