



JADI IMAGING HOLDINGS BERHAD
Registration No.:200001023711 (526319-P)

A large decorative graphic on the right side of the page. It features a large blue semi-circle on the right edge, partially overlapping a yellow rectangle. The yellow rectangle is partially obscured by a series of vertical, overlapping bars in shades of pink, red, and orange, creating a textured, layered effect.

**ANNUAL
REPORT
2024**

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CORPORATE STRUCTURE

AS AT 19 JULY 2024



OUR VISION

To be an integrated company which provides solutions for the global imaging supplies industry.

OUR MISSION

Customer satisfaction in every decision.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Ong Gim Hai

Executive Director

Ling Chi Hoong

Independent Non-
Executive Director

Leow Wey Seng

Independent Non-
Executive Director

Tan Su Ning

Independent Non-
Executive Director

Audit Committee

Leow Wey Seng

Chairman

Ling Chi Hoong

Member

Tan Su Ning

Member

Remuneration Committee

Leow Wey Seng

Chairman

Ling Chi Hoong

Member

Tan Su Ning

Member

Nominating Committee

Ling Chi Hoong

Chairman

Leow Wey Seng

Member

Company Secretaries

Wong Yuet Chyn

(MAICSA 7047163)
(SSM PC No. 202008002451)

Adeline Tang Koon Ling

(LS0009611)
(SSM PC No. 202008002271)

Registered Office

No. 1, Jalan Peguam U1/25A
Seksyen U1
Hicom-Glenmarie Industrial Park
40150 Shah Alam
Selangor Darul Ehsan

Telephone No : (603) 7804 0333
Facsimile No. : (603) 7804 3211

Share Registrar

Workshire Share Registration Sdn Bhd

A3-3-8 Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan

Telephone No. : (603) 6413 3271
Facsimile No. : (603) 6413 3270
Email : infosr@wscs.com.my

Principal Bankers

Hong Leong Bank Berhad

Level 9, Menara Hong Leong
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

United Overseas Bank (Malaysia) Bhd

2A Ground Floor
Wisma SunwayMas
Jalan Tengku Ampuan Zabedah
C9/C, Section 9
40100 Shah Alam, Selangor

Auditors

HLB Ler Lum Chew PLT

A-23-1, Level 23
Hampshire Place Office
157 Hampshire
No. 1 Jalan Mayang Sari
Off Jalan Tun Razak
50450 Kuala Lumpur
Malaysia

Telephone No. : (603) 2161 2113
Facsimile No. : (603) 2161 2119

Stock Exchange

Main Market of Bursa Malaysia
Securities Berhad

Stock Code

7223



MANAGEMENT DISCUSSION AND ANALYSIS

CORPORATE PROFILE

Jadi Imaging Holdings Berhad (“Jadi” or “the Company”), through its wholly owned subsidiaries, is a world-class independent toner manufacturer. The Group is principally involved in the development, formulation, and manufacturing of toners for laser printers, photocopiers, facsimile machines, and multi-function office equipment.

Founded in 1993, the Group is headquartered in Hicom-Glenmarie Industrial Park, Shah Alam, and has another factory in Klang, Selangor, Malaysia, where its main manufacturing and R&D facilities are located.

OVERVIEW

The global economic outlook for Financial Year 2024 (“FY2024”) remains challenging. Persistent inflation and geopolitical tensions, such as the ongoing conflict in Ukraine, have disrupted economic stability worldwide. The weakened global economy has directly impacted local businesses, as evidenced by the significant decrease in revenue and the increase in losses.

FINANCIAL REVIEW

Financial Indicators		31 March 2024	31 March 2023 Restated	Variance
Revenue	RM'000	26,407	29,069	-9.16%
Loss before tax from continuing operations	RM'000	(35,302)	(9,026)	291.11%
Loss, net of tax from continuing operations	RM'000	(35,275)	(8,932)	294.93%
Net assets per share	RM	0.05	0.09	-43.93%
Total borrowings	RM'000	3,417	9,677	-64.69%
Debt equity ratio	%	4.8	9.9	-51.56%

Revenue

For the financial year under review, there was a decline of 9.2% in the Group’s revenue from RM29.1 million in the preceding year to RM26.4 million.

Sales in China experienced a significant decline, primarily due to ongoing price competition amid slower global demand for commodity black toners.

Loss before taxation

The Group has recorded a loss before taxation of RM35.3 million as compared to the loss before taxation in the preceding year of RM9.0 million.

The Group’s substantial losses are attributable to several key factors. The disposal of a loss-making foreign subsidiary, aimed at enhancing operational efficiency and streamlining the corporate structure have impacted the financial performance.

Impairment of underutilized plant and machinery, driven by low sales demand, significantly contributed to the losses. Additionally, provisions for obsolete stock became necessary due to falling demand and product degradation over time.



MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

FINANCIAL REVIEW (CONT'D)

Loss before taxation (cont'd)

The Group also faced reduced sales revenue and increased operating costs, including higher manufacturing and administrative expenses. Furthermore, the global economic downturn and the depreciation of the Ringgit Malaysia adversely affected the company's financial performance.

Gearing

The Group has recorded a total borrowing of RM3.4 million as of 31 March 2024 with gearing ratio of 4.8% as compared to 9.9% in the previous financial year.

It corresponds with management's strategic objective to strategically reduce the aggregate amount of borrowing.

INDUSTRY OUTLOOK AND COMPANY PROSPECTS FINANCIAL YEAR 2025

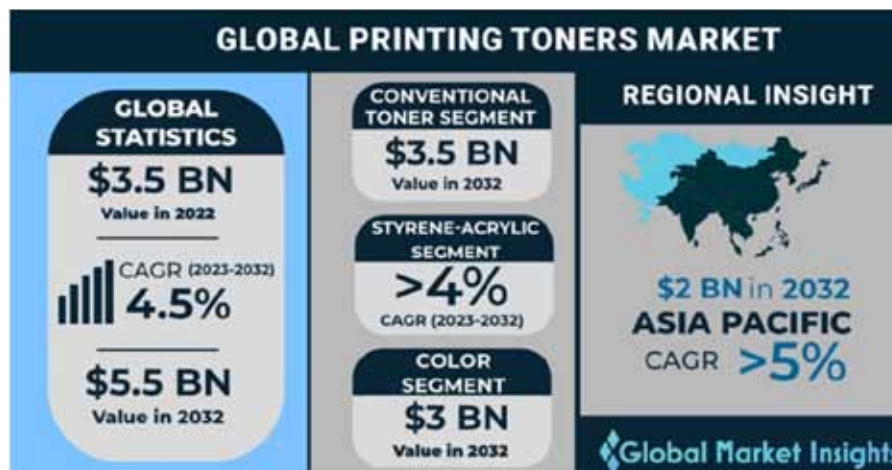
INK TONER INDUSTRY OUTLOOK

According to Statista Research, the printing toners market size has grown strongly in recent years and the trend is expected to spill over into the next few years. The market size is estimated to grow from USD4.44 billion in 2023 to USD 4.77 billion in 2024 at a compound annual growth rate ("CAGR") of 7.4%. The growth observed in the past were mainly attributed to the expansion of the packaging industry, a rising demand for printed materials, the growth of the commercial printing sector, the globalization of the printing industry, and the widespread adoption of laser printers.

The industry is further projected to grow to USD6.14 billion by 2028, at a CAGR of 6.5%. The anticipated growth during the projection period can be attributed to the increasing demand for sustainable printing solutions, the expansion of the e-commerce industry, a growing adoption of 3D printing, the expansion of the packaging and labelling market, the advancement of high-speed inkjet printing, and a heightened demand for customized and personalized printing.

Key trends within the industry during the projection period includes the adoption of water-based and bio-based toners, a shift towards digital printing processes, an enhanced focus on energy-efficient printing technologies, the emergence of smart printing technologies, and the integration of artificial intelligence in printing processes.

Meanwhile Global Market Insights Research ("GMIR") projects a moderately lower CAGR from 2023 to 2032 of 4.5%, whereby the industry will grow from USD3.5 billion to US\$5.5 billion in 2032. GMIR further projects the Conventional Toner segment will dominate the market with a USD3.5 billion market share out of total of USD5.5 billion in 2032.



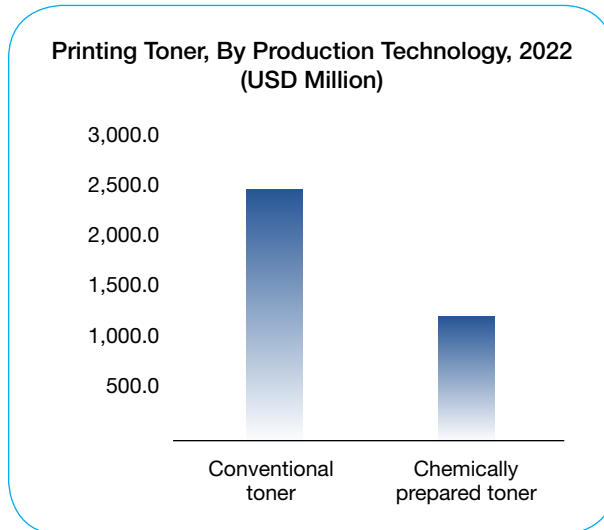


MANAGEMENT DISCUSSION AND ANALYSIS

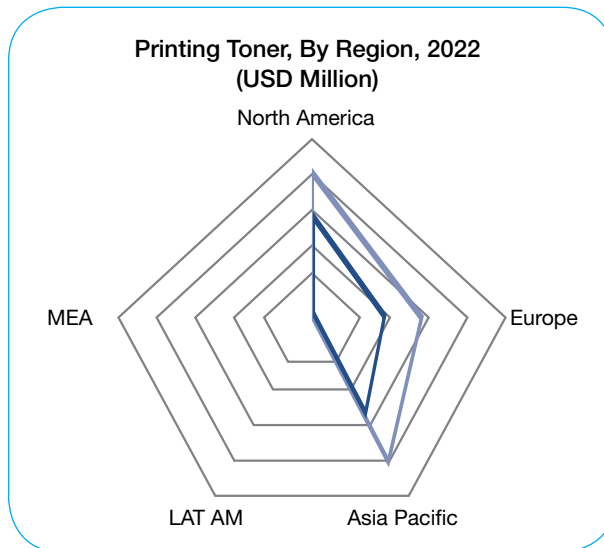
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INDUSTRY OUTLOOK AND COMPANY PROSPECTS FINANCIAL YEAR 2025 (CONT'D)

INK TONER INDUSTRY OUTLOOK (CONT'D)



The low cost of Conventional Toner (“CT”) as compared to Chemically Prepared Toner (“CPT”) will result CT to dominate the market with a market share of RM3.5 billion on 2032, an increase from USD 2.0 billion in 2022.



TRADING AND DISTRIBUTION OF GENERAL MERCHANDISE

General Merchandise consists of various items for general public use, such as shoes, clothes, pharmaceutical, linen, electronics, and furniture which are mainly non-perishable products. From 2024 to 2031, the General Merchandise market is expected to experience substantial growth, building on 2023’s strong foundation. Technological advancements and rising consumer demand are crucial growth drivers. The market will benefit from broader applications across various sectors. The proliferation of e-commerce and the expansion of traditional retail channels are significantly contributing to the market growth. Online platforms provide consumers with easy access to a wide range of General Merchandise products, boosting sales and market penetration. According to Statista Research, with the unification of the brick and mortar, technology and e-commerce, the global general merchandise e-commerce retail sales is expected to grow to US\$8.03 billion by 2027.

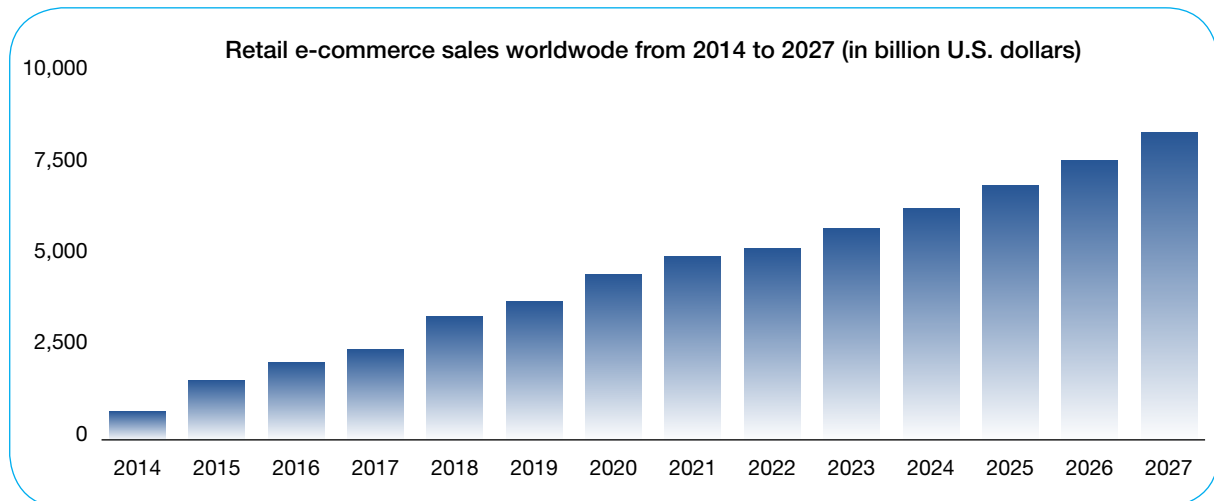


MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

INDUSTRY OUTLOOK AND COMPANY PROSPECTS FINANCIAL YEAR 2025 (CONT'D)

TRADING AND DISTRIBUTION OF GENERAL MERCHANDISE (CONT'D)



The growth and expansion of the industry will benefit the value chain and the respective stakeholders along the spectrum of the value chain, namely the raw material suppliers, manufacturers, distributors and retailers.

With the proliferation of technology and e-commerce in the global markets, Jadi has taken bold steps to ride on the trend by diversifying its income stream into trading and distribution of general merchandise. This is part of the Company's strategic positioning to avoid over-reliance on its toner manufacturing business. In the past, Jadi has traded and distributed OEM, remanufactured and non-OEM new built cartridge toners in the market via its existing e-commerce platform.

Going forward the management intends to add other general merchandise such as information technology products and solutions, pharmaceutical and health care products into its e-commerce ecosystem in its effort to garner more sales. The management is confident Jadi would be able to build up its e-commerce market over time given the current robust trading and distribution market trend.



DIRECTORS' PROFILES

ONG GIM HAI

Executive Director

The profiles of the Board of Directors of Jadi Imaging Holdings Berhad are as follows:

Ong Gim Hai, Malaysian, male, aged 49, was appointed to the Board as Executive Director of Jadi Imaging Holdings Berhad on 29 October 2021.

He graduated with B.Eng. Bachelor of Engineering in Electrical and Electronic Engineering from University of Sussex Brighton, United Kingdom.

Mr Ong has 20 years of experience in the IT and computer industry, helping multi-nationals to establish and to grow operations in ASEAN ranging from start-ups to established organisations. In January 2004, he joined Mercury Interactive Hewlett-Packard as pre-sales consultant and subsequently being promoted to sales manager in the year of 2006 to manage large enterprise account and develop new business within assigned accounts. Mr Ong then joined VMware Inc in the year of 2008 as enterprise account manager. In 2010, Mr Ong joined Palo Alto Networks as country manager, managing operations in Malaysia. In 2015 to 2016, Mr Ong represented Nutanix Malaysia and Brunei as managing director, managing sales operations in Malaysia and Brunei.

Mr Ong does not hold any directorships in other public companies and listed companies.

LEOW WEY SENG

Independent
Non-Executive Director

Leow Wey Seng, Malaysian, male, aged 42, was appointed to the Board as an Independent Non-Executive Director of Jadi Imaging Holdings Berhad on 29 October 2021.

He holds a Bachelor of Business (Accounting) from Monash University Australia. He is a fellow of Certified Practising Accountants, Australia, a member of Malaysian Institute of Accountants and also a member of ASEAN Chartered Professional Accountants.

Mr Leow has more than five (5) years of assurance and advisory experience and more than two (2) years of experience focusing in the financial advisory with Deloitte, a Big Four accounting firm.

Currently, Mr Leow is a director of an advisory firm providing strategic advice and financial solution for businesses and entrepreneurs. He is also managing a rubber conveyor belt trading business, which is family owned, serving multiple local and international clients in quarry, cement, port and various manufacturing plants.

Mr Leow currently sits on the Board of Focus Dynamics Group Berhad, Vizione Holdings Berhad and Parlo Berhad.

- Chairman of Audit Committee
- Chairman of Remuneration Committee
- Member of Nominating Committee

DIRECTORS' PROFILES

(CONT'D)

LING CHI HOONGIndependent
Non-Executive Director

- Chairman of Nominating Committee
- Member of Audit Committee
- Member of Remuneration Committee

Ling Chi Hoong, Malaysian, male, aged 41, was appointed to the Board as an Independent Non-Executive Director of Jadi Imaging Holdings Berhad on 29 October 2021.

He graduated with a LLB (Hons) Degree from the International Islamic University Malaysia in 2007. He was admitted as an Advocate and Solicitor of the High Court of Malaya.

Mr Ling is a partner at a prestigious Legal 500 law firm, specializing in capital markets and corporate commercial law. His extensive career includes serving as the Head of Legal & Corporate Affairs for public companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities") and the Singapore Exchange. He also held the position of Head of Group Legal in an oil & gas conglomerate listed on Bursa Securities. Additionally, Mr. Ling was previously associated with an American Fortune 500 energy multinational corporation, where he managed Asia Pacific contracts and compliance matters within their legal and contract department.

Mr Ling is an esteemed board member of LKL International Berhad and Vizione Holdings Berhad. Additionally, he serves on the Board of Trustees for Blackstone Trustee Berhad.

TAN SU NINGIndependent
Non-Executive Director

- Member of Audit Committee
- Member of Remuneration Committee

Tan Su Ning, Malaysian, female, aged 32, was appointed to the Board as an Independent Non-Executive Director of Jadi Imaging Holdings Berhad on 4 January 2022.

She graduated with a LLB (Hons.) degree from University of London (external) and was admitted as an Advocate and Solicitor of the High Court of Malaya in 2018.

Ms Tan started her legal practice with an established law firm in 2018. Subsequently, she joined Messrs Lim Chong Phang & Amy and Messrs Chong+Kheng Hoe in 2019. Ms Tan's practice primarily focuses on corporate and commercial disputes including breach of directors' duties, shareholders' dispute as well as litigation concerning capital market and securities laws. Besides, she also advises public and private corporation on legal and regulatory compliance. She is currently a partner of Messrs Terrence & Co.

Ms Tan currently sits on the Board of LKL International Berhad, Bioalpha Holdings Berhad and Fast Energy Holdings Berhad.

Notes:-

1. None of the Directors has any family relationship with any director and/or major shareholder of the Company.
2. None of the Directors has any business arrangement with the Company in which he/she has personal interest.
3. None of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
4. None of the Directors has any conviction for offences (other than traffic offences) within the past five (5) years.
5. None of the Directors has any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year ended 31 March 2024.



PROFILE OF KEY SENIOR MANAGEMENT

ELAINE CHAN

Finance Manager

The Management of the Group is headed by the Executive Director of the Company, Mr Ong Gim Hai and the following key senior management:

Elaine Chan, Malaysian, female, aged 50, was appointed as Finance Manager on 23 May 2022. An accountant by profession and a finalist of Chartered Certified Accountants (ACCA, UK), she has been in the accounting and finance trade for a span of more than 20 years.

Her recent job prior to joining the group was at Eastern Press Sdn. Bhd. (A member of Top Glove Group) as the Finance Manager. She also had stints at other public listed institutions as well as MNCs (Japanese & USA).

Her work experience has given her the opportunity to be involved in the implementation of GST at Japanese MNC, played a key role in the Merger & Acquisition exercise of Eastern Press Sdn. Bhd. by Top Glove Group and to be the team lead in the implementation of SAP system in a public listed company.

Notes:-

1. None of the Key Senior Management holds any directorship in any other public companies and listed issuer.
2. None of the Key Senior Management has any family relationship with any director and/or major shareholder of the Company.
3. None of the Key Senior Management has any business arrangement with the Company in which Key Senior Management has personal interest.
4. None of the Key Senior Management has any conflict of interest, including interest in any competing business with the Company or its subsidiaries.
5. None of the Key Senior Management has any conviction for offences (other than traffic offences) within the past five (5) years.
6. None of the Key Senior Management has any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year ended 31 March 2024.

STATEMENT TO SHAREHOLDERS

IN RELATION TO THE 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")

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, banker, solicitor, accountant or other professional advisers immediately.

1. DISCLAIMER STATEMENT

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused the contents of this Statement prior to its issuance as it is an exempt document pursuant to Paragraph 2.1 of the Practice Note 18 of Main Market Listing Requirements ("MMLR") of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

Shareholders are advised to read the contents of this Statement carefully before voting on the Ordinary Resolution to give effect to the Proposed Renewal of Share Buy-Back Mandate.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

Jadi Imaging Holdings Berhad ("JADI" or "the Company") had at its Twenty-Second ("22nd") Annual General Meeting ("AGM") held on 21 September 2023 obtained the shareholders' approval to purchase up to ten per centum (10%) of the total number of issued shares of the Company. The said approval will be expiring at the conclusion of the forthcoming Twenty-Third ("23rd") AGM of the Company unless the approval is renewed.

No Ordinary Shares of the Company ("JADI Shares" or "Shares") were purchased to date since the approval was obtained at the 22nd AGM.

The Company proposes to seek the approval from the shareholders of the Company at the forthcoming 23rd AGM for the Proposed Renewal of Share Buy-Back Mandate.

The approval from the shareholders, if renewed, would be effective immediately upon the passing of the Ordinary Resolution for the Proposed Renewal of Share Buy-Back Mandate at the forthcoming 23rd AGM and shall remain in force until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which such resolution is passed, at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to terms and conditions;
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first.



STATEMENT TO SHAREHOLDERS

(CONT'D)

3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

Any Proposed Share Buy-Back, if implemented pursuant to the Proposed Renewal of Share Buy-Back Mandate, is expected to potentially benefit the Company and its shareholders in the following manner:-

- (a) It will enable the Company to utilise its surplus financial resources which is not immediately required for other uses to purchase JADI Shares from the market. This may help to stabilise the supply and demand as well as the market price of JADI Shares traded on the Main Market of Bursa Securities and thereby support its fundamental value;
- (b) The JADI Shares to be purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate ("Purchased Shares"), whether to be held as treasury shares or subsequently cancelled, will effectively reduce the number of JADI Shares carrying voting and participation rights. Therefore, the shareholders of the Company may enjoy an increase in the value of their investment in JADI due to the increase in the Company's consolidated Earnings per Share ("EPS"), as a result of the decreased share capital base used for the computation of the Company's EPS; and
- (c) The purchased JADI Shares can be held as treasury shares and may be resold on the stock market of Bursa Securities at a higher price with the intention of realising potential capital gain in the reserves without affecting the total number of issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

4. MAXIMUM NUMBER OR PERCENTAGE OF SHARES TO BE ACQUIRED

The maximum number of JADI Shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company in compliance with Paragraph 12.09 of the MMLR of Bursa Securities.

As at 19 July 2024, being the latest practicable date ("LPD") prior to the printing of this Statement, the maximum number of JADI Shares that can be purchased and/or held by the Company will be as follows:-

	No. of Shares
Total number of issued shares of JADI	1,399,401,123
10% of the total number of issued shares	139,940,112
Maximum number of Shares which may be purchased in respect of the Proposed Share Buy-Back	139,940,112

The actual number of JADI Shares to be purchased by the Company pursuant to the Proposed Share Buy-Back, the total amount of funds involved for each purchase and the timing of the purchase(s) will depend on, among others, the market conditions and sentiments of the stock market, the availability of financial resources and the retained profits of the Company at the time of the purchase(s).

5. MAXIMUM AMOUNT OF FUNDS TO BE ALLOCATED

The maximum amount of funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the aggregate balance standing in the audited retained profits of the Company pursuant to Section 127 of the Companies Act 2016 ("the Act") and any prevailing laws.

Based on the Audited Consolidated Financial Statements for the financial year ended 31 March 2023 of JADI, the accumulated loss of the Company stood at RM38,902,306.



STATEMENT TO SHAREHOLDERS

(CONT'D)

6. SOURCE OF FUNDS

The funding for the Proposed Share Buy-Back will be from internally generated funds and/or external borrowings, depending on the number of shares purchased and the purchase consideration. Any use of internally generated funds for the Proposed Share Buy-Back is not expected to have a material impact on the cash flow position of the Company. In the event that the Proposed Share Buy-Back is financed by external borrowings, the Board will ensure that the Company is capable of repaying such external borrowings and such repayment is not expected to have a material impact on the cash flow position of the Company. There is no restriction on the type of funds which may be utilised for the Proposed Share Buy-Back, as long as it is backed by an equivalent amount of retained profits of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

The amount and proportion of funding will depend on the quantum of purchase and consideration, the availability of funds at the time of purchase(s) and other relevant cost factors.

7. DIRECT AND INDIRECT INTERESTS OF THE DIRECTORS, MAJOR/SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for the proportionate increase in the percentage of shareholding and/or voting rights in their capacity as the shareholders of the Company as a result of the Proposed Share Buy-Back, none of the Directors, Major/Substantial Shareholders of JADI and/or persons connected to them, if any, has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Mandate or the subsequent resale of treasury shares (if any).

8. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK**8.1 Potential Advantages**

The potential advantages of the Proposed Share Buy-Back to the Company and its shareholders, if implemented, are as follows:-

- (a) allows the Company to utilise its financial resources where there is no immediate use, to purchase JADI Shares. The Share Buy-Back would effectively reduce the number of shares carrying voting and participation rights, unless the Purchased JADI Shares are re-sold on the stock market of Bursa Securities or distributed to the shareholders as share dividends. Consequently, whether the Purchased JADI Shares are held as treasury shares or cancelled, all else being equal, the consolidated EPS of JADI Group could be enhanced, further increasing the value of the shareholders' investment in the Company;
- (b) allows the Company the flexibility in achieving its desired capital structure, in terms of its debt and equity composition, and the size of its equity base;
- (c) allows the Company to take preventive measures against speculation, stabilise the supply and demand of JADI Shares traded on the stock market of Bursa Securities and reduce the volatility of JADI Shares prices. The stability of JADI Shares prices would enhance and maintain investors' confidence in order to facilitate future fund-raising exercises of the Company via the equity market; and
- (d) purchased JADI Shares retained as treasury shares will provide the Company with opportunities for potential capital gains, if the said Purchased Shares are resold at prices higher than the purchase prices and such proceeds may be subsequently used for investment opportunities arising in the future, working capital and/or distribution as dividends to shareholders. In the event the treasury shares are distributed as share dividends, it shall serve as a reward to the shareholders of the Company.



STATEMENT TO SHAREHOLDERS

(CONT'D)

8. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK (CONT'D)

8.2 Potential Disadvantages

The potential disadvantages of the Proposed Share Buy-Back to the Company and its shareholders, if implemented, are as follows:-

- (a) the Proposed Share Buy-Back will reduce the financial resources of the Group and may result in the Group foregoing other better investment opportunities that may emerge in the future;
- (b) if the Company decides to utilise bank borrowings to finance the Proposed Share Buy-Back, the cash flow of the Company may be affected to the extent of the interest costs associated with such borrowings;
- (c) as the funds to be allocated for the Proposed Share Buy-Back must be made wholly out of the retained profits of the Company, it will result in a reduction of the amount of retained profits available for distribution of dividends to the shareholders of the Company in the immediate future; and
- (d) the Proposed Renewal may reduce the consolidated net assets of the Company if the purchase price of JADI Shares is higher than the consolidated net assets of the Company at the time of purchase.

Nevertheless, any Proposed Share Buy-Back to be undertaken pursuant to the approval obtained on the Proposed Renewal of Share Buy-Back Mandate is not expected to have any potential material disadvantages to the Company and its shareholders, as the Company would purchase JADI Shares only after the Board has given due consideration to its potential impact on the Company's earnings and financial position, which need to be balanced against investment opportunities and other proposals that can enhance the value to its shareholders and the Board is of the opinion that it would be in the best interest of the Company and its shareholders to do so.

