



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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Second Quarter Ended 30 September 2022

(The figures have not been audited)

| | Note | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|------|----------------------------|---|----------------------------|--|
| | | Current Year Quarter | Preceding Year Corresponding Quarter | Current Year To date | Preceding Year Corresponding Period |
| | | 30 Sept 2022 | 30 Sept 2021 | 30 Sept 2022 | 30 Sept 2021 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | A8 | 12,115 | 10,280 | 19,364 | 20,463 |
| Cost of sales | | (10,426) | (9,776) | (17,173) | (18,187) |
| Gross Profit | | 1,689 | 504 | 2,191 | 2,276 |
| Other income | | - | 166 | 54 | 662 |
| Selling and distribution expenses | | (617) | (619) | (1,152) | (1,323) |
| Administrative expenses | A1 | (1,701) | (1,161) | (3,111) | (2,276) |
| Development amortisation | | (20) | (20) | (40) | (39) |
| Other expenses | A1 | (317) | (309) | (637) | (837) |
| Finance costs | A1 | (306) | (411) | (641) | (855) |
| Loss before taxation | | (1,272) | (1,850) | (3,336) | (2,392) |
| Income tax expense | B5 | (45) | (32) | 52 | 93 |
| Loss after taxation | | (1,317) | (1,882) | (3,284) | (2,299) |
| Other comprehensive income: Exchange translation differences | | (35) | (42) | (67) | 398 |
| Total comprehensive (loss) / Income | | (1,352) | (1,924) | (3,351) | (1,901) |
| Loss / Profit attributable to: Equity holders of the Company | | (1,317) | (1,882) | (3,284) | (2,299) |
| Total comprehensive (loss) / Income attributable to: Equity holders of the Company | | (1,352) | (1,924) | (3,351) | (1,901) |
| Loss per share (sen): | | | | | |
| Basic | B9 | (0.12) | (0.18) | (0.31) | (0.22) |
| Diluted | B9 | (0.12) | (0.18) | (0.31) | (0.22) |

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 2022.



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

CONDENSED CONSOLIDATED BALANCE SHEET

For The Second Quarter Ended 30 September 2022

(The figures have not been audited)

| | Current Year Quarter 30 Sept 2022 RM'000 | Audited Preceding Year 31 Mar 2022 RM'000 |
|---|---|--|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 72,661 | 75,106 |
| Right of use assets | 3,201 | 3,712 |
| Intangible assets | 432 | 472 |
| Investment property | 81 | 81 |
| Other investment | 50 | 50 |
| | <u>76,425</u> | <u>79,421</u> |
| CURRENT ASSETS | | |
| Inventories | 27,270 | 30,220 |
| Trade receivables | 6,564 | 6,709 |
| Other receivables, prepayments and deposits | 3,409 | 7,882 |
| Fixed deposits with licensed banks | 6,112 | 2,509 |
| Cash and bank balances | 8,714 | 11,341 |
| | <u>52,069</u> | <u>58,660</u> |
| TOTAL ASSETS | <u>128,494</u> | <u>138,081</u> |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Share capital | 108,799 | 108,799 |
| Treasury shares | (22) | (22) |
| Revaluation reserve | 28,152 | 28,152 |
| Foreign exchange reserve | 147 | 214 |
| Accumulated losses | (34,310) | (31,027) |
| TOTAL EQUITY | <u>102,766</u> | <u>106,117</u> |
| NON-CURRENT LIABILITIES | | |
| Lease liabilities | 4,765 | 4,736 |
| Long-term borrowings | 9,697 | 12,806 |
| Deferred tax liabilities | 4,445 | 4,527 |
| | <u>18,907</u> | <u>22,069</u> |
| CURRENT LIABILITIES | | |
| Trade payables | 1,207 | 2,261 |
| Other payables and accruals | 1,343 | 2,171 |
| Lease liabilities | 481 | 1,462 |
| Short-term borrowings | 3,790 | 4,000 |
| | <u>6,821</u> | <u>9,895</u> |
| TOTAL LIABILITIES | <u>25,728</u> | <u>31,964</u> |
| TOTAL EQUITY AND LIABILITIES | <u>128,494</u> | <u>138,081</u> |
| Net assets per ordinary share (RM) | [1] 0.10 | 0.10 |

