



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The First Quarter Ended 30 June 2021

(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 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
Revenue	A8	10,183	11,908	10,183	11,908
Cost of sales		(8,411)	(10,569)	(8,411)	(10,569)
Gross profit		1,772	1,339	1,772	1,339
Other income		496	131	496	131
Selling and distribution expenses		(704)	(534)	(704)	(534)
Administrative expenses	A1	(1,115)	(1,058)	(1,115)	(1,058)
Development amortisation		(19)	-	(19)	-
Other expenses	A1	(528)	(195)	(528)	(195)
Finance costs	A1	(444)	(369)	(444)	(369)
Gross loss before taxation		(542)	(686)	(542)	(686)
Income tax expense	B5	125	59	125	59
Net loss after taxation		(417)	(627)	(417)	(627)
Other comprehensive income:					
Exchange translation differences		440	14	440	14
Deferred tax on revaluation reserve		-	-	-	-
Revaluation of freehold land and buildings		-	-	-	-
Total comprehensive profit/(loss)		23	(613)	23	(613)
Loss attributable to:					
Equity holders of the Company		(417)	(627)	(417)	(627)
Total comprehensive profit/(loss) attributable to:					
Equity holders of the Company		23	(613)	23	(613)
Loss per share (sen):					
Basic	B9	- 0.04	- 0.06	- 0.04	- 0.06
Diluted	B9	- 0.04	- 0.06	- 0.04	- 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 2021.



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The First Quarter Ended 30 June 2021

(The figures have not been audited)

	Current Year Quarter 30 June 2021 RM'000	Audited Preceding Year 31 Mar 2021 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	76,276	77,399
Right of use assets	4,316	4,575
Intangible assets	531	550
Investment property	82	83
Other investment	50	50
	<u>81,255</u>	<u>82,657</u>
CURRENT ASSETS		
Inventories	40,894	38,939
Trade receivables	7,458	8,722
Other receivables, prepayments and deposits	4,193	4,588
Fixed deposits with licensed banks	7,558	7,527
Cash and bank balances	8,946	9,952
	<u>69,049</u>	<u>69,728</u>
TOTAL ASSETS	<u>150,304</u>	<u>152,385</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	107,185	107,185
Treasury shares	(22)	(22)
Revaluation reserve	27,943	27,943
Foreign exchange reserve	332	(108)
Share option reserve	387	387
Accumulated losses	(23,715)	(23,298)
TOTAL EQUITY	<u>112,110</u>	<u>112,087</u>
NON-CURRENT LIABILITIES		
Lease liabilities	5,641	5,987
Long-term borrowings	B6 15,607	16,535
Deferred tax liabilities	4,333	4,458
	<u>25,581</u>	<u>26,980</u>
CURRENT LIABILITIES		
Trade payables	2,996	4,566
Other payables and accruals	2,215	2,082
Lease liabilities	1,416	1,401
Short-term borrowings	B6 5,986	5,269
	<u>12,613</u>	<u>13,318</u>
TOTAL LIABILITIES	<u>38,194</u>	<u>40,298</u>
TOTAL EQUITY AND LIABILITIES	<u>150,304</u>	<u>152,385</u>
Net assets per ordinary share (RM)	[1] 0.11	0.11

Note:

[1] Net assets per share as at 30 June 2021 is arrived at based on the Group's Net Assets of RM112.11 million over the number of ordinary shares in issue (excluding treasury shares) of 1,051,910,451 shares. Net Assets per share as at 31 March 2021 was arrived at based on the Group's Net Assets of RM112.09 million over the number of ordinary shares in issue (excluding treasury shares) of 1,051,910,451 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 2021.



