



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Fourth Quarter Ended 31 December 2014

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year	Preceding Year	Current Year	Preceding Year
		31 Dec 2014 RM'000	31 Dec 2013 RM'000	To date 31 Dec 2014 RM'000	Corresponding Period 31 Dec 2013 RM'000
Revenue	A8	14,126	18,721	71,452	75,329
Cost of sales		(12,608)	(16,413)	(63,415)	(65,771)
Gross profit		1,518	2,308	8,037	9,558
Other income		45	95	501	990
Selling and distribution expenses		(759)	(807)	(2,991)	(3,181)
Administrative expenses		(1,929)	(1,602)	(6,210)	(5,205)
Other expenses		(1,219)	(200)	(1,914)	(663)
Finance costs		(225)	(68)	(755)	(901)
(Loss)/profit before taxation		(2,569)	(274)	(3,332)	598
Income tax expense	B5	168	1,605	960	1,425
(Loss)/profit after taxation		(2,401)	1,331	(2,372)	2,023
Other comprehensive income/(loss):					
Exchange translation differences		1,680	541	1,097	2,820
Total comprehensive (loss)/income		(721)	1,872	(1,275)	4,843
(Loss)/profit attributable to:					
Equity holders of the Company		(2,401)	1,331	(2,372)	2,023
Total comprehensive (loss)/income attributable to:					
Equity holders of the Company		(721)	1,872	(1,275)	4,843
Earnings per share (sen):					
Basic	B10	(0.34)	0.19	(0.34)	0.29
Diluted	B10	(0.34)	0.19	(0.34)	0.29

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 2013.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The Fourth Quarter Ended 31 December 2014

(The figures have not been audited)

	Current year Quarter 31 Dec 2014 RM'000	Audited 31 Dec 2013 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	102,684	108,337
Investment property	98	101
Other investment	50	50
	<u>102,832</u>	<u>108,488</u>
CURRENT ASSETS		
Inventories	37,027	33,066
Trade receivables	10,922	10,254
Other receivables, prepayments and deposits	1,497	2,062
Derivative financial instruments	B7 -	-
Tax recoverable	251	273
Cash and bank balances	3,718	4,607
	<u>53,415</u>	<u>50,262</u>
TOTAL ASSETS	<u>156,247</u>	<u>158,750</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	4,995	3,898
Retained profits	38,733	41,104
TOTAL EQUITY	<u>123,892</u>	<u>125,166</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	B6 -	3,156
Deferred tax liabilities	473	1,634
	<u>473</u>	<u>4,790</u>
CURRENT LIABILITIES		
Trade payables	6,769	5,760
Other payables and accruals	3,057	3,565
Amount due to directors	175	126
Short-term borrowings	B6 21,847	19,219
Provision for taxation	34	124
	<u>31,882</u>	<u>28,794</u>
TOTAL LIABILITIES	<u>32,355</u>	<u>33,584</u>
TOTAL EQUITY AND LIABILITIES	<u>156,247</u>	<u>158,750</u>
Net assets per ordinary share (RM)	<u>0.18</u>	<u>0.18</u>

Note:

Net assets per share as at 31 December 2014 is arrived at based on the Group's Net Assets of RM123.9 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 2013 was arrived at based on the Group's Net Assets of RM125.17 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 2013.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Fourth Quarter Ended 31 December 2014

(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 2013 (audited)</u>								
At 1 January 2013 (audited)	70,631	(22)	7,622	1,933	1,078	-	39,081	120,323
Total comprehensive (loss)/income	-	-	-	-	2,820	-	2,023	4,843
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	-	41,104	125,166
<u>12 months ended 31 December 2014</u>								
At 1 January 2014 (audited)	70,631	(22)	7,622	1,933	3,898	-	41,104	125,166
Total comprehensive income	-	-	-	-	1,097	-	(2,372)	(1,275)
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 2014	70,631	(22)	7,622	1,933	4,995	-	38,733	123,892

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 2013.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Fourth Quarter Ended 31 December 2014

