

JAG BERHAD ("JAG" OR "COMPANY")
(Company No. 439230 - A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current year Quarter 30-Sep-16 RM'000	Preceding year Corresponding Quarter 30-Sep-15 RM'000	Current Year To date 30-Sep-16 RM'000	Preceding year Corresponding Period 30-Sep-15 RM'000
Revenue	23,349	20,238	61,412	60,884
Direct costs	(741)	(183)	(1,593)	(479)
Changes in inventories of finished goods and work in progress	(3,209)	1,737	(1,206)	1,537
Raw materials and consumable used	(14,056)	(19,666)	(43,912)	(49,659)
Changes in inventories of trading merchandise	196	(1,164)	(1,089)	(3,154)
Staff costs	(1,884)	(2,362)	(5,718)	(8,526)
Staff costs - SIS	-	(9,083)	-	(9,083)
Other income	491	(3,526)	658	1,891
Depreciation and amortisation	(982)	(823)	(2,869)	(2,452)
Other operating expenses	(1,635)	(1,883)	(5,389)	(5,659)
Finance cost	(246)	(175)	(609)	(485)
Profit/(Loss) before taxation	1,283	(16,890)	(315)	(15,185)
Taxation	(3)	(398)	(21)	(485)
Profit/(Loss) after taxation	1,280	(17,288)	(336)	(15,670)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income/(loss) for the period	1,280	(17,288)	(336)	(15,670)
Profit/(Loss) attributable to:				
Owners of the Company	1,259	(17,288)	(383)	(15,670)
Non-controlling interest	21	-	47	-
	1,280	(17,288)	(336)	(15,670)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	1,259	(17,288)	(383)	(15,670)
Non-controlling interest	21	-	47	-
	1,280	(17,288)	(336)	(15,670)
Earning/(Loss) per share EPS/(LPS) attributable to owners of the Company (sen per share):				
Basic EPS/(LPS)	0.11	(1.59)	(0.03)	(1.46)
Diluted EPS	0.08	N/A(*)	N/A(*)	N/A(*)

* The fully diluted (loss)/ earning per share is not disclosed as the effects on the assumed exercised of the warrants is anti-dilutive.

The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statements.

JAG BERHAD ("JAG" OR "COMPANY")
(Company No. 439230 - A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at end of Current Quarter 30-Sep-16 RM'000	Audited As at preceding Financial Year Ended 31-Dec-15 RM'000
ASSETS		
Non Current assets		
Property, plant and equipment	89,196	80,114
Other investment	105	106
Deferred taxation	-	1,486
	89,301	81,706
Current Assets		
Inventories	29,756	35,006
Trade and other receivables	20,107	22,156
Other investment	1,071	2,447
Fixed deposits with licensed banks	4,642	4,722
Cash and bank balances	2,873	3,919
	58,449	68,250
TOTAL ASSETS	147,750	149,956
EQUITY AND LIABILITIES		
Capital and reserves attributable to owners of the parent		
Share capital	114,384	114,384
Share premium	19,162	19,162
Revaluation reserve	23,379	23,379
Reverse acquisition reserve	(72,051)	(72,051)
Reserve - SIS	2,576	5,218
Retained profits	35,958	33,699
	123,408	123,791
Equity attributable to the owners of the Company	123,408	123,791
Non controlling interest	54	7
Total equity	123,462	123,798
Long term liabilities		
Deferred taxation	441	1,927
Deferred income	1,183	1,015
Hire purchase liabilities	90	309
Term loan	10,400	11,076
	12,114	14,327
Current Liabilities		
Trade and other payables	4,703	10,272
Short term borrowings	6,145	-
Hire purchase liabilities	318	587
Term loan	960	924
Derivative liabilities	48	48
	12,174	11,831
TOTAL LIABILITIES	24,288	26,158
TOTAL EQUITY AND LIABILITIES	147,750	149,956
Net assets per share (sen) attributable to owners of the Company	10.79	11.00

The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statements.

