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MY E.G. SERVICES BERHAD

Registration No. 200001003034 (505639-K)

2023

ANNUAL REPORT





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ABOUT THIS REPORT



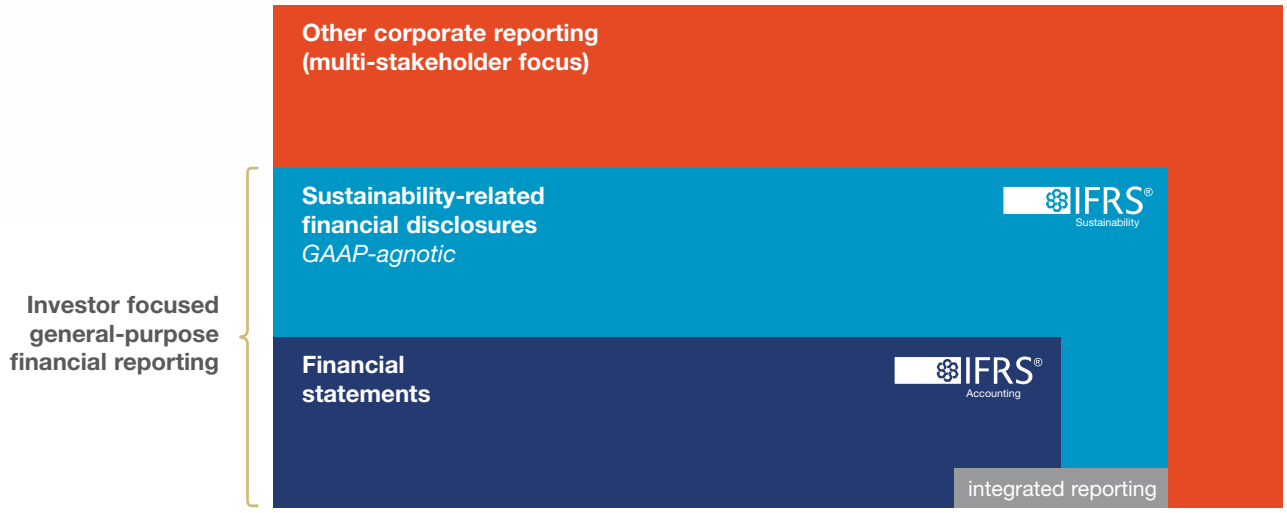
INTRODUCTION

MY E.G. Services Berhad ("**MYEG**" or the "**Company**") and its subsidiaries (the "**Group**") presents its Integrated Annual Report ("**IAR**") for the financial year ("**FY**") ended 31 December 2023 ("**FY2023**") ("**IAR2023**"). Contents for MYEG's IAR2023 has been developed in accordance to the principles based framework of Integrated Reporting as well as other reporting frameworks as follows:

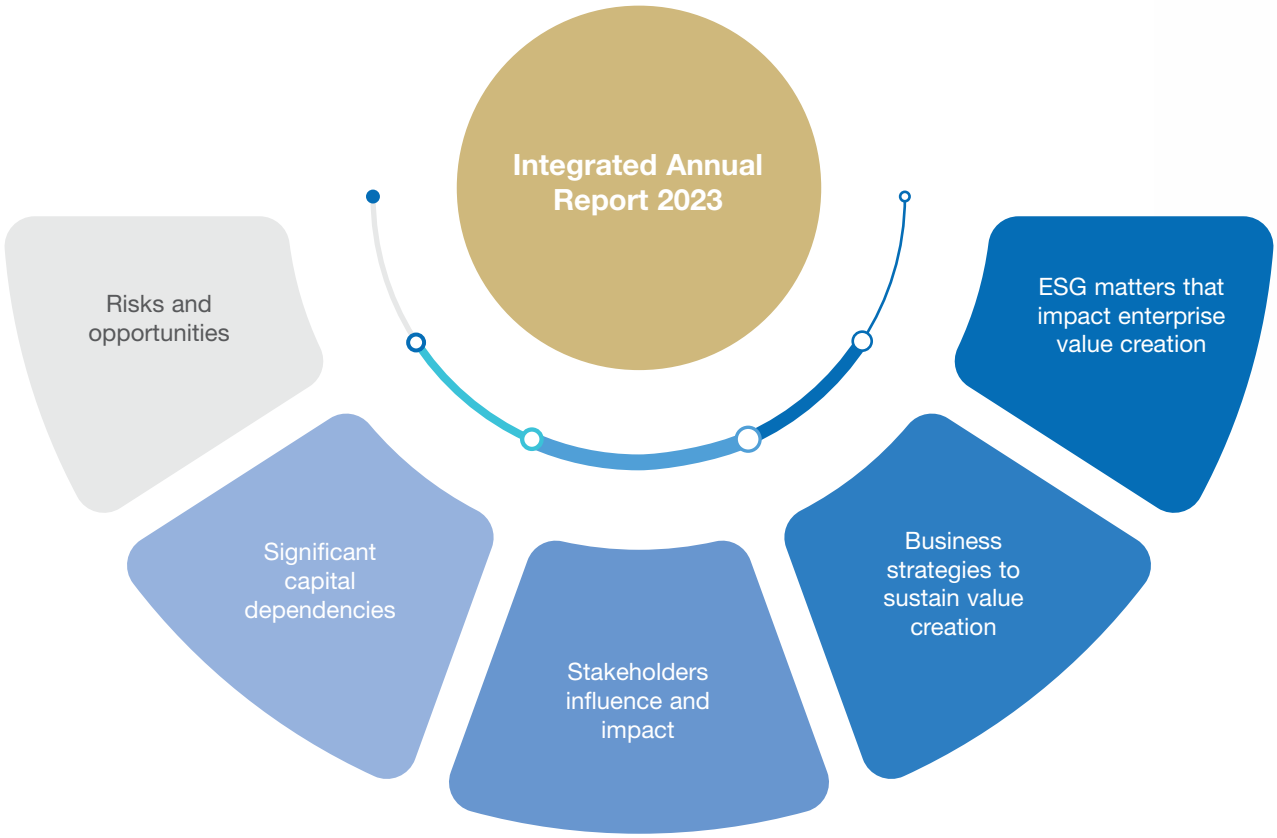
- Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**")
- Malaysia Financial Reporting Standards ("**MFRS**")
- International Financial Reporting Standards ("**IFRS**")
- Bursa Malaysia Sustainability Reporting Guide, 3rd Edition ("**SRG3**")
- Task Force for Climate-Related Financial Disclosures ("**TCFD**")
- FTSE4Good Index Disclosures ("**FTSE Russell's ESG Data Model**")
- Malaysian Code of Corporate Governance ("**MCCG**")
- Companies Act 2016 ("**Act**")
- ISO 31000 Risk Management Standard implemented in 2013

The usage of the Integrated Reporting framework is towards enabling MYEG to ultimately adopt IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Disclosure ("**S1**") and IFRS Climate Related Disclosures ("**S2**"). In essence, the focus of MYEG is to present meaningful disclosures that meet the information needs of diverse stakeholders and providers of capital.

Sustainability information tailored to audience needs

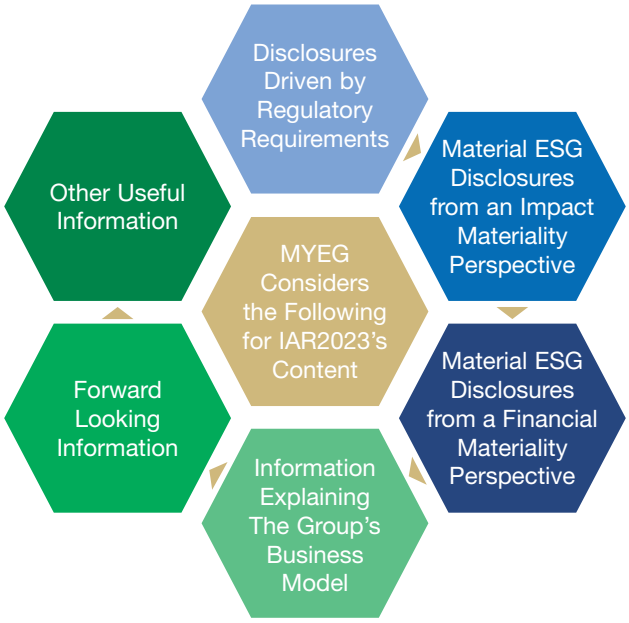


Through its integrated reporting approach, MYEG intends to provide comprehensive disclosures on material information that extend beyond past financial performance, but to also present narratives on matters that erode, sustain and enhance value creation over the short, medium and long-term perspectives.



BASIS OF REPORT PREPARATION AND CONTENT DETERMINATION

MYEG has drawn from the following in determining content for inclusion in IAR2023:



Specifically, in reference to the flow of content, the sequencing and focus on Integrated Reporting Content Elements were driven based on a strategic approach developed during a previous Integrated Reporting Strategy Workshop as well as material disclosure requirements based on the following IFRS Accounting Standards' principle: Information is material if omitting, misstating or obscuring it could reasonably be expected to influence investor decisions.

Progressively adopting a double materiality approach, IAR2023 looks to identify significant material topics that would impact financial value creation and the associated risks and opportunities for each topic. Disclosures on environmental, social and governance ("**ESG**") material from an impact materiality perspective are also provided in the Sustainability Statement presented in IAR2023.

IAR2023 has been reviewed and approved by the Management and Board of Directors of MYEG ("**Board**") prior to publication. No assurance has been undertaken with regard to Integrated Reporting. Internal assurance shall be progressively adopted in subsequent years' reporting.

IAR2023 REPORTING SCOPE & BOUNDARY

SCOPE	IAR2023 provides disclosures pertaining to the business operations, activities, processes, employees and where relevant the supply chain of the Group. In addition, the following GRI reporting principles have also been applied in determining report content: stakeholder inclusiveness, sustainability context, completeness of information, balance, comparability, accuracy, timeliness, reliability and clarity. IAR2023 provides disclosures for the financial period of FY2023, which is the period commencing from 1 January 2023 to 31 December 2023.
BOUNDARY	An equitation scope is applied whereby all operating entities of which MYEG has a majority equity stake have been included in the report. In essence, the listed entity and all subsidiaries in which MYEG holds a majority ownership position of 51% or more.

REPORT DISTRIBUTION AND AVAILABILITY

IAR2023 is available for download in PDF format via the following link: *https://www.myeg.com.my/investor-relations/reports-presentations* (see "Reports & Presentations" tab). IAR2023 is also available for download on Bursa Malaysia's website.

FORWARD LOOKING STATEMENTS

This report contains information on MYEG and the Group strategic priorities, anticipated risks and opportunities, industry outlook and the Group's prospects. All information herewith was collated based on reasonable assumptions using existing forecast models and present market conditions, which may change due to a wide range of factors that are beyond the Group's control.

As such, all forward looking statements are not conclusive. Actual plans and results may differ from those expressed in this report. Forward looking statements do not serve as guarantees of future operational or financial results or any other kind of outcome. Such have not been reviewed or audited by an external auditor.

ASSURANCE

Financial data disclosed has been audited by Messrs TGS TW PLT and based on their findings, present a true and fair view of the Group's fiscal position for FY2023.

Non-financial information has been assessed and reviewed internally by the Group's Senior Management and it is of their view that all narratives, disclosures and data presented have been internally verified by respective data owners for accuracy and veracity

Furthermore, the assessment process includes verifying the data collection process, including verification of data sources such as the point of origin of all collected data and information, the treatment of said data and information i.e. whether it was processed, aggregated or analysed or represented, or was presented in raw form for publication in IAR2023, and importantly if the data and information remained accurate as it was channelled across the dissemination process.

It is the Management's view that the non-financial data and information presented in IAR2023 are to the best knowledge of Management to be accurate and present a fair view of the Group.

FEEDBACK

Feedback on this report and the issues covered can be channelled to the Investor Relations unit at (Tel) +603 - 7664 8000 or via e-mail to ***investors@myeg.com.my***.

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board acknowledges that IAR2023 has been developed based on good governance practices and guided by the aforementioned reporting frameworks. The Board also provides assurance that the financial statements audited by Messrs TGS TW PLT were prepared in accordance with the relevant standards and frameworks, including the MFRS and IFRS.

BOARD OF DIRECTORS



Remuneration Committee

Dato' Sri Mohd Mokhtar Bin Mohd Shariff
Chairman

Wong Kok Chau
Member

Dato' Mohd Jeffrey Bin Joakim
Member

Nomination Committee

Mohaini Binti Mohd Yusof
Chairman

Datuk Mohd Jimmy Wong Bin Abdullah
Member

Dato' Sri Mohd Mokhtar Bin Mohd Shariff
Member

Audit Committee

Wong Kok Chau
Chairman

Datuk Mohd Jimmy Wong Bin Abdullah
Member

Mohaini Binti Mohd Yusof
Member

Employees' Share Option Scheme Committee

Wong Kok Chau
Chairman

Wong Thean Soon
Member

Risk Management Committee

Dato' Mohd Jeffrey Bin Joakim
Chairman

Mohaini Binti Mohd Yusof
Member

Wong Kok Chau
Member

Company Secretaries

Tai Yit Chan (MAICSA 7009143)
(SSM PC No. 202008001023)
Tan Ai Ning (MAICSA 7015852)
(SSM PC No. 202008000067)

Corporate Head Office

Level 43A, MYEG Tower, Empire City
No. 8, Jalan Damansara, PJU 8
47820 Petaling Jaya
Selangor, Malaysia

Tel : 03-7664 8000
Fax : 03-7664 8008
Email : investors@myeg.com.my
Website : www.myeg.com.my

Registered Office

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor, Malaysia

Tel : 03-7890 4800
Fax : 03-7890 4650
Email : boardroom-kl@boardroomlimited.com

Auditors

TGS TW PLT
(202106000004 (LLP0026851-LCA) & AF 002345)
Unit E-16-2B, Level 16, ICON Tower (East)
No. 1, Jalan 1/68F, Jalan Tun Razak
50400 Kuala Lumpur
W.P. Kuala Lumpur, Malaysia

Tel : 03-9771 4326
Fax : 03-9771 4327

Share Registrar

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor, Malaysia

Tel : 03-7890 4700
Fax : 03-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

Principal Bankers

Ambank (M) Berhad
CIMB Bank Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
Public Bank Berhad
RHB Bank Berhad

Stock Exchange Listing

Main Market of Bursa Securities
Stock Name : MYEG
Stock Code : 0138

GROUP CORPORATE PROFILE

The Group is Malaysia's leading digital services provider. Commencing operations in 2000, the Group continues to be at the forefront of enabling the digitalisation of a wide range of government and commercial services in the most secure, efficient and accessible manner through its electronic platform.

Entrusted by regional governments to provide vital services of national and international importance, MYEG is actively working today with the likes of the Road Transport Department ("**JPJ**") and the Immigration Department ("**JIM**") in Malaysia, the National Bureau of Investigation ("**NBI**") and the Bureau of Internal Revenue in the Philippines, as well as the General Administration of Customs of the People's Republic of China ("**GACC**") and China Academy of Information and Communications Technology ("**CAICT**") in China, among others.

In addition, the Group also provides a myriad of consumer / commercial-based services. In doing so, MYEG enables easy and seamless access to various government and commercial services affordably and provides a complete digital solution.

Technology has always formed the basis of all MYEG's endeavours since inception. In recent times, the Group has positioned itself as a leader in the region's Web3 revolution through the development and deployment of real-world decentralised applications on its proprietary Zetrix Layer-1 blockchain.

Please refer to our Business Model section for specific information on how MYEG delivers digital government and commercial services and the specific values (outputs and outcomes generated) through the business model.

WHO WE ARE?

WHAT WE DO
Provider of digital e-Government and commercial services as well as various other technologically enabled products and solutions.

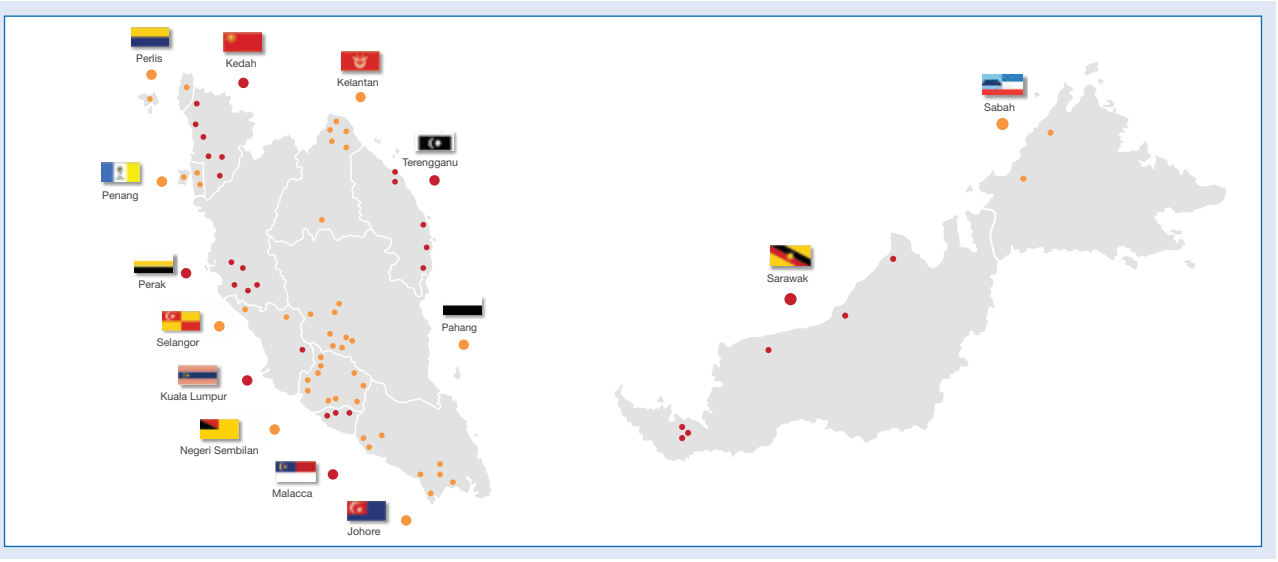
BUSINESS MODEL
Harnessing inherent and external technological capabilities to create in-demand solutions that bring services and offerings closer to customers and meet present and evolving market needs.

FINANCIAL AND STAKEHOLDER VALUES CREATED
Competitive propositions that deliver convenience, ease of access, protection assurance, development of technology, innovation, affordability and ultimately customer satisfaction.

WHOM WE SERVE
Federal, state and municipal governments, regulatory bodies and agencies, economic and industrial sectors, commercial businesses and the general public.

OUR SERVICES IN MALAYSIA

- Payment of compound / summons / assessment
- Assessment and payment of zakat
- Auto financing
- Auto insurance
- BELI e-Mart
- Blockchain-based insurance NFT product Covinsure
- Blockchain Identity, Verifiable Credentials and Blockchain-based Agreement Signing
- Competent Driving Licenses ("**CDL**") renewal
- CRIF Bizinsight Services
- Driver's theory test
- Foreign worker insurance
- Foreign worker recruitment & placement
- Insolvency search
- Renewal of driver's license
- MyAssist 24/7 roadside assistance
- MYDATA-SSM Services
- MyStay foreign worker accommodation services
- One-stop portal for managing workforce
- Online media
- Payment solution services
- Payroll management
- Personal and business financing
- Remittance
- Renewal of foreign worker's permit
- Renewal of road tax
- Renew Now, Pay Later scheme for road tax and motor insurance
- Vehicle ownership transfer
- Zetrix Layer - 1 blockchain
- ZTradeFi supply chain financing solution
- MYEG Drive Testing System
- ZTrade - China Customs clearance processing
- ZeFi - Zetrix Staking
- Zetrix-Xinghuo Multi-Chain Wallet



GOING BEYOND MALAYSIA

The Group's successful business model has been rolled out across Asia with the Group having expanded its presence regionally, particularly to the Philippines, Hong Kong and China.

The elevation of the Group's Zetrix blockchain to having the status of being the first international supernode of China's Xinghuo Blockchain Infrastructure and Facility ("**Xinghuo BIF**") network as part of a broader Web3 collaboration with the CAICT, a scientific research institute under China's Ministry of Industry and Information Technology, has paved the way for MYEG to play a pioneering role in introducing game-changing decentralised applications that aim to revolutionise cross-border trade and credentials verification and catalyse the blockchain space as a whole in the region.



OUR SERVICES IN INTERNATIONAL MARKETS

- NBI clearance renewal and delivery
- MYEG-Landbank Linkbiz e-Payments
- Electronic business permits and licenses for local government units
- MYEG insurance portal
- COVID-19 testing services
- Online payment of income taxes to the Bureau of Internal Revenue ("**BIR**")
- Online payment of fees to the Philippine Economic Zone Authority ("**PEZA**")
- PhilHealth Voluntary Members Payment
- Tourism Infrastructure and Enterprise Zone Authority ("**TIEZA**") Online Travel Tax Services System ("**OTTSS**")
- Online Payments for Health-Metro Manila Center for Health Development ("**DOH-MMCHD**")
- Subic Bay Metropolitan Authority ("**SBMA**") Electronic Billing and Payment System ("**eBPS**")
- Covinsure
- Securities and Exchange Commission registration and fee payment
- Social Security System online payment
- ZTrade - China Customs clearance processing
- Zetrix Layer-1 blockchain
- ZCert - Verificable Credentials
- Zidentity - E-signing service
- Zetrix-Xinghuo Multi-Chain Wallet
- ZTradeFi - supply chain financing

GROUP CORPORATE STRUCTURE

www.myeg.com.my

MY E.G. Services Berhad

Development and implementation of the electronic Government services project, provision of other related services for the electronic Government services project, provision of information technology solutions and services, and investment holding.

- **100%** — **Gale Vector Sdn. Bhd.** Provision of software solutions and maintenance services.
- **100%** — **NFT Capital (Labuan) Co., Ltd.** Investment holding.
  - 100% — **NFT Capital Sdn. Bhd.** Activities of holding companies.
    - 100% — **NFT Creative Sdn. Bhd.** To carry on the business of providing solutions and technical services and support related to applications and software development.
- **100%** — **MY E.G. Commerce Sdn. Bhd.** Principally engaged in the business of providing auto insurance intermediary services and other related ancillary services.
- **100%** — **MY EG Management Services Sdn. Bhd.** Provide management and consultancy services.
- **100%** — **MY E.G. Digital ID Sdn. Bhd.** Development and implementation of distributed ledger technology and solutions for digital identification services.
- **40%** — **Zetrix Fintech Sdn. Bhd.** Provision of digital solutions and ancillary services as well as investment holding company.
- **49%** — **MYEG Philippines, Inc. (formerly known as I-Pay MYEG Philippines Inc)** Development and Implementation of e-Government services projects and provision of other related services including payment services in the Republic of the Philippines.
- **40%** — **MY E.G. Integrated Networks Sdn. Bhd.** Provision of software and hardware solutions and related services.
- **100%** — **MY EG Sdn. Bhd.** Principally engaged in the business of development and implementation of the electronic Government services project and the provision of other related services.
  - 100% — **MYEG Trade Sdn. Bhd.** Trading of motor vehicles, rental of motor vehicles, and provision of ancillary services.
  - 100% — **MYEG Auto Assist Sdn. Bhd.** Provision of motor vehicles inspection, maintenance and repair of motor vehicles, motor vehicles breakdown assistance with towing services, sale of removable motor vehicle spare parts, and provision of membership in relation thereto.
  - 65% — **MY EG Lodging Sdn. Bhd.** Build, own and operate hostels for foreign workers.
    - 100% — **MYEG FWA (Tanjong Langsat) Sdn. Bhd.** Property investments and provision of workers accommodation services.
    - 100% — **MY EG Lodging (Muar) Sdn. Bhd.** Property investments and provision of workers accommodation services.
    - 100% — **MY EG Lodging (NC) Sdn. Bhd.** Property investments and provision of workers accommodation services
  - 80% — **MYEG TwoCar Sdn. Bhd.** Provision of undertaking the registration and transfer of motor vehicle ownership business segment, providing complementary services arising from new and used car dealers and ancillary services.
- **100%** — **MY EG International Sdn. Bhd.** Undertaking investments and joint ventures in foreign countries.
  - 100% — **MY EG (Indonesia) Sdn. Bhd.** Investment holding.
    - 100% — **PT MYEG Services Indonesia** Build, own and operate a digital platform for commercial services.
  - 100% — **MY EG (Philippines) Sdn. Bhd.** Investment holding.
  - 100% — **MY EG (Thailand) Sdn. Bhd.** Investment holding.
    - 49% — **MY EG (Thailand) Co., Ltd.** Engage in diverse business activities including but not limited to property management, financial services, construction, transportation, hospitality, healthcare, entertainment, retail, consulting, trading of various goods and commodities, provision of services, technology development and governmental/e-governmental system services.
  - 100% — **Zetrix Ltd.** Investment holding.
    - 100% — **Zetrix SG Pte. Ltd.** Investment holdings.
  - 100% — **MY EG (Bangladesh) Sdn. Bhd.** Investment holding.
    - 40% — **MYEG (BD) Ltd.** Engaging in the business of technology services and e-Government services in Bangladesh.
  - 100% — **Zetrix Tech Development (Shanghai) Co., Ltd.** Provision of all kinds of technology services, development, consulting, technology transfer, trading of computer hardware and software and other related activities.
  - 100% — **Zetrix Foundation** To act as a holding company for all of its intellectual property and investment holding.

GROUP CORPORATE STRUCTURE
(cont'd)



KEY MILESTONES

2023

December

- Zetrix announced the launch of Digital Credentials, marking the commercialisation of the collaboration announced on 18th September 2023 between Malaysia's MY E.G. Services Berhad and China's state-owned Guangxi Beitou IT Innovation Technology Investment Group Co., Ltd. ("**Beitou**"), the IT arm of Guangxi Beibu Gulf Investment Group listed as one of China's Top 500 enterprises.
- MYEG's subsidiary, MY EG Lodging (NC) Sdn. Bhd. officially signed a lease agreement with the Penang Development Corporation ("**PDC**") to commence work on a workers' village and related facilities at Batu Kawan, Penang.

November

- Zetrix updated its native wallet application, enabling seamless digital asset connectivity between three major blockchains: Zetrix, Ethereum ("**ETH**") and XingHuo International.
- Zetrix announced the commencement of a pilot project to offer supply chain financing products in conjunction with Chinese banks for international importers and exporters, starting with the Bank of China, and in partnership with Dixchain, a national level high-tech enterprise in China that integrates financial technology and financial services.
- Received a letter from the Road Transport Department of Malaysia to proceed with the implementation of the pilot phase for MYEG Drive Testing System.

