



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

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For The Third Quarter Ended 31 December 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
		31 Dec 2017 RM'000	31 Dec 2016 RM'000	31 Dec 2017 RM'000	31 Dec 2016 RM'000
Revenue	A8	12,820	19,712	43,509	60,528
Cost of sales		(14,223)	(14,809)	(41,169)	(52,845)
Gross (loss)/profit		(1,403)	4,903	2,340	7,683
Other income		8,519	270	9,317	2,468
Selling and distribution expenses		(737)	(802)	(2,011)	(2,026)
Administrative expenses		(2,398)	(1,771)	(6,841)	(6,604)
Other expenses		(529)	(585)	(1,457)	(945)
Finance costs		(197)	(345)	(709)	(893)
<b>Profit/(loss) before taxation</b>		<b>3,255</b>	<b>1,670</b>	<b>639</b>	<b>(317)</b>
Income tax expense	B5	-	5	(184)	(5)
<b>Profit/(loss) after taxation</b>		<b>3,255</b>	<b>1,675</b>	<b>455</b>	<b>(322)</b>
Other comprehensive (loss)/income:					
Exchange translation differences		(1,877)	1,384	(1,713)	2,027
<b>Total comprehensive income/(loss)</b>		<b>1,378</b>	<b>3,059</b>	<b>(1,258)</b>	<b>1,705</b>
Profit/(loss) attributable to:					
Equity holders of the Company		3,255	1,675	455	(322)
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company		1,378	3,059	(1,258)	1,705
<b>Earnings/(loss) per share (sen):</b>					
Basic	B10	0.35	(0.02)	0.05	(0.06)
Diluted	B10	0.35	(0.02)	0.05	(0.06)

**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 Third Quarter Ended 31 December 2017**

(The figures have not been audited)

	<b>Current Year Quarter 31 Dec 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	72,677	94,776
Investment property	5,277	5,455
Other investment	50	50
	<u>78,004</u>	<u>100,281</u>
<b>CURRENT ASSETS</b>		
Inventories	50,290	42,404
Trade receivables	9,169	10,605
Other receivables, prepayments and deposits	3,240	2,252
Derivative financial instruments	B7 -	-
Tax recoverable	345	452
Fixed deposits with licensed banks	55	1,941
Cash and bank balances	5,859	8,604
	<u>68,958</u>	<u>66,258</u>
<b>TOTAL ASSETS</b>	<u>146,962</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	14,270	23,673
Foreign exchange reserve	7,448	9,161
Retained profits	20,415	10,557
<b>TOTAL EQUITY</b>	<u>136,296</u>	<u>137,554</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	B6 55	77
Deferred tax liabilities	1,453	1,409
	<u>1,508</u>	<u>1,486</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	1,800	7,445
Other payables and accruals	2,205	2,910
Short-term borrowings	B6 5,153	17,144
	<u>9,158</u>	<u>27,499</u>
<b>TOTAL LIABILITIES</b>	<u>10,666</u>	<u>28,985</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>146,962</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 31 December 2017 is arrived at based on the Group's Net Assets of RM136.29 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 Third Quarter Ended 31 December 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>9 months ended 31 December 2017</b>								
<b>At 1 April 2017</b>	94,185	(22)	-	23,673	9,161	-	10,557	137,554
Profit for the financial year	-	-	-	-	-	-	455	455
Other comprehensive (loss)/income for the financial year:								
- foreign currency translation differences	-	-	-	-	(1,713)	-	-	(1,713)
Total comprehensive (loss)/income	-	-	-	-	(1,713)	-	455	(1,258)
Realisation of revaluation reserve	-	-	-	(9,403)	-	-	9,403	-
<b>At 31 December 2017</b>	<b>94,185</b>	<b>(22)</b>	<b>-</b>	<b>14,270</b>	<b>7,448</b>	<b>-</b>	<b>20,415</b>	<b>136,296</b>
<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>	<b>94,185</b>	<b>(22)</b>	<b>-</b>	<b>23,673</b>	<b>9,161</b>	<b>-</b>	<b>10,557</b>	<b>137,554</b>

