



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Third Quarter Ended 31 December 2020

(The figures have not been audited)

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER	
	Note	Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To date	Corresponding
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	12,245	10,208	34,353	39,572
Cost of sales		(10,220)	(9,589)	(29,460)	(39,573)
Gross profit/(loss)		2,025	619	4,893	(1)
Other income		48	-	447	936
Selling and distribution expenses		(740)	(669)	(1,888)	(2,075)
Administrative expenses	A1	(1,186)	(1,502)	(3,412)	(4,591)
Other expenses	A1	(27)	(482)	(841)	(1,724)
Finance costs	A1	(394)	(130)	(1,140)	(377)
Loss before taxation		(274)	(2,164)	(1,941)	(7,832)
Income tax expense	B5	(96)	(33)	(10)	50
Loss after taxation		(370)	(2,197)	(1,951)	(7,782)
Other comprehensive income/(loss):					
Exchange translation differences		155	-	166	(178)
Total comprehensive loss		(215)	(2,197)	(1,785)	(7,960)
Loss attributable to:					
Equity holders of the Company		(370)	(2,197)	(1,951)	(7,782)
Total comprehensive loss attributable to:					
Equity holders of the Company		(215)	(2,197)	(1,785)	(7,960)
Loss per share (sen):					
Basic	B10	(0.04)	(0.21)	(0.19)	(0.77)
Diluted	B10	(0.04)	(0.21)	(0.19)	(0.77)

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 2020.

JADI IMAGING HOLDINGS BERHAD (526319 - P)
CONDENSED CONSOLIDATED BALANCE SHEET
For The Third Quarter Ended 31 December 2020

(The figures have not been audited)

	Current Year Quarter 31 Dec 2020 RM'000	Audited Preceding Year 31 Mar 2020 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	73,829	59,419
Right of use assets	1,389	2,583
Research & development capital	1,592	-
Investment property	84	86
Other investment	50	50
	<u>76,944</u>	<u>62,138</u>
CURRENT ASSETS		
Inventories	37,206	39,989
Trade receivables	9,254	7,812
Other receivables, prepayments and deposits	3,217	9,730
Tax recoverable	-	-
Fixed deposits with licensed banks	7,489	8,847
Cash and bank balances	10,789	9,695
	<u>67,955</u>	<u>76,073</u>
TOTAL ASSETS	<u>144,899</u>	<u>138,211</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	106,126	106,126
Treasury shares	(22)	(22)
Revaluation reserve	26,603	26,603
Foreign exchange reserve	3,755	3,589
Share option reserve	192	192
Accumulated losses	(25,339)	(23,388)
TOTAL EQUITY	<u>111,315</u>	<u>113,100</u>
NON-CURRENT LIABILITIES		
Lease liabilities	2,668	3,773
Long-term borrowings	16,178	9,881
Deferred tax liabilities	2,134	2,124
	<u>20,980</u>	<u>15,778</u>
CURRENT LIABILITIES		
Trade payables	2,699	3,603
Other payables and accruals	3,711	2,556
Lease liabilities	1,483	1,551
Short-term borrowings	4,711	1,623
	<u>12,604</u>	<u>9,333</u>
TOTAL LIABILITIES	<u>33,584</u>	<u>25,111</u>
TOTAL EQUITY AND LIABILITIES	<u>144,899</u>	<u>138,211</u>
Net assets per ordinary share (RM)	[1] <u>0.11</u>	<u>0.12</u>

Note:

[1] Net assets per share as at 31 December 2020 is arrived at based on the Group's Net Assets of RM111.32 million over the number of ordinary shares in issue (excluding treasury shares) of 1,035,870,451 shares. Net Assets per share as at 31 March 2020 was arrived at based on the Group's Net Assets of RM113.10 million over the number of ordinary shares in issue (excluding treasury shares) of 1,035,870,451 shares.

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 2020.

