

# Magni-Tech Industries Berhad

( Incorporated in Malaysia ; Company No. 422585-V )

## Unaudited Condensed Consolidated Statement of Financial Position as at 30 April 2013

	Unaudited @ 30-4-2013	Audited & Restated @ 30-4-2012	Restated @ 1-5-2011
	RM'000	RM'000	RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	61,614	62,767	64,278
Investment Properties	124	142	159
Quoted Investments	1,380	1,388	1,356
Other Investments	21,415	20,010	11,657
	<u>84,533</u>	<u>84,307</u>	<u>77,450</u>
<b>Current Assets</b>			
Inventories	61,946	53,089	60,099
Receivables	75,651	62,268	55,184
Tax Recoverable	272	207	694
Deposits with Licensed Banks	46,674	36,321	16,145
Cash and Bank Balances	2,605	4,055	2,049
	<u>187,148</u>	<u>155,940</u>	<u>134,171</u>
Non-current assets held for sale	-	257	-
<b>TOTAL ASSETS</b>	<u>271,681</u>	<u>240,504</u>	<u>211,621</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share Capital (Par value per share RM1)	108,488	108,488	103,600
Reserves	98,387	77,802	53,593
	<u>206,875</u>	<u>186,290</u>	<u>157,193</u>
<b>Non-controlling Interests</b>	31	29	29
<b>Total Equity</b>	<u>206,906</u>	<u>186,319</u>	<u>157,222</u>
<b>Non-current Liability</b>			
Deferred Taxation	7,725	7,604	7,365
<b>Current Liabilities</b>			
Payables	55,081	44,658	46,824
Tax Payables	1,969	1,923	210
	<u>57,050</u>	<u>46,581</u>	<u>47,034</u>
<b>Total Liabilities</b>	<u>64,775</u>	<u>54,185</u>	<u>54,399</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>271,681</u>	<u>240,504</u>	<u>211,621</u>
<b>Net Assets per share (RM)</b>	1.91	1.72	1.52

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2012 and the accompanying explanatory notes attached to the interim financial statements.

# Magni-Tech Industries Berhad

( Incorporated in Malaysia ; Company No. 422585-V )

## Condensed Consolidated Income Statement

### Unaudited Interim Financial Report For The Period Ended 30 April 2013

	4th Quarter		Year end	
	30.4.2013	30.4.2012	30.4.2013	30.4.2012
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	136,687	117,580	565,817	534,123
Operating Expenses	(127,462)	(112,948)	(520,876)	(498,382)
Other Operating (expenses) / Income	311	3,753	1,594	4,303
<b>Profit from Operations</b>	9,536	8,385	46,535	40,044
Investment Related Income	522	382	1,994	1,375
Finance Costs	(120)	(120)	(518)	(545)
<b>Profit before Taxation</b>	9,938	8,647	48,011	40,874
Taxation	(2,681)	(2,190)	(12,237)	(10,236)
<b>Net Profit</b>	<u>7,257</u>	<u>6,457</u>	<u>35,774</u>	<u>30,638</u>
<b>Profit attributable to:</b>				
Equity holders of the parent	7,256	6,457	35,772	30,638
Non-controlling interests	1	-	2	-
	<u>7,257</u>	<u>6,457</u>	<u>35,774</u>	<u>30,638</u>
<b>Basic Earnings Per Share (Sen)</b>	<u>6.69</u>	<u>5.95</u>	<u>32.97</u>	<u>28.46</u>

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 April 2012 and the accompanying explanatory notes attached to the interim financial statements.

# Magni-Tech Industries Berhad

( Incorporated in Malaysia ; Company No. 422585-V )

## Condensed Consolidated Statement of Comprehensive Income

### Unaudited Interim Financial Report For The Period Ended 30 April 2013

	4th Quarter		Year end	
	30.4.2013 RM'000	30.4.2012 RM'000	30.4.2013 RM'000	30.4.2012 RM'000
<b>Net Profit</b>	7,257	6,457	35,774	30,638
Other Comprehensive Income				
Gain / (Loss) on changes in fair value of available-for-sale financial assets	10	(19)	1	32
<b>Total Comprehensive Income</b>	<b>7,267</b>	<b>6,438</b>	<b>35,775</b>	<b>30,670</b>
<b>Total Comprehensive Income attributable to :</b>				
Equity holders of the parent	7,266	6,438	35,773	30,670
Non-controlling interests	1	-	2	-
	<b>7,267</b>	<b>6,438</b>	<b>35,775</b>	<b>30,670</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2012 and the accompanying explanatory notes attached to the interim financial statements.

