



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

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For The Second Quarter Ended 30 September 2017**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
		30 Sept 2017 RM'000	30 Sept 2016 RM'000	30 Sept 2017 RM'000	30 Sept 2016 RM'000
Revenue	A8	17,089	18,944	30,689	40,816
Cost of sales		(15,061)	(17,797)	(26,946)	(38,036)
Gross profit/(loss)		2,028	1,147	3,743	2,780
Other income		131	150	798	2,198
Selling and distribution expenses		(795)	(602)	(1,274)	(1,224)
Administrative expenses		(2,287)	(2,358)	(4,443)	(4,833)
Other expenses		(847)	(76)	(928)	(360)
Finance costs		(305)	(148)	(512)	(548)
<b>(Loss)/profit before taxation</b>		<b>(2,075)</b>	<b>(1,887)</b>	<b>(2,616)</b>	<b>(1,987)</b>
Income tax expense	B5	(43)	20	(184)	(10)
<b>(Loss)/profit after taxation</b>		<b>(2,118)</b>	<b>(1,867)</b>	<b>(2,800)</b>	<b>(1,997)</b>
Other comprehensive income/(loss):					
Exchange translation differences		1,204	799	164	643
<b>Total comprehensive (loss)/income</b>		<b>(914)</b>	<b>(1,068)</b>	<b>(2,636)</b>	<b>(1,354)</b>
(Loss)/profit attributable to:					
Equity holders of the Company		(2,118)	(1,867)	(2,800)	(1,997)
Total comprehensive (loss)/income attributable to:					
Equity holders of the Company		(914)	(1,068)	(2,636)	(1,354)
<b>(Loss)/earnings per share (sen):</b>					
Basic	B10	(0.22)	(0.02)	(0.30)	(0.04)
Diluted	B10	(0.22)	(0.02)	(0.30)	(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 March 2017.

**JADI IMAGING HOLDINGS BERHAD (526319 - P)**
**CONDENSED CONSOLIDATED BALANCE SHEET**
**For The Second Quarter Ended 30 September 2017**

(The figures have not been audited)

	<b>Current Year Quarter 30 Sept 2017 RM'000</b>	<b>Audited Preceding Year 31 Mar 2017 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	91,422	94,776
Investment property	5,277	5,455
Other investment	50	50
	<u>96,749</u>	<u>100,281</u>
<b>CURRENT ASSETS</b>		
Inventories	51,982	42,404
Trade receivables	10,002	10,605
Other receivables, prepayments and deposits	991	2,252
Derivative financial instruments	-	-
Tax recoverable	335	452
Fixed deposits with licensed banks	-	1,941
Cash and bank balances	4,578	8,604
	<u>67,888</u>	<u>66,258</u>
<b>TOTAL ASSETS</b>	<u>164,637</u>	<u>166,539</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	94,185	94,185
Treasury shares	(22)	(22)
Revaluation reserve	23,673	23,673
Foreign exchange reserve	9,325	9,161
Retained profits	7,757	10,557
<b>TOTAL EQUITY</b>	<u>134,918</u>	<u>137,554</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	74	77
Deferred tax liabilities	1,453	1,409
	<u>1,527</u>	<u>1,486</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	6,687	7,445
Other payables and accruals	3,335	2,910
Short-term borrowings	18,170	17,144
	<u>28,192</u>	<u>27,499</u>
<b>TOTAL LIABILITIES</b>	<u>29,719</u>	<u>28,985</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>164,637</u>	<u>166,539</u>
Net assets per ordinary share (RM)	<u>0.14</u>	<u>0.15</u>

**Note:**

Net assets per share as at 30 September 2017 is arrived at based on the Group's Net Assets of RM134.92 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 March 2017 was arrived at based on the Group's Net Assets of RM137.55 million over the number of ordinary shares in issue (excluding treasury shares) of 941,700,411 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 March 2017.



