

JADI IMAGING HOLDINGS BERHAD
[Registration No. 200001023711 (526319-P)]
(Incorporated in Malaysia)

MINUTES OF THE TWENTY-SECOND (“22ND”) ANNUAL GENERAL MEETING OF JADI IMAGING HOLDINGS BERHAD HELD ON A VIRTUAL BASIS THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT LOT 4.1, 4TH FLOOR, MENARA LIEN HOE, NO. 8, PERSIARAN TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 21 SEPTEMBER 2023 AT 2:30 P.M.

Present at : **Board of Directors**
Broadcast Venue Mr. Ong Gim Hai – *Executive Director (in the Chair)*
Mr. Leow Wey Seng – *Independent Non-Executive Director*
Mr. Ling Chi Hoong – *Independent Non-Executive Director*
Ms. Tan Su Ning - *Independent Non-Executive Director*

In Attendance Ms. Adeline Tang Koon Ling – *Company Secretary*
Ms. Tan Soo Pooi – *Representatives from Workshire Corporate Services Sdn Bhd*

By Invitation Ms. Elaine Chan – *Finance Manager*
Mr. Teh Wei Xuan } *Messrs HLB Ler Lum Chew PLT,*
Ms. Jenny Ho } *External Auditors*

Attendance of Shareholders

The attendance of members/corporate representatives/proxies is as per the Summary of Attendance List via the Remote Participation and Voting (“RPV”) facilities operated by Inshub Sdn Bhd (“Inshub”) in Malaysia via <https://rebrand.ly/JADI-AGM>.

CHAIRMAN

On behalf of the Board of Directors of Jadi Imaging Holdings Berhad (“JADI” or “the Company”), Mr. Ong Gim Hai, the Executive Director of the Company and the appointed Chairman of the meeting (“Chairman”), welcomed the members and attendees to the Company’s 22nd Annual General Meeting (“22nd AGM”). Chairman informed that the 22nd AGM was convened on a virtual basis through live streaming from the Broadcast Venue.

Chairman then introduced the Board members, the Company Secretary and the External Auditors to the members.

NOTICE

The notice convening the meeting dated 31 July 2023, having been circulated earlier to all the members of the Company within the statutory period, was taken as read.

QUORUM

Chairman informed the meeting that the Constitution of the Company required the presence of at least two members or proxies or corporate representatives to form a quorum. For a virtual general meeting, the quorum shall be determined by the number of members who logged-in at the commencement of the meeting.

Upon confirming the presence of the requisite quorum pursuant to the Company’s Constitution as confirmed by the Company Secretary, the Chairman called the meeting to order at 2:30 p.m.

POLLING AND ADMINISTRATIVE MATTERS

Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of a general meeting must be voted by poll.

Pursuant to the Company's Constitution, Chairman declared that all resolutions set out in the Notice of the 22nd AGM shall be voted by poll. The poll would be conducted after all items on the agenda were dealt with.

Chairman then briefed the members on the flow of the meeting as follows:-

- (1) The meeting to go through all the six (6) ordinary resolutions of the Company as set out in the Notice of the 22nd AGM.
- (2) Questions and Answers ("Q&A") session whereby the Board addressed the questions submitted by the members using Q&A panel via the Inshub RPV facilities.
- (3) After having dealt with the Q&A, all the six (6) ordinary resolutions be put to vote electronically via RPV application operated by Inshub.

The members were informed that the Company had appointed Workshire Share Registration Sdn Bhd as the poll administrator to conduct the polling process and SharePolls Sdn Bhd as the independent scrutineer to verify the poll results.

The guide on the remote voting procedures and the manner to navigate through the RPV application were then shared to the members.

Chairman informed that the online voting on all the ordinary resolutions would remain open until the closure of voting session to be declared by himself.

LETTER FROM THE MINORITY SHAREHOLDERS WATCH GROUP

Chairman informed the meeting that the Company received a letter dated 8 September 2023 from the Minority Shareholders Watch Group ("MSWG") and the Company had prepared a letter of reply accordingly.

Mr. Ong Gim Hai, the Chairman then share the questions raised by MSWG as per the letter and present the Company's reply to MSWG.