[2] Immaterial for reporting (ie. RM21)



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Third Quarter Ended 31 December 2020

(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	(Accumulated losses) / Retained profits RM'000	Total RM'000
9 months ended 31 December 2020								
At 1 April 2020	106,126	(22)	-	26,603	3,589	192	(23,388)	113,100
Loss for the financial year	-	-	-	-	-	-	(1,951)	(1,951)
Other comprehensive income for the financial year:								
- foreign currency translation differences	-	-	-	-	166	-	-	166
Total comprehensive income/(loss)	-	-	-	-	166	-	(1,951)	(1,785)
Corporate exercise expenses	-	-	-	-	-	-	-	-
Deferred tax on revaluation reserve	-	-	-	-	-	-	-	-
Revaluation of property	-	-	-	-	-	-	-	-
Private placement	-	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	-
At 31 December 2020	106,126	(22)	-	26,603	3,755	192	(25,339)	111,315
12 months ended 31 March 2020								
At 1 April 2019								
As previously stated	94,185	(22)	-	14,247	3,752	-	9,791	121,953
MFRS 16 adoption (Note A1)	-	-	-	-	-	-	(306)	(306)
As restated	94,185	(22)	-	14,247	3,752	-	9,485	121,647
Loss for the financial year	-	-	-	-	-	-	(32,961)	(32,961)
Other comprehensive loss for the financial year:								
- foreign currency translation differences	-	-	-	-	(163)	-	-	(163)
Total comprehensive loss	-	-	-	-	(163)	-	(32,961)	(33,124)
Corporate exercise expenses	(254)	-	-	-	-	-	-	(254)
Realisation of revaluation reserve	-	-	-	(88)	-	-	88	-
Deferred tax on revaluation reserve	-	-	-	(1,405)	-	-	-	(1,405)
Revaluation of property	-	-	-	13,849	-	-	-	13,849
Private placement	12,195	-	-	-	-	-	-	12,195
Share options granted under ESOS	-	-	-	-	-	192	-	192
At 31 March 2020	106,126	(22)	-	26,603	3,589	192	(23,388)	113,100

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 2020.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Third Quarter Ended 31 December 2020

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To date	Corresponding
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Note	RM'000	RM'000	RM'000	RM'000
CASHFLOWS FROM/(FOR) OPERATING ACTIVITIES				
(Loss)/Profit before taxation	(274)	(2,164)	(1,941)	(7,832)
Adjustments for:				
Depreciation on property, plant & equipment	1,221	1,703	3,676	5,109
Depreciation on right of use assets	392	-	1,188	-
Interest expense	392	129	1,127	376
Unrealised loss/(gain) on foreign exchange	481	(1)	316	100
(Gain)/Loss on disposal of plant & equipment	(56)	-	(56)	-
Interest income	(44)	(7)	(187)	(25)
Operating profit/(loss) before working capital changes	2,112	(340)	4,123	(2,272)
Inventories	1,019	3,436	2,783	80
Receivables	(1,075)	546	(1,379)	(1,902)
Payables	(1,052)	(4,191)	693	(9,808)
Cash from/(for) operations	1,004	(549)	6,220	(13,902)
Interest paid	-	(12)	-	(24)
Net income tax (paid)/refunded	(1)	-	(1)	-
Net cash from/(for) operating activities	1,003	(561)	6,219	(13,926)
CASHFLOWS (FOR)/FROM INVESTING ACTIVITIES				
Interest received	44	7	187	25
Downpayment for expansion of manufacturing facilities	(2,777)	(2,733)	(11,799)	(6,449)
Proceeds from disposal of plant & equipment	56	-	56	-
Purchase of property, plant and equipment	(472)	(153)	(586)	(616)
Research & development capital	(736)	-	(1,592)	-
Net cash (for)/from investing activities	(3,885)	(2,879)	(13,734)	4,901
CASHFLOWS FROM/(FOR) FINANCING ACTIVITIES				
Net drawdown/(repayment) of bills payable	530	-	1,072	-
Interest paid	(309)	-	(863)	(1)
Net (repayment)/drawdown of hire purchase and lease liabilities	(179)	(107)	(1,146)	(333)
Net drawdown/(repayment) of term loan	1,581	-	8,022	-
Net cash from/(for) financing activities	1,623	(107)	7,085	(334)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,259)	(3,547)	(430)	(9,359)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	157	(2)	166	(173)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	19,380	9,077	18,542	15,060
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 18,278	5,528	18,278	5,528

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 December 2020 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 2020.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020**

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 2020 and accompanying explanatory notes attached to this interim financial report.

