

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31-Mar-24 RM'000	Preceding year Corresponding Quarter 31-Mar-23 RM'000	Changes %	Current Year To date 31-Mar-24 RM'000	Preceding year Corresponding year 31-Mar-23 RM'000	Changes %
Revenue	52,746	45,538	15.83%	52,746	45,538	15.83%
Direct costs	(351)	(345)	1.74%	(351)	(345)	1.74%
Changes in inventories of finished goods and work in progress	(4,341)	1,349	-421.79%	(4,341)	1,349	-421.79%
Raw materials and consumable used	(30,933)	(36,157)	-14.45%	(30,933)	(36,157)	-14.45%
Changes in inventories of trading merchandise	(102)	(73)	39.73%	(102)	(73)	39.73%
Staff costs	(5,025)	(4,053)	23.98%	(5,025)	(4,053)	23.98%
Other income	1,596	511	212.33%	1,596	511	212.33%
Depreciation and amortisation	(2,728)	(2,042)	33.59%	(2,728)	(2,042)	33.59%
Other operating expenses	(5,646)	(3,052)	84.99%	(5,646)	(3,052)	84.99%
Finance cost	(932)	(140)	565.71%	(932)	(140)	565.71%
(Loss)/Profit before taxation	4,284	1,536	178.91%	4,284	1,536	178.91%
Taxation	(1,270)	(500)	154.00%	(1,270)	(500)	154.00%
(Loss)/Profit after taxation/ Total comprehensive (loss)/income	3,014	1,036	190.93%	3,014	1,036	190.93%
(Loss)/Profit attributable to: Owners of the Company	3,014	1,036		3,014	1,036	
	3,014	1,036		3,014	1,036	
Total comprehensive (loss)/income attributable to: Owners of the Company	3,014	1,036		3,014	1,036	
	3,014	1,036		3,014	1,036	
(Loss)/Earning per share attributable to owners of the Company (sen per share):						
Basic (loss)/earning per share	0.49	0.16		0.49	0.16	

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 2023 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at end of Financial year 31-Mar-24 RM'000	Audited As at preceding Financial Year Ended 31-Dec-23 RM'000
ASSETS		
Non Current assets		
Property, plant and equipment	96,166	97,309
Right of use assets	9,565	9,842
Investment properties	75,931	74,245
Intangible assets	99	99
Other investments	2,400	2,400
Land held for development	10,005	10,005
Deferred tax assets	-	-
	194,166	193,900
Current Assets		
Inventories	71,830	71,832
Trade and other receivables	22,335	20,172
Tax recoverable	1,169	1,468
Other investment	11,730	13,656
Fixed deposits with licensed banks	1,294	1,292
Cash and bank balances	3,369	4,261
	111,727	112,681
TOTAL ASSETS	305,893	306,581
EQUITY AND LIABILITIES		
Capital and reserves attributable to owners of the parent		
Share capital	203,171	203,171
Revaluation reserve	28,139	28,139
Fair value adjustment reserve	50	50
Reverse acquisition reserve	(72,051)	(72,051)
Treasury shares	(3,901)	(3,901)
Retained profits	57,261	54,247
	212,669	209,655
Equity attributable to the owners of the Company	212,669	209,655
Total equity	212,669	209,655
Non Current Liabilities		
Lease liabilities	3,576	5,911
Deferred income	133	168
Borrowings	32,228	33,114
Provision	50	40
Deferred tax liabilities	6,948	6,962
	42,935	46,195
Current Liabilities		
Trade and other payables	25,320	21,366
Tax payable	925	662
Borrowings	19,442	25,607
Lease Liabilities	4,602	3,096
	50,289	50,731
TOTAL LIABILITIES	93,224	96,926
TOTAL EQUITY AND LIABILITIES	305,893	306,581
Net assets per share (sen) attributable to owners of the Company	34.59	34.10

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 2023 and the accompanying explanatory notes attached to this interim financial statements.

