



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Financial Period Ended 31 December 2015

(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 2015 RM'000	31 Dec 2014 RM'000	31 Dec 2015 RM'000	31 Dec 2014 RM'000
Revenue	A8	22,044	14,126	77,767	71,452
Cost of sales		(14,989)	(13,142)	(63,057)	(63,949)
Gross profit		7,055	984	14,710	7,503
Other income		902	45	3,231	501
Selling and distribution expenses		(805)	(759)	(2,878)	(2,991)
Administrative expenses		(1,738)	(1,929)	(6,513)	(6,210)
Other expenses		(189)	(1,219)	(543)	(1,914)
Finance costs		(467)	(225)	(1,032)	(755)
Profit/(loss) before taxation		4,758	(3,103)	6,975	(3,866)
Income tax expense	B5	(18)	168	146	960
Profit/(loss) after taxation		4,740	(2,935)	7,121	(2,906)
Other comprehensive income/(loss):					
Exchange translation differences		(1,994)	1,680	5,068	1,097
Revaluation of freehold land and buildings		-	21,710	-	21,710
Total comprehensive income/(loss)		2,746	20,455	12,189	19,901
Profit/(loss) attributable to:					
Equity holders of the Company		4,740	(2,935)	7,121	(2,906)
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company		2,746	20,455	12,189	19,901
Earnings/(loss) per share (sen):					
Basic	B10	0.50	(0.42)	0.81	(0.41)
Diluted	B10	0.50	(0.42)	0.81	(0.41)

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 period ended 31 December 2014.

As announced on 2 December 2015, the Group had change its financial year ended from 31 December 2015 to 31 March 2016. Therefore, there will be 15 months financial results for the financial period ending 31 March 2016.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The Financial Period Ended 31 December 2015

(The figures have not been audited)

	Current year Quarter 31 Dec 2015 RM'000	Audited 31 Dec 2014 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	122,382	125,817
Investment property	96	98
Other investment	50	50
	<u>122,528</u>	<u>125,965</u>
CURRENT ASSETS		
Inventories	38,744	36,493
Trade receivables	15,269	10,922
Other receivables, prepayments and deposits	2,725	1,497
Derivative financial instruments	B7 -	-
Deferred tax assets	-	-
Tax recoverable	970	251
Cash and bank balances	10,385	3,718
	<u>68,093</u>	<u>52,881</u>
TOTAL ASSETS	<u>190,621</u>	<u>178,846</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	94,182	70,631
Treasury shares	(22)	(22)
Share premium	-	7,622
Revaluation reserve	23,642	23,642
Foreign exchange reserve	10,063	4,995
Retained profits	29,164	38,199
TOTAL EQUITY	<u>157,029</u>	<u>145,067</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	B6 -	-
Deferred tax liabilities	1,829	1,897
	<u>1,829</u>	<u>1,897</u>
CURRENT LIABILITIES		
Trade payables	13,454	6,769
Other payables and accruals	1,606	3,113
Amount due to directors	148	119
Short-term borrowings	B6 16,572	21,847
Provision for taxation	(17)	34
	<u>31,763</u>	<u>31,882</u>
TOTAL LIABILITIES	<u>33,592</u>	<u>33,779</u>
TOTAL EQUITY AND LIABILITIES	<u>190,621</u>	<u>178,846</u>
Net assets per ordinary share (RM)	<u>0.17</u>	<u>0.21</u>

Note:

Net assets per share as at 31 December 2015 is arrived at based on the Group's Net Assets of RM157.03 million over the number of ordinary shares in issue (excluding treasury shares) of 941,700,411 shares of RM0.10 each. Net Assets per share as at 31 December 2014 was arrived at based on the Group's Net Assets of RM145.07 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 2014.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Period Ended 31 December 2015