# Magni-Tech Industries Berhad

(Incorporated in Malaysia ; Company No. 422585-V)

## Condensed Consolidated Statement of Changes in Equity

Unaudited Interim Financial Report For The Period Ended 30 April 2013

	Attributable to equity holders of the Parent								
	Share Capital	Non-distributable			Distributable		Total	Non-controlling Interests	Total Equity
		Share Premium	AFS (^) Reserves	Other Reserves	Retained Profits	Total Reserves			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>For the year ended 30 April 2013</b>									
Balance as at 1 May 2012	108,488	3,766	58	-	73,978	77,802	186,290	29	186,319
Total Comprehensive Income for the year	-	-	1	-	35,772	35,773	35,773	2	35,775
	108,488	3,766	59	-	109,750	113,575	222,063	31	222,094
<b>Transaction with Owners</b>									
Dividend in respect of year ended 30 April 2012	-	-	-	-	(9,764)	(9,764)	(9,764)	-	(9,764)
Dividend in respect of year ended 30 April 2013	-	-	-	-	(5,424)	(5,424)	(5,424)	-	(5,424)
Balance as at 30 April 2013	108,488	3,766	59	-	94,562	98,387	206,875	31	206,906
(^) Available-for-sale									
<b>For the year ended 30 April 2012</b>									
Balance as at 1 May 2011	103,600	3,048	26	812	49,707	53,593	157,193	29	157,222
Total Comprehensive Income for the year	-	-	32	-	30,638	30,670	30,670	-	30,670
	103,600	3,048	58	812	80,345	84,263	187,863	29	187,892
<b>Transactions with Owners</b>									
Issuance of New Ordinary Shares pursuant to ESOS	4,888	719	-	(671)	-	48	4,936	-	4,936
Transfer from ESOS reserve upon expiry of ESOS	-	-	-	(141)	141	-	-	-	-
Dividend in respect of year ended 30 April 2011	-	-	-	-	(6,509)	(6,509)	(6,509)	-	(6,509)
Balance as at 30 April 2012	108,488	3,767	58	-	73,977	77,802	186,290	29	186,319

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2012 and the accompanying explanatory notes attached to the interim financial statements.

# Magni-Tech Industries Berhad

(Incorporated in Malaysia ; Company No. 422585-V)

## Condensed Consolidated Statement of Cash Flows

Unaudited Interim Financial Report For The Period Ended 30 April 2013

	Unaudited Year ended 30.4.2013	Audited Year ended 30.4.2012
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	48,011	40,874
Adjustments for :		
Allowance for impairment loss on trade receivable	69	-
Bad debts written off	9	68
Depreciation	5,470	5,149
Dividend income	(1,069)	(844)
Gain on disposal of property, plant and equipment	(213)	(34)
Gain on disposal of other investment	(50)	-
Gain on disposal of non-current assets held for sale	(26)	-
Interest income	(925)	(531)
Net fair value gain arising on financial assets classified as held for trading	-	(57)
Net unrealised foreign exchange gain	(192)	(609)
Property, plant and equipment written off	23	288
Reversal of impairment losses on trade receivables	(31)	(304)
<b>Operating profit before working capital changes</b>	<u>51,076</u>	<u>44,000</u>
Increase in inventories and receivables	(21,850)	(439)
Increase / (decrease) in payables	10,191	(941)
<b>Cash generated from operations</b>	<u>39,417</u>	<u>42,620</u>
Net Income tax paid	(12,134)	(7,799)
<b>Net cash generated from operating activities</b>	<u><u>27,283</u></u>	<u><u>34,821</u></u>
<b><u>Cash flows from investing activities</u></b>		
Dividend received	1,038	844
Interest received	913	531
Proceeds from disposal of property, plant and equipment	213	141
Proceeds from disposal of other investment	1,185	-
Proceeds from disposal of non-current assets held for sale	284	-
Purchase of property, plant and equipment	(4,322)	(4,273)
Purchase of other investments	(2,500)	(8,295)
<b>Net cash used in investing activities</b>	<u><u>(3,189)</u></u>	<u><u>(11,052)</u></u>
<b><u>Cash flows from financing activities</u></b>		
Proceeds from Issued Shares pursuant to Employee Share Option Scheme	-	4,936
Dividends paid	(15,188)	(6,509)
<b>Net cash used in financing activities</b>	<u><u>(15,188)</u></u>	<u><u>(1,573)</u></u>
<b>Net increase in cash and cash equivalents</b>	8,906	22,196
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(3)	(14)
<b>Cash and cash equivalents at beginning</b>	<u>40,376</u>	<u>18,194</u>
<b>Cash and cash equivalents at end</b>	<u><u>49,279</u></u>	<u><u>40,376</u></u>
<b>Cash &amp; Cash Equivalents comprise the following :-</b>		
Cash and bank balances	2,605	4,055
Deposits with licensed banks	46,674	36,321
	<u><u>49,279</u></u>	<u><u>40,376</u></u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 April 2012 and the accompanying explanatory notes attached to the interim financial statements.