JAG BERHAD ("JAG" OR "COMPANY")
[Registration No. 199701023733 (439230 - A)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital RM'000	Revaluation reserve RM'000	Fair value adjustment reserve RM'000	Reverse acquisition reserve RM'000	Tresury shares 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 2023	203,171	28,139	-	(72,051)	(10,683)	64,530	213,106	-	213,106
Acquisition of treasury shares	-	-	-	-	(825)	-	(825)	-	(825)
Net profit / Total comprehensive profit for the period	-	-	-	-	-	1,036	1,036	-	1,036
At 31 March 2023	<u>203,171</u>	<u>28,139</u>	<u>-</u>	<u>(72,051)</u>	<u>(11,508)</u>	<u>65,566</u>	<u>213,317</u>	<u>-</u>	<u>213,317</u>
At 1 January 2024	203,171	28,139	50	(72,051)	(3,901)	54,247	209,655	-	209,655
Net profit / Total comprehensive profit for the period	-	-	-	-	-	3,014	3,014	-	3,014
At 31 March 2024	<u>203,171</u>	<u>28,139</u>	<u>50</u>	<u>(72,051)</u>	<u>(3,901)</u>	<u>57,261</u>	<u>212,669</u>	<u>-</u>	<u>212,669</u>

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 2023 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

	Cumulative Current Year 31-Mar-24 RM'000	Preceding Year Corresponding Period 31-Mar-23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,284	1,536
Adjustments for non-cash item:		
Allowance for impairment of receivables no longer required	-	(195)
Changes in fair value of other investments	(1,197)	336
Depreciation and amortisation	2,728	2,042
Dividend income	-	(8)
Fixed assets written off	10	26
Gain on disposal of fixed assets	(156)	-
Gain on disposal of other investment	-	(166)
Loss/(Gain) on foreign exchange - unrealised	187	75
Government grant income	(35)	(35)
Realised loss on foreign exchange - cash and cash equivalent	(56)	(16)
Interest income	(9)	(238)
Interest expense	939	378
	6,695	3,735
Operating cash flows before working capital changes		
Changes in working capital:		
Decrease in inventories	3	(2,593)
Increase in trade and other receivables	(2,983)	483
Increase in trade and other payables	3,948	(1,129)
Increase in other investments	3,123	(2,617)
	10,786	(2,121)
Cash generated from operations		
Income tax paid	(708)	(2,062)
	10,078	(4,183)
Net cash generated from/(used in) operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	9	238
Dividend received	-	8
Purchase of investment property	-	(29,995)
Proceeds from disposal of fixed assets	157	-
Purchase of property, plant and equipment	(2,095)	(3,146)
	(1,929)	(32,895)
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(466)	(271)
Cash payment for leases	(1,105)	(796)
Acquisition of treasury shares	-	(825)
Proceeds from term loan	-	29,995
Repayment of term loan	(5,502)	(1,031)
	(7,073)	27,072
Net cash (used in)/generated from financing activities		
Net increase/(decrease) in cash and cash equivalents	1,076	(10,006)
Effect of exchange rate changes	56	16
Cash and cash equivalents at 1 January	(12,478)	11,926
	(11,346)	1,936
Cash and cash equivalents at 31 March		
Cash and cash equivalents at end of financial quarter comprised:		
Cash and bank balances	3,369	5,976
Fixed deposits with licensed banks	1,294	1,268
Bank overdraft	(15,121)	(4,438)
	(10,458)	2,806
Less: Fixed deposits pledged	(888)	(870)
	(11,346)	1,936

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 2023 and the accompanying explanatory notes attached to this interim financial statements.

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

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, IAS 34: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“ACE LR”).

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 and as disclosed in the Group’s annual report for the financial year ended 31 December 2023.

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

The Group has not adopted the new standards, amendments to published standards and IC interpretations that have been issued but not yet effective. These new standards, amendments to published standards and IC interpretations do not result in significant changes in the accounting policies of the Group upon their initial applications.