(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 2014 (audited)</u>								
At 1 January 2014 (audited)	70,631	(22)	7,622	1,933	3,898	-	41,104	125,166
Total comprehensive (loss)/income	-	-	-	21,709	1,097	-	(2,906)	19,900
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	23,642	4,995	-	38,199	145,067
<u>12 months ended 31 December 2015</u>								
At 1 January 2015 (audited)	70,631	(22)	7,622	23,642	4,995	-	38,199	145,067
Total comprehensive income	-	-	-	-	5,068	-	7,121	12,189
Corporate exercise expenses	-	-	(242)	-	-	-	-	(242)
ESOS exercised	-	-	-	-	-	-	-	-
Bonus issue	23,539	-	(7,383)	-	-	-	(16,156)	-
Private placement	-	-	-	-	-	-	-	-
Warrant conversion	-	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	-
Share options granted under Free Warrant	12	-	3	-	-	-	-	15
Distribution of treasury shares	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
At 31 December 2015	94,182	(22)	-	23,642	10,063	-	29,164	157,029

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 2014.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Financial Period Ended 31 December 2015

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
	31 Dec 2015 RM'000	31 Dec 2014 RM'000	31 Dec 2015 RM'000	31 Dec 2014 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	4,758	(3,103)	6,975	(3,866)
Adjustments for:				
Allowance for impairment losses on trade receivables	-	364	-	364
Amortisation	-	1	2	2
Inventories written back	-	(163)	-	(163)
Inventories written down	-	748	-	748
Depreciation	2,455	2,255	10,122	10,958
Interest expense	467	225	1,032	755
Unrealised (gain)/loss on foreign exchange	(373)	(26)	(461)	(88)
Loss/(gain) on disposal of equipment	73	1	73	1
Interest income	(14)	(9)	(25)	(18)
Others	14	13	53	46
Operating profit before working capital changes	7,380	306	17,771	8,739
Inventories	(6,957)	(5,720)	(431)	(3,604)
Receivables	(871)	4,047	(5,758)	(775)
Payables	8,367	2,027	4,723	543
Cash from operations	7,919	660	16,305	4,903
Interest paid	(467)	(225)	(1,032)	(755)
Tax refund	134	-	134	132
Tax paid	113	(18)	(125)	(399)
Net cash from operating activities	7,699	417	15,282	3,881
CASHFLOWS (FOR)/FROM INVESTING ACTIVITIES				
Interest received	14	9	25	18
Purchase of property, plant and equipment	(850)	(4,017)	(3,659)	(4,638)
Net cash (for)/from investing activities	(836)	(4,008)	(3,634)	(4,620)
CASHFLOWS (FOR)/FROM FINANCING ACTIVITIES				
Net (repayment)/drawdown of revolving credit	(3,270)	(1,606)	2,302	(1,606)
Net drawdown/(repayment) of trade finance	603	3,787	(4,978)	5,470
Corporate exercise expenses	-	-	(242)	-
Net proceeds from issuance of shares	14	-	14	-
Net (repayment)/drawdown of hire purchase	(9)	(38)	100	(150)
Net (repayment)/drawdown of term loan	(986)	(820)	(2,699)	(4,243)
Advance from/(repayment) to directors	74	(3)	29	(7)
Net cash (for)/from financing activities	(3,574)	1,320	(5,474)	(536)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,289	(2,271)	6,174	(1,275)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	(121)	417	492	386
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	7,216	5,572	3,718	4,607
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 10,384	3,718	10,384	3,718

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 December 2015 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 2014.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Financial Period Ended 31 December 2015

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 Financial Period Ended 31 December 2015

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 Financial Period Ended 31 December 2015**

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 2014 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 Financial Period Ended 31 December 2015**

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

A8 Segmental information

Current quarter 31 December 2015

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	22,044	-	-	22,044
Interest income	-	-	-	-
	<u>22,044</u>	<u>-</u>	<u>-</u>	<u>22,044</u>

<u>Results</u>				
Segment results	5,302	(101)	17	5,218
Other unallocated corporate expenses				(7)
Interest expense				(467)
Interest income				14
Profit before taxation				<u>4,758</u>
Income tax expense				(18)
Profit after taxation				<u>4,740</u>