# Magni-Tech Industries Berhad

(Incorporated in Malaysia ; Company No. 422585-V)

## Notes To The Quarterly Financial Report

### Unaudited Interim Financial Report For The Period Ended 30 April 2013

1) Basis of Preparation

The condensed consolidated interim financial report is unaudited and has been prepared in accordance with MFRS 134, Interim Financial Reporting and IAS 34, Interim Financial Reporting and applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited consolidated financial statements of the Company for the financial year ended 30 April 2012 and the accompanying explanatory notes attached to this interim financial report.

The Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the MASB with effect from 1 May 2012. These consolidated condensed interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ended 30 April 2013 and hence MFRS 1 : First-Time Adoption of Malaysian Financial Reporting Standards (MFRS1) has been applied. The adoption of MFRS 1 has no significant impact on the financial statements.

2) The audit report of the Company's most recent annual financial statements for the financial year ended 30 April 2012 was not subject to any qualification.

3) Seasonal or Cyclical Factors

The operations of the Group during the year ended 30 April 2013 ("financial year") were not materially affected by seasonal or cyclical factors.

4) Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial year.

5) Material Changes in Estimates

There were no material changes in the estimates of amounts reported in the quarter ended 30 April 2013 ("current quarter").

6) Change in Composition of the Group

There were no changes in the composition of the Group during the financial year.

7) Debts and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year.

8) Dividend Paid

During the financial year ended 30 April 2013, the Company paid the following dividends:

(i) First and final dividend of 8 Sen per share less 25% tax and the special tax exempt dividend of 3 Sen per share for the financial year ended 30 April 2012 on 19 November 2012

(ii) Tax exempt interim dividend of 5 Sen per share for the financial year ended 30 April 2013 on 26 April 2013.

Total dividend paid during the previous financial year ended 30-4-2012 amounted to 6 Sen net per share.

9) Revaluation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment during the financial year.

10) Subsequent Events

There were no material subsequent events for the financial year, up to the date of this announcement.

11) Segment Information

The segmental analysis of the Group's operations for the financial year is as follows :

<u>Revenue</u>	External RM'000	Inter -segment RM'000	Year Ended 30-4-2013 RM'000
Packaging	112,192	316	112,508
Garment Manufacturing	453,625	-	453,625
Elimination - Inter-segment Revenue	-	(316)	(316)
Total Revenue	<u>565,817</u>	<u>-</u>	<u>565,817</u>

# Magni-Tech Industries Berhad

(Incorporated in Malaysia ; Company No. 422585-V)

## Notes To The Quarterly Financial Report

### Unaudited Interim Financial Report For The Period Ended 30 April 2013

11) Segment Information (Cont'd)		Year Ended 30-4-2013 RM'000
	<u>Results</u>	
	Packaging	6,971
	Garment manufacturing	39,788
		<u>46,759</u>
	Unallocated corporate expenses	(224)
	Profit from operations	46,535
	Investment Related Income :	
	Dividend income	1,069
	Interest income	925
		<u>1,994</u>
	Finance costs	(518)
	Profit before taxation	48,011
	Taxation	(12,237)
	Net Profit	<u><u>35,774</u></u>

#### 12) Analysis of Performance

The Group is primarily engaged in the manufacturing of garments for export (about 80.2% of Group's revenue for the financial year) and a wide range of flexible plastic packaging, corrugated packaging products and display boxes.

The key factors that affect the performance of garment business include mainly the labour costs, other operating costs, foreign currency fluctuations and demand for the garments.

For the packaging segment, the key factors that affect its performance include mainly raw material costs (Kraft liner, test liner, medium papers, paper boards, polyethylene resins and etc.), operating costs and demand for the packaging products.

#### Current Quarter vs Preceding Year Corresponding Quarter

Revenue for the current quarter increased by 16.2% as compared to the preceding year corresponding quarter as a result of the increase in sales orders received from both garment and packaging businesses by 20.7% and 2.3% respectively.

Profit before taxation (PBT) for the current quarter increased by 14.9% mainly due to higher revenue.

#### Financial Year vs Preceding Financial Year

Revenue for the financial year increased by 5.9% compared to the previous year mainly due to increase in sales orders received from garment and packaging segments by 6.9% and 2.2% respectively.