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 2023.

A4. SEASONAL AND CYCLICAL FACTORS

The Group's primary sources of revenue (approximately 97% of its total revenue) are derived from its manufacturing and trading business segment, which involves recycling and recovery activities. These operations are affected by the cyclicity of the semiconductor industry, which, in turn, is dependent on end-user industries such as electrical and 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 electronic waste (E-waste) for recycling and manufacturing services is reliant on the volume of E-waste discharged by semiconductor manufacturers, the E-waste recycling industry is also influenced by 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 current financial quarter and period under review.

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

A6. MATERIAL CHANGES IN ESTIMATES

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

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

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and period ended 31 March 2024.

A8. DIVIDEND

There were no dividends paid or declared for the current quarter and period.

A9. SEGMENT INFORMATION

The Group’s segmental information is as follows:

	Current Quarter Ended		Year to date	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM’000	RM’000	RM’000	RM’000
Revenue by business segments				
Manufacturing and trading activities	51,090	43,864	51,090	43,864
Lifestyle and services	1,516	1,564	1,516	1,564
Property investment and development	140	110	140	110
	<u>52,746</u>	<u>45,538</u>	<u>52,746</u>	<u>45,538</u>
Elimination of inter-segment sales	-	-	-	-
	<u>52,746</u>	<u>45,538</u>	<u>52,746</u>	<u>45,538</u>
Segment results				
Manufacturing and trading activities	5,589	2,815	5,589	2,815
Investment holding	558	(725)	558	(725)
Lifestyle and services	(536)	(110)	(536)	(110)
Property investment and development	(395)	(304)	(395)	(304)
Profit from operations	<u>5,216</u>	<u>1,676</u>	<u>5,216</u>	<u>1,676</u>
Interest income	9	238	9	238
Finance cost	<u>(941)</u>	<u>(378)</u>	<u>(941)</u>	<u>(378)</u>
Profit before taxation	<u>4,284</u>	<u>1,536</u>	<u>4,284</u>	<u>1,536</u>
Taxation	<u>(1,270)</u>	<u>(500)</u>	<u>(1,270)</u>	<u>(500)</u>
Profit after taxation	<u>3,014</u>	<u>1,036</u>	<u>3,014</u>	<u>1,036</u>
Revenue By Geographical Segment				
Malaysia	12,033	5,503	12,033	5,503
Foreign countries	<u>40,713</u>	<u>40,035</u>	<u>40,713</u>	<u>40,035</u>
	<u>52,746</u>	<u>45,538</u>	<u>52,746</u>	<u>45,538</u>

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

A9. SEGMENT INFORMATION (CONTINUED)

	As at 31 Mar 2024 RM'000	As at 31 Dec 2023 RM'000
Segment assets		
Manufacturing and trading activities	213,984	216,425
Investment holding	203,970	205,330
Lifestyle and services	9,610	9,926
Property investment and development	91,064	90,065
	<u>518,628</u>	<u>521,746</u>
Elimination	<u>(212,735)</u>	<u>(215,165)</u>
	<u>305,893</u>	<u>306,581</u>
Segment liabilities		
Manufacturing and trading activities	75,438	81,959
Investment holding	6,490	7,455
Lifestyle and services	15,920	16,608
Property investment and development	84,619	82,579
	<u>182,467</u>	<u>188,601</u>
Elimination	<u>(89,243)</u>	<u>(91,675)</u>
	<u>93,224</u>	<u>96,926</u>

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A11. MATERIAL EVENTS SUBSEQUENT TO THE CURRENT FINANCIAL QUARTER

There were no material events subsequent to the current financial quarter and period ended 31 March 2024 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 current financial quarter and period review.

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

A14. CAPITAL COMMITMENTS

Save as below, the Board is not aware of any material commitment incurred or known to be incurred by the Company or the Group, which may have material impact on the financial position of the Group:

	31 Mar 2024 RM'000
Authorised and contracted for: Elevator system	<u>1,100</u>

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no significant related party transactions during the current financial quarter and period under review.

