



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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Second Quarter Ended 30 September 2023

(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 2023	30 Sept 2022	30 Sept 2023	30 Sept 2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	6,074	12,115	12,611	19,364
Cost of sales		(7,770)	(10,426)	(13,972)	(17,173)
Gross Profit		(1,696)	1,689	(1,361)	2,191
Other income		29	-	54	54
Selling and distribution expenses		(437)	(617)	(1,029)	(1,152)
Administrative expenses	A1	(1,640)	(1,701)	(3,338)	(3,111)
Development amortisation		-	(20)	-	(40)
Other expenses	A1	(8,465)	(317)	(8,709)	(637)
Finance costs	A1	(207)	(306)	(449)	(641)
Loss before taxation		(12,416)	(1,272)	(14,832)	(3,336)
Income tax expense	B5	(4)	(45)	99	52
Net loss after taxation		(12,420)	(1,317)	(14,733)	(3,284)
Other comprehensive income:					
Exchange translation differences		61	(35)	60	(67)
Total comprehensive loss		(12,359)	(1,352)	(14,673)	(3,351)
Loss attributable to:					
Equity holders of the Company		(12,420)	(1,317)	(14,733)	(3,284)
Total comprehensive loss attributable to:					
Equity holders of the Company		(12,359)	(1,352)	(14,673)	(3,351)
Loss per share (sen):					
Basic	B9	(0.89)	(0.12)	(1.05)	(0.12)
Diluted	B9	(0.89)	(0.12)	(1.05)	(0.12)

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 2023.



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

CONDENSED CONSOLIDATED BALANCE SHEET

For The Second Quarter Ended 30 September 2023

(The figures have not been audited)

	Current Year Quarter 30 Sept 2023 RM'000	Audited Preceding Year 31 Mar 2023 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	75,139	76,998
Right of use assets	2,527	3,462
Intangible assets	354	393
Investment property	77	79
Other investment	50	50
	<u>78,147</u>	<u>80,982</u>
CURRENT ASSETS		
Inventories	22,359	27,141
Trade receivables	5,324	4,425
Other receivables, prepayments and deposits	4,133	3,794
Fixed deposits with licensed banks	4,599	5,463
Cash and bank balances	1,201	4,818
	<u>37,616</u>	<u>45,641</u>
TOTAL ASSETS	<u>115,763</u>	<u>126,623</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	115,419	108,799
Treasury shares	(22)	(22)
Revaluation reserve	27,486	27,486
Foreign exchange reserve	-	60
Accumulated losses	(53,635)	(38,902)
TOTAL EQUITY	<u>89,248</u>	<u>97,421</u>
NON-CURRENT LIABILITIES		
Lease liabilities	2,876	3,923
Long-term borrowings	B6 762	2,316
Deferred tax liabilities	8,592	8,691
	<u>12,230</u>	<u>14,930</u>
CURRENT LIABILITIES		
Trade payables	5,841	2,826
Other payables and accruals	1,747	2,472
Lease liabilities	1,427	1,613
Short-term borrowings	B6 5,270	7,361
	<u>14,285</u>	<u>14,272</u>
TOTAL LIABILITIES	<u>26,515</u>	<u>29,202</u>
TOTAL EQUITY AND LIABILITIES	<u>115,763</u>	<u>126,623</u>
Net assets per ordinary share (RM)	[1] 0.06	0.09

Note:

[1] Net assets per share as at 30 September 2023 is arrived at based on the Group's Net Assets of RM89.25 million over the number of ordinary shares in issue (excluding treasury shares) of 1,399,281,451 shares. Net Assets per share as at 31 March 2023 was arrived at based on the Group's Net Assets of RM97.42 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 audited financial statements for the financial year ended 31 March 2023



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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Second Quarter Ended 30 September 2023

(The figures have not been audited)

