

# Magni-Tech Industries Berhad

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

## Condensed Consolidated Income Statement

### Unaudited Interim Financial Report For The Year Ended 30 April 2015

	4th Quarter		Year ended	
	30-4-2015 RM'000	30-4-2014 RM'000	30-4-2015 RM'000	30-4-2014 RM'000
<b>Revenue</b>	176,728	162,441	716,380	651,273
Operating Expenses	(158,341)	(152,993)	(656,250)	(602,569)
Other Operating Income	2,927	597	5,362	3,588
<b>Profit from Operations</b>	21,314	10,045	65,492	52,292
Investment Related Income	840	793	4,375	3,667
Finance Costs	(109)	(133)	(461)	(547)
<b>Profit before Taxation</b>	22,045	10,705	69,406	55,412
Taxation	(5,512)	(2,212)	(17,293)	(13,461)
<b>Net Profit after Taxation</b>	16,533	8,493	52,113	41,951
<b>Profit attributable to:</b>				
Owners of the Company	16,535	8,492	52,113	41,950
Non-controlling interests	(2)	1	-	1
	16,533	8,493	52,113	41,951
<b>Basic Earnings Per Share (Sen)</b>	15.24	7.83	48.04	38.67

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 )

## Unaudited Condensed Consolidated Statement of Financial Position as at 30 April 2015

	Unaudited @ 30-04-2015	Audited @ 30-4-2014
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	58,112	62,006
Investment Properties	110	116
Quoted Investments	1,096	1,308
Other Investments	62,037	23,040
	<u>121,355</u>	<u>86,470</u>
<b>Current Assets</b>		
Inventories	64,051	62,639
Receivables	82,723	84,858
Current Tax Assets	19	144
Deposits with Licensed Banks	66,088	65,866
Cash and Bank Balances	2,951	5,121
	<u>215,832</u>	<u>218,628</u>
<b>TOTAL ASSETS</b>	<u><u>337,187</u></u>	<u><u>305,098</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share Capital (Par value per share RM1)	108,488	108,488
Reserves	164,185	126,396
	<u>272,673</u>	<u>234,884</u>
<b>Non-controlling Interests</b>	32	32
<b>Total Equity</b>	<u>272,705</u>	<u>234,916</u>
<b>Non-current Liability</b>		
Deferred Taxation	6,626	7,101
<b>Current Liabilities</b>		
Payables	52,446	60,326
Current Tax Liabilities	5,410	2,755
	<u>57,856</u>	<u>63,081</u>
<b>Total Liabilities</b>	<u>64,482</u>	<u>70,182</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>337,187</u></u>	<u><u>305,098</u></u>
<b>Net Assets per share (RM)</b>	2.51	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 Statement of Comprehensive Income

### Unaudited Interim Financial Report For The Year Ended 30 April 2015

	4th Quarter		Year ended	
	30-4-2015	30-4-2014	30-4-2015	30-4-2014
	RM'000	RM'000	RM'000	RM'000
<b>Net Profit</b>	16,533	8,493	52,113	41,951
Other Comprehensive Income				
(Loss)/ Gain on changes in fair value of available-for-sale financial assets	(13)	71	(220)	107
<b>Total Comprehensive Income</b>	<u>16,520</u>	<u>8,564</u>	<u>51,893</u>	<u>42,058</u>
<b>Total Comprehensive Income attributable to :</b>				
Owners of the Company	16,522	8,563	51,893	42,057
Non-controlling interests	(2)	1	-	1
	<u>16,520</u>	<u>8,564</u>	<u>51,893</u>	<u>42,058</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 Year Ended 30 April 2015

	- - - - Attributable to Owners of the Company - - - -							Total Equity
	Share Capital	Non-distributable		Distributable		Total	Non-controlling Interests	
	Share Premium	AFS (^) Reserves	Retained Profits	Total Reserves				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>For the year ended 30 April 2015</b>								
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 year	-	-	(220)	52,113	51,893	51,893	-	51,893
	<u>108,488</u>	<u>3,766</u>	<u>-</u>	<u>174,523</u>	<u>178,289</u>	<u>286,777</u>	<u>32</u>	<u>286,809</u>
<b>Transaction with Owners</b>								
Dividends in respect of year ended 30 April 2014	-	-	-	(8,679)	(8,679)	(8,679)	-	(8,679)
Dividends in respect of year ended 30 April 2015	-	-	-	(5,425)	(5,425)	(5,425)	-	(5,425)
Balance as at 30 April 2015	<u>108,488</u>	<u>3,766</u>	<u>-</u>	<u>160,419</u>	<u>164,185</u>	<u>272,673</u>	<u>32</u>	<u>272,705</u>
(^) Available-for-sale								
<b>For the year ended 30 April 2014</b>								
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 year	-	-	107	41,950	42,057	42,057	1	42,058
	<u>108,488</u>	<u>3,766</u>	<u>220</u>	<u>136,513</u>	<u>140,499</u>	<u>248,987</u>	<u>32</u>	<u>249,019</u>
<b>Transaction with Owners</b>								
Dividends in respect of year ended 30 April 2013	-	-	-	(8,679)	(8,679)	(8,679)	-	(8,679)
Dividends in respect of year ended 30 April 2014	-	-	-	(5,424)	(5,424)	(5,424)	-	(5,424)
Balance as at 30 April 2014	<u>108,488</u>	<u>3,766</u>	<u>220</u>	<u>122,410</u>	<u>126,396</u>	<u>234,884</u>	<u>32</u>	<u>234,916</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 Year Ended 30 April 2015

