

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, banker, solicitor, accountant or other professional advisers immediately.

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ASTINO BERHAD

(Registration No. 200001020478 (523085-X))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED BONUS ISSUE OF UP TO 219,294,370 NEW ORDINARY SHARES IN ASTINO BERHAD ("ASTINO" OR "COMPANY") ("ASTINO SHARE(S)") ("BONUS SHARE(S)") ON THE BASIS OF FOUR (4) BONUS SHARES FOR EVERY FIVE (5) EXISTING ASTINO SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



AFFIN HWANG INVESTMENT BANK BERHAD (Registration No. 197301000792 (14389-U))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of Astino will be held as a fully virtual general meeting at a broadcast venue at the Boardroom of the Company, Lot 1499 (Lot Baru 10030) & 1500, Mk 11, Jalan Changkat, 14300 Nibong Tebal, Seberang Perai Selatan, Penang on Friday, 2 July 2021 at 10.30 a.m. or at any adjournment thereof. This Circular, Notice of EGM together with the Proxy Form and Administrative Guide for the EGM are available for download from the Company's website at <http://www.astino.com.my>.

Please refer to the procedures provided in the Administrative Guide for the EGM for instructions to register, participate and vote remotely via Remote Participation and Voting facilities ("**RPV**") which are available on Tricor Investor & Issuing House Services Sdn Bhd's (the "**Share Registrar**", "**Tricor**" or "**TIIH**") TIH Online website at <https://tiih.online>.

If you are unable to attend and vote at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Proxy Form in accordance with the instructions contained therein and lodge the same at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang or by electronic means at TIH Online website at <https://tiih.online> not less than forty-eight (48) hours before the time stipulated for the EGM or any adjournment thereof.

Last date and time for lodging the Proxy Form : Wednesday, 30 June 2021 at 10.30 a.m.

Date and time of the EGM : Friday, 2 July 2021 at 10.30 a.m.

This Circular is dated 15 June 2021

DEFINITIONS

Except where the context otherwise requires, the following terms and abbreviations shall apply throughout this Circular:

Act	:	Companies Act 2016
Affin Hwang IB	:	Affin Hwang Investment Bank Berhad (Registration No. 197301000792 (14389-U))
Announcement	:	Announcement dated 10 May 2021 in relation to the Proposed Bonus Issue
Astino or Company	:	Astino Berhad (Registration No. 200001020478 (523085-X))
Astino Group or Group	:	Astino and its subsidiaries, collectively
Astino Share(s) or Share(s)	:	Ordinary share(s) in Astino
Board	:	The board of directors of Astino
Bonus Share(s)	:	Up to 219,294,370 new Astino Shares to be issued pursuant to the Proposed Bonus Issue
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Circular	:	This circular to the shareholders of Astino dated 15 June 2021
EGM	:	Extraordinary general meeting
Entitled Shareholders	:	Shareholders of Astino whose names appear in the Record of Depositors of the Company on the Entitlement Date
Entitlement Date	:	A date to be determined and announced later by the Board, on which the names of the shareholders of the Company must appear in the Record of Depositors of the Company as at 5.00 p.m. in order to be entitled to participate in the Proposed Bonus Issue
EPS	:	Earnings per Share
FPE	:	Financial period ended
FYE	:	Financial year ended/ending, as the case may be
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	17 May 2021, being the latest practicable date prior to the printing of this Circular

DEFINITIONS (CONT'D)

NA	:	Net assets
Proposed Bonus Issue	:	Proposed bonus issue of up to 219,294,370 Bonus Shares on the basis of four (4) Bonus Shares for every five (5) existing Astino Shares held by the Entitled Shareholders on the Entitlement Date
Record of Depositors	:	A record of securities holders established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991
RM and sen	:	Ringgit Malaysia and sen respectively
TEBP	:	Theoretical ex-bonus share price
VWAP	:	Volume weighted average price

References to “we”, “us”, “our” and “ourselves” are to our Company, and where the context otherwise requires, our subsidiaries. All references to “you” are to our shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time or date in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED BONUS ISSUE. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS TOGETHER WITH THE APPENDIX OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