9. TREATMENT OF SHARES PURCHASED

In accordance with Section 127(4) of the Act, the Board may, at their discretion, deal with the Purchased Shares until all the Purchased Shares have been dealt with in the following manner:-

- (a) to cancel the shares so purchased; or
- (b) to retain the shares so purchased in treasury to be resold on Bursa Securities if the opportunity arises for the Company to realise gains from the resale; or to be distributed to shareholders as share dividends to reward the shareholders of the Company; or
- (c) to retain part of the shares so purchased as treasury shares and cancel the remainder of the shares,

or in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

Based on Section 127(7) of the Act, where such Purchased Shares are held as treasury shares, the Board may at their discretion:-

- (i) distribute all or part of the treasury shares as dividends to our shareholders, such dividends to be known as "shares dividends";
- (ii) resell all or part of the treasury shares in accordance with the MMLR;
- (iii) transfer all or part of the treasury shares for the purposes of or under an employees' share scheme established by the Company and/or its' subsidiaries;
- (iv) transfer all or part of the treasury shares as purchase consideration;
- (v) cancel all or part of the treasury shares;
- (vi) sell, transfer or otherwise use the Shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (vii) deal with the treasury shares in the manners as allowed by the Act, MMLR, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities from the time being in force.



STATEMENT TO SHAREHOLDERS

(CONT'D)

9. TREATMENT OF SHARES PURCHASED (CONT'D)

While the Purchased Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares, or of a class of shares in the Company for any purpose including, without limiting the generality of the provision of Section 127 of the Act, the provision of any law or the requirements of the Company's Constitution or the MMLR on substantial shareholdings, take-overs, notices, requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

An immediate announcement will be made to Bursa Securities in respect of the intention of the Board on the treatments of the Purchased Shares, i.e. notification of purchase, resale or transfer or cancellation of the Purchased Shares as per the MMLR.

As at the date of this Statement, the Board has yet to make any decision with regards to the treatment of the Shares so purchased in the future.

Where the Directors resolve to cancel the Shares so purchased or cancel any treasury shares, the number of the Company's issued shares shall be diminished by the cancellation of the Shares so cancelled. It is pertinent to note that the cancellation of Shares made pursuant to Section 127(15) of the Act shall not be deemed to be a reduction in share capital.

10. FINANCIAL EFFECTS

The financial effects of the Proposed Share Buy-Back on the share capital, net assets ("NA"), earnings, working capital, dividends and shareholdings of Directors and Substantial Shareholders of the Company or the Group are set out below:-

10.1 Share Capital

The effect of the Proposed Share Buy-Back on the issued share capital of the Company will depend on whether the Purchased JADI Shares are cancelled or retained as treasury shares. The Proposed Share Buy-Back will result in a reduction of the issued share capital of the Company if the Purchased JADI Shares are cancelled.

Based on the Company's issued share capital as at LPD, the effect of the Proposed Share Buy-Back if carried out in full, assuming that all the Purchased JADI Shares will be cancelled are as follows:-

	No. of Shares as at LPD
Total number of issued shares of JADI as at LPD	1,399,401,123
<i>Less:</i>	
Treasury shares	(119,672)
Assuming all the Purchased Shares pursuant to the Proposed Share Buy-Back are cancelled	(139,820,440)
	(139,940,112)
Reduced number of issued shares upon completion of the Proposed Share Buy-Back	1,259,461,011

The Proposed Share Buy-Back will have no effect on the issued share capital of JADI, if all the Purchased JADI Shares are to be retained as treasury shares, resold or distributed as dividend to the shareholders. Nevertheless, certain rights attached to the Purchased Shares are suspended while they are held as treasury shares.



STATEMENT TO SHAREHOLDERS

(CONT'D)

10. FINANCIAL EFFECTS (CONT'D)

10.2 Earnings

The effects of the Proposed Share Buy-Back on the earnings of JADI and its subsidiaries (“JADI Group”) would depend on the purchase price(s) and the number of JADI Shares purchased, the effective cost of funding to finance such purchases and/or loss in interest income if internally generated funds are utilised.

Further, if the Purchased Shares are retained as treasury shares or cancelled subsequently, the effective reduction in the number of shares being taken into account for the purpose of EPS computation of the Company will, generally, with all else being equal, have a positive impact on the consolidated EPS of JADI Group.

10.3 Net Assets

The effect of the Proposed Share Buy-Back on the NA of JADI Group is dependent on the number of Purchased Shares, the purchase price(s) of JADI shares, the effective cost of funding and the treatment of the shares purchased.

When the Company purchases its own Shares, regardless of whether they are retained as treasury shares or subsequently cancelled, the NA per share will decrease if the cost per share purchased is more than NA per share at the time of purchase. However, if the cost per share purchased is less than the NA per share at the time of purchase, the NA per share will increase.

In the case where the Purchased JADI Shares treated as treasury shares and subsequently resold on the stock market of Bursa Securities, the NA per share upon resale will increase if the Company realises a capital gain from the resale and vice versa. If the treasury shares are distributed as share dividends, the NA of JADI Group will decrease by the cost of the treasury shares at the time of purchase.

10.4 Working Capital

The Proposed Share Buy-Back, as and when implemented, will result in an outflow of cash and thereby reduce the working capital and cash flow of JADI Group to the quantum, which will depend on amongst others, the purchase price(s) of JADI Shares and the number of JADI Shares purchased.

Nevertheless, for JADI Shares so purchased and kept as treasury shares, upon its resale at higher selling price than initial purchase price, the working capital and the cash flow of JADI Group will increase. The quantum of the increase in the working capital and cash flow will depend on the actual selling price(s) of the treasury shares and the number of treasury shares resold.

10.5 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the policy of the Board in recommending dividends, if any, to shareholders of JADI. However, any future dividend to be declared and paid will depend on, amongst others, the actual results and profit of JADI Group, its cash reserves, cash flow, capital commitment and future funding requirements.

The Board may distribute future dividends in the form of the treasury shares purchased pursuant to the Proposed Share Buy-Back.

STATEMENT TO SHAREHOLDERS

(CONT'D)

11. SHAREHOLDINGS OF DIRECTORS AND MAJOR/SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders of JADI as at LPD, assuming that the Proposed Share Buy-Back is implemented up to the maximum of ten per centum (10%) of the total number of issued shares of the Company and that the Purchased Shares are from the shareholders other than the Directors and Major/Substantial Shareholders of JADI, the effect of the Proposed Share Buy-Back on the shareholdings of the Directors and Major/Substantial Shareholders of JADI are set out below:-

(a) Directors of JADI

Name of Directors	Number of Shares held as at LPD				After the Proposed Share Buy-Back#			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ong Gim Hai	-	-	-	-	-	-	-	-
Leow Wey Seng	-	-	-	-	-	-	-	-
Ling Chi Hoong	-	-	-	-	-	-	-	-
Dai ShuChun	-	-	-	-	-	-	-	-
Tan Su Ning	-	-	-	-	-	-	-	-

(b) Major/Substantial Shareholders of JADI

Name of Major/ Substantial Shareholders	Number of Shares held as at [LPD]				After the Proposed Share Buy-Back#			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
XOX (Hong Kong) Limited	302,292,700	21.60	-	-	302,292,700	24.00	-	-
XOX Bhd	-	-	302,292,700 ⁽¹⁾	21.60	-	-	302,292,700 ⁽¹⁾	24.00
Static Control Holdings Limited	94,170,040	6.73	-	-	94,170,040	7.48	-	-
Ninestar Corporation	-	-	94,170,040 ⁽²⁾	6.73	-	-	94,170,040 ⁽²⁾	7.48
Zhuhai Hengxinfengye Technology Co., Ltd	-	-	94,170,040 ⁽²⁾	6.73	-	-	94,170,040 ⁽²⁾	7.48
Zhuhai Seine Technology Co., Ltd	-	-	94,170,040 ⁽²⁾	6.73	-	-	94,170,040 ⁽²⁾	7.48

Notes:-

Assuming the Proposed Share Buy-Back is implemented in full, i.e. up to 10% of the total number of issued shares of the Company (139,940,112 Shares) are held as treasury shares and that the Directors' shareholding in JADI remain unchanged.

⁽¹⁾ Deemed interest by virtue of Section 8(4) of the Act via its shareholding in XOX (Hong Kong) Limited.

⁽²⁾ Deemed interest by virtue of Section 8(4) of the Act via its shareholding in Static Control Holdings Limited.



STATEMENT TO SHAREHOLDERS

(CONT'D)

12. PUBLIC SHAREHOLDING SPREAD

As at LPD, the public shareholding spread of the Company was 71.67%. The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase to the extent that at least 25% of the total number of issued share of JADI is held in the hands of public shareholders at all times, in compliance with 25% public shareholding spread as required under Paragraph 8.02(1) of the MMLR of Bursa Securities.

The Board will endeavour to ensure that the Company complies with the public shareholding spread requirements at all times and shall not buy back the Company's Shares if the purchase would result in the public shareholding spread falling below 25% of its total number of issued shares.

13. IMPLICATION OF THE CODE

If any one of the Directors, Major/Substantial Shareholders and/or their respective parties acting in concert with them, as a result of the Proposed Share Buy-Back:-

- (a) obtains control in the Company (which is the holding of, or entitlement to exercise or control the exercise of, more than 33% of the voting shares or voting rights of the Company); or
- (b) increases his/their existing shareholdings of the Company (which is more than 33% but not more than 50% of the voting shares or voting rights of the Company) by more than 2% in any six (6) months period,

the affected Director, Major/Substantial Shareholder and/or parties acting in concert with them ("Affected Person(s)") would be obliged to undertake a mandatory offer for the remainder JADI Shares not already owned by them pursuant to the Code. However, a waiver to undertake a mandatory offer may be granted by the Securities Commission Malaysia ("SC") under Paragraph 24 of Practice Note 9 of the Code upon application by the Affected Person(s) before triggering the mandatory offer and subject to the affected Director, Major/Substantial Shareholder and/or parties acting in concert with them complying with certain conditions.

The Board is aware of the implications of the Code and will be mindful of such implications when making any purchase of JADI Shares pursuant to the Proposed Share Buy-Back.

However, in the event an obligation to undertake a mandatory offer is expected to arise with respect to any party or parties resulting from the Proposed Share Buy-Back, which is an action outside its direct participation, the relevant parties will make necessary application to the SC for an exemption from undertaking a mandatory offer pursuant to the Code prior to any buy-back of the Shares.

14. PURCHASE OF JADI SHARES, RESALE, TRANSFER AND/OR CANCELLATION OF TREASURY SHARES IN THE PRECEDING TWELVE (12) MONTHS

There have not been any purchases of JADI Shares nor resale, transfer and/or cancellation of treasury shares of the Company in the previous twelve (12) months preceding the date of this Statement. As at the date of this Statement, the Company holds 119,672 treasury shares.



STATEMENT TO SHAREHOLDERS

(CONT'D)

15. MARKET PRICE OF THE COMPANY'S SHARES

The following table sets out the monthly highest and lowest prices of JADI Shares traded on the stock market of Bursa Securities for the preceding twelve (12) months from July 2023 up to June 2024:-

Month	Highest (RM)	Lowest (RM)	Month	Highest (RM)	Lowest (RM)
2023:			2024:		
July	0.039	0.022	January	0.070	0.050
August	0.065	0.026	February	0.060	0.050
September	0.080	0.050	March	0.060	0.050
October	0.080	0.065	April	0.055	0.035
November	0.070	0.055	May	0.050	0.040
December	0.070	0.055	June	0.060	0.040

The last transacted market price of JADI Shares on 19 July 2024, being the LPD before printing this Statement was RM0.050 per share.

(Source: Investing.com)

16. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Renewal of Share Buy-Back Mandate stated above, is of the opinion that the Proposed Renewal of Share Buy-Back Mandate is fair, reasonable and in the best interest of the Company and accordingly, recommend that the shareholders of JADI vote in favour of the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Mandate to be tabled at the Company's forthcoming 23rd AGM.

17. FURTHER INFORMATION**17.1 Directors' Responsibility Statement**

The contents of this Statement has been reviewed and approved by the Directors of JADI and they collectively and individually accept full responsibility for the accuracy of the information given in this Statement and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which, would make any statement herein misleading.

17.2 Documents Available for Inspection

Copies of the following documents are available for inspection by members of the Company at the Registered Office of the Company at No. 1, Jalan Peguam U1/25A, Section U1, Hicom-Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (excluding Public Holidays) from the date of this Statement up to and including the date of the forthcoming 23rd AGM:-

- (a) the Constitution of JADI; and
- (b) the audited consolidated financial statements of JADI for the past two (2) financial years ended 31 March 2023 and 31 March 2024.

There is no other information concerning the Proposed Renewal of Share Buy-Back Mandate that shareholders and other professional advisers would reasonably require and expect to find in the Statement for the purpose of making an informed assessment as to the merits of approving the Proposed Renewal of Share Buy-Back Mandate and the extent of the risks involved in doing so.



SUSTAINABILITY STATEMENT

Jadi Imaging Holdings Berhad (the “Company”) Group (the “Group”) is pleased to present our Sustainability Statement for the financial year ended 31 March 2024 (the “Statement”). The Group is principally involved in the development, formulation, and manufacturing of toners for laser printers, photocopiers, facsimile machines, and multi-function office equipment.

The Group recognises the importance of being committed to create long-term sustainable value for all stakeholders. Sustainability has become a significant factor contributing to business growth and competitiveness internationally. We therefore strive to look after the interests of our key stakeholders – including investors, shareholders, customers, suppliers, employees, regulatory authorities, Auditors, the communities, etc. In this regard, the Group is committed to integrating environmental, corporate social responsibility practices and good governance into its daily operational activities while pursuing its corporate goals.

SCOPE AND BASIS OF SCOPE

The Sustainability Statement covers the Group’s sustainability performance and accomplishments, covering the financial period from 1 April 2023 to 31 March 2024 of the Company and its subsidiaries, excluding the subsidiary, Zhuhai Jadi Imaging Technologies Co, Ltd, which had been disposed of during the current financial year.

REPORTING FRAMEWORKS AND STANDARDS

This Sustainability Statement is prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Sustainability Reporting Guide (3rd Edition) and Toolkits issued by Bursa Securities. In addition, we have also made reference to the United Nations’ Sustainable Development Goals (“UN SDGs”) for the development of the Group’s sustainability strategies.

STATEMENT OF ASSURANCE

This Sustainability Statement has not been subjected to an assurance process.

FEEDBACK

Feedback from stakeholders is invaluable for our on-going improvements on our sustainability performance and reporting standards. As such, we welcome all feedback and suggestions for improvement to this Statement and the issues covered to us via email at elainechan_accts@jadi.com.my.

SUSTAINABILITY GOVERNANCE STRUCTURE

The sustainability governance structure provides oversight over key sustainability principles across the Group’s operations. The Board of Directors is ultimately responsible for the Group’s strategic direction on sustainability while being supported by the Sustainability Working Group and various Head of Department. The Board of Directors in formulating the strategic direction, is guided by a sustainability framework based on economic, environmental, social and governance considerations.

The Sustainability Working Group, which comprised of certain Senior Management and Middle Management, provides stewardship on the Group’s identified sustainability initiatives, policies, programmes and strategies, reviews progress on key initiatives and key sustainability challenges affecting the Group.

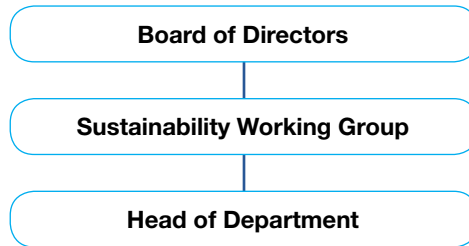
Head of Department, in providing support to the Sustainability Working Group, are responsible for the day-to-day implementation of sustainability initiatives and plans.



SUSTAINABILITY STATEMENT

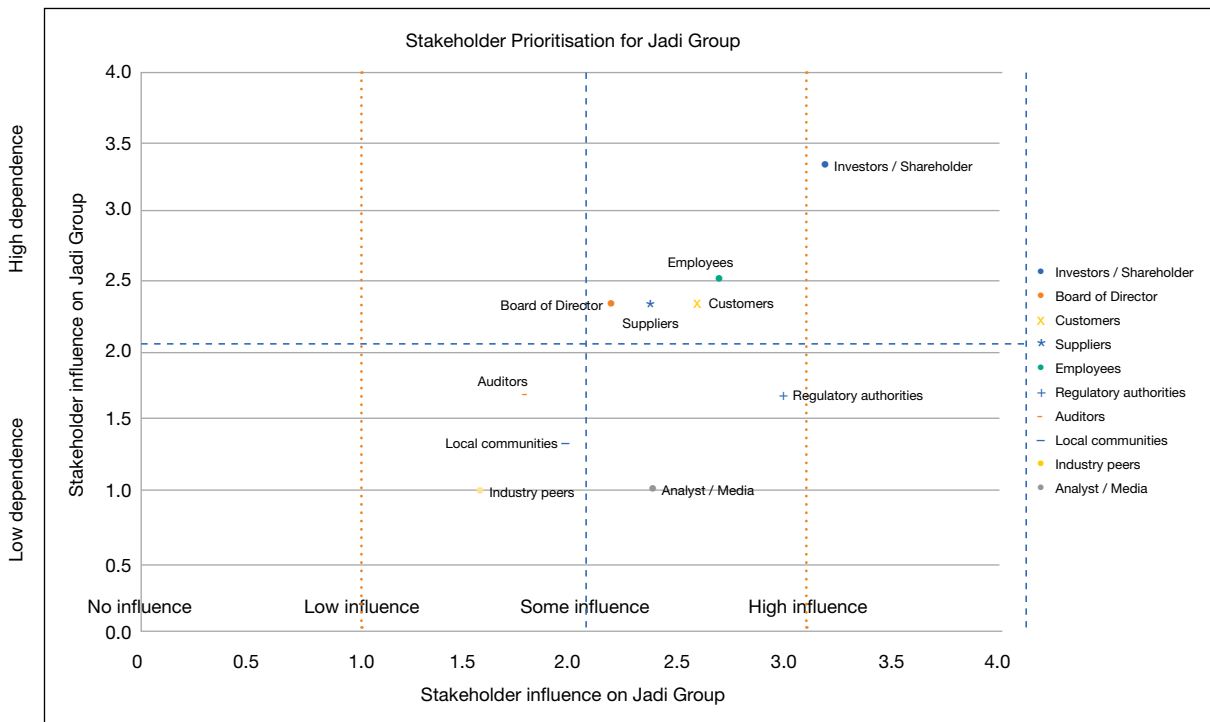
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SUSTAINABILITY GOVERNANCE STRUCTURE (CONT'D)



STAKEHOLDER ENGAGEMENT

An effective stakeholder engagement is crucial to enable us to understand our stakeholders' needs and identify material matters that are important to the stakeholders in our business operations. The Group has conducted different channels of engagement to collate valuable feedback from our stakeholders regarding their interests and concerns. We have identified and prioritised our stakeholders based on their level of influence to the Group and the Group's impact on them. Our key stakeholders are Investors / Shareholders, Board of Directors, Customers, Suppliers, Employees, Regulatory Authorities, Auditors, Local Communities, Industry Peers and Analyst / Media.





SUSTAINABILITY STATEMENT

(CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

We continuously engage with our stakeholders via different channels as set below:

Key stakeholders	Engagement method	Areas of interest	How we address these areas
Investors/ Shareholders	<ul style="list-style-type: none"> Annual general meetings Annual reports, quarterly reports & announcements 	<ul style="list-style-type: none"> Company performance & growth Dividend & share performance Sustainability 	<ul style="list-style-type: none"> Economic sustainability Corporate governance and ethics
Board of Directors	<ul style="list-style-type: none"> Board meetings Company organised events Annual general meetings 	<ul style="list-style-type: none"> Corporate governance Company strategy & direction 	<ul style="list-style-type: none"> Economic sustainability Corporate governance and ethics
Customers	<ul style="list-style-type: none"> Regular visits & meetings Customer feedback forms Exhibitions & trade fairs 	<ul style="list-style-type: none"> Product quality On time delivery Stock availability Production capacity Affordability Customer relations management Data privacy 	<ul style="list-style-type: none"> Quality of product and services Customer satisfaction Data privacy and security
Suppliers	<ul style="list-style-type: none"> Regular meetings Supplier evaluation audit 	<ul style="list-style-type: none"> Maintaining partnership Procurement practices Term of payments 	<ul style="list-style-type: none"> Economic sustainability Supply chain management Corporate governance and ethics
Employees	<ul style="list-style-type: none"> Policies & procedures Employee performance appraisals Meetings & briefings Company organised events 	<ul style="list-style-type: none"> Remuneration & benefits Occupational health & safety Career development & opportunities 	<ul style="list-style-type: none"> Diversity Health and safety Training and development
Regulatory authorities	<ul style="list-style-type: none"> Statutory submissions Meetings 	<ul style="list-style-type: none"> Environmental & safety compliance 	<ul style="list-style-type: none"> Environmental management
Auditors	<ul style="list-style-type: none"> Annual audit/periodic reviews 	<ul style="list-style-type: none"> Operational & quality assurance practices 	<ul style="list-style-type: none"> Corporate governance and ethics
Local communities	<ul style="list-style-type: none"> Online platforms (eg. social media & online applications) 	<ul style="list-style-type: none"> Job opportunities for local communities Social and environmental concerns 	<ul style="list-style-type: none"> Environmental management Social responsibilities



SUSTAINABILITY STATEMENT

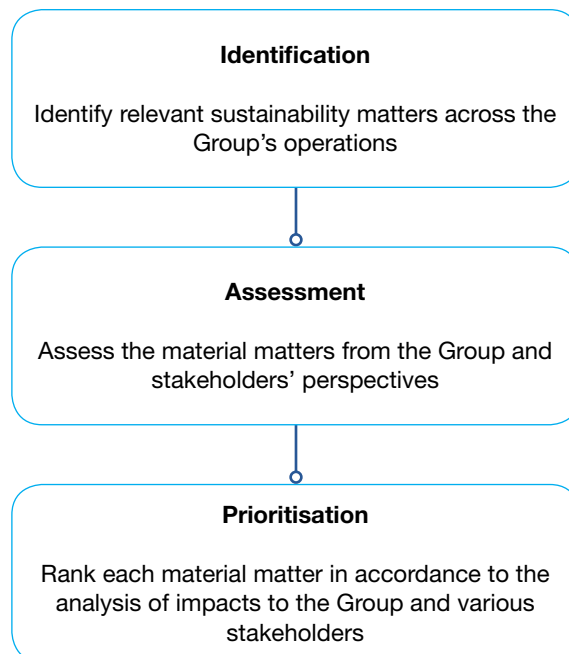
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STAKEHOLDER ENGAGEMENT (CONT'D)

Key stakeholders	Engagement method	Areas of interest	How we address these areas
Industry peers	<ul style="list-style-type: none"> Exhibitions & trade fairs Collaborations 	<ul style="list-style-type: none"> Market trend 	<ul style="list-style-type: none"> Economic sustainability
Analyst/Media	<ul style="list-style-type: none"> Interviews Annual general meetings 	<ul style="list-style-type: none"> Industry outlook Financial performance 	<ul style="list-style-type: none"> Economic sustainability Corporate governance and ethics

MATERIALITY ASSESSMENT AND MATERIAL SUSTAINABILITY MATTERS

The Group has conducted materiality assessment to assess and identify the economic, environment, social and governance issues which are material to the Group and its stakeholders. With insights gained from our stakeholders, we have undertaken a three-step approach to conduct our materiality assessment, as follows:





SUSTAINABILITY STATEMENT

(CONT'D)

MATERIALITY ASSESSMENT AND MATERIAL SUSTAINABILITY MATTERS (CONT'D)

The identified material sustainability matters are tabulated in the Materiality Matrix below:

Materiality Matrix		
Influence on Stakeholder Assessments and Decisions	High	<ul style="list-style-type: none"> • Economic sustainability • Quality of product and services • Customer satisfaction • Supply chain management • Health and safety
		<ul style="list-style-type: none"> • Diversity and labour practices • Environmental management • Training and development • Corporate governance and ethics • Data privacy and security
	Low	<ul style="list-style-type: none"> • Social responsibility
Significance of Group's Economic, Environment, Social and Governance Impacts		High

SUSTAINABILITY FRAMEWORK

The Group's sustainability framework aspires to create value for its stakeholders, while upholding transparency and accountability, reduce our environmental impact as well as contribute positively to the local communities where we operate. In line with this, the key material sustainability matters of the Group's sustainability framework identified as depicted below, are determined based on a review of current and anticipated future requirements which we have also mapped with the UN SDGs.



SUSTAINABILITY STATEMENT

(CONT'D)

SUSTAINABILITY FRAMEWORK (CONT'D)

Sustainability Pillars	Material Matters	UN SDGs
Economic	<ul style="list-style-type: none"> Economic sustainability Quality of product and services Customer satisfaction Supply chain management 	
Environmental	<ul style="list-style-type: none"> Environmental management 	
Social	<ul style="list-style-type: none"> Health and safety Training and development Diversity and labour practices Social responsibility 	
Governance	<ul style="list-style-type: none"> Corporate governance and ethics Data privacy and security 	

Economic

Economic Sustainability

Being in an extremely challenging landscape due to the ever-changing consumer behaviour, the Group believes that actively sharing its views and exchanging ideas with customers and industry peers are essential in keeping abreast with latest market developments. This enables us to create values to all our stakeholders; enhancing value for our shareholders, creating development opportunities for our employees and contributing to our local communities surrounding us.

While financial year ended 31 March 2024 is a challenging year to the Group, the Group strives to take a proactive stance in identifying and capturing opportunities to enhance its product offerings, seek out more cost-effective alternative materials to reduce the cost of toner formulations and implement lean management process across the manufacturing activities in our pursuit to achieve long-term economic sustainability.

Customer Satisfaction

Customer satisfaction are key factors in achieving long-term success and sustaining our business. The Group valued the feedback from customers and has put customer satisfaction as one of our key sustainability matters. We continuously visit and communicate with our customers to ensure effective customer engagement to understand their needs and requirements. Besides face-to-face meeting, we also provide customers the venue via email or phone to lodge their feedback or complaints.

In addition, we carry out Customer Feedback Survey, mainly covering product quality satisfaction, after sales service, and timeliness of delivery. This is carried out on an annual basis to monitor the Group's performance and customers' satisfaction. Upon identifying the areas for improvement, we discuss internally on the potential solutions and improvements to address the comments/ratings from survey.



SUSTAINABILITY STATEMENT

(CONT'D)

Economic (Cont'd)

Quality of Product and Services

The Group recognised that there are various competitors and challenges in the market that we operate and one of the way to differentiate us from the rest is to continuously enhance the quality of our product and services.

Prompt actions are taken upon receipt of customer complaints. Our Quality Assurance & Control team will perform relevant tests and investigation to identify the root-cause of complaints received. Corrective actions will then be taken to resolve customer issues immediately. Besides that, preventive measures are also instituted to prevent future recurrence and improve customer satisfaction.

Certain operations of the Group are ISO 9001:2015 certified. With this certification, the Group is committed to continuously take steps to comply with product requirements and improve the effectiveness of its quality management system while ensuring consistently meet the expectations of our customers.

Supply Chain Management

Effective and sustainable supply chain management is critical to ensure a smooth and uninterrupted business operations. The Group is dedicated to promoting responsible procurement practices and enhancing our procurement cycle. We firmly believe in achieving responsible sourcing by building strong and resilient partnership with suppliers to protect our reputation, product quality and customers interest, as well as to mitigate risk and issues linked to raw materials and product supply chain. We are committed to acquire quality supplies at fair and competitive prices.

While we strive to source more raw materials and products locally, imported purchases for financial year ended 31 March 2024 stands at 48% as compared to local purchases at 52%, due mainly to price consideration and limited range of upstream supplies locally for certain items to meet our product requirements. We are committed to prioritising local supplies and this aligns with the UN SDGs Goal 8 (Decent Work and Economic Growth) and Goal 12 (Responsible Consumption and Production). By committed to local businesses, the Group contributes to job creation and poverty reduction, thereby advancing the empowerment and sustainable development of the of local communities.

Environment

Environmental Management

The Group recognises the vital role of managing waste, water and energy and air emission play in sustaining life and ecosystems. Being a global toner manufacturer, the Group is cautious in handling its products in a proper manner and in accordance with the relevant laws and regulations. The Group continuously looking out for ways to incorporate sustainability practices into the entire manufacturing and supply chain process. The Group consciously make concerted effort to promote awareness and commitment to contributing towards a greener environment, with the following initiatives:

Waste

We categorise our waste into two categories – scheduled waste and non-scheduled waste. Scheduled wastes which comprise of chemical wastes generated from the production of toner, thermal fluids and sludges are collected by third party contractor for disposal or treatment. Non-scheduled wastes are mainly made up of wood, plastic, scrap metal that are sent to recycling facilities for recovery and reuse. We are committed to proper waste management with storage, collection and reuse of recyclables.