October

- Summer Capital Limited, a leading investment management and advisory firm with a presence in Hong Kong and Southeast Asia, announced its intention to host nodes on Zetrix.
- Zetrix launched an Initial Exchange Offering ("**IEO**") on cryptocurrency exchange Coinstore from 18-26 Oct 2023, followed by the subsequent listing of its tokens on Coinstore, MEXC and BitForex.
- MYEG received a letter of acceptance from the Ministry of Home Affairs to extend the Immigration Related Services for a period of two years.
- MYEG and wholly-owned subsidiary MY EG Sdn. Bhd. each received a letter from the Road Transport Department of Malaysia to confirm their appointment as collection agents for the provision of vehicle registration services, driver and vehicle licensing and electronic payment of summon services for a period of three years.

September

- Entered into a collaboration with China's state-owned Guangxi Beitou IT Innovation Technology Investment Group Co., Ltd. to leverage on the Zetrix blockchain to offer cross-border credentials verification services, paving the way for the digitalisation of vital documents, including major government-issued identity credentials.

August

- Voted Malaysia's Best Company in the Software & Internet Services category in Asiamoney's Asia's Outstanding Companies Poll.

July

- Together with its Philippines-incorporated companies, signed agreements for a collaboration with Philippines Bureau of Customs ("**BOC**") and with Cargo Data Exchange Center Inc. ("**CDEC**") to adopt the digital solution known as ZTrade, which is a first of its kind Web3 + Artificial Intelligence (AI) link between China and its trading partners that runs on Zetrix layer-1 blockchain platform.
- Received a notification letter from the Ministry of Home Affairs to confirm that the Ministry of Finance has approved for MYEG to be appointed as the collection agent for the Government revenue and to extend its role as the provider of online services for the Immigration Department of Malaysia.

June

- Announced the expansion of research collaboration with CAICT along with Universiti Malaya to include the development of Artificial Intelligence ("**AI**") technology under the existing intergovernmental research collaboration.
- Entered into a non-binding Memorandum of Understanding ("**MOU**") with Oyika Green Technologies Sdn. Bhd. in relation to a collaboration on the use of electric motorcycles and placement of battery swapping stations at designated locations for a trial period.

May

- MYEG Philippines launched its payment processing service for the Securities and Exchange Commission ("**SEC**"), enabling the public to make payments across more than 90,000 channels, online and offline.
- Zetrix announced the successful live deployment of the Xinghuo International Supernode, along with the introduction of Xinghuo BIF naming services namely Xinghuo Beta Name System ("**BNS**") and Xinghuo Digital Identity Service ("**DIS**"), which are fully compliant with W3C International Standards.

April

- MY EG Lodging Sdn. Bhd., a sub-subsidiary of MYEG, received a letter of acceptance from Penang Development Corporation ("**PDC**") in relation to the tender to set up a workers village and related facilities at Batu Kawan Industrial Park 3 ("**BKIP 3**"), Mukim 14, Bukit Tambun, Seberang Perai Selatan, Pulau Pinang.

March

- Signed a partnership agreement with East Logistic-Link Co., Ltd., a wholly-owned agency of the General Administration of GACC, to jointly provide a full suite of cross-border trade facilitation services that include certificates of origin on the Zetrix blockchain platform.

February

- Zetrix signed collaboration with Universiti Malaya ("**UM**") and CAICT on a cross-border blockchain implementation research on Xinghuo-Zetrix, which would lead to commercialisation.

AWARDS AND ACCOLADES

2024

March

- Zetrix global accelerator programme opened for registration with the aim to discover and support the most promising Web3 startup worldwide.
- MY E.G. Capital Sdn. Bhd. announced acquisition of strategic interest in Heitech Padu Berhad.
- MyAssist, in collaboration with Direct Lending, announced a Shariah-compliant Buy Now Pay Later scheme for automotive services.

February

- MYEG announced that Zetrix and Web3Labs Hong Kong launched the Zetrix Global Accelerator Programme to incubate and nurture promising Web3 startups from all over the world with ecosystem support from Hong Kong's progressive Virtual Assets ecosystem.
- The Group entered into an MOU with Sarawak Digital Economy Corporation Berhad ("**SDEC**") in relation to a collaboration to provide Electronic Government Services in Sarawak.
- MYEG Philippines and Social Security Systems ("**SSS**") entered into a partnership to enhance the payment experience for SSS members, enabling them to enjoy hassle-free and efficient online payment of loans and contributions through www.myeg.ph. In addition, members will be able to effortlessly generate their Payment Reference Number on the same platform.

January

- MYEG announced a strategic collaboration between Zetrix, Web3Labs Hong Kong, and Summer Capital to propel Hong Kong's Web3 ambitions and establish Zetrix as the preferred blockchain infrastructure for Hong Kong government-aligned applications.

August 2023

i. Voted Malaysia's Best Company in the Software & Internet Services category in Asiamoney's Asia's Outstanding Companies Poll.

November 2023

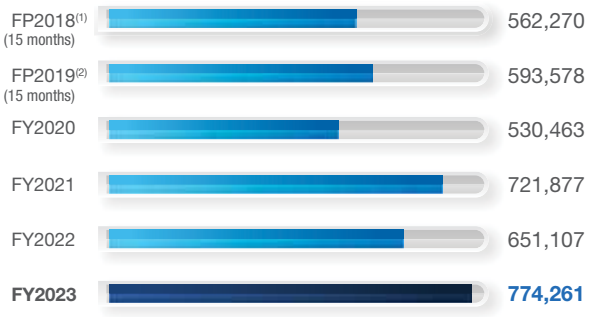
FTSE4Good Score - FTSE ESG rating improved to an overall score of 3.8

FTSE4Good

OVERVIEW

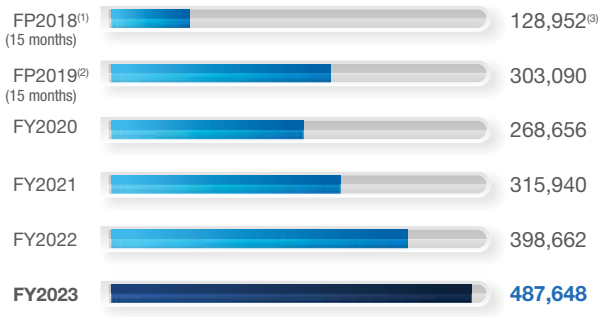
HIGHLIGHTS OF FINANCIAL PERFORMANCE

Revenue
(RM'000)



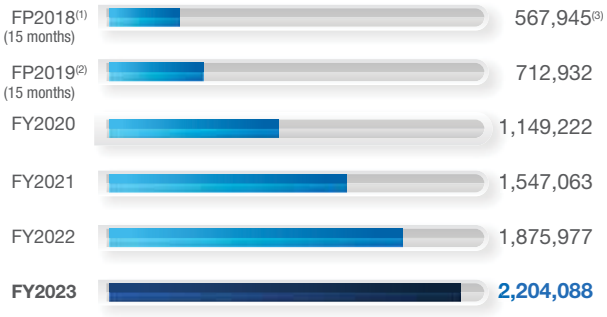
5-year CAGR[4] 6.6%

Net Profit Attributable to Owners of the Company
(RM'000)



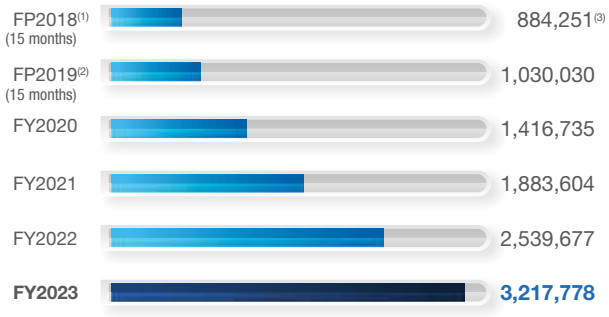
5-year CAGR[4] 30.5%

Shareholders' Equity
(RM'000)



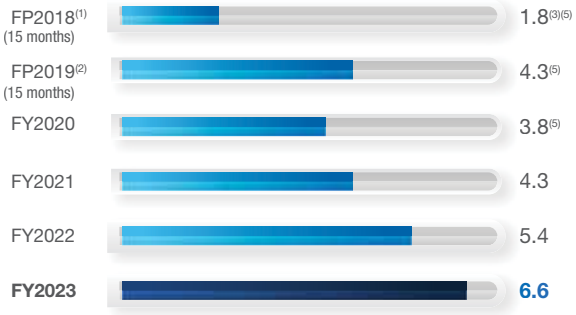
5-year CAGR[4] 31.2%

Total Assets
(RM'000)

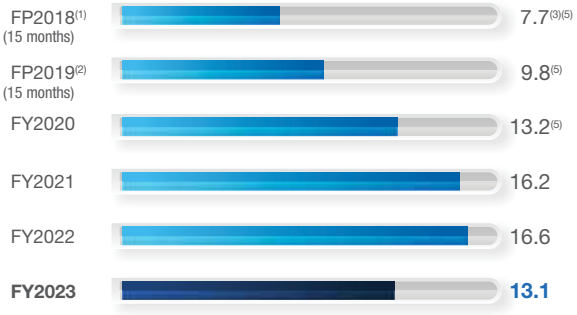


5-year CAGR[4] 29.5%

Net Earnings Per Share
(Sen)



Net Tangible Assets Per Share
(Sen)



Notes:-

(1) *MYEG had on 13 June 2018 changed its financial year ("**FY**") end from 30 June to 30 September. The financial period ("**FP**") 2018 was made up of results for 15 months covering the period from 1 July 2017 to 30 September 2018.*

(2) *MYEG had on 27 September 2019 changed its financial year end from 30 September to 31 December. The FP2019 was made up of results for 15 months covering the period from 1 October 2018 to 31 December 2019.*

(3) *Net of impairment made for capital expenditure and receivables related to the abolishment of the Goods and Services Tax regime.*

(4) *CAGR = Compounded Annual Growth Rate.*

(5) *The comparative figures for net tangible assets per share and net earnings per share have been restated to reflect the adjustment arising from the bonus issue completed during FY2021.*

GROUP INCOME STATEMENTS

As at 30 June/30 Sep/31 Dec (RM'000)	FY2018 [1]	FP2019 [2]	FP2020	FY2021	FY2022	FY2023
Revenue	562,270	593,578	530,463	721,877	651,107	774,261
EBITDA [3]	168,599 [3]	355,237	312,593	377,890	475,636	592,700
Profit Before Tax ("**PBT**")	128,473 [3]	306,939	268,958	320,683	404,367	489,405
Net Profit	125,970 [3]	302,156	267,194	316,705	400,402	486,839
Net Profit Attributable to Owners of the Company	128,952 [3]	303,090	268,656	315,940	398,662	487,648
Total Comprehensive Income	125,671 [3]	302,194	267,176	316,704	400,416	479,802

GROUP BALANCE SHEETS

As at 30 June/30 Sep/31 Dec (RM'000)	FY2018 [1]	FP2019 [2]	FP2020	FY2021	FY2022	FY2023
Total Non-Current Assets	526,109 [3]	705,207	866,174	1,234,237	1,690,098	2,069,768
Total Current Assets	358,142 [3]	324,823	550,561	649,367	849,579	1,148,010
TOTAL ASSETS	**884,251** [3]	**1,030,030**	**1,416,735**	**1,883,604**	**2,539,677**	**3,217,778**
Financed By:						
Share Capital	360,630	360,630	634,262	854,895	904,077	962,017
Treasury Shares	(52,804)	(144,743)	(61,652)	(12,364)	(36,642)	(81,258)
Other Reserves	6,401	6,439	6,421	6,420	6,434	(671)
Retained Profits	253,718 [3]	490,606	570,191	698,112	1,002,108	1,324,000
Shareholders' Equity	567,945 [3]	712,932	1,149,222	1,547,063	1,875,977	2,204,088
Minority Interests	(4,043)	(4,937)	(6,399)	(5,614)	(3,874)	(3,802)
Total Equity	563,902	707,995	1,142,823	1,541,449	1,872,103	2,200,286
Total Non-Current Liabilities	96,960	138,738	125,124	101,397	331,017	731,028
Total Current Liabilities	223,389	183,297	148,788	240,758	336,467	286,464
TOTAL EQUITY AND LIABILITIES	**884,251**	**1,030,030**	**1,416,735**	**1,883,604**	**2,539,677**	**3,217,778**

Financial Analysis	FY2018 [1]	FP2019 [2]	FP2020	FY2021	FY2022	FY2023
Revenue Growth	51.5%	5.6%	(10.6%) [6]	36.1%	(9.8%)	18.9%
PBT Growth	(36.2%)	138.9%	(12.4%) [6]	19.2%	26.1%	21.0%
Net Profit Growth	(37.0%)	139.9%	(11.6%) [6]	18.5%	26.4%	21.6%
EBITDA Margin	30.0%	59.8%	59.0%	52.3%	73.1%	76.6%
PBT Margin	22.8%	51.7%	50.7%	44.4%	62.1%	63.2%
Net Profit Margin	22.4%	50.9%	50.6%	43.9%	61.5%	62.9%
Return on Average Equity	22.6%	47.5%	29.0%	23.5%	23.4%	23.9%
Return on Average Total Assets	14.4%	31.6%	22.0%	19.1%	18.0%	16.9%
Net Tangible Assets Per Share (Sen)	7.7 [3][5]	9.8 [5]	13.8 [5]	16.2	16.6	13.1
Net Earnings Per Share (Sen)	1.8 [3][5]	4.3 [5]	3.8 [5]	4.3	5.4	6.6

Notes:-

[1] MYEG had on 13 June 2018 changed its financial year end from 30 June to 30 September. The FP2018 was made up of results for 15 months covering the period from 1 July 2017 to 30 September 2018.

[2] MYEG had on 27 September 2019 changed its financial year end from 30 September to 31 December. The FP2019 was made up of results for 15 months covering the period from 1 October 2018 to 31 December 2019.

[3] Net of impairments made for capital expenditure and receivables related to the abolishment of the Goods and Services Tax regime.

[4] EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization.

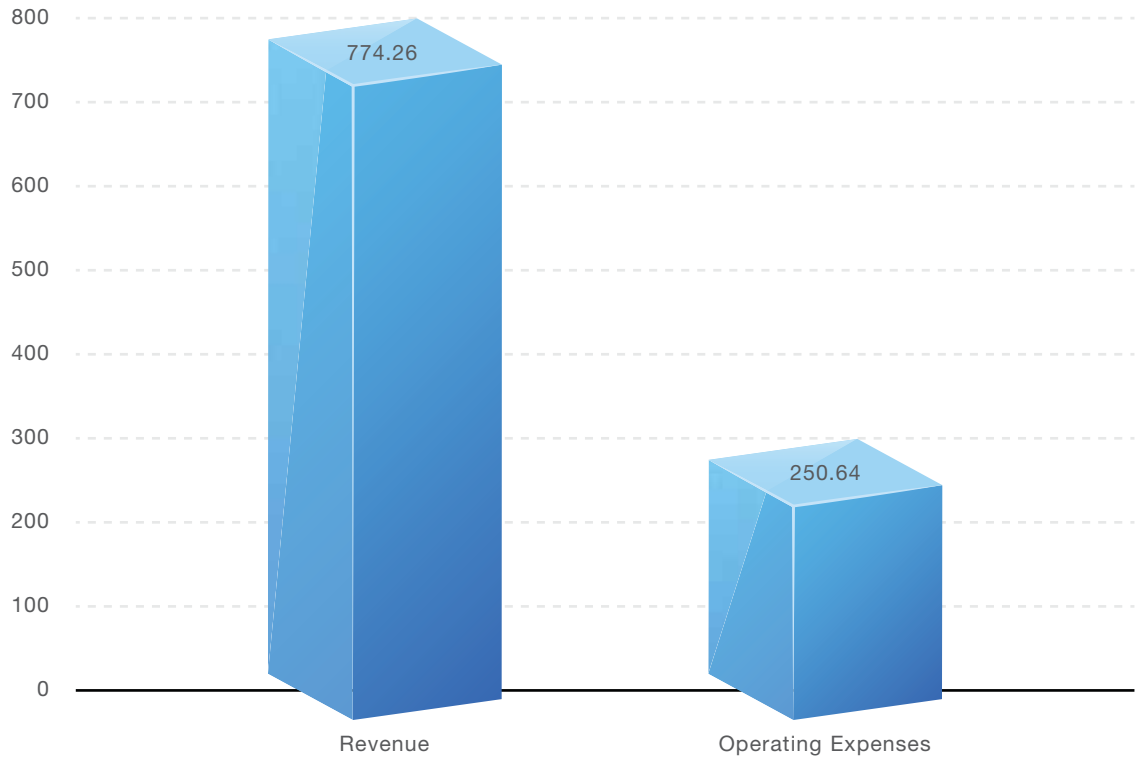
[5] The comparative figures for net tangible assets per share and net earnings per share have been restated to reflect the adjustment arising from the bonus issue completed during FY2021.

[6] Growth rate is negative due to FY2020 being a 12-month period against a 15-month period for FP2019.

STATEMENT OF VALUE ADDED DISTRIBUTION
AND SIMPLIFIED FINANCIAL STATEMENT

Beyond direct financial values such as revenues and earnings, MYEG also generates indirect economic values which benefit stakeholders:

Statement of Value Added Distribution FY2023 (RM million)



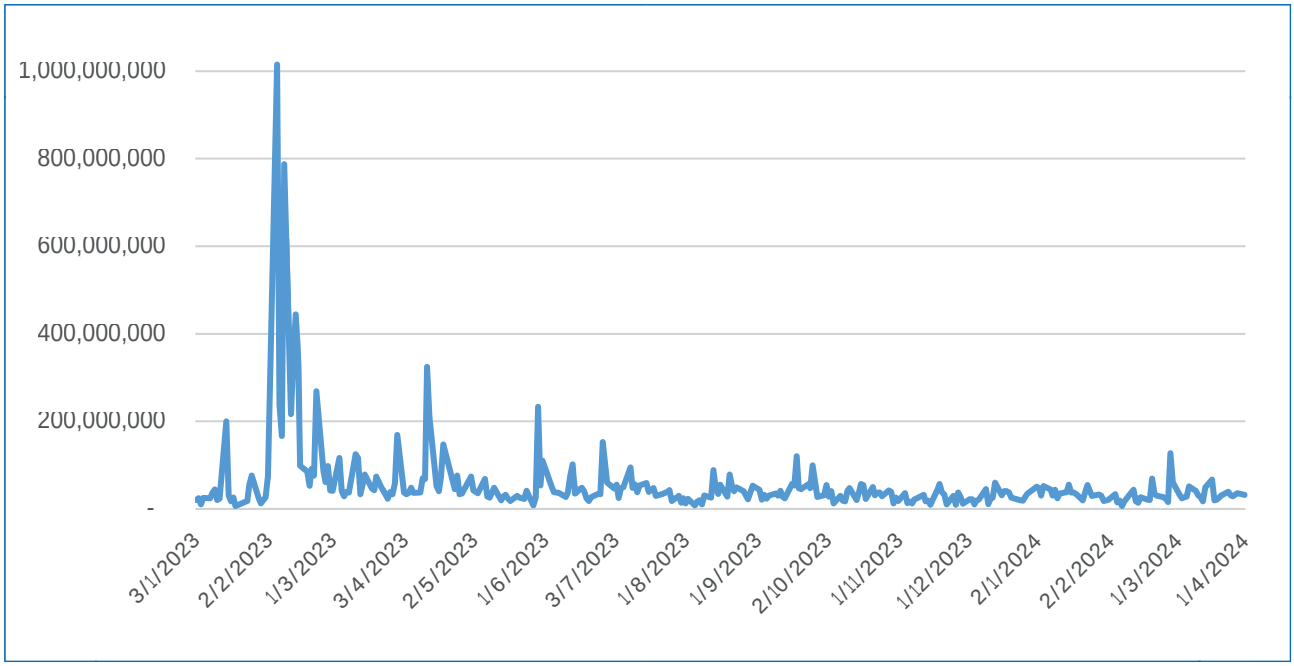
Simplified Statement of Total Assets FY2023

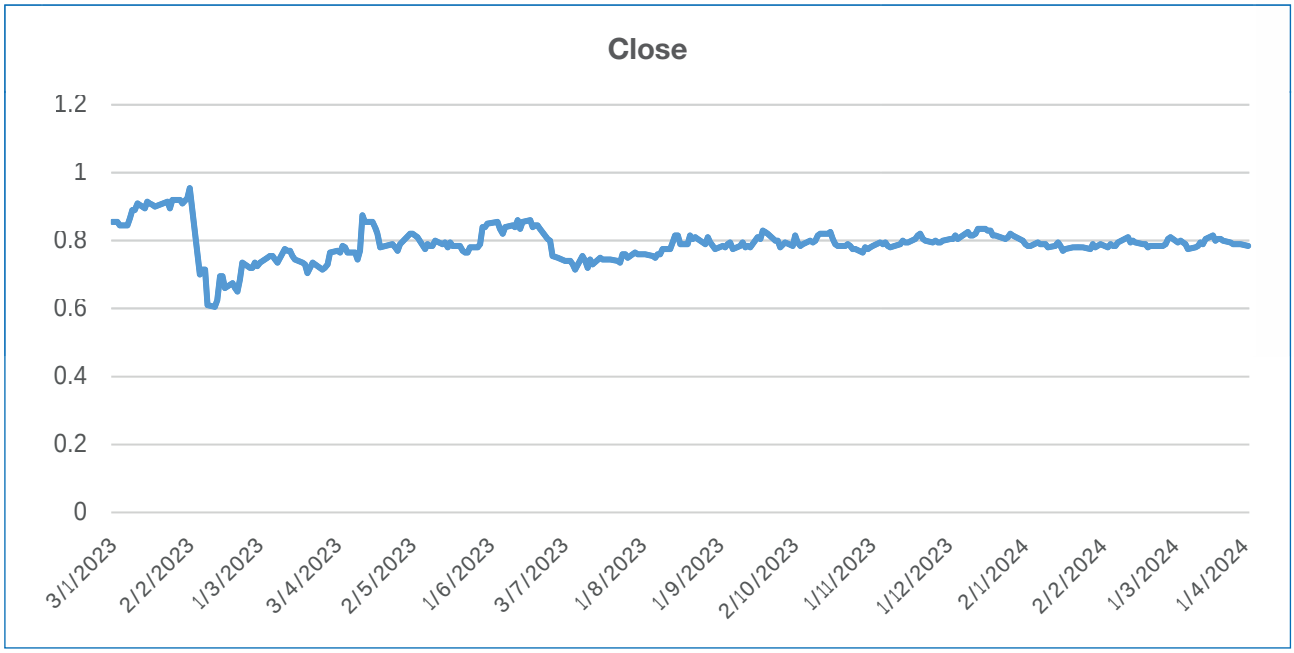
- Property, Plant and Equipment **RM304.44 million**
- Trade Receivables **RM341.03 million**
- Cash and Cash Equivalents **RM84.14 million**
- Financing Receivables **RM251.59 million**

Total Liabilities and Shareholders' Equity FY2023

- Share Capital **RM962.02 million**
- Retained Profits **RM1.32 billion**
- Borrowings **RM846.66 million**
- Trade Payables **RM50.84 million**

SHARE PRICE PERFORMANCE AND INVESTOR RELATIONS





Share Price Performance for the period of 3 January 2023 to 1 April 2024:

- High (3 February 2023): **RM0.955**
- Low (13 February 2023): **RM0.605**
- Closing Price as at 1 April 2024: **RM0.785**
- Market capitalisation as at 1 April 2024: **RM5.93 billion**
- Market capitalisation as at 31 December 2023: **RM6.16 billion**

SHARE PRICE PERFORMANCE AND INVESTOR RELATIONS
(cont'd)

MYEG continues to prioritise its engagement with investors and other related stakeholders, which is reflected in its continued communication and engagement activities undertaken throughout FY2023. Investor relations remains a core aspect of the Group's overall approach to stakeholder management and engagement.

Investor relations engagement comprises mandatory or stipulated communication and activities such as timely announcement of material information to regulators and ensuring equal and fair access to any material information. These include information pertaining to material changes or developments pertaining to the Group such as renewal of concession contracts or acquisition of new projects / contracts, business expansion locally or overseas, change in Board directors and / or Senior Management and more. The Group also publishes quarterly announcements of financial results and the MYEG integrated annual report.

All announcements as well as the integrated annual report are made available on the Bursa Malaysia site and also on the Investor Relations section of the Group's website. This includes past announcements and financial information from previous financial years.

However, beyond compliance requirements, investor relations also encompasses strategic engagement such as briefing with research houses, investor analysts, media relations, participation in roadshows, industry engagements and more.

The objective of such engagements, which are held throughout the financial year, is for MYEG to convey relevant information to stakeholders, towards developing a more strategic and complete perspective of the Group's operations, its financial and business performance, its risks and opportunities as well as outlook and prospects over the short, medium and long-term perspective.

A key highlight on the investment calendar is the Group's annual general meeting ("**AGM**"). AGMs are held virtually, thus ensuring they are highly accessible and convenient for all interested shareholders to attend.

In the previous AGM, held in respect of FY2022, the Chairman of the AGM, who was the Chairman of the Board was elected by the floor and she proceeded to encourage shareholders to seek clarification and ask questions of all matters raised during the AGM. Opportunities were provided to shareholders to raise queries and both the Board and Senior Management personnel were in attendance to respond to all pertinent questions raised.

Investor Relations Contact

Feedback or queries can be channelled to our Investor Relations unit at (Tel) +603-7664 8000 or via e-mail to *investors@myeg.com.my*. We always welcome open dialogue with the investment community.

REVIEWING THE MACRO-OPERATING ENVIRONMENT

Looking back at 2023, the term most commonly-used by economists to characterise the year that transpired was 'resilience'. The world economy indeed proved resilient in maintaining a positive trajectory despite challenges that persisted in the background, such as geopolitical tensions amidst the outbreak of conflict in the Middle East and the lingering Russia-Ukraine war as well as unprecedented monetary tightening to combat inflation.

Nevertheless, economists pointed out that, on the whole, economic growth was generally subdued and uneven in 2023, with divergent fortunes seen for different sectors and regions, leading influential organisations like the International Monetary Fund to describe the global economy at one point as one that was "limping along, not sprinting".

In Malaysia, the economy was also defined by resilience in 2023 amid the uncertain global landscape. Overall GDP growth came in at 3.7% for the year. On the domestic front, the continued recovery in economic activity and labour market conditions supported growth in 2023 while the growth performance was reinforced by a resilient external position. The current account surplus for the year was sustained at 1.2% of GDP, with the country's external debt position declining. Headline inflation moderated to 2.5% while among other key economic indicators, the unemployment rate declined to pre-pandemic levels while the labour force participation rate reached a historic high in 2023.

MYEG IN FY2023

Economic performance aside, one trend that has continued to accelerate worldwide is that of digital transformation. Malaysia and the rest of the Asian region are no exception.