Key information	Summary	Reference to this Circular
Issue size and basis of allotment	Up to 219,294,370 Bonus Shares on the basis of four (4) Bonus Shares for every five (5) existing Astino Shares held by the Entitled Shareholders on the Entitlement Date.	Section 2
Rationale for the Proposed Bonus Issue	The Proposed Bonus Issue serves to reward the existing shareholders of the Company for their loyalty and continued support to Astino Group and to enhance the marketability and trading liquidity of Astino Shares.	Section 3
Effects of the Proposed Bonus Issue	The effects of the Proposed Bonus Issue are as follows: (i) the number of Astino Shares in issue will increase from 274,117,963 Shares (inclusive of 5,375,537 Astino Shares held as treasury shares) to 493,412,333 Shares, but the value of the issued share capital of Astino will remain at RM138,273,954; (ii) no effect on the gearing ratio and the earnings of the Group as well as the percentage of shareholdings of the substantial shareholders of the Company; and (iii) NA per Share and EPS of the Group will be diluted due to the increase in the number of Astino Shares in issue after the Proposed Bonus Issue.	Section 4
Interests of directors, major shareholders, chief executive and/or persons connected with them	None of the directors, major shareholders, chief executive of the Company and/or persons connected with them have any interest, either direct or indirect, in the Proposed Bonus Issue, apart from their respective entitlements to the Bonus Shares as shareholders of Astino, to which all other shareholders of the Company are similarly entitled.	Section 8
Directors' statement and recommendation	The Board, after having considered all aspects of the Proposed Bonus Issue, including but not limited to the rationale and effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of the Company and its shareholders. Accordingly, the Board recommends that you VOTE IN FAVOUR of the resolution pertaining to the Proposed Bonus Issue to be tabled at the forthcoming EGM of the Company.	Section 9



ASTINO BERHAD
(Registration No. 200001020478 (523085-X))
(Incorporated in Malaysia)

Registered Office

Suite 12-A, Level 12
Menara Northam
No. 55, Jalan Sultan Ahmad Shah
10050 Georgetown
Penang

15 June 2021

Board of directors:

Ng Back Teng	<i>(Executive Chairman)</i>
Ng Hung Seh	<i>(Chief Executive Officer)</i>
Ng Hung Weng	<i>(Executive Director)</i>
Dr. Cheah Soo Jin	<i>(Senior Independent Non-Executive Director)</i>
Dato' Haji Mohtar Bin Nong	<i>(Independent Non-Executive Director)</i>
Lim Bee Lee	<i>(Independent Non-Executive Director)</i>

To: The shareholders of the Company

Dear Sir/Madam,

PROPOSED BONUS ISSUE

1. INTRODUCTION

On 10 May 2021, Affin Hwang IB had, on behalf of the Board, announced that the Company proposes to undertake the Proposed Bonus Issue.

On 19 May 2021, Affin Hwang IB had, on behalf of the Board, announced that the listing application in relation to the Proposed Bonus Issue had been submitted to Bursa Securities.

On 24 May 2021, Affin Hwang IB had, on behalf of the Board, announced that Bursa Securities, had vide its letter dated 24 May 2021, approved the listing of and quotation for up to 219,294,370 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market of Bursa Securities, subject to the conditions as set out in **Section 6** of this Circular.

The details of the Proposed Bonus Issue are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR TOGETHER WITH THE APPENDIX IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED BONUS ISSUE TOGETHER WITH THE RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE SET OUT IN THIS CIRCULAR.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS TOGETHER WITH THE APPENDIX OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF THE PROPOSED BONUS ISSUE

2.1 Basis and number of Bonus Shares to be issued

The Proposed Bonus Issue will entail the issuance of up to 219,294,370 Bonus Shares on the basis of four (4) Bonus Shares for every five (5) existing Astino Shares held by the Entitled Shareholders on the Entitlement Date.

The basis of four (4) Bonus Shares for every five (5) existing Astino Shares was determined after taking into consideration, amongst others, the following:

- (i) the potential adjustments to the share price of Astino Shares arising from the Proposed Bonus Issue; and
- (ii) the enlarged number of Astino Shares after the Proposed Bonus Issue.

The Entitlement Date will be determined and announced at a later date after all the relevant approvals for the Proposed Bonus Issue have been obtained.

As at the LPD, the issued share capital of the Company is RM138,273,954 comprising 274,117,963 Astino Shares (inclusive of 5,375,537 Astino Shares held as treasury shares). Upon completion of the Proposed Bonus Issue, the issued share capital of the Company will remain at RM138,273,954 while the number of issued shares will increase to 493,412,333 Astino Shares.