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

Part B - Explanatory Notes Pursuant to Appendix 9B of the ACE LR

B1. REVIEW OF PERFORMANCE

1st Quarter 2024 vs 1st Quarter 2024

Financial Period ended 31 Mar 2024 vs Financial Period ended 31 Mar 2023

	31 Mar 2024	31 Mar 2023	Changes
	RM'000	RM'000	%
Revenue by business segments			
Manufacturing and trading activities	51,090	43,864	16
Lifestyle and services	1,516	1,564	-3
Property investment and development	140	110	27
	<u>52,746</u>	<u>45,538</u>	16
Segment results			
Manufacturing and trading activities	5,589	2,815	99
Investment holding	558	(725)	>100
Lifestyle and services	(536)	(110)	<100
Property investment and development	(395)	(304)	<100
Profit from operations	<u>5,216</u>	<u>1,676</u>	
Interest income	9	238	
Finance cost	(941)	(378)	
Profit before taxation	<u>4,284</u>	<u>1,536</u>	
Taxation	(1,270)	(500)	
Profit after taxation	<u>3,014</u>	<u>1,036</u>	

The Group's revenue increased by 16%, from RM45.5 million in the corresponding quarter and period last year to RM52.7 million in the current financial quarter and period. Regarding profitability, the Group reported a profit after taxation of RM3.0 million compared to RM1.0 million in the previous year's corresponding quarter and period.

The revenue growth was mainly driven by the Total Waste Management (“TWM”) segment, which reported a 16% increase in revenue. This improvement was primarily due to higher procurement and e-waste collection during the financial quarter and period. Additionally, the rise in commodity prices, particularly copper, gold, silver, and tin, further boosted the business segment's profit margins.

Conversely, the lifestyle and services business segment reported a slight decrease in revenue compared to the previous year's corresponding quarter and period. The segment's profitability was adversely affected by costs associated with closing non-performing outlets and increased raw material and consumable costs.

The investment holding business segment recorded a profit mainly due to the recognition of fair value gains on quoted investments.

Losses in the property investment and development business segment were attributed to operational costs such as cleaning fees, security fees, building depreciation, and other building management fees.

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

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

	Current Quarter 31 March 2024	Immediate Preceding Quarter 31 Dec 2023	Changes
	RM'000	RM'000	%
Revenue	52,746	55,849	-6
Staff cost	5,025	4,442	13
Other operating expenses	5,646	4,421	28
Profit/(Loss) before taxation	4,284	(1,025)	>100
Profit/(Loss) after taxation	3,014	(1,325)	>100

The Group recorded lower revenue of RM52.7 million for the current financial quarter ended 31 March 2024 as compared to the immediate preceding financial quarter ended 31 December 2023 of RM55.8 million. The decrease was mainly due to lower revenue generated from the TWM business segment, which reported revenue of RM51.1 million, a decrease from RM54.1 million in the corresponding quarter.

The increase in staff cost mainly due to revision of staff salary in first quarter 2024. The other operating expense was mainly consisting of operational cost such as manufacturing overhead, travelling expenses, upkeep of machinery and premises, utilities, professional fees and consultant cost incurred in property investment business division to refurbish the Wisma JAG.

In respect of profitability, the Group recorded profit after taxation of RM3.0 million in current financial quarter. This is mainly due to the rise in commodity prices, particularly copper, gold, silver, and tin, which had boosted the business segment's profit margins.

B3. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2024

In 2024, the TWM business segment will remain a major contributor to the Group's revenue and profit. To maintain its position as a leading player in the e-waste recycling industry, the Group will continue to focus on strengthening its sourcing capabilities and investing in production capacity, efficiency and technology.