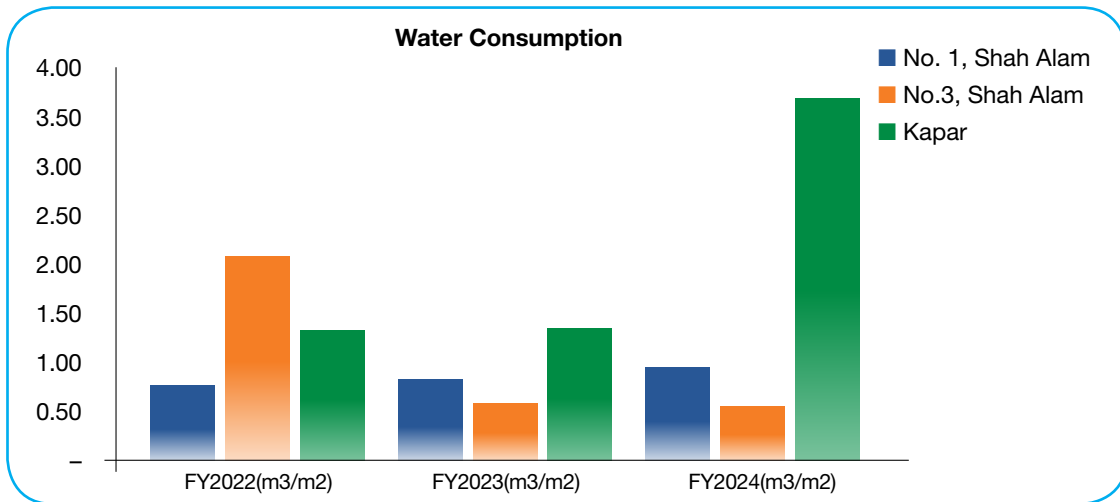
SUSTAINABILITY STATEMENT

(CONT'D)

Environment (Cont'd)

Environmental Management (Cont'd)

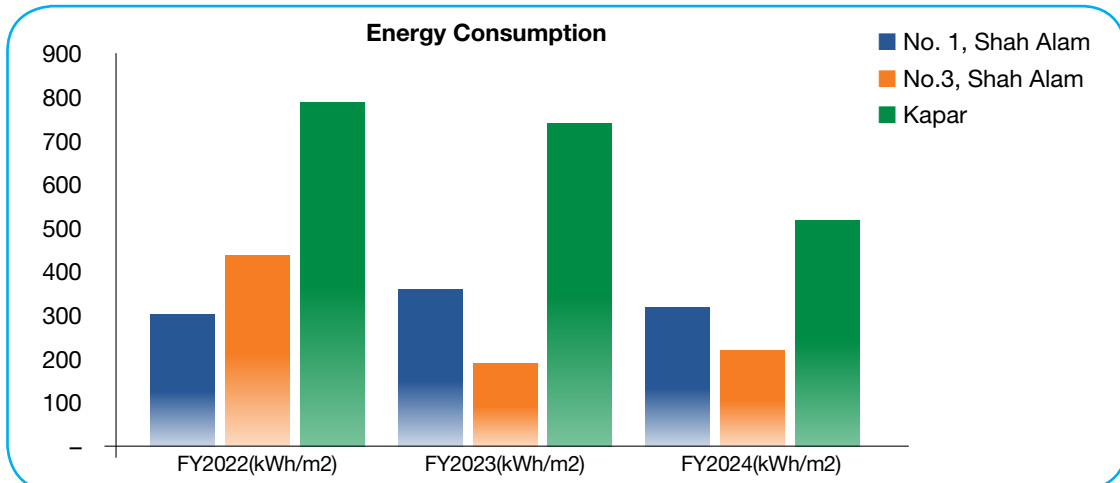
Water



We have consumed 48.63 megalitres of water in financial year ended 31 March 2024. Our water consumption primarily stems from production activities. The Group’s production activities in Jalan Kapar factory have increased over the years and thus contributed to the higher water usage in current financial year. We are committed to implementing water conservation initiatives and raising employee’s awareness on proper water management at all our premises. In addition, a waste water treatment plant is installed at Jalan Kapar factory and is operating around the clock to treat waste water generated by the Group’s water-based chemical toner plant.

Energy and Air Emissions

Energy management initiatives are in place to minimise electricity consumption, especially at our toner production lines and to mitigate possible increases in electricity tariff from time to time by our main electricity provider, Tenaga Nasional Berhad. Thermal insulation and clear roofs have been installed in parts of our largest factory located in Kapar to allow natural sunlight into the factory to reduce electricity consumption from lighting. We have also switched to LED lighting in certain areas of our factories to further reduce energy consumption. Lights and air-conditioning units are switched off when they are not required. Training is provided to employees to raise awareness on energy conservation. In financial year ended 31 March 2024, our total energy consumption was measured at 8,731.92 megawatts.





SUSTAINABILITY STATEMENT

(CONT'D)

Environment (Cont'd)

Environmental Management (Cont'd)

Energy and Air Emissions (cont'd)

Proper air filters are installed at the chimneys of all factories, to ensure that air emissions do not cause any adverse impact to the surrounding environment and community.

Social

Health and Safety

The health and safety of our employees working within our premises is the Group's top priority. The Group recognised that a healthy and safe workplace is fundamental to the success of our organisation and the overall satisfaction and productivity of our workforce. As part of our commitment to workplace healthy and safety environment, a Health, Safety and Environment ("HSE") Committee is tasked to oversee all occupational health and safety related matters, as well as environmental protection initiatives. Training on health and safety standards are conducted annually and 47 employees have attended such training during financial year ended 31 March 2024. Moving forward, we will continue to expand our training initiatives to further empower our employees with the latest health and safety information and skills.

In addition to trainings, physical audit and email reminder are sent out by our in-house HSE Officer to create awareness on health and safety among our employees. Fire drills are also held to ensure our employees are well prepared in the event of an emergency.

The Group is pleased to report that there are ZERO number of work-related fatalities and lost time incident rate in financial year ended 31 March 2024.

Training and Development

As the Group is growing in a fast-evolving market, the Group acknowledges the importance of investing in its employees. Both internal and external training programmes are organised to upgrade employees' skills and job knowledge, assisting them to work towards achieving their goals and aspirations. We continuously seek ways to develop our people and aligning our strategic goals in an ever-changing business environment. We provide our people with a range of learning opportunities in the following ways:

- On-the-job training; and
- Training and workshops on product knowledge, operation, quality and job specific skills.

The number of hours of training attended by each categories of employee during financial year ended 31 March 2024 are as follows:

Employee Category	No. of hrs
Senior Management	8
Middle Management	28
Executive	122
Non-Executive	342

Moving forward, the Group will continue to invest in relevant training programmes to ensure our workforce stays ahead in the ever-evolving business landscape.



SUSTAINABILITY STATEMENT

(CONT'D)

Social (Cont'd)

Diversity and Labour Practices

The Group understands that its employees are valuable to the success of its operations. The Group embraces diversity at workplace, in terms of age, gender, ethnicity and social background. By having a diverse workforce, the Group is able to tap into a pool of people from various backgrounds with different experiences and perspectives. This also enables the Group to increase its competitiveness by having the ability to generate creative solutions to market/customer problems.

We achieve diversity through policies and actions that are underpinned by both fairness and inclusiveness. All decisions regarding career advancement, recognition and rewards are approached in a fair and unbiased manner, strictly based on employees' performance and merit.

The following tables and chart provide a summary of our employee profile in regards to diversity:

Employees by gender for financial year ended 31 March 2024

Employee Category	Male	Female
Senior Management	100%	-
Middle Management	69%	31%
Executive	53%	47%
Non-Executive	92%	8%

Employees by age group for financial year ended 31 March 2024

Employee Category	Age < 30	Age 30 - 50	Age > 50
Senior Management	-	50%	50%
Middle Management	-	87%	13%
Executive	29%	65%	6%
Non-Executive	40%	56%	4%



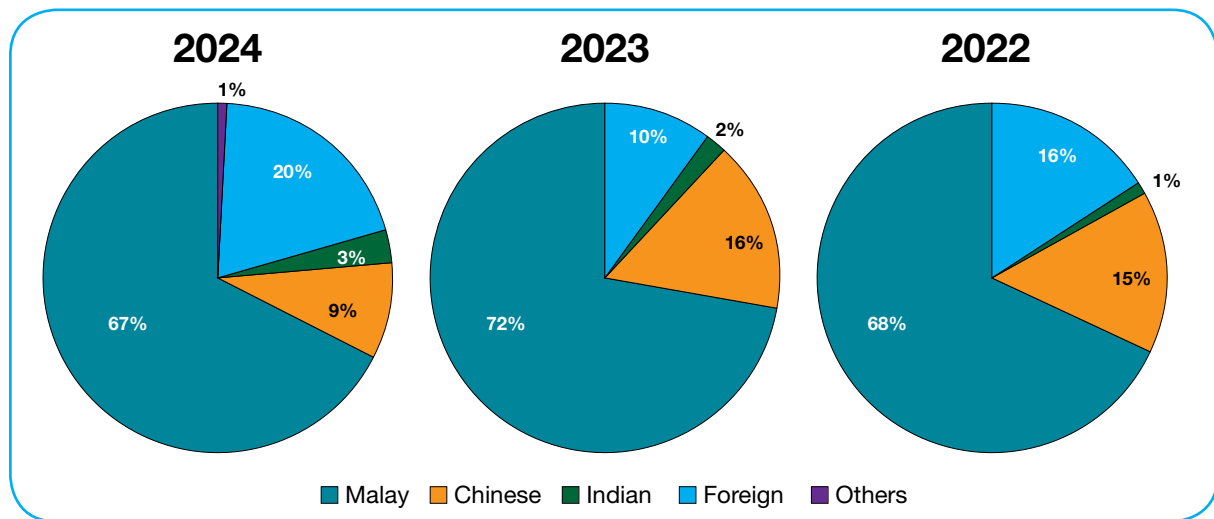
SUSTAINABILITY STATEMENT

(CONT'D)

Social (Cont'd)

Diversity and Labour Practices (cont'd)

Employees by ethnicity for financial years ended 31 March 2022, 2023 and 2024



Our Board of Directors has also led by example in championing diversity. 75% and 25% of our Directors are male and female, respectively and are all within the 30 to 50 years age group.

In addition to prioritising workforce diversity, we also place great importance on sustaining a healthy employee turnover rate to ensure our Group's operational stability. While we strive to create an environment that retains top talent, we acknowledge that turnover is a natural aspect of any dynamic workplace. In financial year ended 31 March 2024, as the Group begins to implement lean management process, the total number of employee turnover are 52, with turnover rates varying across employee categories as follows:

Employee Category	No. of Resignation
Senior Management	Nil
Middle Management	3
Executive	13
Non-Executive	36

As at 31 March 2024, we have a total of 24 employees working under contract basis with the Group, representing 27% of our workforce. These employees are mainly foreign workers in our manufacturing operation. The Group is committed in providing stable and long-term employment opportunities, fostering a sense of job security and continuity for our employees.

The Group takes allegations of human rights violation seriously. There are ZERO substantiated complaints concerning human rights violations being reported during current financial year.

Moving forward, the Group remains steadfast in our commitment to fostering a workplace that values diversity, encourage growth and upholds the high standards of labour practices.



SUSTAINABILITY STATEMENT

(CONT'D)

Social (Cont'd)

Social Responsibility

The Group recognises its responsibility to be a good corporate citizen in giving back to our surrounding communities. The Group has employed workers from local community surrounding its Kapar factory, as well as suitable candidates from East Coast of Peninsular Malaysia and East Malaysia. This has indirectly contributed to the development of community within the abovementioned areas. The Group continues to explore new business opportunities with local suppliers and contractors, eventually supporting the development of our local economy. The Group will also continue to identify and contribute to other corporate social activities as and when necessary.

Governance

Corporate Governance and Ethics

The Group is cognizant that a sound corporate governance, ethical conduct and compliance to regulations are foundation in protecting the interest of all stakeholders. This will not only increase the confidence level of investors, but also fundamental to maintaining an effective and transparent business operation.

The Directors and all employees are required to conform to the Code of Ethics and Conduct ("the Code") which define the ethical standards and conduct at work when discharging their respective duties and responsibilities. The Code includes the guiding principles of conduct on confidential information, misconducts, conflict of interest and several other principles of conduct to uphold the best governance practices.

The Code of Ethics and Conduct also facilitates a whistle-blowing function. Any employee is encouraged to whistle blow on any form of violation of the Code. The internal audit function which is appointed by the Audit Committee ("AC") will report independently to the AC.

The details of the Group's Code of Ethics and Conduct and Whistleblowing Policy are available for reference on the Group's website at www.jadi.com.my.

In addition, the Group has established an Anti-Bribery and Corruption Policy ("ABC Policy") to provide guidance to all employees including external parties whom have business dealings with the Group on matters involving bribery and corruption practices. Directors and employees are reminded to adhere to the ABC Policy via various forms of communication such as emails, meetings, discussions, etc. During financial year ended 31 March 2024, 50% of our senior management had attended training on anti-corruption. We target to conduct formal ABC Policy training to our employees and to conduct a formal assessment on the corruption-related risk on our operations in the next financial year. We are pleased to announce that there are no confirmed incidents of corruption being identified during the current financial year.

Data Privacy and Security

The Group recognises the significant importance of data privacy in maintaining our trust and integrity among our stakeholders. We are committed in safeguarding our stakeholders' personal data from any unauthorised access, misuse or breaches. We are committed to strengthen our information technology and cybersecurity measures within our operations and processes, and adopted role-base access control to limit our employees' access to stakeholders' data stored in our system.

The Group is pleased to report that we have received ZERO substantiated complains concerning breaches of customer privacy and losses of customer data for financial year ended 31 March 2024.

CONCLUSION

With various initiatives conducted, the Group is striving to achieve a sustainable balance between its commitments to customers, the needs of the community and requirements of other stakeholders in pursuing economic success.



SUSTAINABILITY STATEMENT

(CONT'D)

SUSTAINABILITY PERFORMANCE REPORT

Indicator	Measurement Unit	2024
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	52.00
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	48.630000
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	8,731.92
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	47
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	8
Middle Management	Hours	28
Executive	Hours	122
Non-Executive	Hours	342
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	27.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	0
Middle Management	Number	3
Executive	Number	13
Non-Executive	Number	36
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	50.00
Senior Management Above 50	Percentage	50.00
Middle Management Under 30	Percentage	0.00
Middle Management Between 30-50	Percentage	87.00
Middle Management Above 50	Percentage	13.00
Executive Under 30	Percentage	29.00
Executive Between 30-50	Percentage	65.00
Executive Above 50	Percentage	6.00
Non-Executive Under 30	Percentage	40.00
Non-Executive Between 30-50	Percentage	56.00
Non-Executive Above 50	Percentage	4.00
Gender Group by Employee Category		
Senior Management Male	Percentage	100.00
Senior Management Female	Percentage	0.00
Middle Management Male	Percentage	69.00
Middle Management Female	Percentage	31.00
Executive Male	Percentage	53.00
Executive Female	Percentage	47.00
Non-Executive Male	Percentage	92.00
Non-Executive Female	Percentage	8.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	75.00
Female	Percentage	25.00



SUSTAINABILITY STATEMENT

(CONT'D)

SUSTAINABILITY PERFORMANCE REPORT (CONT'D)

Indicator	Measurement Unit	2024
Under 30	Percentage	0.00
Between 30-50	Percentage	100.00
Above 50	Percentage	0.00
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	50.00
Middle Management	Percentage	0.00
Executive	Percentage	0.00
Non-Executive	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

Internal assurance External assurance No assurance

(*) Restated



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of JADI Imaging Holdings Berhad (“JADI” or “the Company”) recognises the importance of adopting corporate governance and is committed to ensuring that good corporate governance practices are applied throughout the Company and its subsidiaries (“the Group”) to protect and enhance shareholders’ value and safeguard the Group’s assets.

The Board is pleased to present and report on the manner the Group has adopted and applied the governance standards prescribed under the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), as well as the principles and recommended best practices as set out in the latest Malaysian Code on Corporate Governance (“MCCG”) and Corporate Governance Guide (4th edition) issued by Bursa Securities in this Corporate Governance Overview Statement.

This Corporate Governance Overview Statement is to be read together with the Corporate Governance Report (“CG Report”) 2024 of the Company consisting the detailed application of each practices set out in the MCCG by the Group during the financial year ended (“FYE”) 31 March 2024, based on the prescribed format as outlined in Paragraph 15.25 of the MMLR of Bursa Securities. The CG Report 2024 is available together with this Annual Report for reference on the Bursa Securities’ website and the Group’s website at www.jadi.com.my.

The Board is of the opinion that the Group has, in all material aspects, applied the principles and adopted the recommended best practices as set out in the MCCG for the FYE 31 March 2024, except for its departures on the following practices: -

Practices under MCCG	Description of Practices
Practice 1.2	A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.
Practice 1.3	The positions of Chairman and CEO are held by different individuals.
Practice 1.4	The Chairman of the board should not be a member of the Audit Committee, Nominating Committee or Remuneration Committee
Practice 4.4	Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.
Practice 5.6	In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.
Practice 5.9	The board comprises at least 30% women directors.
Practice 5.10	The board discloses in its annual report the company’s policy on gender diversity for the board and senior management.
Practice 7.1	The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company’s website.
Practice 8.2	The board discloses on a named basis the top five senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Explanations for these departures are further elaborated in the CG Report 2024.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS**1. Board Roles and Responsibilities**

The Board has established clearly defined roles and responsibilities to discharge its responsibilities in the best interests of the Group's shareholders and stakeholders. The Board sets the Group's strategic aims and ensure sufficient resources are in place to achieve these objectives. The Board assumes, amongst others, the following responsibilities:

- (a) Reviews and adopts the Group's overall strategic plans on economic, environmental and social considerations, major investments and funding requirements for the Group by conducting discussion with Executive Director;
- (b) Promotes good corporate governance culture within the Group;
- (c) Oversee and assess the conduct of the Group's business as well as Management's proposals and implementation. The Executive Director will explain to the Board on the current Group's business as and when questions are raised during the Board meetings;
- (d) Assess management performance to determine the Group's business is properly managed;
- (e) Identifies principal risks and ensure proper internal controls are implemented to manage these risks;
- (f) Ensure succession planning of senior management with right skill sets;
- (g) Oversee and ensure the policy for effective communication with shareholders are implemented;
- (h) Review and ensure the adequacy and integrity of the financial and non-financial management information and the internal controls system of the Group; and
- (i) Promotes sustainability to ensure long-term value creation.

The Board is responsible for the oversight and overall management of the Group, which includes reviewing and adopting strategic plans for the Group, as well as ensuring appropriate risk management and internal control systems are in place by regularly reviewing such systems to ensure their adequacy, integrity and effectiveness. Management of the Group, which is led by the Executive Director, is delegated to execute the strategies and business plans of the Group. Matters such as major capital expenditure, business acquisition and restructuring, corporate proposals and annual budget are reserved for the Board to make its decision.

The responsibilities of the Board, as well as the segregated roles and responsibilities of the Chairman, Independent Non-Executive Directors and Executive Directors of the Company are stipulated in the Board Charter. All the Independent Non-Executive Directors are independent of the Executive Director, Management and major shareholders of the Company, and are free from any business or other relationship with the Group that could materially interfere with the exercise of their independent judgement. This offers a strong check and balance on the Board's deliberations.

2. Key Responsibilities of Chairman

Chairman of the Group plays an important role in leading the Board to function and instilling good corporate governance practices. The responsibilities of the Chairman, amongst others, are as follows:

- (a) Leads an effective corporate governance system;
- (b) Lead the Board and ensure the Board perform its responsibilities effectively. Ensure Board decisions are made in the best interest of the Group;
- (c) Ensure the efficient organisation and conduct of the Board's function and meetings;
- (d) Encourage active participation amongst the Board members to ensure effective contribution of all Directors at the Board's meeting; and
- (e) Takes appropriate steps to ensure effective communication with shareholders and stakeholders.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

3. Chairman and Chief Executive Officer ("CEO")

As at the date of this Statement, the Company has not appointed Chairman and CEO. The Board would endeavor to identify suitable candidate to be appointed as Chairman of the Company, whilst Mr Ong Gim Hai, the Executive Director of the Company shall assume the role and responsibilities of the Group CEO, amongst others, as follows:-

- (a) Develop and implement strategic direction for the Group;
- (b) Oversee heads of departments who are responsible for all functions contributing to the success of the Group;
- (c) Ensure efficiency and effectiveness of the operation of the Group; and
- (d) Assess business opportunities which are of potential benefit to the Group.

4. Qualified and Competent Company Secretaries

Company Secretaries play an advisory role to the Board, particularly with regards to the Company's adherence to its Constitution, its compliance with regulatory requirements, codes or guidance and legislations from time to time and update on new MMLR to the Board. It is important that a suitably qualified and competent Company Secretary is appointed according to the requirements outlined in the Companies Act 2016.

Company Secretaries ensure that deliberations at Board and Board Committee meetings are well documented and follow-up on matters arising are subsequently communicated to the relevant Management personnel for appropriate actions. A secured retrieval system which stores meeting papers, minutes of Board and Board Committees are properly maintained by them. They also constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through continuous training. Hence, supporting the Board by ensuring adherence to board policies and procedures, rules, relevant laws and best practices in corporate governance. The Company Secretaries also manage processes pertaining to general meetings and act as a focal point for stakeholders' communication and corporate governance.

The Board is satisfied with the service and support rendered by the Company Secretaries in discharging their functions. The Company Secretaries had and will continuously undertake professional development.

5. Access to Information and Independent Professional Advice

Scheduled Board meetings are structured with a pre-set agenda, taking into account the formal schedule of matters reserved for the Board's decision. Board meetings are carried out on a quarterly basis to review and approve the Group's financial results, with additional meetings held as and when urgent matters are required to be discussed and decided by the Board.

Notice of meetings is given in writing at least seven (7) days prior to the meeting. Board papers providing mainly information on the financial performance of the Group as well as minutes of meetings are also circulated approximately seven (7) days prior to the meeting or such other period as deemed appropriate by the Board, to provide sufficient time for the Directors to consider and deliberate on issues to be raised at the Board meetings. The Directors have full access to the senior management as well as the advice and services of the Company Secretaries, and they ensure that the Board proceedings are properly documented.

In addition, the Directors may also seek independent professional advice, at the Company's expense, if required, in furtherance of discharging their duties with adequate knowledge. The Directors may also consult with the other Board members prior to seeking any independent professional advice.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**6. Board Charter**

The Board Charter is a source of reference and primary induction literature, providing insights to prospective Board members and senior management. The Company has in place a Board Charter that sets out, among others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its Management and shareholders.

The Board Charter is structured to protect the best interests of shareholders and stakeholders by practicing a high level of good governance. The Board delegates to the Executive Director to oversee the business operation of the Group. The management of the Group is delegated to the senior management to execute the strategies and business plans of the Group.

Notwithstanding the above, the Board also delegates specific fiduciary duties and responsibilities to several Board Committees. The following principal Board Committees have been established to assist the Board in discharging its duties and oversight function effectively:-

- (a) Audit Committee
- (b) Nominating Committee
- (c) Remuneration Committee

The Terms of Reference of each Board Committee have been approved by the Board and, where applicable, comply with the recommendations of the MCCG. These Committees have the authority to examine particular issues and report to the Board with their recommendations, as well as acting on behalf of the Board within the authority as laid out in the Terms of Reference. Nonetheless, the ultimate responsibility for the final decision on such matters lies with the Board.

The roles and responsibilities of directors are also included in the Board Charter. The Board Charter will be reviewed and updated in accordance with the needs of the Group and in line with any new regulations that may have an impact on the discharge of the Board's responsibilities. The details of the Board Charter are available for reference on the Group's website at www.jadi.com.my.

7. Formalised Ethical Standards through Code of Ethics and Conduct and Whistleblowing Policy

The Board has formalised a Code of Ethics and Conduct ("the Code") to define the ethical standards and conduct at work, which the Directors and all employees of the Group are required to conform to when discharging their respective duties and responsibilities. The Code includes the guiding principles of conduct on confidential information, misconducts, conflict of interest and several other principles of conduct to uphold the best governance practices.

The Code also facilitates a whistle blowing function. Any employee is encouraged to whistle blow on any form of violation of the Code. The internal audit function which is appointed by the Audit Committee will report directly and independently to the Audit Committee on quarterly basis during the meeting, if any whistleblowing report is received.

The Code is reviewed regularly as and when it is deemed necessary by the Board. The summary of the Code forms part of the Board Charter and the details of the Code together with the Group's Whistleblowing Policy are available for reference on the Group's website www.jadi.com.my.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

8. Strategies Promoting Sustainability

In relation to sustainability, the Board understands the importance of striking the balance between shareholders' expectations and the needs and concerns of all other stakeholders. The Board is committed to ensuring that the Group's sustainability strategies and framework are continuously reviewed for effectiveness and adequacy. The Board also focuses on environmental sustainability of the Group's operations with emphasis on sustainable product design and the use of environmentally sound ingredients will be included as part of the criteria in any new product development.

The Board will take into consideration the three aspects in doing its business, i.e. environmental, social and governance ("ESG"). Managing and balancing ESG are essential to ensure long-term viability of the Group's business, in the interests of various stakeholders. The Group has established a formal sustainability framework and undertake material sustainability initiatives, setting the Group's sustainability strategies priorities and targets as outlined in the Company's Sustainability Statement presented on pages 20 to 33 of this Annual Report.

9. Board Composition and Diversity

The Company's current Board composition is as follows:-

Executive Director

Ong Gim Hai

Independent Non-Executive Directors

Leow Wei Seng

Ling Chi Hoong

Tan Su Ning

The Company is led and managed by an experienced Board, comprising members who have a wide range of experience in fields such as management, finance and law to effectively direct and supervise the Group's business activities and oversee the overall management of the Group. A brief profile of each Director is presented on pages 8 to 9 of this Annual Report.

9.1 Board Composition

As at FYE 31 March 2024, the Board has four (4) members, comprising one (1) Executive Director and three (3) Independent Non-Executive Directors. The composition of the Board is in compliance with Paragraph 15.02(1)(a) of the MMLR of Bursa Securities, which requires at least two (2) directors or one-third (1/3) of the Board members, whichever is the higher, to be Independent Directors. The Company has also fulfilled the best practice under the MCCG to have at least half of the Board members comprises a majority of independent directors.

All Board members participate fully in decisions on key issues involving the Group. The Executive Director is responsible for implementing the policies and decisions of the Board and managing the Group's day-to-day operations. The Executive Director also ensure that strategies are fully discussed and examined, taking into account the long-term interests of the various stakeholders including shareholders, employees, customers, suppliers and the various communities in which the Group conducts its business. Each Director nevertheless brings an independent judgment to bear on issues of strategy, performance, resources and standards of conduct.

The Board believes that the current Board composition is appropriate given the collective skills and experiences of the Directors, the Group's current size and nature of the Group's business. The Board will continue to monitor and review the Board's size and composition as may be needed.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**9. Board Composition and Diversity (Cont'd)****9.2 Board Diversity**

The Board is supportive of diversity in the Board's composition and Senior Management team. Appointment of members of the Board and Senior Management team are based on objective criteria, merit and also due regard for diversity in experience, skills set, age, gender and cultural background.

As at FYE 31 March 2024, the Board has one (1) female Independent Non-Executive Director, which accounts for 25% of the Board members. This is in compliance with Paragraph 15.02(1)(b) of the MMLR of Bursa Securities, which requires at least one (1) director is a woman. Although the Group has yet to have a Gender Diversity Policy, the Board is supportive of the recommended practice under the MCCG in promoting female's representation at the Board level, whereby a Board should comprise at least 30% women directors. The Board will take steps to include, where appropriate, women candidates as nominee during the nomination process of Board members. This is to form a balance mix of essential skills, experience and knowledge to ensure the capable management and leadership of the Group.

The Board is of the opinion that the Directors, with their diversified background and extensive experience, bring a wide range of technical skills and expertise to the Group and have contributed significantly towards performance monitoring, control as well as governance.

9.3 Tenure of Independent Directors

As recommended in the MCCG and provided in the Board Charter, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, the Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. If the Board intends to retain a Director as Independent Director after the latter has served a cumulative term of nine (9) years, the Board has to provide its justification and recommendation to the shareholders and seek for their approval at the Company's Annual General Meeting ("AGM") for the said re-appointment. If the Board continues to retain the Independent Director after the ninth year, the Board should seek annual shareholders' approval through a two-tier voting process.

As at the date of this Statement, all the Independent Non-Executive Directors' service tenure are within the nine (9) years term.