The actual number of Bonus Issue to be issued will depend on the number of issued shares of the Company (including treasury shares) on the Entitlement Date.

In determining shareholders' entitlements to the Proposed Bonus Issue, fractional entitlements, if any, shall be dealt with by the Board in such manner as it may in its absolute discretion deem fit and expedient and in the best interest of the Company.

The Proposed Bonus Issue will not be implemented on a staggered basis.

There will be an adjustment to the market price of Astino Shares listed and quoted on the Main Market of Bursa Securities pursuant to the Proposed Bonus Issue. For illustrative purposes, the effects of the Proposed Bonus Issue on Astino's share price and the number of Astino Shares are as follows:

	Before the Proposed Bonus Issue	After the Proposed Bonus Issue
	VWAP per Share RM	TEBP per Share RM
Five (5)-day VWAP up to and including 18 May 2021*	1.52	0.84
Lowest three (3)-month daily VWAP up to and including 18 May 2021*	0.91	0.51
Highest three (3)-month daily VWAP up to and including 18 May 2021*	1.67	0.93
No. of Astino Shares	274,117,963	493,412,333

The Board confirms that the share price adjusted for the Proposed Bonus Issue is not less than RM0.50 based on the daily VWAP of Astino Shares during the three (3)-month period up to and including 18 May 2021* pursuant to Paragraph 6.30(1A) of the Listing Requirements.

Note:

* *Being the date immediately preceding the submission of the application to Bursa Securities on 19 May 2021.*

2.2 No capitalisation of reserves

The Bonus Shares in respect of the Proposed Bonus Issue will be issued as fully paid, at nil consideration and without capitalisation of the Company's reserves.

For the avoidance of doubt, the Proposed Bonus Issue will increase the number of Astino Shares but the value of the issued share capital of Astino will remain the same.

2.3 Ranking of the Bonus Shares

The Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the existing Astino Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, unless the Bonus Shares were allotted on or prior to the entitlement date of such dividends, rights, allotments and/or other distributions.

As Astino Shares are prescribed securities under Section 14(5) of the Security Industry (Central Depositories) Act 1991, the Bonus Shares will be credited directly into the respective central depository system accounts of the Entitled Shareholders and no physical share certificates will be issued.

2.4 Listing of and quotation for the Bonus Shares

Bursa Securities had, vide its letter dated 24 May 2021, approved the listing of and quotation for up to 219,294,370 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market of Bursa Securities, subject to the conditions as set out in Section 6 of this Circular.

Upon obtaining all the necessary approvals as set out in Section 6 of this Circular, the Bonus Shares will be listed and quoted on the Main Market of Bursa Securities on the next market day after the Entitlement Date. The notices of allotment for the Bonus Shares will be issued and despatched to the Entitled Shareholders no later than four (4) market days after the date of listing of and quotation for the Bonus Shares, or such other period as may be prescribed by Bursa Securities.

3. RATIONALE FOR THE PROPOSED BONUS ISSUE

The Proposed Bonus Issue serves to reward the existing shareholders of the Company for their loyalty and continued support to Astino Group.

After due consideration of the various options available, the Board is of the view that the Proposed Bonus Issue is an appropriate avenue for the Company to reward its shareholders as the Proposed Bonus Issue:

- (i) will enable the existing shareholders to have greater participation in the equity of the Company in terms of the number of Astino Shares held, whilst maintaining their percentage of equity interest in the Company; and
- (ii) is expected to enhance the marketability and trading liquidity of Astino Shares on the Main Market of Bursa Securities, thereby providing opportunity for greater participation from a broader range of investors.

Further, as the Proposed Bonus Issue will not result in any capitalisation of the Company's reserves, the Company will be able to deploy its reserves and total net assets towards future needs as it arises.

4. EFFECTS OF THE PROPOSED BONUS ISSUE

4.1 Issued share capital

For illustrative purposes, the pro forma effects of the Proposed Bonus Issue on the issued share capital of the Company as at the LPD, are as follows:

	No. of Shares	RM
Issued share capital as at the LPD	⁽ⁱ⁾ 274,117,963	138,273,954
Bonus Shares to be issued	219,294,370	-
Enlarged issued share capital after the Proposed Bonus Issue	⁽ⁱⁱ⁾493,412,333	138,273,954

Notes:

