



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Fourth Quarter Ended 31 December 2013

(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
		31 Dec 2013 RM'000	31 Dec 2012 RM'000	31 Dec 2013 RM'000	31 Dec 2012 RM'000
Revenue	A8	18,571	17,987	75,179	77,690
Cost of sales		(16,349)	(15,941)	(65,707)	(68,105)
Gross profit		2,222	2,046	9,472	9,585
Other income		279	(27)	1,174	755
Selling and distribution expenses		(775)	(821)	(3,149)	(3,595)
Administrative expenses		(1,549)	(1,767)	(5,152)	(5,935)
Other expenses		22	37	(441)	(836)
Finance costs		(216)	(268)	(1,049)	(1,038)
(Loss)/profit before taxation		(17)	(800)	855	(1,064)
Income tax expense	B5	1,550	122	1,370	953
Profit/(loss) after taxation		1,533	(678)	2,225	(111)
Other comprehensive income/(loss):					
Exchange translation differences		553	259	2,820	(806)
Total comprehensive income/(loss)		2,086	(419)	5,045	(917)
Profit/(loss) attributable to:					
Equity holders of the Company		1,533	(678)	2,225	(111)
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company		2,086	(419)	5,045	(917)
Earnings per share (sen):					
Basic	B10	0.22	(0.10)	0.32	(0.02)
Diluted	B10	0.22	(0.12)	0.32	(0.04)

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 2012.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The Fourth Quarter Ended 31 December 2013

(The figures have not been audited)

	Current year Quarter 31 Dec 2013 RM'000	Audited 31 Dec 2012 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	108,337	108,216
Investment property	101	103
Other investment	50	50
	<u>108,488</u>	<u>108,369</u>
CURRENT ASSETS		
Inventories	33,066	28,851
Trade receivables	10,308	10,362
Other receivables, prepayments and deposits	2,062	1,930
Derivative financial instruments	B7 -	-
Deferred tax assets	9	-
Tax recoverable	273	1,092
Fixed deposits with licensed banks	-	-
Cash and bank balances	4,553	7,550
	<u>50,271</u>	<u>49,785</u>
TOTAL ASSETS	<u>158,759</u>	<u>158,154</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	70,631	70,631
Treasury shares	(22)	(22)
Share premium	7,622	7,622
Revaluation reserve	1,933	1,933
Foreign exchange reserve	3,898	1,078
Share option reserve	-	-
Retained profits	41,306	39,081
TOTAL EQUITY	<u>125,368</u>	<u>120,323</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	B6 2,943	7,923
Deferred tax liabilities	1,699	3,361
	<u>4,642</u>	<u>11,284</u>
CURRENT LIABILITIES		
Trade payables	5,760	2,700
Other payables and accruals	3,563	3,980
Amount due to directors	126	123
Short-term borrowings	B6 19,176	19,666
Provision for taxation	124	78
	<u>28,749</u>	<u>26,547</u>
TOTAL LIABILITIES	<u>33,391</u>	<u>37,831</u>
TOTAL EQUITY AND LIABILITIES	<u>158,759</u>	<u>158,154</u>
Net assets per ordinary share (RM)	<u>0.18</u>	<u>0.17</u>

Note:

Net assets per share as at 31 December 2013 is arrived at based on the Group's Net Assets of RM125.37 million over the number of ordinary shares in issue (excluding treasury shares) of 706,188,777 shares of RM0.10 each. Net Assets per share as at 31 December 2012 was arrived at based on the Group's Net Assets of RM120.32 million over the number of ordinary shares in issue (excluding treasury shares) of 706,188,777 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 2012.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Fourth Quarter Ended 31 December 2013

(The figures have not been audited)