	-----Non-distributable-----				<-Distributable->		
	Share Capital RM'000	Treasury Shares 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
<u>6 months ended 30 September 2023</u>							
At 1 April 2023	108,799	(22)	27,486	60	-	(38,902)	97,421
Total other comprehensive (loss)/income for the financial period:							
Loss for the financial period	-	-	-	-	-	(14,733)	(14,733)
Issuance of shares - private placement	6,620	-	-	-	-	-	6,620
Foreign currency translation reserve	-	-	-	(60)	-	-	(60)
Total other comprehensive income/(loss)	6,620	-	-	(60)	-	(14,733)	(8,173)
At 30 September 2023	115,419	(22)	27,486	-	-	(53,635)	89,248
<u>12 months ended 31 March 2023</u>							
At 1 April 2022 (Restated)	108,799	(22)	24,198	214	-	(27,938)	105,251
Total other comprehensive (loss)/income for the financial year:							
Loss for the financial year	-	-	-	-	-	(11,027)	(11,027)
Reclassified to profit or loss upon deregistration of a subsidiary	-	-	-	401	-	-	401
Revaluation reserve, net of tax	-	-	3,351	-	-	-	3,351
Foreign currency translation reserve	-	-	-	(555)	-	-	(555)
Total comprehensive income/(loss)	-	-	3,351	(154)	-	(11,027)	(7,830)
Realisation of revaluation reserve	-	-	(63)	-	-	63	-
At 31 March 2023	108,799	(22)	27,486	60	-	(38,902)	97,421

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 2023



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

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Second Quarter Ended 30 September 2023

(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 Sept 2023 RM'000	30 Sept 2022 RM'000 (Restated)	30 Sept 2023 RM'000	30 Sept 2022 RM'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before taxation	(12,416)	(1,272)	(14,832)	(3,336)
Adjustments for:				
Amortisation of intangible assets	19	19	39	39
Depreciation of:				
- property, plant and equipment	1,234	1,261	2,474	2,494
- investment property	1	-	2	-
- right-of-use assets	225	254	489	508
Interest expense	207	306	449	641
Unrealised (gain)/loss on foreign exchange	-	(506)	67	-
Gain on disposal of a subsidiary	(2,327)	-	(2,327)	-
Reversal of impairment of fixed assets	(343)	-	(519)	-
Gain on disposal of plant & equipment	(15)	-	(15)	-
Interest income	(8)	(38)	(27)	(66)
Operating (loss)/profit before changes in working capital	(13,423)	24	(14,200)	280
Inventories	9,971	2,516	4,782	2,950
Trade and other receivables	(1,994)	(64)	(1,284)	4,785
Trade and other payables	(793)	(449)	2,373	(1,885)
Net cash flows (used in)/generated from operations	(6,239)	2,027	(8,329)	6,130
Interest paid	(207)	(306)	(449)	(641)
Net income tax paid	-	(30)	-	(30)
Net cash flows (used in)/generated from operating activities	(6,446)	1,691	(8,778)	5,459
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	8	38	27	66
Proceeds from disposal of a subsidiary	1,841	-	1,841	-
Proceeds from disposal of plant & equipment	31	-	31	-
Purchase of property, plant and equipment	(59)	(38)	(207)	(53)
Net cash generated from investing activities	1,821	-	1,692	13
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in FD pledged with licensed bank	(3,000)	(7)	(3,008)	(13)
Net repayment of bills payable	-	-	-	-
Net repayment of term loan	(1,828)	(1,787)	(3,645)	(3,511)
Net repayment of hire purchase and lease liabilities	(405)	(381)	(777)	(757)
Issuance of shares - private placement	6,620	-	6,620	-
Net cash generated/(used in) financing activities	1,387	(2,175)	(810)	(4,281)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,238)	(484)	(7,896)	1,191
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	484	(271)	399	(227)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	3,955	14,016	8,698	12,297
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 1,201	13,261	1,201	13,261

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2023 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 2023

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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 2023** 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 2023**:

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 [^]

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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	1 January 2023 [#] 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 2023**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 2023

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

A8 Segmental information

Current quarter 30 September 2023

	Manufacturing RM'000	Product distribution RM'000	Investment holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	5,174	900	-		6,074
	<u>5,174</u>	<u>900</u>	<u>-</u>		<u>6,074</u>

<u>Results</u>					
Segment results	(2,900)	(560)	(9,174)	417	(12,217)
Interest expense					(207)
Interest income					8
Loss before taxation					<u>(12,416)</u>
Income tax expense					(4)
Loss after taxation					<u>(12,420)</u>

	Malaysia RM'000	China RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	5,296	778	-	6,074
	<u>5,296</u>	<u>778</u>	<u>-</u>	<u>6,074</u>

<u>Results</u>				
Segment results	(12,545)	(89)	417	(12,217)
Interest expense				(207)
Interest income				8
Loss before taxation				<u>(12,416)</u>
Income tax expense				(4)
Loss after taxation				<u>(12,420)</u>

	Manufacturing RM'000	Product distribution RM'000	Investment holding RM'000	Elimination RM'000	Group RM'000
<u>Assets</u>					
Segment assets	165	(1,947)	(2,479)	(5,081)	(9,342)
Unallocated assets					-
Consolidated total assets					<u>(9,342)</u>

<u>Liabilities</u>					
Segment liabilities	3,260	(1,378)	76	(5,444)	(3,486)
Unallocated liabilities					5
- Deferred tax liabilities					
Consolidated total liabilities					<u>(3,481)</u>

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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

A8 Segmental information (Cont'd)

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	4,297	7,818	-		12,115
	<u>4,297</u>	<u>7,818</u>	<u>-</u>		<u>12,115</u>

<u>Results</u>					
Segment results	(346)	(198)	(278)	(182)	(1,004)
Interest expense					(306)
Interest income					<u>38</u>
Loss before taxation					<u>(1,272)</u>
Income tax expense					<u>(45)</u>
Loss after taxation					<u>(1,317)</u>

	Malaysia RM'000	China 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>12,115</u>

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

	Manufacturing RM'000	Product distribution RM'000	Investment holding RM'000	Elimination RM'000	Group RM'000
<u>Assets</u>					
Segment assets	(1,218)	(725)	(278)	(1,794)	(4,015)
Unallocated assets					<u>-</u>
Consolidated total assets					<u>(4,015)</u>

<u>Liabilities</u>					
Segment liabilities	(236)	(830)	(1)	(1,610)	(2,677)
Unallocated liabilities					<u>15</u>
- Deferred tax liabilities					<u>15</u>
Consolidated total liabilities					<u>(2,662)</u>

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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

A8 Segmental information (Cont'd)

Current year to date 30 September 2023

	Manufacturing RM'000	Product distribution RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	7,974	4,637	-	-	12,611
	<u>7,974</u>	<u>4,637</u>	<u>-</u>	<u>-</u>	<u>12,611</u>

<u>Results</u>					
Segment results	(4,180)	(1,232)	(9,287)	289	(14,410)
Other unallocated corporate expenses					-
Interest expense					(449)
Interest income					<u>27</u>
Loss before taxation					(14,832)
Income tax expense					<u>99</u>
Loss after taxation					<u>(14,733)</u>

	Malaysia RM'000	China RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	8,476	4,135	-	12,611
	<u>8,476</u>	<u>4,135</u>	<u>-</u>	<u>12,611</u>

<u>Results</u>				
Segment results	(14,456)	(243)	289	(14,410)
Other unallocated corporate expenses				-
Interest expense				(449)
Interest income				<u>27</u>
Loss before taxation				(14,832)
Income tax expense				<u>99</u>
Loss after taxation				<u>(14,733)</u>

	Manufacturing RM'000	Product distribution RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Assets</u>					
Segment assets	129,737	16,971	98,425	(129,370)	115,763
Unallocated assets					-
Consolidated total assets					<u>115,763</u>