- (i) Including 5,375,537 Astino Shares held as treasury shares as at the LPD. On 12 May 2021, the Company announced that it proposed to declare a share dividend for the FYE 31 July 2021 by way of distribution of one (1) treasury share for every fifty (50) existing Astino Shares held ("**Share Dividend**") where the entitlement date and crediting date for the Share Dividend are on 10 June 2021 and 25 June 2021, respectively. For illustrative purposes, the Share Dividend will be paid out in the form of up to 5,374,848 treasury shares, computed based on 268,742,426 Astino Shares (excluding treasury shares) as at the LPD.
- (ii) Including 1,240 Astino Shares held as treasury shares after the Share Dividend and Proposed Bonus Issue. The 689 treasury shares held by the Company after the Share Dividend would be entitled to the Bonus Shares pursuant to the Proposed Bonus Issue as permitted under Section 127(11) of the Act. As such, 551 Bonus Shares to be issued pursuant to the Proposed Bonus Issue will be treated as treasury shares held by the Company upon completion of the Proposed Bonus Issue.

4.2 NA, NA per Share and gearing

For illustrative purposes, the pro forma effects of the Proposed Bonus Issue on the NA, NA per Share and gearing of Astino Group based on the latest audited consolidated statement of financial position of Astino as at 31 July 2020 are as follows:

Group Level	Audited as at 31 July 2020 RM	I Adjusted for the subsequent event RM	II After (I) and the Share Dividend RM	III After (II) and the Proposed Bonus Issue RM
Share capital	138,273,954	138,273,954	138,273,954	138,273,954
Treasury shares	(2,104,624)	⁽ⁱⁱ⁾ (3,957,425)	^(v) (508)	(508)
Capital reserve	30,123,206	30,123,206	30,123,206	30,123,206
Retained profits	235,626,150	⁽ⁱⁱⁱ⁾ 231,589,764	^(v) 227,632,847	^(vi) 227,532,847
Total equity/NA	401,918,686	396,029,499	396,029,499	395,929,499
No. of Shares in issue	⁽ⁱ⁾ 271,065,926	^(iv) 268,742,426	^(v) 274,117,274	^(vii) 493,411,093
NA per Share (RM)	1.48	1.47	1.44	0.80
Total borrowings (RM)	65,572,333	65,572,333	65,572,333	65,572,333
Gearing ratio (times)	0.16	0.17	0.17	0.17

Notes:

- (i) Excluding 3,052,037 Astino Shares held as treasury shares as at 31 July 2020.
- (ii) After adjusting for a total of 2,323,500 Astino Shares which were repurchased by the Company for a total cash consideration of approximately RM1,852,801 from 1 August 2020 up to the LPD.
- (iii) After adjusting for the first and final single-tier dividend of 1.5 sen per Share for the FYE 31 July 2020 which was declared on 29 September 2020 and paid on 31 March 2021, amounting to approximately RM4.04 million based on 269,092,426 Astino Shares (excluding treasury shares).
- (iv) Excluding 5,375,537 Astino Shares held as treasury shares as at the LPD.

- (v) After adjusting for the Share Dividend to be paid out in the form of up to 5,374,848 treasury shares amounting to approximately RM3.96 million, computed based on 268,742,426 Astino Shares (excluding treasury shares) as at the LPD.
- (vi) After deducting the estimated expenses in relation to the Proposed Bonus Issue of approximately RM100,000.
- (vii) After issuance of 219,294,370 Bonus Shares and excluding 1,240 Astino Shares held as treasury shares after the Proposed Bonus Issue.

4.3 Earnings and EPS

The Proposed Bonus Issue is not expected to have any effect on the earnings of Astino Group for the FYE 31 July 2021. However, there will be a corresponding dilution in the EPS of Astino Group for the FYE 31 July 2021 as a result of the increase in the number of Astino Shares in issue arising from the Proposed Bonus Issue.

4.4 Substantial shareholders' shareholdings

The Proposed Bonus Issue will not have any effect on the percentage of shareholdings of the substantial shareholders of Astino as the Bonus Shares will be allotted on a pro-rata basis to all shareholders of the Company. Accordingly, the number of Astino Shares held by each substantial shareholder will increase proportionately as a result of the Proposed Bonus Issue.