JAG BERHAD ("JAG" OR "COMPANY")
(Company No. 439230 - A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Reverse acquisition reserve RM'000	Reserve - SIS RM'000	Retained profits RM'000	Equity attributable to owners of the Company RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 January 2015	104,444	19,137	14,686	(72,051)	-	49,612	115,828	-	115,828
Issuance of shares in respect of conversion of warrants	2,220	-	-	-	-	-	2,220	-	2,220
Issuance of shares in respect of share issuance scheme:									
- Issuance of shares	5,300	-	-	-	-	-	5,300	-	5,300
- Reserve - Grant of SIS options	-	-	-	-	9,083	-	9,083	-	9,083
- Share premium	-	133	-	-	-	-	133	-	133
- Transfer to share premium - Exercise of SIS options	-	2,742	-	-	(2,742)	-	-	-	-
Total issuance of shares in respect of share issuance scheme:	5,300	2,875	-	-	6,341	-	14,516	-	14,516
Net income/Total comprehensive income	-	-	-	-	-	(15,670)	(15,670)	-	(15,670)
At 30 September 2015	111,964	22,012	14,686	(72,051)	6,341	33,942	116,894	-	116,894
At 1 January 2016	114,384	19,162	23,379	(72,051)	5,218	33,699	123,791	7	123,798
Reversal of unexercised SIS options granted	-	-	-	-	(2,642)	2,642	-	-	-
Net (loss)/income / Total comprehensive (loss)/income	-	-	-	-	-	(383)	(383)	47	(336)
At 30 September 2016	114,384	19,162	23,379	(72,051)	2,576	35,958	123,408	54	123,462

The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

	Cumulative Current Year 30-Sep-16 RM'000	Preceding Year Corresponding Period 30-Sep-15 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(315)	(15,185)
Adjustments for:		
Changes in fair value on derivative financial instrument	-	(63)
Depreciation of property, plant and equipment	2,869	2,452
(Gain)/Loss on disposal of property, plant and equipment	-	(41)
(Gain)/Loss on disposal of quoted securities	(345)	(721)
(Gain)/Loss on foreign exchange - unrealized	(973)	10
(Gain)/Loss on other investment - unrealized	186	(433)
Government grant income	-	(69)
Provision of doubtful debts	-	74
Interest income	(129)	(124)
Interest expense	609	485
Staff cost - SIS	-	9,083
Operating cash flows before working capital changes	1,902	(4,532)
Changes in working capital:		
(Increase)/Decrease in inventories	5,250	2,439
Decrease/(Increase) in trade and other receivables	2,738	5,242
(Decrease)/Increase in trade and other payables	(5,481)	(2,949)
Cash (used in)/generated from operations	4,409	200
Income tax paid	(307)	(1,086)
Income tax refunded	169	-
Net cash generated from/(used in) operating activities	4,271	(886)
CASH FLOWS FROM INVESTING ACTIVITIES		
Government grant received	168	-
Increase in fixed deposit pledged	(536)	(28)
Interest received	129	124
Proceeds from disposal of property, plant and equipment	-	61
Proceeds from disposal of quoted shares	8,272	2,804
Purchase of property, plant and equipment	(11,951)	(4,736)
Purchase of quoted shares	(6,737)	(4,252)
Net cash generated from/(used in) investing activities	(10,655)	(6,027)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(609)	(485)
Proceeds from hire purchase	-	145
Proceeds from issuance of shares	-	7,653
Proceeds from overdraft	3,145	-
Proceeds from revolving credit	3,000	-
Repayment of hire purchase	(488)	(677)
Repayment of term loan	(640)	(387)
Repayment from trade finance	-	(5,519)
Net cash generated from/(used in) financing activities	4,408	730
Net increase/(decrease) in cash and cash equivalents	(1,976)	(6,183)
Effect of exchange rate changes	315	494
Cash and cash equivalents at 1 January	7,397	14,925
Cash and cash equivalents at 30 September	5,736	9,236
Cash and cash equivalents at end of financial period comprised:		
Cash & bank balances	2,873	8,908
Fixed deposits with licensed banks	4,642	1,561
	7,515	10,469
Less: Fixed deposits pledged	(1,779)	(1,233)
	5,736	9,236

The unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the Group's annual audited financial statements for the financial year ended 31 December 2015.

