

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

SUMMARY OF KEY MATTERS DISCUSSED DURING THE TWENTY-THIRD (“23RD”) ANNUAL GENERAL MEETING OF JADI IMAGING HOLDINGS BERHAD 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 ON MONDAY, 30 SEPTEMBER 2024 AT 10:00 A.M.

The Chairman commenced the meeting upon confirming with the Secretary that a quorum was present. The Chairman informed all present that in accordance to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of general meeting shall be voted by poll electronically. Workshire Share Registration Sdn. Bhd. has been appointed as the polling administrator and SharePolls Sdn. Bhd. has been appointed as the independent scrutineer (“Scrutineer”) for the polling process. The polling administrator showed a presentation on how to vote.

The Chairman informed all present that the Company has received a letter dated 18 September 2024 from Minority Shareholders Watch Group (“MSWG”) wherein MSWG sought clarification on certain matters and the Company has replied to MSWG accordingly. The Chairman, presented the questions posted by MSWG and the Company’s response to the queries from MSWG. The said questions from MSWG and the Company’s response as set out below were also displayed on screen for ease of reading by the shareholders.

Operational & Financial Matters

1. The Group recorded a 9.2% decline in revenue to RM26.4 million in FY2024. Meanwhile, the cost of sales increased 11.8% to RM30.8 million. (page 78 of Annual Report (AR) 2024)

(a) What were the reasons for the significant increase in the cost of sales despite a decline in revenue?

- (i) **Forex Depreciation (Ringgit Malaysia)**
The weakening Ringgit has increased the cost of imported goods, raising overall expenses
- (ii) **Provision for Obsolete Stock**
Additional provision for outdated inventory has been made, impacting the cost of sales
- (iii) **Increase in Utilities**
Higher utility costs have led to increased operational expenses, affecting manufacturing costs

(b) Please provide the breakdown of the Group’s cost of sales for FY2024 and FY2023.

Category	FY2024 (RM)	FY2023 (RM)
Cost of good sold	17,744,701	13,109,767
Manufacturing cost	3,779,228	3,171,493
Direct labour cost	2,241,575	2,539,065
Indirect labour expenses	940,306	1,100,128
Factory, Plant & Machinery Maintenance	5,295,394	6,761,764
Warehousing cost	27,040	51,476
QC labour cost	478,109	498,537
QC overhead	307,779	322,738
Grand Total	30,814,132	27,554,968

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Operational & Financial Matters (Continued...)

(c) What are the measures that the Group has taken or plans to take to improve its cost structure?

- (i) Introduction of new products with high margins.
- (ii) Implementation of better cost management practices, including the installation of digital power meters to monitor electricity usage.
- (iii) Adoption of lean management strategies, including the consolidation of production plants and reduction in manpower.

(a) What is the outlook for the remainder of FY2025?

Jadi Group has faced challenges in growing its toner manufacturing business. To reduce reliance on this segment, the Group expanded into healthcare, personal care, and consumer electronics in FY2021. With a positive outlook in ICT and Consumer Electronics industries, the Group plans to further expand its Consumer Electronics Business to diversify revenue streams its Consumer Electronics Business to diversify revenue streams.

- 2. 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. Going forward, the management intends to add other general merchandise such as information technology (IT) products and solutions, pharmaceutical and health care products into its e-commerce ecosystem in its effort to garner more sales. (page 7 of AR 2024).**

Please provide more details on the IT products and solutions, pharmaceutical and health care products that the Group plans to introduce to the market. What are your strategies to compete in the highly competitive e-commerce marketplace with low barriers to entry?

Please refer to the circular to shareholders regarding the proposed diversification of the existing businesses of Jadi Imaging Holdings Berhad, dated 13 September 2024.

Corporate Governance Matters

- 3. Practice 5.9 of the Malaysian Code of Corporate Governance (MCCG) stipulates that the Board should comprise at least 30% women directors.**

As of FY2024, there was only one woman director, representing 25% of the total number of directors on the Board.

Has the Company interviewed any women candidates for the independent director position? When does the Group expect to adopt Practice 5.9?

The group has been actively searching for a qualified female director, as required, but has yet to identify a suitable candidate. In the meantime, the position will remain vacant until a qualified individual is appointed.

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Corporate Governance Matters (Continued...)