As in financial year 2023, the TWM business segment has achieved a significant milestone by successfully securing two major procurement contracts during the financial year. The Group holds a positive outlook, anticipating that the favorable outcomes of these contracts will make a notable and positive contribution to the overall financial performance of the organisation.

The Group is also optimistic with the outlook for the food and beverage retail industry and the coin-operated launderette industry. In 2024, the Group plans to support these business segments through opening of new outlets, venturing in to new business model, marketing strategies, and continuing introduction of new products.

In the face of a challenging business environment, the Group is committed to strategic adaptation and effective risk management. The Group will take timely and appropriate actions to minimize operating risks and optimize its resources, ensuring resilient business operations during uncertain times. Moreover, the Group is preparing a strong foundation for a sustainable recovery after the pandemic.

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Notes on the quarterly report for the financial period ended 31 March 2024

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		Year to date	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current period	(1,270)	(500)	(1,270)	(500)
- (under)/over provision in prior years	-	-	-	-
	<u>(1,270)</u>	<u>-</u>	<u>(1,270)</u>	<u>-</u>
Deferred tax				
- current period	-	-	-	-
- over provision in prior years	-	-	-	-
	<u>(1,270)</u>	<u>(500)</u>	<u>(1,270)</u>	<u>(500)</u>

The effective tax rate for the current financial quarter and period is higher than the statutory income tax rate of 24%. This is primarily due to the majority of the tax provision is applied to the profit making business entity, whereas the loss-making entity has no tax impact. The business tax losses of the loss making entity will be carried forward to the next financial year for utilisation.

B6. STATUS OF CORPORATE PROPOSALS

On 13 March 2024, TA Securities Holdings Berhad (“TA”) had on behalf of the Company announced that the Company proposes to undertake the following:

- (i) proposed bonus issue of 125,356,978 new ordinary shares (“JAG Shares” or “Shares”) (“Bonus Share”) on the basis of 1 Bonus Share for every 5 existing Shares held on an entitlement date to be determined (“Entitlement Date”) (“Proposed Bonus Issue of Shares”), and;
- (ii) proposed bonus issue of up to 376,070,935 free warrants in the Company (“Warrants”) on the basis of 3 Warrants for every 5 existing Shares held on the Entitlement Date (“Proposed Bonus Issue of Warrants”).

The Company had on 15 April 2024 obtained Bursa Securities’ approval on the following:

1. listing and quotation of Proposed Bonus Issues of Shares;
2. admission to the Official List and listing and quotation of the Proposed Bonus Issue of Warrants; and
3. listing and quotation of up to 376,070,935 new JAG Shares to be issued arising from the exercise of the Warrants.

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Notes on the quarterly report for the financial period ended 31 March 2024

B6. STATUS OF CORPORATE PROPOSALS (CONTINUED)

The approval granted by Bursa Securities for the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants are subject to the following conditions:

1. 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 Bonus Issue of Shares and Proposed Bonus Issue of Warrants;
2. JAG and TA Securities to inform Bursa Securities upon the completion of the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants respectively;
3. JAG and TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants are completed;
4. In relation to the Proposed Bonus Issue of Shares, JAG and TA Securities are required to make the relevant announcements pursuant to Rules 6.36(2)(a) & (b) and 6.36(4) of the ACE LR; and
5. In relation to the Proposed Bonus Issue of Warrants, JAG to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.

The above proposals are has been approved by the shareholder in the EGM held on 29 May 2024.

Other than state above, there were no corporate proposals announced but not completed as at 29 May 2024, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarter report.