The Group has adopted the new and revised Malaysian Financial Reporting Standards ("MFRSs") and IC Interpretations that became mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

A3. AUDITORS REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no audit qualification on the annual financial statements of JAG for the financial year ended 31 December 2015.

A4. SEASONAL AND CYCLICAL FACTORS

The Group's business operations were mainly attributable (i.e., contributing approximately 99% of its total revenue) from its manufacturing and trading segments involving recycling and recovery activities and are affected by the cyclicity of the semiconductor companies. The semiconductor industry is cyclical and dependent on its end user industries, in particular the electrical & electronic industries. The demand for semiconductors typically mirrors the trend in the demand for personal computers, mobile phones and other electronic equipment.

As the availability of electrical and electronic waste ("E-waste") for recycling and manufacturing services is dependent on the volume of E-waste discharged by semiconductor manufacturers, the E-waste recycling industry is dependent on the trends in the semiconductor industry.

A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter and period under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates that have had effect on the financial quarter and period under review.

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

A7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

Save as disclosed in Note B6, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial quarter and period under review.

A8. DIVIDEND

There was no dividend being declared, recommended or paid during the financial quarter and period under review.

A9. SEGMENT INFORMATION

The Group’s segmental information is as follows:

	Current Quarter Ended		Year to date	
	30 Sep 2016	30 Sep 2015	30 Sep 2016	30 Sep 2015
	RM’000	RM’000	RM’000	RM’000
Revenue By Business Segments				
Manufacturing activities	21,599	19,089	56,293	56,329
Trading activities	1,482	799	4,294	3,629
Proprietary solutions and software maintenance	268	350	825	926
	<u>23,349</u>	<u>20,238</u>	<u>61,412</u>	<u>60,884</u>
Elimination of inter-segment sales	-	-	-	-
	<u>23,349</u>	<u>20,238</u>	<u>61,412</u>	<u>60,884</u>
Segment results				
Manufacturing activities	831	(7,572)	(1,164)	(5,850)
Trading activities	998	(436)	2,920	44
Investment holding	(269)	(9,355)*	(963)	(10,097)*
Proprietary solutions and software maintenance	(87)	610	(628)	1,079
Profit/(loss) from operations	<u>1,473</u>	<u>(16,753)</u>	<u>165</u>	<u>(14,824)</u>
Interest income	56	38	129	124
Finance cost	<u>(246)</u>	<u>(175)</u>	<u>(609)</u>	<u>(485)</u>
Profit/(loss) before taxation	<u>1,283</u>	<u>(16,890)</u>	<u>(315)</u>	<u>(15,185)</u>
Taxation	<u>(3)</u>	<u>(398)</u>	<u>(21)</u>	<u>(485)</u>
Profit/(loss) after taxation	<u>1,280</u>	<u>(17,288)</u>	<u>(336)</u>	<u>(15,670)</u>
Revenue By Geographical Segment				
Malaysia	5,607	4,024	15,508	14,687
Foreign countries	<u>17,742</u>	<u>16,214</u>	<u>45,904</u>	<u>46,197</u>
	<u>23,349</u>	<u>20,238</u>	<u>61,412</u>	<u>60,884</u>

Note:

* The segment loss from investment holding was mainly attributable to cost arising from the granting share issuance scheme options (“SIS Options”) during the financial quarter and period ended 30 September 2015.

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation or revaluation of property, plant and equipment during the financial quarter and period under review and the valuation of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A11. MATERIAL EVENTS SUBSEQUENT TO THE CURRENT FINANCIAL QUARTER

Save as disclosed in Note B6, there were no material events subsequent to the current financial quarter ended 30 September 2016 up to the date of this report.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no other changes and/or intended changes in the composition of the Group during the current financial quarter and period under review.