	<-----Non-distributable----->					<-Distributable->		
	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	Total RM'000
<u>12 months ended 31 December 2012 (audited)</u>								
At 1 January 2012 (audited)	70,631	(22)	7,622	1,933	1,885	-	40,604	122,653
Total comprehensive (loss)/income	-	-	-	-	(807)	-	(111)	(918)
Allotment fee expenses - warrant	-	-	-	-	-	-	-	-
ESOS exercised	-	-	-	-	-	-	-	-
Private placement	-	-	-	-	-	-	-	-
Warrant conversion	-	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	-
Share options granted under Free Warrant	-	-	-	-	-	-	-	-
Distribution of treasury shares	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	(1,412)	(1,412)
At 31 December 2012	70,631	(22)	7,622	1,933	1,078	-	39,081	120,323
<u>12 months ended 31 December 2013</u>								
At 1 January 2013 (audited)	70,631	(22)	7,622	1,933	1,078	-	39,081	120,323
Total comprehensive income	-	-	-	-	2,820	-	2,225	5,045
Allotment fee expenses - warrant	-	-	-	-	-	-	-	-
ESOS exercised	-	-	-	-	-	-	-	-
Private placement	-	-	-	-	-	-	-	-
Warrant conversion	-	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	-
Share options granted under Free Warrant	-	-	-	-	-	-	-	-
Distribution of treasury shares	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
At 31 December 2013	70,631	(22)	7,622	1,933	3,898	-	41,306	125,368

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 2012.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Fourth Quarter Ended 31 December 2013

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To date	Corresponding Period
Note	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
	RM'000	RM'000	RM'000	RM'000
CASHFLOWS (FOR)/FROM OPERATING ACTIVITIES				
(Loss)/profit before taxation	(17)	(800)	855	(1,064)
Adjustments for:				
Amortisation	1	1	2	2
Inventories written back	(1,212)	(998)	(1,212)	(998)
Inventories written down	140	2,125	140	2,125
Depreciation	3,025	2,459	11,036	10,003
Plant & equipment written off	-	-	-	-
Interest expense	216	268	1,049	1,038
Unrealised (gain)/loss on foreign exchange	(190)	(80)	(194)	96
Unrealised loss/(gain) on derivative	-	-	-	-
Loss/(gain) on disposal of equipment	-	-	-	3
Interest income	(7)	(5)	(90)	(17)
Others	12	(32)	44	-
Operating profit before working capital changes	1,968	2,938	11,630	11,188
Inventories	(915)	5,553	(2,407)	3,302
Receivables	(267)	6,605	6	(260)
Payables	(1,949)	(5,581)	2,518	(4,758)
Derivative financial instruments	-	-	-	(372)
Cash (for)/from operations	(1,163)	9,515	11,747	9,100
Interest paid	(216)	(268)	(1,049)	(1,038)
Tax refund	819	-	819	-
Tax paid	(148)	(24)	(258)	(405)
Net cash (for)/from operating activities	(708)	9,223	11,259	7,657
CASHFLOWS FOR INVESTING ACTIVITIES				
Interest received	7	5	90	17
Proceeds from disposal of plant & equipment	-	3	-	3
Purchase of property, plant and equipment	(4,272)	(11,282)	(9,088)	(16,532)
Net cash for investing activities	(4,265)	(11,274)	(8,998)	(16,512)
CASHFLOWS (FOR)/FROM FINANCING ACTIVITIES				
Net (repayment)/drawdown of revolving credit	(3,000)	(2,500)	(3,000)	7,500
Drawdown of term loan	-	3,596	-	11,059
Drawdown of trade finance	2,006	-	4,639	-
Net proceeds from issuance of shares	-	-	-	-
Dividend paid	-	-	-	(1,412)
Repayment of hire purchase	(36)	(35)	(143)	(251)
Repayment of term loan	(1,433)	(1,299)	(6,968)	(5,511)
Advance from/(repayment) to directors	65	61	4	-
Net cash (for)/from financing activities	(2,398)	(177)	(5,468)	11,385
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(7,371)	(2,228)	(3,207)	2,530
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	(19)	(38)	210	(219)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	11,942	9,816	7,550	5,239
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 4,553	7,550	4,553	7,550

Note:

This is prepared based on the consolidated results of the Group for the financial year ended 31 December 2013 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 2012.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Fourth Quarter Ended 31 December 2013

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

MFRSs and IC Interpretations (Including The Consequential Amendments)