(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 2014 RM'000	31 Dec 2013 RM'000	31 Dec 2014 RM'000	31 Dec 2013 RM'000
CASHFLOWS FROM/(FOR) OPERATING ACTIVITIES				
(Loss)/profit before taxation	(2,569)	(274)	(3,332)	598
Adjustments for:				
Amortisation	1	1	2	2
Inventories written back	(806)	(1,212)	(806)	(1,212)
Inventories written down	764	140	764	140
Depreciation	2,255	3,025	10,958	11,036
Interest expense	225	68	755	901
Unrealised loss/(gain) on foreign exchange	517	113	455	109
Loss/(gain) on disposal of equipment	1	-	1	-
Interest income	(9)	(7)	(18)	(90)
Others	13	12	46	44
Operating profit before working capital changes	392	1,866	8,825	11,528
Inventories	(5,627)	(915)	(3,511)	(2,407)
Receivables	5,166	(213)	344	60
Payables	1,650	(1,949)	166	2,518
Cash from/(for) operations	1,581	(1,211)	5,824	11,699
Interest paid	(225)	(68)	(755)	(901)
Tax refund	-	819	132	819
Tax paid	(18)	(148)	(399)	(258)
Net cash from/(for) operating activities	1,338	(608)	4,802	11,359
CASHFLOWS FOR INVESTING ACTIVITIES				
Interest received	9	7	18	90
Purchase of property, plant and equipment	(4,017)	(4,272)	(4,638)	(9,088)
Net cash for investing activities	(4,008)	(4,265)	(4,620)	(8,998)
CASHFLOWS (FOR)/FROM FINANCING ACTIVITIES				
Net (repayment)/drawdown of revolving credit	(1,926)	(3,000)	(1,926)	(3,000)
Net drawdown/(repayment) of trade finance	3,283	2,109	4,966	4,742
Repayment of hire purchase	(38)	(36)	(150)	(143)
Repayment of term loan	(820)	(1,582)	(4,243)	(7,117)
Advance (repayment)/from to directors	53	65	49	4
Net cash from/(for) financing activities	552	(2,444)	(1,304)	(5,514)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,118)	(7,317)	(1,122)	(3,153)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	264	(19)	233	209
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	5,572	11,942	4,607	7,550
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 3,718	4,607	3,718	4,606

Note:

This is prepared based on the consolidated results of the Group for the financial year ended 31 December 2014 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 2013.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Fourth Quarter Ended 31 December 2014

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)

Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21 Levies

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 (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associ	1 January 2016
Amendments to MFRS 11 : Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Fourth Quarter Ended 31 December 2014

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 (IFRS 9 issued by IASB in July 2014)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking 'expected loss' impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. Therefore, it is expected that the Group's investments in unquoted shares that are currently stated at cost less accumulated impairment losses will be measured at fair value through other comprehensive income upon the adoption of MFRS 9.

Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Depreciation Method

The amendments to MFRS 116 and MFRS 138 prohibit revenue-based depreciation because revenue does not, as a matter of principle, reflect the way in which an item of property, plant and equipment is used or consumed. Therefore, the Group will be changing its current depreciation policy that based on revenue to the straight-line method upon its initial application of the amendments. The possible impacts on the financial statements of the Group upon the initial application are disclosed in Note to the financial statements.

Amendments to MFRS 119: Employee Contributions

The amendments to MFRS 119 simplify the accounting treatment of contributions from employees and third parties to defined benefit plans. Contributions that are independent of the number of years of service shall be recognised as a reduction in the service cost in the period in which the related service is rendered. For contributions that are dependent on the number of years of service, the Company is required to attribute those contributions to periods of service using either based on the plan's contribution formula or on a straight-line basis, as appropriate. The possible impacts on the financial statements of the Group upon its initial application are disclosed in Note to the financial statements.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2014

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 2013 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.

A7 Dividend paid

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



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2014**

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

A8 Segmental information

Current quarter 31 December 2014

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	14,126	-	-	14,126
Interest income	-	-	-	-
	<u>14,126</u>	<u>-</u>	<u>-</u>	<u>14,126</u>

<u>Results</u>				
Segment results	(1,526)	(366)	(460)	(2,352)
Other unallocated corporate expenses				(1)
Interest expense				(225)
Interest income				<u>9</u>
Loss before taxation				(2,569)
Income tax expense				<u>168</u>
Loss after taxation				<u>(2,401)</u>

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	11,411	2,715	-	-	14,126
Interest income	-	-	-	-	-
	<u>11,411</u>	<u>2,715</u>	<u>-</u>	<u>-</u>	<u>14,126</u>

