



NEWS RELEASE

JAG Berhad Closes 2015 Financial Year Amidst Challenging Backdrop

SHAH ALAM, 29 February 2016 – JAG Berhad (JAG or Group), one of Malaysia’s leading total waste management companies by market share, today announced an unaudited loss after tax of RM3 million for the 4th quarter ended 31 December 2015 (4QFY2014: profit after tax of RM1 million). Revenue for the quarter under review was lower at RM24 million compared with RM28 million recorded in the preceding year’s corresponding quarter.

Cumulatively, the Group recorded a loss after tax of RM19 million on the back of a revenue of RM85 million for its 2015 financial year.

In addition to lower commodity prices, the loss was due to the lower quantity of e-waste procured from suppliers resulting in lower sales volume of recovered metals. In addition, the increased staff cost arising from the granting of Share Issuance Scheme (SIS) options which amounted to RM9.83 million further contributed to the loss after tax for the 2015 financial year.

Dato’ Ng Meow Giak, an Executive Director of JAG, said, “The volatile economic landscape has certainly impacted our business, especially with lower commodity prices.”

“We expect our 2016 financial year to remain challenging, but we are cautiously optimistic of stabilising in the first quarter. On our end, we 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.”

Additionally, our Group is financially strong with borrowings at only 0.10% against our assets. This puts us in a favourable position to seize growth opportunities that may be present in the market.”

In addition, to expanding the Group’s waste management processing capabilities, JAG is also exploring opportunities to diversify its earnings stream by tapping into other business opportunities.

“We are constantly on the lookout for new opportunities and potential to further grow the Group. Venturing into Bubblelab, a 24-hour self-operated laundry business, is part of our plans to diversify into the consumer sector. As at end 2015, the Group opened seven outlets, all of which have enjoyed a healthy cash flow. We plan to introduce 30 more in 2016, starting April 2016 onwards.”

“This year was an investment and growing phase for Bubblelab and thus, there was no contribution to our bottom-line. However, in our 2016 financial year, we expect the business to contribute positively to the Group,” Dato’ Ng concluded.

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

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