



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Second Quarter Ended 30 June 2007

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
		30 Jun 2007 RM'000	30 Jun 2006 RM'000	30 Jun 2007 RM'000	30 Jun 2006 RM'000
Revenue		15,446	13,707	28,956	26,836
Cost of sales		(10,323)	(8,926)	(19,329)	(17,300)
Gross profit		<u>5,123</u>	<u>4,781</u>	<u>9,627</u>	<u>9,536</u>
Other operating income		35	176	109	209
Selling and distribution expenses		(585)	(234)	(962)	(422)
Administrative expenses		(1,272)	(1,134)	(2,461)	(2,113)
Other operating expenses		(13)	(61)	(7)	(111)
Finance costs		(61)	(128)	(146)	(281)
Profit before taxation		<u>3,227</u>	<u>3,400</u>	<u>6,160</u>	<u>6,818</u>
Taxation	B5	(199)	(414)	(428)	(896)
Profit after taxation		<u><u>3,028</u></u>	<u><u>2,986</u></u>	<u><u>5,732</u></u>	<u><u>5,922</u></u>
Earnings per share (sen):					
Basic	B12 (a)	0.67	0.69	1.27	1.70
Diluted	B12 (b)	0.65	N/A	1.22	N/A

Note:

The unaudited condensed consolidated income statement should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2006.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The Second Quarter Ended 30 June 2007

(The figures have not been audited)

	Current year quarter 30 Jun 2007 RM'000	Audited 31 Dec 2006 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	49,643	48,356
Investment property	116	118
Available for sale investment	50	50
	<u>49,809</u>	<u>48,524</u>
CURRENT ASSETS		
Inventories	17,196	14,143
Trade receivables	6,717	4,948
Other receivables, prepayments and deposits	2,442	1,588
Tax recoverable	100	187
Cash and bank balances	10,843	15,548
	<u>37,298</u>	<u>36,414</u>
TOTAL ASSETS	<u>87,107</u>	<u>84,938</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	45,278	45,000
Share premium	4,733	4,466
Revaluation reserve	1,249	1,249
Foreign exchange reserve	(453)	(549)
Share option reserve	453	348
Retained profits	21,584	17,201
SHAREHOLDERS' FUNDS	<u>72,844</u>	<u>67,715</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	-	-
Term loan - long term	773	1,282
Deferred tax liabilities	3,847	3,747
	<u>4,620</u>	<u>5,029</u>
CURRENT LIABILITIES		
Trade payables	7,557	6,373
Other payables and accruals	255	1,637
Amount due to directors	257	876
Short term borrowings	1,574	3,074
Provision for taxation	-	234
	<u>9,643</u>	<u>12,194</u>
TOTAL LIABILITIES	<u>14,263</u>	<u>17,223</u>
TOTAL EQUITY AND LIABILITIES	<u>87,107</u>	<u>84,938</u>
Net Assets per share (RM)	<u>0.1609</u>	<u>0.1505</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2006.

Net assets per share as at 30 June 2007 is arrived at based on the Group's Net Assets of RM72.84 million over the number of ordinary shares of 452,775,500 shares of RM0.10 each. Net Assets per share as at 31 December 2006 was arrived at based on the Group's Net Assets of RM67.72 million over the number of ordinary shares of 450,000,000 shares of RM0.10 each.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Second Quarter Ended 30 June 2007

(The figures have not been audited)