10. Appointment of Directors to the Board

The Nominating Committee and the Board members would review the Board composition and ensure its board diversity in terms of skills, knowledge, experience and gender; and mindful that it will contribute to better management and leadership to the Group. When potential candidates have been shortlisted, the Nominating Committee will assess and deliberate on their skills, knowledge, expertise and experience, independence and capability to discharge their responsibilities, before making recommendations to the Board for approval. In accordance with the Company's Constitution, all Board members who are appointed by the Board shall be subject to election by shareholders at the next AGM, and shall then be eligible for re-election.

In recruitment, the appointment of Director is undertaken by the Board as a whole, guided by formal recommendations from the Nominating Committee which received nomination of candidates from major shareholders and existing Directors of the Group. Nonetheless, the Nominating Committee and the Board do not solely rely on recommendations from major shareholders or existing Directors and would consider utilising independent sources such as directors' registry, recruitment agency or industry and professional associations to identify suitably qualified candidates when necessary.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**11. Board Committees**

The Board, in view of assisting the discharge of its stewardship role, has established Board Committees delegated with certain responsibilities as detailed below, as well as the authority to examine specific issues and operate within their respective Terms of Reference (“TOR”) as approved by the Board and report to the Board with their proceedings, deliberations and recommendations. The ultimate responsibility for decision making, however, lies with the Board.

(a) Audit Committee (“AC”)

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition, attendance for meetings and summary of work of activities of the AC are set out in the AC Report on pages 50 to 54 of this Annual Report. The TOR of AC is available for reference on the Company’s website at www.jadi.com.my.

(b) Nominating Committee (“NC”)

The NC comprises two (2) members, both of whom are Independent Non-Executive Directors.

NC has clearly defined written TOR approved by the Board and is responsible for nominating new nominees to the Board and assessing the performance of the Directors of the Group. The roles and responsibilities of the NC are set out in its TOR, which is available for reference on the Company’s website at www.jadi.com.my.

As of the date of this Statement, the composition of the NC is as follows:-

Designation	Name	Directorship
Chairman	Ling Chi Hoong	Independent Non-Executive Director
Member	Leow Wey Seng	Independent Non-Executive Director

The NC meets as and when is required. For the FYE 31 March 2024, the NC met once and the meeting was attended by all of its members.

During the financial year under review, the NC has undertaken the following activities:-

- (a) Reviewed, considered and recommended to the Board for approval, the re-election of Directors who retired in accordance with the Company’s Constitution;
- (b) Assessed the competence, experience, integrity and character of the newly appointed directors;
- (c) Reviewed and discussed succession planning of the Group;
- (d) Reviewed and recommended the revised NC’s TOR in compliance with the latest amendments to the MMLR and MCCG to the Board for approval; and
- (e) Assessed and evaluated the performance and effectiveness of the Board as a whole and individual Board member, taking into consideration directors’ time commitment and directors’ continuous training development.

All recommendations of the NC are subject to the approval of the Board.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**11. Board Committees (Cont'd)****(c) Remuneration Committee ("RC")**

The RC comprises three (3) Independent Non-Executive Directors, all of whom are Independent Non-Executive Directors.

The RC has been entrusted with the responsibility of determining, reviewing and proposing the remuneration of the Executive and Non-Executive Directors (including Non-Executive Chairman) and Senior Management of the Company to the Board on an on-going basis. The roles and responsibilities of the RC are set out in its TOR, which is available for reference on the Company's website at www.jadi.com.my.

As of the date of this Statement, the composition of the RC is as follows:-

Designation	Name	Directorship
Chairman	Leow Wey Seng	Independent Non-Executive Director
Member	Ling Chi Hoong	Independent Non-Executive Director
Member	Tan Su Ning	Independent Non-Executive Director

The RC meets as and when required. For the FYE 31 March 2024, the RC met once and the meeting was attended by all of its members.

The responsibility of RC is to recommend to the Board the remuneration framework for the remuneration packages of each Director. The remuneration of Directors is determined at levels which enable the Group to attract and retain the Directors with the relevant experience and expertise needed to assist in managing the Group effectively. In the case of Executive Directors of the Group, their remuneration is structured to link rewards to corporate and individual performance.

The Directors' fees and emolument benefits reviewed by the RC are subject to the endorsement of the Board and approval of the shareholders at the Company's AGM. The Board as a whole proposed the remuneration of the Non-Executive Directors. The Directors concerned who are shareholders will abstain from deliberation and voting in respect of his/her own individual remuneration at the AGM to approve their fees. The remuneration and entitlements of the Non-Executive Directors reflects the experience, expertise and level of responsibilities undertaken by the particular Non-Executive Director concerned.

During the financial year under review, the RC had reviewed the TOR of RC to ensure in compliance with the latest amendments to the MMLR and MCCG and proposed the same to the Board for approval. The RC and the Board had also reviewed the Directors' fees and emolument benefits for Executive and Non-Executive Directors to be approved by the shareholders at the forthcoming AGM.

All recommendations of the RC are subject to the approval of the Board.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**12. Annual Assessment of Directors**

A good size and balance of the Board composition ensures that no individual or group of individuals can dominate the Board's decision-making process. The Board, through the NC, have undertaken an annual assessment of the Board's effectiveness based on the composition, conduct, responsibilities of the Board and the Board Committees in accordance with the Board Charter and the respective Board Committees' TORs, as well as the independence of the Independent Directors. The evaluation forms adopted are based on the prescribed forms recommended by Bursa Securities and MCCG, covering Board's structure, operations, roles and responsibilities as a whole, assessment of individual director's input quality, time commitment, character, integrity, competency and experience.

The observations of the assessment indicated that the performance of the Board, the Board Committees and the individual Directors during the financial year under review had been satisfactory and effective in overall discharge of functions and duties.

Based on the assessment, taking into consideration the nature and the scope of JADI Group's operations and business requirements, the Board is satisfied with the current size and composition of the Board and Board Committees and opined that it is appropriate and well balanced with diversity of skill set, knowledge and experience which would facilitate effective decision-making. The Board is also satisfied with the level of independence demonstrated by the Independent Directors throughout the year and their abilities to exercise objective judgement and act in the best interest of the Company. The results of the individual Director's assessments had also supported the Board's decision to endorse the retiring Directors standing for re-election.

13. Board Meetings and Time Commitment

The Board meets at quarterly intervals to review the operations, financial performance, reports from the various Board Committees and other significant matters of the Group, with additional meetings held when urgent issues and important decisions are required to be taken between the scheduled meetings. Any Director who has a direct or deemed interest in the subject matter shall declare his interest at the meeting and abstain from deliberation and voting on the respective resolution. Additionally, where appropriate, the Board and/or Board Committees may also resolve and approve various matters by way of written resolutions.

The Board held five (5) meetings during the FYE 31 March 2024 and the attendance record of each Director at the Board meetings during their tenure of office is as follows :

Name and Designation of Directors	Total No. of Meetings attended during tenure of office
Ong Gim Hai Executive Director	5/5
Leow Wey Seng Independent Non-Executive Director	5/5
Ling Chi Hoong Independent Non-Executive Director	5/5
Tan Su Ning Independent Non-Executive Director	5/5



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**13. Board Meetings and Time Commitment (Cont'd)**

All Directors have complied with the minimum 50% attendance at Board meetings during the financial year as stipulated by the MMLR of Bursa Securities. The Directors' commitment, resources and time allocated to the Company are evident from the attendance record and the Board is satisfied with the level of time and commitment given by each Directors of the Company towards fulfilling their duties and responsibilities.

All Directors are expected to devote sufficient time to carry out its responsibility and are required to notify the Chairman of their intention of accepting new directorship in other public listed companies. The notification shall include an indication of time that will be spent on the new appointment. The Chairman has to also notify the Board if he has any new directorship or significant commitments outside the Group. Currently, all the Directors of the Company hold not more than five (5) directorships in public listed companies, which is in compliance with Paragraph 15.06 of the MMLR.

14. Directors' Training

The Directors are mindful of the importance of continuing training and education to enhance their skills and knowledge where relevant, as well as to keep abreast with the changing regulatory and corporate governance development. The Board, through the Nominating Committee will continuously evaluate and determine the training needs of each Director, particularly on relevant new law and regulations and essential practices for effective corporate governance and risk management, to enable the Directors to effectively discharge their duties.

The details of the seminars, conferences and/or training programmes attended by the current Board of Directors during the period are as follows:-

Name of Directors	Seminars/Conferences/Training/Programmes Attended	Date(s)
Ong Gim Hai	<ul style="list-style-type: none"> Anti-Bribery & Corruption – Awareness & Compliance 	27 February 2024
Leow Wey Seng	<ul style="list-style-type: none"> Embracing Sustainability: Navigating ESG Landscape Board Readiness: Building your online presence Highlights from Budget 2024 – in collaboration with PwC Malaysia Tax series with IRB: e invoicing guidelines – What you need to know Ethical obligations in practice Professional Ethics in Focus 	20 June 2023 21 June 2023 17 October 2023 30 October 2023 2 November 2023 18 December 2023
Ling Chi Hoong	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	8 – 9 November 2023
Tan Su Ning	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	4 – 5 March 2024



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

14. Directors' Training (Cont'd)

All Directors have completed the Mandatory Accreditation Programme (Part I) as prescribed by Bursa Securities. The Directors will continue to attend other relevant education and/or training programmes to keep abreast with latest developments and knowledge on a continuous basis in compliance with the MMLR of Bursa Securities.

The Board has also been regularly updated on recent developments in the areas of statutory and regulatory requirements as well as governance matters from the briefing by the External Auditors, the Internal Auditors and the Company Secretaries during the Board Committee and/or Board meetings, to enable the Directors to discharge their responsibilities effectively.

15. Directors' Remuneration

The Group does not have a formalised remuneration policies and procedures for Directors and Senior Management. The Board is guided by the present remuneration practices and procedures to determine or proposed their remuneration. The Board is mindful that fair remuneration is critical and has established RC to develop remuneration strategies that drive performance and provide levels of reward which reflect the performance of the Executive Director, Non-Executive Directors and Senior Management personnel.

The remuneration for Executive Director and Senior Management consists of basic salary and other emoluments and it is based on the achievements and contribution of each person measured against their respective Key Performance Indicators. The Board shall determine the remuneration of Executive Director and Senior Management taking into consideration the recommendations of the RC.

The Non-Executive Directors will receive a fixed base Directors' fee, not by a commission or on percentage of profits/turnover, as consideration for their expected roles and responsibilities, including any additional work and contributions required to discharge their duties as a Board member. The proposed aggregate amount of Directors' fees to be paid to Non-Executive Directors is not linked to their individual performance and it is subject to the approval of the shareholders at a General Meeting.

The Company will seek the shareholders' approval at the forthcoming Twenty-Third ("23rd") AGM for Directors' fees and benefits payable to the Directors for the period from the 23rd AGM until the next AGM of the Company in 2025. This is to facilitate the payment of the Directors' fees and benefits on a monthly basis and/or as and when incurred and shall be applicable to the subsequent financial year thereon.

Details of the Directors' Remuneration of the Directors who served the Company during the FYE 31 March 2024 are as disclosed in Practice 8.1 of the CG Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**16. Disclosure on Remuneration of Key Senior Management**

In determining the remuneration packages of the Group's Key Senior Management personnel, factors that were taken into consideration included their individual responsibilities, skills, expertise and contributions to the Group's performance and whether the remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain executive talents.

The Company believes it may not be in its best interest to disclose the top five (5) Key Senior Management personnel's remuneration components including salary, bonus, benefits-in-kind and other emoluments in the bands of RM50,000 on named basis in accordance with the recommendation of Practice 8.2 of the MCGG, having considered the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Group's business activities.

The aggregate remuneration paid to the Key Senior Management was RM147,600, representing 2% the total employees' remuneration of the Group, in commensurate with their performance and responsibilities. The Company believes that such disclosure would still allow stakeholders to have a fair view of the remuneration paid as it is linked to the Group's performance.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**1. Effective and Independent Audit Committee**

The AC comprises three (3) Independent Non-Executive Directors. The Chairman of the AC is Mr Leow Wey Seng, an Independent Non-Executive Director, who is not the Chairman of the Board, so as not to impair the objectivity of the Board's view of the AC's findings and recommendation.

The current composition of the AC fulfills the requirement set out under Paragraph 15.09 of the MMLR of Bursa Securities, which stipulates the necessary skills and experiences required to be a member of the AC, with all the AC members possessing the necessary financial, commercial expertise and capital markets skills, experience required to meet their responsibilities. On an on-going basis, the AC members will undertake continuous professional training and development, to keep themselves abreast of the latest developments in accounting and auditing standards, guidelines and practices.

The Board through the NC assesses the composition and performance of the AC annually, through an annual Board Committee effectiveness assessment. The Board is satisfied that the AC members discharged their functions, duties and responsibilities in accordance with the AC's TOR. The AC's TOR was reviewed and updated regularly to reflect the requirements of the applicable practices of MCGG.

None of the AC member is a former key audit partner of the Company's External Auditors and the Board does not foresee any new appointment of a former key audit partner to the Board. The Board had also adopted and incorporated the policy that requires a former key audit partner of the Company to observe the required cooling-off period of at least three (3) years before being appointed as a member of the AC in its TOR, as required under Practice 9.2 of the MCGG.

The AC also maintains transparent and professional arrangements in dealing with the Internal and External Auditors. Details of the composition of the AC, including its roles and responsibilities and a summary of activities conducted by the AC are set out in the AC Report on pages 50 to 54 of this Annual Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

2. Assessment of Suitability and Independence of External Auditors

The Board maintains a formal and transparent professional relationship with the External Auditors, Messrs HLB Ler Lum Chew PLT through AC. The role of the AC in relation thereto is described in the AC Report in this Annual Report. The AC has been explicitly accorded the power to communicate with the External Auditors of the Group. During the financial year under review, the AC had one (1) private session with the External Auditors without the presence of any Executive Director and Management.

In reviewing the audit and non-audit services provided by the External Auditors, the AC ensures that the independence and objectivity of the External Auditors are not compromised. The External Auditors are engaged mainly to perform statutory audit on Jadi Group's financial statements. During the financial year, it was reported that the non-audit related review undertaken by the External Auditors includes review of the Statement on Risk Management and Internal Control.

The External Auditors are also invited to attend every AGM whereby the financial statements of the company for the financial year are laid before the shareholders for notation and discussion, to respond and reply to any enquiries raised with regards to the conduct of the Group's statutory audit and the preparation of the Group's financial statements.

During the financial year under review, the AC has assessed the external auditors based on questions and answers with the External Auditors to assess their suitability and independence. A written assurance by Messrs HLB Ler Lum Chew PLT is also disclosed in the Independent Auditors' Report to confirm their independence throughout the audit engagement.

The AC, having assessed the independence of the External Auditors as well as reviewed the level of non-audit services rendered by them for the FYE 31 March 2024, was satisfied with their performance, technical competency, suitability and independence. The AC has recommended the re-appointment Messrs HLB Ler Lum Chew PLT as the External Auditors of the Company and the Group for the ensuing year to the Board, upon which shareholders' approval will be sought at the 23rd AGM.

3. Sound Framework to Manage Risks

Risk Management Committee ("RMC") comprising Directors and senior management staff was established by the Board with specific TOR. RMC reports directly to AC on the activities conducted by the RMC during the financial year under review at their scheduled meeting.

RMC has established a risk management framework to manage the Group's risk. The key risk profile has been identified and evaluated. RMC reviews the Group's risk management process periodically and makes recommendations to the Board for approval. The Board continues to identify, evaluate and manage significant risks. The Board has ultimate responsibility for reviewing the Group's risks, approving the risk management framework and the effectiveness of risk management of the Group.

The key risks relating to the Group's strategic and business plans are addressed at the Board and Senior Management meetings on a periodical basis. In addition, the responsibility of managing the risks of each department within the Group lies with the respective Heads of Department and it is during the periodic management meetings where significant risks identified and the corresponding internal controls implemented are communicated to the Group Executive Director and Senior Management. The Internal Auditors are appointed by the Board to review and highlight the adequacy and integrity of the Group's internal control systems.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)**3. Sound Framework to Manage Risks (Cont'd)**

At the Board level, the top three (3) primary risks are;

- (i) ensuring that the key leadership positions are filled and that succession planning/talent management process is in place annually;
- (ii) that processes are in place so that products are manufactured with ample attention paid to its quality and standards;
- (iii) that all overseas operation is being governed from Head Office and that the leadership team is fully aware of the risk and exposure of the Group.

The Board is of the view that the overall risk management and internal control in place for the financial year under review are operating adequately and effectively for the purpose of safeguarding Jadi Group's assets as well as shareholders' investments and the interests of employees and other stakeholders and is considered adequate for the Group's business operations.

The information and further details on the Group's risk management framework and internal audit function are disclosed under the Statement on Risk Management and Internal Control on pages 55 to 59 of this Annual Report.

4. Internal Audit Function

The Group's internal audit function has been outsourced to an independent professional service firm, Vaersa Advisory Sdn Bhd ("Vaersa Advisory"). Vaersa Advisory acts as the Internal Auditors of the Group and reports directly to the AC.

The internal audit function's principal role is to assist the AC and the Board in conducting independent assessment and systematic reviews on the Group's internal control system and governance practices, so as to provide reasonable and objective assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance. The AC reviews the adequacy of the scope, functions, competency and resources of the internal audit function to ensure that it is adequately resourced with competent and proficient internal auditors.

During the financial year under review, AC has assessed the performance of the Internal Auditors based on questions and answers with them on their competency and reports presented by the Internal Auditors. Vaersa Advisory is free from any relationships or conflicts of interest which could impair their objectivity and independency of the internal audit function, and does not have any direct operational responsibility or authority over any of the activities audited. The AC was satisfied with the outsourced Internal Auditors, Vaersa Advisory's technical competency and audit independence during the financial year under review is of the opinion that the internal audit function is effective and is able to function independently.

The activities of the Internal Auditors during the financial period under review are set out in the AC Report on pages 53 to 54 of this Annual Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Compliance with Applicable Financial Reporting Standards

In presenting the annual Audited Financial Statements (“AFS”) and quarterly announcements of unaudited consolidated financial results to shareholders, the Board is responsible for presenting a balanced and understandable assessment of the Group’s financial position and prospects. The AC has been delegated to oversee the Group’s financial reporting processes, accuracy and quality of its financial reporting. A statement by the Directors in relation to their responsibilities in preparing the financial statements is set out in the Statement of Directors’ Responsibility in relation to the AFS on page 62 of this Annual Report.

2. Communications with Stakeholders

The Board acknowledges the importance of timely, regular and effective communication of the Group’s material developments, information and financial results, etc. with the Company’s stakeholders.

To augment the process of disclosure, the Company has established a dedicated Investor Centre section on the Company’s website at www.jadi.com.my, whereby shareholders as well as members of the public could access to the latest information relating to annual reports, press releases, quarterly results and announcements of the Group via the aforesaid website. Shareholders are also encouraged to access Bursa Securities’ website at www.bursamalaysia.com to obtain the latest corporate governance related information of the Group. Continuous improvement and development of the website will be undertaken by the Company to ensure easy and convenient access.

The Group also participates in overseas exhibition events and through social media and other electronic channels, give the stakeholders and public at large a better understanding of the businesses of the Group.

3. Conduct of General Meetings

In addition to disseminating information via announcements and/or disclosures to Bursa Securities, the Company’s website, circulars and press releases, the Company’s General Meetings, i.e. AGM or any Extraordinary General Meetings serve as an important platform for the Board to engage with the shareholders and have direct interaction with them.

Shareholders are encouraged to participate in the Questions and Answers session and raise questions or seek further information pertaining to the Annual Report, financial statements, corporate developments, resolutions and businesses of the Group. Board members and key senior management were present at all General Meetings of the Company, in order to engage directly and to take up any relevant queries from the shareholders. The External Auditors of the Company were also present to provide their professional and independent clarification on any issues and concerns raised by the shareholders.

The Notice of the Twenty-Second (“22nd”) AGM of the Company was circulated to shareholders at least twenty-eight (28) days before the date of the meeting, to enable the shareholders to have ample time to read through the Annual Report and the resolutions proposed. Shareholders who are unable to attend may appoint their respective proxies to ask questions and vote on their behalf at the General Meetings.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**3. Conduct of General Meetings (Cont'd)**

The 22nd AGM was conducted fully virtual basis through live streaming from the broadcast venue via Remote Participation and Voting (“RPV”) facilities operated by InsHub Sdn Bhd in Malaysia on 21 September 2023. All resolutions set out in the Notice of 22nd AGM were put to vote electronically (e-vote). The 22nd AGM that was conducted virtually provided an opportunity for shareholders to participate remotely at the meeting and pose relevant questions to the Chairman and the Board via real time submission of typed texts.

All resolutions set out in the Notice of the 22nd AGM were voted by way of poll, at which an independent scrutineer was appointed to validate the votes casted at the 22nd AGM. The outcome of the 22nd AGM was announced to Bursa Securities on the even date.

4. Leveraging on Technology for Remote Shareholders’ Participation and E-Voting

The Company will continue to leverage on technology to facilitate remote shareholders’ participation and e-voting for the conduct of polls on all resolutions via remote participation and voting facilities for its forthcoming 23rd AGM to be held on 25 September 2024.

Shareholders are encouraged to attend the forthcoming 23rd AGM through the RPV facilities via the online meeting platform stated in the Notice of 23rd AGM.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Statement, and considers that the Statement provides the information necessary to enable shareholders to evaluate how the MCCG has been applied by the Company. The Board considers and is satisfied that the Group has fulfilled its obligation under the MMLR of Bursa Securities and all applicable laws and regulations, as well as applied to the best practices of MCCG at its best throughout the FYE 31 March 2024.

This Statement was approved by the Board on 19 July 2024.

AUDIT COMMITTEE REPORT

The Board of Directors (“the Board”) of Jadi Imaging Holdings Berhad (“Jadi” or “the Company”) is pleased to present the Audit Committee (“AC”) Report for the financial year ended (“FYE”) 31 March 2024.

1. COMPOSITION OF THE AUDIT COMMITTEE

The AC comprises the following three (3) members of the Board, all of whom are Independent Non-Executive Directors:-

Designation	Name	Directorship
Chairman	Leow Wey Seng	Independent Non-Executive Director
Member	Ling Chi Hoong	Independent Non-Executive Director
Member	Tan Su Ning	Independent Non-Executive Director

Mr Leow Wey Seng is a qualified Chartered Accountant, who is a member of both the Malaysian Institute of Accountants and ASEAN Chartered Professional Accountants, as well as a fellow of Certified Practising Accountants, Australia.

The Board assesses the composition and performance of the AC and its members through an annual Board Committee effectiveness assessment. Based on the assessment conducted for the FYE 31 March 2024, the Board was of the view that the present composition of the AC is appropriate. The Board was also satisfied that the AC and its members discharged their functions, duties and responsibilities, in accordance with the AC’s Terms of Reference.

2. MEETINGS AND ATTENDANCE

The AC had met five (5) times during the FYE 31 March 2024. The composition and the attendance record of AC members are as follows:-

Name and Designation of the Members of AC	Number of Attendance
Leow Wey Seng Chairman, Independent Non-Executive Director	5/5
Ling Chi Hoong Member, Independent Non-Executive Director	5/5
Tan Su Ning Member, Independent Non-Executive Director	5/5

The Group’s other Board members, Key Senior Management and representatives of the External Auditors and Internal Auditors were present by invitation to provide opinion and/or brief the AC on specific issues, as and when necessary, with the Company Secretary in attendance. Certain designated members of the Management were also invited to attend the AC meetings, at the invitation of the AC.

The Chairman of the AC reports to the Board on matters deliberated at every AC meeting and recommendations made by the AC.



AUDIT COMMITTEE REPORT

(CONT'D)

3. TERMS OF REFERENCE

The Terms of Reference of AC is available for reference on the Company's website at www.jadi.com.my.

4. INDEPENDENCE AND COMPETENCY OF THE AUDIT COMMITTEE

The Company recognised the need to uphold independence of its External Auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the AC of the Company were former key audit partners of the External Auditors appointed by the Group.

During the FYE 31 March 2024, all current members of the AC had undertaken the relevant training programmes to keep themselves abreast of the latest development in accounting and auditing standards, statutory laws, regulations and best practices to enable them to effectively discharge their duties. The details of the seminars/conferences/training programmes attended by the AC members are set out in the Corporate Governance Overview Statement on page 43 of this Annual Report.

5. SUMMARY OF WORK PERFORMED BY THE AUDIT COMMITTEE

During the financial year under review, the AC carried out its duties and responsibilities in accordance with its Terms of Reference. The AC has discharged its duties as set out below:-

Financial Results

- Reviewed and recommended to the Board for approval, the quarterly and statutory financial results of the Company and its subsidiaries, including related announcements to ensure adherence to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the relevant laws, regulations and applicable accounting standards as well as highlighted significant issues and any accounting adjustments to the Board.
- Reviewed the Directors' Report and Audited Financial Statements ("AFS") for the financial year ended 31 March 2024 of the Group and recommended to the Board for approval and inclusion into the Annual Report of the Company to be submitted to Bursa Securities.

The following reviews have been carried out to ensure that the Group's and the Company's quarterly interim financial statements and related disclosures present a true and fair view of the Group's and of the Company's financial position and performance and are in compliance with the applicable approved financial reporting standards in Malaysia as well as the applicable disclosure provisions of MMLR of Bursa Securities:

Date of Review/Approval	Review of Financial Statements
31 May 2023	Fourth quarter financial results for the FYE 31 March 2023
18 July 2023	AFS for the FYE 31 March 2023
25 August 2023	First quarter financial results for the FYE 31 March 2024
28 November 2023	Second quarter financial results for the FYE 31 March 2024
26 February 2024	Third quarter financial results for the FYE 31 March 2024



AUDIT COMMITTEE REPORT

(CONT'D)

5. SUMMARY OF WORK PERFORMED BY THE AUDIT COMMITTEE (CONT'D)

During the financial year under review, the AC carried out its duties and responsibilities in accordance with its Terms of Reference. The AC has discharged its duties as set out below (Cont'd):-

External Audit

- Reviewed the External Auditors' audit scope and audit plan as well as the reports on the audit of the statutory financial statements of the Group.
- Reviewed and discussed with the External Auditors of their audit findings and areas of concern highlighted, including significant and unusual events or transactions, audit recommendations and Management's response to the audit findings raised and audit recommendations.
- Discussed with the External Auditors the significant accounting and auditing issues, impact of new or proposed changes in accounting standards and regulatory requirements applicable to the Group.
- Reviewed the independence, objectivity and effectiveness of the External Auditors in meeting their responsibilities, including their provision of non-audit services and corresponding fees.
- Reviewed and recommended the re-appointment of External Auditors and audit fees to the Board for its approval.
- Met the External Auditors in the absence of Executive Management once on 18 July 2023 during the FYE 31 March 2024 to discuss audited related matters.

The AC received confirmation from the External Auditors, Messrs HLB Ler Lum Chew PLT that they adhered to the By-Laws (on Professional Conduct and Ethics) of the Malaysian Institute of Accountants ("By-Laws") in relation to communication of breaches of auditors independence, in which they have not identified or aware of any matter that impairs their professional independence and they were in compliance with the independence requirements set out in the By-Laws.

The AC was satisfied that Messrs HLB Ler Lum Chew PLT was unlikely to create any conflict of interest nor impair the independence, suitability and performance of Messrs HLB Ler Lum Chew PLT and thus, recommended to the Board to seek shareholders' approval for the re-appointment of Messrs HLB Ler Lum Chew PLT as External Auditors for the FYE 31 March 2024.

Internal Audit

- Reviewed and approved the adequacy of the scope and areas of coverage of the Internal Audit Plan for the FYE 31 March 2024.
- Reviewed the Internal Audit Reports containing the results of the internal audit reviews with the Internal Auditors.
- Reviewed the adequacy of the scope, function, competency and resources of the internal audit functions.

The AC reviewed the audit findings and recommendations on the areas of concern highlighted by the Internal Auditors and the respective Management's responses thereto. The Internal Auditors monitored the implementation of Management's action plan on outstanding issues through follow-up reports to ensure that all highlighted key risks and control weaknesses are being properly addressed.

The AC was satisfied with the reasonable assurance given by Management on the processes for the monitoring of the Group's internal control and risk management and their continuance to operate as intended.



AUDIT COMMITTEE REPORT

(CONT'D)

5. SUMMARY OF WORK PERFORMED BY THE AUDIT COMMITTEE (CONT'D)

During the financial year under review, the AC carried out its duties and responsibilities in accordance with its Terms of Reference. The AC has discharged its duties as set out below (Cont'd):-

Risk Management

- Overseeing the Group's internal control system and risk management. AC continuously monitor and review effectiveness of the internal control with the support of internal auditor and Risk Management Committee ("RMC").

The AC was satisfied with the reasonable assurance given by Management on the processes for the monitoring of the Group's internal control and risk management and their continuance to operate as intended.