<u>Results</u>					
Segment results	(1,342)	(550)	-	(460)	(2,352)
Other unallocated corporate expenses					(1)
Interest expense					(225)
Interest income					<u>9</u>
Loss before taxation					(2,569)
Income tax expense					<u>168</u>
Loss after taxation					<u>(2,401)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2014**

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

A8 Segmental information (Cont'd)

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	18,721	-	-	18,721
Interest income	-	-	-	-
	18,721	-	-	18,721

<u>Results</u>				
Segment results	517	(145)	(585)	(213)
Other unallocated corporate expenses				-
Interest expense				(68)
Interest income				7
Loss before taxation				(274)
Income tax expense				1,605
Profit after taxation				1,331

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	14,442	4,279	-	-	18,721
Interest income	-	-	-	-	-
	14,442	4,279	-	-	18,721

<u>Results</u>					
Segment results	621	(249)	-	(585)	(213)
Other unallocated corporate expenses					-
Interest expense					(68)
Interest income					7
Loss before taxation					(274)
Income tax expense					1,605
Profit after taxation					1,331



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2014**

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2014

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	71,452	-	-	71,452
Interest income	-	-	-	-
	<u>71,452</u>	<u>-</u>	<u>-</u>	<u>71,452</u>

<u>Results</u>				
Segment results	(1,437)	(694)	(460)	(2,591)
Other unallocated corporate expenses				(4)
Interest expense				(755)
Interest income				18
Loss before taxation				<u>(3,332)</u>
Income tax expense				960
Loss after taxation				<u>(2,372)</u>

	Malaysia RM'000	China RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	56,771	14,681	-	-	71,452
Interest income	-	-	-	-	-
	<u>56,771</u>	<u>14,681</u>	<u>-</u>	<u>-</u>	<u>71,452</u>

<u>Results</u>					
Segment results	(860)	(1,271)	-	(460)	(2,591)
Other unallocated corporate expenses					(4)
Interest expense					(755)
Interest income					18
Loss before taxation					<u>(3,332)</u>
Income tax expense					960
Loss after taxation					<u>(2,372)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Fourth Quarter Ended 31 December 2014**

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2013

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	75,329	-	-	75,329
Interest income	-	-	-	-
	75,329	-	-	75,329

Results

Segment results	2,618	(547)	(656)	1,415
Other unallocated corporate expenses				(6)
Interest expense				(901)
Interest income				90
Profit before taxation				598
Income tax expense				1,425
Profit after taxation				2,023

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	59,418	15,911	-	-	75,329
Interest income	-	-	-	-	-
	59,418	15,911	-	-	75,329

Results

Segment results	2,101	(30)	-	(656)	1,415
Other unallocated corporate expenses					(6)
Interest expense					(901)
Interest income					90
Profit before taxation					598
Income tax expense					1,425
Profit after taxation					2,023



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Fourth Quarter Ended 31 December 2014

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 2013.

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 10 February 2015 (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 2014 RM'000
Approved and contracted for:	
Purchase of plant & equipment	459
	<u>459</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 2014 RM'000
Cash and bank balances	3,718
Fixed deposits with licensed banks	-
	<u>3,718</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2014

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

B1 Detailed Analysis

The Group posted a lower revenue of RM14.13 mil for the current quarter under review as compared to RM18.72 million recorded in the corresponding quarter ended 31 December 2013 mainly contributed by decrease in sales volume of black and colour toner.

The Group has recorded a loss before taxation of RM2.56 million as compared to RM274k in the corresponding quarter ended on 31 December 2013, mainly contributed by higher production and operation cost.

Comparison results of current quarter and previous year corresponding quarter

The performance of the two business segments for Q4 2014 as compared to previous year corresponding quarter is as below:

a) Manufacturing

Revenue for the current quarter under review has decreased by approximately 24.5% as compared to the previous year corresponding quarter ended 31 December 2013 mainly attributed to the decrease in sales volume of black and colour toner.

The Group has recorded loss before taxation of RM2.56 million for the current quarter under review as compared to the previous year corresponding quarter ended 31 December 2013 with a loss before taxation of RM274k, mainly due to higher production cost.

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 2014, the Group has lower revenue in the current quarter under review with a decrease of 23% or RM4.31 mil from RM18.44 mil to RM14.13 mil. The decrease in revenue is contributed by lower sales volume of black and colour toner in the current quarter ended 31 December 2014 as compared to preceding quarter ended 30 September 2014.

