

Magni-Tech Industries Berhad

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

Unaudited Condensed Consolidated Statement of Financial Position as at 31 July 2014

	Unaudited @ 31-7-2014	Audited @ 30-4-2014
ASSETS		
	RM'000	RM'000
Non-current Assets		
Property, Plant and Equipment	60,491	62,006
Investment Properties	115	116
Quoted Investments	1,295	1,308
Other Investments	<u>23,082</u>	<u>23,040</u>
	<u>84,983</u>	<u>86,470</u>
Current Assets		
Inventories	50,499	62,639
Receivables	74,968	84,858
Tax Recoverable	157	144
Deposits with Licensed Banks	98,275	65,866
Cash and Bank Balances	<u>5,320</u>	<u>5,121</u>
	<u>229,219</u>	<u>218,628</u>
TOTAL ASSETS	<u><u>314,202</u></u>	<u><u>305,098</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital (Par value per share RM1)	108,488	108,488
Reserves	<u>136,509</u>	<u>126,396</u>
	244,997	234,884
Non-controlling Interests	<u>32</u>	<u>32</u>
Total Equity	<u>245,029</u>	<u>234,916</u>
Non-current Liability		
Deferred Taxation	7,101	7,101
Current Liabilities		
Payables	59,296	60,326
Tax Payables	<u>2,776</u>	<u>2,755</u>
	<u>62,072</u>	<u>63,081</u>
Total Liabilities	<u>69,173</u>	<u>70,182</u>
TOTAL EQUITY AND LIABILITIES	<u><u>314,202</u></u>	<u><u>305,098</u></u>
Net Assets per share (RM)	2.26	2.17

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 First Quarter Ended 31 July 2014

	1st Quarter		Year to Date - 3 Months	
	31-7-2014 RM'000	31-7-2013 RM'000	31-7-2014 RM'000	31-7-2013 RM'000
Revenue	177,240	150,995	177,240	150,995
Operating Expenses	(165,414)	(141,795)	(165,414)	(141,795)
Other Operating (expenses) / Income	(506)	1,275	(506)	1,275
Profit from Operations	11,320	10,475	11,320	10,475
Investment Related Income	2,262	1,855	2,262	1,855
Finance Costs	(133)	(136)	(133)	(136)
Profit before Taxation	13,449	12,194	13,449	12,194
Taxation	(3,365)	(3,054)	(3,365)	(3,054)
Net Profit	<u>10,084</u>	<u>9,140</u>	<u>10,084</u>	<u>9,140</u>
Profit attributable to:				
Equity holders of the parent	10,084	9,139	10,084	9,139
Non-controlling interests	-	1	-	1
	<u>10,084</u>	<u>9,140</u>	<u>10,084</u>	<u>9,140</u>
Basic Earnings Per Share (Sen)	9.30	8.42	9.30	8.42

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 First Quarter Ended 31 July 2014

	1st Quarter		Year to Date - 3 Months	
	31-7-2014	31-7-2013	31-7-2014	31-7-2013
	RM'000	RM'000	RM'000	RM'000
Net Profit	10,084	9,140	10,084	9,140
Other Comprehensive Income				
Gain on changes in fair value of available-for-sale financial assets	29	15	29	15
Total Comprehensive Income	<u>10,113</u>	<u>9,155</u>	<u>10,113</u>	<u>9,155</u>
Total Comprehensive Income attributable to :				
Equity holders of the parent	10,113	9,154	10,113	9,154
Non-controlling interests	-	1	-	1
	<u>10,113</u>	<u>9,155</u>	<u>10,113</u>	<u>9,155</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 First Quarter Ended 31 July 2014