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 (Revised) Employee Benefits

MFRS 127 Separate Financial Statements

MFRS 128 Investments in Associates and Joint Ventures

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual Improvements to MFRSs 2009 – 2011 Cycle

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments)

that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and IC Interpretations (Including The Consequential Amendments)

Effective Date

MFRS 9 Financial Instruments

1 January 2015

Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures

1 January 2015

Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities

1 January 2014

Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities

1 January 2014

Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets

1 January 2014

Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting

1 January 2014

IC Interpretation 21 Levies

1 January 2014



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2013

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

A1 Basis of preparation (Cont'd)

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Company's operations except as follows:-

MFRS 9 replaces the parts of MFRS 139 that relate to the classification and measurement of financial instruments. MFRS 9 divides all financial assets into 2 categories – those measured at amortised cost and those measured at fair value, based on the entity's business model for managing its financial assets and the contractual cash flow characteristics of the instruments. For financial liabilities, the standard retains most of the MFRS 139 requirement. An entity choosing to measure a financial liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income rather than within profit or loss.

The amendments to MFRS 10, MFRS 12 and MFRS 127 require investment entities to measure particular subsidiaries at fair value through profit or loss instead of consolidating them. The Company is an investment entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. Accordingly, the Group will deconsolidate its subsidiaries upon the initial application of these amendments and to fair value the investments in accordance with MFRS 139.

The amendments to MFRS 132 provide the application guidance for criteria to offset financial assets and financial liabilities.

The amendments to MFRS 136 remove the requirement to disclose the recoverable amount when a cash-generating unit (CGU) contains goodwill or intangible assets with indefinite useful lives but there has been no impairment. Therefore, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 139 allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated (i.e. parties have agreed to replace their original counterparty with a new one) to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met.

IC Interpretation 21 clarifies the accounting for an obligation to pay a levy that is not income tax. The obligation event that gives rise to a liability is the event identified by the legislation that triggers the obligation to pay the levy. The fact that an entity is economically compelled to continue operating in a future period, or prepares its financial statements under the going concern assumption, does not create an obligation. The application of the interpretation to liabilities arising from emissions trading schemes is optional.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2013

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

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2012 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

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.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2013**

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

A7 Dividend paid

There were no dividends paid during the current quarter under review.

A8 Segmental information

Current quarter 31 December 2013

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	18,571	-	-	18,571
Interest income	-	-	-	-
	18,571	-	-	18,571

Results

Segment results	923	(146)	(585)	192
Other unallocated corporate expenses				-
Interest expense				(216)
Interest income				7
Loss before taxation				(17)
Income tax expense				1,550
Profit after taxation				1,533

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	14,430	4,141	-	-	18,571
Interest income	-	-	-	-	-
	14,430	4,141	-	-	18,571

Results

Segment results	1,026	(249)	-	(585)	192
Other unallocated corporate expenses					-
Interest expense					(216)
Interest income					7
Loss before taxation					(17)
Income tax expense					1,550
Loss after taxation					1,533



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2013**

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

A8 Segmental information (Cont'd)

Current quarter 31 December 2012

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	17,987	-	-	17,987
Interest income	-	-	-	-
	<u>17,987</u>	<u>-</u>	<u>-</u>	<u>17,987</u>

<u>Results</u>				
Segment results	(522)	(122)	107	(537)
Other unallocated corporate expenses				-
Interest expense				(268)
Interest income				5
Loss before taxation				<u>(800)</u>
Income tax expense				122
Loss after taxation				<u>(678)</u>

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	13,341	4,646	-	-	17,987
Interest income	-	-	-	-	-
	<u>13,341</u>	<u>4,646</u>	<u>-</u>	<u>-</u>	<u>17,987</u>

<u>Results</u>					
Segment results	(524)	(120)	-	107	(537)
Other unallocated corporate expenses					-
Interest expense					(268)
Interest income					5
Loss before taxation					<u>(800)</u>
Income tax expense					122
Loss after taxation					<u>(678)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2013**