The pro forma effects of the Proposed Bonus Issue on the substantial shareholders' shareholdings of Astino based on the Company's Register of Substantial Shareholders as at the LPD are as follows:

	As at the LPD				I After the Share Dividend			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%
Seavision Sdn Bhd	83,545,000	31.09	-	-	85,215,900	31.09	-	-
Ng Back Teng	21,195,236	7.89	(iv)30,000	0.01	21,619,140	7.89	(iv)30,600	0.01
Ng Hung Seh	14,245,806	5.30	(iv)2,626,532	0.98	14,530,722	5.30	(iv)2,679,062	0.98
Ng Bak Seng	202,000	0.08	(v)84,050,900	31.28	206,040	0.08	(v)85,731,918	31.28

	II After (II) and the Proposed Bonus Issue			
	Direct		Indirect	
	No. of Shares	(iii)%	No. of Shares	(iii)%
Seavision Sdn Bhd	153,388,620	31.09	-	-
Ng Back Teng	38,914,452	7.89	(iv)55,080	0.01
Ng Hung Seh	26,155,299	5.30	(iv)4,822,311	0.98
Ng Bak Seng	370,872	0.08	(v)154,317,452	31.28

Notes:

- (i) Computed based on 268,742,426 Astino Shares in issue (excluding the treasury shares).
- (ii) Computed based on 274,117,274 Astino Shares in issue (excluding the treasury shares).
- (iii) Computed based on 493,411,093 Astino Shares in issue (excluding the treasury shares).
- (iv) Deemed interested pursuant to Section 197(1) of the Act.
- (v) Deemed interested pursuant to Section 8(4) and Section 197(1) of the Act.

4.5 Convertible securities

As at the LPD, the Company does not have any convertible securities.

5. HISTORICAL SHARE PRICES

The monthly high and low market prices of Astino Shares as traded on the Main Market of Bursa Securities for the past twelve (12) months preceding the date of this Circular are as follows:

	Low RM	High RM
2020		
June	0.48	0.56
July	0.49	0.56
August	0.51	0.60
September	0.56	0.63
October	0.59	0.98
November	0.62	0.76
December	0.73	1.04
2021		
January	0.83	0.98
February	0.84	1.09
March	0.90	1.15
April	1.02	1.59
May	1.18	1.70

Last transacted price of Astino Shares on 7 May 2021
(being the day prior to the date of the Announcement) 1.66

Last transacted price of Astino Shares on 11 June 2021
(being the latest trading date prior to the printing of this Circular) 1.51

(Source: Bloomberg)

6. APPROVALS REQUIRED

The Proposed Bonus Issue is subject to the approvals being obtained from the following:

- (i) Bursa Securities, for the listing of and quotation for up to 219,294,370 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market of Bursa Securities.

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The approval from Bursa Securities for the Proposed Bonus Issue was obtained vide its letter dated 24 May 2021, and is subject to the following conditions:

No.	Conditions	Status of compliance
(i)	Astino and Affin Hwang IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue.	Noted.
(ii)	Astino and Affin Hwang IB are required to inform Bursa Securities upon the completion of the Proposed Bonus Issue.	To be complied.
(iii)	Astino and Affin Hwang IB are required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue is completed.	To be complied.
(iv)	Astino is required to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders at a general meeting for the Proposed Bonus Issue.	To be complied.
(v)	Astino is required to make the relevant announcements pursuant to Paragraph 6.35(2)(a) & (b) and 6.35(4) of the Listing Requirements in relation to the Proposed Bonus Issue.	To be complied.

(ii) the shareholders of Astino at an EGM of the Company to be convened.

7. INTER-CONDITIONALITY

The Proposed Bonus Issue is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of the directors, major shareholders, chief executive of the Company and/or persons connected with them have any interest, either direct or indirect, in the Proposed Bonus Issue, apart from their respective entitlements to the Bonus Shares as shareholders of Astino, to which all other shareholders of Astino are similarly entitled.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Bonus Issue, including but not limited to the rationale and effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of the Company and its shareholders.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Bonus Issue to be tabled at the forthcoming EGM of the Company.

10. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained from the relevant authorities and/or parties, the Proposed Bonus Issue is expected to be completed in the third (3rd) quarter of 2021.

The tentative timetable for the implementation of the Proposed Bonus Issue is as follows:

Tentative timeline	Key milestones
2 July 2021	EGM for the Proposed Bonus Issue
Mid July 2021	Announcement of the Entitlement Date for the Proposed Bonus Issue
End July 2021	<ul style="list-style-type: none">▪ Entitlement Date▪ Listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities▪ Completion of the Proposed Bonus Issue

11. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Bonus Issue, the Board confirms that there is no other outstanding corporate exercise which has been announced but pending completion as at the LPD.