These financial statements are presented in the Ringgit Malaysia (“RM”), which is the Group’s functional and presentation currency.

(a) Standards issued and effective

On 1 April 2019, the Group has also adopted the following amended MFRS which are mandatory for annual financial periods beginning on or after 1 January 2019.

Description

- MFRS 16 Leases
- Annual improvements to MFRSs 2015 - 2017 cycle
- Amendments to MFRS 3 Business Combinations
- Amendments to MFRS 11 Joint Arrangements
- Amendments to MFRS 112 Income Taxes
- Amendments to MFRS 123 Borrowing Costs
- Amendments to MFRS 119 Employee Benefits: Plan Amendment, Curtailment and Settlement
- Amendments to MFRS 9 Financial Instruments: Prepayment Features with Negative Compensation
- Amendments to MFRS 128 Investment in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures
- IC Interpretation 23 Uncertainty over Income Tax Treatments

Adoption of the above accounting standards, amendments and interpretation did not have any material impact on the financial performance and position of the Group and the Company except for changes in accounting policies as disclosed in Note A1(c).

(b) Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
• Amendments to References to the Conceptual Framework in MFRS Standards	
- Amendments to MFRS 2 Share-based Payment	1 January 2020
- Amendments to MFRS 3 Business Combinations	1 January 2020
- Amendments to MFRS 6 Exploration for and Evaluation of Mineral Resources	1 January 2020
- Amendments to MFRS 14 Regulatory Deferral Accounts	1 January 2020
- Amendments to MFRS 101 Presentation of Financial Statements	1 January 2020
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
- Amendments to MFRS 134 Interim Financial Reporting	1 January 2020
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
- Amendments to MFRS 138 Intangible Assets	1 January 2020
- Amendments to IC Interpretation 12 Service Concession Arrangements	1 January 2020
- Amendments to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
- Amendments to IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2020
- Amendments to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2020
- Amendments to IC Interpretation 132 Intangible Assets - Web Site Costs	1 January 2020
- Amendments to MFRS 3 Business Combinations: Definition of Business	1 January 2020
- Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material	1 January 2020



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020**

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

A1 Basis of preparation (Cont'd)

(b) Standards issued but not yet effective (Cont'd)

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures: Interest Rate Benchmark Reform	1 January 2020
• Amendment to MFRS 16 Leases: Covid-19-Related Rent Concessions	1 June 2020
• Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2022
• Annual improvements to MFRSs 2018 - 2020 cycle	
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022
- Amendments to MFRS 9 Financial Instruments	1 January 2022
- Amendments to MFRS 16 Leases	1 January 2022
- Amendments to MFRS 141 Agriculture	1 January 2022
• Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework	1 January 2022
• Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
• Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
• Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures: Sales and Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
• MFRS 17 Insurance Contract	1 January 2021

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impacts to the financial statement of the Group.

(c) Explanation on change in accounting policy

MFRS 16 Leases

In the current financial year, the Group has adopted MFRS 16 Leases (“MFRS 16”) effective for the annual financial period beginning on or after 1 January 2019. The Group has elected not to restate comparatives for the financial year ended 31 March 2019 and recognise the cumulative effect of initial applying MFRS 16 as an adjustment to the opening balance of retained earnings.

The Group has also elected not to reassess whether a contract is, or contains, a lease at 1 April 2019 (date of initial application). Instead, the Group relied on their assessment made applying MFRS 117 Leases (“MFRS 117”) and IC Interpretation 4 Determining whether an Arrangement contains a Lease for contracts entered into (or changed) before the date of initial application.

As a lessee

At the date of initial application, for leases previously classified as an operating lease applying MFRS 117, lease liabilities were measured at the present value of the remaining lease payments, discounted using the Group’s incremental borrowing rate at the date of initial application.

On 1 January 2019, the weighted average incremental borrowing rate of the Group applied to the lease liabilities is 6.90%.