	-----Non-distributable-----			-----Distributable-----			
	Share capital	Share premium	Revaluation reserve	Foreign exchange reserve	Share option reserve	Retained profit	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 months ended 31 December 2006</u>							
At 1 January 2006 (audited)	7,000	-	1,075	4	-	16,020	24,099
Bonus issue I	7,700	-	-	-	-	(7,700)	-
Rights issue	15,700	-	-	-	-	-	15,700
Public issue	9,600	11,520	-	-	-	-	21,120
Listing expenses	-	(2,054)	-	-	-	-	(2,054)
Bonus issue II	5,000	(5,000)	-	-	-	-	-
Foreign exchange difference, representing net expense recognised directly in equity	-	-	-	(553)	-	-	(553)
Profit for the financial year	-	-	-	-	-	11,132	11,132
Surplus arising from revaluation of freehold land and building	-	-	174	-	-	-	174
Total recognised (expense)/income for the year	-	-	174	(553)	-	11,132	10,753
Dividends	-	-	-	-	-	(2,250)	(2,250)
Share options granted under ESOS	-	-	-	-	348	-	348
At 31 December 2006 (audited)	45,000	4,466	1,249	(549)	348	17,202	67,716
<u>3 months ended 31 March 2007</u>							
At 1 January 2007 (audited)	45,000	4,466	1,249	(549)	348	17,202	67,716
Foreign exchange difference, representing net expense recognised directly in equity	-	-	-	96	-	-	96
Profit for the financial year	-	-	-	-	-	5,732	5,732
Total recognised (expense)/income for the year	-	-	-	96	-	5,732	5,828
Dividends	-	-	-	-	-	(1,350)	(1,350)
Share options granted under ESOS	-	-	-	-	105	-	105
Issue of shares							
- ESOS exercised	278	-	-	-	-	-	278
- Share premium from ESOS	-	267	-	-	-	-	267
At 30 June 2007	45,278	4,733	1,249	(453)	453	21,584	72,844

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2006.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Second Quarter Ended 30 June 2007

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year 30 Jun 2007 RM'000	Preceding Year 30 Jun 2006 RM'000	Current Year To date 30 Jun 2007 RM'000	Preceding Year Corresponding Period 30 Jun 2006 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		3,227	3,400	6,160	6,818
Adjustments for:					
Depreciation		1,307	824	2,570	1,476
Amortisation of investment property		-	-	1	-
Share options granted under ESOS		53	-	105	-
Interest expense		61	129	146	281
Interest income		(36)	(168)	(69)	(199)
Operating profit before working capital changes		4,612	4,185	8,913	8,376
Inventories		(1,755)	(1,155)	(3,053)	258
Receivables		(1,398)	4,959	(2,623)	(3,427)
Payables		(453)	3,029	(816)	2,242
Cash generated from operations		1,006	11,018	2,421	7,449
Interest paid		(61)	(129)	(146)	(281)
Tax paid		(15)	(272)	(475)	(475)
Net cash generated from operating activities		930	10,617	1,800	6,693
CASHFLOWS FROM INVESTING ACTIVITIES					
Interest received		36	182	69	199
Purchase of property, plant and equipment		(2,930)	(8,867)	(3,856)	(9,544)
Net cash used in investing activities		(2,894)	(8,685)	(3,787)	(9,345)
CASHFLOWS FROM FINANCING ACTIVITIES					
Repayment of bankers' acceptance		-	-	-	(400)
Repayment of term loan		(264)	(247)	(523)	(491)
Repayment of hire purchase		(491)	(975)	(1,485)	(1,928)
Proceeds from issuance of public shares		-	21,120	-	21,120
Proceeds from issuance of shares under ESOS		544	-	544	-
Payment of listing expenses		-	(2,054)	-	(2,054)
Proceeds from issuance of right shares		-	-	-	14,272
Dividend paid		-	-	(1,350)	-
Net cash generated from financing activities		(211)	17,844	(2,814)	30,519
NET INCREASE IN CASH AND CASH EQUIVALENTS		(2,175)	19,776	(4,801)	27,867
EFFECTS OF CHANGES IN FOREIGN EXCHANGE		240	53	96	23
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER		12,778	10,759	15,548	2,698
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15	10,843	30,588	10,843	30,588



JADI IMAGING HOLDINGS BERHAD (526319 - P)

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 June 2007 and is to be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2006.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Second Quarter Ended 30 June 2007

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Financial Reporting Standards ("FRS") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2006. 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 31 December 2006.

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2006 annual financial statements.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2006 were not subjected to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

A5 Material changes in estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

A6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current quarter under review.