As public and private sector players rapidly adopt digital solutions to stay ahead of the competitive curve, MYEG has successfully capitalised on multiple opportunities to meet growing market needs for innovative solutions of real-world commercial value. Through its wide range of product and service offerings, the Group's comprehensive system and deep-rooted presence in the regional e-Government domain continued to advance in 2023. Beyond e-Government, MYEG also continued to expand its reach into other commercial segments, not only at home but also further ashore to other markets across the region.

Through its Layer-1 blockchain platform Zetrix, now having reached its two-year mark since the launch of its mainnet in April 2022, MYEG has redoubled efforts into building and commercialising innovative Web3 services that offer use cases of genuine utility for all levels of society.

Since the inception of Zetrix, several pioneering decentralised applications have already been implemented to help to revolutionise the way governments, businesses and individuals connect domestically and across borders. With the successful integration of Zetrix with China's national Xinghuo BIF blockchain infrastructure and the stream of new Web3 innovations that are being deployed regularly on the platform, MYEG has taken a proactive approach in adapting to fast-changing market needs and in aligning itself with the global digital transformation agenda.

The Group's financial performance in 2023, with earnings reaching a new record high, not only reflects the good progress in the acceptance and adoption of its blockchain offerings, but is also a sign of what is to come in future years even as MYEG continues to lead the way as an early mover in the region's Web3 revolution, leveraging on Zetrix's distinctive recognition as the International Supernode of China's Xinghuo blockchain as well as a fundamental component of Malaysia's national blockchain infrastructure.

From the perspectives of the governments and service providers, they stand to reap the benefits of reducing costs, increasing efficiency and enhancing transparency through effective inclusiveness of adopting blockchain solutions.

MYEG is in a strategic position to partner with any jurisdiction to pave the way for a more transparent, efficient, secure, and trustworthy service delivery and commercial environment. The Group remains steadfast in pursuing the evolution of its business model from an e-government services provider to offering cross-border next-generation applications, leveraging on its blockchain technology capability.

More details on MYEG's FY2023 business and operational highlights can be found in the Highlights and Achievements section of this Management Discussion and Analysis.

FINANCIAL PERFORMANCE

For FY2023, MYEG delivered another record year, with revenue reaching a new high of RM774.26 million compared with RM651.11 million in the previous financial year, while profit after tax ("**PAT**") reached a record RM486.84 million, a 21.59% increase from the previous year (FY2022: RM400.40 million).

The increases in Revenue and PAT were primarily attributable to contribution from newly launched services from the Zetrix blockchain platform; contribution from the sale of Zetrix tokens as well as from the Initial Exchange Offering of Zetrix tokens on three major global digital asset exchanges; contribution from the existing concession and commercial services; and an increase in foreign worker job matching service due to the uplifting of a freeze on foreign worker recruitment.

The stronger PAT was recorded notwithstanding the higher base effect arising from a one-off recognition of fair value gain in investments from the listing of Agmo Holdings Berhad in FY2022. Should the one-off recognition of fair value gains be excluded from consideration, PAT would have shown an even sharper increase in FY2023 over the previous year.

With the growing interest in digitalisation and the transformative potential of blockchain, MYEG has benefitted directly as it experienced a strong reception of the IEO of Zetrix and the interests generated among renowned partners around the region to jointly carry out new Web3 projects.

In meeting the prevailing and emerging challenges to make cross-border trade and delivery of government and commercial services more efficient, secure and hassle-free, MYEG has been at the forefront in reaping the potential of deploying cutting-edge technologies like blockchain, given its position as a leading global Web3 player. Together with the organic growth from the existing services, Zetrix is set to drive the Group's next phase of earnings expansion, as evidenced by the uptrend in its financial position registered for FY2023.

SUKUK WAKALAH PROGRAMME

MYEG raised an additional RM425 million in FY2023, bringing the total raised through the Sukuk Wakalah Programme to RM575 million. MARC Ratings has affirmed its rating of AA-IS with a stable outlook for MYEG's Islamic Medium-Term Notes ("**IMTN**") Programme of up to RM1.0 billion in nominal value.

The proceeds raised from the Sukuk Wakalah Programme shall be utilised for foreign worker hostels and blockchain projects, as per the Sustainability Financing Framework.

DIVIDEND DISTRIBUTION TO SHAREHOLDERS

For the financial year ended 31 December 2022, the Board had declared a final dividend of 1.17 sen per ordinary share (FY2021: 1.03 sen per ordinary share), for which the shareholders had subsequently approved at the 22nd Annual General Meeting held on 22 June 2023.

The said final dividend is eligible for the dividend reinvestment plan ("**DRP**"), which provides MYEG shareholders with the option to reinvest their dividends in new MYEG Shares, in lieu of receiving cash. The final dividend, which amounted to RM86,643,787, was paid on 20 September 2023. Under the DRP, a total of 81,110,688 new ordinary shares were issued at the price of RM0.715 per MYEG share which amounted to RM57,940,559.

On 21 August 2023, the Board declared a first Interim Single Tier Dividend of 0.25 sen per ordinary share for FY2023 (FY2022: 0.25 sen), which was paid on 17 November 2023 to shareholders registered at the closed business date on 18 October 2023.

The Board has proposed the declaration of a final dividend of 1.68 sen per ordinary share for FY2023 (FY2022: 1.17 sen) for the shareholders' approval at the forthcoming AGM. The total dividend declared for FY2023 would thus amount to 1.93 sen per MYEG share (FY2022: 1.42 sen), representing a payout ratio of approximately 30%.

Separately, in another effort to reward shareholders, MYEG had on 10 March 2023 completed the distribution of the first tranche of the Dividend-in-Specie, consisting of 69,750,000 Agmo Shares, following the distribution of 69,724,752 Agmo Shares to entitled shareholders with the remaining 25,248 Agmo Shares arising from fractional entitlements to be retained by MY E.G. Capital Sdn. Bhd. ("**MYEG Capital**"), a wholly-owned subsidiary of MYEG as other investments.

The distribution of the second and final tranche of the Dividend-in-Specie amounting to 14,275,248 Agmo Shares, which consists of the remaining 25,248 Agmo Shares subsequent to the first tranche of Dividend-in-Specie and the release from moratorium of an additional 14,250,000 Agmo Shares, was completed on 27 September 2023 following the distribution of 14,255,806 Agmo Shares to entitled shareholders, with the remaining 19,442 Agmo Shares arising from fractional entitlements to be retained by MYEG Capital as other investments.

CAPITAL AND OPERATIONAL EXPENDITURE

It is crucial for companies to ensure they are always well-prepared to respond to changes in the business environment and to seize emerging opportunities that offer promising growth prospects by bringing disruptive solutions to the marketplace.

For digital service providers like MYEG this means investing in the key elements needed to stay one step ahead, including in the development of software and technological capabilities as well as purchase of hardware and other physical assets. As such, MYEG has placed significant consideration towards finding optimal balance in its capital expenditure ("**CAPEX**").

The strategy remains focused on unlocking further business growth and expansion, while also remaining cognisant of the importance of rewarding shareholders and conserving adequate capital for immediate needs. Efforts to manage and ensure efficiency of operational expenditure ("**OPEX**") were also prioritised. In FY2023, MYEG recorded CAPEX of RM474.12 million, 11.14% lower year-on-year (FY2022: RM533.53 million), while OPEX stood at RM250.64 million, 12.8% lower year-on-year (FY2022: RM287.48 million). The CAPEX and OPEX recorded in FY2023 were for the following areas:

CAPEX	OPEX
▶ Development of technology including blockchain platform and related applications; ▶ e-Government services related modules; ▶ Office and IT equipment; and ▶ Foreign workers hostel.	▶ Personnel-related expenses and OPEX; ▶ Advertising and promotion expenses; ▶ Maintenance and OPEX for MYEG's building ("**MYEG Tower**"); and ▶ Depreciation and amortisation charges.

MYEG management will continue to closely monitor these important levers to ensure prudence in handling the CAPEX for the upcoming financial years.

ASSETS AND LIABILITIES, CASH AND BANK BORROWINGS

MYEG's balance sheet remained resilient, with total cash and bank balances as at 31 December 2023 improving by 7.11% to RM84.14 million. This is an improvement from its previous year's position (FY2022: RM76.42 million), reflecting an improved liquidity position. This has allowed the Group to access potential investment opportunities and better navigate market challenges.

Total borrowings from term loans, IMTN, block discounting and revolving credits were manageable despite recording a higher figure at RM846.66 million for FY2023 (FY2022: RM443.06 million). MYEG maintains a manageable debt-to-equity ratio of 0.38 times (FY2022: 0.22 times).

On total assets, both current and non-current assets contributed to an increase in MYEG's total assets position at RM3.22 billion, 26.77% higher year-on-year (FY2022: RM2.54 billion). Property, plant and equipment was 7.75% lower than a year ago at RM304.44 million (FY2022: RM330.01 million). Trade receivables also increased by 1.84% to RM341.03 million (FY2022: RM334.86 million). Development costs registered a significant increase to RM1.21 billion (FY2022: RM762.68 million).

The Group is on track to further expand its business growth, particularly in the blockchain segment, supported by its strong cashflow position. The Group could further leverage on external borrowings if required, given its steady debt equity ratio.

HIGHLIGHTS AND ACHIEVEMENTS

MYEG has been consistent in delivering a sterling financial performance as the Group extended its growth trajectory with another set of record earnings in FY2023. This was underpinned primarily by the increasing contribution from Web3 services as the Group continued to leverage on its proprietary Layer-1 Zetrix blockchain platform.

Armed with a firm focus on deploying a variety of cutting-edge decentralised applications, the Group is poised to reinforce its leadership in the region's Web3 revolution. MYEG, through Zetrix, has positioned itself as a major Web3 service provider, transcending numerous industry applications and powering transactions across the region. The Group is already an early mover, having established significant collaborations and applications that are powering a variety of use cases from facilitating cross-border customs clearances and supply chain financing to digitalisation of identity credentials. As demonstrated by the Group's considerably stronger financial results in 2023, this Web3-oriented strategy is already bearing fruit.

Meanwhile, within the ongoing Malaysian e-government segment, the Group's performance remains generally steady, bolstered by consistently robust demand for MYEG's array of services comprising both concession and related commercial offerings. Deployed over the past years, these services have long been regarded as essential in serving the wide spectrum of needs of the country's Government, individuals and businesses.

As in previous years, Immigration remained an important contributor as related service offerings ranging from foreign worker work permit renewals and insurance to foreign worker recruitment and job matching continued to draw firm interest from customers. Furthermore, the provision of the Immigration related services was extended by the Government in 2023 for another two years paving the way for MYEG to continue playing its role as the nation's preferred channel to meet the varied needs of the market relating to the employment foreign workers.

The Group's existing foreign worker dormitories in Selangor and Melaka continued to see strong demand, reaching full occupancy in 2023. This underscores the growing need for quality, well-equipped, well-managed and competitively-priced accommodation solutions for foreign workers in Malaysia amidst increasing recognition among stakeholders of the importance of continuously improving the living conditions of workers. The Group is currently embarking on the construction of 5 more dormitories in Penang, Selangor and Johor.

The year 2023 also saw the Government pushing its digitalisation agenda further with the introduction of digital driving license and road tax on the MyJPJ application. The Group welcomes the initiative to provide motor vehicle owners and drivers with the option of choosing to physically display or not their respective documents. Notwithstanding the change, users still continued to turn to MYEG, recognising the unique value proposition that the Group has to offer in providing the most comprehensive range of services related to the motor vehicle needs of the public. These include the option of having their physical road tax and drivers' licences delivered directly to their premises, along with other value-added products and services such as motor insurance, a variety of payment options, and roadside assistance.

With the Government granting in 2023 an additional 3-year extension to the Group for the provision of the Road Transport Department-related online services, users can rest assured that they will continue to enjoy the convenience of having the services required available at their fingertips.

As an advocate of digital transformation in government services, the Group is heartened by the commitment of government departments towards digitalisation. In fact, MYEG stands ready to help them make a quantum leap forward through the adoption of Web3 technology to fully unlock its benefits such as fast, efficient, and secure service delivery along with the resultant cost savings and convenience for the public.

BLOCKCHAIN TECHNOLOGY

In fact, as far as blockchain is concerned, Web3 technology is fast gaining momentum and attracting the attention of stakeholders both in the public and private sectors.

Leading the Web3 revolution in Malaysia and the rest of the region is MYEG's Zetrix, a Layer-1 public blockchain infrastructure that facilitates smart contracts and delivers privacy, security and scalability. Zetrix is making significant headway. Starting with a strategic tie-up with Xinghuo BIF since 2022, MYEG has gone on to deploy essential building blocks and subsequently impactful decentralised applications – all fundamental ingredients towards fostering a vibrant ecosystem on Zetrix.

The Group's collaboration with China to tap the power of blockchain technology will allow ease of cross-border transactions to take place and will mark MYEG's presence in the global market.

In demonstrating the potential for Web3 technology to not only improve but profoundly transform the way business is conducted globally, MYEG has marked major milestones in rolling-out decentralised applications that represent real-world commercial use cases. Moreover, the Group has also entered into pioneering collaborations and subsequently secured relevant regulatory approvals to deploy a blockchain-based customs clearance and processing services for trade flows into China.

In this regards, 2023 proved to be an eventful year for MYEG on the Web3 front.

In March 2023, the Group signed a partnership agreement with East Logistic-Link Co., Ltd., a wholly-owned agency of the GACC, to jointly provide a full suite of cross-border trade facilitation services that include certificates of origin on the Zetrix blockchain platform. Other certificates relevant to cross-border trade like food safety, quarantine, and bill of lading can also be issued on the chain. The service, known as ZTrade, will enable all data in these certificates to be available accurately in near real-time, hence, increasing the efficiency of tariff computation and customs clearance. In short, exporters using the service will enjoy the benefits of faster and more convenient clearance processing for trades going into China. Exporters in Malaysia would be the first to have access to this first-of-its-kind facility.

In May 2023, Zetrix announced the successful live deployment of the Xinghuo International Supernode, along with the introduction of Xinghuo BIF naming services, namely Xinghuo BNS and Xinghuo DIS, which are fully compliant with W3C International Standards.

In July 2023, MYEG, together with its Philippines-incorporated companies, signed agreements for a collaboration with Philippines' BOC and with CDEC to adopt ZTrade. This paves the way for the Philippines, in particular exporters in the country, to also gain access to the ZTrade solution after their counterparts in Malaysia.

October 2023 saw Zetrix tokens going public following a successful IEO on Coinstore, a Singapore-based cryptocurrency exchange. Following the IEO, which involved the sale of 1.2 million Zetrix tokens at a price of USDT5 each, Zetrix tokens were subsequently listed on three exchanges, primarily Coinstore and MEXC, and have significantly increased in market value since.

Also in October, Summer Capital Limited ("**Summer Capital**"), a leading investment management and advisory firm with a presence in Hong Kong and Southeast Asia, announced its intention to host nodes on Zetrix. This investment came at a time of significant development for the digital assets and blockchain industry in Hong Kong even as the Hong Kong Securities and Futures Commission introduced a new regulatory framework for virtual asset trading platforms which is set to further boost the adoption of cryptocurrencies in the city.

More recently, following on from Summer Capital's investment in Zetrix, the partners have shown their intent to strengthen their presence in Hong Kong's Web3 space. In January 2024, a strategic collaboration was formed between Zetrix, Web3Labs Hong Kong, and Summer Capital to further propel Hong Kong's Web3 ambitions and establish Zetrix as the preferred blockchain infrastructure for Hong Kong government-aligned applications. Not only would this partnership enhance Zetrix's position as the preferred Layer-1 platform for blockchain applications in Hong Kong, the collaboration also aims to catalyse Hong Kong's and the region's financial systems as well as launch a dedicated Global Accelerator Program to incubate and nurture promising start-up building applications on the Zetrix platform.

In November 2023, MYEG announced its partnership through Zetrix with Chinese banks to initiate a pilot project offering supply chain financing products for international importers and exporters. Starting with the Bank of China, the end-to-end solution offers a soft landing for trading firms with fully digital onboarding, including registration of a Chinese legal entity, bank account opening and credit assessments.

Approved clients will enjoy low-cost financing and quicker release of drawdowns as the service leverages on-chain events recorded and verified on Zetrix. By tracking and verifying the transactions on chain, banks will be able to reduce their risks and enhance their ESG (environmental, social and governance) ratings, in turn reducing the overall cost of financing for end users.

In December 2023, MYEG, together with China's state-owned Guangxi Beitou IT Innovation Technology Investment Group Co., Ltd. launched ZCert, a blockchain-based cross-border digital verified qualification document system. This milestone leverages the Zetrix and Xinghuo blockchains for the issuance and verification of qualification documents, including cross-border digital identities. As the first global W3C-compliant Verifiable Credential ("**VC**") service, ZCert will be offered to domestic Chinese nationals who can digitalise their National IDs or driving licences on the blockchain as VCs, which can then be presented overseas to be authenticated by any verifier. In view of the immutability of blockchain, verifiers will have the assurance of knowing that the VCs and all data contained in the document are true and genuine.

Beyond immediate commercial use-cases introduced on the Zetrix platform, research and development is equally important to MYEG. In this respect, the Group entered in a research collaboration with UM and CAICT. Initiated in February 2023, the collaborative project entitled "Research on Key Issues of China-Malaysia Transborder Blockchain Infrastructure and Pilot Applications", was selected as part of the intergovernmental collaboration between Malaysia and the People's Republic of China in the field of Science, Technology and Innovation. The scope of the research was subsequently expanded to incorporate Artificial Intelligence ("**AI**"), focussing on the ability of AI to further streamline and optimize the cross-border trade processes.

Having already placed down markers on the Web3 map in China, Hong Kong, Philippines and Malaysia, MYEG is committed to further expanding its presence through the rest of the region, particularly across the Association of Southeast Asian Nations ("**ASEAN**") region and the Regional Comprehensive Economic Partnership ("**RCEP**") region. Zetrix's infrastructure can be introduced to multiple industries in order to connect governments, businesses and their citizens to a global blockchain-based ecosystem The cross-border and cross-chain integration capabilities positions Zetrix to serve as a blockchain gateway that facilitates global trade and transactions.

Since the unveiling of Zetrix, the Group's new and historic developments have been providing a notable uplift to its financial performance and blockchain looks well-poised to continue driving meaning growth in the years to come as the Web3 revolution gathers pace.

CONCESSIONS AND OTHER COMMERCIAL SERVICES

Blockchain ventures aside, MYEG also notched important advancements in 2023 across its long-running e-government concession and related commercial services offerings as well as other initiatives, both in the Malaysian market and overseas.

In Malaysia, these were some of the key developments during the previous year and into the early months of 2024:

- In June 2023, MYEG entered into a MOU with Oyika Green Technologies Sdn Bhd to collaborate on the use of electric motorcycles and placement of battery swapping stations at designated locations for a trial period. This is in line with MYEG's ongoing efforts to reduce carbon emissions as part of its overarching commitment to reaching net zero by 2050.

- On 16 October 2023, MYEG received confirmation from the Ministry of Home Affairs Malaysia of a two-year extension for the provision of online renewal of work permits, or Pas Lawatan Kerja Sementara ("**PLKS**"), for foreign workers. Although there was a pause in the acceptance of PLKS renewal submissions in late 2023 pending the completion of a system enhancement, the service was restored shortly after, ensuring users could continue to avail themselves to the convenient and hassle-free renewal service.

- The same month, the Group also received a letter from the Road Transport Department of Malaysia, confirm its appointment as collection agents for the provision of vehicle registration services, driver and vehicle licensing and electronic payment of summon services for a further three years.

- In another Road Transport Department-related development, in November 2023, MYEG received approval from the Department to proceed with the implementation of the pilot phase of MyEG Drive Testing System involving actual driving test candidates, further widening the range of motor vehicle-related services offered by the Group in Malaysia.

- The Group also made significant progress in realising its expansion plans to meet future accommodation needs for foreign workers. On 6 December 2023, the Group signed a lease agreement with the Penang Development Corporation ("**PDC**") to build a RM108 million foreign workers' housing in Batu Kawan after emerging as a successful bidder in a tender exercise. The workers' village project, located at Batu Kawan Industrial Park 3, is expected to house at least 8,000 foreign workers upon completion. Along with this project, MYEG will offer other services such as application for work permits, and provision of fully equipped facilities and amenities for the foreign workers including a surau, a sundry store and recreational areas. The 30-year lease agreement with PDC was valued at a sum of RM20.4 million for the development of 8.3943 acres of land. In addition, during the previous year, other planned dormitory construction projects of varying sizes in Selangor and Johor continued to move through various stages of the approval process for the commencement of construction works.

- In further deepening its contribution towards the development of e-government services in Malaysia, MYEG announced in March 2024 an acquisition of a strategic stake in Heitech Padu Berhad, an investment that paves the way for both parties to explore potential collaborations to create synergies by leveraging on their respective expertise and experience as established service providers to the Malaysian government.

Meanwhile, major developments of our regional expension related to e-government services overseas in 2023 were as follows:

- MYEG Philippines posted a significant jump in revenue and net income in FY2023 on the back of a sizeable increase in transaction volumes, which in turn reflected increased demand for online payment services for existing government agencies on the platform. This was coupled with maiden contributions from newly added agencies in 2023 such as the Department of Health, Tourism Infrastructure and Enterprise Zone Authority and the Securities and Exchange Commission ("**SEC**") in the Philippines.

- As a testament to its successful track record and its position as the leading e-government service provider in the Philippines, in February 2023, the Group announced that MYEG Philippines had secured an agreement to deliver services for the National Bureau of Investigation for another three years.

- The year 2023 also saw MYEG Philippines secure a Money Services Business license from the country's central bank, paving the way for the company to further expand its value-added offerings moving forward.

- In May 2023, MYEG Philippines launched a payment processing service for the SEC that provides more convenient and hassle-free payment options to the Filipino public via the eSPAYSEC using MYEG Philippines' online payment network. In total, the service enables the public to make payments across more than 90,000 channels, both online and offline.

- More recently, in February 2024, MYEG Philippines and SSS entered a groundbreaking partnership to enhance the payment experience for SSS members, enabling them to enjoy hassle-free and efficient online payment of loans and contributions through ***www.myeg.ph***. In addition, members will be able to effortlessly generate their Payment Reference Number on the same platform.

For its successful contributions towards the Philippines' digitalisation drive, MYEG Philippines has won several awards including the Catalyst in Financial Inclusion Award at the GCash Digital Excellence Awards 2023, being recognised as an 'Organizational Development Champion' by the SEC, and receiving a Certificate of Recognition from the SEC.

MYEG Philippines aspires to further solidify its role as the primary, all-encompassing e-government services provider in the Philippines. This involves broadening its array of services for both existing and new government agencies through collaborations, the adoption of blockchain applications and more.

The Group remains vigilant in monitoring the local and regional markets for potential expansion opportunities.

ROBUST SUSTAINABILITY GOVERNANCE

MYEG's Sustainability Working Group ("**SWG**") continues to play a crucial role in the Group's sustainability governance framework, proficiently addressing significant risks and opportunities associated with MYEG's material ESG concerns. The SWG, together with the Board and Senior Management, consistently enhances, endorses and puts into action sustainability plans and strategies, actively contributing to MYEG's sustainability objectives in the short, medium and long term.

In January 2024, MYEG conducted a refresher materiality assessment exercise to ensure that the Group's prioritisation of material topics aligned with the post-pandemic socioeconomic landscape. The Group also organised an employees' briefing on TCFD / Sustainability and Climate Change to further ingrain sustainability and climate change awareness knowledge in MYEG's staff.

Subsequently, MYEG updated its Sustainability Policy and developed its ESG Framework to serve as guiding principles for the organisation in driving its sustainability agenda across the Group and its value chain.

More information on sustainability-related disclosures is provided in the FY2023 Sustainability Statement on page 54 of this IAR2023.

ECONOMIC OUTLOOK

Following a 2023 marked by external headwinds such as slower global trade, geopolitical tensions and tighter monetary policies, the economic outlook for Malaysia in 2024 looks to be stronger and more positive.

Bank Negara Malaysia expects Malaysia's growth to improve in 2024, driven by resilient domestic expenditure and a recovery in external demand. Citing the IMF's projection for a rebound in global trade growth to 3.3% in 2024, the central bank notes that stronger external demand, along with the tech upcycle and continued improvement in the tourism sector are expected to provide support to Malaysia's economy. At the same time, on the domestic front, household spending is projected to be supported by continued employment and wage growth while investment activity will be underpinned by further progress of multi-year projects, by both the private and public sectors, as well as the implementation of catalytic initiatives under the various national master plans.

Having moderated in 2023 due mainly to lower cost pressures amid stabilising demand conditions, inflation is projected to remain modest in 2024, broadly reflecting stable cost and demand conditions.

For 2024, the Finance Ministry has expressed its confidence that the economy can grow 4-5% as the government accelerates the implementation of the Madani economic framework, pointing out the importance of reforming Malaysia's economy to not only address systemic, historical challenges, but also to focus on new areas of sustainable growth and resilience.

The positive global and domestic prospects bode well for MYEG as they present an overarching, positive outlook for the Group in FY2024 in various business segments.

MYEG'S OUTLOOK

MYEG's business performance is positioned for further growth and improvement in 2024, buoyed primarily by positive contributions from the Zetrix platform and related decentralised services. In particular, transactions on the Zetrix platform are expected to be fuelled by a ramp-up in ZTrade, the Group's cross-border customs clearance service launched in collaboration with China's customs institution, GACC. This is in view of the government endorsement obtained in both Malaysia and the Philippines for the use of the system to process exports from both countries to China.

Efforts are also underway to expand coverage of ZTrade to other regional markets, in line with the overarching commitment to connect China to the rest of ASEAN and beyond that, to the RCEP-covered regions. With the introduction of complementary services targeting the global trading community, such as supply chain financing and other offerings to be rolled out in the near future, Zetrix is poised to emerge as a vibrant Web3 ecosystem, with usage of the platform continuing to broaden and deepen as it leads the way in the digitalisation of cross-border transactions.

Zetrix is positioned to transform MYEG into a global player with its array of services being targeted at regional and global markets, which would reduce MYEG's dependence on any one country or any particular service segment.

In relation to the home market, the Group, having secured extensions for its existing e-government services, sees an ongoing positive outlook for its concession services including JPJ and Immigration, alongside their related commercial services such as insurance and job matching. The addition of new services such as MYEG Drive Testing System ("**MYDTS**") and the continuous growth of the worker accommodation service is expected to further contribute to the prospects for these segments.

On the Group's foreign worker dormitories business, construction of new projects in Penang, Selangor and Johor are targeted to commence later in 2024, with the requisite approvals in place. Once these projects are completed, these new facilities are expected to significantly expand MYEG's presence in the foreign worker housing space. At the same time, the Group will continue to seek out suitable sites for more future projects.

