

# MAGNI-TECH INDUSTRIES BERHAD

(Company No. 422565-V)

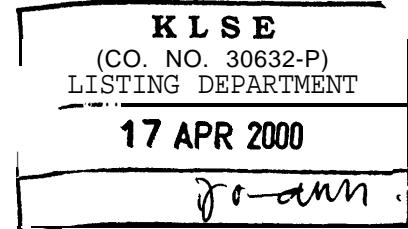
Registered Office : 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang  
Correspondence Address : Level 18 Penas Tower, Midlands Park Centre, 488-A Jalan Burnmah,  
10350 Penang. Tel No. 04-2274188 Fax No. 04-2270654

15 April 2000

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(By fax 03-2063670)

Listing Department  
Kuala Lumpur Stock Exchange  
9th Floor, Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

(Attn : Ms Teh Hong Yee)



Dear Sirs,

**Unaudited Quarterly Results**  
**For the 3rd Quarter Ended 31 January 2000**

We are pleased to announce the unaudited proforma consolidated results of Magni-Tech Industries Berhad for the abovesaid quarter as per attachment.

Yours faithfully,  
Magni-Tech Industries Berhad

  
.....  
Tan Poay Seng  
Managing Director

Copy : Arab-Malaysian Merchant Bank Berhad  
Attn : Miss Ong Chwee Peng / Mr Calvin Chun  
( Fax 03-2024960)

QUARTERLY RESULTS

**UNAUDITED RESULTS FOR THE 3RD QUARTER ENDED 31 JANUARY 2000**

The Board of Directors of Magni-Tech Industries Berhad ("Group") is pleased to announce the unaudited proforma consolidated results of the Group for the 3rd quarter ended 31 January 2000.

**PROFORMA CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/1/2000 RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000	CURRENT YEAR TODATE 31/1/2000 RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000
1 (a) Turnover	22,694	NR	64,021	NR
(b) Investment income	23	NR	68	NR
(c) Other income including interest income	119	NR	319	NR
2 (a) Operating profit before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	2,651	NR	8,804	NR
(b) Interest on borrowings	(53)	NR	(149)	NR
(c) Depreciation and amortisation	(785)	NR	(2,319)	NR
(d) Exceptional items		NR		NR
(e) Operating profit after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	1,955	NR	6,723	NR
(f) Share in the results of associated companies	-	NR	-	NR
(g) Profit before taxation, minority interests and extraordinary items	1,955	NR	6,723	NR
(h) Taxation	(396)	NR	(1,606)	NR
(i) (i) Profit after taxation before deducting minority interests	1,560	NR	5,117	NR
(ii) Less : minority interests	(8)	NR	(32)	NR
(j) Profit after taxation attributable to members of the company	1,554	NR	5,085	NR
(k) (i) Extraordinary items	-	NR	-	NR
(ii) Less : minority interests	-	NR	-	NR
(iii) Extraordinary items attributable to members of the company		NR		NR
(l) Profit after taxation and extraordinary items attributable to members of the company	1,554	NR	5,085	NR
3 (a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any :				
(i) Basic (based on 31,650,000 ordinary shares) (sen)	4.91	NR	16.07	NR
(ii) Fully diluted	NA	NR	NA	NR
4. (a) Dividend per share (sen)	-	NR	-	NR
(b) Dividend Description	NA	NR	NA	NR
	AS AT END OF CURRENT QUARTER 31/1/2000		AS AT PRECEDING FINANCIAL YEAR END	
5. Nat tangible assets per share (RM)	1.77	NR	NA	NR

NR denotes "Not Required"  
NA denotes "Not Applicable"

**MAGNI-TECH INDUSTRIES BERHAD**  
 (Company No : 422586-V)  
 (Incorporated in Malaysia)

**UNAUDITED RESULTS FOR THE 3RD QUARTER ENDED 31 JANUARY 2000**

**PROFORMA CONSOLIDATED BALANCE SHEET**

	AS AT END OF CURRENT QUARTER 31/1/2000  RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/1/2000 (AUDITED) RM'000
Fixed Assets	41,810	NA
Investment in Associated Companies	-	NA
Long Term Investment	-	NA
Current Assets		
<i>Stocks</i>	14,971	NA
<i>Debtors</i>	19,609	NA
<i>Cash and Bank Balances</i>	181	NA
<i>Other debtors</i>	4,070	NA
	<u>38,831</u>	<u>NA</u>
Current Liabilities		
<i>Short Term Borrowings</i>	3,683	NA
<i>Creditors</i>	4,492	NA
<i>Provision for Taxation</i>	1,926	NA
<i>Proposed Dividend</i>	-	NA
<i>Other creditors</i>	7,403	NA
<i>Others</i>	2,105	NA
	<u>19,609</u>	<u>NA</u>
Net Current Assets	19,222	NA
	<u>61,032</u>	<u>NA</u>
Financed By:		
Share Capital	31,650	NA
Reserve		
<i>Share Premium</i>	-	NA
<i>Merger Reserve / (Deficit)</i>	-	NA
<i>Retained Profits</i>	24,268	NA
	<u>24,268</u>	<u>NA</u>
Minority Interests	58	NA
Long Term Borrowings	-	NA
Deferred Taxation	5,056	NA
	<u>61,032</u>	<u>NA</u>
Not Tangible Assets per share (RM)	<u>1.93</u>	<u>NA</u>

