

Magni-Tech Industries Berhad

Registration No. 199701007089 (422585-V)

Incorporated in Malaysia

(Q1-FYR 2026)

Unaudited Condensed Consolidated Statement of Income and Other Comprehensive Income For the First Quarter Ended 31 July 2025 ("Q1-FYR 2026")

				Financial Period - first 3 Months to		
	Q1-FYR 2026	Q1-FYR 2025	Changes	31-7-2025	31-7-2024	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	377,605	437,596	-13.7%	377,605	437,596	-13.7%
Operating expenses	(333,909)	(388,926)	-14.1%	(333,909)	(388,926)	-14.1%
Other operating income						
Loss on foreign exchange	(2,279)	(188)	>100%	(2,279)	(188)	>100%
Others	378	390	-3.1%	378	390	-3.1%
Profit from operations	41,795	48,872	-14.5%	41,795	48,872	-14.5%
Investment related income	5,343	9,536	-44.0%	5,343	9,536	-44.0%
Share of profit/(loss) of an associate	74	62	-19.4%	74	62	-19.4%
Profit before tax	47,212	58,470	-19.3%	47,212	58,470	-19.3%
Tax expense	(11,626)	(13,828)	-15.9%	(11,626)	(13,828)	-15.9%
Profit / total comprehensive Income for the period	<u>35,586</u>	<u>44,642</u>	-20.3%	<u>35,586</u>	<u>44,642</u>	-20.3%
Total comprehensive Income attributable to:						
Owners of the Company	35,586	44,641	-20.3%	35,586	44,641	-20.3%
Non-controlling interests	-	1		-	1	
	<u>35,586</u>	<u>44,642</u>	-20.3%	<u>35,586</u>	<u>44,642</u>	-20.3%
Basic / diluted earnings per share (Sen)	<u>8.21</u>	<u>10.30</u>	-20.3%	<u>8.21</u>	<u>10.30</u>	-20.3%
Dividends per share (Sen)						
- Interim dividend (Q1)	<u>3.5</u>	<u>5.0</u>	-30.0%	<u>3.5</u>	<u>5.0</u>	-30.0%

Unaudited Condensed Consolidated Statement of Financial Position as at 31 July 2025

	Unaudited @ 31-7-2025	Audited @ 30-4-2025
ASSETS		
Non-current assets	RM'000	RM'000
Property, plant and equipment	64,677	63,945
Investment properties	994	999
Investment in Associate - Unquoted shares	902	828
Investment securities - Unquoted shares	39,149	39,149
	<u>105,722</u>	<u>104,921</u>
Current assets		
Inventories	291,675	306,128
Receivables	227,687	224,700
Current tax receivable	1,320	1,389
Bank deposits and cash balances	449,442	414,195
	<u>970,124</u>	<u>946,412</u>
TOTAL ASSETS	<u>1,075,846</u>	<u>1,051,333</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	216,975	216,975
Reserves	688,577	665,995
Treasury shares	(686)	(686)
Net equity funds	<u>904,866</u>	<u>882,284</u>
Non-controlling Interests	<u>27</u>	<u>27</u>
Total equity	<u>904,893</u>	<u>882,311</u>
Non-current liability		
Deferred tax liabilities	<u>7,433</u>	<u>7,194</u>
Current liabilities		
Payables	156,626	155,225
Current tax payable	6,894	6,603
	<u>163,520</u>	<u>161,828</u>
Total liabilities	<u>170,953</u>	<u>169,022</u>
TOTAL EQUITY AND LIABILITIES	<u>1,075,846</u>	<u>1,051,333</u>
Net assets per share ⁽¹⁾ (RM)	2.09	2.04

Notes :

- (1) The net assets per share is calculated based on the net equity funds divided by 433,450,579 being the no. of shares in issue with voting rights.
- (2) The annexed notes form an integral part of this interim financial report.