12. EGM

The EGM of the Company, the notice of which is set out in this Circular, will be held as a fully virtual general meeting at a broadcast venue at the Boardroom of the Company, Lot 1499 (Lot Baru 10030) & 1500, Mk 11, Jalan Changkat, 14300 Nibong Tebal, Seberang Perai Selatan, Penang on Friday, 2 July 2021 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without any modifications, the resolution pertaining to the Proposed Bonus Issue.

If you are unable to attend and vote at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Proxy Form in accordance with the instructions contained therein and lodge the same at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang or by electronic means at Tricor Investor & Issuing House Services Sdn Bhd's (the "Share Registrar", "Tricor" or "TIIH") TIIH Online website at <https://tjih.online> not less than forty-eight (48) hours before the time stipulated for the EGM or any adjournment thereof.

Please refer to the procedures provided in the Administrative Guide for the EGM for instructions to register, participate and vote remotely via Remote Participation and Voting facilities ("RPV") which are available on TIIH Online website at <https://tjih.online>.

13. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendix for further information.

Yours faithfully,
For and on behalf of the Board of
ASTINO BERHAD

NG BACK TENG
Executive Chairman

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved the contents of this Circular, and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular. The Board confirms that after making all reasonable enquires and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

Affin Hwang IB, being the Principal Adviser for the Proposed Bonus Issue, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

Affin Hwang IB, being the Principal Adviser for the Proposed Bonus Issue, hereby declares that there is no situation of conflict of interest that exists or likely to exist in relation to its role as the Principal Adviser for the Proposed Bonus Issue.

3. MATERIAL LITIGATION

As at the LPD, the Astino Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings pending or threatened against the Astino Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of the Astino Group.

4. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, the Board is not aware of any other material commitments incurred or known to be incurred by the Astino Group, which upon becoming enforceable may have a material effect on the business or financial position of the Astino Group:

	RM'000
Contracted but not provided for:	
▪ Property, plant and equipment	12,544

5. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Astino Group, which upon becoming enforceable may have a material effect on the business or financial position of the Astino Group.

FURTHER INFORMATION (CONT'D)

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM of the Company, at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang:

- (i) the Constitution of the Company;
- (ii) the audited consolidated financial statements of Astino for the past two (2) FYE 31 July 2019 and 31 July 2020 as well as the latest unaudited consolidated financial statements of Astino for the FPE 31 January 2021; and
- (iii) the letter of consent referred to in Section 2 above.

(The rest of this page has been intentionally left blank)



ASTINO BERHAD

(Registration No. 200001020478 (523085-X))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“**EGM**”) of Astino Berhad (“**Astino**” or “**Company**”) will be held as a fully virtual general meeting at a broadcast venue at the Boardroom of the Company, Lot 1499 (Lot Baru 10030) & 1500, Mk 11, Jalan Changkat, 14300 Nibong Tebal, Seberang Perai Selatan, Penang on Friday, 2 July 2021 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without any modifications the following resolution:

ORDINARY RESOLUTION

PROPOSED BONUS ISSUE OF UP TO 219,294,370 NEW ORDINARY SHARES IN ASTINO (“ASTINO SHARE(S)”) (“BONUS SHARE(S)”) ON THE BASIS OF FOUR (4) BONUS SHARES FOR EVERY FIVE (5) EXISTING ASTINO SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS ISSUE”)

“**THAT** subject to the approvals of all relevant authorities and/or parties (where applicable) being obtained, and to the extent permitted by law and the Constitution of the Company, approval be and is hereby given to the board of directors of Astino (“**Board**”) to issue up to 219,294,370 Bonus Shares on the basis of four (4) Bonus Shares for every five (5) existing Astino Shares held by the entitled shareholders whose names appear in the record of depositors of the Company at the close of business on an entitlement date to be determined and announced later.

THAT fractional entitlements arising from the Proposed Bonus Issue, if any, shall be dealt with by the Board in such manner as it may in its absolute discretion deem fit and expedient and in the best interest of the Company;

THAT the Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the existing Astino Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, unless the Bonus Shares were allotted on or prior to the entitlement date of such dividends, rights, allotments and/or other distributions.