Note:

[1] Net assets per share as at 30 September 2022 is arrived at based on the Group's Net Assets of RM102.77 million over the number of ordinary shares in issue (excluding treasury shares) of 1,076,370,451 shares. Net Assets per share as at 31 March 2022 was arrived at based on the Group's Net Assets of RM106.12 million over the number of ordinary shares in issue (excluding treasury shares) of 1,076,370,451 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 2022



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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Second Quarter Ended 30 September 2022

(The figures have not been audited)

| | -----Non-distributable----- | | | | | <-Distributable-> (Accumulated losses) / Retained profits | Total |
|--|-----------------------------|------------------------------|----------------------------------|--|-----------------------------------|--|----------------|
| | Share Capital RM'000 | Treasury Shares RM'000 | Revaluation Reserve RM'000 | Foreign Exchange Reserve RM'000 | Share option Reserve RM'000 | RM'000 | RM'000 |
| 6 months ended 30 September 2022 | | | | | | | |
| At 1 April 2022 | 108,799 | (22) | 28,152 | 214 | - | (31,026) | 106,117 |
| Total other comprehensive (loss)/income for the financial period: | | | | | | | |
| Loss for the financial period | - | - | - | (67) | - | (3,284) | (3,351) |
| Total other comprehensive (loss)/income | - | - | - | (67) | - | (3,284) | (3,351) |
| At 30 September 2022 | 108,799 | (22) | 28,152 | 147 | - | (34,310) | 102,766 |
| 12 months ended 31 March 2022 | | | | | | | |
| At 1 April 2021 (Restated) | 107,185 | (22) | 27,943 | (108) | 387 | (23,298) | 112,087 |
| Total other comprehensive (loss)/income for the financial year: | | | | | | | |
| Loss for the financial year | - | - | - | - | - | (7,866) | (7,866) |
| Reclassified to profit or loss upon deregistration of a subsidiary | - | - | - | 74 | - | - | 74 |
| Revaluation reserve, net of tax | - | - | 298 | - | - | - | 298 |
| Foreign currency translation reserve | - | - | - | 248 | - | - | 248 |
| Total comprehensive income/(loss) | - | - | 298 | 322 | - | (7,866) | (7,246) |
| Realisation of revaluation reserve | - | - | (89) | - | - | 89 | - |
| Issues of Shares - ESOS exercised | 1,614 | - | - | - | (387) | 49 | 1,276 |
| At 31 March 2022 | 108,799 | (22) | 28,152 | 214 | - | (31,026) | 106,117 |

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 2022

CONDENSED CONSOLIDATED CASHFLOW STATEMENT
I For The Second Quarter Ended 30 September 2022
(The figures have not been audited)

