



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For The First Quarter Ended 31 March 2010**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Corresponding Quarter	To date	Corresponding Period
		31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
		RM'000	RM'000	RM'000	RM'000
Revenue		24,901	15,792	24,901	15,792
Cost of sales		(17,445)	(11,151)	(17,445)	(11,151)
Gross profit		7,456	4,641	7,456	4,641
Other income		32	23	32	23
Selling and distribution expenses		(849)	(640)	(849)	(640)
Administrative expenses		(1,705)	(1,586)	(1,705)	(1,586)
Other expenses		(487)	(248)	(487)	(248)
Finance costs		(110)	(167)	(110)	(167)
<b>Profit before taxation</b>		<b>4,337</b>	<b>2,023</b>	<b>4,337</b>	<b>2,023</b>
Income tax expense	B5	(652)	(339)	(652)	(339)
<b>Profit after taxation</b>		<b>3,685</b>	<b>1,684</b>	<b>3,685</b>	<b>1,684</b>
Other comprehensive (loss)/income:					
Exchange translation differences		(1,439)	1,214	(1,439)	1,214
<b>Total comprehensive income</b>		<b>2,246</b>	<b>2,898</b>	<b>2,246</b>	<b>2,898</b>
Profit attributable to:					
Equity holders of the Company		3,685	1,684	3,685	1,684
Total comprehensive income attributable to:					
Equity holders of the Company		2,246	2,898	2,246	2,898
<b>Earnings per share (sen):</b>					
Basic	B13	0.61	0.28	0.61	0.28
Diluted	B13	0.60	N/A	0.60	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 2009.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**CONDENSED CONSOLIDATED BALANCE SHEET**

**For The First Quarter Ended 31 March 2010**

(The figures have not been audited)

	<b>Current year quarter 31 Mar 2010 RM'000</b>	<b>Audited 31 Dec 2009 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	67,470	68,117
Prepaid land lease payments	1,931	2,031
Investment property	110	111
Other investment	50	50
	<u>69,561</u>	<u>70,309</u>
<b>CURRENT ASSETS</b>		
Inventories	24,115	20,402
Trade receivables	10,645	11,061
Other receivables, prepayments and deposits	5,639	3,378
Tax recoverable	168	195
Short term investment	-	5,727
Fixed deposits with licensed banks	3,482	3,510
Cash and bank balances	12,569	8,332
	<u>56,618</u>	<u>52,605</u>
<b>TOTAL ASSETS</b>	<u>126,179</u>	<u>122,914</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	61,008	60,935
Treasury shares	(22)	(1,051)
Share premium	28	375
Revaluation reserve	1,933	1,933
Foreign exchange reserve	222	1,661
Share option reserve	437	438
Retained profits	29,051	27,815
<b>TOTAL EQUITY</b>	<u>92,657</u>	<u>92,106</u>
<b>NON-CURRENT LIABILITIES</b>		
Hire purchase payables	808	1,333
Deferred tax liabilities	4,574	4,757
	<u>5,382</u>	<u>6,090</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	12,251	9,918
Other payables and accruals	3,103	3,746
Derivative financial instruments	71	98
Amount due to directors	-	132
Hire purchase payables	2,080	2,067
Revolving credit	10,000	8,500
Provision for taxation	635	257
	<u>28,140</u>	<u>24,718</u>
<b>TOTAL LIABILITIES</b>	<u>33,522</u>	<u>30,808</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>126,179</u>	<u>122,914</u>
Net assets per ordinary share (RM)	<u>0.15</u>	<u>0.15</u>

**Note:**

Net assets per share as at 31 March 2010 is arrived at based on the Group's Net Assets of RM92.66 million over the number of ordinary shares in issue (excluding treasury shares) of 609,960,260 shares of RM0.10 each. Net Assets per share as at 31 December 2009 was arrived at based on the Group's Net Assets of RM92.11 million over the number of ordinary shares in issue (excluding treasury shares) of 603,643,432 shares of RM0.10 each.

