

JAG BERHAD
(Company No. 439230-A)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT PERMAI 1, 1ST FLOOR, KOTA PERMAI GOLF AND COUNTRY CLUB, NO. 1, JALAN 31/100A, KOTA KEMUNING, SECTION 31, 40460 SHAH ALAM, SELANGOR DARUL EHSAN ON WEDNESDAY, 14 JUNE 2017

At the Nineteenth Annual General Meeting of the Company held on 14 June 2017, all the resolutions as set out in the Notice of the Nineteenth Annual General Meeting dated 28 April 2017, were duly passed by way of poll by the shareholders and proxies present thereat.

The following are the key questions that were raised from the floor, which were adequately responded and addressed by the Board and Management:-

1.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Some shareholders raised questions on the following matters:-

- 1.1 A shareholder enquired on the current pricing of copper as compared to the previous year. He further enquired the impact on the Company and its subsidiaries' ("**the Group**") performance arising from the fluctuation of copper price.

Mr. Goh Chee Hong, the Finance Manager of Jaring Metal Industries Sdn. Bhd. responded that the pricing of the copper in year 2017 has improved as compared to year 2016. He further explained that the selling prices of the commodities (duly processed by the Group) would be adjusted based on prevailing commodity prices and therefore, theoretically, the increase in copper price shall translate into better revenue and profit margin for the Group.

- 1.2 A shareholder enquired for the capital expenditures ("**CAPEX**") and return on investment ("**ROI**") for opening of the tenth outlet of Bubblelab Laundry Arcade by JAG Nasmeh Sdn. Bhd.

Datin Tan Siew Ching, the Chairperson ("**Datin Chairperson**") responded that the estimated CAPEX ranges between RM350,000/- to RM400,000/- and the ROI is expected to be achieved within six (6) years.

- 1.3 A shareholder thanked the Board of Directors and Management for turning around the Group in the financial year ended 31 December 2016 and hoped that Management could keep up with the momentum.

He proposed that Management to increase dialogues with analysts or investment bankers in order to improve the exposure of the Group.

With the improved financial performance of the Group, he suggested the Board of Directors to consider the distribution of dividends to the shareholders of the Company.

He then enquired the future prospects of the Group and if the Board of Directors would consider a transfer its listing status to Main Market of Bursa Securities ("**Transfer of Listing Status**").

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(Summary of Key Matters discussed at the Nineteenth Annual General Meeting - cont'd)

Datin Chairperson informed that the Group's revenue would be affected by the movement of commodity prices as well as the movement of United States Dollar ("**USD**") which were beyond the control of the Group.

As for the Transfer of Listing Status, there were certain requirements that the Company would need to fulfil before making such application. However, the Board of Directors would not rule out making such application when the timing is feasible

With regard to the future prospects of the Group, Datin Chairperson explained that Management would continue to focus on its existing core business - total waste management as the booming in semi-conductor industry is expected to lead to more wastes being generated, which in turn would provide greater opportunity for the Group to process the wastes.

Datin Chairperson added that the Group has diversified into property development and Management is looking into sourcing for more land banks, potential joint ventures and strategic partners to ensure long term sustainability. Meanwhile, on a short term basis, the business of coin-operated laundry is expected to generate healthy cash flow for the Group.

Datin Chairperson informed that the Board of Directors would consider distributing dividend to the shareholders depending on the performance of the Group and the availability of relevant cash flows.

- 1.4 A shareholder enquired if the Group would be tied up with fixed contract (for E-wastes), for example a contract of three (3) years with fixed pricing, as his concern was on the fluctuation of the commodities prices over the period of three (3) years.

Dato' Ng Meow Giak, the Executive Director, explained that the purchase prices of raw materials were not fixed and might be adjustable to market prices. Similarly, the sale price of the processed commodities would be adjusted in accordance with the fluctuation of the market prices of the relevant commodity.

For the rest of the items on the Agenda, there were no questions raised by the shareholders and proxies at the Nineteenth Annual General Meeting of the Company.