Regionally, aside from ongoing efforts to provide citizens of the Philippines with even more convenience by rolling out services for more government agencies, the Philippines is set to be among the pioneer markets (after Malaysia) to gain access to ZTrade for faster online processing of customs clearance for exports to China.

The Group also views favourably the vast potential to be unlocked from the pioneering decentralised applications that deployed recently, such as verifiable digital credentials like driver licences for China nationals, as well as from solutions targeted to be rolled out in the near future in markets like Hong Kong.

BUILDING UPON GLOBAL TRENDS

These optimistic prospects for MYEG are a result of the Group's constant cognisance of the rapidly-evolving technology landscape. The Group has long been observing and meticulously assessing the emergence of new innovations with an eye towards identifying technologies that not only have the potential to revolutionise our way of living, but also present genuine prospects for mass market and commercial adoption.

It is for this reason that the Group has invested much time and resources into the blockchain sector for many years, having foreseen its trajectory to becoming a major disruptor on a global scale. With this in mind, the Group ventured into building its own Layer-1 blockchain platform, Zetrix, as it aspired to be an early mover in bringing Web3 technology to the masses, especially in this region.

In short, with Zetrix, MYEG has access to cutting-edge technology and the capacity to roll out disruptive solutions that will not only ensure the Group continues to offer premium products and services that are highly valued by the marketplace, but also maintains its relevance and leadership amid an ever-evolving landscape while diversifying its income stream to the international market through Web3 services that cater to regional and global users.

Financial considerations aside, the capability to offer the best and latest solutions will also enable MYEG to play an instrumental role in working with stakeholders (government, businesses and society as a whole) towards realising socio-economic developmental objectives locally and internationally.

STRATEGIC PRIORITIES AND OPPORTUNITIES

As mentioned, 2024 will see the Group focusing on strengthening Zetrix, especially as a major enabler of digitalisation within global supply chains. MYEG will leverage its early mover advantage to roll out applications and solutions that will not only set the Group apart, but also foster the development of a vibrant ecosystem. Once established and entrenched, a platform with a dynamic and vibrant ecosystem will undoubtedly prove extremely difficult to displace in the market.

Part of the requirements of building a vibrant, expansive ecosystem would involve having the right strategic partners and collaborators participating in the Zetrix platform for mutual benefit. The Group looks forward to deepening its relationship with existing partners and also anticipates welcoming new partners from distinct geographies and industries, each adding their own unique value to the Zetrix ecosystem.

Therefore, capital expenditure in 2024 will be devoted mainly towards ongoing and new Web3 projects. Investments will also be made in new non-blockchain projects such as the setting up of foreign worker accommodations in Penang and other potential locations. The Group maintains the flexibility to tap internally generated funds and/or borrowings.

With these strategic positions in mind, MYEG is focused on mitigating key risks that might occur while capitalising on any opportunities that arise in 2024.

Risks	Mitigation Strategy
In view of the evolving global regulatory landscape pertaining to digital assets, adverse changes in regulations and / or restrictions on the ownership / trading of digital assets may impede the growth and wider adoption of Web3 / blockchain technology.	MYEG has been working closely with government agencies on the regulatory front. In fact, the Zetrix platform and many of the decentralised applications introduced are deployed in collaboration with government agencies or are related to government services directly or indirectly. With the endorsement and involvement of governments or government-owned entities, the services offered are less likely to face regulatory restrictions.
Ensuring Zetrix standouts as a leading global Web3 platform will invariably entail consistent investment to enhance capacity, capability and reach. At the same time, the Group is cognisant of the need to remain prudent amid an uncertain global economic backdrop in order to be in a financially sound and healthy position to navigate any unforeseen turbulence that may arise.	The extent of the investment and capital expenditure to be made moving forward will be scaled appropriately by balancing a range of considerations, including the Group's present and future cash generation capacity, prevailing and prospective growth prospects of the business, global economic prospects, market conditions as well as rewarding shareholders through dividend distribution.
Opportunities	**Leveraging Strategy**
Web3 technology is rapidly gaining momentum and has been identified (not least by influential bodies such as the United Nations Centre for Trade Facilitation and Electronic Business) as the ideal mechanism for the digitalisation of verifiable credentials, especially in relation to global cross-border trade processing and the verification of sustainable products. It is only a matter of time before Web3 solutions become the global standard and the new norm.	Through its integration and connectivity with China's national blockchain, and in view of China's status as a global trading giant with extensive commerce and business links with the rest of the world, Zetrix is well-positioned to power the digitalisation of cross-border trade and capture a significant share of related transactions on the platform.
Part of the requirements of building a vibrant, expansive ecosystem via the Group's Zetrix-related projects and Web3 initiative would involve having the right strategic partners and collaborators participating in the Zetrix platform for mutual benefit.	MYEG's current collaboration-driven strategy has been in place since the inception of Zetrix, and it will remain for the foreseeable future. Moreover, the Group is hopeful not only of deepening its relationship with existing partners, but also anticipates welcoming new partners from distinct geographies and industries, each adding their own unique value to the Zetrix platform.

In conjunction with fostering beneficial partnerships with important public and private entities, the Board remains cautiously optimistic about the future of the Group, barring unexpected developments. MYEG's strong internal capabilities, which enable it to strategically leverage existing, new and prospective technologies, will continue to guide the Group's core business strengths in the financial year 2024 towards achieving sustained growth on both the domestic and international fronts.

BOARD OF DIRECTORS' PROFILE



DATO' DR NORRAESAH BINTI HAJI MOHAMAD

Executive Chairman

Age	: 76
Nationality	: Malaysian
Gender	: Female
Date of appointment	: 18 August 2006
Date of last re-election	: 22 June 2023

Board Committee Membership : Nil

Qualifications :
- Bachelor of Arts (Hons) Economics, University of Malaya
- Masters in International Economics Relations, International Institute of Public Administration, France
- Masters in International Economics and Finance, University of Paris I, Pantheon-Sorbonne, France
- PhD, (Economics Science) International Economics and International Finance, University of Paris I, Pantheon-Sorbonne, France

Directorship of public companies / listed issuer :
- Rhong Khen International Berhad (Independent Non-Executive Chairman)
- World Islamic Economic Forum Foundation

Working experience and occupation

1972 - 1988
- Government Service in Malaysia (MITI & Ministry of Finance)

1990 - 1991
- Managing Director, consulting firm

1991 - 1998
- Chief Representative, Credit Lyonnais Bank, Malaysia

2000 - 2003
- Chairman, Bank Kerjasama Rakyat Malaysia Berhad

2005 - 2008
- Senator

2005 - Present
- Chairman, Board of Trustee of World Islamic Businesswoman Network
- Member, International Advisory Panel, World Islamic Economic Forum Foundation

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
- In-House Blockchain Technology Briefing on Zetrix

Securities Industry Development Corporation
- SIDC SRI2023: Revving Up the Race for Sustainability

#IEmPower
- Women Drive: A Way Forward in Halal Economy

Boardroom Corporate Services Sdn. Bhd.
- Corporate Governance and Corporate Value -Needed Tool or Necessary Bane?

Relationships with other directors/ shareholders/ of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil

BOARD OF DIRECTORS' PROFILE
(cont'd)



WONG THEAN SOON
Group Managing Director

Age	: 53
Nationality	: Malaysian
Gender	: Male
Date of appointment	: 6 March 2000
Date of last re-election	: 23 June 2022

Board Committee membership : Employees' Share Option Scheme Committee (Member)

Qualifications : Bachelor's Degree in Electrical Engineering, National University of Singapore

Directorship of public companies / listed issuer : Nil

Working experience and occupation

1995 - 1997
• Co-founder and Executive Director, Cybersource Pte. Ltd., Singapore

1997 - 2000
• Founder and Chief Executive Officer, Technochannel Technologies Sdn Bhd

2000 - Present
• Co-founder, MYEG Group

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
• In-House Blockchain Technology Briefing on Zetrix

Securities Industry Development Corporation
• SIDC SRI2023: Revving Up the Race for Sustainability

Boardroom Corporate Services Sdn. Bhd.
• Corporate Governance and Corporate Value -Needed Tool or Necessary Bane?

Relationships with other directors/ shareholders/ of MYEG

Nil

Conflict of Interests with MYEG

Nil

Any other convictions (aside from traffic offences)

Nil



DATUK MOHD JIMMY WONG BIN ABDULLAH

Non-Independent Non-Executive Director

Age	: 62
Nationality	: Malaysian
Gender	: Male
Date of appointment	: 18 August 2006
Date of last re-election	: 22 June 2023

Board Committee membership : Nomination Committee (Member)
Audit Committee (Member)

Qualifications : Diploma in Business Studies, Jinan University, Guangzhou, China

Directorship of public companies / listed issuer : Nil

Working experience and occupation

1981 – 2002
• Royal Malaysian Police

1994 – 1996
• Diplomatic Mission, Wisma Putra, Guangzhou, China

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
• In-House Blockchain Technology Briefing on Zetrix

Boardroom Corporate Services Sdn. Bhd.
• Corporate Governance and Corporate Value -Needed Tool or Necessary Bane?

Securities Industry Development Corporation
• SIDC SRI2023: Revving Up the Race for Sustainability

Relationships with other directors/ shareholders of MYEG

Nil

Conflict of Interests with MYEG

Nil

Any other convictions (aside from traffic offences)

Nil

BOARD OF DIRECTORS' PROFILE
(cont'd)



WONG KOK CHAU
Independent Non-Executive Director

Age	:	55
Nationality	:	Malaysian
Gender	:	Male
Date of appointment	:	9 July 2018
Date of last re-election	:	23 June 2022

Board Committee membership	:	Audit Committee (Chairman) Risk Management Committee (Member) Remuneration Committee (Member) Employees' Share Option Scheme Committee (Chairman)
Qualifications	:	Chartered Global Management Accountants (CGMA) Malaysian Institute of Accountants (MIA)
Directorship of public companies / listed issuer	:	Excel Force MSC Berhad (Managing Director)

Working experience and occupation

1993 – 1998
• Corporate Advisory Services, Ernst & Young

1998 – 2000
• Regional Controller for Asia, BIC

2001 – 2009
• Financial Controller for Asia Pacific; Consultant, Kepner-Tregoe (KT)

2009 – 2016
• Co-Founder, A Davids & Company, Singapore

2016 – 2020
• Executive Director Excel Force MSC Berhad

2020 – Present
• Managing Director, Excel Force MSC Berhad

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
• In-House Blockchain Technology Briefing on Zetrix

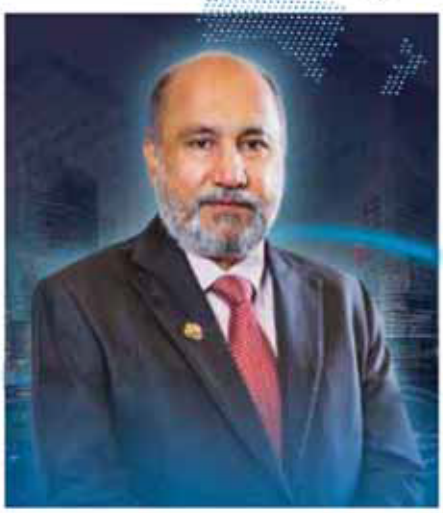
Securities Industry Development Corporation
• SIDC SRI2023: Revving Up the Race for Sustainability

Boardroom Corporate Services Sdn. Bhd.
• Corporate Governance and Corporate Value -Needed Tool or Necessary Bane?

Boardroom Corporate Services Sdn. Bhd.
• Bursa Enhanced COI-Disclosure Requirements: Understanding and Navigating Its Changes

Securities Commission Malaysia's Audit Oversight Board
• Audit Oversight Board Conversation with Audit Committees

Relationships with other directors/ shareholders of MYEG	Conflict of interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil



DATO' SRI MOHD MOKHTAR BIN MOHD SHARIFF

Independent Non-Executive Director

Age	: 67
Nationality	: Malaysian
Gender	: Male
Date of appointment	: 9 November 2020
Date of last re-election	: 1 July 2021

Board Committee membership : Remuneration Committee (Chairman)
Nomination Committee (Member)

Qualifications : Masters of Business Administration, Phoenix International University, New Zealand
Certificate of Legal Practice, Legal Profession Qualifying Board of Malaysia
Bachelor of Laws (Hons), University of Wolverhampton, United Kingdom

Directorship of public companies / listed issuer : TMC Life Sciences Berhad (Independent Non-Executive Chairman)
South Malaysia Industries Berhad (Independent Non-Executive Director)
Pacific & Orient Berhad (Independent Non-Executive Director)

Working experience and occupation

1978 - 1987
- Staff Officer of Special Branch, Royal Malaysia Police Contingent Terengganu

1987 - 1996
- Assistant Police Attaché, Embassy of Malaysia, Bangkok

1996 - 2002
- Staff Officer of Special Branch, Royal Malaysia Police, Headquarters Bukit Aman

2002 - 2004
- Police Attaché, Embassy of Malaysia, Bangkok

2004 - 2006
- Head of Special Branch, Kuala Lumpur

2006 - 2007
- Deputy Chief Police Officer, State of Pahang

2007 - 2008
- Deputy Chief Police Officer, State of Johor

2008 - 2015
- Chief Police Officer, State of Johor

2015 - 2017
- Director of Narcotics and Crime Investigation Dept., Royal Malaysia Police

2017 - 2018
- Director of Special Branch, Royal Malaysia Police

2019 - Present
- Admitted as Advocate & Solicitors of High Court of Malaya

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
- In-House Blockchain Technology Briefing on Zetrix

Boardroom Corporate Services Sdn. Bhd.
- Corporate Governance and Corporate Value -Needed Tool or Necessary Bane?

Securities Industry Development Corporation
- SIDC SRI2023: Revving Up the Race for Sustainability

Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil

BOARD OF DIRECTORS' PROFILE
(cont'd)



DATO' MOHD JEFFREY BIN JOAKIM

Independent Non-Executive Director

Age	: 64
Nationality	: Malaysian
Gender	: Male
Date of appointment	: 9 July 2021
Date of last re-election	: 23 June 2022

Board Committee membership : Risk Management Committee (Chairman)
Remunation Committee (Member)

Qualifications : Bachelor's Degree in Social Sciences, Open University of Malaysia
Diploma in Laws and Administration, University of Technology MARA

Directorship of public companies / listed issuer : Nil

Working experience and occupation

2007 – 2008
• Director,
National Institute of Human Resources

2008 – 2010
• Deputy Director General,
Department of Industrial Relations Malaysia

2010 – 2012
• Deputy Director General,
Department of Labour,
Ministry of Human Resources

2012 –2020
• Director General,
Department of Labour, Ministry of Human Resources

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
• In-House Blockchain Technology Briefing on Zetrix

Boardroom Corporate Services Sdn. Bhd.
• Corporate Governance and Corporate Value -Needed Tool or Necessary Bane?

Securities Industry Development Corporation
• SIDC SRI2023: Revving Up the Race for Sustainability

Malaysian Alliance of Corporate Directors
• National Integrity Forum 2023 - Leading Governance with Integrity

Relationships with other directors/ shareholder of MYEG

Nil

Conflict of Interests with MYEG

Nil

Any other convictions (aside from traffic offences)

Nil



MOHAINI BINTI MOHD YUSOF

Independent Non-Executive Director

Age	:	58
Nationality	:	Malaysian
Gender	:	Female
Date of appointment	:	9 July 2021
Date of last re-election	:	23 June 2022

Board Committee membership	:	Nomination Committee (Chairman) Audit Committee (Member) Risk Management Committee (Member)
Qualifications	:	Bachelor's Degree in Mass Communication (Journalism), University of Technology MARA
Directorship of public companies / listed issuer	:	Cuscapi Berhad (Independent Non-Executive Director)

Working experience and occupation

1989 – 1993
- Executive, The Lion Group

1993 – 1995
- Assistant Manager, The Lion Group

1996 – 2000
- Manager, Malaysian Resources Corporation Berhad (MRCB)

2001 – 2004
- Senior Manager, MRCB

2004 – 2006
- Assistant General Manager, MRCB

2006 – 2018
- General Manager, Head of Corporate Communications, MRCB

2019 – Present
- Director, Mo Dylan Communications LLP

List of training/ seminar/ conference/ workshop attended

MY E.G. Services Berhad
- In-house Blockchain Technology Briefing on Zetrix

Securities Industry Development Corporation
- SIDC SRI2023: Revving Up the Race for Sustainability

Boardroom Corporate Services Sdn. Bhd.
- Corporate Governance and Corporate Value - Needed Tool or Necessary Bane?

Malaysian Alliance of Corporate Directors
- National Integrity Forum 2023 -Leading Governance with Integrity

Malaysian Alliance of Corporate Directors
- Breakfast Briefing (Integrating Sustainability in Finance : Unpacking the Why & Wherefore)

Joint Committee of Climate Change (JC3), co-chaired by Bank Negara Malaysia and Securities Commission Malaysia
- JC3 Journey to Zero Conference 2023

Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil

KEY SENIOR MANAGEMENT'S PROFILE



CHONG CHIEN MING

Chief Financial Officer

Qualifications:

Bachelor Degree in Accounting, Universiti Putra Malaysia
Member, Malaysian Institute of Accountants

Age : 50
Nationality : Malaysian
Gender : Male
Date of appointment : January 2015

Working experience and occupation

1998 – 2000
• Internal Audit Executive, MBF Management Services Sdn. Bhd.

2000 – 2002
• Finance Executive, Peremba Development Sdn. Bhd.

2002 – 2003
• Assistant Finance Manager, AEON Credit Service (M) Sdn. Bhd.

2003 – 2015
• Financial Controller, MYEG

2015 – Present
• Chief Financial Officer, MYEG

Directorship of public companies	Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil	Nil



MOHD RUSHDAN KHAIRUL ANUAR

Information Technology (IT) Director

Qualifications:

MSc in Electronic Systems Engineering, ESIEE Paris, France
Certificate in Information Technology Infrastructure Library (ITIL)
Certificate in Control Objectives for Information and Related Technology (COBIT)
Project Management Professional (PMP) 2022
Amazon Cloud Practitioner 2023

Age : 39
Nationality : Malaysian
Gender : Male
Date of appointment : February 2021

Working experience and occupation

2010 – 2011
• Electronics System Engineer, Texas Instruments

2011 – 2013
• Business Analyst, Deloitte

2013 – 2014
• Consultant, HeiTech Padu Berhad

2014 – 2016
• IT Risk Manager, MYEG

2016 – 2019
• IT Director, MYEG

2019 – 2021
• Head of IT, TGV Cinemas

2021 – Present
• IT Director, MYEG

Directorship of public companies	Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil	Nil



ERIC LEE KOK LEONG
Director of Product Marketing

Qualifications:

Bachelor's Degree in Business (Marketing & Information Technology), La Trobe University, Australia

Executive Management Course, Kellogg School of Management, Chicago, USA; London Business School, UK.

Age : 46
Nationality : Malaysian
Gender : Male
Date of appointment : September 2017

Working experience and occupation

2001 – 2006
• Analyst Programmer; Product Manager, Digi Telecommunications

2007 – 2012
• Product Group Marketing Manager, Sony Ericsson Malaysia

2012
• Marketing Director, Huawei Malaysia

2013
• Head of Product, Tunetalk

2013 – 2017
• Head of Prepaid, Digi Telecommunications

2017 – Present
Sdn. Bhd.• Director of Product Marketing, MYEG

Directorship of public companies	Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil	Nil



HASYYATI BINTI SHUKRI
Deputy Project General Manager

Qualifications:

Degree in Management and Conservation Biodiversity, Kolej Universiti Sains dan Teknologi Malaysia

Age : 40
Nationality : Malaysian
Gender : Female
Date of appointment : January 2015

Working experience and occupation

2005 – 2012
• Project Executive, MYEG

2012 – 2015
• Senior Project Manager, MYEG

2015 – Present
• Deputy Project General Manager, MYEG

Directorship of public companies	Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil	Nil

KEY SENIOR MANAGEMENT'S PROFILE
(cont'd)

R.MAHALINGAM A/L A.RENGANATHAN
Head of Operation Department (JPJ)

Qualifications:

Diploma in Computer Engineering

Age	: 49	**Gender**	: Male
Nationality	: Malaysian	**Date of appointment**	: July 2017

Working experience and occupation

2002- 2008
• Technical Support Executive, MYEG

2008 - 2009
• Logistic Manager, MYEG

2009 - 2017
• Senior Manager of Operations, MYEG

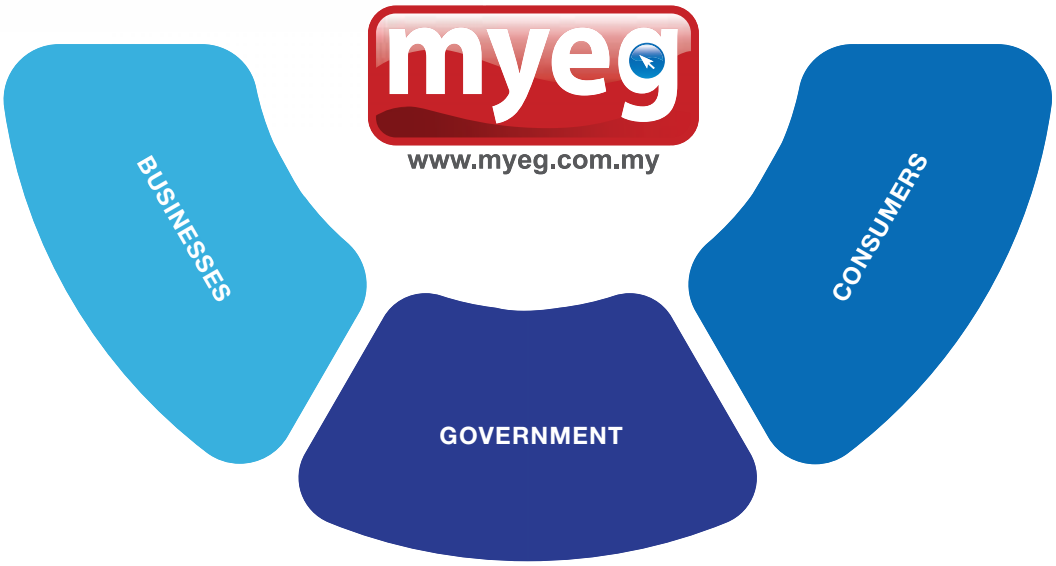
2017 - Present
• Head of Operations, MYEG

Directorship of public companies	Relationships with other directors/ shareholders of MYEG	Conflict of Interests with MYEG	Any other convictions (aside from traffic offences)
Nil	Nil	Nil	Nil



OUR BUSINESS MODEL AT WORK

In essence, MYEG's business model is centred on the provision of services electronically (or physically) to consumers. The goal is to provide a convenient, cost effective, fast and easy means for the public to access much needed services. MYEG serves as the conduit or bridge that closes the digital chasm to empower customers and to bring the government, businesses and consumers together.



The business model works as follows:

What we Do	e-Government Concession and Commercial Services		
How We Do It	Provided via MYEG's digital and other platforms		
Values We Create and Sustain	**Financial Values:** Revenue derived from transactional charges, service fees, commission / referral fees, financing / interest income.	**Non-financial Values:** Convenience, affordability, accessibility, bridging the digital divide. Empowering society, job creation and entrepreneurship opportunities.	**ESG Values:** Adoption of fully-digital services reduces paper consumption and logistics-related emissions. Improved data privacy. Improved welfare of foreign workers in Malaysia.

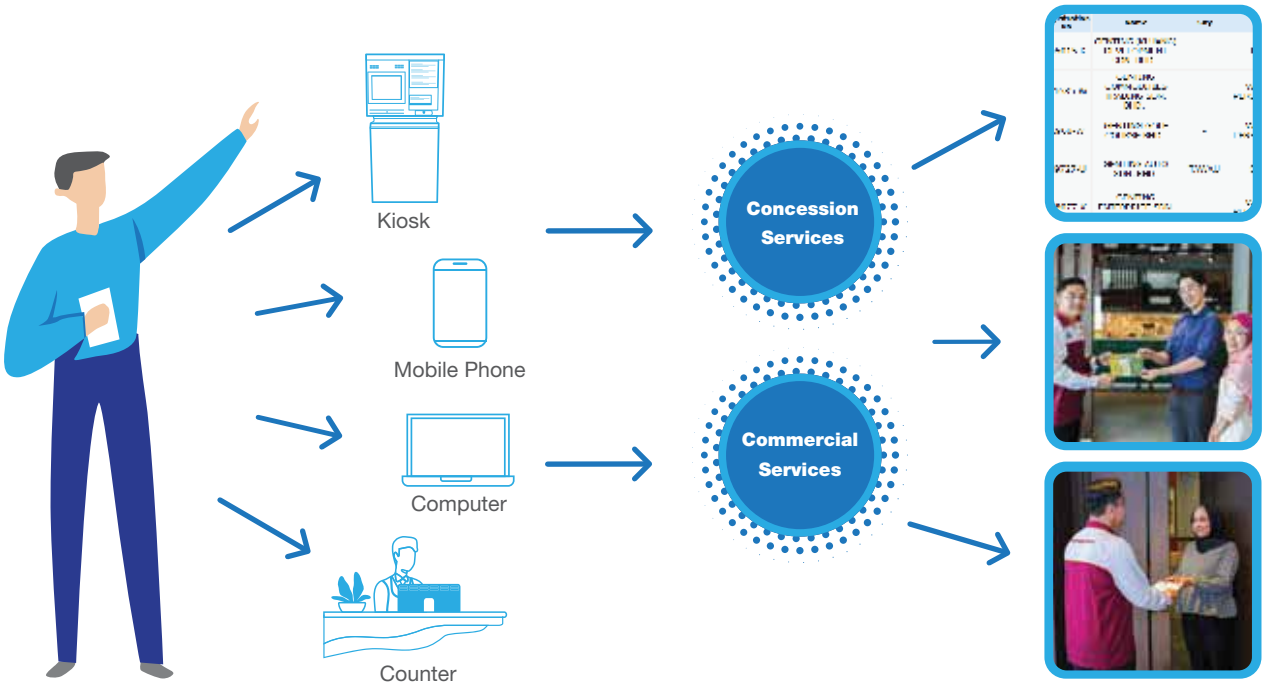
OUR BUSINESS MODEL AT WORK
(cont'd)

Further illustrations of how digital services are delivered and values created are provided as follows:

Users access the MYEG portal via multiple access points. These include electronic and in-person channels.

Users have access to a wide and expanding range of government and commercial services. Please see pages 8 to 9 for a full range of our services.

Service is provided to users via the online portal itself and delivered to users' homes/ offices or over the counter or digitally.





Users access the MYEG portal to renew their road tax.

