



NEWS RELEASE

JAG Plans to Grow Organically and Inorganically

SHAH ALAM, 5 November 2015 – JAG Berhad (JAG or Company), one of Malaysia’s leading total waste management companies by market share, today announced an unaudited loss after tax of RM8.23 million for the 3rd quarter ended 30 September 2015 (3QFY2014: profit after tax of RM1.72 million).

The loss after tax for the 3rd quarter ended 30 September 2015 was mainly due to the increased staff cost arising from the granting options to the eligible persons of the Company and its subsidiaries (excluding dormant subsidiaries) pursuant to the Share Issuance Scheme (SIS) of the Company of approximately RM9.08 million. Thus, if the expense arising from the grant of the SIS options is excluded, JAG would have recorded a profit after tax of RM851,000 for the said quarter.

Revenue for the said 3rd quarter was lower at RM20.24 million compared to RM31.04 million recorded in the previous corresponding quarter. This was mainly due to lower commodity prices, specifically copper.

The Group recorded a loss after tax of RM6.61 million on the back of a revenue of RM60.88 million for the nine (9)-month financial period ended 30 September 2015.

Dato’ Ng Meow Giak, an Executive Director of JAG, said, “We are satisfied with our performance to date in view of the challenging operating landscape” He then added, “For illustration purpose, in the absence of the granting of the SIS and the expenses arising thereof, we would have recorded a profit for the current financial quarter and nine (9)-month financial period ended 30 September 2015.”

“The outlook in the immediate term is expected to stay challenging as the price of commodities remain low. Nevertheless, our investment in technologies to improve efficiencies and productivity have continued to bear fruits and we are also benefiting from the stronger US Dollar,” he added.

“We are still actively seeking to expand our waste management processing capabilities from electronic waste to other areas to off-set our reliance on commodity prices.”

“At the same time, we are exploring opportunities to diversify our earnings stream by tapping into other business opportunities that can enhance value for our shareholders in meaningful yet sustainable ways. As a case in point, we are making positive progress with our joint venture initiative to expand in the 24-hour self-operated laundry business,” Dato’ Ng concluded.

On 18 September 2015, a wholly-owned subsidiary of JAG entered into a joint venture agreement with Bubblelab Laundry Sdn. Bhd. (BLSB) and BLSB's director, Wong Chan Kong, to jointly undertake the development, implementation, management and operation of a 24-hour self-operated laundry business in Malaysia under the brand name of Bubblelab. To date, JAG has three operational Bubblelab outlets and aims to open a total of 10 outlets in the next six months.

About JAG Berhad

JAG Berhad (JAG) is a public limited company listed on ACE Market of the Bursa Malaysia Securities Berhad. JAG is today one of the Malaysia's leading total waste management services provider by market share. Currently, the Company's facility in Shah Alam processes electronic waste (80% of its total waste) and other industrial waste (20% of its total waste), 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

This news release is issued on behalf of
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