A13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no changes in the contingent liabilities and contingent assets during the financial quarter and period under review.

A14. CAPITAL COMMITMENTS

There were no outstanding capital commitments as at 30 September 2016.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no significant related party transactions during the quarter under review.

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QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

B1. REVIEW OF PERFORMANCE

The Group recorded revenue of approximately RM23.35 million for the current financial quarter and RM61.41 million for the financial period ended 30 September 2016, respectively. Export sales accounted for about RM17.74 million and RM45.90 million or 75.99% and 74.75% of total revenue for the current financial quarter and period ended 30 September 2016 respectively.

The Group recorded higher revenue for the current financial quarter and period ended 30 September 2016 compared to previous corresponding financial quarter and period. The higher revenue for the current financial quarter was mainly due to higher sales of gold, iron, silver and tin. There was increased sales volume of gold, iron and tin and the average commodity prices were higher for gold, silver and tin. The higher revenue for the current financial period was mainly due to higher sales of gold, iron, silver and tin. There was increased sales volume of gold, iron, silver and tin and the average commodity prices were higher for the gold, iron and silver.

Other income for the current financial quarter and period mainly consisted of gain on disposal of quoted securities, interest incomes generated from fixed deposit, dividend income and the Malaysian Technology Development Corporation (MTDC) grant. The higher other income for the previous year's corresponding financial period was mainly due to interest income, gain on realized foreign exchange and gain on disposal of quoted securities.

The Group reported a profit after tax of RM1.28 million and a loss after tax of RM0.34 million for the current financial quarter and period ended 30 September 2016, respectively compared to the loss after tax of RM17.29 million and RM15.67 million for the previous corresponding financial quarter and period ended 30 September 2015, respectively.

The Group's staff cost was lower mainly due to the absence of staff cost for SIS as there were no SIS Options granted and lower headcount during the current financial quarter and period. The Group's other operating expenses were also lower for the current financial quarter and period.

Other operating expenses for the current financial quarter and period mainly consisted of manufacturing overhead expenses, computer training and maintenance, professional fees, utilities expenses, commission and marketing fees, entertainment and travelling expenses. The decrease in other operating expenses in the current financial quarter and period compared to the previous corresponding quarter and previous financial period was mainly due to lower professional fees, lower manufacturing overhead expenses and other miscellaneous expenses.

B2. COMPARISON OF CURRENT FINANCIAL QUARTER RESULTS WITH THE PRECEDING QUARTER

The Group recorded revenue of approximately RM23.35 million and RM20.35 million for the current financial quarter ended 30 September 2016 and preceding financial quarter ended 30 June 2016 respectively. The increase in revenue was mainly due to higher sales of silver and tin. There were increased sales volume of silver and tin and the average commodity price for silver was higher.

The increase of other income was mainly due to gain on disposal of quoted securities during the current financial quarter compared to the loss on disposal of quoted securities in the preceding quarter.

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

The Group incurred higher other operating expenses in the current quarter mainly due to fluctuations in foreign exchange, higher professional fee, insurance expenses and ad-hoc sub-contracting fee during the current financial quarter.

As a result, the Group recorded an increase in profit after tax for the current financial quarter compared to preceding financial quarter.

B3. PROSPECTS FOR CURRENT FINANCIAL YEAR

The Group foresees the current financial year to be challenging notwithstanding the Group’s financial performance continued to improve in the second (2nd) and third (3rd) quarters of the financial year ending 31 December 2016. While certain commodity prices have been relatively higher (as set out in Notes B1 and B2), copper prices remained relatively lower compared to prior years and copper remains a major contributor to the Group’s revenue.

B4. VARIANCE OF FORECAST PROFIT AND PROFIT GUARANTEE

The Group has not provided any profit forecast or profit guarantee and thus this is not applicable to the Group.