**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 Third Quarter Ended 31 December 2017**

(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 2017 RM'000	31 Dec 2016 RM'000	31 Dec 2017 RM'000	31 Dec 2016 RM'000
<b>CASHFLOWS (FOR)/FROM OPERATING ACTIVITIES</b>				
Profit/(loss) before taxation	3,255	1,670	639	(317)
Adjustments for:				
Amortisation	1	1	2	2
Depreciation	2,150	2,319	6,399	7,111
Loss on plant & equipment written off	-	2	-	2
Interest expense	207	345	654	893
Unrealised (gain)/loss on foreign exchange	-	-	(768)	-
(Gain)/loss on disposal of property	(5,768)	2	(5,768)	345
Interest income	(69)	(16)	(104)	(85)
Others	-	-	-	-
Operating profit/(loss) before working capital changes	(224)	4,323	1,054	7,951
Inventories	1,693	(3,288)	(7,886)	2,907
Receivables	(1,435)	1,657	1,064	(146)
Payables	(6,021)	911	(6,351)	(3,351)
Cash (for)/from operations	(5,987)	3,603	(12,119)	7,361
Interest paid	(205)	(345)	(652)	(893)
Net income tax refunded/(paid)	(660)	(25)	(543)	(62)
Net cash (for)/from operating activities	(6,852)	3,233	(13,314)	6,406
<b>CASHFLOWS FROM/(FOR) INVESTING ACTIVITIES</b>				
Interest received	69	16	104	85
Proceeds from disposal of property	23,000	-	23,000	-
Proceeds from disposal of plant & equipment	-	-	70	8
Purchase of property, plant and equipment	(162)	(878)	(1,191)	(1,910)
Net cash from/(for) investing activities	22,907	(862)	21,983	(1,817)
<b>CASHFLOWS (FOR)/FROM FINANCING ACTIVITIES</b>				
Net (repayment)/drawdown of revolving credit	(10,000)	(1,000)	(10,000)	1,000
Net (repayment)/drawdown of trade finance	(3,010)	(1,687)	(1,838)	(11,647)
Interest paid	-	-	(2)	-
Net (repayment)/drawdown of hire purchase	(7)	(7)	(22)	(21)
Net cash (for)/from financing activities	(13,017)	(2,694)	(11,862)	(10,668)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	3,038	(323)	(3,193)	(6,079)
<b>EFFECTS OF CHANGES IN FOREIGN EXCHANGE</b>	(1,702)	2,449	(1,438)	2,990
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER</b>	4,578	5,066	10,545	10,281
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	A15 5,914	7,192	5,914	7,192

**Note:**

This is prepared based on the consolidated results of the Group for the financial period ended 31 December 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 Third Quarter Ended 31 December 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 Third Quarter Ended 31 December 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 Third Quarter Ended 31 December 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 Third Quarter Ended 31 December 2017

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

A8 Segmental information

Current quarter 31 December 2017

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	12,820	-	-	12,820
Interest income	-	-	-	-
	<u>12,820</u>	<u>-</u>	<u>-</u>	<u>12,820</u>

<u>Results</u>				
Segment results	1,172	(406)	2,616	3,382
Other unallocated corporate expenses				1
Interest expense				(197)
Interest income				69
Profit before taxation				<u>3,255</u>
Income tax expense				-
Profit after taxation				<u>3,255</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	9,127	1,900	1,793	-	-	12,820
Interest income	-	-	-	-	-	-
	<u>9,127</u>	<u>1,900</u>	<u>1,793</u>	<u>-</u>	<u>-</u>	<u>12,820</u>

<u>Results</u>						
Segment results	3,225	(2,197)	(262)	-	2,616	3,382
Other unallocated corporate expenses						1
Interest expense						(197)
Interest income						69
Profit before taxation						<u>3,255</u>
Income tax expense						-
Profit after taxation						<u>3,255</u>

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>				
Segment assets	239,679	106,535	(199,597)	146,617
Unallocated assets				345
Consolidated total assets				<u>146,962</u>
<u>Liabilities</u>				
Segment liabilities	146,144	7,728	(171,199)	(17,327)
Unallocated liabilities				6,661
Consolidated total liabilities				<u>(10,666)</u>





JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Third Quarter Ended 31 December 2017