6. RECURRENT RELATED PARTY TRANSACTIONS AND RELATED PARTY TRANSACTIONS

The AC was satisfied that the processes that the Group has in place for identifying, evaluating, approving, reporting and monitoring of Recurrent Related Party Transactions and/or Related Party Transactions were adequate to ensure all the transactions have been made at arm's length basis and not prejudicial to the interest of the Group or its minority shareholders and will be tracked and reported in a timely manner.

7. SUMMARY OF THE ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The internal audit function of the Group has been outsourced to Vaersa Advisory Sdn Bhd ("Vaersa Advisory"). The Engagement Director is Ms Tiffany Lim, who has diverse professional experience in internal audit, risk management and corporate governance advisory. She is a member of the Malaysian Institute of Accountants (MIA) and an Associate member of the Institute of Internal Auditors Malaysia (IIA).

The internal audit function's principal role is to assist the AC and the Board in conducting independent assessment and systematic reviews on the Group's internal control system and governance practices, so as to provide reasonable and objective assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance. The AC reviews the adequacy of the scope, functions, competency and resources of the internal audit function to ensure that it is adequately resourced with competent and proficient internal auditors.

Vaersa Advisory acts as the Internal Auditor of the Group and reports directly to the AC. The Internal Auditors would make reference to the Group's policies and procedures, established practices, listing requirements and recommended industry practices whenever required. Vaersa Advisory is free from any relationships or conflicts of interest which could impair their objectivity and independency of the internal audit function, and does not have any direct operational responsibility or authority over any of the activities audited. As such, the AC is of the opinion that the internal audit function is effective and is able to function independently.

The number of staffs deployed for the internal audit reviews consist of 8 to 10 staffs, including the Engagement Director during the financial year under review. The staff involved in the internal audit reviews possesses professional qualifications and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staffs on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work, and the internal audit reviews were conducted using a risk-based approach and were guided by the International Professional Practice Framework.



AUDIT COMMITTEE REPORT

(CONT'D)

7. SUMMARY OF THE ACTIVITIES OF THE INTERNAL AUDIT FUNCTION (CONT'D)

During the financial year under review, the following activities were carried out by the internal audit function:-

- (a) Prepared and tabled the risk-based Internal Audit Plan for the FYE 31 March 2024 for the AC's review and endorsement;
- (b) Conducted internal audit reviews based on the reviewed and approved Internal Audit Plans, details of which as follows:

Entity	Auditable Processes
Jadi Imaging Technologies S/B	1. Production Management Review 2. Sales & Marketing and Accounts Receivables Management Review

- (c) Issued Internal Audit Reports incorporating audit recommendations and Management's responses in relation to the audit findings on the areas of improvement in the systems and controls of the Group to the AC and Management; and
- (d) Presented internal audit reports to the AC for review and consideration.

Findings from the internal audit reviews conducted were discussed with Senior Management and subsequently presented, together with Management's response and proposed action plans, to the AC for their review and approval. The outsourced internal audit function also carries out follow up reviews and reports to the AC on the status of implementation of action plans committed by Management pursuant to the recommendations highlighted in the internal audit reports. The Board through the AC, received and reviewed the internal audit reports at the scheduled quarterly meetings.

Notwithstanding the above, although a number of internal control deficiencies were identified during the internal audit reviews, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

The total costs incurred by the Company in respect of the outsourced internal audit function of the Group and the internal audit services performed by Vaersa Advisory for the FYE 31 March 2024 was RM22,000.00.

For further details on the risk management, internal controls and internal audit functions of the Company and the Group, please refer to the Statement on Risk Management and Internal Control on pages 55 to 59 in this Annual Report.

This AC Report was approved by the Board on 19 July 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“the Board”) of Jadi Imaging Holdings Berhad (“the Company”) is pleased to present the Statement on Risk Management and Internal Control (“SORMIC”) of the Company and its subsidiaries (“the Group”) for the financial year ended (“FYE”) 31 March 2024, which has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), Malaysian Code on Corporate Governance (“MCCG”) and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidance”). This statement outlines the nature and state of the internal controls and risk management system of the Group during the financial year.

BOARD RESPONSIBILITY

The Board acknowledges that it is ultimately responsible for maintaining the Group’s sound systems of risk management and internal control and in reviewing the adequacy, integrity and effectiveness of the risk management and internal control systems to ensure that shareholders’ interests and the Group’s assets are safeguarded. In this respect, the responsibility of reviewing the adequacy and effectiveness of the risk management and internal control systems has been delegated to the Audit Committee (“AC”), which is empowered by its Terms of Reference.

Due to inherent limitations in any system on risk management and internal controls, such systems put into effect by Management can only manage rather than eliminate all the risks that may impede the achievement of the Group’s business objectives or goals. Therefore, the risk management and internal control systems can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board, is of the view that the Group’s system of internal control and risk management in place for the financial year under review is sound and adequate to safeguard the Group’s assets and the stakeholder’s interests, by ensuring achievement of business objectives and enhancing shareholder’s value.

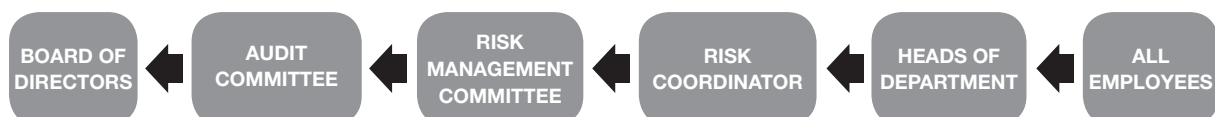
RISK MANAGEMENT FRAMEWORK

The Board affirms that effective risk management is an essential and indispensable part of corporate management.

The Board further acknowledges that risk management is an ongoing process and forms an important part of the internal control system of the Group. As such, continuous efforts are made to identify significant risks in the process and activities of the Group, particularly in major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new environment, which may entail different risks, so as to put in place of the appropriate risk response strategies and controls until those risks are managed to, and maintained at, a tolerance level acceptable by the Board.

To instil sound risk management practice and good corporate governance, the Group established a structured Risk Management Framework with a systematic process to proactively identify, evaluate, mitigate, continuous monitoring and reviewing possible risks. The key risks relating to the Group’s strategic and business plans are addressed at the Board meetings on a periodical basis. In addition, the responsibility of managing the risks of each department within the Group lies with the respective Heads of Department and it is during the periodic management meetings where significant risks identified and the corresponding internal controls implemented are communicated to the Board.

The Group’s Risk Management Oversight Structure is comprised of the following:





STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

RISK MANAGEMENT FRAMEWORK (CONT'D)

1. Board of Directors

The Board will review the Group's risk management framework effectiveness periodically and provide guidance on the Group's risk appetite.

2. Audit Committee ("AC")

AC is tasked to oversee and ensure effective implementation of all risk management policies.

3. Risk Management Committee ("RMC")

RMC reviews the status and monitors the overall implementation of the Group's risk management policies. Periodic review of the Group's key risk profile will be conducted by RMC. The RMC is comprised of at least three (3) members from amongst the Directors and Senior Management.

4. Risk Coordinator ("RC")

RC coordinates and documents all risk management activities from each Head of Department, ensure proper communication throughout the Group.

5. Heads of Department

Heads of Department will carry out risk identification and evaluate the effectiveness of existing controls with its department team members.

6. All Employees

All employees shall have the responsibility to manage risks associated with all activities and functions within their control.

The Group's risk management process comprises the following essential activities:





STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

RISK MANAGEMENT FRAMEWORK (CONT'D)

The risk identification process reviews and identifies issues arising from changes in both external business environment and internal operating conditions. The risk measurement guidelines comprising financial and non-financial qualitative measure of risk consequences are also applied in allocating risk likelihood rating and risk impact rating. The risk control actions are designed and implemented based on the sequence of priority. These processes and procedures are undertaken by the Executive Director, Key Senior Management and Management team in their daily course of work on an ongoing basis.

The above-mentioned risk management process of the Group serves as the on-going process used to identify, evaluate and manage significant risks for the year under review and up to the date of approval of this SORMIC.

MATERIAL RISKS

The Group's material risks identified and action plans being deliberated are outlined below:

Risk	Description	Mitigation
Machinery Breakdown	Risk of machinery breakdown may affect production output.	<ul style="list-style-type: none"> Internal preventive maintenance programme. Maintaining critical spare parts inventory.

KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are:-

- The Group has a well-defined organisation structure with clear lines of accountability, approval and control procedures to provide a sound framework within the organisation in facilitating proper decision making at the appropriate authority levels of Management including matters that require Board's approval.
- The AC reviews the quarterly financial reports, annual financial statements and the internal audit report on a periodic basis. Discussions with Management were held to deliberate on the actions that are required to be taken to address internal control matters identified by the outsourced internal audit function.
- The Executive Director is closely involved in the running of business and operations of the Group and they report to the Board on significant changes in the business and external environment which affect the operations of the Group at large.
- Management meetings are conducted regularly with the Executive Director, Senior Management and/or Head of Departments in attendance. The meetings discuss and decide on all operational issues as well as inform and update all Senior Management and Head of Departments on all major policies and business strategies directed by the Board.
- Policies and procedures on hiring and training scheme of staff have been established at Group level with individual business group having the flexibility to adapt these policies for their specific needs. Staffs are guided on where and how they can contribute their knowledge and skills through continuous upgrading to meet the demand of their working requirements. Heads of Department assume the responsibility of developing staff with relevant and appropriate skills by reviewing and recommending trainings to the Human Resource department on a yearly basis.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

KEY ELEMENTS OF INTERNAL CONTROL (CONT'D)

The other key elements of the Group's internal control systems are (Cont'd):-

6. Established internal policies and procedures for key business units within the Group.
7. Certain operations of the Group are ISO 9001:2015 certified. With such a certification, audits are conducted by external parties periodically to ensure compliance with the terms and conditions of the certification.
8. All purchases and maintenance expenditures for the Group are centralised and coordinated by a Procurement Department that ensures adherence to approved procedures as well as to leverage on economies of scale. Major expenditures are subjected to tender procedure whenever possible and are appraised by the Management before they are approved by the Board.
9. The Group has established an Anti-Bribery and Corruption Policy ("ABC Policy") to provide guidance to all employees including external parties whom have business dealings with the Group on matters involving bribery and corruption practices. The Group is committed to upholding ethical business conduct at all times and ensuring compliance with all applicable laws in countries where it operates.

INTERNAL AUDIT FUNCTION

The Group has engaged a professional firm to conduct internal audit and report directly to the Audit Committee. The scope and responsibilities of the function include the evaluation of the adequacy and effectiveness of governance, risk management, and internal controls. All the internal audit team members are free from any relationship or conflict of interest that could impair their objectivity and independence as internal audit.

Reviews are carried out based on the approved Internal Audit Plan for FYE2024, which was developed using a risk-based approach and in line with the Group's direction. All audit findings were highlighted to relevant Management team members responsible for ensuring that corrective actions on reported weaknesses are taken within the required timeframe. Summaries of the audit reports including summary of follow-up items were highlighted to Audit Committee yearly incorporating findings and Management's remediation actions.

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY THE EXTERNAL AUDITORS

The External Auditors have reviewed this SORMIC pursuant to the MMLR of Bursa Securities and Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants, for inclusion in the Annual Report of the Company for the FYE 31 March 2024.

Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this SORMIC intended to be included in this Annual Report is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

CONCLUSION

In line with the Guidance, the Executive Director have provided assurance to the Board, where to their best knowledge, the Group's risk management and internal control system are operating adequately and effectively, in all material aspects during the financial year under review until the date of issuance of this SORMIC.

The Board is of the view that the risk management and internal control systems are satisfactory and shall continue to take the appropriate and necessary measures to improve the Group's risk management and internal controls systems in meeting the Group's corporate objectives.

The Board recognises that the development of the risk management and internal control systems is an ongoing process as part of its efforts in managing the risks faced by the Group. Consequently, the Board maintains an ongoing commitment to further strengthen the control environment within the Group.

This SORMIC was approved by the Board on 19 July 2024.



ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with Paragraph 9.25(1) and Part A of Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:-

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

Private Placement

On 7 March 2022, the Company proposed to undertake proposed the following:-

- (i) private placement of up to 322,947,000 new ordinary shares in Jadi (“Jadi Shares” or “Shares”) (“Placement Shares”), representing approximately 30% of the total number of issued Shares (excluding treasury shares) to third party investor(s) at an issue price to be determined later (“Proposed Private Placement”); and
- (ii) proposed free warrants issue of up to 699,718,561 free warrants (“Warrant(s)”) on the basis of 1 Warrant for every 2 existing Shares held by the shareholders of Jadi whose names appear in the record of depositors of the Company at the close of business on an entitlement date which will be determined later (“Entitled Shareholders”) (“Entitlement Date”) (“Proposed Free Warrants Issue”).

(Collectively referred to as the “Proposals”).

On 8 February 2023, the Company completed the said Private Placement exercise which involved the issuance of 322,911,000 new ordinary shares, raising total proceeds of RM6,619,675.50.

On 22 September 2023, the Company completed the said Free Warrants Issue exercise which involved the issuance of 699,639,830 Warrants and does not raise any funds as the Warrants will be issued at no cost to the Company’s shareholders.

The status of utilisation of proceeds raised from the Private Placement is as follows:

	Purposes	Proposed raised RM’000	Actual utilisation RM’000	Unutilised Proceeds RM’000	Expected time frame for the use of proceeds (from the date of listing of the Placement Shares)
(i)	Purchase and installation of enterprise resource planning (“ERP”)	3,000	–	3,000	Within 18 months
(ii)	Repayment of bank borrowings	3,425	3,425	–	Within 12 months
(iii)	Working capital	64	64	–	Within 12 months
(iv)	Miscellaneous expenses for Proposals	97	97	–	Immediate
	Total	6,586	3,586	3,000	

ADDITIONAL COMPLIANCE INFORMATION

(CONT'D)

2. AUDIT AND NON-AUDIT FEES

- (i) Amount of audit fees incurred by the Company and by Group basis for the financial year ended 31 March 2024 are amounted to RM64,000.00 and RM130,000.00 respectively.
- (ii) Amount of non-audit fees incurred by the Company and by Group basis for the financial year ended 31 March 2024 are amounted to RM40,000.00 each respectively.

3. MATERIAL CONTRACTS AND/OR CONTRACTS RELATING TO LOAN INVOLVING DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS

There were no other material contracts and/or contracts relating to loan entered into by the Company and/or its subsidiaries involving any Directors, Chief Executive and Major Shareholders' interests during the financial year ended 31 March 2024.

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The details of the recurrent related party transactions for the financial year ended 31 March 2024 are disclosed in Note 27 to the financial statements.

5. REVALUATION POLICY ON LANDED PROPERTIES

The Group has adopted a policy of regular revaluation of its landed properties as at the end of the financial year.



STATEMENT OF DIRECTORS' RESPONSIBILITY

IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the financial statements of the Group and the Company are drawn up in accordance with the applicable approved accounting standards, i.e. Malaysian Financial Reporting Standards and International Financial Reporting Standards, as well as the provisions of the Companies Act 2016 ("the Act") in Malaysia, so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 March 2024 and of the results and cash flows of the Group and the Company for the financial year ended on that date.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company for the financial year ended 31 March 2024, the Directors have:

- (a) adopted suitable accounting policies and applied them consistently;
- (b) made judgements and estimates that are prudent and reasonable;
- (c) ensured the adoption of the applicable approved accounting standards, subject to any material departures disclosed and explained in the financial statements;
- (d) reviewed the adequacy and integrity of the internal control system and management information system in the Company and within the Group;
- (e) identified the principal risks and ensuring that an appropriate internal control system is in place to manage these risks; and
- (f) assessed the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and used the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring that proper accounting records which disclose the financial position of the Group and the Company with reasonable accuracy at any time are kept in accordance with the Act in Malaysia and to enable them to ensure that the financial statements comply with the Act.

The Directors have a general responsibility for ensuring that a proper system of internal control is in place to safeguard the Group's assets and to prevent and detect fraud and other irregularities. The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

The Directors are satisfied that appropriate accounting policies were used and applied consistently in preparing the financial statements of the Group and the Company for the financial year ended 31 March 2024. The Directors are also of the view that the relevant approved financial reporting standards have been observed and adopted in the preparation of these financial statements.

This Statement was approved by the Board of Directors on 19 July 2024.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged investment holding.

The principal activities of the subsidiaries are disclosed in Note 19 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Loss for the financial year		
- Continuing operations	(35,274,527)	(35,741,979)
- Discontinued operation	(255,246)	-
	(35,529,773)	(35,741,979)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend the payment of any dividends in respect of the financial year ended 31 March 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

On 8 August 2023, the issued and paid-up capital of the Company was increased from 1,076,490,123 ordinary shares to 1,399,401,123 ordinary shares by way of issuance of 322,911,000 new ordinary shares via a private placement arrangement for cash consideration of RM6,619,676 for working capital purpose. The new ordinary shares issued during the financial year ranked pari-passu in all respect the existing ordinary shares of the Company.

There were no issuances of debentures during the financial year.



DIRECTORS' REPORT

(CONT'D)

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 March 2024, the Company held 119,672 treasury shares out of its 1,399,401,123 total number of issued shares. Such treasury shares are held at a carrying amount of RM22,042. Further details are disclosed in Note 13 to the financial statements.

WARRANTS 2023/2026

On 15 September 2023, the Company allotted 699,639,830 free Warrants 2023/2026 on the basis of 1 Warrant for every 2 existing ordinary shares held in the Company. The Warrants 2023/2026 were listed on the Main Market of Bursa Malaysia Securities Berhad with effect from 22 September 2023.

Each Warrant 2023/2026 entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 15 September 2023 till 14 September 2026, at an exercise price of RM0.05. Any Warrant 2023/2026 not exercised at the date of maturity will lapse and cease to be valid for any purpose. As at 31 March 2024, 699,639,830 Warrant 2023/2026 remain unexercised.

The ordinary shares issued from the exercise of Warrants 2023/2026 shall rank pari-passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, distributions or rights, the entitlement date of which is prior to the date of the allotment of the new shares arising from the exercise of Warrants 2023/2026.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Leow Wey Seng
Ling Chi Hoong
Ong Gim Hai
Tan Su Ning

The names of Directors of subsidiaries are set out in the respective subsidiaries' statutory accounts and the said information is deemed incorporated herein by such reference and made part thereof.

DIRECTORS' INTERESTS

None of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its subsidiaries during the financial year.



DIRECTORS' REPORT

(CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

	Group RM	Company RM
Directors' remuneration are as follows:		
- Fees	246,000	246,000
- Salaries and other emoluments	277,927	36,800
- Defined contribution plan	45,600	-
	569,527	282,800

SUBSIDIARIES

Details of the subsidiaries are disclosed in Note 19 to the financial statements.

AUDITORS' REMUNERATION

Auditors' remuneration are as follows:

	Group RM	Company RM
HLB Ler Lum Chew PLT		
- Statutory	130,000	64,000
- Others	40,000	40,000
	170,000	104,000

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of insurance premium paid for the Directors and certain officers and of the Group and of the Company was RM7,788 and RM2,596 respectively.

Except for the above mentioned, there were no other indemnities given to or insurance affected for Directors, officers or auditors of the Group and of the Company.



DIRECTORS' REPORT

(CONT'D)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render:

- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) any amount stated in the financial statements of the Group and of the Company misleading.

No contingent or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and of the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.



DIRECTORS' REPORT

(CONT'D)

AUDITORS

The auditors, HLB Ler Lum Chew PLT have expressed their willingness to accept re appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

LEOW WEY SENG

ONG GIM HAI

PUCHONG, SELANGOR
19 JULY 2024



STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, LEOW WEY SENG and ONG GIM HAI, being two of the Directors of JADI IMAGING HOLDINGS BERHAD, do hereby state that, in the opinion of the Directors, the financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

LEOW WEY SENG

ONG GIM HAI

PUCHONG, SELANGOR
19 JULY 2024

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, ONG GIM HAI, being the Director primarily responsible for the financial management of JADI IMAGING HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed ONG GIM HAI)
at PUCHONG, SELANGOR)
on 19 JULY 2024)

ONG GIM HAI

Before me,

COMMISSIONER FOR OATHS



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JADI IMAGING HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of JADI IMAGING HOLDINGS BERHAD, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 76 to 134.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with *the By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report in the financial statements of the Company. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Provision for slow moving inventories
(Refer to Note 2(b)(iv), 2(o) and 8 to the financial statements)

The risk

The Group's gross inventories amounted to RM19,793,039 as at 31 March 2024.

There may be risk of obsolescence arising from slow moving inventories.

Significant judgements and estimation are involved in forming expectations about the demand and future sales value of those inventories.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

Key Audit Matters (Cont'd)

1. Provision for slow moving inventories (Cont'd)
(Refer to Note 2(b)(iv), 2(o) and 8 to the financial statements)

How our audit addressed the key audit matter

Our audit procedures focused on the following:

- Evaluated the Group's inventory management process over the identification of indicators which may result in the net realisable value of inventories being lower than their recorded carrying amount;
- Inspected conditions of the inventories during the physical inventory count;
- Discussed with the management on their action plans to address the slow moving inventories;
- Assessed the adequacy and reasonableness of inventory obsolescence allowance provided by management during the financial year; and
- Tested the selling price of inventories sold after the financial year end against the carrying amount of the respective inventories to ensure that inventories are carried at lower of cost and net realisable value.

2. Impairment assessment of plant and machinery
(Refer to Note 2(b)(ii), 2(f), 2(k) and 3 to the financial statements)

The risk

The Group's plant and machinery amounted to RM3,778,851 as at 31 March 2024.

During the financial year, the Group had suffered a gross loss of RM4,406,420 from its significant subsidiary, Jadi Imaging Technologies Sdn. Bhd. due to increased competition in the market, which led to pricing pressures and reduced margins.

In view of the significant carrying amount of property, plant and equipment and significant degree of judgement and estimates of the impairment assessment, there's a risk that the carrying amount of the Group's property, plant and equipment is stated above its recoverable amount.

Management has determined the recoverable amount of the plant and machinery using the value-in-use method.

How our audit addressed the key audit matter

We have assessed the appropriateness of the discounted cash flow forecast prepared by the management.

Our audit procedures included the following:

- Assessed the appropriateness of the determination of cash-generating units;
- Assessed the methodology adopted and the mathematical accuracy of the discounted cash flow forecast calculation;
- Reviewed the budgeted cash flow forecast prepared and approved by the management;



INDEPENDENT AUDITORS' REPORT

(CONT'D)

Key Audit Matters (Cont'd)

2. Impairment assessment of plant and machinery (Cont'd)
(Refer to Note 2(b)(ii), 2(f), 2(k) and 3 to the financial statements)

How our audit addressed the key audit matter (Cont'd)

Our audit procedures included the following (Cont'd):

- Assessed the reasonableness of the management's key assumptions used and judgements exercised on its discounted cash flow forecast such as revenue growth rate, profit margins and discount rates;
- Performed sensitivity test for a range of reasonable possible scenario; and
- Considered completeness and accuracy of disclosures in the financial statements.

Based on the impairment assessment, there was a deficit between the carrying amount and the recoverable amount of the assessed plant and machinery. Accordingly, the Group has recognised an impairment loss amounting to RM10,708,413 on its plant and machinery as disclosed in Note 3 to the financial statements.

3. Valuation on freehold land and buildings
(Refer to Note 2(b)(i), 2(k) and 3 to the financial statements)

The risk

The Group adopts the revaluation model for its freehold land and buildings.

During the financial year, the Group had engaged an external valuer to determine the valuation of the freehold land and buildings. Revaluation surplus recognised by the Group during the financial year amounted to RM1,022,332.

The valuation of freehold land and building is significant to our audit due to their magnitude, complex valuation method and high dependency on a range of estimates which are based on current and future market or economic conditions.

How our audit addressed the key audit matter

Our audit procedures included, the following:

- Assessed the appropriateness of the independent professional valuer's scope of work and evaluated whether they possess sufficient expertise, capability and objectivity to competently perform the revaluation of the Group's freehold land and buildings.
- Obtained the valuation report and evaluated the valuation methodology, data relating to comparisons of the recent transactions involving similar assets and estimated used by the independent professional valuer; and
- Considered completeness and accuracy of disclosures in the financial statements.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (Cont'd):

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 19 to the financial statements.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

HLB LER LUM CHEW PLT
201906002362 & AF 0276
Chartered Accountants

TEH WEIL XUAN
03453/10/2025 J
Chartered Accountant

19 July 2024
Kuala Lumpur

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	2024 RM	Group 2023 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	46,090,680	76,998,602
Right-of-use assets	4	1,064,503	3,461,858
Investment property	5	76,200	78,600
Intangible asset	6	–	392,947
Other investment	7	–	50,000
		47,231,383	80,982,007
Current Assets			
Inventories	8	17,030,552	27,141,614
Trade and other receivables	9	8,146,240	8,218,806
Tax recoverable		–	21
Cash and cash equivalents	10	5,381,616	10,280,885
		30,558,408	45,641,326
Non-current asset held for sale	11	18,350,000	–
		48,908,408	45,641,326
TOTAL ASSETS		96,139,791	126,623,333
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to owners of the Company			
Share capital	12	115,418,946	108,799,270
Treasury shares	13	(22,042)	(22,042)
Other reserves	14	29,990,372	27,546,544
Accumulated losses		(74,378,264)	(38,902,306)
TOTAL EQUITY		71,009,012	97,421,466
LIABILITIES			
Non-Current Liabilities			
Lease liabilities	15	2,134,284	3,922,987
Borrowings	16	–	2,316,107
Deferred tax liabilities	17	7,127,227	8,690,703
		9,261,511	14,929,797
Current Liabilities			
Trade and other payables	18	11,013,565	5,298,342
Lease liabilities	15	1,438,975	1,613,140
Borrowings	16	3,416,728	7,360,588
		15,869,268	14,272,070
TOTAL LIABILITIES		25,130,779	29,201,867
TOTAL EQUITY AND LIABILITIES		96,139,791	126,623,333



STATEMENTS OF FINANCIAL POSITION

(CONT'D)

		Company	
	Note	2024 RM	2023 RM
ASSETS			
Non-Current Asset			
Investment in subsidiaries	19	70,055,554	100,275,960
<hr/>			
Current Assets			
Trade and other receivables	9	2,037,250	27,788
Cash and cash equivalents	10	4,504	4,126,170
		2,041,754	4,153,958
<hr/>			
TOTAL ASSETS		72,097,308	104,429,918
<hr/>			
EQUITY AND LIABILITY			
EQUITY			
Equity attributable to owners of the Company			
Share capital	12	115,418,946	108,799,270
Treasury shares	13	(22,042)	(22,042)
Accumulated losses		(43,653,848)	(7,911,869)
<hr/>			
TOTAL EQUITY		71,743,056	100,865,359
<hr/>			
LIABILITY			
Current Liability			
Trade and other payables	18	354,252	3,564,559
<hr/>			
TOTAL EQUITY AND LIABILITY		72,097,308	104,429,918
<hr/>			

The accompanying notes form an integral part of the financial statements.