The right-of-use assets are measured at either their carrying amount as if MFRS 16 has been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate at the date of initial application.

The following practical expedients have been applied to leases previously classified as operating leases applying MFRS 117:

- applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relied on previous assessment on whether leases are onerous as an alternative to perform impairment review – there were no onerous contracts as at 1 April 2019;
- accounted for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
- excluded initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020

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

A1 Basis of preparation (Cont'd)

(c) Explanation on change in accounting policy (Cont'd)

For leases previously classified as finance leases applying MFRS 117, the carrying amount of the right-of-use assets and the lease liabilities as at 1 April 2019 are determined to be the same as the carrying amount of the lease assets and lease liabilities under MFRS 117.

As a lessor

Group entities reassessed the classification of subleases that previously classified as operating leases applying MFRS 117 and concluded that the subleases are finance leases under MFRS 16. The subleases are accounted as new finance leases entered into at the date of initial application.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 March 2020 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 2020

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

A8 Segmental information

Current quarter 31 December 2020

	Manufacturing	Investment Holding	Elimination	Group		
	RM'000	RM'000	RM'000	RM'000		
<u>Revenue</u>						
Revenue from external customers	12,245	-	-	12,245		
Interest income	-	-	-	-		
	<u>12,245</u>	<u>-</u>	<u>-</u>	<u>12,245</u>		
<u>Results</u>						
Segment results	(364)	(129)	564	71		
Other unallocated corporate expenses				-		
Interest expense				(394)		
Interest income				49		
Loss before taxation				(274)		
Income tax expense				(96)		
Loss after taxation				<u>(370)</u>		
	<u>Malaysia</u>	<u>China</u>	<u>UK</u>	<u>USA</u>	<u>Elimination</u>	<u>Group</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>						
Revenue from external customers	4,077	8,168	-	-	-	12,245
Interest income	-	-	-	-	-	-
	<u>4,077</u>	<u>8,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,245</u>
<u>Results</u>						
Segment results	(971)	478	-	-	564	71
Other unallocated corporate expenses						-
Interest expense						(394)
Interest income						49
Loss before taxation						(274)
Income tax expense						(96)
Loss after taxation						<u>(370)</u>
	<u>Manufacturing</u>	<u>Investment Holding</u>	<u>Elimination</u>			
	RM'000	RM'000	RM'000	RM'000		
<u>Assets</u>						
Segment assets	173,335	117,272	(145,708)	144,899		
Unallocated assets				-		
Consolidated total assets				<u>144,899</u>		
<u>Liabilities</u>						
Segment liabilities	128,421	45	(117,905)	10,561		
Unallocated liabilities				23,023		
Consolidated total liabilities				<u>33,584</u>		



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020

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

A8 Segmental information (Cont'd)

Current quarter 31 December 2019

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	10,208	-	-	10,208
Interest income	-	-	-	-
	<u>10,208</u>	<u>-</u>	<u>-</u>	<u>10,208</u>
<u>Results</u>				
Segment results	(1,791)	(135)	(116)	(2,042)
Other unallocated corporate expenses				-
Interest expense				(129)
Interest income				7
Loss before taxation				<u>(2,164)</u>
Income tax expense				(33)
Loss after taxation				<u>(2,197)</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	2,690	6,911	607	-	-	10,208
Interest income	-	-	-	-	-	-
	<u>2,690</u>	<u>6,911</u>	<u>607</u>	<u>-</u>	<u>-</u>	<u>10,208</u>
<u>Results</u>						
Segment results	(1,390)	(331)	(205)	-	(116)	(2,042)
Other unallocated corporate expenses						-
Interest expense						(129)
Interest income						7
Loss before taxation						<u>(2,164)</u>
Income tax expense						(33)
Loss after taxation						<u>(2,197)</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2020

	Manufacturing	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Revenue from external customers	34,353	-	-	34,353
Interest income	-	-	-	-
	34,353	-	-	34,353