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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**For The Second Quarter Ended 30 September 2017**

(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
<b>6 months ended 30 September 2017</b>								
<b>At 1 April 2017</b>	94,185	(22)	-	23,673	9,161	-	10,557	137,554
Loss for the financial year	-	-	-	-	-	-	(2,800)	(2,800)
Other comprehensive income for the financial year:								
- foreign currency translation differences	-	-	-	-	164	-	-	164
Total comprehensive income	-	-	-	-	164	-	(2,800)	(2,636)
Realisation of revaluation reserve	-	-	-	-	-	-	-	-
<b>At 30 September 2017</b>	94,185	(22)	-	23,673	9,325	-	7,757	134,918
<b>12 months ended 31 March 2017</b>								
<b>At 1 April 2016</b>								
As previously stated	94,182	(22)	3	23,567	7,286	-	28,936	153,952
Prior year adjustment	-	-	-	-	-	-	(1,080)	(1,080)
At 1 April 2016 (restated)	94,182	(22)	3	23,567	7,286	-	27,856	152,872
Transfer in accordance to Section 74 of the Company Act 2016	3	-	(3)	-	-	-	-	-
Loss for the financial year	-	-	-	-	-	-	(17,193)	(17,193)
Other comprehensive income for the financial year:								
- foreign currency translation differences	-	-	-	-	1,875	-	-	1,875
Total comprehensive income	-	-	-	-	1,875	-	(17,193)	(15,318)
Realisation of revaluation reserve	-	-	-	106	-	-	(106)	-
<b>At 31 March 2017</b>	94,185	(22)	-	23,673	9,161	-	10,557	137,554

**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 March 2017.



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

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**

**For The Second Quarter Ended 30 September 2017**

(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	30 Sept 2017 RM'000	30 Sept 2016 RM'000	30 Sept 2017 RM'000	30 Sept 2016 RM'000
<b>CASHFLOWS (FOR)/FROM OPERATING ACTIVITIES</b>				
(Loss)/profit before taxation	(2,075)	(1,887)	(2,616)	(1,987)
Adjustments for:				
Amortisation	1	-	1	1
Depreciation	2,013	2,392	4,249	4,792
Interest expense	271	148	447	548
Unrealised (gain)/loss on foreign exchange	-	-	(768)	-
Loss/(gain) on disposal of equipment	-	155	-	343
Interest income	(1)	(60)	(35)	(69)
Others	-	(13)	-	-
Operating profit/(loss) before working capital changes	209	735	1,278	3,628
Inventories	(456)	3,766	(9,579)	6,195
Receivables	(1,952)	949	2,499	(1,803)
Payables	(3,725)	356	(330)	(4,262)
Cash (for)/from operations	(5,924)	5,806	(6,132)	3,758
Interest paid	(271)	(148)	(447)	(548)
Net income tax refunded/(paid)	107	(7)	117	(37)
Net cash (for)/from operating activities	(6,088)	5,651	(6,462)	3,173
<b>CASHFLOWS (FOR)/FROM INVESTING ACTIVITIES</b>				
Interest received	1	60	35	69
Proceeds from disposal of plant & equipment	70	8	70	8
Purchase of property, plant and equipment	(430)	(1,014)	(1,029)	(1,032)
Net cash (for)/from investing activities	(359)	(946)	(924)	(955)
<b>CASHFLOWS (FOR)/FROM FINANCING ACTIVITIES</b>				
Net (repayment)/drawdown of revolving credit	-	(1,000)	-	2,000
Net (repayment)/drawdown of trade finance	(1,022)	(5,060)	1,172	(9,960)
Interest paid	(1)	-	(2)	-
Net (repayment)/drawdown of hire purchase	(8)	(6)	(15)	(14)
Net cash (for)/from financing activities	(1,031)	(6,066)	1,155	(7,974)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(7,478)	(1,361)	(6,231)	(5,756)
<b>EFFECTS OF CHANGES IN FOREIGN EXCHANGE</b>	1,120	638	264	541
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER</b>	10,936	5,789	10,545	10,281
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	A15 4,578	5,066	4,578	5,066

**Note:**

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2017 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 March 2017.



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Second Quarter Ended 30 September 2017**

**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 requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 March 2017 and accompanying explanatory notes attached to this interim financial report.