As users proceed to renew their road tax, related services can be offered. Services are non-compulsory and customers have the choice to choose or decline additional services offered.

VALUES CREATED FROM THE BUSINESS MODEL

Convenience and affordability

MYEG's business model reduces, if not eliminates, the need for travelling as well as waiting times. This increases efficiency and productivity and improves delivery of e-Government and commercial services to citizens and customers.

Bridging the digital divide

The use of digital mediums transcends physical and other boundaries, allowing much needed services to be delivered nationwide, thus reducing disparity between urban, semi-urban and rural populations. It promotes equality and equity with all demographics having equal access to services.

Creation of jobs and entrepreneurship opportunities

MYEG's business model promotes local entrepreneurship and job opportunities, with the provision of agency opportunities. This is especially evident in semi-urban and rural locations.

Supporting Government's aspirations for a digitally connected society

One of the key aspirations on Malaysia's national agenda is a seamlessly digitally connected society. MYEG's successful delivery of e-Government and commercial services enables the progressive realisation of the digital aspirations and paves the way for the continued proliferation of technology in other areas i.e. blockchain and more.

ZETRIX

Zetrix, a Layer-1 public blockchain platform, constitutes the main thrust of MYEG's Web3 strategy. The platform serves the development and implementation of a wide range of cutting-edge innovations and decentralised applications, putting the Group at the forefront of the Web3 revolution in the region.

In FY2023, Zetrix leveraged its unique connectivity with China's national blockchain infrastructure Xinghuo BIF to successfully deploy several pioneering applications with real-world practicality and commercialisation potential. Services introduced on Zetrix include ZTrade offered in association with GACC, supply chain financing solutions in partnership with regional banks, a digital verifiable credentials service in collaboration with China's state owned Guangxi Beitou and a multi-chain digital asset wallet.



ZTrade, a full-suite of cross-border trade facilitation services from a first-of-its-kind Web3 + AI link between the People's Republic of China ("PRC") and its trading partners, including certificates of origin offered in collaboration with the GACC

Supply chain financing solutions offered in collaboration with Chinese banks.

A multi-chain wallet that enables seamless management and movement of digital assets across Zetrix, Xinghuo and Ethereum.

Digital credentials service in collaboration with China's state-owned Guangxi Beitou IT Innovation Technology Investment Group Co., Ltd.. Allows Chinese nationals to digitalise their IDs and drivers' licences as Verifiable Credentials which can then be presented abroad for verification.

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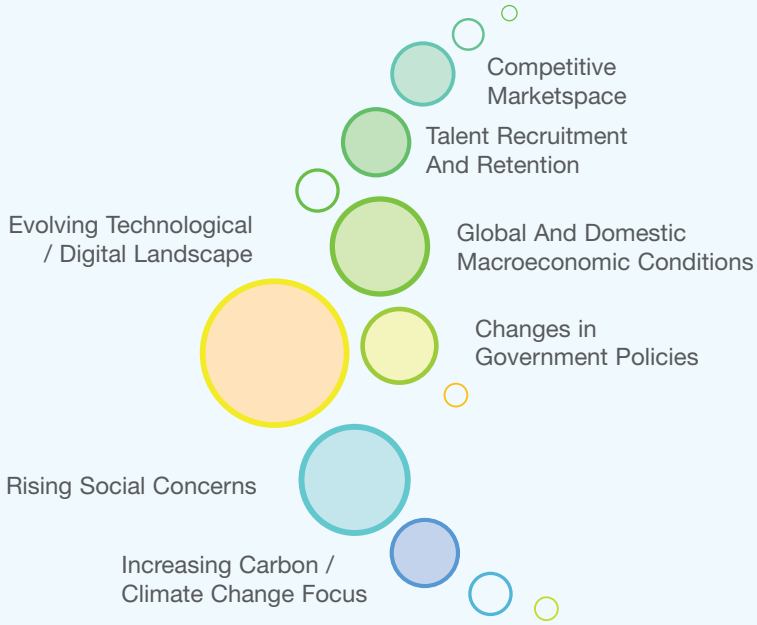
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MATTERS IMPACTING VALUE CREATION



CHANGES IN GOVERNMENT POLICIES

- The present government has maintained a pro-digital approach, given how the digitisation of government services has played a key role in bridging the digital divide and improving the delivery of government services while reducing costs. However, any changes to the regulatory environment or changes in government policies may impact the Group's concession business model and operations.

Risks

- While the Group is not significantly dependent on concession based revenues (as the bulk of revenues are generated from commercial services), any changes i.e. non-renewal of concessions or delays in approvals could impact financial value creation, as well as social value creation i.e. due to users of government services being unable to access such as services.
- Investments into technology, equipment and personnel to support existing services may be at risk due to any non-renewal of concessions. However, these can be mitigated by redeployment of said resources to support other services including commercial services.
- The Group's existing service quality levels meet and exceed set Key Performance Indicator ("**KPI**") and as such, non-renewal is more likely driven by policy direction change rather than for non-performance reasons.

Opportunities

- Changes in policies, while potentially leading to disruption, can also serve as the stimulus for the remodelling or existing services or the development of new solutions.

Significant Capitals

- The Group's ability to maintain its expansionary mode is sustained by the following business strengths and capitals: Intellectual Property, Growing and diverse customer base, a proven track record in e-Government and commercial services, strong stakeholder engagement and a robust financial position comprising growing revenue, earnings and cashflows.

Business Strategies

- Constant engagement with multiple stakeholders to improve the delivery channels of concession and commercial services. This entails constant dialogue with relevant stakeholders in the Government agencies with which MYEG has concessions.

GLOBAL AND DOMESTIC MACROECONOMIC CONDITIONS

- In FY2023, global economic growth had moderated to just 3.1%. Among factors hampering economic recovery to pre-pandemic levels were continued disruptions in global and international supply chains, ongoing geo-political tensions and conflicts, trade wars, higher energy costs including oil and gas and a higher interest rate environment, brought on by the revision of rates by the US Federal Reserve. Adding to these were a slower than expected recovery of major economies, notably China.
- In line with global economic growth trends, Malaysia's gross domestic product ("**GDP**") moderated to 3.7% in FY2023. Growth moderated amid a challenging external environment, due mainly to slower global trade, the global tech downcycle, geopolitical tensions and tighter monetary policies.
- Nevertheless, MYEG's financial performance reached new highs in FY2023, bolstered by continued robust demand for the Group's existing products and services amid broader resilient household spending in the economy underpinned by improving labour market conditions and given the nature of the Group's offerings being essential services required by all levels of society. The roll-out of new digital services, particularly decentralised applications, also contributed to MYEG's increased overall performance.

Risks

- Weaker economic conditions may affect consumer and business confidence as well as investor appetite, thus leading to reduced demand for products and services and weakened investment inflows. Notably, big-ticket items such as cars, houses may see reduced demand as well as reduced applications for business licences and more. With reduced business and consumer activity, service and income tax revenues may also be affected.

Opportunities

- As businesses and consumers choose to downscale expenditure and consumption, there are still opportunities for the provision of economical, cost-effective solutions. Competitively priced products and services that meet customers expectations while providing savings and budget optimisation will be able to thrive amidst a challenging, cost-driven market environment. Refer to Strategies to Sustain Value Creation for more information.
- In addition, businesses and consumers would seek alternatives including leveraging technology and expanding to new markets, which dovetails with MYEG's strategic push into the Web3 space through the introduction of decentralised services on the Zetrix blockchain as well as other technologically driven services.

Business Strategies

- Macroeconomic conditions are beyond the Group's control. However, MYEG's strategic response is to continue its pursuit of product and market diversification to diversify its revenue streams and to reduce its exposure to socio-economic upheavals in any single geographic market. Refer to Strategies to Sustain Value Creation Section.

Significant Capitals

- The Group's expansion and diversification plans are supported by an agile business model that is market agnostic (not dependent on specific domestic conditions and has a high replication factor). MYEG's business model enables fast market entry and the quick rollout of products, which supports the Group's ability to respond swiftly to changing socio-economic conditions and market demands.

RISING SOCIAL CONCERNS

- In Malaysia, rising concern on labour and human rights have led to greater focus and scrutiny by governments, investors and also customers on the conduct of businesses with regard to fair treatment of workers.
- Wellbeing of foreign workers remains a major topic of discussion within the public sphere, with stakeholders calling for better protections to be accorded. Increasingly, the focus is not just on the conduct of the business but extends to the performance of the business' supply chains.

Risks

- The rising concerns may impact the inflow of foreign workers to Malaysia and this may result in a decrease in permit renewals as well as occupancy rates of foreign worker dormitories.

Opportunities

- Increased focus by stakeholders, including stronger enforcement by authorities would provide increased requirements for improvement in workers' accommodation, healthcare and other aspects. This provides opportunities for MYEG to offer related services and facilities.

Business Strategies

- To ensure all foreign worker dormitories are certified by the Labour Department of Malaysia well as to ensure labour and human rights principles are upheld at all times.

Significant Capitals

- Allocation of financial capital to undertake related projects, development of human capital to ensure necessary competencies and proficiency for successful project execution. Strengthening of brand reputation (social capital) by undertaking projects / providing services related to ensuring the rights of workers are upheld.

INCREASING CARBON / CLIMATE CHANGE FOCUS

- Post COP 28 and with the launch of the IFRS S2 standards, the world is accelerating its pivot towards achieving net zero carbon status, notably by 2050.
- This necessitates a major shift across nations, industrial sectors as well as companies to rethink their present energy consumption requirements and to adopt decarbonisation.

Risks

- Failure to adopt effective strategies would mean exposure to a wide range of transitional climate risks such as cost associated with pursuing energy efficiency as well transitioning to renewable energy ("**RE**"), costs associated with increased compliance and reporting obligations, including compliance to aspirations of institutional investors.

Opportunities

- With increasing urgency among global stakeholders to achieve climate goals / carbon reduction targets, there are calls for greater digitalisation of conventional processes that are inefficient and resource-dependent. Traceability and verification of sustainable products is also a topic of interest.
- Savings in energy cost, notably electricity costs as transition to solar and other alternatives, to minimise the effects of rising electricity tariffs.

Business Strategies

- The adoption of Web3 technology can unlock a host of advantages that enables business and commercial goals to be met in a faster, more efficient, more secure and cost effective method while at the same time expediting decarbonisation. These include the ability to fully digitalise business and government processes to remove manual, paper-based documentation, the enabling of carbon traceability from point of origin to final destination, and traceability and verification of product provenance and sustainably-sourced goods, establishment of carbon credit tokenisation markets, among others.
- Continued pursuit of energy efficiency strategies through deployment of technological innovations within physical premises as well as across systems and processes, e.g. adoption of blockchain.
- Foreign worker dormitories will be constructed in a manner that ensures a smaller carbon footprint.

Significant Capitals

- Financial capital to fund capital expenditures and technological investments as well as relevant human capital training and upskilling.

TALENT RECRUITMENT AND RETENTION

- Talent acquisition and retention remains a significant challenge given that Malaysia continues to face a significant talent scarcity issue, exacerbated by continuous talent poaching and brain drain due to local talents preferring to work overseas for a variety of reasons including economic factors, e.g. currency, standard of living, etc.
- Particularly, in the technology sector, the lack of technologists in key niche fields further poses problems for companies that require highly-skilled, professionals who can drive research and development, product development and innovation within the deep-tech space. This is imperative for the development of new products, enhancing existing offerings and also in key areas such as cybersecurity, blockchain, artificial intelligence, big data analytics and more.

Risk

- Inability to maintain a sufficient and competent talent pool would undermine the development of technological and intellectual capital, potentially affecting speed to market, competitive ability and also overall operational effectiveness and business ability. Talent scarcity could also impact non-technical aspects of the business model i.e. the provision and delivery of support services, such as customer service and last-mile fulfilment services. The latter are significant in completing the service loop in ensuring a satisfying seamless user experience.

Opportunities And Business Strategies

- Business and operational challenges pertaining to talent retention and acquisition drives a rethink of present talent management approaches. These include complementing present dependence on the existing talent market through the development of talent pipelines. This essentially entails working with universities and local academia to produce market ready technology professionals that meet MYEG's requirements.
- In addition, the Group looks at developing in-house training programmes that would enable the upskilling of existing or incoming professionals with the skills and expertise that the Group requires to support its business growth plans. This would ultimately reduce costs associated with attrition and rehiring of talents as well as training costs.
- The focus on talent has enabled a more people-focussed organisational culture to emerge, whereby in addressing talent issues, the considerations of employees as a key stakeholder continues to be viewed as integral to the organisation. Hence, MYEG's management approach is to focus on providing conducive working environments, ensuring competitive remuneration and benefits and continued staff engagement towards realising the aspiration of becoming a preferred employer or choice brand name for talent. Refer to Strategies to Sustain Value Creation Section.

Significant Capitals

- The focus on developing a people centred organisation would evidently require a human capital focus, whereby financial, intellectual and human capital are invested in the development of a robust strategic approach that addresses the Group's talent needs, while achieving the desired organisational culture, employment conditions and perception as a preferred employer.

EVOLVING TECHNOLOGICAL / DIGITAL LANDSCAPE

- Without a doubt, continued disruption in technologies, in particular digital technologies, provides both risks and opportunities to MYEG's business model, which is dependent on its digital capabilities.
- The transition from a conventional Web2 environment to increasing mass recognition / adoption of Artificial Intelligence and Web3 / blockchain technologies (as evidenced in global uptake of Web3 projects and increasing global digital asset prices), further necessitate technological providers such as MYEG to continue to innovate and stay abreast with present trends to remain competitive and resilient.

Risks

- Solutions being developed internally by the Group or with external partners may face the risk of technological obsolescence due to the rapid emergence of new technologies. Capitals consumed for the development of technologies, primarily financial and human capitals, may be deemed lost if developed technologies are subsequently rendered obsolete.
- The global regulatory environment related to Web3 technologies / digital asset market continues to evolve rapidly and lacks standardisation across jurisdictions.

Opportunities

- As previously mentioned, the fast-changing technology landscape also presents opportunities for MYEG to enhance its existing capabilities, to enhance its business processes and develop new offerings. It also offers opportunities to expand MYEG's international presence via the provision of services targeted towards international users.
- The ability to offer novel and market-attuned value propositions will be advantageous to MYEG, strategically positioning the Group to drive effective collaboration by working with governments, businesses and communities towards realising socio-economic developmental objectives.
- Burgeoning interest in Web3 projects globally and growing fund inflows into digital asset markets creates a favourable environment for the deployment of new decentralised applications on Zetrix as well as for the sale and trading of Zetrix tokens.
- The trend within governments to switch from physical documents to verifiable digital equivalents, for example, licences, permits, customs trade documents, etc., spurs demand for blockchain technology services, such as the capabilities offered by MYEG through Zetrix. This in turn translates to benefits such as easing of congestion and long queues at physical counters, faster processing times, minimising inconveniences arising from lost or missing paper documents, as well as significant printing and delivery cost savings for stakeholders.

Business Strategies

- Developed and rolled-out a variety of decentralised applications on the Zetrix blockchain platform, in particular, leveraging the connectivity to China's national blockchain infrastructure to deploy services for supply chain and cross-border transaction purposes, as well as digitalisation of credentials such as personal ID documents.
- Leverage blockchain's inherent advantages as a suitable mechanism for the digitalisation of otherwise conventional administrative processes within government service delivery and international cross-border trade. This not only accelerates processing and clearance times, but also helps reduce wastage, reduce resource and materials use, reduce associated logistics and handling, and thereby contributing to an overall reduction in the carbon footprint.
- Increased assessment of global digital asset market conditions and regulatory environment, coupled with strategic selection of digital asset exchanges and Web3 partners for collaboration.
- Further regional expansion regarding the deployment of a Web3 + AI-based solution offering faster, secure, more intelligent and cost-effective processing of cross-border trades across the ASEAN region and the RCEP region.
- Connectivity with China's national blockchain infrastructure enables Zetrix to be an important player in Hong Kong's Web3 ecosystem and contribute towards the Special Administrative Region's emergence as the preferred global digital asset hub.

Significant Capitals

- In maintaining its technological edge, significant financial capital expenditure as well as continued focus on developing human and intellectual capitals are essential.

RISK AND MITIGATION

MYEG presents a summation of its principal business, operational and financial risks, and continues to be vigilant against its identified risks which include business, financial, strategic and operational risks, as well as ESG risks.

The Group's risk management framework and policy are guided by ISO31000. The Board oversees risk-related matters which include financial and operational risks as well as ESG related risks.

For detailed information on MYEG's internal risk management mechanism, please refer to our Risk Management and Internal Control Statement within this report. This section provides specific information on risks. Information on Opportunities is provided in the Strategies to Sustain Value Creation Section.

Risk	Description of Risk	Linkage to Materiality	Who Does this Risk Impact? MYEG? Employees? Society? Investors?	Mitigation Action Plans
Technology related risks	Risks of technological obsolescence, costs spent to develop technologies that may be rendered irrelevant due to fast emerging developments. Competitive edge and market positioning affected due to changing technologies. Technology is a double-edged sword that could allow us to gain first mover advantages; or be impacted by others.	Intellectual property Cyber security Business model	Customers Employees Investors	Kindly refer to our Strategies to Sustain Value Creation section.
Non-renewal of e-Government services	Non-renewal or delays in renewal due to governmental / political factors can impact the business model. Political factors are beyond the Group's control. However, the value of what MYEG provides transcends the politics of the day and is meant to serve the citizens. Given MYEG's excellent delivery and compliance to KPIs for all e-Government services, the risk of non-renewal remains low.	Customer experience Strong Technological And Innovation Capabilities Business model	Customers Government and Regulators Investors Community and general public	Kindly refer to our Strategies to Sustain Value Creation section.
Cybersecurity risks	The risk of hacking, phishing, malware and other cyber threats could have an impact on service delivery resulting in downtime and affecting customer transactions. There would also be potential loss of brand trust and reputation.	Cyber security Intellectual property	Customers Government and Regulators Community and general public	Kindly refer to the Sustainability Statement.
Reduced Consumer Demand Risks	Sluggish economic conditions may reduce the spending power of customers as well as business growth and expansion plans, which could impact the demand for and pricing of MYEG's services.	Business model	Customers Community and general public Investors	Kindly refer to our Strategies to Sustain Value Creation section.

RISK AND MITIGATION
(cont'd)

Risk	Description of Risk	Linkage to Materiality	Who Does this Risk Impact? MYEG? Employees? Society? Investors?	Mitigation Action Plans
Talent retention	Constant talent attrition impacts the collective knowledge body within the Group and may impact operational productivity.	Talent retention and development Customer experience	Employees Customers Investors	Kindly refer to our Strategies to Sustain Value Creation section and the Sustainability Statement.
Business strategy	The Group has set various targets for business performance and remains confident of realising them. In the event that targets are not achieved, there may be implications on financial and non-financial results for stakeholders.	Business model Customer experience	Investors Employees	Kindly refer to our Strategies to Sustain Value Creation section.
Law and legislation	Any change of legislation by governments may lead to MYEG not complying with local laws or having to remodel its services.	Cyber security Intellectual property	Investors Community and general public Employees	Kindly refer to our Sustainability Statement.
Litigation	Any legal suit against the Company would have a branding and possibly financial impact as well.	Cyber security Intellectual property	Investors Employees Community and general public	Kindly refer to our Sustainability Statement.

STRATEGIES TO SUSTAIN VALUE CREATION

- Continual Roll-out of Market Driven Services
- Leveraging Blockchain
- Continued Pivot to ESG Driven Projects / Opportunities (Foreign Workers' Accommodation)
- Raising Capital for Business Development Expenditure
- Investing in Promising Start-up Ventures

CONTINUAL ROLL-OUT OF MARKET DRIVEN SERVICES

As in previous years, MYEG will continue to ensure commercial relevance through the continued development of in-demand services and solutions, in tandem with the evolving needs of market sentiments.

In FY2023, the Group commenced the pilot phase of the MYEG Drive Testing System ("**MYDTS**") and following its successful implementation, JPJ subsequently gave the green light for the full commercial launch of automated driving tests, or e-Testing, to commence from April 2024. MYDTS further expands the comprehensive suite of motor vehicle related services that MYEG offers, accentuating its position as a market leader for such services, and in delivering a one-stop solution for customers.

Abroad, MYEG continued to strengthen its market presence, not only in the Philippines, where the Group has been actively operating since 2017 and continues to onboard more government agencies as partners, but also in new jurisdictions such as Hong Kong, where partnerships were established with prominent Web3 players to position Zetrix as the preferred platform to propel the Special Administrative Region's blockchain ambitions.

These regional milestones are in addition to various pioneering digital services powered by the Zetrix blockchain platform that the Group has embarked upon, such as projects carried in collaboration with Xinghuo BIF, GACC, China Beitou IT and CAICT in China, and the Philippines Bureau of Customs and Cargo Data Exchange Center in the Philippines.

In demonstrating its agility to adapt to changing market dynamics, MYEG continues to re-strategise its offerings from time to time where necessary to ensure it remains relevant and competitive, as seen in the Beli platform's pivot towards a Business-to-Business ("**B2B**") focus going forward.



LEVERAGING BLOCKCHAIN

MYEG's Web3 focus is a principal strategy in accelerating the Group's ongoing shift towards becoming a market-agnostic global business, progressively becoming decoupled to any specific geographical location.

The Web3 strategy, driven by the Group's Zetrix blockchain capabilities, is designed to provide services across regional and global markets and thus firmly entrench MYEG as a global player.

Zetrix's unique positioning as a Layer-1 blockchain platform and the first to be integrated into China's national blockchain network further accentuates its commercial appeal and viability. This makes it highly viable for the development and rollout of a myriad of applications, notably applications related to global cross-border trade and supply chain activities and digitalisation of government-issued credentials.

Hence, the focus on rolling out new, market-oriented digital services that reduce the cost of doing business, remove barriers to entry and enable more democratic, level playing fields across all business sectors. Zetrix will enable business opportunities – promote international trade and develop regional / global supply chains for business to participate in or leverage on to achieve economies of scale and unfettered market access.

Zetrix's increasing contributions attests to the market appeal of the platform and paves the way for future value-accretive developments. The strategic priority for MYEG is to navigate the still-evolving global digital asset regulatory environment, reducing and mitigating risks, while leveraging opportunities to develop commercially viable opportunities, which can be developed into recurring income streams that are not reliant on geographic constraints or limitations.



Efforts are underway to expand coverage of ZTrade to other regional markets, in line with the overarching commitment to connect China to the rest of ASEAN and beyond that, the RCEP region.

Capital requirements for blockchain continued to be funded by internally generated funds and external borrowings. One concern surrounding blockchain is that it is energy intensive, requiring significant electricity consumption for effective implementation. However, MYEG's new generation blockchain solutions are significantly more energy efficient compared to first generation blockchain deployments. Kindly refer to the Group's Sustainability Statement for specific information.

CONTINUED PIVOT TO ESG DRIVEN PROJECTS / OPPORTUNITIES (FOREIGN WORKERS' ACCOMMODATION)

With the convergence of social, legal and market requirements regarding labour conditions, MYEG's further expansion into the niche segment of construction of foreign workers' accommodation is timely.

There is a clear shortage of such accommodation in Malaysia and MYEG is well positioned to meet this need, while providing better living conditions for workers.

MYEG's role in designing and developing the workers village and related facilities at Batu Kawan Industrial Park 3 in Seberang Perai Selatan, Penang is poised to set a new benchmark for the provision of workers housing as well as related facilities and amenities that are in accordance with international best practices.


An artist's illustration of MYEG's future workers' accommodation.

Provision of foreign worker hostels that meet local regulatory requirements and the standards set by international buyers.

Satisfied, healthy workers, reduced incidences of labour and human rights infringements and OSH incidents.

Businesses can continue to operate without risks of fines, site closures, damaged reputation or loss of international buyers.

The workers' village project, located at Batu Kawan Industrial Park 3, is expected to house at least 8,000 foreign workers upon completion. It paves the way for similar projects in the future and importantly, will play a pivotal role in enabling many companies, especially small-to-medium enterprises to ensure regulatory compliant living conditions for workers and thus support businesses in becoming more socially responsible.

The purpose-built workers' quarters will undoubtedly play a part in helping resolve long-standing issues such as foreign workers being placed in inadequate housing or in inappropriate residential areas that may cause unease among existing residents.

The construction of the Group's new projects in Penang, Selangor and Johor are targeted to commence later in 2024, with the requisite approvals already in place.

MYEG is well positioned to contribute to the development of workers' housing given its existing track record in building and managing worker dormitories in Selangor and Melaka (which are presently at full capacity).

RAISING CAPITALS FOR BUSINESS DEVELOPMENT EXPENDITURE

In FY2023, MYEG's Sukuk Wakalah programme raised an additional RM425 million, bringing the total raised through the programme to RM575 million. The Sukuk Wakalah is part of MYEG's Sustainable Financing Framework ("**Framework**"), specifically developed and launched to accelerate MYEG's continued pivot on "green" or sustainability driven projects and initiatives.

The Framework will apply to any forthcoming Green / Social / Sustainable / Sustainable & Responsible Investment ("**SRI**") financings which will be aligned to:

- Social Bond Principles, Green Bond Principles, and Sustainability Bond Guidelines3 of the International Capital Markets Association or as they may be subsequently updated or amended;
- Social Bond Standards, Green Bond Standards and Sustainability Bond Standards of the ASEAN Capital Markets Forum or as they may be subsequently updated or amended;
- Social Loan Principles and Green Loan Principles of the Asia Pacific Loan Market Association, the Loan Market Association and the Loan Syndications and Trading Association or as they may be subsequently updated or amended; and
- SRI Sukuk Framework of the Securities Commission Malaysia ("**SC**") or as they may be subsequently updated or amended.

Proceeds from the said sukuk issuance will be used for the Group's blockchain ventures as well as funding expansion of its foreign worker accommodation projects.

Additionally, the sale of Zetrix tokens has unlocked a new potential revenue stream for MYEG, going beyond conventional financial markets to raise funds for the expansion of the Group's blockchain venture. MYEG successfully launched its Zetrix tokens through an initial exchange offering on Coinstore, a Singapore-based cryptocurrency exchange, in October 2023. Since this launch, Zetrix tokens were listed on Coinstore, MEXC, and BitForex as of October 2023, with Zetrix's token priced at 5 USDT each, with more than 66.7 million tokens in circulation at the time of listing.

INVESTING IN PROMISING START-UP VENTURES

In paving more opportunistic pathways into sustaining long-term growth, MYEG has further ventured into identifying promising start-ups to invest in and support, both at home in Malaysia as well as overseas such as in China.

The Group already has an extended track record of investing in technology start-up companies in Malaysia, with the list including technology businesses such as FashionValet, Stampede Solution and Agmo Studio. In China, MYEG start-up investments include Ximmerse, HiScene and DeepScience Technology.