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 2009.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For The First Quarter Ended 31 March 2010

(The figures have not been audited)

	Non-distributable					-<Distributable->		Total RM'000
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000	Share option reserve RM'000	Retained profits RM'000	
<b>12 months ended 31 December 2009 (audited)</b>								
At 1 January 2009	60,406	-	60	1,304	1,929	410	19,277	83,386
Total comprehensive income	-	-	-	629	(268)	-	10,350	10,711
Treasury shares acquired	-	(1,051)	-	-	-	-	-	(1,051)
ESOS exercised	529	-	315	-	-	(66)	-	778
Share options granted under ESOS	-	-	-	-	-	94	-	94
Dividend	-	-	-	-	-	-	(1,812)	(1,812)
At 31 December 2009	60,935	(1,051)	375	1,933	1,661	438	27,815	92,106
<b>3 months ended 31 March 2010</b>								
At 1 January 2010 (audited)	60,935	(1,051)	375	1,933	1,661	438	27,815	92,106
Total comprehensive income	-	-	-	-	(1,439)	-	3,685	2,246
ESOS exercised	73	-	45	-	-	(11)	-	107
Share options granted under ESOS	-	-	-	-	-	10	-	10
Distribution of treasury shares	-	1,029	(392)	-	-	-	(637)	-
Dividend	-	-	-	-	-	-	(1,812)	(1,812)
At 31 March 2010	61,008	(22)	28	1,933	222	437	29,051	92,657

**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 2009.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**

For The First Quarter Ended 31 March 2010

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Corresponding Quarter	To date	Corresponding Period
		31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
		RM'000	RM'000	RM'000	RM'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
Profit before taxation		4,337	2,023	4,337	2,023
Adjustments for:					
Depreciation		1,760	1,637	1,760	1,637
Allowance for slow moving stock		150	-	150	-
Interest expense		110	167	110	167
Interest income		(28)	(9)	(28)	(9)
Unrealised loss/(gain) on foreign exchange		138	(98)	138	(98)
Others		36	11	36	11
Operating profit before working capital changes		6,503	3,731	6,503	3,731
Inventories		(4,132)	3,281	(4,132)	3,281
Receivables		(2,703)	4,681	(2,703)	4,681
Payables		2,231	(95)	2,231	(95)
Derivative financial instruments		(98)	(1,093)	(98)	(1,093)
Cash generated from operations		1,801	10,505	1,801	10,505
Interest paid		(163)	(167)	(163)	(167)
Tax refund		-	85	-	85
Tax paid		(422)	(120)	(422)	(120)
Net cash generated from operating activities		1,216	10,303	1,216	10,303
<b>CASHFLOWS FOR INVESTING ACTIVITIES</b>					
Interest received		28	9	28	9
Proceeds from disposal of plant & equipment		22	-	22	-
Purchase of property, plant and equipment		(1,791)	(5,329)	(1,791)	(5,329)
Net cash used in investing activities		(1,741)	(5,320)	(1,741)	(5,320)
<b>CASHFLOWS FOR FINANCING ACTIVITIES</b>					
Drawdown of revolving credit		1,500	1,000	1,500	1,000
Proceeds from issuance of shares		107	-	107	-
Dividend paid		(1,812)	-	(1,812)	-
Repayment of hire purchase		(511)	(390)	(511)	(390)
Repayment to directors		-	(94)	-	(94)
Repayment of term loan		-	(79)	-	(79)
Net cash used in financing activities		(716)	437	(716)	437
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(1,241)	5,420	(1,241)	5,420
<b>EFFECTS OF CHANGES IN FOREIGN EXCHANGE</b>		(277)	155	(277)	155
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER</b>		17,569	3,649	17,569	3,649
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	A15	16,051	9,224	16,051	9,224

**Note:**

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2010 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 2009.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS For The First Quarter Ended 31 March 2010

#### 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 2009. 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 2009.

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2009 annual financial statements, except for the adoption of the following:

	<u>Effective date</u>
FRS 8 Operating Segments	1 July 2009
FRS 4 Insurance Contracts	1 January 2010
Revised FRS 101 (2009) Presentation of Financial Statements	1 January 2010
Revised FRS 123 (2009) Borrowing Costs	1 January 2010
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2 Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 132 Classification of Rights Issues and the transitional Provision in Relation to Compound Instruments	1 January 2010 / 31 March 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11 FRS 2: Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14 FRS 119: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

As a result of the adoption of revised FRS 101, income statements of the Group for the current quarter under review and comparative financial period ended 31 March 2009 have been represented as two separate statements, that is an income statement displaying components of profit or loss and a statement of comprehensive income. All non-owner changes in equity which were previously presented in the statement of changes in equity are now included in the statement of comprehensive income as other comprehensive income. Consequently, components of comprehensive income are not presented in the statement of changes in equity. Since these changes only affect the presentation of the financial statements, there is no impact on earnings per share.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS For The First Quarter Ended 31 March 2010