**(a) Standards issued and effective**

The Group has adopted the following new and amended MFRSs which are mandatory for annual financial periods beginning on or after 1 April 2016.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Annual improvements to MFRSs 2012 - 2014 cycle	
- MFRS 5, Non-Current Assets Held for Sales and Discontinued Operations	1 January 2016
- Amendments to MFRS 7, Financial Instruments: Disclosure	1 January 2016
- MFRS 119, Employee Benefits	1 January 2016
- Amendments to MFRS 134, Interim Financial Reporting	1 January 2016
MFRS 14, Regulator Deferral Accounts	1 January 2016
Amendments to MFRS 11, Joint Arrangement: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 101, Presentation of Financial Statements: Disclosure Initiative	1 January 2016
Amendments to MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116, Property, Plant and Equipment and MFRS 141, Agriculture: Bearer plants	1 January 2016
Amendments to MFRS 127, Separate Financial Statements: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investment in Associates and Joint ventures: Investments Entities-Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 138, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
For The Second Quarter Ended 30 September 2017

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

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

**(b) Standards issued but not yet effective**

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Annual improvements to MFRSs 2014 - 2016 cycle	
- Amendments to MFRS 1, First-time Adoptions of Malaysian Financial Reporting	1 January 2018
- Amendments to MFRS 12, Disclosure of Interests in Other Entities	1 January 2017
- Amendments to MFRS 128, Investment in Associates and Joint Ventures	1 January 2018
Amendments to MFRS 2, Share-based Payment: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4, Insurance Contracts: Applying MFRS 9 Financial Instrument with MFRS 4 Insurance Contracts	1 January 2018
MFRS 9, Financial Instruments	1 January 2018
MFRS 15, Revenue from Contract with Customers	1 January 2018
Clarifications to MFRS 15, Revenue from Contract with Customer	1 January 2018
MFRS 16, Leases	1 January 2019
Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investment in Associate: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 107, Statement of Cash Flow: Disclosure Initiative	1 January 2017
Amendments to MFRS 112, Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 140, Investment Property: Transfer of Investment Property	1 January 2018
IC Interpretation 22, Foreign Currency Transactions and Advance Consideration	1 January 2018

The initial application of the above mentioned accounting standards, amendments or interpretations are not expected to have any material impact to the financial statements of the Group except as mentioned below:

MFRS 9 Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is expected that the Group's and the Company's investment in unquoted shares will be measured at fair value through other comprehensive income. The adoption of MFRS 9 will result in a change in accounting policy. The Group and the Company are currently assessing the financial impact of adopting MFRS 9.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 replaces the guidance in MFRS 111, Construction Contracts, MFRS 118, Revenue, IC Interpretation 13, Customer Loyalty Programmes, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfers of Assets from Customers and IC Interpretation 131, Revenue – Barter Transactions Involving Advertising Services. Upon adoption of MFRS 15, it is expected that the timing of revenue recognition might differ as compared with the current practices. The adoption of MFRS 15 will result in a change in accounting policy. The Group and the Company are currently assessing the financial impact of adopting MFRS 15.

MFRS 16 Leases

MFRS 16 replaces the guidance in MFRS 117 Leases, IC Interpretation 4 Determining Whether an Arrangement Contains a Lease, IC Interpretation 115 Operating Leases – Incentives, and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The Company are currently assessing the financial impact that may arise from the adoption of MFRS 16.



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Second Quarter Ended 30 September 2017**

**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 March 2017 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 Second Quarter Ended 30 September 2017