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The First Quarter Ended 30 June 2021

(The figures have not been audited)

	Non-distributable				Distributable			
	Treasury Shares	Share Premium	Revaluation Reserve	Foreign Exchange Reserve	Share option Reserve	Retained profits	(Accumulated losses)/	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 June 2021								
At 1 April 2021	(22)	-	27,943	(108)	387	(23,298)		112,087
Total other comprehensive (loss)/income for the financial period:								
Loss for the financial period	-	-	-	-	-	(417)		(417)
Foreign currency translation reserve	-	-	-	440	-	-		440
Total other comprehensive (loss)/income	-	-	-	440	-	(417)		23
At 30 June 2021	(22)	-	27,943	332	387	(23,715)		112,110
12 months ended 31 March 2021								
At 1 April 2020 (Restated)	(22)	-	26,603	(201)	192	(21,530)		111,168
Total other comprehensive (loss)/income for the financial year:								
Loss for the financial year	-	-	-	-	-	(1,848)		(1,848)
Revaluation reserve, net of tax	-	-	1,420	-	-	-		1,420
Foreign currency translation reserve	-	-	-	93	-	-		93
Total comprehensive income/(loss)	-	-	1,420	93	-	(1,848)		(335)
Realisation of revaluation reserve	-	-	(80)	-	-	80		-
Issues of Shares - ESOS exercised	1,059	-	-	-	195	-		1,254
At 31 March 2021	(22)	-	27,943	(108)	387	(23,298)		112,087

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 2021.



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The First Quarter Ended 30 June 2021

(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
	30 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before taxation	(542)	(686)	(542)	(686)
Adjustments for:				
Amortisation of intangible assets	19	-	19	-
Inventories written down	(42)	-	(42)	-
Depreciation of:				
- property, plant and equipment	1,209	1,204	1,209	1,204
- investment property	1	1	1	1
- right-of-use assets	272	302	272	302
Interest expense	444	369	444	369
Unrealised (gain)/loss on foreign exchange	232	(165)	232	(165)
(Gain)/Loss on disposal of plant & equipment	-	(48)	-	(48)
Interest income	(31)	(66)	(31)	(66)
Operating profit before changes in working capital	1,562	911	1,562	911
Inventories	(1,913)	3,427	(1,913)	3,427
Trade and other receivables	1,489	250	1,489	250
Trade and other payables	(1,499)	(2,406)	(1,499)	(2,406)
Net cash flows (used in)/generated from operations	(361)	2,182	(361)	2,182
Interest paid	(3)	-	(3)	-
Net cash flows (used in)/generated from operating activities	(364)	2,182	(364)	2,182
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	31	66	31	66
Downpayment for expansion of manufacturing facilities	-	(6,915)	-	(6,915)
Proceeds from disposal of plant & equipment	-	48	-	48
Purchase of property, plant and equipment	(80)	(12)	(80)	(12)
Development costs	-	(296)	-	(296)
Net cash used in investing activities	(49)	(7,109)	(49)	(7,109)
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest paid	(320)	(56)	(320)	(56)
Net drawdown/(repayment) of bills payable	680	-	680	-
Net drawdown/(repayment) of term loan	(891)	5,101	(891)	5,101
Net drawdown/(repayment) of hire purchase and lease liabilities	(466)	(166)	(466)	(166)
Net cash (used in)/generated from financing activities	(997)	4,879	(997)	4,879
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,410)	(48)	(1,410)	(48)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	435	17	435	17
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	17,479	18,542	17,479	18,542
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 16,504	18,511	16,504	18,511

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 June 2021 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 2021.



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021**

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 2021 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) Adoption of amendments/improvements to MFRSs

The Group has adopted the following amendments/improvements to MFRSs for the financial year ended 31 March 2021:

Description	
MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases*
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 139	Financial Instruments: Recognition and Measurement

*Early adopted the amendments to MFRS 16 Leases issued by the Malaysian Accounting Standards Board (“MASB”) on 5 June 2020 or/and 6 April 2021.

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies.