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

##### A1 Basis of preparation (Cont'd)

The Group has not adopted the following FRSs, IC Interpretations and amendments that have been issued as at the date of authorisation of these interim financial statements. The FRSs are not yet effective for the Group:

- (i) FRS, amendments and IC Interpretations issued and effective for financial periods beginning on or after 1 July 2010 :

Revised FRS 1 (2010) First-time Adoption of Financial Reporting Standards  
Revised FRS 3 (2010) Business Combinations  
Revised FRS 127 (2010) Consolidated and Separate Financial Statements  
Amendments to FRS 2 Scope of FRS2 and Revised FRS 3 (2010)  
Amendments to FRS 5 Plan to Sell Controlling Interest in a Subsidiary  
Amendments to FRS 138 Consequential Amendments Arising from Revised FRS 3 (2010)  
Amendments to IC Interpretation 9 Scope of IC Interpretation 9 and the Revised FRS 3 (2010)  
IC Interpretation 12 Service Concession Arrangements  
IC Interpretation 15 Arrangements for the Construction of Real Estate  
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation  
IC Interpretation 17 Distributions of Non-cash Assets to Owners

- (ii) FRS, amendments and IC Interpretations issued and effective for financial periods beginning on or after 1 January 2011 :

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters  
Amendments to FRS 7 Improving Disclosures about Financial Instruments

##### A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2009 were not subjected to any audit 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 reported in prior interim period or financial year which have a material effect in the current quarter under review.

##### A6 Debt and equity securities

(a) During the current quarter under review, the Company distributed share dividend of one (1) treasury share for every one hundred and eight (108) existing ordinary shares held amounting to 5,588,728 treasury shares.

Of the total 610,079,932 issued and fully paid up ordinary shares as at 31 March 2010, 119,672 ordinary shares are held as treasury shares by the Company.

(b) During the current quarter under review, the Company issued 728,100 new ordinary shares pursuant to the Company's Share Option Scheme.

Except for the above, there were no other issuance, cancellation, repurchases, resales and repayments of debts and equity securities during the period under review.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 31 March 2010**

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

**A7 Dividend paid**

On 10 March 2010, the Company paid the following dividends in respect of the financial year ended 31 December 2009:

- (a) An interim tax-exempt dividend of 3% or 0.3 sen per ordinary share of RM0.10 each amounting to RM1,811,743.
- (b) A share dividend of one (1) treasury share for every one hundred and eight (108) existing ordinary shares of RM0.10 each held amounting to 5,588,728 treasury shares.

**A8 Segmental information**

**Current quarter 31 March 2010 / Current year to date 31 March 2010**

	Manufacturing RM'000	Investment · Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	24,897	-	-	24,897
Interest income	-	4	-	4
	24,897	4	-	24,901

<u>Results</u>				
Segment results	4,617	(139)	(53)	4,425
Other unallocated corporate expenses				(2)
Interest expense				(110)
Interest income				24
Profit before taxation				4,337
Income tax expense				(652)
Profit after taxation				3,685

	Malaysia RM'000	China RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	18,403	5,908	586	-	24,897
Interest income	4	-	-	-	4
	18,407	5,908	586	-	24,901

<u>Results</u>					
Segment results	3,352	1,243	(117)	(53)	4,425
Other unallocated corporate expenses					(2)
Interest expense					(110)
Interest income					24
Profit before taxation					4,337
Income tax expense					(652)
Profit after taxation					3,685



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 31 March 2010**

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

**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 2009.

**A10 Material events subsequent to the end of the quarter**

There were no material events subsequent to the end of this quarter that have not been reflected in the financial statements for the current quarter under review.

**A11 Changes in the composition of the Group**

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

**A12 Changes in contingent liabilities or contingent assets**

The Directors are of the opinion that there were no changes in contingent liabilities or contingent assets since the last annual balance sheet date which, upon crystallisation would have a material impact on the financial position and business of the Group as at 13 May 2010 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

**A13 Capital commitments**

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

	<b>Current year to-date 31 Mar 2010 RM'000</b>
Approved and contracted for:	
Construction of factory	5,053
Purchase of plant & equipment	14,309
	<u>19,362</u>

**A14 Significant related party transactions**

There was no significant related party transaction for the current quarter under review.