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

A8 Segmental information (Cont'd)

Current quarter 31 December 2016

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	19,712	-	-	19,712
Interest income	-	-	-	-
	<u>19,712</u>	<u>-</u>	<u>-</u>	<u>19,712</u>

<u>Results</u>				
Segment results	1,990	30	(21)	1,999
Other unallocated corporate expenses				-
Interest expense				(345)
Interest income				<u>16</u>
Profit before taxation				1,670
Income tax expense				<u>5</u>
Profit after taxation				<u>1,675</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	13,808	2,859	3,045	-	-	19,712
Interest income	-	-	-	-	-	-
	<u>13,808</u>	<u>2,859</u>	<u>3,045</u>	<u>-</u>	<u>-</u>	<u>19,712</u>

<u>Results</u>						
Segment results	1,841	259	(80)	-	(21)	1,999
Other unallocated corporate expenses						-
Interest expense						(345)
Interest income						<u>16</u>
Profit before taxation						1,670
Income tax expense						<u>5</u>
Profit after taxation						<u>1,675</u>

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Assets</u>				
Segment assets	228,564	107,358	(156,464)	179,458
Unallocated assets				429
Consolidated total assets				<u>179,887</u>

<u>Liabilities</u>				
Segment liabilities	111,026	7,139	(106,944)	11,221
Unallocated liabilities				16,068
Consolidated total liabilities				<u>27,289</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Third Quarter Ended 31 December 2017

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2017

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	43,509	-	-	43,509
Interest income	-	-	-	-
	<u>43,509</u>	<u>-</u>	<u>-</u>	<u>43,509</u>

<u>Results</u>				
Segment results	390	(1,001)	1,857	1,246
Other unallocated corporate expenses				(2)
Interest expense				(709)
Interest income				104
Profit before taxation				<u>639</u>
Income tax expense				(184)
Profit after taxation				<u>455</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	28,108	10,688	4,713	-	-	43,509
Interest income	-	-	-	-	-	-
	<u>28,108</u>	<u>10,688</u>	<u>4,713</u>	<u>-</u>	<u>-</u>	<u>43,509</u>

<u>Results</u>						
Segment results	1,591	(1,444)	(758)	-	1,857	1,246
Other unallocated corporate expenses						(2)
Interest expense						(709)
Interest income						104
Profit before taxation						<u>639</u>
Income tax expense						(184)
Profit after taxation						<u>455</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Third Quarter Ended 31 December 2017

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2016

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	60,528	-	-	60,528
Interest income	-	-	-	-
	<u>60,528</u>	<u>-</u>	<u>-</u>	<u>60,528</u>

<u>Results</u>				
Segment results	770	(334)	61	497
Other unallocated corporate expenses				(6)
Interest expense				(893)
Interest income				<u>85</u>
Loss before taxation				(317)
Income tax expense				<u>(5)</u>
Loss after taxation				<u>(322)</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	46,813	8,235	5,480	-	-	60,528
Interest income	-	-	-	-	-	-
	<u>46,813</u>	<u>8,235</u>	<u>5,480</u>	<u>-</u>	<u>-</u>	<u>60,528</u>

<u>Results</u>						
Segment results	373	202	(139)	-	61	497
Other unallocated corporate expenses						(6)
Interest expense						(893)
Interest income						<u>85</u>
Loss before taxation						(317)
Income tax expense						<u>(5)</u>
Loss after taxation						<u>(322)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

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

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 16 February 2018 (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 31 Dec 2017 RM'000</b>
Cash and bank balances	5,859
Fixed deposits with licensed banks	55
	<u>5,914</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The Third Quarter Ended 31 December 2017

**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
	31 Dec 2017 RM'000	31 Dec 2016 RM'000	(%)	31 Dec 2017 RM'000	31 Dec 2016 RM'000	(%)
Revenue	12,820	19,712	-35%	43,509	60,528	-28%
Gross (loss)/profit	(1,403)	4,903	-129%	2,340	7,683	-70%
Profit/(loss) before taxation	3,255	1,670	95%	639	(317)	-302%
Profit/(loss) after taxation	3,255	1,675	94%	455	(322)	-241%

The Group's revenue has decreased by 35% mainly contributed by restructuring a range 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 finished toner cartridges.