	(Unaudited) Year ended 30-4-2015	(Audited) Year ended 30-4-2014
	RM'000	RM'000
<b><u>Cash flows from operating activities</u></b>		
Profit before tax	69,406	55,412
Adjustments for :		
Allowance for impairment loss on trade receivable	41	254
Depreciation	5,777	5,560
Dividend income	(2,775)	(1,916)
Fair value gain reclassified from equity upon disposal of available-for sale investments	(291)	-
Gain on disposal of other investments	(6)	-
Impairment loss on quoted investments	212	83
Interest income	(1,303)	(1,751)
Loss / (gain) on disposal of property, plant and equipment	139	(112)
Net unrealised loss on foreign exchange	712	336
Property, plant and equipment written off	408	33
Reversal of impairment losses on trade receivables	(16)	(41)
<b>Operating profit before working capital changes</b>	<b>72,304</b>	<b>57,858</b>
Increase in inventories	(1,412)	(692)
Decrease / (Increase) in receivables	2,103	(9,847)
(Decrease)/ Increase in payables	(8,592)	5,328
<b>Cash generated from operations</b>	<b>64,403</b>	<b>52,647</b>
Net Income tax paid	(14,988)	(13,114)
Net cash from operating activities	<u>49,415</u>	<u>39,533</u>
<b><u>Cash flows from investing activities</u></b>		
Net dividend received	2,345	1,886
Interest received	1,309	1,749
Proceeds from disposal of property, plant and equipment	758	541
Purchase of property, plant and equipment	(3,182)	(6,407)
Proceeds from disposal of other investments	14,304	-
Purchase of other investments	(52,794)	(1,500)
Net cash used in investing activities	<u>(37,260)</u>	<u>(3,731)</u>
<b><u>Cash flows from financing activities</u></b>		
Dividends paid	(14,104)	(14,103)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,949)</b>	<b>21,699</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>1</b>	<b>9</b>
<b>Cash and cash equivalents at beginning</b>	<b>70,987</b>	<b>49,279</b>
<b>Cash and cash equivalents at end</b>	<b><u>69,039</u></b>	<b><u>70,987</u></b>
<b>Cash &amp; Cash Equivalents comprise the following :-</b>		
Cash and bank balances	2,951	5,121
Deposits with licensed banks	66,088	65,866
	<u>69,039</u>	<u>70,987</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)

## Notes To The Quarterly Financial Report

### Unaudited Interim Financial Report For The Year Ended 30 April 2015

#### 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 paragraph 9.22 of the Main Market 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, except for the adoption of those standards that are effective for annual period beginning on or after 1 January 2014.

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

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) Audit Report of Preceding Annual Financial Statements

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 during the year ended 30 April 2015 ("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 2015 ("current quarter") and in the financial year.

#### 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, the Company paid the following dividends :

(i) The final tax exempt dividend of 3 sen per share and special single tier dividend of 5 sen per share for the financial year ended 30 April 2014 had been paid on 6 November 2014.

(ii) Single tier interim dividend of 5 Sen per share in respect of the financial year paid on 30 April 2015.

Total dividends paid during the financial year amounted to 13 Sen net per share (2014 : 13 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 :

	External RM'000	Inter -segment RM'000	Year Ended 30-4-2015 RM'000
<u>Revenue</u>			
Packaging	119,996	92	120,088
Garment Manufacturing	596,384	-	596,384
Elimination - Inter-segment Revenue	-	(92)	(92)
Total Revenue	<u>716,380</u>	<u>-</u>	<u>716,380</u>

# Magni-Tech Industries Berhad

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

## Notes To The Quarterly Financial Report

### Unaudited Interim Financial Report For The Year Ended 30 April 2015

11) Segment Information (Cont'd)	Year Ended 30-4-2015 RM'000
<u>Results</u>	
Packaging	5,391
Garment manufacturing	60,311
	<u>65,702</u>
Unallocated corporate expenses	(210)
Profit from operations	65,492
Investment Related Income :	
Dividend income	2,775
Interest income	1,303
Fair value gain reclassified from equity upon disposal of available-for-sale investments	291
Gain on disposal of investment	6
	4,375
Finance costs	(461)
Profit before taxation	69,406
Taxation	(17,293)
Net Profit after Taxation	<u>52,113</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 83.2% of Group's revenue for the financial year.

