



NEWS RELEASE

JAG Berhad Ends 2014 On A Positive Note

Company invested a further RM5.0 million in CAPEX to enhance processing capacity

SELANGOR, 10 February 2015 – JAG Berhad (*formerly known as Infortech Alliance Berhad*) (JAG), one of Malaysia's leading total waste management company by market share, concluded its financial year ended 31 December 2014 with an unaudited profit after tax (PAT) of RM0.8 million for its fourth quarter. Based on its unaudited results, this led JAG to register a cumulatively PAT of RM6.1 million on the back of a revenue of RM130.4 million for the year ended 31 December 2014. Earnings per share (basic) for the full year was 0.8 sen per share, while net assets per share as at 31 December 2014 was 11.1 sen.

Dato' Ng Meow Giak, an Executive Director of JAG, said, "JAG's positive performance in its first full financial year following the reverse takeover exercise (RTO) marks a strong start for the Company."

"Nevertheless, the immediate outlook for the industry remains challenging given macro-economic uncertainties and weak commodity prices. We are well aware of the circumstances and are taking pro-active measures to ensure that we are able to deliver growth to our shareholders for the long-term and in a sustainable manner."

The Board of Directors did not propose a dividend payout to shareholders for the fourth quarter. Nevertheless, a first single-tier interim dividend of 0.25 sen per ordinary share of RM0.10 each was paid out by JAG in September 2014 and a second single-tier interim dividend of 0.25 sen per ordinary share of RM0.10 each was paid out in December 2014. This brought the total dividend paid out for the financial year under review to 0.50 sen per share.

According to Dato' Ng, JAG intends to leverage on its strong position in the country's total waste management industry to drive growth. "This industry is highly regulated by the Malaysian Government and the barrier to enter is significant. With our full recovery category of waste recycling license, we aim to expand our processing capabilities, which are currently focused on electronic waste, to other areas such as medical waste. This can be achieved via collaborations, mergers or acquisitions and can result in an additional earnings stream for the Company." Dato' Ng added.



In January 2015, JAG announced the mutual termination of the proposed joint venture agreement with SWT International Sdn. Bhd. to undertake the development, management, operation and implementation of medical waste treatment in Malaysia. “Despite the joint venture agreement being aborted, discussions are currently ongoing with other potential partners in the medical waste sector and we will make the necessary disclosures once any agreement has been finalised.” Dato’ Ng explained.

Dato’ Ng also said that JAG is currently in a strong financial position with a gearing ratio (total loans/ total equity) of only 0.16 times as at 31 December 2014. “This places the Company in a good position to expand and seize opportunities that may be present.” Dato’ Ng added.

“We have a new machine that was developed in-house based on state-of-the-art technology and is capable of extracting copper and nickel directly from solid and liquid waste. This machine will be fully operational by the first quarter of 2015 and is expected to enhance our processing capacity by 10% per month, while bolstering our overall operational productivity and efficiency.”

“We also invested a further RM5.0 million in terms of capital expenditures during the year for our processing facility on the land adjacent to our current facility. This will increase our processing capacity in the foreseeable future.” Dato’ Ng concluded.

On 10 December 2013, privately-held Jaring Metal Industries Sdn. Bhd., completed an RTO of JAG, a public listed company on ACE Market of the Bursa Malaysia Securities Berhad. Following the RTO exercise, JAG is now a company listed under the Industrial Products sector and specialises in the recycling and recovery of scheduled waste. JAG currently receives scheduled waste from major multinational companies located throughout Malaysia.

About JAG Berhad

JAG Berhad (JAG), formerly known as Infortech Alliance Berhad, is a public limited company listed on ACE Market of the Bursa Malaysia Securities Berhad. JAG is today Malaysia’s leading total waste management services provider by market share. Currently, the Company’s facility in Shah Alam processes electronic waste (80%) and other industrial waste (20%), where it extracts and refine ferrous, non-ferrous and precious metals. In addition to its Total Waste Management Division, JAG also has an Information Technology (IT) Services Division, which develops computer software and provides supports for systems integration. For more information, kindly visit www.jagb.com.my

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