<u>Liabilities</u>					
Segment liabilities	36,656	18,486	227	(37,446)	17,923
Unallocated liabilities					<u>8,592</u>
Consolidated total liabilities					<u>26,515</u>

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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
Revenue					
Revenue from external customers	8,348	11,016	-	-	19,364
	<u>8,348</u>	<u>11,016</u>	<u>-</u>	<u>-</u>	<u>19,364</u>
Results					
Segment results	(1,743)	(135)	(489)	(394)	(2,761)
Other unallocated corporate expenses					-
Interest expense					(641)
Interest income					66
Loss before taxation					<u>(3,336)</u>
Income tax expense					52
Loss after taxation					<u>(3,284)</u>
		Malaysia RM'000	China RM'000	Elimination RM'000	Group RM'000
Revenue					
Revenue from external customers		9,287	10,077	-	19,364
		<u>9,287</u>	<u>10,077</u>	<u>-</u>	<u>19,364</u>
Results					
Segment results		(2,658)	291	(394)	(2,761)
Other unallocated corporate expenses					-
Interest expense					(641)
Interest income					66
Loss before taxation					<u>(3,336)</u>
Income tax expense					52
Loss after taxation					<u>(3,284)</u>



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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 2023**.

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 2023** (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 September 2023 RM'000
Cash and bank balances	1,201
Fixed deposits with licensed banks	4,599
	<hr/> 5,800 <hr/>

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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			Changes (%)
	Current Year 30-Sep-23 RM'000	Preceding Year Corresponding Quarter 30-Sep-22 RM'000	Changes (%)	Current Year To date 30-Sep-23 RM'000	Preceding Year Corresponding Period 30-Sep-22 RM'000	Changes (%)	
Revenue	6,074	12,115	-50%	12,611	19,364	-35%	
Gross (loss)/profit	(1,696)	1,689	-200%	(1,361)	2,191	-162%	
Loss before taxation ("LBT")	(12,416)	(1,272)	877%	(14,832)	(3,336)	345%	
Loss after taxation	(12,420)	(1,317)	843%	(14,733)	(3,284)	349%	

For the current quarter under review, the Group recorded sales revenue of RM6.07 million and LBT of RM12.42 million as compared to the sales revenue of RM12.12 million and LBT of RM1.27 million in the corresponding quarter of the preceding financial period. The significant decline in sales was attributed to reduced demand in export sales, compounded by the global recession and geopolitical tensions. The overall losses were intensified by the loss on the disposal of the subsidiary [Zhuhai, China], amid an increase in operating costs.

Segmental review for current quarter and financial year to date:

The performance of the business segments for the current quarter ended 30 September 2023 as compared to preceding quarter ended 30 September 2022 is as below:

a) Manufacturing

During the current quarter, aside from the high operating costs such as machine repairs & maintenance, and utilities, there are additional compliance costs due to the new rulings on ESG and Transfer Pricing.

b) Product distribution

The group posted lower sales in FY2024 as compared to FY2023 attributed to the soft economy. The low sales was insufficient to cover overheads resulting in losses as a whole.

c) Investment Holding

There are fixed deposits amounting to RM4.6 Millions placed with the financial institutions.

The performance of the geographical segments for the current quarter 30 September 2023 as compared to preceding quarter 30 September 2022 is as below:

a) Malaysia

The overall losses were widen by the low sales turnover and high overhead costs, amidst global inflation and a weakened ringgit.

b) China

Sales in China experienced a significant decline, primarily attributed to the ongoing price competition against a backdrop of slower global demand for commodity black toners.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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 2023 RM'000	Immediate Preceding Quarter 30 Jun 2023 RM'000	Changes (%)
Revenue	6,074	6,537	-7%
Gross (loss)/profit	(1,696)	335	-606%
Loss before taxation	(12,416)	(2,416)	414%
Loss after taxation	<u>(12,420)</u>	<u>(2,313)</u>	437%

The Group recorded a sales revenue of RM6.07 million in the current reporting quarter representing a decreased of 7% as compared to RM6.54 million in the immediate preceding quarter.