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM	2023 RM Restated	2024 RM	2023 RM
Continuing operations					
Revenue	20	26,407,712	29,068,608	–	–
Cost of sales		(30,814,132)	(27,554,968)	–	–
Gross (loss)/profit		(4,406,420)	1,513,640	–	–
Other income		300,335	8,510	–	–
Administrative expenses		(6,393,261)	(5,670,512)	(842,809)	(834,598)
Selling and distribution expenses		(1,530,081)	(1,452,488)	–	–
Other expenses		(22,639,596)	(2,379,154)	(34,909,948)	(6,592,815)
Finance (costs)/income, net	21	(633,342)	(1,046,193)	10,778	104,919
Loss before taxation	22	(35,302,365)	(9,026,197)	(35,741,979)	(7,322,494)
Taxation	23	27,838	94,278	–	–
Loss for the financial year from continuing operations		(35,274,527)	(8,931,919)	(35,741,979)	(7,322,494)
Discontinued operation					
Loss for the financial year from discounted operation, net of tax	24	(255,246)	(2,096,149)	–	–
Loss for the financial year		(35,529,773)	(11,028,068)	(35,741,979)	(7,322,494)



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(CONT'D)

	Note	Group		Company	
		2024 RM	2023 RM Restated	2024 RM	2023 RM
<i>Other comprehensive (loss)/income:</i>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Currency translation differences		(1,829)	(555,047)	–	–
Reclassification of currency translation differences upon derecognition of a subsidiary		(58,498)	401,667	–	–
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on revaluation of land and buildings, net of tax		2,557,970	3,351,522	–	–
Other comprehensive income for the financial year		2,497,643	3,198,142	–	–
Total comprehensive loss for the financial year		(33,032,130)	(7,829,926)	(35,741,979)	(7,322,494)
Loss for the financial year attributable to owners of the Company					
- from continuing operations		(35,274,527)	(8,931,919)	(35,741,979)	(7,322,494)
- from discontinued operation		(255,246)	(2,096,149)	–	–
		(35,529,773)	(11,028,068)	(35,741,979)	(7,322,494)
Total comprehensive loss for the financial year attributable to owners of the Company					
- from continuing operations		(32,775,055)	(5,178,730)	(35,741,979)	(7,322,494)
- from discontinued operation		(257,075)	(2,651,196)	–	–
		(33,032,130)	(7,829,926)	(35,741,979)	(7,322,494)
Basic/Diluted loss per share attributable to owners of the Company (sen):					
	26				
- from continuing operations		(2.74)	(0.83)		
- from discontinued operation		(0.02)	(0.19)		
		(2.76)	(1.02)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Company					Total RM
	Share capital RM	Treasury shares RM	Foreign currency translation reserve RM	Revaluation reserve RM	Accumulated losses RM	
Group						
At 1 April 2023	108,799,270	(22,042)	60,327	27,486,217	(38,902,306)	97,421,466
Total comprehensive (loss)/income for the financial year						
Loss for the financial year	-	-	-	-	(35,529,773)	(35,529,773)
Currency translation differences	-	-	(1,829)	-	-	(1,829)
Reclassification of currency translation differences upon derecognition of a subsidiary	-	-	(58,498)	-	-	(58,498)
Gain on revaluation of land and buildings, net of tax	-	-	-	2,557,970	-	2,557,970
Total comprehensive (loss)/income for the financial year	-	-	(60,327)	2,557,970	(35,529,773)	(33,032,130)
Issuance of shares - private placement (Note 12)	6,619,676	-	-	-	-	6,619,676
Realisation of revaluation reserve	-	-	-	(53,815)	53,815	-
At 31 March 2024	115,418,946	(22,042)	-	29,990,372	(74,378,264)	71,009,012

STATEMENTS OF CHANGES IN EQUITY

(CONT'D)

	← Attributable to owners of the Company →					Total RM
	Share capital RM	Treasury shares RM	Foreign currency translation reserve RM	Revaluation reserve RM	Accumulated losses RM	
Group						
At 1 April 2022	108,799,270	(22,042)	213,707	24,198,006	(27,937,549)	105,251,392
Total comprehensive (loss)/income for the financial year						
Loss for the financial year	-	-	-	-	(11,028,068)	(11,028,068)
Currency translation differences	-	-	(555,047)	-	-	(555,047)
Reclassification of currency translation differences upon derecognition of a subsidiary	-	-	401,667	-	-	401,667
Gain on revaluation of land and buildings, net of tax	-	-	-	3,351,522	-	3,351,522
Total comprehensive (loss)/income for the financial year	-	-	(153,380)	3,351,522	(11,028,068)	(7,829,926)
Realisation of revaluation reserve	-	-	-	(63,311)	63,311	-
At 31 March 2023	108,799,270	(22,042)	60,327	27,486,217	(38,902,306)	97,421,466



STATEMENTS OF CHANGES IN EQUITY

(CONT'D)

	← Attributable to owners of the Company →			
	Share capital RM	Treasury shares RM	Accumulated losses RM	Total RM
Company				
At 1 April 2023	108,799,270	(22,042)	(7,911,869)	100,865,359
Total comprehensive loss for the financial year	-	-	(35,741,979)	(35,741,979)
Issuance of shares - private placement (Note 12)	6,619,676	-	-	6,619,676
At 31 March 2024	115,418,946	(22,042)	(43,653,848)	71,743,056
At 1 April 2022	108,799,270	(22,042)	(589,375)	108,187,853
Total comprehensive loss for the financial year	-	-	(7,322,494)	(7,322,494)
At 31 March 2023	108,799,270	(22,042)	(7,911,869)	100,865,359

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities					
Loss before taxation from continuing operations		(35,302,365)	(9,026,197)	(35,741,979)	(7,322,494)
Loss before taxation from discontinued operation		(255,246)	(2,096,149)	-	-
Loss before taxation		(35,557,611)	(11,122,346)	(35,741,979)	(7,322,494)
Adjustments for:					
Amortisation of intangible asset	6	78,589	78,590	-	-
Depreciation of:					
- property, plant and equipment	3	3,698,138	4,990,610	-	-
- right-of-use assets	4	1,950,754	1,140,586	-	-
- investment property	5	2,400	2,400	-	-
(Gain)/Loss on disposal of property, plant and equipment		(30,569)	411	-	-
Gain on derecognition of a subsidiary		-	(40,132)	-	-
Impairment loss on:					
- property, plant and equipment	3	10,708,413	-	-	-
- intangible asset	6	314,358	-	-	-
- trade receivables	30	21,788	449,696	-	-
- investment in subsidiaries	19	-	-	26,039,542	6,587,898
Interest expenses		737,702	1,187,045	-	-
Interest income		(90,517)	(135,665)	(10,778)	(104,919)
Loss on disposal of a subsidiary	24(c)	8,468,684	-	8,870,406	-
Provision for slow moving inventories	8	1,831,836	2,745,871	-	-
Write off/(Write back) of:					
- inventories		963,128	(2,351,783)	-	-
- other investment		50,000	-	-	-
- trade receivables		277	25,441	-	-
- investment in subsidiaries		-	-	-	4,917
Unrealised gain on foreign exchange		(145,892)	(9,747)	-	-
Operating loss before changes in working capital		(6,998,522)	(3,039,023)	(842,809)	(834,598)
Changes in working capital:					
Inventories		(711,711)	2,683,934	-	-
Trade and other receivables		(3,470,042)	5,943,712	(9,462)	68,781
Trade and other payables		9,123,452	781,980	210,628	(32,012)
Amount owing by/to subsidiaries		-	-	(10,610,477)	2,112,788
Cash (used in)/generated from operations		(2,056,823)	6,370,603	(11,252,120)	1,314,959



STATEMENTS OF CASH FLOWS

(CONT'D)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities (Cont'd)					
Cash (used in)/generated from operations		(2,056,823)	6,370,603	(11,252,120)	1,314,959
Interest paid		(737,702)	(1,187,045)	–	–
Interest received		90,517	135,665	10,778	104,919
Tax refund		21	–	–	–
Net cash (used in)/generated from operating activities		(2,703,987)	5,319,223	(11,241,342)	1,419,878
Cash flow from investing activities					
Purchase of property, plant and equipment		(1,072,577)	(145,309)	–	–
Proceeds from disposal of property, plant and equipment		31,000	278	–	–
Proceeds from disposal of a subsidiary, net of cash and cash equivalent disposed of	24(c)	(159,462)	–	–	–
Proceeds from disposal of a subsidiary	24(c)	–	–	500,000	–
Net cash (used in)/generated from investing activities		(1,201,039)	(145,031)	500,000	–
Cash flow from financing activities					
Increase in fixed deposit pledged with licensed bank		(3,033,807)	(29,487)	–	–
Proceeds from issuance of shares	12	6,619,676	–	6,619,676	–
Repayment of lease liabilities	(b)	(1,512,970)	(1,556,837)	–	–
Repayment of term loans	(b)	(9,224,555)	(6,899,364)	–	–
Repayment of bankers' acceptance	(b)	–	(230,000)	–	–
Net cash (used in)/generated from financing activities		(7,151,656)	(8,715,688)	6,619,676	–



STATEMENTS OF CASH FLOWS

(CONT'D)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net (decrease)/increase in cash and cash equivalents	(11,056,682)	(3,541,496)	(4,121,666)	1,419,878
Cash and cash equivalents at beginning of financial year	8,698,634	12,297,002	4,126,170	2,706,292
Effect of foreign exchange rate changes on cash and cash equivalents	159,018	(56,872)	–	–
Cash and cash equivalents at end of the financial year	(2,199,030)	8,698,634	4,504	4,126,170

NOTES TO STATEMENTS OF CASH FLOWS

(a) Cash and cash equivalents at end of the financial year comprises:

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	10	765,558	4,817,960	4,504	245,496
Deposits with licensed banks	10	4,616,058	5,462,925	–	3,880,674
Bank overdraft	16	(2,964,588)	–	–	–
		2,417,028	10,280,885	4,504	4,126,170
Less: Deposits pledged with licensed banks		(4,616,058)	(1,582,251)	–	–
		(2,199,030)	8,698,634	4,504	4,126,170

STATEMENTS OF CASH FLOWS

(CONT'D)

NOTES TO STATEMENTS OF CASH FLOWS (CONT'D)

(b) Reconciliation of liabilities arising from financing activities:

	At beginning of the financial year RM	Net cash from outflow financing activity RM	Addition RM	Disposal of a subsidiary RM	Foreign exchange differences RM	At end of the financial year RM
Group						
2024						
Lease liabilities	5,536,127	(1,512,970)	249,507	(699,405)	-	3,573,259
Term loans	9,676,695	(9,224,555)	-	-	-	452,140
	15,212,822	(10,737,525)	249,507	(699,405)	-	4,025,399
2023						
Lease liabilities	6,198,429	(1,556,837)	896,683	-	(2,148)	5,536,127
Term loans	16,576,059	(6,899,364)	-	-	-	9,676,695
Bankers' acceptance	230,000	(230,000)	-	-	-	-
	23,004,488	(8,686,201)	896,683	-	(2,148)	15,212,822

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The principal place of business and registered office of the Company is located at No. 1, Jalan Penguam U1/25A, Seksyen U1, Hicom-Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan.

The Company is principally engaged investment holding. The principal activities of the subsidiaries are detailed in Note 19 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The preparation of financial statements in conformity with MFRS requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. It also requires the Directors to exercise their judgements in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(b).

The financial statements have been prepared under the historical cost convention, unless otherwise disclosed and are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional and presentation currency.

Accounting standard and amendments to accounting standards that are effective for the Group's and the Company's financial year beginning on or after 1 April 2023 are as follows:

- MFRS 17, "Insurance Contracts"
- Amendments to MFRS 17, "Insurance Contracts" (Initial application of MFRS 17 and MFRS 9 - Comparative Information)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Disclosure of Accounting Policies)
- Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors" (Definition of Accounting Estimates)
- Amendments to MFRS 112, "Income Taxes" (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

The above accounting standard and amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Group and of the Company.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) Basis of preparation (Cont'd)

Amendments to accounting standards that are applicable for the Group and the Company in the following periods but are not yet effective:

Annual periods beginning on/after 1 January 2024

- Amendments to MFRS 16, "Leases" (Lease Liability in a Sale and Leaseback)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Non-current Liabilities with Covenants)
- Amendments to MFRS 107, "Statement of Cash Flows" and MFRS 7, "Financial Instruments: Disclosure"(Supplier Finance Arrangements)

Annual periods beginning on/after 1 January 2025

- Amendments to MFRS 121, "The Effects of Changes in Foreign Exchange Rates" (Lack of Exchangeability)

Effective date yet to be determined by the Malaysian Accounting Standards Board

- Amendments to MFRS 10, "Consolidated Financial Statements" and MFRS 128, "Investments in Associates and Joint Ventures" (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The adoption of the amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and of the Company.

(b) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Valuation of land and buildings

The valuation of land and buildings performed by management is based on independent professional valuations with reference to the following methods:

- a) direct comparison method, being comparison of current prices in an active market for similar property. in the same location and condition and when necessary, adjusting for location, accessibility, visibility, time, terrain, size, present market trends and other differences; and
- b) cost method of valuation, being assumed to have a direct relationship with its cost of construction, is then adjusted to allow for cost of finance, profit, physical, functional, economic obsolescence and demand to reflect its probable present market value.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) Significant accounting estimates and judgements (Cont'd)

(ii) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. When such indicators exist, recoverable amounts of the cash-generating unit are determined based on the value-in-use calculation. These calculations require the estimation of the expected future cash flows from the cash generating unit and a suitable discount rate is applied in order to calculate the present value of those cash flows.

(iii) Measurement of expected credit loss allowance for financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of reporting period.

(iv) Allowance for inventory write down

Allowance for inventory write down is made based on an analysis of the ageing profile and expected sales patterns of individual items held in inventory. This requires an analysis of inventory usage based on expected future sales transactions taking into account current market prices and expected cost to sell. Changes in the inventory ageing and expected usage profiles can have an impact on the allowance recorded.

(c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group considers it has de-facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(c) Basis of consolidation (Cont'd)

(i) Subsidiaries (Cont'd)

Acquisition-related costs are recognised in the profit or loss as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Any difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities, any non-controlling interests and other components of equity related to the disposed subsidiary. Any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset depending on the level of influence retained.

(d) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(e) Foreign currencies

(i) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

Non-monetary items denominated in foreign currencies measured at fair value are translated using the spot exchange rates at the date when the fair value was determined. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss, except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(e) Foreign currencies (Cont'd)

(ii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the consolidated financial statements are translated into the presentation currency as follows:

- assets and liabilities of foreign operations are translated at the closing rate prevailing at the reporting date;
- income and expenses for each statement of profit and loss and other comprehensive income presented are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- all resulting exchange differences are taken directly to other comprehensive income through the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisitions of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the group's ownership interest in associates or joint ventures that do not result in the group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income through the foreign currency translation reserve.

(f) Impairment of non-financial assets

Assets that have an indefinite useful life, such as goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(f) Impairment of non-financial assets (Cont'd)

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss unless it reverses a previous revaluation in which it is charged to the revaluation surplus. Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(g) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale or distribution, or is a subsidiary acquired exclusively with a view for resale. Classification as a discontinued operation occurs upon disposal or when the operations meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative period.

(h) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss ("FVTPL")

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial assets (Cont'd)

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iii) Subsequent measurement

Debt instruments

Debt instruments mainly comprise of trade and other receivables, cash and cash equivalents.

The subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristics of the asset:

• Amortised cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

• FVTPL

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or fair value through other comprehensive income ("FVOCI") are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises.

(iv) Impairment

The Group and the Company assess expected credit losses associated with its debt instruments carried at amortised cost and at FVOCI on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Expected credit losses represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and the Company expect to receive, over the remaining life of the financial instrument.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial assets (Cont'd)

(iv) Impairment (Cont'd)

In measuring expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking factors affecting the ability of the customers to settle the receivables.

The Group and the Company define a financial instrument as default, which is aligned with the definition of credit-impaired, when the debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:

- The debtor is in breach of financial covenants
- Concessions have been made by the Group and the Company related to the debtor's financial difficulty
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- The debtor is insolvent

Financial assets that are credit-impaired are assessed for impairment on an individual basis.

The Group and the Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Company may write-off financial assets that are still subject to enforcement activity.

(i) Financial liabilities

Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

All financial liabilities are subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(j) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(k) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are initially stated at cost. Land and buildings are subsequently measured at revaluation less accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also include borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in net in the profit or loss.

(ii) Depreciation and impairment

Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Other property, plant and equipment are depreciated on the straight-line method to allocate the cost to their residual values over their estimated useful lives as follows:

Buildings	50 years
Furniture, fittings and office equipment	5 years
Motor vehicles	5 years
Plant and machinery	10 years
Renovation	10 years
Tools and equipment	3 to 10 years

Depreciation methods, useful lives and residual values are reviewed at end of each reporting period, and adjusted as appropriate.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(l) Leases - Accounting by lessee

Leases are recognised as right-of-use assets and a corresponding liability at the commencement date on which the leased asset is available for use by the Group and the Company.

In determining the lease term, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension or termination options are taken into consideration in determining the lease term if it is reasonably certain that the lease will be extended or terminated.

Right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs

Right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Company is reasonably certain that it will exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term leases are leases with a lease term of 12 months or less. Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(m) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business. Investment properties include properties that are being constructed or developed for future use.

Investment property is measured initially at cost. After initial recognition, investment property is stated at cost less accumulated depreciation and impairment losses. Investment properties under construction are not depreciated. Investment property is depreciated on a straight-line basis to allocate the cost to their residual values over their estimated useful life.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are included in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Intangible assets

(i) Research and development

Development costs that are directly attributable to a plan or design for the production of new or substantially improved identifiable products and processes are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development costs recognised as assets are amortised over their useful lives of 8 years.

(o) Inventories

Inventories are valued at the lower of cost and net realisable value after adequate allowance has been made for all deteriorated, damaged, obsolete or slow-moving inventories.

Cost is determined using the first in first out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(p) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balance, deposits with licensed banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three month or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(q) Equity instruments

(i) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(ii) Treasury shares

Where the Company or its subsidiaries purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental external costs, net of tax, is included in equity attributable to the Company's equity holders as treasury shares until they are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, are included in equity attributable to the Company's equity holders.

(r) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss in the period to which they relate.

(s) Revenue and income recognition

(i) Revenue from contracts with customers

Revenue is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group and the Company transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and its customer have approved the contract and intend to perform their respective obligations, the Group's and the Company and its customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group will collect the consideration to which it will be entitled to in exchange of those goods or services.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(s) Revenue and income recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Sale of goods - manufacturing

The Group manufactures and sell a range of toners to local and foreign customers. Revenue from sale of manufactured goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sale of goods - trading

Revenue from sale of goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

(ii) Other revenue and income

Revenue and income from other sources are recognised as follows:

Rental income

Rental income is recognised on a straight-line basis over the tenure of the lease.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(t) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT

	← At valuation →		← At cost →					Total RM
	Freehold land RM	Buildings RM	Furniture, office equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Tools and equipment RM	
Group								
2024								
Cost/Valuation								
At 1 April 2023	42,700,000	16,300,000	3,439,475	499,696	133,199,821	893,664	4,680,434	201,713,090
Additions	-	-	37,270	-	131,170	852,260	51,877	1,072,577
Disposals	-	-	-	-	(293,297)	-	-	(293,297)
Revaluation surplus/(deficit)	960,000	(320,740)	-	-	-	-	-	639,260
Transferred to non-current asset held for sale (Note 11)	(14,660,000)	(2,979,260)	-	-	-	(1,360,710)	-	(18,999,970)
Disposal of a subsidiary (Note 24(c))	-	-	(89,882)	(124,038)	(70,240)	(145,470)	(137,657)	(567,287)
Exchange differences	-	-	(710)	(979)	(555)	(1,149)	(1,087)	(4,480)
At 31 March 2024	29,000,000	13,000,000	3,386,153	374,679	132,966,899	238,595	4,593,567	183,559,893
Accumulated depreciation								
At 1 April 2023	-	-	3,292,541	408,617	95,057,659	833,161	4,478,306	104,070,284
Charge for the financial year	-	383,072	65,961	4,123	3,141,434	15,655	87,893	3,698,138
Disposals	-	-	-	-	(292,866)	-	-	(292,866)
Elimination of accumulated depreciation on revaluation	-	(383,072)	-	-	-	-	-	(383,072)
Transferred to non-current asset held for sale (Note 11)	-	-	-	-	-	(499,970)	-	(499,970)
Disposal of a subsidiary (Note 24(c))	-	-	(89,598)	(37,783)	(70,240)	(145,470)	(129,126)	(472,217)
Exchange differences	-	-	(705)	(281)	(556)	(1,149)	(1,010)	(3,701)
At 31 March 2024	-	-	3,268,199	374,676	97,835,431	202,227	4,436,063	106,116,596



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	← At valuation →		← At cost →					Total RM
	Freehold land RM	Buildings RM	Furniture, fittings and office equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Tools and equipment RM	
Group (Cont'd)								
2024 (Cont'd)								
Accumulated impairment losses								
At 1 April 2023	-	-	-	-	20,644,204	-	-	20,644,204
Charge for the financial year	-	-	-	-	10,708,413	-	-	10,708,413
At 31 March 2024	-	-	-	-	31,352,617	-	-	31,352,617
Carrying amount								
At 31 March 2024	29,000,000	13,000,000	117,954	3	3,778,851	36,368	157,504	46,090,680

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	← At valuation →		← At cost →					Total RM
	Freehold land RM	Buildings RM	Furniture, office equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Tools and equipment RM	
Group								
2023								
Cost/Valuation								
At 1 April 2022	38,700,000	16,300,000	3,350,686	503,291	133,186,527	885,181	4,684,316	197,610,001
Additions	-	-	91,385	-	15,985	12,700	25,239	145,309
Disposals	-	-	-	-	(638)	-	(25,376)	(26,014)
Revaluation surplus	4,000,000	-	-	-	-	-	-	4,000,000
Exchange differences	-	-	(2,596)	(3,595)	(2,053)	(4,217)	(3,745)	(16,206)
At 31 March 2023	42,700,000	16,300,000	3,439,475	499,696	133,199,821	893,664	4,680,434	201,713,090
Accumulated depreciation								
At 1 April 2022	-	-	3,222,612	395,569	90,748,321	784,290	4,375,234	99,526,026
Charge for the financial year	-	409,898	72,379	13,665	4,311,234	52,321	131,113	4,990,610
Disposals	-	-	-	-	-	-	(25,325)	(25,325)
Elimination of accumulated depreciation on revaluation	-	(409,898)	-	-	-	-	-	(409,898)
Exchange differences	-	-	(2,450)	(617)	(1,896)	(3,450)	(2,716)	(11,129)
At 31 March 2023	-	-	3,292,541	408,617	95,057,659	833,161	4,478,306	104,070,284
Accumulated impairment losses								
At 1 April 2022/31 March 2023	-	-	-	-	20,644,204	-	-	20,644,204
Carrying amount								
At 31 March 2023	42,700,000	16,300,000	146,934	91,079	17,497,958	60,503	202,128	76,998,602



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) The revaluation of the freehold land and buildings as at 31 March 2024 were estimated based on the valuation performed on 13 March 2024 by JS Valuer Property Consultants (Selangor) Sdn. Bhd., an independent professional valuer. The valuation of the properties have been determined using the combination of method consists of:
- (i) Cost method, being reference to replacement cost of similar assets to determine the cost per square feet; and
 - (ii) Comparison method, being reference to recent transactions and sales evidence for similar properties and location to determine the price per square feet.
- (b) If the freehold land and buildings stated at valuation were included in the financial statements at cost less accumulated depreciation, their net book values would be:

	Group	
	2024	2023
	RM	RM
Freehold land	7,300,355	10,784,571
<hr/>		
Buildings:		
Cost	14,179,936	16,329,701
Accumulated depreciation	(3,876,480)	(4,280,348)
	<hr/>	<hr/>
	10,303,456	12,049,353
	<hr/>	<hr/>
	17,603,811	22,833,924
	<hr/>	<hr/>

- (c) Fair value information

The fair value of the land and buildings is categorised as Level 2.

There are no transfers between Level 1 and Level 2 during the financial year.

- (d) The freehold land and buildings with carrying amount of RM42,000,000 (2023: RM55,700,000) have been pledged to banks for banking facilities granted to subsidiaries as disclosed in Note 16 to the financial statements.
- (e) Impairment assessment of plant and machinery

During the financial year, the Group had suffered a gross loss of RM4,406,420 from its significant subsidiary, Jadi Imaging Technologies Sdn. Bhd. due to increased competition in the market, which led to pricing pressures and reduced margins.

The recoverable amount of plant and machinery was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-years period (2023: five-years period). The Group uses its judgement to decide the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates and gross profit margins.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(f) The key assumptions used for the value-in-use calculations are as follows:

	2024	2023
Gross profit margin excluding depreciation	7%	15%
Annual revenue growth rate	5%	5%
Terminal growth rate	0%	0%
Pre-tax discount rate	13%	13%

The Group's review includes an impact assessment of changes in key assumption. The following key assumptions are particularly sensitive:

- A 1% decrease in the gross profit margin excluding depreciation will increase the impairment loss recognised on the cash generating unit ("CGU") by RM2,979,269.
- A 1% decrease in the annual revenue growth rate will increase the impairment loss recognised on the CGU by RM682,713.

Based on the impairment assessment, there was a deficit between the carrying amount and the recoverable amount of the assessed plant and machinery. Accordingly, the Group has recognised an impairment loss on its plant and machinery amounting to RM10,708,413.

4. RIGHT-OF-USE ASSETS

	Note	Buildings RM	Air compressor RM	Motor vehicles RM	Total RM
Group					
2024					
Cost					
At 1 April 2023		10,545,382	205,341	368,882	11,119,605
Additions		–	–	249,507	249,507
Completion of leases		–	(205,341)	–	(205,341)
Disposal of a subsidiary	24	(865,818)	–	–	(865,818)
Exchange differences		(6,835)	–	–	(6,835)
At 31 March 2024		9,672,729	–	618,389	10,291,118
Accumulated depreciation					
At 1 April 2023		4,582,344	119,781	184,441	4,886,566
Charge for the financial year		1,708,249	85,560	156,945	1,950,754
Completion of leases		–	(205,341)	–	(205,341)
Disposal of a subsidiary	24	(175,518)	–	–	(175,518)
Exchange differences		(1,027)	–	–	(1,027)
At 31 March 2024		6,114,048	–	341,386	6,455,434
Accumulated impairment losses					
At 1 April 2023/31 March 2024		2,771,181	–	–	2,771,181
Carrying amount					
At 31 March 2024		787,500	–	277,003	1,064,503



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

4. RIGHT-OF-USE ASSETS (CONT'D)

	Buildings RM	Forklift RM	Air compressor RM	Motor vehicles RM	Total RM
Group					
2023					
Cost					
At 1 April 2022	10,477,855	241,395	413,340	368,882	11,501,472
Additions	896,683	–	–	–	896,683
Completion of leases	(805,126)	(241,395)	(207,999)	–	(1,254,520)
Exchange differences	(24,030)	–	–	–	(24,030)
At 31 March 2023	10,545,382	–	205,341	368,882	11,119,605
Accumulated depreciation					
At 1 April 2022	4,440,997	241,395	225,109	110,664	5,018,165
Charge for the financial year	964,138	–	102,671	73,777	1,140,586
Completion of leases	(805,126)	(241,395)	(207,999)	–	(1,254,520)
Exchange differences	(17,665)	–	–	–	(17,665)
At 31 March 2023	4,582,344	–	119,781	184,441	4,886,566
Accumulated impairment losses					
At 1 April 2022/ 31 March 2023	2,771,181	–	–	–	2,771,181
Carrying amount					
At 31 March 2023	3,191,857	–	85,560	184,441	3,461,858

- (a) The Group leases buildings for its office space and operation site with lease term between 2 to 9 years (2023: 2 to 9 years).
- (b) The Group leases forklift, air compressor and motor vehicle with lease term between 2 to 5 years (2023: 2 to 5 years).



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

5. INVESTMENT PROPERTY

	2024 RM	Group 2023 RM
Freehold apartment		
Cost		
At beginning/end of the financial year	120,000	120,000
Accumulated depreciation		
At beginning of the financial year	41,400	39,000
Depreciation charge for the financial year	2,400	2,400
At end of the financial year	43,800	41,400
Carrying amount		
At end of the financial year	76,200	78,600

6. INTANGIBLE ASSET

	2024 RM	Group 2023 RM
Development costs		
Cost		
At beginning/end of the financial year	628,715	628,715
Accumulated amortisation		
At beginning of the financial year	235,768	157,178
Amortisation charge for the financial year	78,589	78,590
At end of the financial year	314,357	235,768
Accumulated impairment loss		
At beginning of the financial year	-	-
Charge for the financial year	314,358	-
At end of the financial year	314,358	-
Carrying amount		
At end of the financial year	-	392,947

The development costs comprise of internally generated expenditure incurred for developing the new products for Chemically Produced Toner.

The Group has recognised an impairment loss on its intangible asset amounting to RM314,358 due to increased competition in the market, which led to pricing pressures and reduced margins.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

7. OTHER INVESTMENT

	Group	
	2024 RM	2023 RM
At beginning of the financial year	50,000	50,000
Write off during the financial year	(50,000)	–
At end of the financial year	–	50,000

The other investment comprises of one transferable golf club membership stated at fair value is held for long-term purposes.

8. INVENTORIES

	Group	
	2024 RM	2023 RM
At cost		
Raw materials	10,603,740	19,782,262
Finished goods	8,017,537	9,784,573
Spare parts	622,298	654,624
Work-in-progress	549,464	456,895
	19,793,039	30,678,354
Less: Provision for slow moving inventories	(2,762,487)	(3,536,740)
	17,030,552	27,141,614

The movement of provision for slow moving inventories is as follows:

	Group	
	2024 RM	2023 RM
At beginning of the financial year	3,536,740	818,083
Charge during the financial year	1,831,836	2,745,871
Disposal of a subsidiary	(2,585,676)	–
Exchange differences	(20,413)	(27,214)
At end of the financial year	2,762,487	3,536,740

The cost of inventories recognised as expenses and included in cost of sales amounted to RM21,508,725 (2023: RM21,069,493).