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2013

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	75,179	-	-	75,179
Interest income	-	-	-	-
	<u>75,179</u>	<u>-</u>	<u>-</u>	<u>75,179</u>

<u>Results</u>				
Segment results	3,024	(548)	(656)	1,820
Other unallocated corporate expenses				(6)
Interest expense				(1,049)
Interest income				90
Profit before taxation				<u>855</u>
Income tax expense				<u>1,370</u>
Profit after taxation				<u>2,225</u>

	Malaysia RM'000	China RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	59,406	15,773	-	-	75,179
Interest income	-	-	-	-	-
	<u>59,406</u>	<u>15,773</u>	<u>-</u>	<u>-</u>	<u>75,179</u>

<u>Results</u>					
Segment results	2,506	(30)	-	(656)	1,820
Other unallocated corporate expenses					(6)
Interest expense					(1,049)
Interest income					90
Profit before taxation					<u>855</u>
Income tax expense					<u>1,370</u>
Profit after taxation					<u>2,225</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2013**

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2012

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	77,690	-	-	77,690
Interest income	-	-	-	-
	77,690	-	-	77,690

Results

Segment results	774	(578)	(227)	(31)
Other unallocated corporate expenses				(12)
Interest expense				(1,038)
Interest income				17
(Loss)/profit before taxation				(1,064)
Income tax expense				953
Profit after taxation				(111)

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	60,134	17,556	-	-	77,690
Interest income	-	-	-	-	-
	60,134	17,556	-	-	77,690

Results

Segment results	559	(363)	-	(227)	(31)
Other unallocated corporate expenses					(12)
Interest expense					(1,038)
Interest income					17
(Loss)/profit before taxation					(1,064)
Income tax expense					953
Profit after taxation					(111)



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Fourth Quarter Ended 31 December 2013

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 has been brought forward without amendments from the financial statements for the financial year ended 31 December 2012.

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 11 February 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

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 31 Dec 2013 RM'000
Approved and contracted for:	
Purchase of plant & equipment	278
	<u>278</u>

A14 Significant related party transactions

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

A15 Cash and cash equivalents

	Current year To date 31 Dec 2013 RM'000
Cash and bank balances	4,553
Fixed deposits with licensed banks	-
	<u>4,553</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2013

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

B1 Detailed Analysis

The Group posted a slight higher revenue of RM18.57 mil for the current quarter under review as compared to RM17.99 million recorded in the corresponding quarter ended 31 December 2012 mainly contributed by increase in sales volume of colour toner and chemically produced toner despite the intense competition for monochrome toner.

The Group has managed to reduce the loss before taxation to RM17k as compared to RM800k recorded in the corresponding quarter ended on 31 December 2012, mainly contributed by the lower production cost of colour toner through improved productivity, and a net stock write-back of RM797k. This has offset against the depreciation charge from resin line that was commercialised in May 2013.

Comparison results of current quarter and previous year corresponding quarter

The performance of the two business segments for Q4 2013 as compared to previous year corresponding quarter is as below:

a) Manufacturing

Revenue for the current quarter under review has increased by approximately 3.2% as compared to the previous year corresponding quarter ended 31 December 2012 mainly attributed to the increase in sales volume of colour toner and chemically produced toner.

The Group has recorded loss before taxation of RM17k for the current quarter under review lower than the previous year corresponding quarter ended 31 December 2012 with a loss before taxation of RM800k, mainly due to improved sales of colour toner and chemically produced toner coupled with lower production cost and a net stock writeback of RM797k.

b) Investment Holding

There were no fixed deposit placements with any financial institutions.

B2 Variation of results against preceding quarter

Compared to preceding quarter ended 30 September 2013, the Group has higher revenue in the current quarter under review with an increase of 5.2% or RM924k from RM17.65 mil to RM18.57 mil. The increase in revenue is contributed by higher sales volume of black, color and chemically produced toners in the current quarter ended 31 December 2013 as compared to preceding quarter ended 30 September 2013.

There has been a lower loss before taxation amounted to RM17k as compared to RM333k in the preceding quarter ended 30 September 2013. The increase in Q4 2013 is attributed to higher productivity yield has resulted in lower production cost of black toner and a net writeback of RM797k.