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|------------------------|------------------------|------------------------|------------------------|
| | Current Year | Preceding Year | Current Year | Preceding Year |
| | Quarter | Corresponding Quarter | To date | Corresponding Period |
| Note | 30 Sept 2022 RM'000 | 30 Sept 2021 RM'000 | 30 Sept 2022 RM'000 | 30 Sept 2021 RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Loss before taxation | (1,273) | (1,850) | (3,336) | (2,392) |
| Adjustments for: | - | - | - | - |
| Amortisation of intangible assets | 20 | 20 | 40 | 39 |
| Inventories written down | - | - | - | (42) |
| Depreciation of: | | | | |
| - property, plant and equipment | 1,261 | 1,245 | 2,493 | 2,454 |
| - investment property | - | - | - | 1 |
| - right-of-use assets | 254 | 274 | 508 | 546 |
| Interest expense | 306 | 411 | 641 | 855 |
| Unrealised loss/(gain) on foreign exchange | - | (174) | - | 58 |
| Loss on disposal of plant & equipment | - | (155) | - | (155) |
| Interest income | (38) | (33) | (66) | (64) |
| Operating profit/(loss) before changes in working capital | 530 | (262) | 280 | 1,300 |
| Inventories | 2,516 | 1,898 | 2,950 | (15) |
| Trade and other receivables | (661) | (284) | 4,785 | 1,205 |
| Trade and other payables | (508) | (408) | (1,885) | (1,907) |
| Net cash flows generated from operations | 1,877 | 944 | 6,130 | 583 |
| Interest paid | - | (7) | - | (10) |
| Net income tax (paid)/refunded | (30) | - | (30) | - |
| Net cash flows generated from operating activities | 1,847 | 937 | 6,100 | 573 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest income | 38 | 33 | 66 | 64 |
| Proceeds from disposal of plant & equipment | - | 155 | - | 155 |
| Purchase of property, plant and equipment | (38) | (284) | (53) | (364) |
| Net cash (used in)/generated from investing activities | - | (96) | 13 | (145) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Interest paid | (306) | (294) | (641) | (614) |
| Net repayment of bills payable | - | (1,730) | (230) | (1,050) |
| Net repayment of term loan | (1,787) | (900) | (3,281) | (1,791) |
| Net repayment of hire purchase and lease liabilities | (381) | (462) | (755) | (928) |
| Net cash used in financing activities | (2,474) | (3,386) | (4,907) | (4,383) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (627) | (2,545) | 1,206 | (3,955) |
| EFFECTS OF CHANGES IN FOREIGN EXCHANGE | (121) | (42) | (229) | 393 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER | 15,574 | 16,504 | 13,849 | 17,479 |
| CASH AND CASH EQUIVALENTS AT END OF THE QUARTER | A15 14,826 | 13,917 | 14,826 | 13,917 |

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2022 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 2022

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022**
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 2022** 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 2022**:

| 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 | Insurance 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 [^] |

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

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.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022**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 2022 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.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

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

A8 Segmental information

Current quarter 30 September 2022

| | Manufacturing RM'000 | Product distribution RM'000 | Investment holding RM'000 | Elimination RM'000 | Group RM'000 |
|---------------------------------|-------------------------|-----------------------------------|---------------------------------|-----------------------|-----------------|
| <u>Revenue</u> | | | | | |
| Revenue from external customers | 11,495 | 620 | - | | 12,115 |
| | <u>11,495</u> | <u>620</u> | <u>-</u> | | <u>12,115</u> |

| | | | | | |
|----------------------|-------|-------|-------|-------|---------|
| <u>Results</u> | | | | | |
| Segment results | (239) | (306) | (277) | (182) | (1,004) |
| Interest expense | | | | | (306) |
| Interest income | | | | | 38 |
| Loss before taxation | | | | | (1,272) |
| Income tax expense | | | | | (45) |
| Loss after taxation | | | | | (1,317) |

| | 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 | 4,917 | 7,198 | - | - | - | 12,115 |
| | <u>4,917</u> | <u>7,198</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>12,115</u> |

| | | | | | | |
|--------------------------------------|-------|-----|---|---|-------|---------|
| <u>Results</u> | | | | | | |
| Segment results | (929) | 107 | - | - | (182) | (1,004) |
| Other unallocated corporate expenses | | | | | | - |
| Interest expense | | | | | | (306) |
| Interest income | | | | | | 38 |
| Loss before taxation | | | | | | (1,272) |
| Income tax expense | | | | | | (45) |
| Loss after taxation | | | | | | (1,317) |

| | Manufacturing RM'000 | Product distribution RM'000 | Investment holding RM'000 | Elimination RM'000 | Group RM'000 |
|---------------------------|-------------------------|-----------------------------------|---------------------------------|-----------------------|-----------------|
| <u>Assets</u> | | | | | |
| Segment assets | (2,327) | 384 | (278) | (1,794) | (4,015) |
| Unallocated assets | | | | | - |
| Consolidated total assets | | | | | (4,015) |

| | | | | | |
|--------------------------------|---------|-----|-----|---------|---------|
| <u>Liabilities</u> | | | | | |
| Segment liabilities | (1,756) | 690 | (1) | (1,610) | (2,677) |
| Unallocated liabilities | | | | | |
| - Deferred tax liabilities | | | | | 15 |
| Consolidated total liabilities | | | | | (2,662) |