**MAGNI-TECH INDUSTRIES BERHAD**  
(Company No : 422585-V)  
(Incorporated in Malaysia)

**UNAUDITED RESULTS FOR THE 3RD QUARTER ENDED 31 JANUARY 2000**

**\*\* The unaudited proforma results for Magni-Tech Industries Berhad for the quarter ended 31 January, 2000 was prepared on the assumption that the acquisition of the subsidiaries by Magni-Tech Industries Berhad was completed on 31 October, 1999.**

**NOTES**

- 1 the quarterly financial statements have been prepared using the same accounting policies and methods of computation as compared with the prospectus dated 17 March 2000.
- 2 There was no exceptional item for the quarter ended 31 January 2000.
- 3 There was no extraordinary item for the quarter ended 31 January 2000.
- 4 The taxation charge for the quarter ended 31 January 2000 include the following :

	SIP	SIPP	IPP	Total RM000
Previous years over / underprovision	-	-	-	-
Deferred Tax - Increase / ( decrease ) profit	87.00	(134.20)	-	47.20

- 5 There was no pre-acquisition profits included in the results for the quarter ended 31 January 2000 as all the subsidiaries were consolidated using the Merger Method of accounting.
- 6 The gain on disposal of fixed assets for the quarter ended 31 January 2000 as follows :

	SIP	SIPP	IPP	Total RM000
Gain on disposal of fixed assets	17.70	10.00	28.70	58.40

- 7(a) There was no purchase or disposal of quoted securities for the quarter ended 31 January 2000.
- 7(b) there was no investment in quoted securities as at 31 January 2000.

8 There were no changes in the composition of the Group for the current quarter ended 31 January 2000 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

**9 Corporate Proposals:**

- i) The acquisition of the entire issued and paid-up capital in Inter-Pacific Packaging Sdn Bhd ("IPP") for a purchase consideration of RM22,571,250 is satisfied by an issuance of 16,649,478 new ordinary shares of RM1.00 each in MTI at an issue price of approximately RM1.36 per ordinary share credited as fully paid-up. The purchase consideration is based on the audited net tangible assets as at 30 April, 1998 less a 20% special tax exempt dividend amounting to RM2,000,000 to the previous shareholders of IPP deemed to be paid prior to the completion of listing exercise.
- ii) The acquisition of the entire issued and paid-up capital in South Island Plastics Sdn Bhd ("SIP") for a purchase consideration of RM7,995,466 is satisfied by an issuance of 5,897,783 new ordinary shares of RM1.00 each in MTI at an issue price of approximately RM1.36 per ordinary share credited as fully paid-up.
- iii) the acquisition of 98.64% equity interest in South Island Packaging (Penang) Sdn Bhd ("SIPP") for a purchase consideration of RM12,340,336 is satisfied by an issuance of 9,102,737 new ordinary shares of RM1.00 each in MTI at an issue price of approximately RM1.36 per ordinary share credited as fully paid-up.

The above acquisitions were completed on 17 February, 2000.

iv) The public issue by Magni-Tech Industries Berhad ("MTI") of 8,600,000 new ordinary shares of RM1.00 each in MTI at an issue price of RM1.50 per ordinary share to the eligible employees and directors of the MTI Group and to the Malaysian Public were completed on 11 April, 2000.

v) The listing of and quotation for the entire issued and paid-up capital share capital of MTI comprising 40,250,000 ordinary shares of RM1.00 each on the Second Board of the Kuala Lumpur Stock Exchange is expected to be completed on 18 April, 2000.

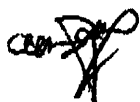
- 10 Our principal business operations are not significantly affected by seasonal or cyclical factors.
- 11 There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter ended 31 January 2000.

12 Group borrowings and debts as at 31 January 2000 are as follows :-

	SIP	SIPP	IPP	Total RM000
Short term borrowings	1,737	1,519	428	3,683
Hire Purchase	-	-	233	233
	<u>1,737</u>	<u>1,519</u>	<u>661</u>	<u>3,918</u>
Letter of guarantee	156	65	241	462
Outstanding letter of credit	-	1,544	-	1,544

All the borrowings and debts are unsecured and in RM.

- 13 There were no contingent liabilities at the latest practicable date for the quarter ended 31 January 2000.
- 14 There were no financial instruments with off balance sheet risk as at 10 April 2000.
- 15 There Was no pending material litigation as at 10 April 2000.
- 16 There was no segment revenue, segment result and segment assets employed for business segments and/or geographical segments for the quarter ended 31 January 2000 as all the three subsidiaries of the Group are operating in the same industry, i.e. packaging Industry, and in Malaysia.
- 17 There were no explanatory comments on any material change in the profit before taxation for the quarter ended 31 January 2000 as this is the first quarterly results reported by the Group.
- 18 The Group's turnover and profit before tax as of year-to-date 31 January, 2000 were in-line with the forecasted performance and results
- 19 The economic outlook remain positive powered by booming exports of electrical and electronic products, etc and also the boost in domestic spending which will add to the better sales of packaging products.
- 20 Since this is the 3rd quarter results for the Group, there is no explanatory comment on variance of actual profit from forecast profit.
- 21 No interim dividend was declared as of the quarter ended 31 January, 2000.



Tan Poay Seng  
Director

Date : 15 April, 2000