4. **Practice 1.2 of the MCCG stipulates that the Chairman of the board plays a critical role in instilling good corporate governance practices, leadership, and effectiveness of the Board.**

JADI departs from Practice 1.2 and has been without a Chairman since Mr. Liew Kim Siong's resignation on 3 January 2022.

What are the challenges faced by the Company in appointing a board Chairman? When does the Company expect to adopt Practice 1.2?

The Chairman position will remain unfilled until a suitable candidate is appointed.

Sustainability Matters

5. **For the Environment Pillar under Sustainability Framework, the Group disclosed the data for water and energy consumption for the last three financial years. However, it did not disclose the data for waste and GHG emissions. (page 26-28 of AR 2024)**

What were the reasons for not disclosing the data for waste and GHG emissions? And when will the Company start disclosing the data? In the future Sustainability Statement, please include the Group's targets and timelines for reduction in GHG emissions, water consumption, waste generated, and energy consumption.

According to Bursa Malaysia's Annexure PN9-A of Practice Note 9, for mainboard-listed companies, the disclosure of indicator data on waste management and GHG emissions is only effective from the financial year ending on or after 31 December 2024. Therefore, this data was not presented in the Company's FY31.3.2024 sustainability statement.

Management is currently working to implement systems for compiling and analyzing the data, and will disclose it accordingly in the Company's FY31.3.2025 sustainability statement when such disclosure becomes mandatory.

We acknowledge the feedback and will enhance our reporting by including our targets and timelines in the FY2025 sustainability statement.

The Chairman then tabled the item on the agenda as set out in the notice of the Twenty-Third ("23rd") Annual General Meeting ("AGM").

Chairman addressed the questions posed by the members during the meeting.

1. **When will Company starts to make profit? What are the top 3 challenges?**

The business environment is very challenging due to ongoing increase of logistical cost, political instability in the Middle East and central Europe, trade war between China and America, significant fluctuation in foreign currencies, increase in cost and utilities.

Company is taking extra measures to control costs and margins engaging and hope that with the diversification exercise, the management be able put the Company back on track in the near future.

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2. The ink jet business is sunset?

Currently, the Company does not produce ink jet ink but we are the toner manufacturer.

3. How much does the company spend on this virtual AGM?

The virtual AGM cost is based on market rate and it is more cost effected compared to holding physical AGM.

4. Would the board consider any door gift for shareholder attending this AGM?

No door gift to be given to shareholders attending this AGM but the management would consider giving door gift at the next AGM.

There being no other question relating to the item on the agenda for the Meeting, the Meeting proceeded to voting by poll on the resolutions on the agenda. The resolutions were duly passed by the shareholders as verified by SharePolls Sdn. Bhd., the independent scrutineer appointed by the Company. The poll results of the 23rd AGM are attached for reference. There being no further matters to discuss, the Meeting concluded at 11:00 a.m.

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Resolutions	Vote For			Vote Against			Results
	No. of shareholders	No. of shares	Percentage (%)	No. of shareholders	No. of shares	Percentage (%)	
<u>Ordinary Resolution 1</u> To approve the payment of Directors' fees of RM408,000.00 for the period from the 23 rd Annual General Meeting until the next Annual General Meeting of the Company.	41	482,676,095	99.9912	21	42,280	0.0088	Carried
<u>Ordinary Resolution 2</u> To approve the payment of Directors Benefits up to an amount of RM30,000.00 for the period from the 23 rd Annual General Meeting until the next Annual General Meeting of the Company.	43	482,681,295	99.9923	19	37,080	0.0077	Carried
<u>Ordinary Resolution 3</u> To re-elect Mr. Leow Wey Seng retiring under Clause 76 of the Company's Constitution as Director of the Company.	49	482,697,926	99.9958	13	20,449	0.0042	Carried
<u>Ordinary Resolution 4</u> To re-appoint Messrs HLB Ler Lum Chew PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	52	482,399,632	99.9961	9	18,743	0.0039	Carried
<u>Ordinary Resolution 5</u> To empower the Directors to issue and allot up to 10% of the total number of issued shares of the Company.	47	482,695,959	99.9954	15	22,416	0.0046	Carried
<u>Ordinary Resolution 6</u> 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	48	482,696,159	99.9954	14	22,216	0.0046	Carried