	Malaysia	China	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Revenue from external customers	19,043	3,001	-	-	22,044
Interest income	-	-	-	-	-
	<u>19,043</u>	<u>3,001</u>	<u>-</u>	<u>-</u>	<u>22,044</u>

<u>Results</u>					
Segment results	5,374	(173)	-	17	5,218
Other unallocated corporate expenses					(7)
Interest expense					(467)
Interest income					14
Profit before taxation					<u>4,758</u>
Income tax expense					(18)
Profit after taxation					<u>4,740</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Financial Period Ended 31 December 2015**

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

A8 Segmental information (Cont'd)

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	-	-	-	-
	14,126	-	-	14,126

<u>Results</u>				
Segment results	(1,693)	(366)	(827)	(2,886)
Other unallocated corporate expenses				(1)
Interest expense				(225)
Interest income				9
Loss before taxation				(3,103)
Income tax expense				168
Loss after taxation				(2,935)

	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	-	-	-	-	-
	11,411	2,715	-	-	14,126

<u>Results</u>					
Segment results	(1,509)	(550)	-	(827)	(2,886)
Other unallocated corporate expenses					(1)
Interest expense					(225)
Interest income					9
Loss before taxation					(3,103)
Income tax expense					168
Loss after taxation					(2,935)



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Financial Period Ended 31 December 2015**

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2015

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	77,767	-	-	77,767
Interest income	-	-	-	-
	77,767	-	-	77,767

<u>Results</u>				
Segment results	8,801	(660)	(134)	8,007
Other unallocated corporate expenses				(25)
Interest expense				(1,032)
Interest income				25
Profit before taxation				6,975
Income tax expense				146
Profit after taxation				7,121

	Malaysia RM'000	China RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	66,387	11,380	-	-	77,767
Interest income	-	-	-	-	-
	66,387	11,380	-	-	77,767

<u>Results</u>					
Segment results	9,551	(1,410)	-	(134)	8,007
Other unallocated corporate expenses					(25)
Interest expense					(1,032)
Interest income					25
Profit before taxation					6,975
Income tax expense					146
Profit after taxation					7,121



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Financial Period Ended 31 December 2015**

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2014

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

Results

Segment results	(1,604)	(694)	(827)	(3,125)
Other unallocated corporate expenses				(4)
Interest expense				(755)
Interest income				18
Loss before taxation				(3,866)
Income tax expense				960
Loss after taxation				(2,906)

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

Results

Segment results	(1,027)	(1,271)	-	(827)	(3,125)
Other unallocated corporate expenses					(4)
Interest expense					(755)
Interest income					18
Loss before taxation					(3,866)
Income tax expense					960
Loss after taxation					(2,906)



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Financial Period Ended 31 December 2015

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 2014.

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 2016 (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 2015 RM'000
Approved and contracted for:	
Purchase of plant & equipment	459
	<hr/> 459 <hr/>

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 2015 RM'000
Cash and bank balances	10,385
Fixed deposits with licensed banks	-
	<hr/> 10,385 <hr/>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Financial Period Ended 31 December 2015

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

B1 Detailed Analysis

The Group posted a higher revenue of RM22.04 mil for the current quarter under review as compared to RM14.13 million recorded in the corresponding quarter ended 31 December 2014 mainly contributed by increase in sales volume of black and colour toner and weaker Ringgit vis-a-vis the US Dollar.

The Group has recorded a profit before taxation of RM4.76mil as compared to a loss before taxation of RM3.10 mil in the corresponding quarter ended on 31 December 2014, mainly contributed by the lower production cost due to improved productivity thus lower overhead cost and further costs savings from in-house produced resin, weaker Ringgit vis-a-vis the US Dollar. Currently 97% of our sales are from export sales and pegged in US Dollar.