Condensed Consolidated Statement of Changes in Equity
For the First Quarter Ended 31 July 2025

	- - - Attributable to Owners of the Parent Company - - -							
	Share Capital	Treasury Shares	Fair Value Reserve	Distributable Retained Profits	Total Reserves	Net Equity Funds	Non controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>For the financial period to 31 July 2025</u>								
Balance as at 1 May 2025	216,975	(686)	3,175	662,820	665,995	882,284	27	882,311
Profit for the period	-	-	-	35,586	35,586	35,586	-	35,586
Total comprehensive Income	-	-	-	35,586	35,586	35,586	-	35,586
<u>Transaction with owners of the company</u>								
Dividend in respect of FYR 2025	-	-	-	(13,004)	(13,004)	(13,004)	-	(13,004)
Balance as at 31 July 2025	216,975	(686)	3,175	685,402	688,577	904,866	27	904,893
(^) Available-for-sale								

For the financial period to 31 July 2024

Balance as at 1 May 2024	216,975	(686)	2,296	676,189	678,485	894,774	26	894,800
Profit for the period	-	-	-	44,641	44,641	44,641	1	44,642
Total comprehensive Income	-	-	-	44,641	44,641	44,641	1	44,642
<u>Transaction with owners of the company</u>								
Dividend in respect of FYR 2024	-	-	-	(14,304)	(14,304)	(14,304)	-	(14,304)
Balance as at 31 July 2024	216,975	(686)	2,296	706,526	708,822	925,111	27	925,138

The annexed notes form an integral part of this interim financial report.

Condensed Consolidated Statement of Cash Flows
For the First Quarter Ended 31 July 2025

	Unaudited 31-7-2025 RM'000	Unaudited 31-7-2024 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	47,212	58,470
Adjustments for :		
Depreciation	1,616	1,539
Dividend income	(1,391)	(1,834)
Interest income	(3,952)	(7,702)
Loss/(Gain) on disposal of property, plant and equipment	3	(318)
Net unrealised (gain)/loss on foreign exchange	(1,497)	522
Property, plant and equipment written off	11	2
Share of results of an associate	(74)	(62)
Operating profit before working capital changes	41,928	50,617
Changes in:		
Inventories	14,451	21,917
Receivables	1,982	31,000
Payables	(2,053)	26,435
Cash generated from operations	56,308	129,969
Net income tax paid	(11,028)	(8,939)
Net cash from operating activities	45,280	121,030
<u>Cash flows from investing activities</u>		
Net dividends received	1,391	1,834
Interest received	3,952	7,702
Investment of Unquoted share Investments	-	(18,154)
Proceeds from disposal of property, plant and equipment	1	319
Purchase of plant and equipment	(2,358)	(2,313)
Placement of fixed deposits	(4,692)	(155,432)
Withdrawal of fixed deposits	-	7,010
Net cash used in investing activities	(1,706)	(159,034)
<u>Cash flows from financing activities</u>		
Dividends paid to shareholders of the Company	(13,004)	(14,304)
Net cash used in financing activities	(13,004)	(14,304)
Net increase/(decrease) in cash and cash equivalents	30,570	(52,308)
Cash and cash equivalents at beginning	35,445	172,067
Cash and cash equivalents at end	66,015	119,759
Cash and cash equivalents comprise the followings:-		
Fixed deposits with licensed banks	443,717	612,839
Cash and bank balances	5,725	21,967
	449,442	634,806
Less: Fixed deposits with maturity more than three months	(383,427)	(515,047)
	66,015	119,759

Notes :

- (1) Investment in money market funds is classified as part of cash and cash equivalents as these investments are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.
- (2) Fixed deposits with maturity of more than three months be deemed as cash flows from investing activities.

The annexed notes form an integral part of this interim financial report.

Notes to the Interim Financial Report for 1st Quarter 31 July 2025**1) Basis of preparation**

The condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Financial reporting Standards ("MFRS") 134 - Interim Financial Reporting and the requirements of paragraph 9.22 of 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 financial year ended 30 April 2025 ("FYR 2025"). These explanatory notes attached to the interim financial statements provide and explanation of events and transactions that are significant to an understanding of the change in the financial position and performance of the Group since FYR 2025.

Changes in accounting policies

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for FYR 2025. The Group has neither early adopted nor applied any new MFRSs, Amendments to MFRSs, IC Interpretations and annual Improvements to MFRSs that are issued but not yet effective for the Group's accounting period beginning 1 May 2025.

The adoption of newly effective MFRSs, Amendments to MFRSs, IC Interpretations and Annual Improvements to MFRSs are expected to have no significant financial impacts to the financial statements of the Group upon their initial application except for changes in presentation and additional disclosures of financial information.

2) Audit report of preceding annual financial statements

The auditors' report of the Company's most recent annual financial statements for FYR 2025 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 first three months ended 31 July 2025 ("Q1-FYR 2026 or financial period").

5) Material changes in estimates

There were no material changes in the estimates of amounts reported in Q1-FYR 2026.