(b) New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group has not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

Description		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 17	Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022/ 1 January 2023 [#]
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023 [#]
MFRS 4	Insurances Contracts	1 January 2021/ 1 January 2023
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7	Financial Instruments: Disclosures	1 January 2021/ 1 January 2023 [#]
MFRS 9	Financial Instruments	1 January 2021/ 1 January 2022/ 1 January 2023 [#]
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16	Leases	1 January 2021/ 1 January 2022 [^]



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QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021

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

A1 Basis of preparation (Cont'd)

(b) New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Cont'd)

Description		Effective for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ [#] 1 January 2023 [#]
MFRS 107	Statement of Cash Flows	1 January 2023 [#]
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023 [#]
MFRS 119	Employee Benefits	1 January 2023 [#]
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 [#]
MFRS 132	Financial Instruments: Presentation	1 January 2023 [#]
MFRS 136	Impairment of Assets	1 January 2023 [#]
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023 [#]
MFRS 138	Intangible Assets	1 January 2023 [#]
MFRS 139	Financial Instruments: Recognition and Measurement	1 January 2021
MFRS 140	Investment Property	1 January 2023 [#]
MFRS 141	Agriculture	1 January 2022 [^]

[^] The Annual Improvements to MFRS Standards 2018 - 2020

[#] Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may be applicable to the Group and the Company are summarised below.

Annual Improvements to MFRS Standards 2018–2020

Annual Improvements to MFRS Standards 2018–2020 covers amendments to:

- MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards – simplifies the application of MFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
- MFRS 9 Financial Instruments – clarifies the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- Illustrative Examples accompanying MFRS 16 Leases – deletes from Illustrative Example 13 the reimbursement relating to leasehold improvements in order to remove any potential confusion regarding the treatment of lease incentives.
- MFRS 141 Agriculture – removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in MFRS 141 with those in other MFRS Standards.

Amendments to MFRS 3 Business Combinations

The amendments update MFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version which was issued by Malaysian Accounting Standards Board in April 2018.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period ; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.



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QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021

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

A1 Basis of preparation (Cont'd)

(b) New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Cont'd)

Amendments to MFRS 101 Presentation of Financial Statements (Cont'd)

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Amendments to MFRS 112 Income Taxes

The amendments specify how an entity should account for deferred tax on transactions such as leases and decommissioning obligation.

In specified circumstances, MFRS 112 exempts an entity from recognising deferred tax when it recognises assets or liabilities for the first time. There had been some uncertainties about whether the exemption from recognising deferred tax applied to transactions such as leases and decommissioning obligations – transactions for which an entity recognises both an asset and a liability. The amendments clarify that the exemption does not apply and that entity is required to recognise deferred tax on such transactions.

Amendments to MFRS 116 Property, Plant and Equipment

The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity shall recognise such sales proceeds and related cost in profit or loss.

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 March 2021 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 (200001023711) (526319-P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021

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

A8 Segmental information

Current quarter 30 June 2021 / Current year to date 30 June 2021

	Manufacturing RM'000	Product distribution RM'000	Investment holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	9,690	493	-		10,183
	<u>9,690</u>	<u>493</u>	<u>-</u>		<u>10,183</u>

<u>Results</u>					
Segment results	186	(316)	(96)	97	(129)
Interest expense					(444)
Interest income					<u>31</u>
Loss before taxation					(542)
Income tax expense					<u>125</u>
Loss after taxation					<u>(417)</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	3,867	6,316	-	-	-	10,183
	<u>3,867</u>	<u>6,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,183</u>

<u>Results</u>						
Segment results	(292)	66			97	(129)
Other unallocated corporate expenses						-
Interest expense						(444)
Interest income						<u>31</u>
Loss before taxation						(542)
Income tax expense						<u>125</u>
Loss after taxation						<u>(417)</u>

	Manufacturing RM'000	Product distribution RM'000	Investment holding RM'000	Elimination RM'000	Group RM'000
<u>Assets</u>					
Segment assets	170,260	3,003	104,571	(127,530)	150,304
Unallocated assets					-
Consolidated total assets					<u>150,304</u>

