



NEWS RELEASE

A Solid Start for JAG Berhad

SHAH ALAM, 29 May 2020 – JAG Berhad (JAG or the Group), one of Malaysia’s leading total waste management companies, closed the first quarter of its 2020 financial year (Q1FY2020) on a strong note, with an unaudited profit after tax (PAT) of RM1.5 million compared to the loss after tax of RM6.2 million recorded in the same period last year. Revenue for the quarter under review was RM37.4 million, a 46% increase from the RM26 million registered last year.

The Group’s commendable results were primarily attributable to the sales of high value commodity products as well as the uptrend in the prices of precious metals such as gold, silver and palladium.

Dato’ Ng Meow Giak, an Executive Director of JAG, said “We are pleased to kick-off our 2020 financial year on a positive note with a marked improvement in our financial results. This was despite the implementation of the Movement Control Order on 18 March 2020 which halted our operations at the tail-end of the quarter under review.”

“While we have been able to leverage on strong commodity prices, the Group has also continued its efforts to optimise efficiency of its production process. To this end, we have invested of RM3.6 million in a capex, which is expected to double our maximum carbonation treatment capacity when it is fully operational in June 2020. With this, we foresee an increase in capacity, which will drive up revenue for our e-waste management division.”

As part of the Group’s sustainability strategy, JAG has formed a crisis task-force responsible for monitoring and implementing strict safety work procedures that fully complies with the regulations set by the National Security Council. This internal standard operating procedure (SOP) will allow the Group to operate safely and be prepared for similar situations in future, if any.

The Group remains cautiously optimistic of its outlook for the year, as the Malaysian government has identified the electrical and electronics (E&E) industry as an essential sector during the Movement Control Period, reaffirming its importance to the economic eco-system.

“On the whole, the outlook for the (E&E) industry in Malaysia is encouraging, on the back of the acceleration in technology. In fact, we believe the E&E industry, which we are dependent on for raw materials, will play a critical role in terms of structural reforms to reduce vulnerabilities in the country, due to the immense opportunities in areas such as remote working, virtual learning and e-commerce.”

“Although the year will be challenging, we believe we will be able to turn in a positive year, as the supply from current contracts are still being honoured by suppliers. In addition, the Group

currently has a sufficient inventory level of RM46 million (as of 31 March 2020) which can be realised gradually to improve our cash position," **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 a property development and property investment arm via JAG Land, a coin operated laundry business as well as 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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JAG Berhad by Acendus Communications Sdn. Bhd.
For further enquiries, please contact Michael Poh at 012 395 5202 or
Reshvinder Kaur at 017 275 7985