The key factors that affect the performance of garment business include mainly the labour costs, other operating costs, and demand for the garments and the ability of management to cope with change.

For the packaging segment, the key factors that affect its performance include mainly raw material costs, such as Kraft liner, test liner, medium papers, paper boards, polyethylene resins and etc.), operating costs, demand for the packaging products and the ability of management to cope with change.

#### Current Quarter vs Preceding Year Corresponding Quarter

Revenue for the current quarter increased by 8.8% as compared to the preceding year corresponding quarter mainly due to higher sale orders received from the garment business by 12.0%.

Profit before taxation (PBT) for the current quarter increased by 105.9% mainly due to higher revenue and other operating income, and lower cost of sales on garment business.

#### Current Financial Year vs Preceding Year

Group revenue for the financial year increased by 10.0% as compared to the previous year.

Revenue for the financial year for garment segment increased by 12.3% mainly due to higher sale orders received.

PBT for the financial year increased by 25.3% mainly attributed to higher revenue, other operating and investment related income, and lower cost of sales on garment business.

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

Revenue for the current quarter decreased by 11.8% as compared to the preceding quarter mainly due to lower sale orders received from both garment and packaging businesses by 12.6% and 7.7% respectively.

PBT for the current quarter decreased by 4.5% mainly due to lower revenue.

#### 14) Future Prospects

The manufacturing and sales of garment will still be the Group's major revenue contributor. The Group maintains a cautiously positive outlook for the forthcoming financial year amid the global economic uncertainty. Both the garment and packaging businesses are expected to remain profitable for the forthcoming financial year.

#### 15) Taxation

	Quarter to 30-4-2015 RM'000	Year ended 30-4-2015 RM'000
The tax charges for the current quarter and financial year are made up as follows :		
Provision for current tax	5,886	17,881
Over provision of prior year's current tax	(6)	(114)
Provision for deferred Tax	(376)	(482)
Under provision of prior year's deferred tax	8	8
	<u>5,512</u>	<u>17,293</u>

The Group's effective tax rate for the current quarter and financial year under review approximate the Malaysian statutory tax rate of 25%.

#### 16) Profit Forecast or Profit Guarantee

There was no profit forecast made in any public document.

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## Notes To The Quarterly Financial Report

### Unaudited Interim Financial Report For The Year Ended 30 April 2015

17) Corporate Proposals

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

18) Group Borrowings and Debts Securities

The Group has no borrowings and debt securities as at the end of the financial year.

19) Material Litigation

There were no material litigations during the financial year.

20) Contingent Liabilities and Assets

There were no contingent assets or contingent liabilities since the end of the last annual reporting period.

21) Capital Commitments

There were no material capital commitments as at 30 April 2015.

22) Dividend

The Board of Directors has also recommended, for approval at the forthcoming annual general meeting (AGM), a single tier final dividend of 3 Sen per share and a single tier special dividend of 7 Sen per share in respect of the financial year (2014 : 3 Sen final tax exempt dividend and 5 Sen single tier special dividend per share). The date of AGM and relevant entitlement and payment dates will be notified in due course.

23) Earnings Per Share (EPS)

		Quarter to 30-4-2015	Quarter to 30-4-2014	Year Ended 30-4-2015	Year Ended 30-4-2014
(a) Basic EPS					
Profit attributable to Owners of the Company	(RM'000)	16,535	8,492	52,113	41,950
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)	15.24	7.83	48.04	38.67

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

24) Profit Before Tax

		Quarter to 30-4-2015	Year Ended 30-4-2015
Profit before tax is arrived at after charging/(crediting) the following items :-		RM'000	RM'000
Interest income		(206)	(1,303)
Dividend income		(634)	(2,775)
Interest expenses		-	-
Depreciation and amortisation		1,445	5,777
Net unrealised (gain)/loss on foreign exchange		(107)	712
Net realised gain on foreign exchange		(2,745)	(5,891)
Impairment loss on quoted investments		-	212
Gain on disposal of other investments		-	(6)
Fair value gain reclassified from equity upon disposal of available-for-sale investments		(291)	(291)
(Gain)/Loss on disposal of property, plant and equipment		(5)	139
Provision for and write off of receivables		41	41
Provision for and write off of Inventories		-	-
Plant and equipment written off		102	408
(Gain) / loss on derivatives / Exceptional items		-	-

25) Realised and Unrealised Profits

The breakdown of retained profits of the Group as at 30 April 2015 into realised and unrealised profits are as follows:

	As at 30-4-2015	As at 30-4-2014
Total retained earnings of the Company and its subsidiaries :	RM'000	RM'000
- realised	197,036	159,125
- unrealised	(7,339)	(7,437)
	189,697	151,688
Less : Consolidated adjustments	(29,278)	(29,278)
	<u>160,419</u>	<u>122,410</u>

By Order of the Board

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

Chairman

23 June 2015

c.c. Securities Commission