<u>Liabilities</u>					
Segment liabilities	156,247	771	104	(123,386)	33,736
Unallocated liabilities					
- Deferred tax liabilities					<u>4,458</u>
Consolidated total liabilities					<u>38,194</u>



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021

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

A8 Segmental information (Cont'd)

Current quarter 30 June 2020 / Current year to date 30 June 2020

	Manufacturing	Investment Holding	Elimination	Group		
	RM'000	RM'000	RM'000	RM'000		
<u>Revenue</u>						
Revenue from external customers	11,908	-	-	11,908		
	<u>11,908</u>	<u>-</u>	<u>-</u>	<u>11,908</u>		
<u>Results</u>						
Segment results	(507)	(123)	247	(383)		
Other unallocated corporate expenses				-		
Interest expense				(369)		
Interest income				<u>66</u>		
Loss before taxation				<u>(686)</u>		
Income tax expense				<u>59</u>		
Loss after taxation				<u>(627)</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	4,861	7,047	-	-	-	11,908
	<u>4,861</u>	<u>7,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,908</u>
<u>Results</u>						
Segment results	(520)	(110)	-	-	247	(383)
Other unallocated corporate expenses						-
Interest expense						(369)
Interest income						<u>66</u>
Profit before taxation						<u>(686)</u>
Income tax expense						<u>59</u>
Profit after taxation						<u>(627)</u>
	Manufacturing	Investment Holding	Elimination	Group		
	RM'000	RM'000	RM'000	RM'000		
<u>Assets</u>						
Segment assets	166,969	119,914	(146,299)			140,584
Unallocated assets						-
Consolidated total assets						<u>140,584</u>
<u>Liabilities</u>						
Segment liabilities	131,001	47	(121,810)			9,238
Unallocated liabilities						<u>18,859</u>
Consolidated total liabilities						<u>28,097</u>



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021**

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

A9 Valuation of property, plant and equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 March 2021.

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 31 June 2021 (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

	As At 30 June 2021 RM'000
Cash and bank balances	8,946
Fixed deposits with licensed banks	7,558
	<u>16,504</u>



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021

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		Preceding Year	Current Year		Preceding Year
	Quarter	Corresponding Quarter	Changes	To date	Corresponding Period	Changes
	30 June 2021	30 June 2020	(%)	30 June 2021	30 June 2020	(%)
Revenue	10,183	11,908	-14%	10,183	11,908	-14%
Gross profit	1,772	1,339	32%	1,772	1,339	32%
Loss before taxation ("LBT")	(542)	(686)	-21%	(542)	(686)	-21%
Loss after taxation	(417)	(627)	-34%	(417)	(627)	-34%

For the current quarter under review, the Group recorded sales revenue of RM10.2 million and LBT of RM0.54 million as compared with the sales revenue of RM11.9 million and LBT of 0.69 million in the corresponding quarter of the preceding financial period. The global economy remains uncertain due to the repeated lockdowns imposed by governments to curb COVID-19 outbreaks. The Group is adopting a more prudent approach in mitigating credit risk among its customer portfolio in view of the pandemic's impacts on its businesses globally.

Segmental review for current quarter and financial year to date:

The performance of the business segments for the current quarter ended 30 June 2021 as compared to preceding quarter ended 30 June 2020 is as below:

- a) Manufacturing
During the current quarter, the higher gross profit was contributed by the sales of products with higher profit margin and the streamlining of the Group's product mix.
- b) Product distribution
Online sales has seen continued demand especially for the Group's healthcare products under the JADICARE private label, which also contributed to improve visibility and awareness of its range of printing supplies, premium stationeries and 3D printers.
- b) Investment Holding
There were no fixed deposits placed with financial institutions.