B5. TAXATION

	Current Quarter Ended		Year to date	
	30 Sep 2016	30 Sep 2015	30 Sep 2016	30 Sep 2015
	RM’000	RM’000	RM’000	RM’000
Current income tax	(3)	(398)	(21)	(485)
Deferred tax	-	-	-	-
	<u>(3)</u>	<u>(398)</u>	<u>(21)</u>	<u>(485)</u>

The effective tax rate of the Group for current quarter and financial year ended 30 September 2016 are lower than the statutory tax rate of 25% due to business losses allowance carried forward and availability of reinvestment allowance which arose from the capital expenditure of a subsidiary in the current financial quarter under review and previous financial year.

B6. STATUS OF CORPORATE PROPOSALS

The Board of Directors of JAG (“ Board”) announced that JAG Land Sdn Bhd (“JAG Land”) had on 28 January 2016, entered into a Sale and Purchase Agreement with Chewway Heavy Machinery Sdn. Bhd., for the purpose of purchasing a parcel of freehold land held under H.S. (D) 137367, PT 133653 Mukim Klang, District of Klang, State of Selangor measuring approximately 13,489.5 square meters in an area bearing postal address Lot No. 10428, Jalan Sg Jati/KS7, Kg Jawa, 41000 Klang, Selangor Darul Ehsan for a total purchase consideration of RM9,873,668.00 (“Proposed Acquisition of Land”). On 3 August 2016, the Board announced that the Company has received confirmation in writing from the solicitors of JAG Land to confirm that the Proposed Acquisition of Land has been fully completed on the same date.

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Notes on the quarterly report for the third quarter ended 30 September 2016

On 4 March 2016, TA Securities Holdings Berhad (“TA Securities”) had on behalf of the Board announced that the Company proposes to undertake the proposed private placement of new ordinary shares of RM0.10 each in JAG, representing not more than ten percent (10%) of the issued and paid-up share capital of JAG (excluding treasury shares, if any) (“Proposed Private Placement”). The listing application for the Proposed Private Placement has been submitted to Bursa Securities on 16 March 2016.

The Company had on 22 March 2016 obtained Bursa Securities’ approval for the listing and quotation of up to 153,844,000 Placement Shares to be issued pursuant to the Proposed Private Placement. The approval granted by Bursa Securities for the Proposed Private Placement, is subjected to the following conditions:

- i. JAG and TA Securities must fully comply with the relevant provisions under the ACE Market Listing Requirements (“ACE LR”) pertaining to the implementation of the Proposed Private Placement;
- ii. JAG and TA Securities to inform Bursa Securities upon the completion of the Proposed Private Placement;
- iii. JAG to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Proposed Private Placement is completed; and
- iv. TA Securities to furnish Bursa Securities with details of the placees as per Rule 6.16 of the ACE LR for Bursa Securities’ review, prior to the issuance/allotment of the Placement Shares.

JAG is required to ensure full compliance of all the requirements pertaining to the Proposed Private Placement as provided under the ACE LR at all times. On 2 September 2016, TA Securities had on behalf of the Board announced the revision of utilisation of proceeds from the Proposed Private Placement.

On 6 September 2016, the Company submitted an application to Bursa Securities for an extension of time of approximately six (6) months (i.e., from 22 September 2016 until 21 March 2017) to complete the implementation of the Proposed Private Placement (“Extension of Time”). On 13 September 2016, TA Securities on behalf of the Board announced that Bursa Securities has, vide its letter dated 9 September 2016 granted the Company the Extension of Time.

As at the date of this announcement, the Proposed Private Placement is still pending implementation and completion.

B7. GROUP BORROWINGS

The Group’s borrowings as at 30 September 2016 are as follows:-

	Short term (Secured) RM’000	Long Term (Secured) RM’000	Total RM’000
Term loan	960	10,400	11,360
Revolving credit	3,000	-	3,000
Overdraft	3,145	-	3,145
Hire purchase liabilities	318	90	408
Total	7,423	10,490	17,913

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

B8. MATERIAL LITIGATION

There was no pending material litigation as at the date of this announcement.