6) Change in composition of the Group

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

7) Share capital and treasury shares

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period except for the following:

	No. of shares ('000)	Average price per share (RM)	Amount RM'000
Total treasury shares as at 1 May 2025 / 31 July 2025	500	1.37	686

The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial period.

As at 31 July 2025, the Company's no. of outstanding shares in issue with voting rights was 433,450,579 ordinary shares excluding 500,000 treasury shares (30 April 2025: 433,450,579 ordinary shares).

8) Dividends paid

The 4th interim dividend of 3 Sen per share for Q4-FYR 2025 of RM13.004 million was paid on 25 July 2025.

9) Subsequent events

There were no material subsequent events occurred from the end of the reporting period up to the date of this announcement which requires disclosure.

Notes to the Interim Financial Report for 1st Quarter 31 July 2025**10) Segment information**

	Financial period	
	RM'000	%
<u>Revenue</u>		
Garment manufacturing	358,973	95.1%
Packaging	18,632	4.9%
Total revenue - external	<u>377,605</u>	<u>100.0%</u>
<u>Results</u>	RM'000	
Garment manufacturing	41,317	
Packaging manufacturing and miscellaneous	831	
	<u>42,148</u>	
Unallocated corporate expenses	<u>(353)</u>	
Profit from operations	41,795	
Investment related Income :		
Dividend income	1,391	
Interest income	3,952	
	<u>5,343</u>	
Share of results of associate	74	
Profit before tax ("PBT")	47,212	
Taxation expenses	<u>(11,626)</u>	
Net profit after tax ("PAT")	<u>35,586</u>	

11) Analysis of performance

The Group's businesses are principally divided into two business segments, namely the manufacturing and sale of (i) garments, and (ii) flexible plastic packaging goods and corrugated cartons.

The Garment segment accounted for about 95.1% and 98.0% all of the Group's revenue and profit from operations (before unallocated corporate expenses) respectively for the financial period.

The key factors that affect the performance of garment business include mainly the labour costs, other operating costs, foreign currency exchange differences, 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, operating costs, demand for the packaging products and the ability of management to cope with change. Raw materials consist of kraft liner, test liner, medium papers, white papers, polyethylene resins and etc.

Summary of the Group's results:

	Q1-FYR 2026	Q1-FYR 2025	
	RM'000	RM'000	%
Revenue	<u>377,605</u>	<u>437,596</u>	-13.7%
Profit from operations	<u>41,795</u>	<u>48,872</u>	-14.5%
PBT	<u>47,212</u>	<u>58,470</u>	-19.3%
PAT	<u>35,586</u>	<u>44,642</u>	-20.3%

Q1-FYR 2026 vs Preceding Year Corresponding Quarter (Q1-FYR 2025)

Revenue for Q1-FYR 2026 decreased by 13.7% to RM377.605 million from RM437.596 million in Q1-FYR 2025.

Garment revenue for Q1-FYR 2026 decreased by 13.9% to RM358.973 million from RM416.946 million in Q1-FYR 2025 mainly resulted from lower sale orders received.

Packaging revenue for Q1-FYR 2026 decreased by 9.8% to RM18.632 million from RM20.650 million in Q1-FYR 2025 mainly due to lower sale orders received.

Notes to the Interim Financial Report for 1st Quarter 31 July 2025

PBT for Q1-FYR 2025 decreased by 19.3% to RM47.212 million compared to RM58.470 million in Q1-FYR 2025 mainly due to the following changes in the PBT of garment and packaging segments, higher foreign exchange loss (net loss of RM2.279 million in Q1-FYR 2026 versus RM0.188 million in Q1-FYR 2025) and lower interest income.

Garment PBT for Q1-FYR 2026 decreased by 17.1% to RM45.017 million compared to RM54.288 million in Q1-FYR 2025 mainly due to lower revenue and higher foreign exchange loss by RM2.071 million (net loss of RM2.289 million in Q1-FYR 2026 versus RM0.218 million in Q1-FYR 2025).

Packaging PBT for Q1-FYR 2026 increased by 77.7% mainly due to lower material costs despite a decline in revenue.

12) Variation of Results of Q1-FYR 2026 vs Preceding Quarter (Q4-FYR 2025)

	Q1-FYR 2026 RM'000	Q4-FYR 2025 RM'000	%
Revenue	377,605	326,377	15.7%
Profit from operations	41,795	31,721	31.8%
PBT	47,212	36,672	28.7%
PAT	35,586	28,290	25.8%

Revenue for Q1-FYR 2026 increased by 15.7% to RM377.605 million from RM326.377 million in Q4-FYR 2025.