<u>Results</u>				
Segment results	(1,437)	(324)	768	(993)
Other unallocated corporate expenses				-
Interest expense				(1,140)
Interest income				192
Loss before taxation				(1,941)
Income tax expense				(10)
Loss after taxation				(1,951)

	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	12,502	21,851	-	-	-	34,353
Interest income	-	-	-	-	-	-
	12,502	21,851	-	-	-	34,353

<u>Results</u>						
Segment results	(2,042)	281	-	-	768	(993)
Other unallocated corporate expenses						-
Interest expense						(1,140)
Interest income						192
Loss before taxation						(1,941)
Income tax expense						(10)
Loss after taxation						(1,951)



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020

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

A8 Segmental information (Cont'd)

Current year to date 31 December 2019

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	39,572	-	-	39,572
Interest income	-	-	-	-
	39,572	-	-	39,572

<u>Results</u>				
Segment results	(6,136)	(658)	(687)	(7,481)
Other unallocated corporate expenses				-
Interest expense				(376)
Interest income				25
Loss before taxation				(7,832)
Income tax expense				50
Loss after taxation				(7,782)

	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	14,906	22,825	1,841	-	-	39,572
Interest income	-	-	-	-	-	-
	14,906	22,825	1,841	-	-	39,572

<u>Results</u>						
Segment results	(6,152)	(27)	(615)	-	(687)	(7,481)
Other unallocated corporate expenses						-
Interest expense						(376)
Interest income						25
Loss before taxation						(7,832)
Income tax expense						50
Loss after taxation						(7,782)



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 December 2020

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 2020.

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 12 February 2021 (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 2020 RM'000
Approved and contracted for:	
Purchase of plant & equipment	510
	<u>510</u>

A14 Significant related party transactions

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

A15 Cash and cash equivalents

	As At 31 Dec 2020 RM'000
Cash and bank balances	26,603
Fixed deposits with licensed banks	-
	<u>26,603</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

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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
	31 Dec 2020 RM'000	31 Dec 2019 RM'000	(%)	31 Dec 2020 RM'000	31 Dec 2019 RM'000	(%)
Revenue	12,245	10,208	20%	34,353	39,572	-13%
Gross profit/(loss)	2,025	619	-227%	4,893	(1)	-489400%
Loss before taxation	(274)	(2,164)	-87%	(1,941)	(7,832)	-75%
Loss after taxation	(370)	(2,197)	-83%	(1,951)	(7,782)	-75%

For the current quarter, the Group's revenue has increased by 20% mainly contributed from slight in sales volume and higher sales of high value products with better profit margin.

Segmental review for current quarter and financial year to date:

The performance of the business segments for the current quarter ended 31 December 2020 as compared to preceding quarter ended 31 December 2019 is as below:

- a) Manufacturing
The Group has streamlined its products and sales mix. There were higher sales of high value products with better profit margin.
- b) Investment Holding
There were no fixed deposits placed with financial institutions.

The performance of the geographical segments for the current quarter 31 December 2020 as compared to preceding quarter 31 December 2019 is as below:

- a) Malaysia
For the current quarter, there were higher sales of high value products with better profit margin.
- b) China
There has been a slight increase in the sales volume and there were higher sales of high value products with better profit margin.
- c) UK
The Group has ceased its UK operation as part of the Group's restructuring to maximise cost efficiency.



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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:

	Current Quarter 31 Dec 2020 RM'000	Immediate Preceding Quarter 30 Sept 2020 RM'000	Changes (%)
Revenue	12,245	10,200	20%
Gross profit	2,025	1,529	-32%
Loss before taxation	(274)	(981)	72%
Loss after taxation	<u>(370)</u>	<u>(954)</u>	61%

Compared to preceding quarter ended 30 September 2020, the Group has recorded higher revenue in the current quarter under review with an increase of 20% and improved margin mainly due to there were higher sales of high value products with better profit margin.

B3 Prospects

Global economic prospects for year 2020 are negatively impacted by COVID-19 pandemic with most business environments are adversely affected by lockdowns in several parts of the world and in Malaysia, the unprecedented movement control order imposed by the government to contain the pandemic. Additionally, China government has eased the lockdown since April and business operations are gradually normalised.

