



NEWS RELEASE

JAG To Spend RM10 Million on Capital Expenditure

SELANGOR, 18 May 2015 – The continued growth of the semiconductor industry and the expected recovery of commodity prices are factors that are fuelling JAG Berhad's (JAG. Stock code: 0024) continued confidence in the waste management sector.

As one of Malaysia's leading total waste management company by market share, JAG is expecting its newly operational state-of-the-art machine as well as the expansion of its processing facility to increase its processing capacity.

Following the Company's Annual General Meeting this morning, Dato' Ng Meow Giak, an Executive Director of JAG, said, "The immediate outlook for the industry remains challenging due to weak commodity prices, but we will strive to remain profitable in this tough operating landscape," he added.

JAG concluded its financial year ended 31 December 2014 by recording a profit after tax of RM6.3 million on the back of a revenue of RM130.4 million. Earnings per share (basic) for the full financial year was 0.66 sen per share, while net assets per share as at 31 December 2014 was 11.1 sen.

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.

Also, in line with the Group's commitment to reduce its dependency on bank borrowings, the short term borrowings as at 31 December 2014 was RM6.1 million, which was significantly lower compared with RM19.2 million as at the end of the preceding financial year. The Group intends to pare down its short-term borrowings to zero in the current financial year.

"Leveraging on our strong financial position, we are currently on the look-out for collaborations, mergers or acquisitions to expand our processing capabilities, which are currently focused on electronic waste, to other areas across the waste management spectrum," Dato' Ng said.

"Malaysia's total waste management industry is highly regulated by the Government and the barrier to enter is significant. We aim to take full advantage of our full recovery category of waste recycling license, which is possessed by only a handful of players here, in order to grow and diversify our earnings stream," he concluded.



JAG's state-of-the-art machine, which was developed in-house based on advanced technologies, started operations in the first quarter of 2015. The machine is capable of extracting copper and nickel directly from solid and liquid waste. JAG also spent a further RM5.0 million to expand its processing facility on the land adjacent to the company's current facility and plans to spend an additional RM10 million for capital expenditures.

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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For further enquiries, please contact Michael Poh at 012 395 5202 or
Reshvinder Kaur at 017 275 7985