The letter dated 8 September 2023 from the MSWG together with the Company's letter of reply marked as Appendix A is attached hereto, shall formed part of these minutes.

Chairman then proceeded with the business of the agenda of the 22nd AGM.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 AND THE REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 March 2023 ("AFS FYE 2023") together with the Reports of the Directors and Auditors, having been circulated to all the members of the Company within the statutory period, were tabled to the meeting.

Chairman informed that the AFS FYE 2023 was meant for discussion only as pursuant to the Companies Act 2016, the AFS FYE 2023 does not require a formal approval of the members. Therefore, it was not put forward for voting.

Chairman declared that the AFS FYE 2023 together with the Reports of the Directors and Auditors thereon be received.

2. ORDINARY RESOLUTION 1 – DIRECTORS’ FEES OF RM408,000 FOR THE PERIOD FROM THE 22ND ANNUAL GENERAL MEETING UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

Chairman proceeded to ordinary resolution 1 on the payment of the Directors’ Fees of RM408,000 for the period from the 22nd Annual General Meeting until the next Annual General Meeting of the Company. The following resolution was put to the meeting for consideration and voting:-

“THAT the payment of the Directors’ Fees of RM408,000 for the period from the 22nd Annual General Meeting until the next Annual General Meeting of the Company be approved.”

3. ORDINARY RESOLUTION 2 – DIRECTORS’ BENEFITS UP TO AN AMOUNT OF RM30,000 FOR THE PERIOD FROM THE 22ND ANNUAL GENERAL MEETING UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

Chairman moved on to ordinary resolution 2 on the payment of the Directors’ Benefits up to an amount of RM30,000 for the period from the 22nd Annual General Meeting until the next Annual General Meeting of the Company. The following resolution was put to the meeting for consideration and voting:-

“THAT the payment of the Directors’ Benefits up to an amount of RM30,000 for the period from the 22nd Annual General Meeting until the next Annual General Meeting of the Company be approved.”

4. ORDINARY RESOLUTION 3 – RE-ELECTION OF MR. LING CHI HOONG WHO RETIRES PURSUANT TO CLAUSE 76 OF THE COMPANY’S CONSTITUTION

Chairman then moved on to ordinary resolution 3 on the re-election of Mr. Ling Chi Hoong. The following resolution was put to the meeting for consideration and voting:-

“THAT Mr. Ling Chi Hoong retiring pursuant to Clause 76 of the Company’s Constitution and being eligible, be re-elected as Director of the Company.”

5. ORDINARY RESOLUTION 4 – RE-APPOINTMENT OF MESSRS HLB LER LUM CHEW PLT AS AUDITORS OF THE COMPANY

Chairman moved on to ordinary resolution 4 on the re-appointment of auditors. The Chairman informed that Messrs HLB Ler Lum Chew PLT had indicated their willingness to continue in office. He then put the following resolution to the meeting for consideration and voting:-

“THAT Messrs HLB Ler Lum Chew PLT be hereby re-appointed as auditors of the Company at a fee to be agreed upon with the Directors and to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be authorised to fix their remuneration.”

6. ORDINARY RESOLUTION 5 – AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Chairman then moved on to ordinary resolution 5 on the authority for the Directors to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

Chairman declared that the full text of the proposed resolution read together with the amendment made thereof be taken as read.

He further informed that the ordinary resolution 5 if passed, will give the Directors of the Company, from the date of this Annual General Meeting, an authority to allot ordinary shares of not more than 10% of the total number of issued shares of the Company, for such purposes as the Directors consider would be in the interest of the Company. This authority shall, unless be revoked or varied by the Company at a General Meeting, expires at the next Annual General Meeting.

The following resolution was put to the meeting for consideration and voting:-

“THAT subject always to Sections 75 and 76 of the Companies Act 2016 (“the Act”), the Constitution, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 23rd Annual General Meeting or when it is required by law to be held, whichever is earlier, AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Act read together with Clause 12(2) of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

7. ORDINARY RESOLUTION 6 – PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE”)

Chairman informed that ordinary resolution 6 was on Proposed Renewal of Share Buy-Back Mandate. He informed that the details of the Proposed Renewal of Share Buy-Back Mandate were set out in the Statement to Shareholders as contained in the Annual Report 2023, announced and published by the Company on 31 July 2023.