The Group anticipates the demand for bulk toners in China to continue to surpass the rest of the markets globally. The chemical toner production plant is completing in the 2nd half of 2020, which is expected to position the Group with favourable prospects in the toner manufacturing industry globally. With the recently announced completion of JADI's share subscription by Static Control Holdings Limited on 20th August 2019, the Group is poised to make further progress in the Chinese market.

To date, the sales revenue contributed by the Group's e-commerce business, JADITONER remains small in comparison to its export sales. JADITONER is on track to expand its product and service offerings to cater to a larger customer base. Notwithstanding, JADITONER continues to explore collaboration opportunities with numerous partners to become the preferred office solution platform.

B4 Profit forecast and profit guarantee

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

B5 Income tax expense

	Current quarter 31 Dec 2020 RM'000	Current year To date 31 Dec 2020 RM'000
Income tax		
Current year	-	-
Under provision in prior years	-	-
Deferred tax expense		
Current year	153	67
(Over)/Under provision in prior years	<u>(57)</u>	<u>(57)</u>
	<u>96</u>	<u>10</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.



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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 2020, the Group had total borrowings of approximately RM20.89mil, details of which are set out below:

	31 Dec 2020	31 Mar 2020
	RM'000	RM'000
Interest bearing borrowings:		
<i>Long term borrowings</i>		
Secured:		
Term loan	15,942	9,881
Hire purchase	235	-
	<u>16,177</u>	<u>9,881</u>
<i>Short term borrowings</i>		
Secured:		
Term loan	3,584	1,623
Hire purchase	56	-
Bills payable (in RM)	1,072	-
	<u>4,712</u>	<u>1,623</u>
Total	<u>20,889</u>	<u>11,504</u>

B7 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.

B8 Dividends

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

B9 Loss per share

	Current quarter	Current year
	31 Dec 2020	To date
	31 Dec 2020	31 Dec 2020
<i>(a) Basic loss per share</i>		
Loss attributable to ordinary equity holders of the Company (RM'000)	(370)	(1,951)
Issued ordinary shares at 1 October 2020 / 1 April 2020 ('000)	1,035,870	1,035,870
Effect of bonus issue ('000)	-	-
Effect of distribution of treasury shares ('000)	-	-
Effect of employee share option scheme ('000)	-	-
Effect of private placement ('000)	-	-
Effect of warrant conversion ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	<u>1,035,870</u>	<u>1,035,870</u>
Basic loss per share (sen)	<u>(0.04)</u>	<u>(0.19)</u>



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

B9 Loss per share (Cont'd)

	Current quarter 31 Dec 2020	Current year To date 31 Dec 2020
<i>(b) Diluted loss per share</i>		
Loss attributable to ordinary equity holders of the Company (RM'000)	(370)	(1,951)
Weighted average number of ordinary shares for basic earnings per share ('000)	1,035,870	1,035,870
Effect of dilution under employee share option scheme ('000)	9,342	9,342
Effect of dilution under private placement ('000)	-	-
Effect of dilution under warrant conversion ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	<u>1,045,212</u>	<u>1,045,212</u>
Diluted loss per share (sen)	<u>(0.04)</u>	<u>(0.19)</u>

B10 Status of corporate proposals

There were no pending corporate proposals.

B11 Realised and unrealised profits 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 2020 RM'000	As at 31 Mar 2020 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(21,483)	(22,320)
- Unrealised	<u>(1,818)</u>	<u>(1,959)</u>
	(23,301)	(24,279)
Less: Consolidation adjustments	<u>(2,038)</u>	891
Total group accumulated losses as per consolidated accounts	<u>(25,339)</u>	<u>(23,388)</u>



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

B12 Loss before taxation

	Current quarter	Current year
	31 Dec 2020	31 Dec 2020
	RM'000	RM'000

Loss before taxation is arrived at after charging/(crediting):-

Interest income	(44)	(187)
Other income	-	(208)
Interest expense	392	1,127
Depreciation and amortisation	1,221	3,676
Foreign exchange (gain)/loss	-	(502)

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. Exceptional items

B13 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

19 February 2021