AND THAT the Board be and is hereby authorised to take all the necessary steps to give effect to the Proposed Bonus Issue with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”

By order of the Board

CH’NG LAY HOON (MAICSA 0818580)
SSM Practising No.: 201908000494
Company Secretary
Penang

15 June 2021

Notes:

1. For the purpose of determining a member of the Company who shall be entitled to attend and vote at this EGM, the Company shall be requesting the record of depositors as at 25 June 2021. Only a depositor whose name appears on the record of depositors as at 25 June 2021 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.
2. Members/proxies/corporate representatives/attorneys WILL NOT BE ALLOWED to be physically present at the broadcast venue on the day of EGM, instead are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively "**participate**") remotely at the EGM via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn Bhd (the "**Share Registrar**", "**Tricor**" or "**TIIH**") TIIH Online website at <https://tjih.online>.
3. Proxy:
 - (a) A member of the Company (except an exempt authorised nominee) shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
 - (b) 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.
 - (c) The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
 - (d) The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang or by electronic lodgement at TIIH Online website at <https://tjih.online> not less than forty-eight (48) hours before the time set for holding the EGM or any adjournments thereof.
 - (e) Members'/proxies'/corporate representatives'/attorneys' login to the virtual meeting will commence at 9.30 a.m. on the day of the meeting and shall remain open until the conclusion of the EGM or such time as may be determined by the Chairman of the EGM.



PROXY FORM

ASTINO BERHAD
(20001020478) (523085-X)

CDS ACCOUNT NO.	NO. OF SHARES HELD

I/We _____
(Full name of a member in BLOCK LETTERS as per Identity Card("MYKAD")/Passport/Certificate of Incorporation*)

MYKAD/Passport No./Company No.* _____ of _____

(Address in full)

telephone no. _____, being a member of ASTINO BERHAD ("the Company")

hereby appoint _____
(Full name of proxy in BLOCK LETTERS as per MYKAD/Passport)

MYKAD/Passport No.* _____ of _____

(Address in full)

And/or failing him/her,* _____
(Full name of proxy in BLOCK LETTERS as per MYKAD/Passport)

MYKAD/Passport No.* _____ of _____

(Address in full)

or failing the abovenamed proxies, the Chairman of the Extraordinary General Meeting ("**EGM**"), as my/our* proxy to vote for me/us* on my/our* behalf at the EGM of the Company, to be held at a fully virtual general meeting at a broadcast venue at the Boardroom of the Company, Lot 1499 (Lot Baru 10030) & 1500, Mk 11, Jalan Changkat, 14300 Nibong Tebal, Seberang Perai Selatan, Penang on Friday, 2 July 2021 at 10.30 a.m. or at any adjournment thereof. My/our proxy/proxies* is to be vote as indicated below:

Ordinary Resolution	For	Against
Proposed Bonus Issue		

(Please indicate with "X" in the spaces on how you wish your votes to be cast for or against the resolution. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.)

*Strike out whichever not applicable

Dated this _____ day of _____ 20_____

Signature(s)/Common Seal of Member(s)

Notes:

- For the purpose of determining a member of the Company who shall be entitled to attend and vote at this EGM, the Company shall be requesting the record of depositors as at 25 June 2021. Only a depositor whose name appears on the record of depositors as at 25 June 2021 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.
- Members/proxies/corporate representatives/attorneys WILL NOT BE ALLOWED to be physically present at the broadcast venue on the day of EGM, instead are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively "**participate**") remotely at the EGM via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn Bhd (the "**Share Registrar**", "**Tricor**" or "**TIIH**") TIIH Online website at <https://tiih.online>.
- Proxy:
 - A member of the Company (except an exempt authorised nominee) shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
 - 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.
 - The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
 - The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang or by electronic lodgement at TIIH Online website at <https://tiih.online> not less than forty-eight (48) hours before the time set for holding the EGM or any adjournments thereof.
 - Members/proxies/corporate representatives/attorneys' login to the virtual meeting will commence at 9.30 a.m. on the day of the meeting and shall remain open until the conclusion of the EGM or such time as may be determined by the Chairman of the EGM.

The proportions of my/our* holding to be represented by my/our* proxies are as follows: -		
	No. of Shares	Percentage
First Proxy		
Second Proxy		
Total		100%

Fold this flap for sealing

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**AFFIX
STAMP**

The Company Secretary
ASTINO BERHAD
(Registration No: 200001020478 (523085-X))
SUITE 12-A, LEVEL 12, MENARA NORTHAM
NO. 55, JALAN SULTAN AHMAD SHAH
10050 GEORGETOWN PENANG

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