Garment revenue for Q1-FYR 2025 increased by 16.6% to RM358.973 million from RM307.994 million in Q4-FYR 2025 mainly due to higher sale orders received.

Packaging revenue for Q1-FYR 2026 increased by 1.4% to RM18.631 million from RM18.383 million in Q4-FYR 2025 mainly due to higher sale orders received.

PBT of the Group for Q1-FYR 2026 increased by 28.7% to RM47.212 million compared to RM36.672 million in Q4-FYR 2025.

Garment PBT for Q1-FYR 2026 increased by 29.4% to RM45.017 million from RM34.796 million in Q4-FYR 2025 mainly due to higher revenue and dividend income.

Packaging PBT for Q1-FYR 2026 increased by more than 100% mainly due to higher revenue and provision for compensation to a former Managing Director of a subsidiary company in Q4-FYR 2025.

13) Future prospects

The global economic outlook for 2025 shows a slowing growth rate, primarily driven by rising trade barriers, heightened geopolitical tensions, and persistent policy uncertainty. Inflation is expected to gradually decline but remains a concern, while labour markets continue to soften.

However, the Group is cautiously optimistic about the business outlook for the remaining quarters of FYR 2026 and is committed to stay vigilant in navigating potential challenges and risks to ensure the sustainability in the Group's operations.

14) Tax expense

Tax expenses for Q1-FYR 2026 or financial period are made up as follows:

	Q1-FYR 2026 RM'000	Financial period RM'000
Provision for current tax	11,386	11,386
Deferred tax	240	240
	<u>11,626</u>	<u>11,626</u>

The Group's effective tax rate for Q1-FYR 2026 or financial period was higher than the Malaysian statutory tax rate of 24% mainly due to certain expenses being disallowed for tax deduction.

Notes to the Interim Financial Report for 1st Quarter 31 July 2025

15) Profit forecast or profit guarantee

There was no profit forecast made in any public document and no profit guarantee was received during the financial period.

16) Corporate proposals

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

17) Group borrowings and debts securities

The Group has no borrowings and debt securities as at the financial period.

18) Material litigation

There were no material litigations during the financial period.

19) Contingent liabilities

There were no material changes in contingent liabilities since the end of the last annual reporting year.

20) Capital commitments

There were capital commitments of RM2.447 million as at the end of the financial period in respect of factory renovation and expansion, and acquisition of equipments (last annual reporting date: RM3.648 million).

21) Earnings per share (EPS)

The basic EPS has been calculated by dividing the Group's profit attributable to owners of the Company by the weighted average no. of ordinary shares in issue with voting rights:

		Q1-FYR 2026	Q1-FYR 2025	Financial periods to 31-7-2025	to 31-7-2024
Profit attributable to owners of the Company	(RM'000)	35,586	44,641	35,586	44,641
Weighted average of no. of issued shares with voting rights at end	(RM'000)	433,451	433,451	433,451	433,451
Basic EPS	(Sen)	8.21	10.30	8.21	10.30

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

22) Dividends Declared

	Dividend Per Share		Payout Ratio		Dividend Amount	
	FYR 2026	FYR 2025	FYR 2026	FYR 2025	FYR 2026 RM'000	FYR 2025 RM'000
Q1 - Single tier interim dividend (no. 54)	3.5 Sen	5.0 Sen	42.6%	48.5%	15,171	21,673

The entitlement and payment dates of the interim dividend no. 54 of 3.5 Sen per share for Q1-FYR 2026 are fixed on 22 September 2025 and 15 October 2025 respectively.

23) Profit before tax

	Q1-FYR 2026 RM'000	Q1-FYR 2025 RM'000
PBT is arrived at after charging/(crediting) the following items:-		
Interest income	(3,952)	(7,702)
Dividend income	(1,391)	(1,834)
Depreciation and amortisation	1,616	1,539
Net unrealised (gain)/loss on foreign exchange	(1,497)	522
Net realised loss/(gain) on foreign exchange	3,776	(334)
Net loss on foreign exchange - all segments	2,279	188
Loss/(Gain) on disposal of property, plant and equipment	3	(318)

Notes to the Interim Financial Report for 1st Quarter 31 July 2025

By Order of the Board

Tan Sri Dato' Seri Tan Kok Ping

Executive Chairman

Date: 3 September 2025