B3 Prospects

The global economic outlook continues to remain weak and uncertain, therefore, adversely affecting market demand across different geographical regions including the United States, Europe and China. Despite the gradual decline in consumer printing demand, particularly in the home and small office end-user segment, the Group shall continue to intensify its efforts in R&D, placing greater emphasis on the development of higher value colour toners for use in colour and business printing, which is still experiencing growth in demand. Since the start of resin production in early 2013, the Group has converted up to 90% of its toner formulations with its own in-house produced resin, thus reducing its reliance on imported resins, and enabling further cost savings to be derived once economies of scale is achieved.

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 Fourth Quarter Ended 31 December 2013**

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

B5 Income tax expense

	Current quarter 31 Dec 2013 RM'000	Current year To date 31 Dec 2013 RM'000
Income tax		
Current year	95	309
Over provision in prior years	-	(8)
Deferred tax expense		
Current year	(1,645)	(1,671)
	<u>(1,550)</u>	<u>(1,370)</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.

B6 Group's borrowings and debt securities

As at 31 December 2013, the Group had total borrowings of approximately RM22.12 million, details of which are set out below:

	RM'000
Interest bearing borrowings:	
<i>Short term borrowings</i>	
Unsecured:	
Revolving credit	10,000
Secured:	
Term loan	4,389
Hire purchase	148
Trade finance	4,639
	<u>19,176</u>
<i>Long term borrowings</i>	
Secured:	
Term loan	2,903
Hire purchase	40
	<u>2,943</u>
Total	<u>22,119</u>

As at 31 December 2013, the Group does not have any foreign currency denominated borrowings.

B7 Derivatives

As at 31 December 2013, the Group does not have any outstanding derivatives.

B8 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.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2013**

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

B9 Dividends

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

B10 Earnings per share

	Current Quarter 31 Dec 2013	Current Year to date 31 Dec 2013
<i>(a) Basic earnings per share</i>		
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	1,533	2,225
Issued ordinary shares at 1 Oct / 1 January 2013 ('000)	706,189	706,189
Effect of distribution of treasury shares ('000)	-	-
Effect of employee share option scheme ('000)	-	-
Effect of private placement ('000)	-	-
Effect of warrant conversion ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	<u>706,189</u>	<u>706,189</u>
Basic (loss)/earnings per share (sen)	<u>0.22</u>	<u>0.32</u>
<i>(b) Diluted earnings per share</i>		
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	1,533	2,225
Weighted average number of ordinary shares for basic earnings per share ('000)	706,189	706,189
Effect of dilution under employee share option scheme ('000)	-	-
Effect of dilution under warrant conversion ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	<u>706,189</u>	<u>706,189</u>
Diluted (loss)/earnings per share (sen)	<u>0.22</u>	<u>0.32</u>

B11 Status of corporate proposals

There were no pending corporate proposals.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2013

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

B12 Realised and unrealised profits/losses disclosure

The breakdown of the retained profits of the Group as at the end of the reporting period into realised and unrealised profits are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	As at 31 Dec 2013 RM'000	As at 31 Dec 2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	41,894	40,711
- Unrealised	(1,607)	(3,141)
	<u>40,287</u>	<u>37,570</u>
Less: Consolidation adjustments	1,019	1,511
	<u>41,306</u>	<u>39,081</u>
Total group retained profits as per consolidated accounts		

B13 Profit/(loss) before taxation

	Current Quarter 31 Dec 2013 RM'000	Current Year to date 31 Dec 2013 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
Interest income	(7)	(90)
Other income	(72)	(184)
Interest expense	216	1,049
Depreciation and amortisation	3,008	11,891
Foreign exchange (gain)/loss	(278)	(990)

The following items are not applicable for the quarter/year:

1. Provision for and write off of receivables
2. (Gain)/loss on derivatives
3. (Gain)/loss on disposal of quoted or unquoted investments or properties
4. Impairment of assets
5. Exceptional items

B14 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

18 February 2014