A7 Dividend paid

On 15 February 2007, the company declared a second tax-exempt interim dividend of 0.3 sen or 3% per ordinary share of RM0.10 in respect of the financial year ended 31 December 2006 and it was paid on 15 March 2007.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Second Quarter Ended 30 June 2007

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A8 Segmental information

Segmental information for the Group by geographical segment is presented as follows:

	Current quarter	Current year to date
	30 Jun 2007	30 Jun 2007
	RM'000	RM'000
<u>Segment Revenue</u>		
Malaysia	12,106	23,527
China	3,340	5,429
	<u>15,446</u>	<u>28,956</u>
<u>Segment Results</u>		
Malaysia	2,249	4,555
China	779	1,177
Profit from operations	<u>3,028</u>	<u>5,732</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in only one business segment which is the manufacturing of toners.

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review. The valuation of property, plant and equipment have been brought forward without amendments from the financial statements for the financial year ended 31 December 2006.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of this quarter.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 8 August 2007 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 June 2007**

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A13 Capital commitments

Capital expenditure of the Group approved by the Directors but not provided for in the condensed financial statements are as follows:

	Current year to-date 30 Jun 2007 RM'000
Approved and contracted for: Modification of the second production line	<u>160</u>

A14 Significant related party transactions

There was no significant related party transaction for this quarter.

A15 Cash and cash equivalents

	Current year to-date 30 Jun 2007 RM'000
Cash in hand	10
Cash at banks	5,833
Short term deposit & investment	<u>5,000</u>
	<u>10,843</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Second Quarter Ended 30 June 2007

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

For the current quarter ended 30 June 2007, the Group recorded a revenue of RM15.45 million against RM13.71 million in the corresponding quarter ended 30 June 2006, an increase of RM1.74 million or 12.7%. However, the profit before taxation for the Group decreased by RM0.17 million or 5.0% to RM3.23 million compared to RM3.40 million in the corresponding quarter ended 30 June 2006 due mainly to the higher depreciation charged for the fifth production line which commenced production in Dec 2006.

B2 Variation of results against preceding quarter

The Group recorded a revenue of RM15.45 million for the current quarter under review against RM13.51 in the preceding quarter. The profit before tax of RM3.23 million was higher by RM0.3 million or 10.2% compared to the RM2.93 million achieved in the preceding quarter due mainly to the increase of sales revenue.

The profit after tax of RM3.03 million was higher by RM0.33 million or 12.2% compared to the RM2.70 million achieved in the preceding quarter due mainly to the increase of sales revenue in the current quarter compared to the preceding quarter.

B3 Prospects

Barring any unforeseen circumstances, the Directors believe that the Group's prospects for the financial year ending 31 December 2007 remain favorable. The overall performance of the Group for the coming financial year will continue to improve with the increase in production from the full-year contribution from the fourth production line in China and fifth production line in Malaysia. In addition, the sixth production line in Malaysia which is dedicated exclusively to the production of color toners has commenced production in the first quarter and is expected to contribute positively to the Group's performance in the financial year ending 31 December 2007.

As an export-oriented Group with all our exports quoted in US Dollars, the appreciating Malaysian Ringgit is of concern to us even though the net impact of any fluctuation in the Ringgit is minimized since our raw materials, which constitute approximately 50% of our selling price, are all imported, The Group will continue to maintain a natural hedge against currency fluctuations by matching its trade receipts which are mainly denominated in US Dollars with the settlement of trade payables on raw material purchases which are transacted in US Dollars and Japanese Yen. In addition, the Group will also continue to monitor its foreign exchange exposure closely and take the necessary steps to minimize its exposure whenever appropriate. However, we may have to review the pricing of our products if the Ringgit appreciation continues and reaches a level that threatens our margins.

B4 Profit forecast and profit guarantee

No profit forecast or profit guarantee has been issued by the Group.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 June 2007

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B5 Taxation

	Current quarter	Current year
	30 Jun 2007	to date
	RM'000	30 Jun 2007
		RM'000
Income tax	149	328
Deferred tax	50	100
	<u>199</u>	<u>428</u>

Tax expense for the current quarter ended 30 June 2007 is derived based on management's best estimate of the tax rate for the year. The deferred tax liabilities arose from accelerated capital allowances over depreciation of qualifying plant and equipment and the effect arising from the revaluation of freehold land and building. The effective tax rate for the period presented above is lower than the statutory tax rate principally due to the tax savings arising from the investment allowances available.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.