B9. DIVIDEND

There was no dividend declared, recommended or paid during the current financial quarter under review.

B10. REALISED AND UNREALISED PROFITS DISCLOSURE

The accumulated profits of the Group may be analyzed as follows:

	As at 30 Sep 2016 RM'000	As at 30 Sep 2015 RM'000
Total accumulated profits of the Group		
- Realized	34,985	33,952
- Unrealized	973	(10)
Total before consolidation adjustments	35,958	33,942
Less: Consolidation adjustments	-	-
Total accumulated profits as per statement of financial position	35,958	33,942

B11. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter Ended		Year to date	
	30 Sep 2016 RM'000	30 Sep 2015 RM'000	30 Sep 2016 RM'000	30 Sep 2015 RM'000
Changes in fair value on derivative financial instrument	-	-	-	(63)
Depreciation of property, plant and equipment	982	823	2,869	2,452
Gain on disposal of property, plant and equipment	-	-	-	(41)
Gain on disposal of quoted securities	(335)	(721)	(345)	(721)
Loss/(Gain) on foreign exchange – Unrealized	695	(69)	(973)	10
(Gain)/Loss on other investment – unrealized	(233)	77	186	(433)
Government grant income	-	(23)	-	(69)
Interest income	(56)	(38)	(129)	(124)
Interest expenses	246	175	609	485
Provision of doubtful debts	-	74	-	74
Staff cost - SIS	-	9,083	-	9,083

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

B11. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

Other than as disclosed above, the Group does not have other material items (such as provision for and write-off of inventories, impairment of assets and exception items) that are recognized as profit/(loss) in the Statement of Comprehensive Income.

B12. EARNINGS / (LOSS) PER SHARE

(i) Basic earnings / (loss) per share

The basic earnings / (loss) per share was calculated by dividing the net profit / (loss) for the current financial quarter and the current financial period to date by the weighted average number of ordinary shares in issue:

	Current Quarter Ended		Year to date	
	30 Sep 2016	30 Sep 2015	30 Sep 2016	30 Sep 2015
	RM	RM	RM	RM
Net profit / (loss) attributable to owners of the Company (RM'000)	1,259	(17,288)	(383)	(15,670)
Weighted average number of ordinary shares in issue ('000)	1,143,845	1,090,311	1,143,845	1,071,378
Basic earnings / (loss) per share (sen)	0.11	(1.59)	(0.03)	(1.46)

(ii) Diluted earnings / (loss) per share

The diluted earnings / (loss) per share was calculated by dividing the net profit / (loss) for the current financial quarter and period to date by the weighted average number of ordinary shares based on the assumption that the warrants issued are fully exercised and converted into ordinary shares.

	Current Quarter Ended		Year to date	
	30 Sep 2016	30 Sep 2015	30 Sep 2016	30 Sep 2015
	RM	RM	RM	RM
Net profit / (loss) attributable to owners of the Company (RM'000)	1,259	(17,288)	(383)	(15,670)
Weighted average number of ordinary shares in issue ('000)	1,538,440	1,361,349	1,538,440	1,361,349
Diluted earnings / (loss) per share (sen)	0.08	N/A(*)	N/A(*)	N/A(*)

Note:

* The fully diluted (loss)/earnings per share is not disclosed as the effects on the assumed exercised of the warrants is anti-dilutive.

JAG BERHAD (“JAG” OR “COMPANY”)
(Company No: 439230 - A)

QUARTERLY REPORT

Notes on the quarterly report for the third quarter ended 30 September 2016

B13. AUTHORISED FOR ISSUE

The interim financial statements were authorized for issue by the Board in accordance with a resolution of the directors dated 17 November 2016.

BY ORDER OF THE BOARD,

CHENG CHIA PING
(MAICSA 1032514
PRACTITIONER)
COMPANY SECRETARY

22 NOVEMBER 2016

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