MYEG views these start-up investments as a promising way to participate in and contribute towards the next generation of technology and innovations with disruptive potentials, while at the same time gaining access to emerging innovations and exploring opportunities for collaborations with partners that can offer solutions that complement and enhance MYEG's service offerings.

The growth potential for these start-ups can also expand to their eventual listing, generating more positive returns on MYEG's investments. Agmo Studio's listing on Malaysia's ACE Market is a case in point.

VALUE CREATION MODEL

As always, MYEG continues to provide its value creation model which provides a concise view of the operation and execution of its business model. The creation of outputs and outcomes is provided from a multi-capital perspective as measured against the inputs consumed, also from a multi-capital perspective.

OUR VALUE CREATION PROCESS AND BUSINESS MODEL

OUR CAPITALS

Financial capital

All financial resources consumed and created by the business model and consumed towards accessing, deploying and creating other forms of capital. These include shareholders' equity, debt and reinvested capital, cash and bank balances and Group assets and liabilities.

Manufactured capital

All physical assets leveraged to execute the business model, implement business strategies and to develop and deliver products and services. These include ICT infrastructure, physical buildings such as the headquarters that houses our corporate office and customer service centres / branches across Malaysia and the Group's fleet of vehicles, machinery and equipment, including company vehicles.

Intellectual capital

Intangible assets such as intellectual property, business know-how, internal process and controls, including standard operating procedures, market insight and understanding more. Intellectual capitals may include research findings as well patents, proprietary technology, trademarks, copyrights and more. It also includes the collective knowledge, experience and expertise of the Group's management and its workforce.

Human capital

The technical and managerial skills, productivity and wellbeing of all employees across the Group, coupled with a company culture and governance systems that foster innovation and compliance.

Social and relationship capital

The nature and dynamics of MYEG's relationships with multiple stakeholders, both internal and external and how these play a role in influencing the effectiveness of the business model as well as capital / resource allocation. These include the innate partnerships, collaborations and interactions developed over time. Social capital also includes the equity value of the MYEG brand

Natural Capitals

All natural resources and materials consumed such as energy, land, water, construction materials and others.

SPECIFIC INPUTS

RM3.22 billion in assets
RM962.02 million in share capital
RM84.14 million in cash and cash equivalents
RM5.93 billion in market capitalisation

351,780 square feet ("**sf**") corporate MYEG Tower
45,328 sf customer service centre located within in MYEG Tower
101 operating e-services centres and 907 kiosks nationwide.
Foreign worker hostels in Selangor and Melaka, with new facilities in the works in Penang and Johor
Fleet of vehicles comprising motorcycles, cars and trucks

MYEG business model
Intellectual property and proprietary business / industry knowledge
Zetrix Blockchain platform
MYEG Web3 capabilities
Online finance services made possible via moneylender's license
Road safety diagnostic kit

2,059 staff strength
34 helpdesk staff and 17 over-the-counter staff
165 management staff
Long-standing industry knowledge, experience and expertise
Empowered organisational culture
Talent development and retention programmes

Mandatory and proactive stakeholder engagements, dialogues, joint ventures partnerships, strategic agreements, knowledge sharing and transfer of technology initiatives and more.

Annual Corporate Social Responsibility ("**CSR**") expenditures

12,264.78 GJ energy consumed
115,704.19 m^3 / litres of fuel
2.35 million kwh electricity consumed
572.18 m^3 water consumed

BUSINESS PROCESS AND OPERATING MODEL

Vision

To be a high value-added provider of globally competitive IT services

Mission

To realise our vision, we strive to:
- optimise our current technological capabilities
- develop employee potential
- enhance stakeholders' confidence
- increase revenue growth through market and product expansion and continuous innovation

Our Business Strategies Realise Our Vision and Mission

Short / Present Term (1-3 years)	Long Term / Future Orientation (4-10 years)
Improve existing product	Customer oriented
Enhance customer experience	Invest in the future
Innovate and grow	Sustainable business
Develop capable employee	Moderate risk profile

We are cognisant of and continue to mitigate against financial, business and operational risks and sustainability related matters:
Please see Sustainability Statement for mitigation measures

Materiality Matters

Cyber Security	Environmental Footprint Management
Business Model	Talent Retention and Development
Intellectual Property	Workforce Inclusivity and Diversity
Customer Experience and Satisfaction	Occupational Safety and Health
Energy Efficiency and Consumption	Community Investment

Our Opportunities Going Forward

We adapt and leverage on relevant macro factors in key markets.
Digitalisation to enhance e-Government services delivery.
Emerging technology like blockchain and AR to improve delivery of services.

STAKEHOLDERS

Our model takes into account the aspirations, demands, rights and perspectives of multiple stakeholders:

Employee
Investors
Customers
Government and Regulators
Shareholders
Community and General Public

OUR VALUE CREATION PROCESS AND BUSINESS MODEL (cont'd)

OUTPUTS	OUTCOMES

Financial Values Created

Revenue **RM774.26** million

Profit before Tax: **RM489.41** million

Cash and cash equivalents: **RM84.14** million

Financial Outcomes

Final dividend payout of **1.68** sen per share for FY2023 subject to shareholders' approval.

RM3.53 million paid in income tax

Total assets of **RM3.22** billion

RM1.32 billion distributable retained profits

RM88.48 million paid in wages

RM10.15 million paid in statutory contributions

RM56.91 million paid to financiers in repayment of borrowings and lease liabilities

RM846.66 million in total borrowings

Low **0.36** times gearing

Manufactured Values Created

Online renewal of vehicle insurance and road tax as well as driving licence.

Last mile delivery of products, e.g. licences, permits.

Provision of vehicle roadside assistance for users.

Beli e-Mart.

Construction of foreign workers housing hostel.

Manufactured Outcomes

Improved efficiency of our one-stop, door-to-door, service experience for customers.

Expansion of services to more customers in Malaysia, the Philippines, and other locations.

Promote use and proliferation of e-services in Malaysia, including e-government services

Intellectual Values Created

Introduction of motor vehicle related solutions including MYEG Drive Testing System, MyMotor, MyAssist, online vehicle auction platform, and online renewal of insurance, road tax and driving licence, as well as online insurance comparison portal, further cements MYEG as a one-stop centre that covers the needs of drivers and motorists.

This includes from providing a large range of new and used vehicles to choose from, providing financial assistance via multiple vehicle financing options as roadside vehicle assistance packages.

Other benefits (related and unrelated) created via the business model include:

- Enabling foreign worker permit and insurance renewal.
- Road tax renewal in one click and delivery of road tax to the preferred destination.
- Varieties of IT related services and products that are attractive to stakeholders.
- Positive technology investment that is expected to perform well in the future.
- Enhancing road safety and facilitating more effective regulation and enforcement.
- Provision of online finance services via MY EG Finance Technologies Sdn. Bhd.
- Completion of pilot phase for MYDTS and commencement of commercialisation, further widening the range of motor vehicle-related services offered by the Group in Malaysia.
- Establishment of Zetrix layer-1 blockchain and Zetrix digital tokens
- New blockchain-related initiatives including ZTrade, supply chain financing solutions, a multi-chain wallet and a digital credentials service ZCert.

Intellectual Outcomes

Provides convenience to customers saving time, travel and contributing to reduced environmental footprint across the customer value chain.

Further enhancement of our unique business model and value proposition.

The ability to retain our market leadership position and to continue setting the pace for the industry.

The ability to operate as a market disruptor and leader through new technology and new offerings.

Expansion of market presence to the regional and global level

Human Values Created

- Competent employees
- Increase in employee engagement
- Long service employee
- Growth in workforce

Human Outcomes

2,059 staff strength

Low attrition rate

Development of highly skilled knowledge based workers to drive Malaysia's digital economy.

Social and Relationship Values created

Greater understanding among key government and business stakeholders on our business model and prospects going forward.

Greater investment analyst and interest among investors – local and foreign, retail and institutional – in the company.

Enhanced trust and confidence in the company among customers and financiers

Stronger interest among other organisations and enttities to form partnerships and collaborations with the company

Social and Relationship Outcomes

MYEG received service extension from JPJ commencing from 23 May 2023 to 22 May 2026

A recent collaboration was formed between MYEG and UM on the expansion of their research collaboration with CAICT to include the development of AI technology

MYEG Philippines entered into an MOU with MVI, CDEC and the Philippines Bureau of Customs to establish a deployment of Zetrix blockchain-based customs clearance and processing services for the Bureau of Customs

Partnership with China Beitou IT Innovation to offer digital verifiable credentials (e.g. IDs, driving licences) to Chinese nationals

Following Summer Capital's announced intention to host nodes on Zetrix, MYEG expanded its expertise and services in Hong Kong via a strategic collaboration formed in January 2024 between Zetrix, Web3Labs Hong Kong, and Summer Capital to further propel Hong Kong's Web3 ambitions and establish Zetrix as the preferred blockchain infrastructure for Hong Kong government-aligned applications

In November 2023, MYEG announced its partnership through Zetrix with Chinese banks, starting with the Bank of China, to initiate a pilot project offering supply chain financing products for international importers and exporters

In June 2023, MYEG entered into a non-binding MOU with Oyika Green Technologies Sdn. Bhd. to collaborate on the use of electric motorcycles and placement of battery swapping stations at designated locations for a trial period

On October 2023, the Ministry of Home Affairs Malaysia extended the services of MYEG as a system provider for the online renewal of work passes - the Pas Lawatan Kerja Sementara ("**PLKS**") - for foreign workers for another two years

MYEG signed a lease agreement with the PDC to build a RM108 million foreign workers' housing in Batu Kawan after the Group emerged as a successful bidder in a tender exercise.

In February 2023 the Group announced that through MYEG Philippines, it had secured an agreement to deliver services for the National Bureau of Investigation for another three years.

MYEG Philippines and SSS PH partnered up to enhance the payment experience for SSS PH members to enjoy a hassle-free and efficient online payment of loans and contributions through MYEG PH's website.

MYEG in February 2024 entered an MOU with SDEC to collaborate in providing electronic government services in Sarawak.

Strategic interest in e-government services provider Heitech Padu Berhad

324.22 tonnes Co_2e Scope One emissions
1,292.60 tonnes Co_2e Scope Two emissions
4,344.94 tonnes Co_2e Scope Three emissions

The emergence of a "greener" business operation that has effectively mitigated the effects of rising energy costs

SUSTAINABILITY OVERVIEW

FY2023 saw MYEG actively enhancing sustainable value creation across three key dimensions: Environmental, Social, and Governance ("**ESG**") to pinpoint pertinent economic and financial values within the Group. MYEG's commitment to sustainability is underscored by a focus on disclosing and evaluating the significant ESG factors inherent in the Group's business operations. This approach ensures that the Group maintains industry-standard sustainability governance across all segments of its business activities.

As a respected national and regional leader in the provision of commercial and concession digital services, MYEG recognises the importance of contributing to the broader national development agenda. This commitment extends to supporting the advancement of our society, environmental initiatives, employment opportunities, labour rights and community development and more where necessary.

FY2023 HIGHLIGHTS AND ACHIEVEMENTS

8 UNSDGs adopted since 2017

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 10 REDUCED INEQUALITIES | 11 SUSTAINABLE CITIES AND COMMUNITIES | 13 CLIMATE ACTION

4-Stars
in Bursa Malaysia's ESG Ranking

This puts MYEG in the top **25th** percentile of companies for good ESG disclosure and performance

3.8
FTSE4Good Index Score

(included in the FTSE4Good Bursa Malaysia Index since 2017)

FTSE4Good

ECONOMIC

Revenue
RM774.26 million

Group Profit After Tax
RM486.84 million
Profit Before Tax
RM489.41 million

Cash and Cash Equivalents
RM84.14 million

ENVIRONMENTAL

21.04%
Reduction in Scope 2 Emissions

10.19%
of Waste Recycled

718 units
E-waste Items Disposed

SOCIAL

2,059
Total Employees

311
New Hires

978
Total Employees Received Training

35
Interns Hired

0
Workplace Fatalities

40.55%
Female Employees

52
Total Number of Beneficiaries of Community Investment Activities

8,067 total hours
Employee Training

95.53%
Permanent Employees

UNSDG

In FY2023, the Group made further advancements in its embraced UNSDGs as shown in the table provided. The recent adoption of two additional UNSDGs, UNSDG 9 and UNSDG 11, in the last financial year has further spurred MYEG's alignment with our various ESG-relevant management objectives and strategies. The "Group Achievements and Highlights" section of the table outlines the goals MYEG successfully reached in aligning with the UNSDGs, while the "Upcoming Plans" segment outlines the Group's possible forthcoming initiatives:

UNSDG	UNSDG DESCRIPTION	GROUP ACHIEVEMENTS AND HIGHLIGHTS	UPCOMING PLANS
	Ensure healthy lives and promote well-being for all at all ages.	**For the Group:** • Remained invested in affordable medicine and healthcare insurance for all employees. **For employees and the community:** • Organised mutiple blood donation campaigns to promote awareness of inculcating a culture of helping others. • Posters / e-mail notifications / health tips on practising self-cleanliness were provided to better prevent COVID-19 infections. • Ensured legal compliance for safe and healthy work procedures. • Work from home arrangements are instituted when necessary to ensure safety and health of employees and stakeholders.	• Maintain suitable employee healthcare benefits. • Continue working closely with Komuniti (MYEG's CSR arm) to engage in health-related CSR initiatives.
	Achieve gender equality and empower all women and girls.	• Continued upholding fair labour recruitment practices. • Remained proactive in bolstering equal opportunity in the workplace, particularly granting equal opportunities in leadership roles for women in MYEG's workforce. • Maintained a zero-tolerance approach to bullying, sexual harassment and unethical behaviour is maintained at the workplace, and employees are encouraged to report ethical misconduct cases without being exposed or dismissed. • Any proven case was subjected to appropriate actions being taken to address and mitigate them.	• Introduce new effective safety measures for women in the workplace. • Further enhance the grievance mechanism's accessibility. • Ensure MYEG's female employees' full and effective participation in equal workplace opportunities and for leadership roles at all decision-making levels. • Enhance the workplace's support structure for pregnant female employees beyond maternity leave provision.

UNSDG	UNSDG DESCRIPTION	GROUP ACHIEVEMENTS AND HIGHLIGHTS	UPCOMING PLANS
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	• Continued the Group's internship programme for various departments. • Contributed RM442,418.01 in levy for Human Resource Development Funds in FY2023. • Provided relevant job-related skills and motivational trainings to selected employees (please refer to the Talent Training and Development section for more data). • Provided training and education for sustainable development to all employees. • Held CSR-focused education initiatives.	• Expand the employee training and development budget and include more training modules to foster a more holistic workforce. • Collaborate with government entities and higher education institutions to better align internal training and education directives as related to MYEG's business and CSR goals, including responsible management. • Introduce more training initiatives (e.g. internships, work-study programmes, traineeships, etc.) that give students earlier access and exposure to the corporate working environment. • Provide employees with continuous on-the-job opportunities to improve their job-related skills for their current and future employment and promotion. • Develop cost-effective education products and services that eliminate barriers to access and improve quality learning experiences (e.g. ICT solutions to improve training delivery, innovative measurement tools, etc.).

UNSDG
(cont'd)

UNSDG	UNSDG DESCRIPTION	GROUP ACHIEVEMENTS AND HIGHLIGHTS	UPCOMING PLANS
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	• Bolstered business sustainability by entering new sectors via new services that provide more accessibility and convenience to citizens and governments. These new services leveraged on socioeconomic trends, such as healthcare and blockchain. • Consistently delivered financial and non-financial values for stakeholders such as healthy earnings, shareholder dividends and more. • Contributed indirect economic values such as statutory payments to the government, employees' salaries, repayments to financiers and development of local supply chains. • Continued practising non-discrimination in employment. • Maintained equal remuneration, including benefits, for work of equal value. • All employees received, at minimum, a living wage. • An established MYEG's Sustainability Working Group, with clear reporting structures and mechanisms, that is integrated into the overall sustainability governance structure. • Conducted a refresher materiality assessment exercise for FY2023.	• Explore potential new sectors to enter through innovative services and provide timely and consistent value to MYEG's platform and its consumers. • Invest in or mentor young entrepreneurs to inculcate an entrepreneurial culture. • Review MYEG's services and products continuously to retain efficiency and timeliness. • Propagate blockchain utilisation across operating markets, especially Malaysia, through possible governmental collaboration. • Introduce commercial services on MYEG-owned Zetrix blockchain to be accessed globally. • Carry out development of planned foreign worker hostels and remain on the lookout for land / properties to build more facilities to aid foreign workers housing initiatives in the country.
	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	• Successfully maintained the Sukuk Wakalah Programme which will, in some capacity, help finance the groundwork for more foreign hostels to be built with green infrastructure capacities in mind.	• MYEG plans to enact more certified foreign worker accommodation that will be built based on the relevant green building standards such as installation of RE, rainwater harvesting and storage system to increase resource-use efficiency.

UNSDG	UNSDG DESCRIPTION	GROUP ACHIEVEMENTS AND HIGHLIGHTS	UPCOMING PLANS
	Reduce inequality within the workforce.	• Bolstered accessibility of healthcare and financial services through relevant e-services to pivot MYEG as a platform that aims to reduce inequality in key spaces. • Continued support of PROTÉGÉ ready-to-work programme and creating job opportunities by giving candidates on-the-job training with multiple job skills within 6 months in order to reduce inequality in candidates' skillsets. • Implemented and participated in various CSR activities designed to provide socio-economic improvement for targeted community segments. • Continued providing balanced employment opportunities as an equal opportunity employer. This includes providing opportunities to those who have physical disabilities. • Continued to progressively close the gap in equality when it comes to remuneration for male and female employees based on their job positions in the Group. • Ensured relevant internal employee training modules remained accessible to as many employees as possible.	• Further reduce education inequality through maintaining and expanding education-driven CSR projects. • Align future partnerships with charities and donation drives to better tackle timely matters such as COVID-19, flood disasters, etc. • Provide consistent support for the government-organised PROTÉGÉ programme at MYEG. • Actively seek to make permanent accessible and inclusive hybrid work communication channels, with digital or face-to-face communication available to all employees, to foster a cohesive and equal work environment. • Strengthen the workplace's accessibility and inclusivity for physically-disabled individuals. • Intake of candidates via recruitment drives at institutions of higher learning.
	Make cities and human settlements inclusive, safe, resilient and sustainable	• In the medium to long-term, MYEG's application of blockchain enables more services to become 100% digital with enhanced security, credibility and verifiability and thus reduce the requirements for manual delivery in communities to complete the last-mile loop. • MYEG's holistic digital services reduce, and in some instances, eliminate the need for people traveling using vehicles, which contributes to a sustainable society.	• Incorporation of green building standards that pay attention to air quality and waste management in foreign worker hostels and/or refurbishment projects will contribute to the reduction of environmental impact. • Consider viability of renewable energy sources e.g. solar, at business/ operations premises.

UNSDG
(cont'd)

UNSDG	UNSDG DESCRIPTION	GROUP ACHIEVEMENTS AND HIGHLIGHTS	UPCOMING PLANS
	Take urgent action to combat climate change and its impacts	• Fortified MYEG's holistic climate change commitments via drafting and enacting the MYEG Climate Change Commitment Statement, which follows the Statement of Commitment to Addressing Climate Change Risks and Impacts enacted earlier. • Maintained alignment of climate change initiatives with key governmental and international organisations, including adopting UNSDG 13 that is related to climate change. • Ensured climate change is a material topic under the oversight of the Board and Senior Management. • Continued Scope 1 and 2 carbon emissions monitoring. • Began Scope 3 emissions tracking, including monitoring and disclosing fuel consumption data of MYEG's vehicle fleet along with the related employee commuting and business travel emissions. • Embarked on setting meaningful environmental-related intensity / efficiency KPIs and targets to enhance environmental and climate change impacts management as well as mitigation. • Zetrix blockchain is designed to use a Proof of Stake consensus mechanism which ensures extensive energy savings (of up to 99%) compared with many other existing Proof of Work platforms.	• Strengthen governance and policy-driven approaches when it comes to setting the pace of climate change commitment within the organisation. • Potentially link remuneration to climate change and related sustainability targets. • Explore the innovation of the tokenisation of carbon credits. • Possibly hold a general, organisation-wide Sustainability Day initiative, where relevant training on climate change, briefings can be held for employees as part of the event's activities. • Progress towards a more comprehensive adoption of the TCFD reporting framework.

SUSTAINABILITY GOVERNANCE

MYEG places significant emphasis on sustainability governance, considering it as a leading priority for the Group. The governance structure plays a vital role in overseeing various aspects of the MYEG organisation. To ensure effective governance, it is essential to identify the key subjects or issues such as financial management, compliance with regulations, risk management, environment impact, social responsibility and ethical standards that fall under the respective business units or division heads' purview.

Oversight of this governance is diligently carried out by the Group's Board of Directors. The Board assumes responsibility for deliberating on sustainability and ESG priorities, which are subsequently integrated into the Group's strategies, operations and key objectives. The outcomes of these deliberations are communicated to MYEG's Senior Management, which then incorporates and adheres to these ESG priorities in the formulation of future plans. This is in addition to the Board addressing conflicts of interest and / or related party transactions, as per MYEG's Director Fit and Proper Policy and Conflict of Interest Policy.

At every quarter, Board and committee meetings are held and in addition to the quarterly meetings, special Board meetings shall be convened as and when required to consider urgent matters that require the Board's expeditious review and consideration. All individual Board members are to attend Board and respective Board committees' meetings.

The elevated importance of MYEG's sustainability matters is the primary rationale for managing them effectively, which will also ensure the maintenance of established standards across the Group. Ongoing enhancements and advancements to material sustainability matters are implemented in response to the evolving nature of these crucial matters.

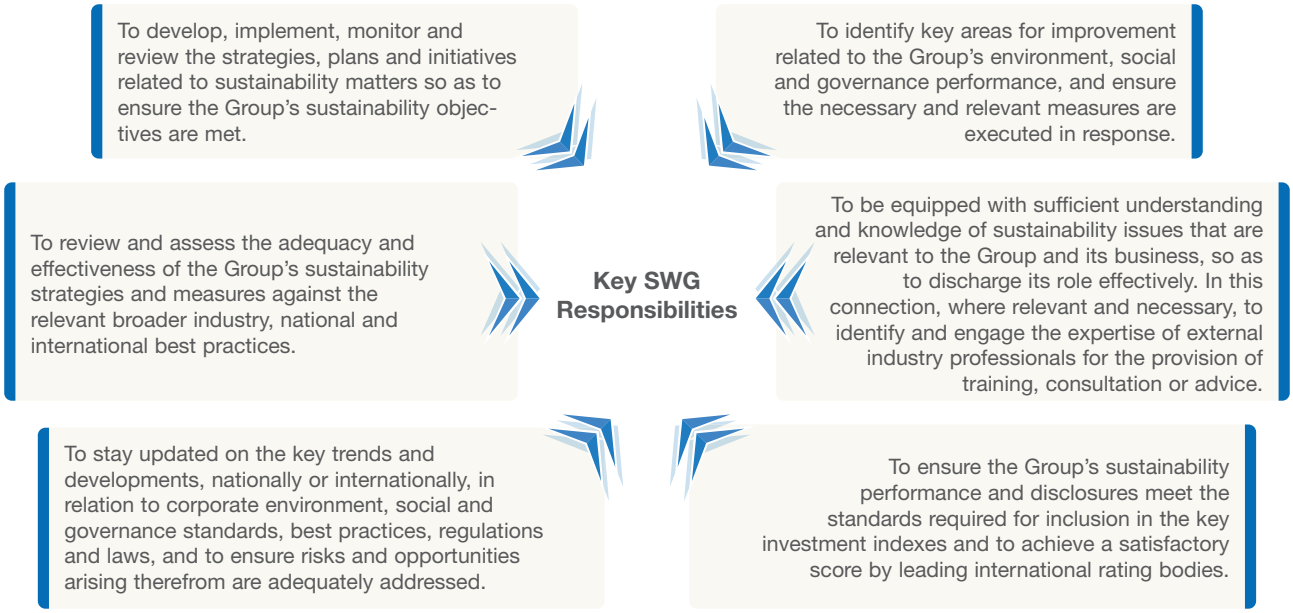
MYEG's sustainability governance structure is designed to foster the formulation of the Group's sustainability strategies. Its efficacy largely derives from robust linkages among the various groups operating within the structure. Below outlines MYEG's sustainability governance structure:

WHO	SUSTAINABILITY ROLES AND RESPONSIBILITIES	
Board of Directors	Deliberates and determines the Group's sustainability strategies and policies with a focus on ESG aspects.	
Senior Management	Oversees the overall strategy implementation process.	Reviews sustainability-related information and presents it to the Board.
Sustainability Working Group	Develops, implements, monitors and reviews the strategies, plans and initiatives related to sustainability matters.	Prepares, collectively or through a designated member, updates as well as advises senior leadership and / or the Board on its activities when requested.
Business Units & Division Heads	Operationalise the plan in the respective business units and divisions.	Collate sustainability related information against measurable indicators to provide resolution and facilitate informed decision-making.
Working Level	Implement the plan in their respective job functions.	

Significantly, the Sustainability Working Group ("**SWG**") plays a pivotal internal role in driving the Group's ESG agenda within the sustainability governance structure. The SWG assumes a crucial function in ensuring the effective implementation of MYEG's sustainability strategies and plans This implementation is strategically supported by disseminating the ESG implementations of the Board and Senior Management to the supervisory and working levels of the Group.

Members of the SWG comprise all Heads of Departments, who are primarily selected due to the close correlation between sustainability and each department's operational functions at MYEG. The composition of the SWG may be revisited periodically, subject to consensus among existing members, to facilitate the discharge of its duties in the most effective and efficient manner. Additionally, the Group may extend invitations to other employees or executives within the company or seek the participation of external professional advisors or consultants in meetings, as necessary. SWG convenes several times each year, physically or virtually, to carry out its functions.

Key responsibilities of the SWG include:



In FY2023, the SWG governance structure was involved in the organisation and participation of an Integrated Reporting / sustainability reporting training and workshop (with a focus on TCFD, Bursa Malaysia and other international reporting guidelines). The agenda also included carrying out a new materiality assessment exercise as well as setting of relevant sustainability KPIs and targets at a granular level, with these targets aimed at helping MYEG realise the broader 2050 net zero target. The sustainability governance structure also adopted an updated Statement of Commitment to Addressing Climate Change Risks and Impact.

MYEG has a dedicated Audit Committee ("**AC**") and Risk Management Committee ("**RMC**") which can be referred to the Group's Corporate Governance Report ("**CG Report**") or the Corporate Governance Overview and Corporate Governance Statement section of this report for more information. Our CG Report also covers detailed disclosures related to MYEG's corporate governance and is available for download at *https://www.myeg.com.my/investor-relations/reports-presentations*.