PBT for the financial year increased by 17.5% mainly attributed to higher revenue.

#### 13) Material Variance of Results vs Preceding Quarter

Revenue for the current quarter decreased by 15.7% mainly due to the 19.8% drop in sales orders received from garment segment which was partially cushioned by the 4.0% increase in sales orders received from packaging segment.

PBT for the current quarter decreased by 24.5% mainly attributed to lower revenue and higher cost of sales.

#### 14) Future Prospects

The manufacturing and sale of garment will still be the Group's major revenue contributor. The Group maintains a cautiously positive outlook for the forthcoming financial year ending 30 April 2014 amid the global economic uncertainty.

Both the garment and packaging businesses are expected to remain profitable for the forthcoming financial year.

#### 15) Taxation

The tax charge for the current quarter or financial period is made up as follows :

	Quarter Ended	Year Ended
	30-4-2013	30-4-2013
	RM'000	RM'000
Provision for taxation	2,531	12,097
Under provision for taxation	11	8
Deferred taxation	256	249
Over provision for deferred taxation	(117)	(117)
	<u>2,681</u>	<u>12,237</u>

The effective tax rates for the current quarter and financial year are higher than the statutory rate mainly due to deferred taxation and certain expenses being disallowed for tax purposes.

#### 16) Profit Forecast or Profit Guarantee

This is not applicable.

#### 17) Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

#### 18) Group Borrowings

The Group does not have any borrowings and debt securities as at the end of the financial year.

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(Incorporated in Malaysia ; Company No. 422585-V)

## Notes To The Quarterly Financial Report

### Unaudited Interim Financial Report For The Period Ended 30 April 2013

19) Material Litigation

There were no material litigations for the financial year.

20) Contingent Liabilities and Assets

There were no material changes in contingent liabilities or contingent assets since the last audited statement of financial position date.

21) Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in this quarterly financial report.

22) Dividend

The Board has declared an interim tax exempt dividend of 5 sen per share (previous year corresponding quarter - nil) in respect of the financial year ended 30 April 2013 and paid on 26 April 2013.

The Board of Directors has also recommended, for approval at the forthcoming annual general meeting (AGM), a final tax exempt dividend of 3 Sen per share and a special single tier dividend of 5 Sen per share for the financial year ended 30 April 2013 (2012 : 8 Sen franked dividend less tax of 25% and 3 Sen special tax exempt dividend per share) and the date of AGM, and relevant entitlement and payment dates will be notified in due course.

Total dividends paid and proposed for the financial year will amount to 13 Sen net dividends per share (2012 : 9 Sen net per share).

23) Earnings Per Share (EPS)

		Quarter Ended 30-4-2013	Quarter Ended 30-4-2012	Year Ended 30-4-2013	Year Ended 30-4-2012
(a) Basic EPS					
Profit attributable to equity holders of the parent	(RM'000)	7,256	6,457	35,772	30,638
Issued ordinary shares at beginning of the period / year	('000)	108,488	108,488	108,488	103,600
Effect of shares Issued during the period / year	('000)	-	-	-	4,056
Weighted average no. of ordinary shares in issue	('000)	108,488	108,488	108,488	107,656
Basic EPS	(Sen)	6.69	5.95	32.97	28.46

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the financial year ended 30 April 2013.

24) Profit Before Tax

	Quarter Ended 30-4-2013 RM'000	Year Ended 30-4-2013 RM'000
Profit before tax is arrived at after charging/(crediting) the following items :-		
(a) Interest Income	(368)	(925)
(b) Other income including investment income	(491)	(1,851)
(c) Interest Expenses	-	-
(d) Depreciation and Amortisation	1,367	5,470
(e) Net Foreign exchange loss / (gain)	282	(556)
(f) Gain or loss on disposal of quoted or unquoted investments or properties	(256)	(256)
(g-h) Provision for and write off of receivables / Inventories	47	47
(i-j) Plant and Equipment written off / Impairment of assets	23	23
(k-l) Gain or loss on derivatives / Exceptional items	-	-

25) Realised and Unrealised Profits

Breakdown of the retained profits of the Group as at 30 April 2013, into realised and unrealised profits :

	As at 30-4-2013 RM'000	As at 30-4-2012 RM'000
Total retained earnings of the Company and its subsidiaries :		
- realised	131,348	108,024
- unrealised	(7,510)	(6,996)
	123,838	101,028
Less : Consolidated adjustments	(29,276)	(27,051)
	94,562	73,977

By Order of the Board

**Tan Sri Dato' Seri Tan Kok Ping**

Chairman

26 June 2013

c.c. Securities Commission