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

A8 Segmental information

Current quarter 30 September 2017

	Manufacturing	Investment Holding	Elimination	Group		
	RM'000	RM'000	RM'000	RM'000		
<u>Revenue</u>						
Revenue from external customers	17,089	-	-	17,089		
Interest income	-	-	-	-		
	<u>17,089</u>	<u>-</u>	<u>-</u>	<u>17,089</u>		
<u>Results</u>						
Segment results	(1,192)	(276)	(300)	(1,768)		
Other unallocated corporate expenses				(2)		
Interest expense				(306)		
Interest income				<u>1</u>		
Loss before taxation				(2,075)		
Income tax expense				<u>(43)</u>		
Loss after taxation				<u>(2,118)</u>		
	<b>Malaysia</b>	<b>China</b>	<b>UK</b>	<b>USA</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>						
Revenue from external customers	9,649	5,993	1,447	-	-	17,089
Interest income	-	-	-	-	-	-
	<u>9,649</u>	<u>5,993</u>	<u>1,447</u>	<u>-</u>	<u>-</u>	<u>17,089</u>
<u>Results</u>						
Segment results	(2,274)	1,111	(305)	-	(300)	(1,768)
Other unallocated corporate expenses						(2)
Interest expense						(306)
Interest income						<u>1</u>
Loss before taxation						(2,075)
Income tax expense						<u>(43)</u>
Loss after taxation						<u>(2,118)</u>
	<b>Manufacturing</b>	<b>Investment Holding</b>	<b>Elimination</b>	<b>Group</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>		
<u>Assets</u>						
Segment assets	251,592	106,940	(194,230)			164,302
Unallocated assets						<u>335</u>
Consolidated total assets						<u>164,637</u>
<u>Liabilities</u>						
Segment liabilities	148,247	8,014	(146,240)			10,021
Unallocated liabilities						<u>19,698</u>
Consolidated total liabilities						<u>29,719</u>





JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Second Quarter Ended 30 September 2017

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

A8 Segmental information (Cont'd)

Current quarter 30 September 2016

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	18,944	-	-	18,944
Interest income	-	-	-	-
	<u>18,944</u>	<u>-</u>	<u>-</u>	<u>18,944</u>

<u>Results</u>				
Segment results	(1,439)	(227)	(130)	(1,796)
Other unallocated corporate expenses				(4)
Interest expense				(148)
Interest income				<u>61</u>
Profit before taxation				(1,887)
Income tax expense				<u>20</u>
Profit after taxation				<u>(1,867)</u>

	Malaysia RM'000	China RM'000	UK RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>						
Revenue from external customers	14,956	2,493	1,495	-	-	18,944
Interest income	-	-	-	-	-	-
	<u>14,956</u>	<u>2,493</u>	<u>1,495</u>	<u>-</u>	<u>-</u>	<u>18,944</u>

<u>Results</u>						
Segment results	(1,670)	97	(93)	-	(130)	(1,796)
Other unallocated corporate expenses						(4)
Interest expense						(148)
Interest income						<u>61</u>
Profit before taxation						(1,887)
Income tax expense						<u>20</u>
Profit after taxation						<u>(1,867)</u>

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Assets</u>				
Segment assets	198,367	107,417	(146,036)	159,748
Unallocated assets				<u>20,139</u>
Consolidated total assets				<u>179,887</u>

<u>Liabilities</u>				
Segment liabilities	107,931	7,228	(99,575)	15,584
Unallocated liabilities				<u>11,705</u>
Consolidated total liabilities				<u>27,289</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Second Quarter Ended 30 September 2017

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

A8 Segmental information (Cont'd)

Current year to date 30 September 2017

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	30,689	-	-	30,689
Interest income	-	-	-	-
	<u>30,689</u>	<u>-</u>	<u>-</u>	<u>30,689</u>

<u>Results</u>				
Segment results	(782)	(595)	(759)	(2,136)
Other unallocated corporate expenses				(3)
Interest expense				(512)
Interest income				35
Loss before taxation				<u>(2,616)</u>
Income tax expense				(184)
Loss after taxation				<u>(2,800)</u>

	Malaysia	China	UK	USA	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>						
Revenue from external customers	18,981	8,788	2,920	-	-	30,689
Interest income	-	-	-	-	-	-
	<u>18,981</u>	<u>8,788</u>	<u>2,920</u>	<u>-</u>	<u>-</u>	<u>30,689</u>

<u>Results</u>						
Segment results	(1,634)	753	(496)	-	(759)	(2,136)
Other unallocated corporate expenses						(3)
Interest expense						(512)
Interest income						35
Loss before taxation						<u>(2,616)</u>
Income tax expense						(184)
Loss after taxation						<u>(2,800)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Second Quarter Ended 30 September 2017

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

A8 Segmental information (Cont'd)

Current year to date 30 September 2016

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	40,816	-	-	40,816
Interest income	-	-	-	-
	<u>40,816</u>	<u>-</u>	<u>-</u>	<u>40,816</u>

