



Jadi Imaging Holdings Berhad

(526319-P)

(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED DURING THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT TRICOR LEADERSHIP ROOM, UNIT 32-01, LEVEL 32, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA, ON FRIDAY, 22 DECEMBER 2020 AT 10.00AM (“19TH AGM”)

Mr. Liew Kim Siong (“the Chairman”) chaired the 19th AGM of the Company. The meeting was called to order at 10.00am after confirmation by the Secretary of the requisite quorum being present pursuant to Clause 56(2) of the Company’s Constitution.

All ordinary and special resolutions that were tabled at the 19th AGM of the Company on 22 December 2020 were duly passed by the shareholders through poll voting, including the re-election of Directors, as well as the re-appointment of Auditors of the Company as set out in the Notice of the 19th AGM. The shareholders also received the Audited Financial Statements of the Company and of the Group, along with the Reports of Directors and Auditors for the financial year ended 31 March 2020.

The result of the poll, which was announced by the Scrutineer, is as follows:

| | | Vote For | | Vote Against | | Total Votes | |
|------------------------------|---|---------------|--------|---------------|-------|---------------|---------|
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Ordinary Business | | | | | | | |
| Ordinary Resolution 1 | Re-election of Liew Kim Siong as Director pursuant to Clause 76 of the Company’s Constitution | 310,533,548 | 99.999 | 933 | 0.001 | 310,534,481 | 100.000 |
| Ordinary Resolution 2 | Re-election of Dato’ Sri Liew Lee Leong as Director pursuant to Clause 76 of the Company’s Constitution | 310,533,548 | 99.999 | 933 | 0.001 | 310,534,481 | 100.000 |
| Ordinary Resolution 3 | Re-election of Dai ShuChun as Director pursuant to Clause 78 of the Company’s Constitution | 310,529,548 | 99.998 | 4,933 | 0.002 | 310,534,481 | 100.000 |
| Ordinary Resolution 4 | Payment of Directors’ fees of RM292,500 for the financial year ending 31 March 2021 | 3,705,018 | 98.186 | 68,433 | 1.814 | 3,773,451 | 100.000 |
| Ordinary Resolution 5 | Payment of Directors’ benefits of RM20,000 for the period from the Nineteenth Annual General Meeting until the Twentieth Annual General Meeting | 3,768,018 | 99.856 | 5,433 | 0.144 | 3,773,451 | 100.000 |
| Ordinary Resolution 6 | Appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise | 310,533,581 | 99.999 | 900 | 0.001 | 310,534,481 | 100.000 |

| | | | | | | | |
|------------------------------|--|-------------|--------|--------|-------|-------------|---------|
| | the Directors to fix their remuneration | | | | | | |
| Special Business | | | | | | | |
| Ordinary Resolution 7 | Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 | 310,462,548 | 99.977 | 71,933 | 0.023 | 310,534,481 | 100.000 |
| Ordinary Resolution 8 | Proposed Renewal of Authority for Share Buy-Back | 310,533,581 | 99.999 | 900 | 0.001 | 310,534,481 | 100.000 |

The shareholders raised questions during the 19th AGM, which were duly answered and clarified by the Chairman. The salient questions raised by the shareholders are as follows:

Q1 1) How are the chemical toner production line going?

2) What is your view on the business condition for the next 2 years?

A1 1) The chemical toner lines have commissioned in July – August 2020. In September and October 2020, the Group did the trial run for the chemical toner line and in November 2020, we started the sales of chemical toner.

2) Due to the Covid-19 pandemic, a lot of businesses had slowed down, including JADI's. Under the current challenging environment, the Group will continue to optimise cost efficiency, as well as streamlining the products and sales mix to sell more high value products.

Q2 1) There have been huge impairments. Are they due to the old plant and machines that the auditors considered obsolete? Will there be write-backs if the business picks up?

2) For the coming year, will there be more impairments or does Management consider all impairments have been made?

A2 Based on the annual report 2020 of JADI, the Company recorded a net loss of RM32.9 million. The impairment and depreciation on Property, Plant and Equipment were approximately RM6.2 million and RM9.1 million respectively. The net stock write-off was RM6.4 million. There was also impairment of right-of-use of RM2.3 million, which was reported according to the new requirements of MFRS 16. Further, there was also a provision for reinstatement cost of JIS UK warehouse of RM737,000.

The impairment of PPE and right-of-use were one-off writeoffs and the Company hopes there will be no further impairment on these. For stock write-off, the Company will continue to monitor it based on the Company's stock write-off policy.

Q3 1) How is the e-commerce business segment?

2) Please tell us more about the probiotic business.

A3 1) Jadi Life Solutions Sdn Bhd ("JLS") was incorporated by JADI in 2020 to distribute and house a variety of products, including printing supplies, lifestyle stationeries and 3D printers.

For the next year, JLS will also look at distributing new products, mainly probiotics, in the healthcare segment.

JLS's sales volume has grown and contributed to JADI's performance, although it is relatively smaller than that of the manufacturing arm of JADI group. In addition, Management is optimistic about the business model of JLS as it links JLS directly to the end-consumers and it has brought qualitative benefits to JADI.

2) The Company was offered the exclusive distribution right to distribute and market the probiotic product of an Australian brand, namely Life-Space, for a period of five (5) years via an exclusive distribution agreement between Jadi Life Solutions Sdn Bhd ("JLS") and Pentavite International Co., Ltd., a wholly-owned subsidiary of By-Health Co., Ltd. ("By-Health").

By-Health is a China-based company principally engaged in the research, development, production, and distribution of nutrition supplements.

Due to the Covid-19 pandemic, the Company only managed to obtain the complete documents from the supplier last week for application to National Pharmaceutical Regulatory Agency ("NPRA") for their approval to distribute the product in Malaysia.

According to the consultant who is assisting the Company to register with NPRA for their distribution approval, it will take approximately 6 to 9 months to obtain the approval.

Q4 1) Will there be e-vouchers being given out to shareholders whom attended the meeting?

A4 Yes, e-vouchers will be emailed to shareholders attended the meeting.

There being no further business, the 19th AGM of the Company was concluded, and the Chairman thanked all present for their attendance. The meeting ended at 11.15am with a vote of thanks to the Chair.