B7. GROUP BORROWINGS

The Group’s borrowings as at 31 March 2024 (all denominated in Ringgit Malaysia) are as follows:-

	As at 31 March 2024 RM'000	As at 31 Dec 2023 RM'000
Short term borrowing (secured)		
Banker acceptance	-	4,000
Overdraft	15,121	17,142
Term loan	4,321	4,465
Lease liabilities	4,602	3,095
	24,044	28,702
Long term borrowing (secured)		
Term loan*	32,228	33,114
Lease liabilities	3,576	5,910
	35,804	39,024
Total	59,848	67,726

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Notes on the quarterly report for the financial period ended 31 March 2024

B7. GROUP BORROWINGS (CONTINUED)

	As at 31 March 2024	As at 31 Dec 2023
	%	%
The weighted average effective interest rate are as follows:		
Banker acceptance	-	5.65
Term loan	6.44	6.44
Overdraft	7.66	7.66
Hire purchase liabilities	5.28	5.28
Other lease liabilities	5.83	5.83
Proportion of borrowings between fixed and floating interest rates	14 : 86	14 : 86

B9. DERIVATIVE FINANCIAL INSTRUMENTS

(i) Disclosure of derivatives

The Group uses forward foreign exchange contracts to manage some of the transactions exposure of the Group’s sales denominated in USD and uses the commodity future contracts to manage the metal commodity price fluctuations.

There are no cash requirement risks as the Group only uses forward foreign currency contracts and commodity future contracts as its hedging instruments.

There have been no significant changes to the Group’s exposure to credit risk, market risk and liquidity risk since the previous financial quarter and period. Since the previous financial year, there have been no changes to the Group’s management objectives, accounting policies and processes.

(ii) Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group determines the fair value of the derivative financial instruments relating to the forward foreign exchange contracts and commodity future contracts by using the difference between the contracted foreign exchange rates and commodity price and the market forward rates and commodity price. The basis of fair value measurement is the difference between the contracted value and the market forward rates and market price. This resulted in the Group recording a gain when the rates and commodity price move favourable against the Group or recorded a loss when the rates and commodity price move unfavourable against the Group.

B10. MATERIAL LITIGATION

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

QUARTERLY REPORT

Notes on the quarterly report for the financial period ended 31 March 2024

B11. DIVIDEND

There were no dividends paid or declared for the previous corresponding quarter and period:

B12. NOTES TO THE STATEMENTS OF COMPREHENSIVE INCOME

	Current Quarter Ended		Year to date	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Allowance for impairment of receivables no longer required	-	(195)	-	(195)
Changes in fair value on other investments	(1,197)	336	(1,197)	336
Depreciation and amortisation	2,728	2,042	2,728	2,042
Dividend income	-	(8)	-	(8)
Fixed asset written off	10	26	10	26
Gain on disposal of other investments	-	(166)	-	(166)
Gain on disposal of plant and equipment	(156)	-	(156)	-
Loss/(Gain) on foreign exchange				
- unrealised	187	75	187	75
- realised	(50)	(75)	(50)	(75)
Government grant income	(35)	(35)	(35)	(35)
Impairment of property, plant and equipment				
Interest income	(9)	(238)	(9)	(238)
Interest expenses				
- Banker acceptance	42	-	42	-
- Overdraft	290	77	290	77
- Term loan	472	194	472	194
- Unwinding interest	1	1	1	1
- Implicit interest of lease liabilities	136	106	136	106

B13. EARNINGS PER SHARE

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

	Current Quarter Ended		Year to date	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM	RM	RM	RM
Net (loss)/profit attributable to owners of the Company (RM'000)	3,014	1,036	3,014	1,036
Weighted average number of ordinary shares in issue ('000)	614,844	628,070	614,844	628,070
Basic (loss)/earnings per share (sen)	0.49	0.16	0.49	0.16

**JAG BERHAD (“JAG” OR “COMPANY”)
[Registration No: 199701023733 (439230 - A)]**

**QUARTERLY REPORT
Notes on the quarterly report for the financial period ended 31 March 2024**

B14. AUTHORISED FOR ISSUE

This interim financial statement was authorised for issue by the Board on 29 May 2024 in accordance with a resolution of the directors.

BY ORDER OF THE BOARD,

CHENG CHIA PING
(MAICSA 1032514 PRACTITIONER)
COMPANY SECRETARY

29 May 2024