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

A8 Segmental information (Cont'd)

Current quarter 30 September 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 | 590 | - | | 10,280 |
| | <u>9,690</u> | <u>590</u> | <u>-</u> | | <u>10,280</u> |

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022
Results

| | | | | | | |
|----------------------|---------|-------|-------|-----|--|---------|
| Segment results | (1,098) | (356) | (123) | 105 | | (1,472) |
| Interest expense | | | | | | (411) |
| Interest income | | | | | | 33 |
| Loss before taxation | | | | | | (1,850) |
| Income tax expense | | | | | | (32) |
| Loss after taxation | | | | | | (1,882) |

| | 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 | 3,433 | 6,847 | - | - | - | 10,280 |
| | 3,433 | 6,847 | - | - | - | 10,280 |

Results

| | | | | | | |
|--------------------------------------|---------|------|---|---|-----|---------|
| Segment results | (1,499) | (78) | - | - | 105 | (1,472) |
| Other unallocated corporate expenses | | | | | | - |
| Interest expense | | | | | | (411) |
| Interest income | | | | | | 33 |
| Loss before taxation | | | | | | (1,850) |
| Income tax expense | | | | | | (32) |
| Loss after taxation | | | | | | (1,882) |

| | Manufacturing RM'000 | Product distribution RM'000 | Investment holding RM'000 | Elimination RM'000 | Group RM'000 |
|---------------------------|-------------------------|-----------------------------------|---------------------------------|-----------------------|-----------------|
| <u>Assets</u> | | | | | |
| Segment assets | (4,313) | (380) | (82) | (507) | (5,282) |
| Unallocated assets | | | | | - |
| Consolidated total assets | | | | | (5,282) |

Liabilities

| | | | | | |
|--------------------------------|----------|------|----|--------|---------|
| Segment liabilities | (95,512) | (28) | 41 | 92,234 | (3,265) |
| Unallocated liabilities | | | | | |
| - Deferred tax liabilities | | | | | (93) |
| Consolidated total liabilities | | | | | (3,358) |

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

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

A8 Segmental information (Cont'd)

Current year to date 30 September 2022

| | Manufacturing RM'000 | Product distribution RM'000 | Investment Holding RM'000 | Elimination RM'000 | Group RM'000 |
|---------------------------------|---------------------------------|--|--|-------------------------------|-------------------------|
| <u>Revenue</u> | | | | | |
| Revenue from external customers | 18,425 | 939 | - | - | 19,364 |
| | <u>18,425</u> | <u>939</u> | <u>-</u> | <u>-</u> | <u>19,364</u> |

| | | | | | |
|--------------------------------------|---------|-------|-------|-------|----------------|
| <u>Results</u> | | | | | |
| Segment results | (1,451) | (427) | (489) | (394) | (2,761) |
| Other unallocated corporate expenses | | | | | - |
| Interest expense | | | | | (641) |
| Interest income | | | | | 66 |
| Loss before taxation | | | | | (3,336) |
| Income tax expense | | | | | 52 |
| Loss after taxation | | | | | <u>(3,284)</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 | 9,287 | 10,077 | - | - | - | 19,364 |
| | <u>9,287</u> | <u>10,077</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>19,364</u> |

| | | | | | | |
|--------------------------------------|---------|-----|---|---|-------|----------------|
| <u>Results</u> | | | | | | |
| Segment results | (2,658) | 291 | - | - | (394) | (2,761) |
| Other unallocated corporate expenses | | | | | | - |
| Interest expense | | | | | | (641) |
| Interest income | | | | | | 66 |
| Loss before taxation | | | | | | (3,336) |
| Income tax expense | | | | | | 52 |
| Loss after taxation | | | | | | <u>(3,284)</u> |

| | Manufacturing RM'000 | Product distribution RM'000 | Investment Holding RM'000 | Elimination RM'000 | Group RM'000 |
|---------------------------|---------------------------------|--|--|-------------------------------|-------------------------|
| <u>Assets</u> | | | | | |
| Segment assets | 142,036 | 2,336 | 89,373 | (105,251) | 128,494 |
| Unallocated assets | | | | | - |
| Consolidated total assets | | | | | <u>128,494</u> |

| | | | | | |
|--------------------------------|--------|-------|-----|----------|---------------|
| <u>Liabilities</u> | | | | | |
| Segment liabilities | 44,583 | 1,151 | 110 | (24,561) | 21,283 |
| Unallocated liabilities | | | | | 4,445 |
| Consolidated total liabilities | | | | | <u>25,728</u> |