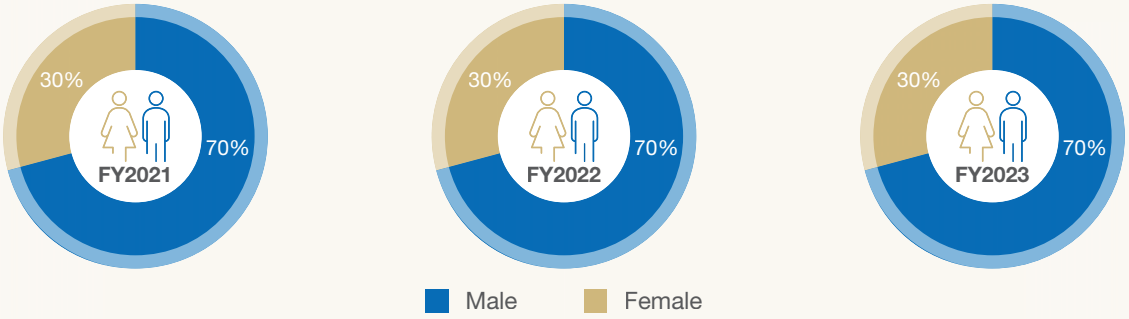
BOARD COMPOSITION

MYEG cultivates a diverse range of top leadership perspectives within its Board composition, comprising qualified individuals with extensive experience, diverse knowledge and varied professional backgrounds. This robust Board diversity fosters the emergence of different viewpoints, contributing to a more robust and informed perspective that strengthens strategic decision-making and leadership capabilities.

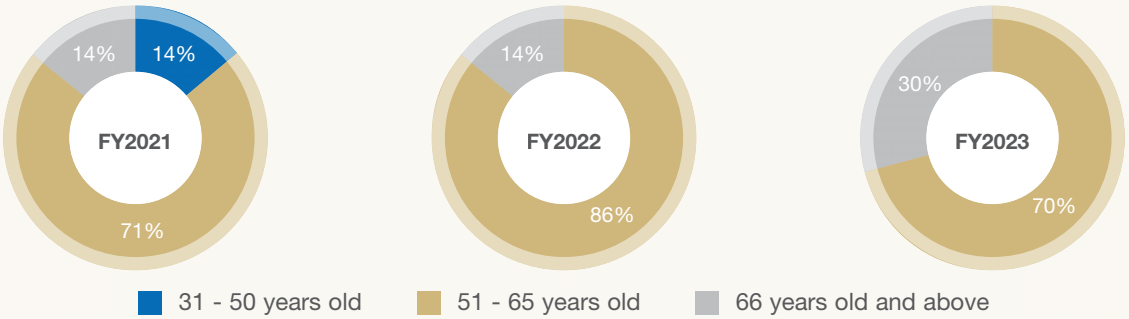
MYEG currently has approximately 30% of female representation on the Board with two female Board directors. The Board believes the current composition has the necessary skills and competencies to effectively discharge their duties and responsibilities, and has an annual evaluation that assesses the Board's effectiveness. The Board will maintain a register of potential directors that includes high-calibre female candidates to be appointed when needed, to ensure it remains aligned with the Malaysian Code of Corporate Governance's ("**MCCG**") target of having at least 30% women directors on the Board for listed issuers.

More information on the Board can be read in the report's Corporate Governance Overview and Corporate Governance Statement.

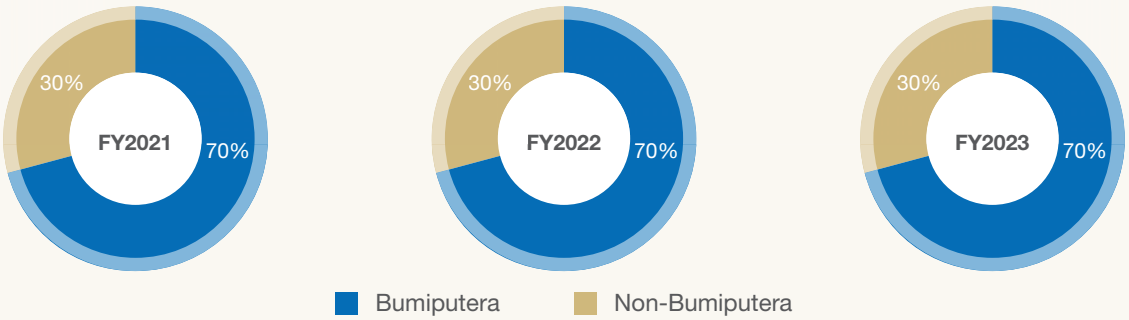
Board Gender Breakdown



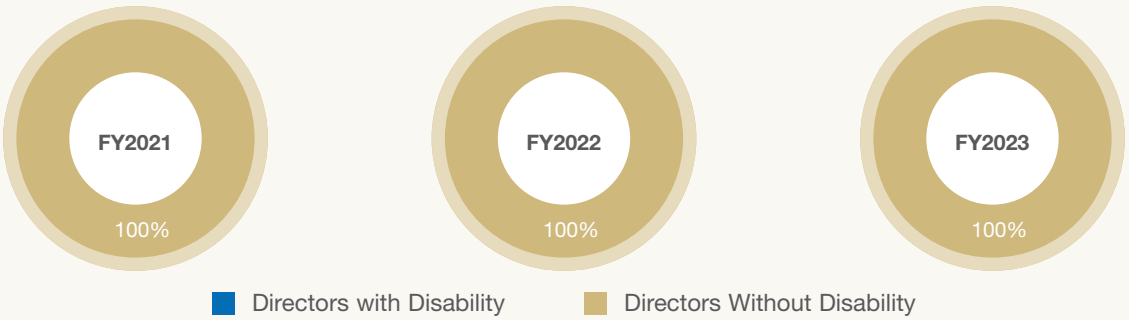
Board Age Group Breakdown



Board Ethnicity Breakdown



Board Disability Breakdown



MYEG'S CORPORATE GOVERNANCE POLICIES

MYEG is committed to fostering accountability, integrity and ethical conduct at all levels of the organisation by adhering to best practices of corporate governance. MYEG recognises that good corporate governance is important in mitigating risks, providing a strong foundation for long term success, increasing investor confidence and enhancing brand reputation. Conversely, poor corporate governance can diminish the value and reputation of the Group.

The Board recognises the importance of corporate governance and is committed to ensure that the principles and best practices in corporate governance as set out in the MCCG and Corporate Governance Guide (4th Edition) are observed and practised throughout the Group.

Therefore, in addition to the sustainability governance structure, MYEG's corporate governance and sustainability governance approach are also guided by the following policies:

Category	Policy
Sustainability	Environmental Policy
	Human Rights Policy
	Non-Discrimination and Equal Employment Opportunity Policy
	Safety and Health Policy
	Sustainability Policy
	Statement of Commitment to Addressing Climate Change Risks and Impacts
Corporate Governance	Board Charter
	Code of Conduct
	Code of Ethics
	Code of Business Ethics
	Corporate Disclosure Policies and Procedures
	Conflict of Interest
	Anti-Bribery Procedures for Managing Stakeholders
	Anti-Bribery and Anti-Corruption Policy
	Whistle Blowing Policy
	Risk Management Policy
	Directors and Senior Management's Remuneration Policy
	Directors Assessment Policy
	Directors' Fit & Proper Policy
	Independent Directors' Tenure Policy
	Insider Dealing Policy
	Succession Planning Policy
	Share Buyback Policy
	Terms of reference of Risk Management Committee
	Terms of reference of Remuneration Committee
	Terms of reference of Nomination Committee
	Terms of reference of Audit Committee
	Terms of reference of Sustainability Working Group
	Terms of reference of Employees' Share Option Scheme Committee

At MYEG, there is a separation of positions and roles of the chairman and GMD. When it comes to remuneration of senior executives, MYEG has a Directors and Senior Management Remuneration Policy.

MYEG remains committed to rotating its auditor-in-charge during the commencement of each audit cycle, with each cycle using a different audit person. Despite Malaysia entering the endemic phase of the COVID-19 situation, auditor visits are still carefully scheduled to maintain the health and safety of the auditor involved.

Full disclosure on the policies above can be downloaded from our Investor Relations portal at *https://www.myeg.com.my/investor-relations/governance*. These policies are annually evaluated to maintain its durable efficacy, or amended if there are updates by relevant regulatory bodies or Acts.

RISK MANAGEMENT

Effective risk management is an integral part of MYEG, recognising the importance of a sound risk management system across all aspects of the organisation in enabling the Group to assess, minimise and mitigate potential risks that may have an adverse impact on the organisation, including safeguarding shareholders' investments, the Group's assets, and other stakeholders associated with MYEG's operations.

MYEG's Risk Management Policy is the starting point in the risk management initiative and has been prepared to ensure that risk management becomes a concern for every personnel in the Group and that risk management practices are consistent throughout the Group, involving employees at all levels within the different business units (i.e. departments, sections, and business centres) of the Group. Other than using ISO31000 framework as MYEG's risk management standard, MYEG also refers to GRI, IIRC and related reporting frameworks to help inform its risk management system.

The Head of Departments of various functions support the Risk Management Committee ("**RMC**") in overall risk management process by assessing key strategic and operational risks.

The RMC raises any potential risks it identifies to the Board, given that the Board maintains ultimate oversight of the risk management process at MYEG. These potential risks are subsequently deliberated at scheduled Board meetings.

Material ESG topics and related risks are progressively being discussed and embedded in MYEG's overall risk approach, given that ESG issues are having a growing impact on a variety of factors such as financial and non-financial value creation, access to financing and brand reputation and more. MYEG's system of internal control and risk management practices therefore continuously evolves to meet the changing and challenging business environment, which includes preparing for possible major ESG catastrophic events and incidents by having in place suitable response plans.

The full details on the Group's risk management framework and structure can be referred to in the Risk Management and Internal Control Statement of this report on page 154.

STRONG ANTI-BRIBERY AND ANTI-CORRUPTION POSITION

MYEG does not engage in, nor condone, corrupt practices of any form, recognising that corruption can lead to financial losses as well as damage the Group's reputation and brand, which can then affect the trust among users, investors and stakeholders.

MYEG's robust Anti-Bribery and Anti-Corruption ("**ABAC**") policy stance continues to be maintained, in pursuant of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("**MACCA**").

The MACCA came into force on 1 June 2020 and denotes that commercial organisations are liable and punishable if found to be involved in bribery. Potential liability extends to the company's directors, officers, partners, employees and others who are tied to the company's management, affairs and operations.

In alignment with MACCA, the Group has established an ABAC Framework that sets out the Group's stance against bribery and corruption, as well as adequate procedures for managing bribery and corruption risks in the Group's businesses, regardless of the country of operation. Following the establishment of the ABAC Framework, the Group has adopted the ABAC Policy and Anti-Bribery Procedures for Managing Stakeholders.

MYEG's Board-approved ABAC Policy continues to be stringently enforced at all operating levels within MYEG involving both internal and external stakeholders such as suppliers and vendors. This displays the great lengths MYEG has gone to ensure this policy's implementation. The Board receives all relevant information on MYEG's ABAC agenda through the Audit Committee ("**AC**") and RMC.

The Board oversaw, reviewed and approved the Group's ABAC Framework, policies (Whistleblowing Policy, ABAC Policy), and codes (Codes of Conduct, Code of Ethics and Code of Business Ethics).The full enhanced framework, policies and codes are available on MYEG's website under the Investors Relations section at *https://www.myeg.com.my/investor_relations/governance*.

ANTI-BRIBERY AND ANTI-CORRUPTION TRAINING AND COMMUNICATION

Anti-bribery and anti-corruption training remain essential to MYEG to foster better understanding and enforcement of the Group's ABAC policies and practices. Board members are entrusted to lead from the top to develop the Group's ability to govern whilst maintaining a high-level of integrity simultaneously, and therefore receive important ABAC training aligned to their leadership attributes and experience.

The necessity of ABAC training persists as a crucial element for MYEG to cultivate a deeper comprehension and implementation of the Group's ABAC policies and practices. Board members, as leaders at the Group's helm, bear the responsibility to set the tone from the top to foster the Group's governance capabilities while upholding a high level of integrity, which is why they undergo significant ABAC training tailored to their leadership attributes and experience.

However, not only do Board members receive ABAC training, but so do other employees at a non-senior decision-making level. Therefore, employees, Board members, Heads of Department ("**HODs**") and senior decision-level decision makers have all been exposed to various anti-corruption refresher courses and related training programmes throughout FY2023 to enable them to continue performing their fiduciary and statutory duties.

MYEG's yearly ABAC refresher course was successfully conducted in FY2023, with strong participation attendance from employees.

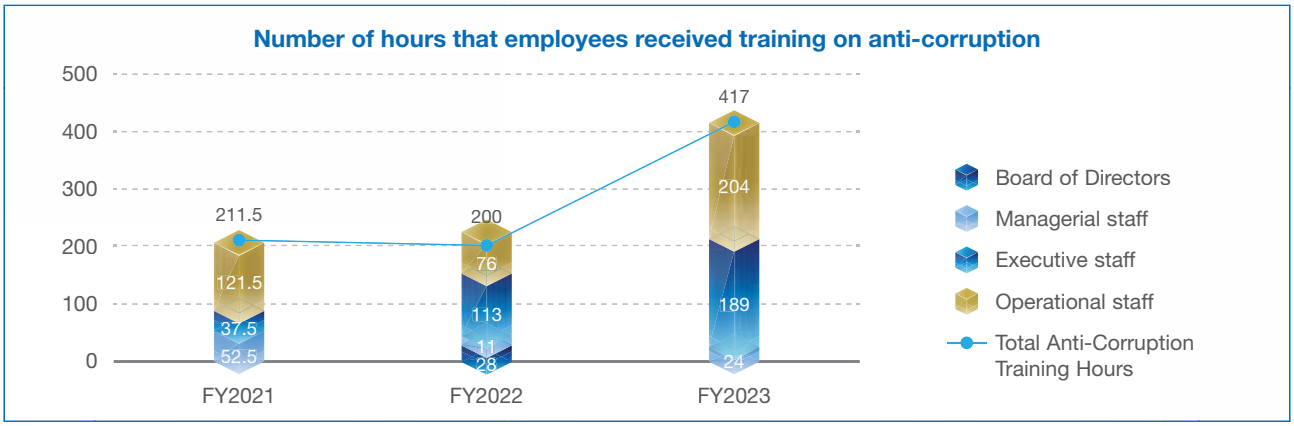
FY2023's yearly ABAC refresher course was held physically which allowed easier teaching of the course's content to attending participants. MYEG continues to remain determined in ensuring as many participants as possible attended this yearly ABAC refresher course, which is detailed below:

Training Agenda	Training Objective	Training Outcome
• Overview of the ABAC Framework II • ABAC Policy • Governance structure and corruption risk management • Managing transactions • Your business ethics (as MYEG employees) • Your responsibility in managing MYEG's external parties • Other enforcement and monitoring efforts • Getting help • Making a report	• To deploy various communication tools and methods to raise awareness on the ABAC Policy and the Group's anti-bribery and anti-corruption stance amongst its stakeholders • To create an awareness in the organisation on the importance of employees in preventing bribery and corruption	• Team members are compliant with ABAC Laws • To create a culture of integrity within MYEG • Regular training will provide staff with a thorough understanding of the policies and legal requirements necessary for an ethical workplace • To highlight the importance of the staff's role in preventing bribery and corruption.

	FY2021	FY2022	FY2023
Number / % of Board MYEG directors members that received anti-corruption training	-	7 / 100%	-
Number / % of managerial staff (out of the total count of managerial staff of the respective year) that received anti-corruption training	35 / 18.9%	11 / 5.9%	58 / 35.15%
Number / % of executive staff (out of the total count of executive staff of the respective year) that received anti-corruption training	25 / 2.77%	113 / 14.3%	168 / 22.7%
Number / % of operational staff (out of the total count of operational staff of the respective year) that received anti-corruption training	81 / 5.54%	76 / 5.68%	163 / 14.11%

Note: Given that MYEG's directors had official anti-corruption training in FY2022, MYEG did not conduct anti-corruption for them in FY2023, however refresher courses are planned to be executed when needed for directors and employees.

As of FY2023 at MYEG:



All employees are also required to sign a Code of Conduct Acknowledgement and Declaration form. Anyone found breaching the codes will be reprimanded accordingly.

MYEG takes its ABAC Policy very seriously, and strong measures are always taken to consistently improve the Group's initiatives under the ABAC agenda. MYEG utilises various channels such as social media, its Employee-Self-Service ("**ESS**") portal, employee handbooks and manuals, meetings, e-mails, HOD reminders as well as many more to spread better awareness of ABAC beyond the refresher training courses. More on MYEG's related anti-corruption policies can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

MYEG aims to spread awareness about ABAC principles to proactively prevent any illegal activities within the organisation. The objective is to empower all employees and Board members with the ability to readily recognise potential corrupt actions and report them as potential threats. This can be accomplished through the designated channels of the Group's whistleblowing and grievance mechanisms, which serve to alert management of any such incidents.

To keep staff constantly aware about MYEG's stance on corruption and bribery, the Group's HODs periodically remind employees about the disciplinary actions that could be brought upon them if they fail to comply.

ASSESSMENT OF POTENTIAL CORRUPTION-RELATED RISKS

The corruption risk assessment is done specifically with the departments involved in dealing with third party / intermediaries. Any intermediaries that have business dealings with MYEG shall declare their compliance to the ABAC standards, which is practised regularly to ensure they comply with MYEG's regulation on anti-corruption.

	FY2021	FY2022	FY2023
Percentage of operations assessed for risks related to types corruption (%)	100%	100%	100%

100% of MYEG's operations have been assessed for corruption-related risks. Certain departments in the organisation have been deemed more susceptible to corruption risks, particularly the Procurement Department. Other departments are those which deal with or have direct contact with customers, agents, suppliers, business partners, and authorities. These identified departments are:

- Admin Department
- Technical Department, i.e. Infrastructure and Network
- Fulfilment Department, i.e. Delivery Officers
- Operations Department, i.e. Customer Service for Immigration Services

MYEG remains aware of the higher risk of its Procurement and Logistics personnel, and therefore consistently require the personnel to undergo internal assessments as well as sign a document to signify their acknowledgement of the Group's ABAC Policy. These assessments also allow the Group to thoroughly evaluate, and subsequently rectify, any procedural gaps regarding anti-corruption framework implementation within the organisation. In FY2023, MYEG updated its risk assessment for high-risk departments, which is reported quarterly to the Risk Committee.

MYEG remains an apolitical organisation, and thus does not favour or promote any political party. MYEG has not made donations to any political party. Nonetheless, MYEG may occasionally take part in CSR-driven charitable or nation-building events organised by the government or other public entities.

MYEG also, has not, and will not, condone any form of corruption. In FY2023, there were zero incidences of corruption at MYEG.

GIFT GIVING AND RECEIVING, ENTERTAINMENT, HOSPITALITY

Any gift, entertainment, hospitality provided to the Group or received by employees shall be authorised, processed, and recorded in accordance with internal policies and procedures established by the Group.

Employees must avoid giving or receiving gifts which may be construed as bribes or could elicit biased judgement in business relations. No gift shall be given to any officer of a public entity or external corporation on the Group's behalf. The Group and its employees do not give or receive gifts apart from gifts due to customary business or cultural occasion and corporate gifts which are subjected to applicable internal policies and procedures. The Group and its employees are strictly prohibited from giving or receiving gifts in the form of cash or loans.

The Group and its employees can only provide entertainment and hospitality in the form of food and beverage which shall be appropriate and moderate. More info about MYEG's policy on gift giving and receiving, entertainment and hospitality can be found in the Group's ABAC policy at *https://www.myeg.com.my/investor-relations/governance*.

SUPPLY CHAIN GOVERNANCE AND COMPLIANCE

MYEG is committed to eradicating any elements of corruption not only within its own organisation but also across the Group's supply chain. The supply chain involves various parties, including vendors, suppliers, contractors, and agents. To ensure that participants in the supply chain comprehend MYEG's ABAC policies, a Code of Business Ethics - Acknowledgement and Declaration form is mandated. Third-party business partners are required to comply with and sign this form, reinforcing their commitment to uphold MYEG's ABAC standards.

More safeguards are also in place to further reinforces MYEG's ABAC policy:

- The Group established a Vendor Evaluation Committee that specifically focuses on corruption within the supply chain.
- Logistic officers involved in handling road taxes and foreign worker permits are also put through extensive ABAC Policy training.
- MYEG also makes periodic audits on supply chain partners, and any entity within the chain that is found not complying with MYEG's ABAC Policy will be blacklisted and restricted in terms of access to MYEG. In some cases, contract termination and legal action may be taken.
- Inclusion of the requirement for at least three quotations to be obtained for all business transactions and all business contracts under MYEG are required to attach the official copy of MYEG's ABAC Policy. Acknowledgement of this document is mandatory to ensure business partners are fully against corrupt practices and MYEG can continue to maintain good corporate governance.
- The Group's tender process also involves itself visiting its vendors' business premises, when it is necessary and feasible to do so.

For MYEG, a wide range of different acts fall under the category of what is deemed as a corrupt practice. Examples include elements of bribery, gifts, receiving favours of any kind, misuse of power, theft, fraud, forgery of documents, money laundering, blackmail, using insider information for personal gain, and so forth. MYEG's policies also address ESG factors such as anti-corruption, child labour, forced labour, occupational safety and health ("**OSH**"), minimum wage, gender and racial discrimination, equal opportunities, excessive working hours, collective bargaining, freedom of association, energy use, climate change impacts, water and resource use, biodiversity impacts, waste management and notable environmental issues.

The Group holds a firm stance on its ABAC policy and any non-compliance will not be accepted given that all parties have been provided with pertinent knowledge of the Group's policies. Any breach of MYEG's policies will be subjected to appropriate consequences and actions being taken.

IDENTIFICATION OF HIGH-RISK SUPPLIERS

MYEG consistently and diligently identifies high-risk suppliers within its supply chain, if any, through an annual analysis that considers factors such as the suppliers' purchase value, critical item suppliers and sole suppliers. High-risk suppliers are identified due to the nature of items they are supplying, such as IT hardware and software, kiosks, as well as renovation and maintenance works.

The Group conducts its yearly Vendor Performance Evaluation on suppliers with a purchasing value that contributes 80% or more of annual purchases. This is done to ensure the consistent supply from major suppliers and the overall supply chain continues smoothly and with integrity. Data on MYEG's suppliers' assessment for the past three years are as follows:

	FY2021	FY2022	FY2023
Number of suppliers screened / audited for good ESG performance	64	72	59
Number of suppliers removed from procurement list or cautioned for poor ESG performance	Nil	Nil	Nil
Number of suppliers endorsed under Anti-Bribery & Anti-Corruption policies	64	72	59

Suppliers are assessed on their contract term and specification compliance, price competitiveness, timeliness of their work, professionalism, customer service, communication and accessibility, prompt and effective correction of situations and conditions as well as documentation and records received in a timely manner. Suppliers are also subjected to product quality assessments and customer satisfaction surveys.

Obtaining the most competitive price is done through a price comparison exercise, which allows MYEG to compare and contrast the different prices available on the market. To further ensure the price obtained is the most cost-efficient, purchases go through multiple levels of approval from Management before final approval.

In addition to annually continuing the Group's Vendor Performance Evaluation, MYEG also closely monitors its stock level by reviewing stock reports on a weekly basis and is constantly on standby to buffer its stock. The Group continuously expands its sourcing strategy in order to source for backup suppliers to work with.

NUMBER OF SUPPLIERS AUDITED ANNUALLY

MYEG's best practice in supplier audits is to always audit its suppliers, especially new suppliers on the average of one supplier per month.

MYEG began carrying out on-site physical audits ever since all economic sectors opened post the pandemic. These supplier audits continue to be supported by the annual Vendor Performance Evaluation on top-ranking suppliers and regular-purchase suppliers. MYEG evaluated performances of top suppliers that contributed 80% or more of annual purchases.

DUE DILIGENCE ON NEW AND EXISTING SUPPLIERS

MYEG conducts due diligence on both new and existing suppliers. The Group mandates that all new vendors complete the New Vendor Registration form, requiring them to declare their adherence to ABAC standards. This due diligence process is conducted regularly to verify and ensure that MYEG's suppliers consistently align with the standards set by the Group.

On ABAC compliance, MYEG also briefs, communicates and seeks vendors' clear acknowledgment and commitment to comply with the Group's ABAC Policy. Vendors that are non-compliant will be immediately phased out of MYEG's supply chain.

The Group also evaluates potential vendors' company backgrounds from their financial reports and / or annual reports to identify their financial strength and capabilities. In addition, the Group conducts site visits to vendors' premises as well as review vendors' customer references, past project track records, business licensing including certification on quality, system and environmental from independent authority. These steps are undertaken to garner a more holistic view of their business operations.

SUPPLIERS' ESG PERFORMANCE

MYEG ensures that its new and existing suppliers meet the Group's standards of ESG compliance and performance. The Group ensures that in its supplier assessment, its suppliers comply with the relevant ESG policies and principles that the Group adheres to such as policies on child labour, forced labour, ABAC Policy, OSH Policy, minimum wage, gender and racial non-discrimination, equal opportunity, labour laws in working hours, energy usage, waste management as well as other related social or environmental issues and policies. For FY2023, a total of 59 suppliers had been assessed under these social impacts.

MYEG also makes sure that suppliers have or obtain relevant supporting documents and certifications, which is also a key factor in determining the suppliers' ESG performance.

These relevant supporting documents and certifications involve valid licences from professional bodies and local councils, as well as quality assurance certifications from regulators and authorities, including:



PHYSICAL INSPECTION AUDITS

It is MYEG's intention to carry out physical inspection audits, when necessary, on new and existing suppliers to ensure suppliers' continued reliability and capability to supply to the Group and comply with the Group's requirements. Physical audits will continue to be ramped up in the near future given a post-pandemic normalcy has further strengthened.

LOCAL PROCUREMENT AND SUPPLY CHAINS

MYEG effectively has no direct 'Supply Chain' as it is a digital company that serves mainly as a channel connecting users with governments and ancillary services providers. Hence, as the products/services offered are not originated/ produced by the organisation since the Group mainly serves as the delivery/digitalisation channel, MYEG is not in the business of purchasing raw tangible inputs to be converted into tangible outputs. MYEG's supply chain exposure is indirect and limited only as a technology provider that enables existing supply chains to function more efficiently.

However, the Group still actively advocates for local procurement whenever feasible. Sourcing goods and services locally not only contributes to the growth of the domestic supplier base and, consequently, the national economy, but it also reduces the environmental footprint of MYEG's business operations by minimising foreign import activities. Additionally, local procurement enhances response times for MYEG.