The Group reported a profit before tax during the current quarter mainly contributed from gain on disposal of a detached factory cum three (3) storey office at No. 1, Jalan Peguam U1/25, Seksyen U1, Hicom-Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, amounted to approximately RM5.8mil.

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

The performance of the business segments for the current quarter ended 31 December 2017 as compared to preceding quarter ended 31 December 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 overall operation.

The Group has recorded a higher profit before taxation of RM3.25mil for the current quarter under review mainly due to the gain on disposal of factory amounted to approximately RM5.8mil.

b) Investment Holding

There were no fixed deposit placements with any financial institutions.

The performance of the geographical segments for the current quarter 31 December 2017 as compared to preceding quarter 31 December 2016 is as below:

a) Malaysia

There has been a decrease in revenue in the Malaysian operations mainly due to restructuring a range of product pricing and customer base.

b) China

The segmental result has recorded a loss before taxation during the current quarter mainly contributed by the stock written-off to the net realisable value and operating expenses.

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 31 Dec 2017 RM'000</b>	<b>Immediate Preceding Quarter 30 Sept 2017 RM'000</b>	<b>Changes (%)</b>
Revenue	12,820	17,089	-25%
Gross (loss)/profit	(1,403)	2,028	-169%
Profit/(loss) before taxation	3,255	(2,075)	-257%
Profit/(loss) after taxation	3,255	(2,118)	-254%

Compared to preceding quarter ended 30 September 2017, the Group has recorded lower revenue in the current quarter under review with a decrease of 25% in overall sales volume. This was contributed by the change of consumer behaviour and remanufacturer's business model.

The Group has recorded a profit before taxation for the current quarter amounted to RM3.25mil as compared to a loss before taxation of RM2.07mil in the previous quarter. The current quarter profit was mainly contributed from the gain on disposal of factory amounted to approximately RM5.8mil.

**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 31 Dec 2017 RM'000</b>	<b>Current year To date 31 Dec 2017 RM'000</b>
Income tax		
Current year	-	-
Under provision in prior years	-	-
Deferred tax expense		
Current year	-	184
	-	184

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.



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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 31 Dec 2017, the Group had total borrowings of approximately RM5.208 million, details of which are set out below:

	<b>31 Dec 2017</b>	<b>31 Mar 2017</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest bearing borrowings:		
<i>Long term borrowings</i>		
Secured:		
Hire purchase	55	77
	<hr/>	<hr/>
	55	77
<i>Short term borrowings</i>		
Unsecured:		
Revolving credit	-	10,000
Secured:		
Hire purchase	29	30
Trade finance (in RM)	3,330	3,108
Trade finance (in USD)	1,174	3,198
Trade finance (in JPY)	620	808
	<hr/>	<hr/>
	5,153	17,144

**B7 Derivatives**

As at 31 December 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.



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**  
(Cont'd)

**B10 Earnings/(loss) per share**

	<b>Current quarter</b>	<b>Current year</b>
	<b>31 Dec 2017</b>	<b>To date</b>
	<b>31 Dec 2017</b>	<b>31 Dec 2017</b>
<i>(a) Basic earnings/(loss) per share</i>		
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	3,255	455
Issued ordinary shares at 1 Oct / 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 earnings/(loss) per share (sen)	<u>0.35</u>	<u>0.05</u>
<i>(b) Diluted earnings/(loss) per share</i>		
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	3,255	455
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 earnings/(loss) per share (sen)	<u>0.35</u>	<u>0.05</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 2017 RM'000	As at 31 Mar 2017 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	20,778	12,122
- Unrealised	(1,453)	(54)
	19,325	12,068
Less: Consolidation adjustments	1,090	(1,511)
	20,415	10,557

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

	Current quarter 31 Dec 2017 RM'000	Current year To date 31 Dec 2017 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):-		
Interest income	(69)	(104)
Other income	(5,578)	(5,824)
Interest expense	207	654
Depreciation and amortisation	2,151	6,401
Foreign exchange loss/(gain)	2,810	3,457
	2,810	3,457

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**  
23 February 2018