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

A8 Segmental information (Cont'd)

Current year to date 30 September 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 | 19,380 | 1,083 | - | - | 20,463 |
| | <u>19,380</u> | <u>1,083</u> | <u>-</u> | <u>-</u> | <u>20,463</u> |

| | | | | | |
|--------------------------------------|-------|-------|-------|-----|---------|
| <u>Results</u> | | | | | |
| Segment results | (912) | (672) | (219) | 202 | (1,601) |
| Other unallocated corporate expenses | | | | | - |
| Interest expense | | | | | (855) |
| Interest income | | | | | 64 |

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

| | | | | | | |
|--------------------------------------|-----------------|---------------|---------------|---------------|--------------------|---------------|
| Loss before taxation | | | | | | (2,392) |
| Income tax expense | | | | | | 93 |
| Loss after taxation | | | | | | (2,299) |
| | 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 | 7,300 | 13,163 | - | - | - | 20,463 |
| | <u>7,300</u> | <u>13,163</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>20,463</u> |
| <u>Results</u> | | | | | | |
| Segment results | (1,791) | (12) | - | - | 202 | (1,601) |
| Other unallocated corporate expenses | | | | | | - |
| Interest expense | | | | | | (855) |
| Interest income | | | | | | 64 |
| Loss before taxation | | | | | | (2,392) |
| Income tax expense | | | | | | 93 |
| Loss after taxation | | | | | | (2,299) |

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

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 2022**.

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 **30 September 2022** (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 Sept 2022 RM'000 |
|------------------------------------|---------------------------------|
| Cash and bank balances | 8,714 |
| Fixed deposits with licensed banks | 6,112 |
| | <hr/> 14,826 <hr/> |

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

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 | Changes | Current Year | Preceding Year | Changes |
| | 30-Sep-22 | 30-Sep-21 | | 30-Sep-22 | 30-Sep-21 | |
| | RM'000 | RM'000 | (%) | RM'000 | RM'000 | (%) |
| Revenue | 12,115 | 10,280 | 18% | 19,364 | 20,463 | -5% |
| Gross profit | 1,689 | 504 | 235% | 2,191 | 2,276 | -4% |
| Loss before taxation ("LBT") | (1,272) | (1,850) | -31% | (3,336) | (2,392) | 39% |
| Loss after taxation | (1,317) | (1,882) | -30% | (3,284) | (2,299) | 43% |

For the current quarter under review, the Group recorded sales revenue of RM12.12 million and LBT of RM1.27 million as compared with the sales revenue of RM10.28 million and LBT of RM1.85 million in the corresponding quarter of the preceding financial period.

A rise in sales revenue was partially driven by the recovery of the international market that has just started. The overall losses were reduced as a result of better inventory management and lower gearing.

Segmental review for current quarter and financial year to date:

The performance of the business segments for the current quarter ended **30 September 2022** as compared to preceding quarter ended **30 September 2021** is as below:

a) **Manufacturing**

During the current quarter, higher sales were partially driven by the increase in GP margin, coupled with the global economic recovery from the Covid 19 Pandemic.

b) **Product distribution**

Online sales have 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.

c) **Investment Holding**

There are fixed deposits amounting to RM6.1 Millions placed with the financial institutions.