**A15 Cash and cash equivalents**

	<b>Current year to-date 31 Mar 2010 RM'000</b>
Cash and bank balances	12,569
Fixed deposits with licensed banks	3,482
	<u>16,051</u>





## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2010

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

##### B1 Review of performance

For the current quarter ended 31 March 2010, the Group recorded revenue of RM24.90 million against RM15.79 million in the corresponding quarter ended 31 March 2009, an increase of 57.7% or RM9.11 million due to increase in sales volume of both black and colour toner.

Profit before taxation for the Group increased by 114.8% or RM2.32 million to RM4.34 million compared to RM2.02 million for the corresponding quarter ended 31 March 2009, which is in line with the increase in sales.

##### B2 Variation of results against preceding quarter

The revenue of the Group maintained at RM25.09 and RM25.31 for the current quarter under review and preceding quarter ended 31 December 2009 respectively.

Profit before tax increased by 16.4% or RM0.61 million to RM4.34 million as compared to RM3.73 million in the preceding quarter due to improved margin. Besides, there was a write-off of renovation of Suzhou old factory amounting to RM0.487 million in the preceding quarter. There was no such write-off for the current quarter under review.

##### B3 Prospects

The volatility of foreign currency remains a challenge to the Group and the Directors continue to take measures to preserve the profitability of the Group.

However, an additional monochrome toner line is scheduled to be fully installed in third quarter this year. With the expanded production capacity, the Directors are optimistic to report increase sales for the next three quarters.

##### B4 Profit forecast and profit guarantee

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

##### B5 Income tax expense

	Current quarter 31 Mar 2010 RM'000	Current year to date 31 Mar 2010 RM'000
Income tax		
Current year	835	835
Under provision in prior years	-	-
Deferred tax expense		
Current year	(183)	(183)
	<u>652</u>	<u>652</u>

The effective tax rate for the current quarter is lower than the statutory tax rate principally due to tax savings arising from tax incentive and tax allowance available.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS For The First Quarter Ended 31 March 2010

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

##### B6 Profit/(Loss) on sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties 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 31 March 2010, the Group had total borrowings of approximately RM12.9 million, details of which are set out below:

Interest bearing borrowings:		<b>RM'000</b>
<i>Short term borrowings</i>		
Secured:		
Revolving credit		10,000
Hire purchase		2,080
<i>Long term borrowings</i>		
Secured:		
Hire purchase		808
Total		<u>12,888</u>

As at 31 March 2010, the Group does not have any foreign currency denominated borrowings.

##### B9 Derivatives

As at 31 March 2010, the Group had outstanding derivatives, details of which are set out below:

Type of Derivatives	Notional Value	Fair value
	RM'000	RM'000
Forward foreign exchange contracts		
- less than 1 year	1,818	71

##### B10 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.

##### B11 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.

##### B12 Dividends

The Board of Directors do not recommend the payment of any dividend for the current quarter under review.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
For The First Quarter Ended 31 March 2010

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

**B13 Earnings per share**

	Current Quarter 31 Mar 2010	Current Year To date 31 Mar 2010
<i>(a) Basic earnings per share</i>		
Profit attributable to ordinary equity holders of the Company (RM'000)	3,685	3,685
Issued ordinary shares at 1 January 2010 ('000)	603,643	603,643
Effect of distribution of treasury shares ('000)	1,304	1,304
Effect of employee share option scheme ('000)	257	257
Weighted average number of ordinary shares in issue ('000)	<u>605,204</u>	<u>605,204</u>
Basic earnings per share (sen)	<u>0.61</u>	<u>0.61</u>
<i>(b) Diluted earnings per share</i>		
Profit attributable to ordinary equity holders of the Company (RM'000)	3,685	3,685
Weighted average number of ordinary shares in issue ('000)	605,204	605,204
Employee share option scheme ('000)	4,972	4,972
Total weighted average number of ordinary shares in issue and employee share option scheme	<u>610,176</u>	<u>610,176</u>
Diluted earnings per share (sen)	<u>0.60</u>	<u>0.60</u>

**B14 Status of corporate proposals**

The were no pending corporate proposals.

**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.

**Jadi Imaging Holdings Berhad**  
20 May 2010