During the financial year, there were inventories written off amounting to RM963,128 (2023: RM Nil), which were recognised in administrative expenses.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

9. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade					
Trade receivables	(a)	4,182,608	4,967,400	-	-
Less: Accumulated impairment losses	30	(427,343)	(542,456)	-	-
		3,755,265	4,424,944	-	-
Non-trade					
Other receivables	(b)	2,514,146	958,141	2,000,000	4,000
Prepayments		279,254	406,511	36,250	22,788
Refundable deposits		1,597,575	1,382,171	1,000	1,000
Value added tax refundable		-	1,047,039	-	-
		4,390,975	3,793,862	2,037,250	27,788
		8,146,240	8,218,806	2,037,250	27,788

(a) Trade receivables

The Group's normal trade credit terms range from 30 to 60 days (2023: 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

(b) Other receivables

Included in other receivables of the Group and the Company amounting to RM2,000,000 and RM2,000,000 (2023: RM Nil and RM Nil) respectively is the remaining sales proceeds of the disposal of a subsidiary as disclosed in Note 24(c) to the financial statements. RM1,000,000 was subsequently received on 25 April 2024 and the balance RM1,000,000 is expected to be received in August 2024.

10. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	765,558	4,817,960	4,504	245,496
Deposits with licensed banks	4,616,058	5,462,925	-	3,880,674
	5,381,616	10,280,885	4,504	4,126,170

Included in deposits with licensed banks of the Group and of the Company are short-term deposits made for varying periods of between 1 to 365 days (2023: 1 to 30 days and 1 to 14 days) respectively depending on the immediate cash requirements of the Group and of the Company. The interest rate is 2.05% to 2.80% (2023: 2.25% to 2.40% and 2.30% to 2.40%) per annum respectively at the end of the reporting date.

Deposits with licensed banks of the Group amounting to RM4,616,058 (2023: RM1,582,251) are pledged to licensed bank as securities for credit facilities granted to the Group as disclosed in Note 16 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

11. NON-CURRENT ASSET HELD FOR SALE

	Group	
	2024 RM	2023 RM
Freehold land and buildings		
At 1 January	–	–
Transferred from property, plant and equipment, net of cost to sell	18,350,000	–
At 31 December	18,350,000	–

The freehold land and building of the Group have been classified as non-current asset held for sale following the signing of Sale and Purchase Agreement on 1 December 2023 to dispose the freehold land and building. The balance includes RM150,000 allocated for the cost to sell. The transaction was subsequently completed on 27 May 2024.

12. SHARE CAPITAL

	Note	Group/Company			
		2024		2023	
		Number of shares Unit	Amount RM	Number of shares Unit	Amount RM
Issued and fully paid					
At beginning of the financial year		1,076,490,123	108,799,270	1,076,490,123	108,799,270
Issuance of shares private placement	(a)	322,911,000	6,619,676	–	–
At end of the financial year		1,399,401,123	115,418,946	1,076,490,123	108,799,270

(a) On 8 August 2023, the issued and paid-up capital of the Company was increased from 1,076,490,123 ordinary shares to 1,399,401,123 ordinary shares by way of issuance of 322,911,000 new ordinary shares via a private placement arrangement for a cash consideration of RM6,619,676 for working capital purposes. The new ordinary shares issued during the financial year ranked pari-passu in all respect the existing ordinary shares of the Company.

Warrants 2023/2026

On 15 September 2023, the Company allotted 699,639,830 free Warrants 2023/2026 on the basis of 1 Warrant for every 2 existing ordinary shares held in the Company. The Warrants 2023/2026 were listed on the Main Market of Bursa Malaysia Securities Berhad with effect from 22 September 2023.

Each Warrant 2023/2026 entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 15 September 2023 till 14 September 2026, at an exercise price of RM0.05. Any Warrant 2023/2026 not exercised at the date of maturity will lapse and cease to be valid for any purpose. As at 31 March 2024, 699,639,830 Warrant 2023/2026 remain unexercised.

The ordinary shares issued from the exercise of Warrants 2023/2026 shall rank pari-passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, distributions or rights, the entitlement date of which is prior to the date of the allotment of the new shares arising from the exercise of Warrants 2023/2026.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

13. TREASURY SHARES

	Group/Company			
	2024		2023	
	Number of shares Unit	Amount RM	Number of shares Unit	Amount RM
At beginning/end of the financial year	119,672	22,042	119,672	22,042

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The share repurchases made to date were financed by internally generated funds and are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

14. OTHER RESERVES

	Note	Group	
		2024 RM	2023 RM
Foreign currency translation reserve	(a)	–	60,327
Revaluation reserve	(b)	29,990,372	27,486,217
		29,990,372	27,546,544

(a) Foreign currency translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(b) Revaluation reserve

	Note	Group	
		2024 RM	2023 RM
At beginning of the financial year		27,486,217	24,198,006
Revaluation surplus	3	1,022,332	4,409,898
Deferred tax liabilities relating to revaluation reserve	17	1,535,638	(1,058,376)
Realisation of revaluation reserve		(53,815)	(63,311)
At end of the financial year		29,990,372	27,486,217

The revaluation reserve relates to revaluation of freehold land and buildings, net of tax.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

15. LEASE LIABILITIES

	2024 RM	Group 2023 RM
Repayable within twelve months	1,438,975	1,613,140
Repayable after twelve months	2,134,284	3,922,987
	3,573,259	5,536,127

The effective interest rates of the Group ranges from 4.09% to 6.90% (2023: 4.09% to 7.70%) per annum.

16. BORROWINGS

	Note	2024 RM	Group 2023 RM
Non-current Secured			
Term loans	(a)	–	2,316,107
Current Secured			
Term loans	(a)	452,140	7,360,588
Bank overdraft	(b)	2,964,588	–
		3,416,728	7,360,588
		3,416,728	9,676,695

(a) Term loans

The range of effective interest rate per annum are from 6.23% to 8.25% (2023: 5.65% to 8.25%).

The term loans are secured as follows:

- (i) a first party legal charge over factory with office/warehouse and ancillary buildings held under GM 3626 Lot 719, Mukim of Kapar, District of Klang, Selangor as disclosed in Note 3 to the financial statements;
- (ii) fixed deposit placed with licensed bank as disclosed in Note 10 to the financial statements;
- (iii) assignment of life assurance policy by Director of the subsidiaries;
- (iv) personal guarantee executed by Director of the subsidiaries; and
- (v) corporate guarantee provided by the Company.

(b) Bank overdraft

The effective interest rate per annum of bank overdraft is 5.85% (2023: Nil).

The bank overdraft is secured by the fixed deposit placed with licensed bank as disclosed in Note 10 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

17. DEFERRED TAX LIABILITIES

The movement on the net deferred tax liabilities are as follows:

	Note	2024 RM	Group 2023 RM
At beginning of the financial year		8,690,703	7,726,605
Recognised in profit or loss	23	(27,838)	(94,278)
Recognised in other comprehensive income	14(b)	(1,535,638)	1,058,376
At end of the financial year		7,127,227	8,690,703

The components of deferred tax liabilities of the Group during the financial year are as follows:

	2024 RM	Group 2023 RM
Deferred tax liabilities		
- Revaluation of land and buildings	7,127,227	8,679,859
- Others	-	10,844
Net deferred tax liabilities	7,127,227	8,690,703

The deductible temporary difference of the Group for which no deferred tax assets were recognised in the statements of financial position are as follows:

	2024 RM	Group 2023 RM
Property, plant and equipment	46,458,694	33,295,642
Right-of-use assets	2,509,433	2,084,900
Unutilised tax losses	32,534,869	24,537,639
Unabsorbed reinvestment allowance	32,214,894	32,136,192
Provisions	2,989,839	1,297,878
	116,707,729	93,352,251
Deferred tax assets not recognised at 24% (2023: 24%)	28,009,855	22,404,540

The Company's unutilised tax losses brought forward from year of assessment 2018 and before, can be carried forward for 10 consecutive years of assessment (i.e. from year of assessment 2019 to 2028). Unutilised tax losses from year of assessment 2019 onwards can be carried forward for a maximum period of 10 consecutive years.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the relevant subsidiaries can utilise the benefits there from.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

18. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade					
Trade payables	(a)	4,005,359	2,825,882	–	–
Non-trade					
Other payables		5,203,969	1,339,356	123,937	1,500
Accrued expenses		1,081,037	1,133,104	230,315	142,124
Amount owing to a subsidiary	(b)	–	–	–	3,420,935
Deposits		723,200	–	–	–
		7,008,206	2,472,460	354,252	3,564,559
		11,013,565	5,298,342	354,252	3,564,559

(a) Trade payables

The normal trade credit terms granted to the Group ranges from 30 to 90 days (2023: 30 to 90 days).

(b) Amount owing to a subsidiary

Amount owing to a subsidiary is unsecured, interest-free, repayable upon demand and is expected to be settled in cash.

19. INVESTMENT IN SUBSIDIARIES

	Note	Company	
		2024 RM	2023 RM
At cost			
Unquoted shares		10,500,000	16,359,864
Advances to subsidiaries treated as quasi-investment	(b)	99,890,429	103,970,245
Capital contribution to subsidiaries	(c)	557,617	607,862
		110,948,046	120,937,971
Less: Accumulated impairment losses		(40,892,492)	(20,662,011)
Carrying amount		70,055,554	100,275,960



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

The movement of accumulated impairment losses is as follows:

	Company	
	2024	2023
	RM	RM
At beginning of the financial year	20,662,011	14,074,113
Charge during the financial year	26,039,542	6,587,898
Disposal of a subsidiary	(5,809,061)	–
At end of the financial year	40,892,492	20,662,011

(a) The subsidiaries and shareholdings therein are as follows:

Name of entity	Country of incorporation and place of business	Effective ownership and voting interest		Principal activities
		(%)		
		2024	2023	
Jadi Imaging Technologies Sdn. Bhd.	Malaysia	100	100	Manufacturing and sale of toner
Zhuhai Jadi Imaging Technologies Co., Ltd. *#	The People's Republic of China	–	100	Trading of toner
Jadi Life Solutions Sdn. Bhd.	Malaysia	100	100	Retailing of consumer products via e-commerce
<u>Subsidiaries of Jadi Imaging Technologies Sdn Bhd</u>				
Jadi Chemicals Sdn. Bhd.	Malaysia	100	100	Manufacturing and sale of toner resin

* Audited by auditors other than HLB Ler Lum Chew PLT.

Classified as discontinued operation as disclosed in Note 24 to the financial statements.

(b) Advances to subsidiaries treated as quasi-investment

The advances to subsidiaries are unsecured, interest-free with no fixed terms of repayment. The settlement of the advances is neither planned nor likely in the foreseeable future and they are determined to form part of the Company's net investment in the subsidiaries.

(c) Capital contribution to subsidiaries

The Company awarded ESOS share-based payments to eligible employees of its subsidiaries. Accordingly, the Company capitalised RM557,617 (2023: RM607,862) based on the fair value at grant date over the vesting period by way of a capital contribution to the subsidiaries.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Disposal of a subsidiary

On 14 July 2023, the Company had disposed 100% ownership in Zhuhai Jadi Imaging Technologies Co., Ltd (part of the product distribution segment) for a total consideration of RM2,500,000.

The effect on the financial position of the Group from the disposal of the subsidiary is disclosed in Note 24(c) to the financial statements.

20. REVENUE

	2024 RM	2023 RM Restated
Group		
Revenue recognised from contracts with customers:		
- Trading	1,086,146	1,392,941
- Manufacturing	25,321,566	27,675,667
	26,407,712	29,068,608
Geographical market		
- South East Asia	12,689,304	8,077,347
- East Asia	10,713,979	15,720,132
- South Asia	823,380	647,657
- Middle East	1,196,207	2,301,370
- Europe	670,469	1,855,630
- Others	314,373	466,472
	26,407,712	29,068,608
Timing of revenue recognition		
At a point in time	26,407,712	29,068,608

21. FINANCE (COSTS)/INCOME, NET

	Group		Company	
	2024 RM	2023 RM Restated	2024 RM	2023 RM
Finance costs:				
- Lease liabilities	(282,044)	(353,233)	-	-
- Term loans	(441,815)	(820,670)	-	-
- Others	-	(7,955)	-	-
	(723,859)	(1,181,858)	-	-
Finance income:				
- Deposits with licensed banks	90,517	135,665	10,778	104,919
	(633,342)	(1,046,193)	10,778	104,919

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

22. LOSS BEFORE TAXATION

Loss before tax is arrived at after charging/(crediting):

	Group		Company	
	2024 RM	2023 RM Restated	2024 RM	2023 RM
Auditors' remuneration:				
- Statutory	130,000	118,000	64,000	52,000
- Others	40,000	5,000	40,000	5,000
Amortisation of intangible asset	78,589	78,590	-	-
Depreciation of:				
- property, plant and equipment	3,690,519	4,900,807	-	-
- right-of-use assets	1,851,720	871,453	-	-
- investment property	2,400	2,400	-	-
Gain on disposal of property, plant and equipment	(30,569)	(272)	-	-
Gain on derecognition of a subsidiary	-	(40,132)	-	-
Impairment loss on:				
- property, plant and equipment	10,708,413	-	-	-
- intangible asset	314,358	-	-	-
- trade receivables	21,788	376,974	-	-
- investment in subsidiaries	-	-	26,039,542	6,587,898
Loss on disposal of a subsidiary	8,468,684	-	8,870,406	-
Loss/(Gain) on foreign exchange:				
- Realised	210,552	276,001	-	-
- Unrealised	(145,892)	(9,747)	-	-
Provision for slow moving inventories, net	1,831,836	930,651	-	-
Write off/(Write back) of:				
- inventories	963,681	(2,351,783)	-	-
- other investment	50,000	-	-	-
- trade receivable	277	25,441	-	-
- investment in subsidiaries	-	-	-	4,917

23. TAXATION

	Group	
	2024 RM	2023 RM Restated
Deferred taxation: (Note 17)		
- Origination and reversal of temporary differences	57,291	(93,809)
- Over provision in prior year	(85,129)	-
Taxation for the financial year from continuing operations	(27,838)	(93,809)

Income tax is calculated at the statutory tax rate of 24% (2023: 24%) on the chargeable income of the estimated assessable profit for the financial year.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

23. TAXATION (CONT'D)

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024 RM	2023 RM Restated	2024 RM	2023 RM
Loss before taxation from continuing operations	(35,302,365)	(9,026,197)	(35,741,979)	(7,322,494)
Taxation at statutory tax rate of 24% (2022: 24%)	(8,472,568)	(2,166,287)	(8,578,075)	(1,757,399)
Non-deductible expenses	2,948,875	588,083	8,578,075	1,757,399
Income not subject to tax	(7,337)	–	–	–
Crystallisation of deferred tax liabilities arising from revaluation	(16,994)	(19,993)	–	–
Deferred tax assets not recognised	5,605,315	1,503,919	–	–
Over provision of deferred taxation in prior year	(85,129)	–	–	–
Taxation for the financial year	(27,838)	(94,278)	–	–

24. DISCONTINUED OPERATION

On 14 July 2023, the Company had disposed 100% ownership in Zhuhai Jadi Imaging Technologies Co., Ltd (“Zhuhai Jadi”) (part of the product distribution segment) for the total consideration of RM2,500,000. As the results of Zhuhai Jadi was not separately disclosed as a discontinued operation in the prior financial year. The Group’s comparative consolidated statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operations.

Cumulative gain recognised in other comprehensive income relating to the discontinued operation in prior year is RM58,498.

(a) The analysis of the results of discontinued operation before consolidation eliminations is as follows:

	Group	
	2024 RM	2023 RM
Revenue	4,421,233	19,546,644
Cost of sales	(4,122,086)	(17,722,994)
Gross profit	299,147	1,823,650
Other income	–	11,150
Administrative expenses	(319,436)	(2,790,655)
Selling and distribution expenses	(221,114)	(965,557)
Other expenses	–	(169,550)
Finance cost	(13,843)	(5,187)
Loss before taxation from discontinued operation	(255,246)	(2,096,149)
Taxation	–	–
Loss for the financial year from discontinued operation	(255,246)	(2,096,149)

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

24. DISCONTINUED OPERATION (CONT'D)

- (a) The analysis of the results of discontinued operation before consolidation eliminations is as follows (Cont'd):

The loss from discontinued operation of RM255,246 (2023: RM2,096,149) is attributable entirely to the owners of the Company.

Zhuhai Jadi actively trades with subsidiaries of the Company. Following the disposal, it is anticipated that transactions between these entities will continue. Consequently, sales from subsidiaries of the Company to Zhuhai Jadi, amounting to RM4,004,069 (2023: RM13,572,988) and sales from Zhuhai Jadi to subsidiaries of the Company amounting to RM279,432 (2023: RM2,275,272), are not eliminated to provide a more accurate presentation of the results of the discontinued operation.

- (b) The following amounts have been included in arriving at the loss before taxation from the discontinued operation:

	Group	
	2024	2023
	RM	RM
Auditors' remuneration	29,264	29,089
Depreciation of:		
- property, plant and equipment	7,619	89,803
- right-of-use assets	99,034	269,133
Impairment loss on trade receivables	-	72,722
Loss on disposal of property, plant and equipment	-	683
Provision for slow moving inventories	-	1,815,220
Staff costs (excluding Directors)	694,835	699,026
Realised gain on foreign exchange	-	(1,391)

- (c) The effect of disposal on the financial position of the Group is as follows:

	Group
	2024
	RM
Property, plant and equipment	95,070
Right-of-use assets	690,300
Inventories	8,048,221
Trade and other receivables	5,466,631
Cash and cash equivalents	659,462
Trade and other payables	(3,233,097)
Lease liabilities	(699,405)
Net assets	11,027,182
Less: Foreign exchange reserve	(58,498)
Loss on sale of discontinued operation	(8,468,684)
Total consideration receivable	2,500,000
Consideration receivable recognised in other receivables (Note 9(b))	(2,000,000)
Consideration received, satisfied in cash	500,000
Cash and cash equivalent disposed of	(659,462)
Net cash outflow	(159,462)



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

24. DISCONTINUED OPERATION (CONT'D)

(d) The cash flows of discontinued operation is as follows:

	2024 RM	Group 2023 RM
Net cash used in operating activities	(1,479,399)	(67,895)
Net cash used in investing activities	–	(10,534)
Net cash used in financing activities	(100,608)	(294,817)
	<u>(1,580,007)</u>	<u>(373,246)</u>

25. STAFF COSTS

	2024 RM	Group 2023 RM Restated
Staff costs (excluding Directors)	6,774,134	7,066,489

Included in staff costs are contributions made to the Employee Provident Fund (EPF) under a defined contribution plan for the Group amounting to RM437,771 (2023: RM500,079).

26. LOSS PER SHAREBasic loss per share

Basic loss per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2024	Group 2023 Restated
Loss attributable to owners of the Company (RM):		
- from continuing operations	(35,274,527)	(8,931,919)
- from discontinued operation	(255,246)	(2,096,149)
	<u>(35,529,773)</u>	<u>(11,028,068)</u>
Weighted average number of ordinary shares in issue	1,286,041,429	1,076,370,451



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

26. LOSS PER SHARE (CONT'D)Basic loss per share (Cont'd)

	2024	Group 2023
Basic loss per share (sen):		
- from continuing operations	(2.74)	(0.83)
- from discontinued operation	(0.02)	(0.19)
	(2.76)	(1.02)

Diluted loss per share

For the purpose of calculating diluted loss per share, consolidated loss attributable to owners of the Company adjusted for dilutive adjustments is divided by the weight average number of ordinary shares in issue during the financial year adjusted for the dilutive effects of all potential ordinary shares.

The potential exercising of Warrants 2024/2026 is anti-dilutive as the exercise of Warrants 2024/2026 results in a reduction in diluted loss per share upon exercising. As a result, the diluted loss per share is the same with basic loss per share.

27. RELATED PARTY DISCLOSURES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

There were no significant transactions between the Group and the Company with its related parties during the financial year.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The key management personnel compensation is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors' remuneration:				
- Fees	246,000	264,350	246,000	264,350
- Salaries and other emoluments	277,927	256,523	36,800	15,600
- Defined contribution plan	45,600	34,400	-	-
	569,527	555,273	282,800	279,950



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

27. RELATED PARTY DISCLOSURES (CONT'D)

The key management personnel compensation is as follows (Cont'd):

	2024 RM	Group 2023 RM
Subsidiaries' Directors' remuneration:		
- Salaries and other emoluments	1,005,680	1,373,170
- Defined contribution plan	120,384	163,728
	1,126,064	1,536,898

28. SEGMENT INFORMATION

Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure.

The reportable business segments of the Group comprise the following:

Manufacturing	:	Manufacturing and sale of toner.
Product distribution	:	Retailing of consumer products through e-commerce activities.
Investment holding	:	Investment of companies.

Segment revenue, results and assets include items directly attributable to a segment and those where a reasonable basis of allocation exists. Inter-segment revenues are eliminated on consolidation.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Executive Director. Segment total assets are used to measure the return of assets of each segment.

The total segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group's Executive Director.

The amounts relating to Zhuhai Jadi Imaging Technologies Co., Ltd. (part of the production distribution segment) have been excluded to arrive at amounts shown in the consolidated statement of profit or loss and other comprehensive income as they are presented separately within "loss from discontinued operation".

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

28. SEGMENT INFORMATION (CONT'D)

(a) Business segments

	Manufacturing RM	Prodct distribution RM	Investment holding RM	Total RM
2024				
Revenue				
Total operating revenue	28,970,936	1,099,909	–	30,070,845
Internal segment	(3,649,370)	(13,763)	–	(3,663,133)
External segment	25,321,566	1,086,146	–	26,407,712
Results:				
Segment results	(5,378,491)	(642,065)	(843,216)	(6,863,772)
Amortisation of intangible asset	(78,589)	–	–	(78,589)
Depreciation of:				
- property, plant and equipment	(3,672,554)	(17,965)	–	(3,690,519)
- right-of-use assets	(1,851,720)	–	–	(1,851,720)
- investment property	(2,400)	–	–	(2,400)
Gain on disposal of property, plant and equipment	30,569	–	–	30,569
Impairment loss on:				
- property, plant and equipment	(10,708,413)	–	–	(10,708,413)
- intangible asset	(314,358)	–	–	(314,358)
- trade receivables	–	(21,788)	–	(21,788)
Interest expenses	(723,859)	–	–	(723,859)
Interest income	79,739	–	10,778	90,517
Loss on disposal of a subsidiary	–	–	(8,468,684)	(8,468,684)
Provision for slow moving inventories	(2,200,624)	368,788	–	(1,831,836)
Write off of:				
- inventories	(956,668)	(6,460)	–	(963,128)
- other investment	(50,000)	–	–	(50,000)
- trade receivables	–	(277)	–	(277)
Unrealised foreign exchange (gain)/loss	149,622	(3,730)	–	145,892
Loss before taxation from continuing operations	(25,677,746)	(323,497)	(9,301,122)	(35,302,365)
Other information				
Segment assets	92,725,615	1,372,422	2,041,754	96,139,791
Segment liabilities	23,678,978	1,097,549	354,252	25,130,779



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

28. SEGMENT INFORMATION (CONT'D)

(a) Business segments (Cont'd)

	Manufacturing RM	Product distribution RM	Investment holding RM	Total RM
2023 (Restated)				
Revenue				
Total operating revenue	32,837,448	1,404,375	–	34,241,823
Internal segment	(5,161,781)	(11,434)	–	(5,173,215)
External segment	27,675,667	1,392,941	–	29,068,608
Results:				
Segment results	(2,574,566)	258,546	(879,602)	(3,195,622)
Amortisation of intangible asset	(78,590)	–	–	(78,590)
Depreciation of:				
- property, plant and equipment	(4,887,905)	(12,902)	–	(4,900,807)
- right-of-use assets	(871,453)	–	–	(871,453)
- investment property	(2,400)	–	–	(2,400)
Gain on derecognition of a subsidiary	–	–	40,132	40,132
Gain on disposal of property, plant and equipment	272	–	–	272
Impairment loss on trade receivables	(376,974)	–	–	(376,974)
Interest expenses	(1,181,858)	–	–	(1,181,858)
Interest income	30,746	–	104,919	135,665
Provision for slow moving inventories	(69,357)	(861,294)	–	(930,651)
Write back/(Write off) of:				
- inventories	2,351,783	–	–	2,351,783
- trade receivables	(24,879)	(562)	–	(25,441)
Unrealised foreign exchange gain	9,747	–	–	9,747
Loss before taxation	(7,675,434)	(616,212)	(734,551)	(9,026,197)
Other information				
Segment assets	107,076,690	1,624,457	4,153,958	112,855,105
Segment liabilities	27,655,978	352,201	143,624	28,151,803



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

28. SEGMENT INFORMATION (CONT'D)

(b) Geographical segments

In determining the geographical segments of the Group, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets. The amount of non-current assets does not include financial instruments and deferred tax assets.

	Revenue	
	2024	2023
	RM	RM
		Restated
Group		
South East Asia	12,689,304	8,077,347
East Asia	10,713,979	15,720,132
South Asia	823,380	647,657
Middle East	1,196,207	2,301,370
Europe	670,469	1,855,630
Others	314,373	466,472
	26,407,712	29,068,608

	Non-current assets	
	2024	2023
	RM	RM
		Restated
Group		
South East Asia	47,231,383	80,033,397
	47,231,383	80,033,397

(c) Information about major customers

There is no major customer with revenue equal to or more than 10% of the Group's revenue arising from sales during the year and prior year.

29. CONTINGENT LIABILITIES

Contingent liabilities of the Group as at the end of the financial year are as follows:

	Group	
	2024	2023
	RM	RM
Guarantee given to licensed banks for facilities granted to subsidiaries	452,140	5,733,140
	452,140	5,733,140



NOTES TO THE FINANCIAL STATEMENTS

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30. FINANCIAL INSTRUMENTS

The following table analyses the financial assets and financial liabilities of the Group and of the Company by the classes and categories of financial instruments to which they are assigned, and therefore by the measurement basis:

	Financial assets and liabilities at amortised cost RM
2024	
Group	
Financial assets	
Trade and other receivables#	7,866,986
Cash and cash equivalents	5,381,616
	13,248,602
Financial liabilities	
Borrowings	3,416,728
Lease liabilities	3,573,259
Trade and other payable	11,013,565
	18,003,552
Company	
Financial assets	
Trade and other receivables#	2,001,000
Cash and cash equivalents	4,504
	2,005,504
Financial liability	
Trade and other payables	354,252

Exclude prepayments and value added tax refundable



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)

	Financial assets and liabilities at amortised cost RM	Financial assets at FVTPL RM	Total RM
2023			
Group			
Financial assets			
Other investments	–	50,000	50,000
Trade and other receivables#	6,765,256	–	6,765,256
Cash and cash equivalents	10,280,885	–	10,280,885
	17,046,141	50,000	17,096,141
Financial liabilities			
Borrowings	9,676,695	–	9,676,695
Lease liabilities	5,536,127	–	5,536,127
Trade and other payables	5,298,342	–	5,298,342
	20,511,164	–	20,511,164
Company			
Financial assets			
Trade and other receivables#	5,000	–	5,000
Cash and cash equivalents	4,126,170	–	4,126,170
	4,131,170	–	4,131,170
Financial liability			
Trade and other payables	3,564,559	–	3,564,559

Exclude prepayments and value added tax refundable



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)**Financial risk management**

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its financial risks, including credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of a financial loss to the Group if a counterparty of a financial asset fails to meet its contractual obligations. The Group's exposure to credit risk arises mainly from receivables from trade receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the review of trade receivables ageing.

The maximum exposure to credit risk for the Group is the carrying amount of the financial assets shown in the statements of financial position.

The ageing analysis of the Group's trade receivables are as follows:

	2024 RM	Group 2023 RM
Neither past due nor individually impaired	1,213,693	1,651,754
Past due but not individually impaired		
- Between 1- 30 days	1,606,290	861,568
- Between 31 - 60 days	470,465	979,731
- Between 61 - 90 days	411,549	164,787
- Between 91 - 120 days	5,228	111,561
- More than 121 days	98,409	759,552
Individually impaired	2,591,941	2,877,199
	376,974	438,447
	4,182,608	4,967,400

The Group's trade receivables that are neither past due nor individually impaired are creditworthy debtors with good payment records with the Group. These debtors are mostly long term customers with no history of default in payment.

The Group's trade receivables of RM2,591,941 (2023: RM2,877,199) was past due but not individually impaired. These relate to customers who are slow paymasters, hence, periodically monitored.