The drop in sales was a result of the soft economy, coupled with high overhead costs, leading to a negative gross profit.

The significant losses were primarily caused by the disposal of the subsidiary, Zhuhai.

B3 Prospects

In the upcoming period, the group will enhance the differentiation of the company's color product offerings, seek out more cost-effective alternative materials to reduce the cost of toner formulations, and implement lean management practices across the manufacturing facilities.

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 2023 RM'000	Current year To date 30 September 2023 RM'000
Income tax		
Current year	(4)	99
Deferred tax expense		
Current year	-	-
	<u>(4)</u>	<u>99</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.

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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 2023, the Group had total borrowings of approximately RM6.03 million, details of which are set out below:

	30 September 2023 RM'000	31 March 2023 RM'000
Interest bearing borrowings:		
<i>Long term borrowings</i>		
Secured:		
Term loan	762	2,316
	<u>762</u>	<u>2,316</u>
<i>Short term borrowings</i>		
Secured:		
Term loan	5,270	7,361
	<u>5,270</u>	<u>7,361</u>
Total	<u>6,032</u>	<u>9,677</u>

B7 Utilisations of proceeds from corporate exercises

Pursuant to the Private Placement, the details of the issuance of Placement Shares as at the date of this report are as follows:

The status of utilisation of proceeds as at the date of this report is as follows:

Purposes	Actual		Unutilised Proceeds	Estimated Timeframe for utilisation
	Proceeds Raised	Utilisation		
(a) Purchase & Instllation of ERP	3,000	-	3,000	Within 18 months from proceeds received
(b) Repayment of bank borrowings - HLB	3,425	3,425	-	Within 12 months from proceeds received
(c) Working capital - Marketing exp	64	64	-	Within 12 months from proceeds received
(d) Misc expenses for proposal	97	97	-	Immediate
Total	<u>6,586</u>	<u>3,586</u>	<u>3,000</u>	

Notes:-

The unutilised proceeds of RM3 million are placed in a fixed deposit until the actual implementation of ERP is materialized.

B8 Material litigation

Neither the Company nor its subsidiary companies is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B9 Dividends

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

B10 Loss per share

	Current quarter 30 September 2023	Current year To date 30 September 2023
(a) Basic loss per share		
Loss attributable to ordinary equity holders of the Company (RM'000)	(12,420)	(14,733)
Issued ordinary shares at 1 April 2023 ('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)	322,911	322,911
Effect of warrant conversion ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	<u>1,399,281</u>	<u>1,399,281</u>
Basic loss per share (sen)	<u>(0.89)</u>	<u>(1.05)</u>



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 September 2023

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

B10 Loss per share (Cont'd)

	Current quarter 30 September 2023	Current year To date 30 September 2023
<i>(b) Diluted loss per share</i>		
Loss attributable to ordinary equity holders of the Company (RM'000)	(12,420)	(14,733)
Weighted average number of ordinary shares for basic earnings per share ('000)	1,399,281	1,399,281
Effect of dilution under employee share option scheme ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	<u>1,399,281</u>	<u>1,399,281</u>
Diluted loss per share (sen)	<u>(0.89)</u>	<u>(1.05)</u>

B11 Status of corporate proposals

There were no pending corporate proposals.

B12 Loss before taxation

	Current quarter 30 September 2023 RM'000	Current year To date 30 September 2023 RM'000
Loss before taxation is arrived at after charging/(crediting):-		
Interest income	(8)	(27)
Interest expense	207	449
Depreciation and amortisation	1,479	3,004
Foreign exchange loss/(gain)	<u>122</u>	<u>316</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

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
28 Nov 2023