The Group has recorded a loss before taxation for the current quarter amounted to RM2.56 million as compared to a profit before taxation in the previous quarter. This was mainly contributed by higher production cost in the current quarter.

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 2014**

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

B5 Income tax expense

	Current quarter 31 Dec 2014 RM'000	Current year To date 31 Dec 2014 RM'000
Income tax		
Current year	90	113
Under provision in prior years	87	87
Deferred tax expense		
Current year	(345)	(1,160)
	<u>(168)</u>	<u>(960)</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 Dec 2014, the Group had total borrowings of approximately RM21.85 million, details of which are set out below:

	RM'000
Interest bearing borrowings:	
<i>Short term borrowings</i>	
Unsecured:	
Revolving credit	8,698
Secured:	
Term loan	2,899
Hire purchase	38
Trade finance	10,212
	<u>21,847</u>
<i>Long term borrowings</i>	
Secured:	
Term loan	-
Hire purchase	-
	<u>-</u>
Total	<u>21,847</u>

As at 31 Dec 2014, the Group does not have any foreign currency denominated borrowings.

B7 Derivatives

As at 31 Dec 2014, 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.

B9 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 Fourth Quarter Ended 31 December 2014

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

B10 Earnings per share

	Current Quarter 31 Dec 2014	Current Year to date 31 Dec 2014
<i>(a) Basic earnings per share</i>		
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(2,401)	(2,372)
Issued ordinary shares at 1 October 2014 / 1 January 2014 ('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)	706,189	706,189
Basic (loss)/earnings per share (sen)	(0.34)	(0.34)
<i>(b) Diluted earnings per share</i>		
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(2,401)	(2,372)
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)	706,189	706,189
Diluted (loss)/earnings per share (sen)	(0.34)	(0.34)

B11 Status of corporate proposals but not completed

On 17 July 2014, Jadi Imaging Holdings Berhad ("JADI") proposed:

- (i) a bonus issue of up to 293,858,324 ordinary shares of RM0.10 each in JADI ("JADI Shares") ("Bonus Shares") on the basis of one (1) Bonus Share for every three (3) existing JADI Shares held by the entitled shareholders of JADI on an entitlement date to be determined and announced later ("Entitlement Date") ("Proposed Bonus Issue"); and
- (ii) a renounceable two-call rights issue of up to 293,858,324 JADI Shares ("Rights Shares") on the basis of one (1) Rights Share for every three (3) existing JADI Shares held on the Entitlement Date, together with up to 195,905,549 free detachable warrants ("Warrants") on the basis of two (2) Warrants for every three (3) Rights Shares subscribed by the entitled shareholders of JADI, at an issue price of RM0.10, of which the first call of RM0.08 will be payable in cash on application ("First Call") and the second call of RM0.02 will be capitalised from the Company's retained profits account ("Second Call") ("Proposed Two-Call Rights Issue").

The Proposed Bonus Issue and Proposed Two-Call Rights Issue are collectively referred to as the "Proposals".

The Company has submitted the following applications for approvals:-

- a. the listing application to Bursa Malaysia Securities Berhad ("Bursa Securities") on 19 September 2014 for the following:-
 - (1) admission of up to 103,270,741 Warrants 2014/2024 to the Official List of Bursa Securities; and
 - (2) listing of and quotation for the following on the Main Market of Bursa Securities:-
 - (i) up to 309,812,224 Rights Shares;
 - (ii) up to 309,812,224 Warrants; and
 - (iii) up to 103,270,741 new JADI Shares to be issued upon exercise of the Warrants 2014/2024.

JADI had since obtained Bursa Securities' approval vide Bursa Securities' letter dated 14 October 2014. On 20 November 2014, JADI has obtained approval from JADI's shareholders at an Extraordinary General Meeting.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2014

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 2014 RM'000	As at 31 Dec 2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	38,776	41,629
- Unrealised	(551)	(1,542)
	<u>38,225</u>	<u>40,086</u>
Less: Consolidation adjustments	508	1,018
	<u>38,733</u>	<u>41,104</u>
Total group retained profits as per consolidated accounts		

B13 Profit/(loss) before taxation

	Current Quarter 31 Dec 2014 RM'000	Current Year to date 31 Dec 2014 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
Interest income	306	(18)
Other income	(630)	(415)
Interest expense	(8,478)	755
Depreciation and amortisation	2,255	10,958
Foreign exchange loss/(gain)	322	463

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

17 February 2015