The Group's trade receivables of RM376,974 (2023: RM438,447) were individually impaired. The individually impaired receivables mainly relate to customers which are facing difficulties in cash flows. As at the end of the reporting date, the impairment losses for these receivables is RM376,974 (2023: RM438,447).



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)**Financial risk management (Cont'd)**Credit risk (Cont'd)

Movements on the Group's expected credit loss allowance of trade receivables are as follows:

	Trade receivables RM
Group	
2024	
At beginning of the financial year	542,456
Charge during the financial year	21,788
Disposal of a subsidiary	(135,829)
Exchange differences	(1,072)
	<hr/>
At end of the financial year	427,343
	<hr/>
Represented by:	
Individually impairment	376,974
Lifetime expected credit loss impairment	50,369
	<hr/>
	427,343
	<hr/>
2023	
At beginning of the financial year	94,785
Charge during the financial year	449,696
Exchange differences	(2,025)
	<hr/>
At end of the financial year	542,456
	<hr/>
Represented by:	
Individually impairment	438,447
Lifetime expected credit loss impairment	104,009
	<hr/>
	542,456
	<hr/>

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from trade and other payables, borrowings and lease liabilities.

Cash flow forecasting is performed by monitoring the Group's liquidity requirements to ensure that it has sufficient liquidity to meet operational, financing repayments and other liabilities as they fall due.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (Cont'd)

Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group and the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	Below 1 year RM	Between 1 to 2 years RM	Between 2 to 5 years RM
Group						
2024						
Trade and other payables	11,013,565	-	11,013,565	11,013,565	-	-
Lease liabilities	3,573,259	2.15 - 6.90	3,867,342	1,630,256	1,518,336	718,750
Bank borrowings	3,416,728	5.85 - 8.25	3,416,048	3,416,048	-	-
	18,003,552		18,296,955	16,059,869	1,518,336	718,750
2023						
Trade and other payables	5,298,342	-	5,298,342	5,298,342	-	-
Lease liabilities	5,536,127	2.15 - 7.70	7,001,773	2,405,956	3,877,067	718,750
Bank borrowings	9,676,695	5.65 - 8.25	10,122,398	7,733,294	2,389,104	-
	20,511,164		22,422,513	15,437,592	6,266,171	718,750
Company						
2024						
Trade and other payables	354,252	-	354,252	-	354,252	354,252
2023						
Trade and other payables	3,564,559	-	3,564,559	-	3,564,559	3,564,559



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates and cash flow and fair value interest rate risk that may affect the Group's and the Company's financial position and cash flows.

(a) Price risk

The Group is not significantly exposed to price risk.

(b) Cash flow and fair value interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in interest rates. The Group's variable rate borrowings are exposed to a change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

The interest rate profit of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets	4,616,058	5,462,925	–	3,880,674
Financial liabilities	(101,667)	(162,606)	–	–
	4,514,391	5,300,319	–	3,880,674
Floating rate instruments				
Financial liabilities	3,416,728	9,676,695	–	–

Since the Group's and the Company's fixed rate financial assets and liabilities are measured at amortised cost, possible changes in interest rates are not expected to have a significant impact on the Group's and the Company's profit or loss.

As at the end of the financial year, if interest rates of floating rate instruments of the Group had been lower by 50 basis points with all other variables held constant, this will result in post-tax decrease of RM12,984 (2023: RM36,771) in profit or loss respectively.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)Market risk (Cont'd)

(c) Foreign currency risk

The Group is exposed to foreign currency risk on assets and liabilities that are denominated in a currency other than the functional currency of the Group. The currency giving rise to this risk is primarily in United States Dollar ("USD"), Chinese Renminbi ("RMB") and Japanese Yen ("JPY").

Exposure to foreign currency risk

The currency profile of the Group is as follows:

	USD RM	RMB RM	JPY RM
Group			
2024			
Trade and other receivables	1,505,643	185,818	–
Cash and cash equivalents	89,929	70,252	40,984
Trade payables	(291,217)	(1,432,602)	(540,724)
	1,304,355	(1,176,532)	(499,740)
2023			
Trade receivables	978,423	–	67,754
Other receivables	39,534	676	114,450
Cash and cash equivalents	105,667	56,163	48,751
Trade payables	(680,508)	–	–
Other payables	(391,837)	–	(1,455,007)
	51,279	56,839	(1,224,052)
Company			
2024			
Cash and cash equivalents	3,942	–	–
2023			
Cash and cash equivalents	4,127	–	–



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)Market risk (Cont'd)

(c) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrated the sensitivity of the Group's and of the Company's profit or loss net of tax to a reasonably possible change in USD, RMB and JPY exchange rates against the functional currency of the Group and of the Company, with all other variables held constant. The Group's and Company's profit or loss net of tax would increase, as applicable, by the amounts stated below if the individual foreign currency had strengthened/weakened by the following percentage:

	Group		Company	
	Effect on profit or loss for the financial year		Effect on profit or loss for the financial year	
	2024	2023	2024	2023
	RM	RM	RM	RM
USD				
- Strengthened by 5% (2023: 5%)	49,565	1,949	150	157
- Weakened by 5% (2023: 5%)	(49,565)	(1,949)	(150)	(157)
RMB				
- Strengthened by 5% (2023: 5%)	(44,708)	2,160	-	-
- Weakened by 5% (2023: 5%)	44,708	(2,160)	-	-
JPY				
- Strengthened by 5% (2023: 5%)	(18,990)	(46,514)	-	-
- Weakened by 5% (2023: 5%)	18,990	46,514	-	-

Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amount of long-term floating rate bank borrowings carried on the statements of financial position reasonably approximate their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that is not based on observable market data.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30. FINANCIAL INSTRUMENTS (CONT'D)Fair value information (Cont'd)

The following table analyses the fair value hierarchy for financial instruments carried at fair value in the statements of financial position:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2023				
Financial asset				
Other investment	50,000	–	–	50,000

31. CAPITAL MANAGEMENT

The objective of the Group on capital management is to ensure that it maintains a strong credit rating and safeguard the Group's ability to continue as a going concern, so as to support its business, maintain the market confidence and maximise shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by equity attributable to the owners of the Company. Net debt includes borrowings and lease liabilities, less cash and cash equivalents.

	2024 RM	Group 2023 RM Restated
Term loans	452,140	9,676,695
Lease liabilities	101,667	162,606
Bank overdraft	2,964,588	–
Less: Cash and cash equivalents	(5,381,616)	(10,280,885)
Net liquidity	(1,863,221)	(441,584)
Equity attributable to owners of the Company	71,009,012	97,421,466
Gearing ratio	N/A	N/A

There were no changes to the Group's approach to capital management during the financial year.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

32. COMPARATIVE FIGURES

On 14 July 2023, the Company has disposed 100% ownership in Zhuhai Jadi Imaging Technologies Co., Ltd. (part of the product distribution segment) for the total consideration of RM2,500,000. As the results of Zhuhai Jadi was not separately disclosed as a discontinued operation in the prior financial year. The Group's comparative consolidated statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operations.

	Group	
	Financial year from	
	1 April 2022 to	
	31 March 2023	
	As	As previously
	restated	stated
	RM	RM
Revenue	29,068,608	32,766,993
Cost of sales	(27,554,968)	(29,429,703)
<hr/>		
Gross profit	1,513,640	3,337,290
Other income	8,510	19,660
Administrative expenses	(5,670,512)	(8,461,167)
Selling and distribution expenses	(1,452,488)	(2,418,045)
Other expenses	(2,379,154)	(2,548,704)
Finance cost	(1,046,193)	(1,051,380)
<hr/>		
Loss before taxation	(9,026,197)	(11,122,346)
Taxation	94,278	94,278
<hr/>		
Loss for the financial year from continuing operations	(8,931,919)	(11,028,068)
Loss for the financial year from discontinued operation	(2,096,149)	-
<hr/>		
Total loss for the financial year	(11,028,068)	(11,028,068)

33. DATE OF AUTHORISATION FOR ISSUE

The financial statements of the Group and of the Company for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 19 July 2024.



LIST OF PROPERTIES

Registered owner	Location	Description/ Existing use	Date of Acquisition	Approximate age of building/ Tenure	Land area/ Built-up area (sq. ft.)	Audited net book value as at 31.03.2024 (RM'000)
Jadi Imaging Technologies Sdn. Bhd.	No. 211 Tingkat 2 Block 1 Jalan Pegawai U1/33, Pangsapuri Sri Kerjaya, Seksyen U1, 40150 Shah Alam Selangor	Apartment for foreign workers	1 August 2001	23 years/ Freehold	855	76
Jadi Imaging Technologies Sdn. Bhd.	No. 3 Jalan Peguam U1/25, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam Selangor	Toner factory	29 May 2006	29 years/ Freehold	45,856/ 24,921	18,350
Jadi Imaging Technologies Sdn. Bhd.	GM3626 Lot 719, Mukim Kapar, Tempat Sungai Dua Daerah Klang Selangor	Toner factory, Resin factory, R & D Centre & Lab	24 July 2008	14 years/ Freehold	257,278/ 123,128	42,000

ANALYSIS OF SHAREHOLDINGS

AS AT 28 JUNE 2024

Total Number of Issued Shares	:	1,399,281,451 Ordinary Shares (excluding 119,672 Treasury Shares)
Class of Shares	:	Ordinary Shares
Number of Shareholders	:	7,290
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	2,331	31.98	119,632	0.01
100 – 1,000	791	10.85	228,519	0.02
1,001 – 10,000	1,090	14.95	6,352,261	0.45
10,001 – 100,000	2,277	31.23	90,290,591	6.45
100,001 – Less than 5% of issued shares	797	10.93	637,854,908	45.59
5% and above of issued shares	4	0.06	664,435,540	47.48
Total	7,290	100.00	1,399,281,451	100.00

DIRECTORS' SHAREHOLDINGS

Name of Directors	No. of Shares held		No. of Shares held	
	Direct	%	Indirect	%
Ong Gim Hai	–	–	–	–
Leow Wey Seng	–	–	–	–
Ling Chi Hoong	–	–	–	–
Tan Su Ning	–	–	–	–

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct		Indirect	
	No. of Shares held	%	No. of Shares held	%
XOX (Hong Kong) Limited	302,292,700	21.60	–	–
XOX Bhd	–	–	302,292,700	21.60 ⁽¹⁾
Static Control Holdings Limited	94,170,040	6.73	–	–
Ninestar Corporation	–	–	94,170,040	6.73 ⁽²⁾
Zhuhai Seine Technology Co., Ltd	–	–	94,170,040	6.73 ⁽²⁾
Zhuhai Hengxinfengye Technology Co., Ltd	–	–	94,170,040	6.73 ⁽²⁾

Notes:

(1) Deemed interest by virtue of Section 8(4) of the Act via its shareholding in XOX (Hong Kong) Limited.

(2) Deemed interest by virtue of Section 8(4) of the Act via its shareholding in Static Control Holdings Limited.



ANALYSIS OF SHAREHOLDINGS

(CONT'D)

LIST OF TOP THIRTY (30) LARGEST REGISTERED SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	%
1.	M & A Nominee (Tempatan) Sdn. Bhd. - Exempt an for Sanston Financial Group Limited (Account Client)	258,328,800	18.46
2.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt an for CLSA Limited (Cust-Non Res)	209,644,000	14.98
3.	M & A Nominee (Asing) Sdn. Bhd. - Exempt an for Sanston Financial Group Limited (Account Client)	102,292,700	7.31
4.	Maybank Securities Nominees (Asing) Sdn. Bhd. - Pledged Securities Account for Static Control Holdings Limited	94,170,040	6.73
5.	M & A Nominee (Tempatan) Sdn. Bhd. - Sanston Financial Group Limited for Ang Wan Joo	64,582,200	4.62
6.	G Rubber Sdn. Bhd.	40,932,200	2.92
7.	HSBC Nominees (Asing) Sdn. Bhd. - Exempt an for Morgan Stanley & Co. International PLC (IPB Client Acct)	17,831,500	1.27
8.	Mega First Corporation Berhad	17,719,300	1.27
9.	Lai Yee Voon	14,953,600	1.07
10.	Parlo Tours Sdn. Bhd.	14,621,000	1.04
11.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Foo Long Loke (MY1890)	12,010,000	0.86
12.	Tee Shong Pen	10,732,000	0.77
13.	Chin Chin Seong	9,500,000	0.68
14.	Alliance Group Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chee Chuan (7007197)	8,150,000	0.58
15.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lai Yee Kein (E-SPG)	7,982,700	0.57
16.	Tey Soon Dee	5,900,000	0.42
17.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lim Kar Yi (ML00214)	5,534,000	0.40
18.	Chew Chin Hun	5,516,000	0.39
19.	How Bee Lay	5,469,766	0.39
20.	RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chee Chuan	5,246,900	0.37
21.	Won Tian Loong	4,950,000	0.35
22.	Hoo Chun Moi	4,900,000	0.35
23.	Maybank Nominees (Tempatan) Sdn. Bhd. - Lee Gia Cian @ Cally	4,199,000	0.30
24.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Hii Hsing Kiet (KKinabalu-CL)	4,033,100	0.29
25.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Foo Long Loke	4,000,000	0.29
26.	Lim York Lai	4,000,000	0.29
27.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lim Soon Kok (KKinabalu-CL)	3,590,000	0.26
28.	Chin Chin Seong	3,500,000	0.25
29.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lee Ka Ong (MY4308)	3,495,800	0.25
30.	Simpson Wong	3,432,200	0.25
	Total	951,216,806	67.98



ANALYSIS OF WARRANTS B HOLDINGS

AS AT 28 JUNE 2024

Class of Securities	:	Warrants B
Number of Warrants B	:	699,639,830
Number of Warrants B holder	:	6,830
Exercise price of Warrants B	:	RM0.05
Exercise period of Warrant B	:	15 September 2023 to 14 September 2026
Exercise rights	:	Each Warrant B entitles its registered holder to subscribe for one new ordinary share in the Company at any time during the Exercise Period
Voting Rights in the meeting of warrant holder	:	One vote per warrant holder

DISTRIBUTION SCHEDULE OF WARRANTS B HOLDERS

Size of Holdings	No. of Holders	%	No. of Warrants	%
Less than 100	2,752	40.29	90,802	0.01
100 – 1,000	481	7.04	197,557	0.03
1,001 – 10,000	1,602	23.46	8,417,144	1.20
10,001 – 100,000	1,584	23.19	55,815,058	7.98
100,001 – Less than 5% of issued warrants	407	5.96	302,901,499	43.30
5% and above of issued warrants	4	0.06	332,217,770	47.48
Total	6,830	100.00	699,639,830	100.00

DIRECTORS' WARRANTS B HOLDING

(As per Register of Directors' Warrants B Holdings)

No.	Name of Directors	No. of Warrants held		No. of Warrants held	
		Direct	%	Indirect	%
1.	Ong Gim Hai	–	–	–	–
2.	Leow Wey Seng	–	–	–	–
3.	Ling Chi Hoong	–	–	–	–
4.	Tan Su Ning	–	–	–	–



ANALYSIS OF WARRANTS B HOLDINGS

(CONT'D)

LIST OF THIRTY LARGEST WARRANTS B HOLDERS

No.	Name of Shareholders	No. of Warrants Held	%
1.	M & A Nominee (Tempatan) Sdn. Bhd. - Exempt an for Sanston Financial Group Limited (Account Client)	129,164,400	18.46
2.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt an for CLSA Limited (Cust-Non Res)	104,822,000	14.98
3.	M & A Nominee (Asing) Sdn. Bhd. - Exempt an for Sanston Financial Group Limited (Account Client)	51,146,350	7.31
4.	Maybank Securities Nominees (Asing) Sdn. Bhd. - Pledged Securities Account for Static Control Holdings Limited	47,085,020	6.73
5.	M & A Nominee (Tempatan) Sdn. Bhd. - Sanston Financial Group Limited for Ang Wan Joo	32,291,100	4.62
6.	HSBC Nominees (Asing) Sdn. Bhd. - Exempt an for Morgan Stanley & Co. International PLC (IPB Client Acct)	12,136,000	1.73
7.	Mega First Corporation Berhad	8,859,650	1.27
8.	G Rubber Sdn. Bhd.	8,624,900	1.23
9.	Lai Yee Voon	7,476,800	1.07
10.	Parlo Tours Sdn. Bhd.	7,310,500	1.04
11.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Foo Long Loke (MY1890)	7,000,000	1.00
12.	Seik Thye Kong	6,431,100	0.92
13.	Tee Shong Pen	6,116,000	0.87
14.	Khoo Teng Hin	5,050,050	0.72
15.	Chin Chin Seong	4,750,000	0.68
16.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Foo Long Loke	4,000,000	0.57
17.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lai Yee Kein (E-SPG)	3,991,350	0.57
18.	How Bee Lay	3,967,133	0.57
19.	Tee Chin Hock	3,536,500	0.51
20.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Hii Hsing Kiet (KKinabalu-CL)	3,141,550	0.45
21.	Tey Soon Dee	3,025,000	0.43
22.	Foo Long Loke	3,000,000	0.43
23.	Foo Long Loke	3,000,000	0.43
24.	Cheng Kok Siong	2,950,000	0.42
25.	RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chee Chuan	2,873,450	0.41
26.	Tan Yoke Cheong	2,567,000	0.37
27.	Alliance Group Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chee Chuan (7007197)	2,500,000	0.36
28.	Foo Long Loke	2,500,000	0.36
29.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Kwong Ming Kwei (08KW032ZQ-008)	2,454,300	0.35
30.	Hoo Chun Moi	2,450,000	0.35
	Total	484,220,153	69.21



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Third (“23rd”) Annual General Meeting (“AGM”) of **JADI IMAGING HOLDINGS BERHAD** will be conducted 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 (“Broadcast Venue”) on Monday, 30 September 2024 at 10:00 a.m. to transact the following businesses:-

AGENDA

Ordinary Business

- | | | |
|----|---|---------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon. | (Please refer to Note 3) |
| 2. | To approve the payment of the Directors’ Fees of RM408,000 for the period from the 23 rd AGM until the next AGM of the Company. | (Ordinary Resolution 1) |
| 3. | To approve the payment of the Directors’ Benefits up to an amount of RM30,000 for the period from the 23 rd AGM until the next AGM of the Company. | (Ordinary Resolution 2) |
| 4. | To re-elect Mr. Leow Wey Seng who retires pursuant to Clause 76 of the Company’s Constitution as Director of the Company. | (Ordinary Resolution 3) |
| 5. | To re-appoint Messrs. HLB Ler Lum Chew PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | (Ordinary Resolution 4) |

Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications as Ordinary Resolutions of the Company:-

- | | | |
|----|--|--------------------------------|
| 6. | Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (“Proposed General Mandate”) | (Ordinary Resolution 5) |
|----|--|--------------------------------|

“THAT subject always to Sections 75 and 76 of the Companies Act 2016 (“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 Ordinary 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 Ordinary Resolution shall continue in force until the conclusion of the 24th AGM 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.



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

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. **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")**

(Ordinary Resolution 6)

"THAT subject always to the Act, the Constitution of the Company, the MMLR of 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 AGM of the Company following the general meeting at which such Ordinary 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 AGM 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.



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

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;
- (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. To consider any other business of which due notice shall be given in accordance with the Act.

BY ORDER OF THE BOARD

WONG YUET CHYN
(MAICSA 7047163)
(SSM PC NO. 202008002451)

ADELINE TANG KOON LING
(LS0009611)
(SSM PC NO. 202008002271)
Company Secretaries

Penang

Date: 31 July 2024



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

NOTES:-**1. IMPORTANT NOTICE**

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Act** which requires the Chairman of the meeting to be present at the main venue of the meeting.

Shareholders/ proxies **WILL NOT BE ALLOWED** to attend this AGM in person at the Broadcast Venue on the day of the meeting. Shareholders who wish to participate remotely at the meeting will therefore have to register via the Remote Participation and Voting ("RPV") facilities operated by InsHub Sdn. Bhd. at <https://rebrand.ly/JADI-AGM>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 23rd AGM in order to participate remotely via RPV facilities.

2. APPOINTMENT OF PROXY

- (a) For the purpose of determining who shall be entitled to participate this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 23 September 2024. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
- (b) A member entitled to participate in this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to participate and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate and vote instead of the member at the AGM.
- (d) If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the MMLR of Bursa Securities.
- (e) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (g) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

NOTES (CONT'D):-

2. APPOINTMENT OF PROXY (CONT'D)

- (h) The appointment of a proxy may be made in a hard copy form or by electronic means via email in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:

(i) In hard copy form

The proxy form must be deposited with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.

(ii) By electronic means via email

The proxy form can be electronically lodged with the Company's Share Registrar via email at infosr@wscs.com.my. The Company and Share Registrar may request any member to deposit original executed proxy form to the Share Registrar's office before or on the day of meeting for verification purpose.

The certificate of appointment of authorised representative should be executed in the following manner:

- a. If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the Constitution of the corporate member.
- b. If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
- (i) At least two (2) authorised officers, of whom one shall be a director; or
- (ii) Any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (i) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. The power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (j) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (k) Last date and time for lodging the proxy form is Saturday, 28 September 2024 at 10:00 a.m.
- (l) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

NOTES (CONT'D):-**3. Audited Financial Statements for the financial year ended 31 March 2024**

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of the shareholders is not required pursuant to the provisions of Sections 248(2) and 340(1)(a) of the Act. Hence, this Agenda is not put forward for voting by shareholders.

4. Ordinary Resolutions 1 and 2 – Directors' Fees and Directors' Benefits

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors shall be approved at a general meeting. The proposed Ordinary Resolutions 1 and 2 for the Directors' Fees and Directors' Benefits are calculated based on the current Board size and number of scheduled Board and Board Committee meetings to be held from the 23rd AGM until the date of the next AGM. These Ordinary Resolutions are to facilitate payment of Directors' Fees and Directors' Benefits on a current financial year basis. In the event the proposed amount is insufficient, (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

The proposed Ordinary Resolution 1 is to approve the payment of the Directors' Fees payable to the Directors for the period from the 23rd AGM until the next AGM of the Company to be held in 2025, details of which as follows:-

Category	Executive Director RM	Non-Executive Directors RM
The Company		
Directors' Fees	120,000	288,000

The proposed Ordinary Resolution 2 is to approve the payment of the Directors' Benefits, including meeting allowance payable to the Directors for the period from the 23rd AGM until the next AGM of the Company to be held in 2025. The details are appended below:-

Category	Executive Director RM	Non-Executive Directors RM
The Company		
Meeting Allowance per meeting per person	NIL	500

5. Ordinary Resolution 3 – Re-election of Director

Mr. Leow Wey Seng is standing for re-election as Director of the Company and being eligible, has offered himself for re-election at the 23rd AGM.

The Board had through the Nominating Committee carried out the assessment on the Director and agreed that he meets the criteria as prescribed by Paragraph 2.20A of the MMLR of Bursa Securities on character, experience, integrity, competence and time to effectively discharge his role as Director.

The Board had also through the Nominating Committee carried out assessment on the independence of Mr. Leow Wey Seng and is satisfied that he met the criteria of independence as prescribed in the MMLR of Bursa Securities.



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

NOTES (CONT'D):-**6. Ordinary Resolution 4 – Re-appointment of Auditors**

The Board has through the Audit Committee assessed the suitability and independence of the External Auditors, Messrs. HLB Ler Lum Chew PLT and considered the re-appointment of Messrs. HLB Ler Lum Chew PLT as Auditors of the Company. The Board and Audit Committee collectively agreed and satisfied that Messrs. HLB Ler Lum Chew PLT has the relevant criteria prescribed by Paragraph 15.21 of the MMLR of Bursa Securities

7. Explanatory Notes on Special Business**(i) Ordinary Resolution 5 – Authority to Allot Shares Pursuant to Sections 75 and 76 of the Act**

The proposed Ordinary Resolution 5 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. The proposed Ordinary Resolution 5, if passed, will give the Directors of the Company authority to allot and issue shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company.

The Proposed General Mandate will provide flexibility to the Company to raise additional funds expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to funding future investment project(s), working capital and/or acquisitions.

By approving the allotment and issue of the Company's shares pursuant to the Proposed General Mandate which will rank the equally with the existing issued shares in the Company, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85 of the Act and Clause 12(2) of the Constitution of the Company to be first offered the Company's Shares which will result in a dilution to their shareholdings percentage in the Company.

As at the date of this notice, no shares had been allotted and issued since the general mandate granted to the Directors at the last AGM held on 21 September 2023 and this authority will lapse as the conclusion of the 23rd AGM of the Company.

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the Proposed General Mandate is in the best interests of the Company and its shareholders.

(ii) Ordinary Resolution 6 – Proposed Renewal of Share Buy-Back Mandate

The proposed Ordinary Resolution 6, if passed, will give the Company the authority to purchase its own ordinary shares of up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders as set out on pages 11 to 19 of the Annual Report 2024 of the Company for further information.



NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

(CONT'D)

PERSONAL DATA PRIVACY

By registering for the meeting via remote participation and electronic voting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereof); and (c) for the Company's (or its agents') compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively "the Purpose"); (ii) warrants that he/she has obtained such proxy(ies)' and/or representative(s)' prior consent for the Company's (or its agents') processing of such proxy(ies)' and/or representative(s)' personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010.

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PROXY FORM

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

No. of shares held:	
CDS Account No.:	

I/We _____ NRIC/ Passport/ Registration No. _____
[Full name in block as per NRIC/Passport]

of _____
[Address]

Email Address: _____ Contact No.: _____

being member(s) of **Jadi Imaging Holdings Berhad**, hereby appoint:-

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address:		Contact No.:	

and/or^

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address:		Contact No.:	

or failing him/her, the Chairman of the Meeting, as ^my/our proxy to vote for ^me/us and on ^my/our behalf at the Twenty-Third ("23rd") Annual General Meeting ("AGM") of Jadi Imaging Holdings Berhad (the "Company"), which will be conducted 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 ("Broadcast Venue") on Monday, 30 September 2024 at 10:00 a.m. or any adjournment thereof, and to vote as indicated below:-

Ordinary Resolution	Description of Ordinary Resolution	For	Against
1	Approval on the payment of Directors' Fees of RM408,000 for the period from the 23 rd AGM until the next AGM of the Company.		
2	Approval on the payment of Directors' Benefits up to an amount of RM30,000 for the period from the 23 rd AGM until the next AGM of the Company.		
3	Re-election of Mr. Leow Wey Seng as Director of the Company pursuant to Clause 76 of the Company's Constitution.		
4	Re-appointment of Messrs. HLB Ler Lum Chew PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
5	Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
6	Proposed Renewal of Share Buy-Back Mandate.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the Ordinary Resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____ 2024.

Signature*
Member

^ Delete whichever is not applicable

* Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.



Notes:-

1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairman of the meeting to be present at the main venue of the meeting.

Shareholders/ proxies **WILL NOT BE ALLOWED** to attend this AGM in person at the Broadcast Venue on the day of the meeting. Shareholders who wish to participate remotely at the meeting will therefore have to register via the Remote Participation and Voting ("RPV") facilities operated by InsHub Sdn. Bhd. at <https://rebrand.ly/JADI-AGM>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 23rd AGM in order to participate remotely via RPV facilities.

2. APPOINTMENT OF PROXY

- (a) For the purpose of determining who shall be entitled to participate this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 23 September 2024. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
- (b) A member entitled to participate in this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to participate and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate and vote instead of the member at the AGM.
- (d) If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (e) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (g) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (h) The appointment of a proxy may be made in a hard copy form or by electronic means via email in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:

(i) In hard copy form

The proxy form must be deposited with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.

(ii) By electronic means via email

The proxy form can be electronically lodged with the Company's Share Registrar via email at infosr@wscs.com.my. The Company and Share Registrar may request any member to deposit original executed proxy form to the Share Registrar's office before or on the day of meeting for verification purpose.

The certificate of appointment of authorised representative should be executed in the following manner:

- a. *If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the Constitution of the corporate member.*
- b. *If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:*
 - (i) At least two (2) authorised officers, of whom one shall be a director; or
 - (ii) Any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (i) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. The power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (j) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (k) Last date and time for lodging the proxy form is **Saturday, 28 September 2024 at 10:00 a.m.**
- (l) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.

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AFFIX
STAMP

**The Share Registrar of
JADI IMAGING HOLDINGS BERHAD
Registration No. 200001023711 (526319-P)**

c/o Workshire Share Registration Sdn. Bhd.
A3-3-8, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan

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Jadi Imaging Holdings Berhad

Registration No.:200001023711 (526319-P)

No. 1, Jalan Peguam U1/25A, Seksyen U1,
Hicom-Glenmarie Industrial Park,
40150 Shah Alam, Selangor, Malaysia.

Tel : (603) 7804 0333 **Fax :** (603) 7804 3211

www.jadi.com.my