7. ORDINARY RESOLUTION 6 – PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE”) (CONTINUED...)

He then put the following resolution to the meeting for consideration and voting:-

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this Ordinary Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and*
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,*

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution is passed, at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;*
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or*
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,*

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

7. ORDINARY RESOLUTION 6 – PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE”) (CONTINUED...)

- (i) *To cancel all or part of the Purchased Shares;*
- (ii) *To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;*
- (iii) *To distribute all or part of the treasury shares as dividends to the shareholders of the Company;*
- (iv) *To resell all or part of the treasury shares;*
- (v) *To transfer all or part of the treasury shares for the purposes of or under the employees’ share scheme established by the Company and/or its subsidiaries;*
- (vi) *To transfer all or part of the treasury shares as purchase consideration;*
- (vii) *To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with responsibility for companies may by order prescribe; and/or*
- (viii) *To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.*

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

8. ANY OTHER BUSINESS

Chairman informed that the Company had not received notice for any other business pursuant to the Companies Act 2016.

Q&A SESSION

After tabling all resolutions, the Chairman addressed the questions and comments posed by the members during the meeting.

Q1. Does the Company provide door gift?

A1. The Chairman replied that the below door gifts to be given to all shareholders who attended the 22nd AGM:-

- (i) 1 box of Medicurve 3-ply face mask 50 pcs
- (ii) 1 piece of XOX prepaid Sim card
- (iii) Product vouchers worth RM80 from online Shopee store (M. gadget).

Q&A SESSION (CONTINUED...)

Q2. May I ask how you will strengthen the company in the future and where you will go?
 A2. The Chairman informed that this question was similar to question 2 from the MSWG.

Q3. May I have a hardcopy annual report?
 A3. The Chairman has requested that the shareholder to fill in the request form for annual report 2023 for the hardcopy of the annual report.

CONDUCT OF VOTING BY POLL

After having dealt with all the items on the agenda and the Q&A session, the meeting continued for another 5 minutes to allow shareholders, corporate representatives and proxies to complete their voting on the ordinary resolutions 1 to 6 by poll via RPV.

After 5 minutes, the Chairman announced the closing of the voting session, the meeting was adjourned for approximately 30 minutes, to facilitate the counting of votes by the poll administrator and verification of poll results by the scrutineer.

ANNOUNCEMENT OF POLL RESULTS

Upon the availability of the poll results, Chairman called the meeting to resume.

The results of the poll which had been verified by the scrutineer was projected on the screen for the members' information.

Based on the results of the poll attached, Chairman declared that the ordinary resolutions 1 to 6 were carried as follows:-

ORDINARY RESOLUTION 1

“THAT the payment of the Directors’ Fees of RM408,000 for the period the 22nd Annual General Meeting until the next Annual General Meeting of the Company be approved.”

Votes in Favour			Votes Against			Results
No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	
26	425,694,504	99.9964	18	15,458	0.0036	Accepted

ORDINARY RESOLUTION 2

“THAT the payment of the Directors’ Benefits up to an amount of RM30,000 for the period from the 22nd Annual General Meeting until the next Annual General Meeting of the Company be approved.”

Votes in Favour			Votes Against			Results
No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	
27	425,699,504	99.9975	17	10,458	0.00245	Accepted

ANNOUNCEMENT OF POLL RESULTS (CONTINUED...)

ORDINARY RESOLUTION 3

“THAT Mr. Ling Chi Hoong retiring pursuant to Clause 76 of the Company’s Constitution and being eligible, be re-elected as Director of the Company.”

Votes in Favour			Votes Against			Results
No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	
38	425,703,558	99.9985	6	6,404	0.0015	Accepted

ORDINARY RESOLUTION 4

“THAT Messrs HLB Ler Lum Chew PLT be hereby re-appointed as Auditors of the Company at a fee to be agreed upon with the Directors and to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be authorised to fix their remuneration.”