<u>Results</u>				
Segment results	(1,220)	(364)	82	(1,502)
Other unallocated corporate expenses				(6)
Interest expense				(548)
Interest income				<u>69</u>
Profit before taxation				(1,987)
Income tax expense				<u>(10)</u>
Profit after taxation				<u>(1,997)</u>

	Malaysia RM'000	China RM'000	UK RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>						
Revenue from external customers	33,005	5,376	2,435	-	-	40,816
Interest income	-	-	-	-	-	-
	<u>33,005</u>	<u>5,376</u>	<u>2,435</u>	<u>-</u>	<u>-</u>	<u>40,816</u>

<u>Results</u>						
Segment results	(1,468)	(57)	(59)	-	82	(1,502)
Other unallocated corporate expenses						(6)
Interest expense						(548)
Interest income						<u>69</u>
Profit before taxation						(1,987)
Income tax expense						<u>(10)</u>
Profit after taxation						<u>(1,997)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**For The Second Quarter Ended 30 September 2017**

**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 March 2017.

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

The Directors wish to announce that on 18 October 2017 the Group has completed the proposed sale and leaseback agreement entered between Jadi Imaging Technologies Sdn Bhd and Tropical Fairyland Sdn Bhd on 28 June 2017, with an extraordinary capital gain of approximately RM14.7 mil.

**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 17 November 2017 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**A13 Capital commitments**

There were no capital commitments for the current quarter under review.

**A14 Significant related party transactions**

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

**A15 Cash and cash equivalents**

	<b>As At</b> <b>30 Sept 2017</b> <b>RM'000</b>
Cash and bank balances	4,578
Fixed deposits with licensed banks	-
	<hr/> <b>4,578</b> <hr/>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1 Detailed Analysis**

**Financial review for current quarter and financial year to date:**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To date	Preceding Year Corresponding Period	Changes
	30 Sept 2017 RM'000	30 Sept 2016 RM'000	(%)	30 Sept 2017 RM'000	30 Sept 2016 RM'000	(%)
Revenue	17,089	18,944	-10%	30,689	40,816	-25%
Gross profit/(loss)	2,028	1,147	77%	3,743	2,780	35%
(Loss)/profit before taxation	(2,075)	(1,887)	10%	(2,616)	(1,987)	32%
(Loss)/profit after taxation	(2,118)	(1,867)	13%	(2,800)	(1,997)	40%

The Group's revenue has decreased by 10% mainly contributed by restructuring of product pricing and customer base. Generally, there has been a drop in hardcopy printing attributed to the change in consumer behaviour and a drop in demand for bulk toner as remanufacturers are changing their business model from manufacturing to concentrate on the distribution of Chinese-made finished toner cartridges due to the competitive prices of these compatible toner cartridges from China.

**Segmental review for current quarter and financial year to date:**

The performance of the business segments for the current quarter ended 30 September 2017 as compared to preceding quarter ended 30 September 2016 is as below:

a) Manufacturing

The Group's revenue has decreased for the current quarter under review mainly due to the decrease in sales volume of black and colour toner in the Malaysia operation.

The Group has recorded a loss before taxation of RM1.192 mil for the current quarter under review mainly due to the increased admin and setup cost for UK and Zhuhai office.

b) Investment Holding

There were no fixed deposit placements with any financial institutions.

The performance of the geographical segments for the current quarter 30 September 2017 as compared to preceding quarter 30 September 2016 is as below:

a) Malaysia

There has been a decrease in revenue for the Malaysia operation mainly due to restructuring of product pricing and customer base.

b) China

The Group has newly setup a trading office and warehouse in Zhuhai in December 2016. Revenue increased mainly due to the increase in market demand since the setup of Zhuhai office. The segmental result has shown slight improvement with profit before taxation of RM97k.

c) UK

Segmental result has shown a loss position mainly due to cost incurred for setting up and launching the e-commerce platform for the UK office.