Comparison results of current quarter and previous year corresponding quarter

The performance of the two business segments for Q4 2015 as compared to previous year corresponding quarter is as below:

a) Manufacturing

Revenue for the current quarter under review has increased by approximately 56.1% as compared to the previous year corresponding quarter ended 31 December 2014 mainly attributed to the increase in sales volume of black and colour toner and weaker Ringgit vis-a-vis the US Dollar.

The Group has recorded a profit before taxation of RM4.76mil for the current quarter under review as compared to the previous year corresponding quarter ended 31 December 2014 with a loss before taxation of RM3.10mil, mainly due to lower production cost and weaker Ringgit vis-a-vis the US Dollar.

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 2015, the Group has recorded lower revenue in the current quarter under review with a decrease of 1.2% or RM275k from RM22.32 mil to RM22.04 mil. The decrease in revenue is contributed by lower sales volume of black and colour toner in the current quarter ended 31 December 2015 as compared to preceding quarter ended 30 September 2015 despite the weaker Ringgit vis-a-vis the US Dollar.

The Group has recorded a profit before taxation for the current quarter amounted to RM4.76mil as compared to RM1.48mil in the previous quarter. This was mainly contributed by improvement in productivity in the current quarter and weaker Ringgit vis-a-vis the US Dollar.

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 Financial Period Ended 31 December 2015

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

B5 Income tax expense

	Current quarter	Current year
	31 Dec 2015	To date
	RM'000	31 Dec 2015
	RM'000	RM'000
Income tax		
Current year	-	-
Under provision in prior years	-	-
Deferred tax expense		
Current year	18	(146)
	<u>18</u>	<u>(146)</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 2015, the Group had total borrowings of approximately RM16.57 million, details of which are set out below:

	RM'000
Interest bearing borrowings:	
<i>Short term borrowings</i>	
Unsecured:	
Revolving credit	11,000
Secured:	
Term loan	200
Hire purchase	139
Trade finance	5,233
	<u>16,572</u>
<i>Long term borrowings</i>	
Secured:	
Term loan	-
Hire purchase	-
	<u>-</u>
Total	<u>16,572</u>

As at 31 Dec 2015, the Group does not have any foreign currency denominated borrowings.

B7 Derivatives

As at 31 Dec 2015, 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.



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For The Financial Period Ended 31 December 2015**

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

B10 Earnings per share

	Current Quarter 31 Dec 2015	Current Year to date 31 Dec 2015
<i>(a) Basic earnings per share</i>		
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	4,740	7,121
Issued ordinary shares at 1 Oct 2015 / 1 January 2015 ('000)	941,585	706,189
Effect of bonus issue ('000)	-	176,064
Effect of distribution of treasury shares ('000)	-	-
Effect of employee share option scheme ('000)	-	-
Effect of private placement ('000)	-	-
Effect of warrant conversion ('000)	115	29
Weighted average number of ordinary shares in issue ('000)	<u>941,700</u>	<u>882,282</u>
Basic earnings per share (sen)	<u>0.50</u>	<u>0.81</u>
<i>(b) Diluted earnings per share</i>		
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	4,740	7,121
Weighted average number of ordinary shares for basic earnings per share ('000)	941,700	882,282
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>941,700</u>	<u>882,282</u>
Diluted earnings per share (sen)	<u>0.50</u>	<u>0.81</u>

B11 Status of corporate proposals

There were no pending corporate proposals.



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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 2015 RM'000	As at 31 Dec 2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	30,343	39,904
- Unrealised	(1,829)	(1,975)
	<u>28,514</u>	<u>37,929</u>
Less: Consolidation adjustments	650	270
	<u>29,164</u>	<u>38,199</u>
Total group retained profits as per consolidated accounts		

B13 Profit/(loss) before taxation

	Current Quarter 31 Dec 2015 RM'000	Current Year to date 31 Dec 2015 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
Interest income	(14)	(25)
Other income	(454)	(757)
Interest expense	467	1,032
Depreciation and amortisation	2,455	10,122
Redundancy Cost	-	270
Foreign exchange (gain)/loss	(448)	(2,288)

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 2016