Votes in Favour			Votes Against			Results
No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	
39	425,703,658	99.9985	5	6,304	0.0015	Accepted

ORDINARY RESOLUTION 5

“THAT subject always to Sections 75 and 76 of the Companies Act 2016 (“the Act”), the Constitution, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 23rd Annual General Meeting or when it is required by law to be held, whichever is earlier, AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Act read together with Clause 12(2) of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

Votes in Favour			Votes Against			Results
No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	
36	425,702,859	99.9983	8	7,103	0.0017	Accepted

ANNOUNCEMENT OF POLL RESULTS (CONTINUED...)

ORDINARY RESOLUTION 6

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this Ordinary Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution is passed, at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;

ANNOUNCEMENT OF POLL RESULTS (CONTINUED...)

ORDINARY RESOLUTION 6 (CONTINUED...)

- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with responsibility for companies may by order prescribe; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

Votes in Favour			Votes Against			Results
No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	Accepted
38	425,703,459	99.9985	6	6,503	0.0015	

CLOSURE OF MEETING

There being no further business, the meeting was closed at 3.15 p.m. with a vote of thanks to the Chair, the Directors, invitees, shareholders and proxies for their online participation.

Dated: 21 September 2023

Operational & Financial Matters

1. For FY2023, the Group's revenue declined 24% to RM32.8 million. The sharp fall in sales was underpinned by the lower demand from China. Meanwhile, the Group recorded a higher loss before tax of RM11.1 million compared to RM7.9 million in FY2022. This was due to higher operating costs from the increase in minimum wage and energy costs. (page 4 of Annual Report (AR) 2023)

(a) Despite a significant decline in revenue, the Group's gross profit margin (GPM) improved from 2.2% in FY2022 to 10.2% in FY2023. What was the reason for the higher GPM?

The improved gross profit margin primarily results from the sale of high profit margin products typically averaging between 8% and 12%. Additionally, management is constantly working to improve efficiency.

(b) Does the Group expect a rebound in sales from China market in FY2024? What is the outlook for FY2024?

China will remain an important market. We do expect some improvement in FY2024.

However, China will remain extremely challenging in the near foreseeable future due to the following factors :

- Ongoing price competition against a backdrop of slower global demand for commodity black toners.
- Increasing raw material costs.
- Rising business operating expenses.

(c) How much was the additional labour cost that the Group incurred in FY2023 from the increase in minimum wage? How much was the increase in energy costs?

Labour cost

- on an average increased by RM280k per annum [3%]

Energy Cost

- on an average increased by RM520k per annum [6%]

(d) What is the budgeted capex for FY2024?

RM 2 Million.

2. **JADI's financial performance has been lackluster since FY2017 with declining revenue and continuous losses. The company is also very dependent on China. Does the Group have any plans to diversify into other markets to reduce its concentration risk? What are your strategies to turn around the company?**

The group consistently monitors opportunities for diversification into different markets. Despite the challenges, the group will maintain a highly cautious approach to plan and manage its operations, ensuring the sustainability of all its businesses.

Here are some of the key ongoing measures that will continue to be implemented:

- Enhance the differentiation of the company's color toner product offerings by leveraging our expertise and technology in conventional toner and chemical toner emulsion aggregation. This involves developing higher-margin and higher-value color toner products.
- Seek out more cost effective alternative materials to reduce the cost of toner formulations, all while upholding our commitment to uncompromising product quality.
- Implement lean management practices across the manufacturing facilities to continually enhance productivity, quality, capacity and cost-efficiency.
- Strive for a leadership position in product development by reducing time to market and enhancing our product development capabilities.

Corporate Governance Matters

3. **JADI has been without a Chairman since the resignation of Mr. Liew Kim Siong on Jan 3, 2022. Practice 1.2 of the Malaysian Code on Corporate Governance stipulates that the Chairman of the board plays a critical role in instilling good corporate governance practices, leadership, and effectiveness of the Board.**

What specific actions has the Board taken or intends to take to appoint a Chairman, and within what reasonable timeframe does the Board aim to accomplish this objective?

The board is actively searching for a suitable chairman.