	Attributable to equity holders of the Parent							Non-controlling Interests	Total Equity
	Share Capital	Non-distributable		Distributable		Total Reserves	Total		
		Share Premium	AFS (^) Reserves	Retained Profits	Total Reserves				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
For the financial period ended 31 July 2014									
Balance as at 1 May 2014	108,488	3,766	220	122,410	126,396	234,884	32	234,916	
Total Comprehensive Income for the financial period	-	-	29	10,084	10,113	10,113	-	10,113	
Balance as at 31 July 2014	<u>108,488</u>	<u>3,766</u>	<u>249</u>	<u>132,494</u>	<u>136,509</u>	<u>244,997</u>	<u>32</u>	<u>245,029</u>	
(^) Available-for-sale									
For the financial period ended 31 July 2013									
Balance as at 1 May 2013	108,488	3,766	113	94,563	98,442	206,930	31	206,961	
Total Comprehensive Income for the financial period	-	-	15	9,139	9,154	9,154	1	9,155	
Balance as at 31 July 2013	<u>108,488</u>	<u>3,766</u>	<u>128</u>	<u>103,702</u>	<u>107,596</u>	<u>216,084</u>	<u>32</u>	<u>216,116</u>	

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 First Quarter Ended 31 July 2014

	(Unaudited) 3 months to 31-7-2014 RM'000	(Unaudited) 3 months to 31-7-2013 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	13,449	12,194
Adjustments for :		
Depreciation	1,404	1,343
Dividend income	(1,844)	(1,487)
Loss / (gain) on disposal of property, plant and equipment	317	(6)
Interest income	(418)	(368)
Operating profit before working capital changes	12,908	11,676
Decrease in inventories and receivables	22,030	19,425
Increase in payables	(1,030)	(5,219)
Cash generated from operations	33,908	25,882
Net Income tax paid	(3,357)	(3,349)
Net cash generated from operating activities	30,551	22,533
<u>Cash flows from investing activities</u>		
Net dividend received	1,844	1,487
Interest received	418	368
Proceeds from disposal of property, plant and equipment	578	9
Purchase of property, plant and equipment	(783)	(534)
Purchase of other investments	-	(1,500)
Net cash generated from / (used in) investing activities	2,057	(170)
Net increase in cash and cash equivalents	32,608	22,363
Cash and cash equivalents at beginning	70,987	49,279
Cash and cash equivalents at end	103,595	71,642
Cash & Cash Equivalents comprise the following :-		
Cash and bank balances	5,320	3,419
Deposits with licensed banks	98,275	68,223
	103,595	71,642

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2014 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 First Quarter Ended 31 July 2014

1) Basis of Preparation

Adoption of new MFRSs, Amendments/Improvements to MFRSs and IC Interpretation

The condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Accounting Standards Board ("MFRS") 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standards ("IAS") 34 - Interim Financial Reporting and applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2014. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2014.

The significant accounting policies adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 30 April 2014.

The Group has not early adopted the standards and interpretations that have been issued but not yet effective.

The application of the new/revised standards and interpretations is not expected to have any significant impact on the financial statements upon their initial adoption.

2) The auditors' report of the Company's most recent annual financial statements for the financial year ended 30 April 2014 was not subject to any qualification.

3) Seasonal or Cyclical Factors

The operations of the Group 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 period ended 31 July 2014 ("financial period").

5) Material Changes in Estimates

There were no material changes in the estimates of amounts reported in the first quarter ended 31 July 2014 ("current quarter"),

6) Change in Composition of the Group

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

7) Debts and Equity Securities

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

8) Dividend Paid

No dividend was paid during the financial period.