The performance of the geographical segments for the current quarter 30 June 2021 as compared to preceding quarter 30 June 2020 is as below:

- a) Malaysia
For the current quarter, a decrease in sales mainly due to the lower sales from international market impacted by COVID-19 pandemic lockdown at several parts of the world.
- b) China
China's economy is slowing down due to the COVID-19 pandemic lockdown at the international market and hence has caused the decrease in the demand of compatible cartridges.



JADI IMAGING HOLDINGS BERHAD (200001023711) (526319-P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 30 June 2021

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 30 June 2021 RM'000	Immediate Preceding Quarter 31 March 2021 RM'000	Changes (%)
Revenue	10,183	10,739	-5%
Gross profit	1,772	2,550	-31%
Profit/(loss) before taxation	(542)	245	-321%
Profit/(loss) after taxation	<u>(417)</u>	<u>115</u>	-463%

The Group recorded a sales revenue of RM10.2 million in the current reporting quarter representing a decreased of 5% as compared to RM10.7 million in the immediate preceding quarter. The decrease is mainly due to the economic slowdown affected by the strict movement controls put in place to curb COVID-19 outbreaks in several parts of the world and in Malaysia.

B3 Prospects

The Group continues to anticipate the demand for bulk toners in China to surpass the rest of the markets globally. With the Group's expanded production capacity in chemically produced toner, it is expected to position the Group with favourable prospects in the aftermarket toner manufacturing industry in the long term.

As of to date, the Group's distribution business, JADI Life Solutions remains small in comparison to its manufacturing business. JADI Life Solutions continues to expand its products and services in printing supplies, premium stationeries, 3D printers and healthcare products to curate quality life solutions for the consumers.

B4 Profit forecast and profit guarantee

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

B5 Income tax expense

	Current quarter 30 June 2021 RM'000	Current year To date 30 June 2021 RM'000
Deferred tax expense		
Current year	<u>125</u>	<u>125</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 30 June 2021, the Group had total borrowings of approximately RM21.593 million, details of which are set out below:

	30 June 2021	31 March 2021
	RM'000	RM'000
Interest bearing borrowings:		
<i>Long term borrowings</i>		
Secured:		
Term loan	15,607	16,535
	<u>15,607</u>	<u>16,535</u>
<i>Short term borrowings</i>		
Secured:		
Term loan	3,656	5,269
Bills payable (in RM)	2,330	-
	<u>5,986</u>	<u>5,269</u>
Total	<u>21,593</u>	<u>21,804</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
	30 June 2021	To date 30 June 2021
<i>(a) Basic loss per share</i>		
Loss attributable to ordinary equity holders of the Company (RM'000)	(417)	(417)
Issued ordinary shares at 1 April 2021 ('000)	1,051,910	1,051,910
Weighted average number of ordinary shares in issue ('000)	<u>1,051,910</u>	<u>1,051,910</u>
Basic loss per share (sen)	<u>- 0.04</u>	<u>- 0.04</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 30 June 2021	Current year To date 30 June 2021
<i>(b) Diluted loss per share</i>		
Loss attributable to ordinary equity holders of the Company (RM'000)	(417)	(417)
Weighted average number of ordinary shares for basic earnings per share ('000)	1,051,910	1,051,910
Effect of dilution under employee share option scheme ('000)	5,602	5,602
	<u>1,057,512</u>	<u>1,057,512</u>
Diluted loss per share (sen)	<u>- 0.04 -</u>	<u>0.04</u>

B10 Status of corporate proposals

There were no pending corporate proposals.

B11 Loss before taxation

	Current quarter 30 June 2021 RM'000	Current year To date 30 June 2021 RM'000
Loss before taxation is arrived at after charging/(crediting):-		
Interest income	(31)	(31)
Interest expense	444	444
Depreciation and amortisation	1,501	1,501
Foreign exchange (gain)/loss	<u>(264)</u>	<u>(264)</u>

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

B12 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
28 September 2021