B8 Group's borrowings and debt securities

As at 30 June 2007, the Group had total borrowings of approximately RM2.35 million, details of which are set out below:

Interest bearing borrowings:	RM'000
<i>Short term borrowings</i>	
Term loan	1,118
Hire purchase	456
<i>Long term borrowings</i>	
Term loan	773
Hire purchase	-
Total	<u>2,347</u>

The borrowings of the Group as at 30 June 2007 comprise a hire purchase of RM0.46 million and a term loan of RM1.89 million of which RM1.58 million is short term and RM0.77 million is long term.

As at 30 June 2007, the Group does not have any foreign currency denominated borrowings.



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QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Second Quarter Ended 30 June 2007

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B9 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk applicable to the Group as at the date of this announcement.

B10 Material litigation

Neither the Company nor its subsidiary companies is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B11 Dividends

No dividends have been declared under the current quarter under review.

B12 Earnings per share

	Current Quarter 30 Jun 2007 RM'000	Current Year To date 30 Jun 2007 RM'000
(a) Basic earnings per share		
Profit after taxation (RM'000)	3,028	5,732
Weighted average number of shares in issue ('000)	451,590	450,800
Basic earnings per share (sen)	0.67	1.27
(b) Diluted earnings per share		
Profit after taxation (RM'000)	3,028	5,732
Weighted average number of shares in issue ('000)	469,064	468,273
Diluted earnings per share (sen)	0.65	1.22



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QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Second Quarter Ended 30 June 2007

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B13 Status of corporate proposals

On 21 May 2007, RHB Investment Bank had, on behalf of the Board of Jadi Imaging Holdings Berhad ("Company"), announced that the Company intends to undertake the following:

- (i) proposed bonus issue of up to 153,027,667 new Shares on the basis of 1 new Share for every 3 existing Shares held in the Company on the Entitlement Date; and
- (ii) proposed transfer of the listing of and quotation for the entire issued and paid-up share capital of the Company from the Second Board to the Main Board of Bursa Securities.

The Bonus Issue was approved by shareholders of the Company on 28 June 2007. Subsequently, Bursa Securities Malaysia Berhad had, vide its letter dated 29 June 2007, approved the listing and quotation of up to 153,027,667 new Shares to be issued pursuant to the Bonus Issue. On 26 July 2007, the Company announced that the Entitlement Date has been fixed on 10 August 2007. In accordance with the Listing Requirements, the quotation of the Bonus Shares took place on 13 August 2007, being the next Market Day after the Entitlement Date.

SC had, vide its letter dated 23 July 2007, approved the Transfer Listing under the SC Act, 1993 and the Guidelines on the Acquisition of Interests, Mergers and Take-overs by Local and Foreign Interests issued by the Foreign Investment Committee. Subsequently, Bursa Malaysia Securities Berhad had also on 10 August 2007 granted its approval-in-principle for the Transfer Listing.

B14 Utilisation of IPO proceeds

The proceeds raised during the IPO were approved for the following activities and the status on the funds utilisation as at 15 August 2007 is summarised as follows:

	Approved utilisation	Amount utilised	Utilised from working capital*	Expected time frame
	RM'000	RM'000	RM'000	Balance for full utilisation RM'000
Acquisition of a new factory	6,000	(5,858)	-	142 By end of 2007
Acquisition of new production lines	20,000	(20,000)	-	- Fully utilised
Estimated listing expenses*	1,600	(2,054)	454	- Fully utilised
Working capital*	7,792	(7,338)	(454)	- Fully utilised
	<u>35,392</u>	<u>(35,250)</u>	<u>-</u>	<u>142</u>

* Actual expenses for the listing exercise amounted to RM2.054 million. As stated in the Company's prospectus dated 27 March 2006, the additional RM454,000 has been funded out of the portion allocated for working capital.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 June 2007

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 15 August 2007.

Jadi Imaging Holdings Berhad

15 August 2007