The performance of the geographical segments for the current quarter **30 September 2022** as compared to preceding quarter **30 September 2021** is as below:

a) **Malaysia**

The overall losses were impacted by high labour, raw material & shipping costs, coupled with inflation and the weakened ringgit.

b) **China**

Inconsistent of sales due to the Constant lock down and Zero-Covid policy.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022

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 Sept 2022 RM'000 | Immediate Preceding Quarter 30 June 2022 RM'000 | Changes (%) |
|-------------------------------|--|---|----------------|
| Revenue | 12,115 | 7,249 | 67% |
| Gross profit | 1,689 | 502 | 236% |
| Profit/(loss) before taxation | (1,272) | (2,064) | -38% |
| Profit/(loss) after taxation | (1,317) | (1,967) | -33% |

The Group recorded a sales revenue of RM12.12 million in the current reporting quarter representing an increased of 67% as compared to RM7.25 million in the immediate preceding quarter.

The Global economic recovery from Covid 19 Pandemic and change in printing demand & consumer behaviour have significantly impacted the overall increase in sales revenue.

B3 Prospects

The Group expects toner demand among cartridge makers in China to remain modest against the backdrop of a highly uncertain global business environment as caused by the COVID-19 pandemic coupled with the continuing shift in business model among some industry players outside China from one of cartridge remanufacturing to another involving primarily sales and distribution of Chinese-made compatible cartridges. Moving forward, the Group will carry on to develop its market share particularly in the high value product segment by capitalising on its technological know-how as well as expanded production capacity in Chemical Produced Toner ("CPT") while continuing to explore and establish stronger partnership with new and existing distributors/dealers.

The Group will strive to expand the sales of its e-commerce business by introducing more specially curated high-quality products with the objective of enhancing the quality of life for all 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 September 2022 RM'000 | Current year To date 30 September 2022 RM'000 |
|--------------------------------|--|--|
| Income tax | | |
| Current year | - | - |
| Under provision in prior years | - | - |
| Deferred tax expense | | |
| Current year | (45) | 52 |
| | (45) | 52 |

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.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022**
B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (Cont'd)
B6 Group's borrowings and debt securities

As at **30 September 2022**, the Group had total borrowings of approximately RM13.487 million, details of which are set out below:

| | 30 September 2022 RM'000 | 31 March 2022 RM'000 |
|------------------------------|-------------------------------------|---------------------------------|
| Interest bearing borrowings: | | |
| <i>Long term borrowings</i> | | |
| Secured: | | |
| Term loan | 9,697 | 12,806 |
| | <u>9,697</u> | <u>12,806</u> |
| <i>Short term borrowings</i> | | |
| Secured: | | |
| Term loan | 3,790 | 4,000 |
| Bills payable (in RM) | - | - |
| | <u>3,790</u> | <u>4,000</u> |
| Total | <u>13,487</u> | <u>16,806</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 30 September 2022 | Current year To date 30 September 2022 |
|--|--|---|
| <i>(a) Basic loss per share</i> | | |
| Loss attributable to ordinary equity holders of the Company (RM'000) | (1,317) | (3,284) |
| Issued ordinary shares at 1 April 2022 ('000) | 1,076,370 | 1,076,370 |
| 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>1,076,370</u> | <u>1,076,370</u> |
| Basic loss per share (sen) | <u>(0.12)</u> | <u>(0.31)</u> |

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2022**
B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (Cont'd)
B9 Loss per share (Cont'd)

| | Current quarter 30 September 2022 | Current year To date 30 September 2022 |
|--|--------------------------------------|--|
| <i>(b) Diluted loss per share</i> | | |
| Loss attributable to ordinary equity holders of the Company (RM'000) | (1,317) | (3,284) |
| Weighted average number of ordinary shares for basic earnings per share ('000) | 1,076,370 | 1,076,370 |
| Effect of dilution under employee share option scheme ('000) | - | - |
| Weighted average number of ordinary shares in issue ('000) | 1,076,370 | 1,076,370 |
| Diluted loss per share (sen) | (0.12) | (0.31) |

B10 Status of corporate proposals

There were no pending corporate proposals.

B11 Loss before taxation

| | Current quarter 30 September 2022 RM'000 | Current year To date 30 September 2022 RM'000 |
|---|--|--|
| Loss before taxation is arrived at after charging/(crediting):- | | |
| Interest income | (38) | (66) |
| Interest expense | 306 | 641 |
| Depreciation and amortisation | 1,535 | 3,041 |
| Foreign exchange loss/(gain) | 168 | 372 |

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
24 November 2022