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

**B2 Variation of results against preceding quarter**

Financial review for current quarter compared with immediate preceding quarter:

	<b>Current Quarter 30 Sept 2017 RM'000</b>	<b>Immediate Preceding Quarter 30 Jun 2017 RM'000</b>	<b>Changes (%)</b>
Revenue	17,089	13,600	26%
Gross profit/(loss)	2,028	1,715	18%
(Loss)/profit before taxation	(2,075)	(541)	284%
(Loss)/profit after taxation	<u>(2,118)</u>	<u>(682)</u>	211%

Compared to preceding quarter ended 30 June 2017, the Group has recorded higher revenue in the current quarter under review with an increase of 26% in overall sales volume. Despite the change of consumer behaviour and remanufacturer's business model, the increase in revenue is mainly resulted from the gradual increase in the Zhuhai segment in the current quarter ended 30 September 2017.

The Group has recorded a loss before taxation for the current quarter amounted to RM2.075 mil as compared to a loss before taxation of RM541k in the previous quarter. This was mainly contributed by forex loss of approx RM1.4 mil in the previous quarter as compared to the current quarter.

**B3 Prospects**

As the global toner demand is projected to remain flat, the Group anticipates the competition within the aftermarket toner industry to intensify leading to more consolidations within the industry. The Group has embarked on a transformation exercise by moving downstream to distribute its monochrome bulk toners, colour bulk toners and finished toner cartridges to retail buyers and small distributors. Embracing change for growth, the Group is tapping into the e-commerce platforms across all the 3 distribution hubs in Malaysia, China and UK, to channel directly to these retail buyers and small distributors. The Group has also started to sell under its own private label jaditoner.com to create JADI branding awareness.

**B4 Profit forecast and profit guarantee**

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

**B5 Income tax expense**

	<b>Current quarter 30 Sept 2017 RM'000</b>	<b>Current year To date 30 Sept 2017 RM'000</b>
Income tax		
Current year	-	-
Under provision in prior years	-	-
Deferred tax expense		
Current year	43	184
	<u>43</u>	<u>184</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)

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

**B6 Group's borrowings and debt securities**

As at 30 Sept 2017, the Group had total borrowings of approximately RM18.24 million, details of which are set out below:

	30 Sept 2017	31 Mar 2017
	RM'000	RM'000
Interest bearing borrowings:		
<i>Long term borrowings</i>		
Secured:		
Hire purchase	74	77
	<hr/>	<hr/>
	74	77
<i>Short term borrowings</i>		
Unsecured:		
Revolving credit	10,000	10,000
Secured:		
Hire purchase	17	30
Trade finance (in RM)	5,648	3,108
Trade finance (in USD)	1,428	3,198
Trade finance (in JPY)	1,077	808
	<hr/>	<hr/>
	18,170	17,144

**B7 Derivatives**

As at 30 September 2017, 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 Second Quarter Ended 30 September 2017

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

**B10 (Loss)/earnings per share**

	Current year Current quarter 30 Sept 2017	Current year To date 30 Sept 2017
<i>(a) Basic (loss)/earnings per share</i>		
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(2,118)	(2,800)
Issued ordinary shares at 1 Jun / 1 April 2017 ('000)	941,700	941,700
Weighted average number of ordinary shares in issue ('000)	<u>941,700</u>	<u>941,700</u>
Basic (loss)/earnings per share (sen)	<u>(0.22)</u>	<u>(0.30)</u>
<i>(b) Diluted (loss)/earnings per share</i>		
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(2,118)	(2,800)
Weighted average number of ordinary shares for basic earnings per share ('000)	941,700	941,700
Weighted average number of ordinary shares in issue ('000)	<u>941,700</u>	<u>941,700</u>
Diluted (loss)/earnings per share (sen)	<u>(0.22)</u>	<u>(0.30)</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 30 Sept 2017 RM'000	As at 31 Mar 2017 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	8,676	12,122
- Unrealised	(685)	(54)
	<u>7,991</u>	<u>12,068</u>
Less: Consolidation adjustments	(234)	(1,511)
	<u>7,757</u>	<u>10,557</u>
Total group retained profits as per consolidated accounts		

**B13 Profit/(loss) before taxation**

	Current quarter 30 Sept 2017 RM'000	Current year To date 30 Sept 2017 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
Interest income	(1)	(35)
Other income	427	(246)
Interest expense	271	447
Depreciation and amortisation	2,014	4,250
Foreign exchange loss/(gain)	2,837	647

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**  
24 November 2017