9) Revaluation of Property, Plant and Equipment

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

10) Subsequent Events

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

11) Segment Information

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

	External RM'000	Inter -segment RM'000	3 months to 31-7-2014 RM'000
<u>Revenue</u>			
Packaging	29,419	173	29,592
Garment Manufacturing	147,821	-	147,821
Elimination - Inter-segment Revenue	-	(173)	(173)
Total Revenue	<u>177,240</u>	<u>-</u>	<u>177,240</u>

Magni-Tech Industries Berhad

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

Notes To The Quarterly Financial Report

Unaudited Interim Financial Report For The First Quarter Ended 31 July 2014

11) Segment Information (Cont'd)	3 months to 31-7-2014 RM'000
<u>Results</u>	
Packaging	1,319
Garment manufacturing	10,054
	<u>11,373</u>
Unallocated corporate expenses	(53)
Profit from operations	11,320
Investment Related Income :	
Dividend income	1,844
Interest income	418
	<u>2,262</u>
Finance costs	(133)
Profit before taxation	13,449
Taxation	(3,365)
Net Profit	<u>10,084</u>

12) Analysis of Performance

The Group is primarily engaged in the manufacturing of garments for export and a wide range of flexible plastic packaging, corrugated packaging products and offset printing packaging products. The garment segment accounted for about 83.4% of Group's revenue for the financial period.

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 17.4% as compared to the preceding year corresponding quarter as a result of higher sales orders received from the garment business by 23.7%.

Profit before taxation (PBT) for the current quarter increased by 10.3% mainly due to higher revenue.

13) Material Variance of Results vs Preceding Quarter

Revenue for the current quarter increased by 11.9% mainly due to increase in sales orders received from garment business. PBT for the current quarter increased by 25.6% mainly due to higher revenue and investment related income.

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 remaining quarters of the current financial year amid the global economic uncertainty. Both the garment and packaging businesses are expected to remain profitable for the remaining quarters of the current financial year.

15) Taxation

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

Provision for taxation	3,365
------------------------	-------

There is no significant variance in the effective tax rate for the current quarter or financial period as compared to the statutory rate.

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.

Magni-Tech Industries Berhad

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

Notes To The Quarterly Financial Report

Unaudited Interim Financial Report For The First Quarter Ended 31 July 2014

- 18) Group Borrowings
The Group did not have any borrowings and debt securities as at the end of the financial period.
- 19) Material Litigation
There were no material litigations for the financial period.
- 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 material changes in capital commitment since the last audited statement of financial position as at 30 April 2014.
- 22) Dividend
The Board of Directors had earlier 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 2014 (2013 : 3 Sen final tax exempt dividend and 5 Sen special single tier dividend per share) and the date of AGM, relevant entitlement and payment dates will be separately announced today.

23) Earnings Per Share (EPS)

		Quarter Ended 31-7-2014	Quarter Ended 31-7-2013	Period to 31-7-2014	Period to 31-7-2013
(a) Basic EPS					
Profit attributable to equity holders of the parent	(RM'000)	10,084	9,139	10,084	9,139
Weighted average no. of ordinary shares in issue & fully paid with voting rights	('000)	108,488	108,488	108,488	108,488
Basic EPS	(Sen)	9.30	8.42	9.30	8.42

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period.

24) Profit Before Tax

		Quarter Ended 31-7-2014
Profit before tax is arrived at after charging/(crediting) the following items :-		RM'000
(a) Interest income		(418)
(b) Other income including investment income		(1,943)
(c) Interest expenses		-
(d) Depreciation and amortisation		1,404
(e) Net foreign exchange loss		288
(f) Loss on disposal of quoted or unquoted investments or properties		317
(g-h) Provision for and write off of receivables / Inventories		-
(i-j) Plant and equipment written off / Impairment of assets		-
(k-l) Gain or loss on derivatives / Exceptional items		-

25) Realised and Unrealised Profits

Breakdown of the retained profits of the Group as at end of the financial period, into realised and unrealised profits :

	As at 31-7-2014	As at 30-4-2014
Total retained earnings of the Company and its subsidiaries :	RM'000	RM'000
- realised	168,622	159,125
- unrealised	(6,850)	(7,437)
	161,772	151,688
Less : Consolidated adjustments	(29,278)	(29,278)
	132,494	122,410

By Order of the Board

Tan Sri Dato' Seri Tan Kok Ping

Chairman

12 September 2014

c.c. Securities Commission