As a technology provider, MYEG is also cognisant that it indirectly plays a role in existing supply chains of other goods and services since the Group provides the systems/solutions responsible for enhancing the efficiency of these supply chains. In this regard, the Group is committed to continuously deploying relevant cutting-edge innovations such as blockchain solutions that can help to further reduce bottle-necks and enhance productivity, efficiency, time and cost savings to all the supply chains where the Group's technology is deployed, be it within government or commercial processes domestically in the countries where MYEG operates as well as for cross-border trade.

Local procurement is defined as the acquisition of goods and services from Malaysia-based suppliers or vendors.

	FY2021	FY2022	FY2023
Proportion of Spending on Local Procurement (%)	99%	99%	99%
Proportion of Suppliers Who Are Local (%)	99%	99%	99%

MYEG's aims to continue procuring locally, maintaining MYEG's already very high rate of local procurement.

REGULATORY COMPLIANCE

It is an absolute priority for the Group to adhere to all prevailing laws and regulations in all the jurisdictions in which it operates. As an e-government services provider, compliance is a key area of relevance since MYEG plays an instrumental role in helping the government implement regulations by providing a channel for citizens and businesses to fulfill their obligations to the nation. This includes ensuring compliance at all times with the regulatory bodies (BNM, Bursa and more) and with the requirements of government agencies that are related with the concession services (JPJ, Immi and more).

Thus, the Group adheres to all prevailing laws and regulations of the countries in which it operates such as the Companies Act 2016 in Malaysia. MYEG performs internal audits across the Group's departments to assess their adequacy, control and compliance with its Policies and Procedure. In the event of any non-compliance discovered, either an internal auditor or an appointed third-party investigator will subsequently follow up on the identified non-compliance for investigation.

In FY2023, MYEG was not fined or censured by regulatory authorities for any environmental non-compliance and social non-compliance. MYEG also did not incur fines, penalties or financial settlements related to corporate governance and anti-corruption non-compliance in FY2023. The number of complaints to regulatory bodies such as KPDNKK has reduced tremendously. For FY2023, 60 cases were received and all the escalated cases were resolved within a suitable time frame.

STAKEHOLDER ENGAGEMENT

MYEG consistently recognises the significant value of its stakeholders, making stakeholder engagement a top priority for the Group. Given the diverse range of stakeholders, each stakeholder can potentially influence MYEG as a company, making their engagement crucial.

Stakeholder engagement remained a focal point throughout FY2023. This has been facilitated through various mediums including digital platforms, and MYEG has dedicated resources to regularly update its online platforms and websites to ensure effective communication and engagement with stakeholders in the evolving digital landscape.

MYEG's official website is regularly updated with the latest news, corporate announcements, financial results, press releases and Board changes in relation to MYEG in a dedicated Investor Relations section. This is done to ensure that MYEG's stakeholders are able to access the latest information regarding the Group. Stakeholders are also able to subscribe to e-mail alerts from the Group via the Investor Relations page.

MYEG's Twenty-Second AGM was conducted on 22 June 2023, 56 days from the date of notice for the AGM which was 27 April 2023. As it was in the previous financial year, the Group managed to also conduct its customers satisfaction survey in FY2023.

MYEG's stakeholder engagement table remains unaffected from FY2022 (although the channel of engagement may vary depending on communication circumstances that have been possibly affected by the COVID-19 pandemic):

Stakeholder Group	Level of Engagement	Forms of Engagement	Issues of Concern	Outcome Achieved
Government and Regulators Governments the key markets in which the Group operates are both the principals/ partners, as well as regulators of the operating environments	High	Meetings at ministerial and working levels Discussions on services requirements Discussions with regulatory authorities Participation in government and regulatory events	Renewal of e-government service concession Change in legislation Approval of permits	Improved visibility of government policies and the nation's growth agenda, and the role MYEG can play in supporting the governments' digitalisation impetus.
Customers Users of MYEG services are the cornerstone of the business	High	Advertising and marketing efforts Website/social media Customer service channels Customer survey and feedback exercise Online feedback via *www.myeg.com.my*	User experience/ ease of navigation Customer service Timely delivery Product/service pricing and package	Gained a better understanding of issues faced by users and customer service experiences and identified areas of improvement leading to improved customer satisfaction.

Stakeholder Group	Level of Engagement	Forms of Engagement	Issues of Concern	Outcome Achieved
Investors Institutional and retail investors, shareholders and investment analysts affect capital acquisition	High	Investor briefings Announcement of financial results Announcement of company updates and developments Investor relations portal AGM	Business performance Sustainability of business model Dividend pay-out Good corporate governance Listing compliance	Investors achieved a stronger understanding of MYEG's value creation model, strategies and the sustainability of business, which in turn helps attract capital investment.
Employees Employees are responsible for the day-to-day operations of the business	High	Company intranet Department meetings Performance appraisals Employee engagement events such as in-house talks, trainings, development programmes, and cultural events	Job satisfaction Talent development and career progression Recognition, remuneration and benefits Fair, safe and positive workplace Recruitment and retention of skilled staff	Gained an improved understanding of employees' workplace and job concerns, allowing the provsion of fair and equitable benefits to help attract and retain top talents, improve team morale and strengthen MYEG's reputation as an employer of choice.
Community and General Public As a provider of e-government services, the government served is chosen by the people – the local communities and the general public	High	News coverage and press releases CSR activities Community engagement and outreach programmes Social media channels	Ethical code of conduct and fair competition Community welfare Environmental and social impacts	Maintained reputation as a good corporate citizen and continued to improve brand reputation as a company in service of the people and the community.
Third-Party Intermediaries (Suppliers / Vendors / Business Partners / Contractors) Third-party suppliers and vendors are vital to the Group's procurement, production and service delivery abilities	High	Vendor quality audit Procurement system Supply chain performance audit	Fair and sustainable procurement Product reliability Business transparency Good governance	Implemented multiple policies and codes to properly govern dealings with third-party intermediaries, which has bolstered clean and transparent governance and business conduct among the Group's suppliers and vendors.

MATERIALITY MATTERS

In FY2023, MYEG found it essential to revisit and reassess its list of material sustainability topics to ensure that the Group's prioritisation of material topics aligns with the current post-pandemic socioeconomic landscape. Therefore, the Group conducted a fresh materiality assessment exercise ("**MAE**") in FY2023.

Materiality matters typically refer to issues or topics that can both directly and indirectly impact MYEG's values, especially when considered from a holistic economic, environmental, social and governance ("**EESG**") perspective.

MYEG'S MATERIALITY ASSESSMENT PROCESS

Identification

MYEG compiled a roster of relevant sustainability concerns, drawing guidance from the Bursa Malaysia's Sustainability Reporting Guide, important reporting frameworks, peer comparative analysis, sector-specific considerations and broader sustainability trends.

As part of the stakeholder analysis and prioritisation process, MYEG also identified its key stakeholder groups to ensure that the interests and concerns of these groups are duly considered when shortlisting sustainability matters.

Prioritisation

The prioritisation of material sustainability matters at MYEG was determined through a MAE survey, in which key business functions and management personnel across the Group actively participated.

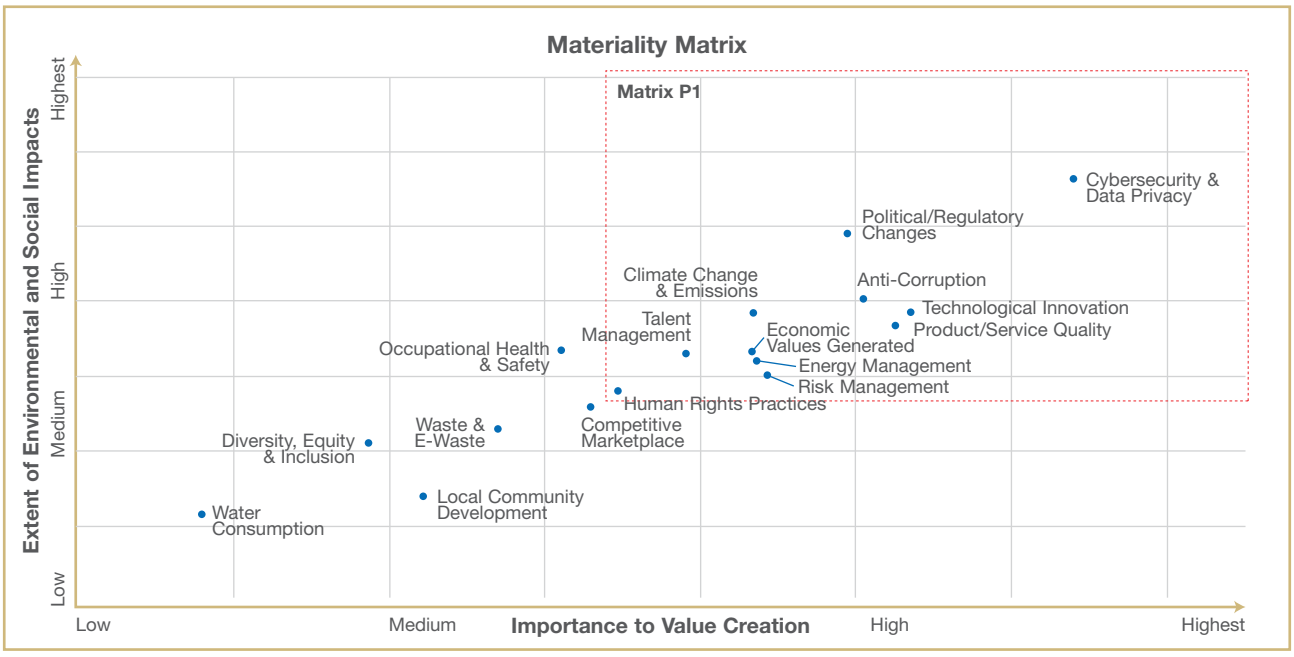
This prioritisation process factored in the significance of the sustainability matters to MYEG and their importance to stakeholders.

Validation

The results of the MAE were used to generate a materiality matrix. The matrix and findings of the MAE were then reviewed and refined accordingly before being approved.

MATERIALITY MATRIX

The recent MAE conducted by MYEG has allowed the Group to effectively revise and update its materiality matrix, ensuring a more accurate reflection of its latest prioritisation of the identified material topics. Also reflected in the materiality matrix are certain material topics that are naturally given more importance in how the Group approaches them, based on stakeholder prioritisation and the topics' importance to financial and non-financial value creation.



Top Topics



Subsequent to the establishment of the Materiality Matrix, a workshop was also conducted in early 2024, under the guidance of qualified consultants, to facilitate the formulation of Targets and KPIs to be achieved within the short, medium and long-terms to drive continuous improvement in the Group's performance across its identified material matters. These Targets and KPIs are presently being finalised and are scheduled to be officially adopted and disclosed on the Group's website in the near future.

ECONOMIC

DIRECT ECONOMIC VALUE CREATED

MYEG's services make transactions and interactions between governments, businesses and individuals simpler, faster, more efficient, more secure and hassle free by digitalising previously manual processes. This not only applies domestically but across borders as well, particularly, through the Group's blockchain solutions. Overall, this enables the domestic and regional economies to perform more efficiently in terms of cost and time saved, and elevates productivity.

MYEG's economic infrastructure also has a wider-reaching effect in local communities and the general public. By spearheading the development and deployment of cutting-edge technology like blockchain, the Group is also helping to enhance knowledge, expertise and skillsets of the workforce in the economy, which encourages innovation and upskilling opportunities among developing communities in the region. Furthermore, the use of Self Sovereign Identity protocols on Zetrix provides high level security and personal data privacy beyond what is available through conventional Web2 technology, which is an issue of great public importance.

However, as MYEG pursues the deployment of new technologies, old methods/processes would face disruption, which may indirectly affect jobs/businesses, though time has proven that with retraining and upskilling any downsides can be overcome and are always more than compensated by the wealth-creation benefits derived from new technology deployments.

On the non technology-related front, MYEG's involvement in Malaysia's foreign worker housing programmes help provide safe, quality, affordable housing for foreign worker communities and help governments better manage the social aspects on the ground in regards to managing the interests of migrants and citizens living within specific vicinities.

Given the consistent demand for MYEG's commercial and concession services, especially its blockchain-based solutions, MYEG sustained its robust business in FY2023, collectively contributing to a positive financial and operational performance throughout the year.

MATERIALITY MATTERS
(cont'd)

Kindly refer to the Management Discussion and Analysis section of this IAR2023 for specific details on business and financial performance. Below are some of the direct economic values created in FY2023:



RM489.41 million Profit Before Tax and
RM486.84 million Profit After Tax



1.68 sen
Final Dividend



RM84.14 million
Cash and Cash Equivalents



RM3.22 billion
Total Assets



RM774.26 million
Total Revenue

	2021 (RM '000)	2022 (RM '000)	2023 (RM '000)
Economic value generated	721,877	651,107	774,261
Economic value distributed	477,979	386,176	419,062
Total monetary value/spend on procurement	546,102	663,875	569,933
Total payout to employees in salaries and benefits	100,986	109,403	98,630
Taxes paid to government	1,689	4,028	3,534
Repayments to financiers	27,344	53,809	47,271
Dividend returns to shareholders	79,002	94,666	164,893
Economic value retained	243,898	264,931	355,199

Annual Sukuk Sustainability Report (as at 31 December 2023)

Series	Issue Date	Maturity Date	Tenure (years)	Issue Size (RM'mil)
1	21 Nov 22	19 Nov 27	5	100.0
2	28 Nov 22	26 Nov 27	5	50.0
3	17 Jan 23	17 Jan 28	5	100.0
4	11 Aug 23	11 Aug 26	3	50.0
5	21 Aug 23	21 Aug 26	3	250.0
6	6 Nov 23	6 Nov 26	3	25.0
			Total	**575.0**

Eligible asset/project description	Proceeds Allocated (RM 'mil)	% of Proceeds	Eligible project category under the framework	USDG supported	UNSDG Target and SDG alignment in eligible project	Expected Impact
Foreign workers' hostel	250.0	43.5	Accessibility to affordable and quality basic infrastructure		6.1 - Provision of foreign worker hostels with safe and sufficient supply of clean water for all. 6.2 - Provision of toilets in the foreign worker hostels that exceed the minimum requirements set under Malaysia's Accommodation and Centralised Accommodation Regulations 2020, ensuring adequate and equitable sanitation and hygiene for all.	Up to 27,573 foreign workers to benefit from clean water provided across all hostel projects. Average of 2-3 toilets to be provided for each individual hostel unit.
					10.1 - Foreign workers' hostel serves the purpose of promoting social inclusion through the provision of comfortable accommodations targeting the vulnerable foreign workers population. 10.3 - Safety and security measures, such as hiring of security guards, are implemented within the foreign workers' hostel to ensure the safety of residents and to eliminate any discriminatory practices.	Up to 27,573 foreign workers of multiple nationalities to be provided with access to comfortable living conditions. Average of 3 security guards (1 day shift and 2 night shift) to be at placed at each hostel.
					11.1 - Foreign worker hostels is aimed at providing foreign workers an upgrade from the previous living standards and conditions, with better access to basic amenities and more.	To foster better overall wellbeing for foreign workers, thus contributing to upholding their basic human rights.
			Socioeconomic advancement and empowerment		8.8 - Safety and security measures, such as separating hostels according to gender, are implemented within the foreign workers' hostels to ensure their safety and to eliminate any discriminatory practices.	Safety and fairness to all whereby rental prices are fixed across the board with no discriminatory in any aspect (i.e. company size, nationality, etc). Facilities are open and shared among all tenants whilst maintaining harmony among all foreign workers of varying nationalities and background.
					9.4 - Foreign worker hostels are equipped rainwater harvesting and storage system are adopted to increase resource-use efficiency.	Green building elements such as eco-friendly rainwater harvesting to contribute towards better environmental protection.
					10.2 - More comfortable living conditions for foreign workers would empower and encourage workers to be able to be more productive in their jobs.	Better productivity for employees while ensuring, at the same time, that the foreign workers' basic needs are met.
					10.3 - Foreign worker hostels provide assurance to the vulnerable foreign workers' community that they receive equal treatment and are not discriminated against.	All facilities and services are to be shared equally by all tenants with no discrimination. The welfare of all communities is taken care off and any issues are duly addressed.
			Green buildings		9.4 - Construction of new buildings / facilities that are expected to receive green building certifications such as the Green Building Index that are under the umbrella of Persatuan Architect Malaysia (PAM).	Green building certification contribute towards energy saving, water saving and better space design, including energy saving lighting design and ventilation etc.
					11.6 - Incorporation of green building standards that pays attention to air quality and waste management in foreign worker hostels and/or refurbishment projects will contribute to the reduction of environmental impact.	
Blockchain decentralised application	325.0	56.5	Socioeconomic advancement and empowerment		8.2 - Through the establishment of decentralised, blockchain solutions (Zetrix), higher levels of economic productivity will be achieved through its contribution to technological upgrades and innovation that is value-added to governments, retailers, supply-chain stakeholders and the workforce.	Improved economic productivity arising from technology upgrades, as follows: • Inter-government services that cover Trades, Digital ID (ZID & VC), etc. • Increased international trade (China-Malaysia) through ZTrade. • Enable technology transfersuch as global blockchain products and services. – IDE, Explorer, BaaS, Multisig Solutions. For Governments: • ZID - Verifiable Credentials - Zetrix-based certification and verification services. The project has been implemented for the digitalization of China driving license verification. • Blockchain as a Service-BaaS For Retailers & Consumers: • ZID - Verifiable Credential • Blockchain as a Service-BaaS • Covinsure - NFT based Covid-19 insurance • Zetrix IDE - Development tools • Zetrix Explorer - Zetrix Transaction and Analytical tools • Zetrix Data Screen - Data screen dashboard • Zetrix Multisig - Multi-Signature wallet services for more secure management of digital assets.

MATERIALITY MATTERS
(cont'd)

Eligible asset/project description	Proceeds Allocated (RM 'mil)	% of Proceeds	Eligible project category under the framework	USDG supported	UNSDG Target and SDG alignment in eligible project	Expected Impact
					8.3 - The development and creation of a new market for the provision of decentralised solution services, which includes NFT marketplace, promotes local inclusivity and encourages new talents and a more skilled workforce.	**NFT Pangolin**: Numbers of artist/account on the platform : 18 Digital assets minted: 940 NFT Holder : 1475 Trade volume and growth contribution : 940 NFT **New talent development**: Aside from the provision of career opportunities, talent development is encouraged through participaton in: Talks and forum session, participation in Token2049 Singapore, Coinfest Bali- A product, brand and knowledge expansion in Asia.
					8.5 - Zetrix provides a system for universities, job training programs and education standards organisations to adopt DIDs that facilitates higher education and job applications for fresh graduates contributing to a productive employment.	Zetrix is partnering with a local startup which specializes in Blockchain certificates and credentials to issue instantly verifiable training and university certificates on Zetrix Blockchain. Blockchain credentials contribute to socioeconomic advancement and empowerment by providing secure, tamper-proof records of achievements and qualifications. They enable individuals to easily verify their skills and credentials, opening up new opportunities for employment, education, and financial inclusion. Blockchain credentials reduce reliance on centralized institutions, increasing access to opportunities for marginalised communities. They also foster trust and transparency in credential verification processes, mitigating fraud and discrimination.
			Eco-efficient and/or circular economy adapted products, production technologies and processes		13.2 - Establishment of blockchain applications to facilitate trading of carbon credits that integrates climate change measures in its business strategy and planning.	Yet to commence
			Sustainable management of natural resources		11.6 - Real-time supply chain traceability to facilitate tracking and verification in determining whether products are produced sustainably and ethically sustainable, legitimate and ethical or not that contributes to the environmental impact.	Blockchain technology facilitates product traceability by creating an immutable ledger of transactions. Each stage of the supply chain, from sourcing raw materials to product distribution, is recorded transparently. This decentralized ledger ensures that stakeholders can verify the authenticity and origin of products, enabling them to determine if goods are derived from sustainable sources. By recording information such as fair trade practices, organic farming methods, or responsible forestry, blockchain offers a comprehensive view of a product's journey. Smart contracts automate certification processes, triggering validation when sustainability criteria are met. This transparency fosters trust among consumers and empowers them to make informed purchasing decisions aligned with their values. For supply chain stakeholders, blockchain provides a reliable mechanism to uphold ethical standards and promote sustainable practices. Ultimately, blockchain enhances accountability, transparency, and trust throughout the supply chain, driving the adoption of sustainable sourcing and production methods in various industries.
			Climate change adaptation		9.4 - MYEG's decentralised solution services is considered clean and environmentally sound technology having lower average consumption of power to its comparable.	Zetrix' DPOS and pBFT consensus mechanism allows a relatively smaller set of validator nodes to perform more efficiently, with less environmental impact as compared to Ethereum's proof-of-stake mechanism, which in itself consumes at least 2 orders of magnitude lesser power than Bitcoin's network. Zetrix uses less energy compare with other networks; Bitcoin - 65.70 TWH, ETH POS - 0.51(TWH), Zetrix - 0.00024 (TWH). • Majority of the nodes are located in China (56 of 63). China is rapidly developing and pioneering the growth of clean-energy technology. • China is leading in renewable technology. Energy consumption • TWH: 0.00024 (TWH)/ year • Compared with other network such as ETH 2.0 : 0.51(TWH)/ year
Total	**575.0**	**100.0**				

INDIRECT ECONOMIC VALUE CREATED

MYEG has continued to prioritise value distribution to various stakeholders. Please refer to the Statement of Value Added Distribution and Simplified Financial Statement section of this IAR2023 for detailed information on the indirect values created and distributed.

CYBER SECURITY

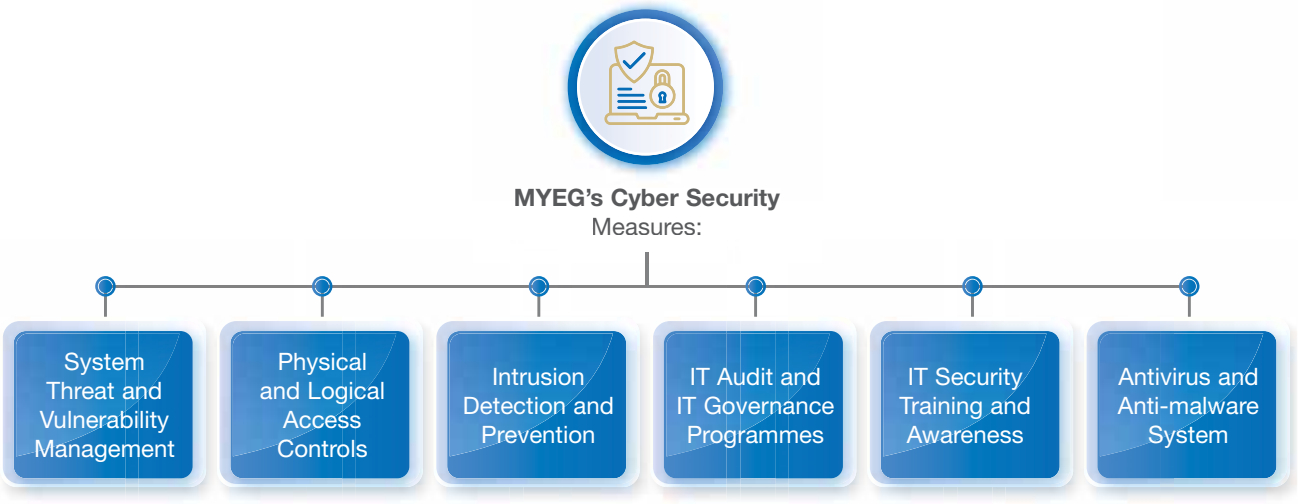
Digital reliance remains important to MYEG and its customers, and it proactively continues to develop its digital segments to accommodate for this, including placing more focus on cyber security due to the increased risk of cyber threats in this modern age.

With MYEG's core business heavily revolving around being an e-government and commercial service provider, cyber threats must be taken extremely seriously. Given how much potential damage and disruption cyberattacks could cause to the Group's brand image, financials and public / stakeholder relations, it is essential for MYEG to have a proper cyber security system in place.

MYEG's Endpoint Detection and Response ("**EDR**") Security implementation with an integrated solution delivers visibility, segmentation, and protection throughout MYEG's entire network infrastructure. Furthermore, the Group employs a Multi-Factor Authentication ("**MFA**") solution to protect sensitive data by adding an extra layer of security and improving access control.

MYEG's utilisation of a modern cloud-native infrastructure, as well as the adherence to stringent safety measures, continues to fortify the Group's cyber security to avoid any data breaches. The migration from premises security hardware to a cloud-based security service allows MYEG to expand its slew of cyber security tools (i.e. Application Security – DdoS Protection, Rate Limiting, Web Application Firewall, SSL / TLS Encryption, Application Performance – CDN, DNS management, Load Balancing, Smart Routing, etc.) using Cloudflare and Imperva.

Therefore, MYEG continues to solidify its systems, protocols and best practices to protect and recover computer systems, devices, networks, and programmes against any type of cyberattack.



MATERIALITY MATTERS
(cont'd)



Data transmitted through our networks is encrypted using the latest encryption technologies to ensure confidentiality.



Adherence to Payment Card Industry Data Security Standard in the handling of credit card information for our e-services transactions.



Regular audit and penetration test to ensure the robustness of the entire IT infrastructure.



Websites and social media portals with high risks in cyber security are restricted to prevent malicious attacks via the exploitation of vulnerabilities.



Constant training is provided to employees to ensure that employees are aware of the security standards that we need to adhere to.



The use of external hardware appliances such as thumb drives and other media are also restricted within MYEG premises.



Regulations, standard operating procedures and enforceable regulations for use of corporate systems, confidential data, email, mobile devices and passwords.



Compliance with PDPA in dealing with personal information collected in the course of commercial transactions.



Deployment of firewalls, antivirus and antimalware systems, access management systems and vulnerability systems throughout the entire IT infrastructure.

MYEG has continuously sought ways to improve security by updating the Group's IT policy and procedures when needed to follow best practices set by ISO / IEC 27001 Information Security Management System and NIST Cybersecurity Framework. The Group is also in full compliance with the Personal Data Protection Act ("**PDPA**") and Payment Card Industry Data Security Stanards ("**PCI DSS**"). MYEG is currently not a member of the Global Network Initiative.

In addition to this, MYEG is currently enhancing the security of critical information such as financial data (e.g. payment and prepaid systems information) by leveraging on the Zetrix blockchain technology. Blockchain's resistance to tampering and its decentralised nature mitigates risks of fraud, data breaches and single points of failure, bolstering trust, auditability, and data integrity.

Having these IT safeguards in place reduces MYEG's chances of being exposed to a future cyberattack whilst also preparing the Group in case one does occur through a united front.

There were zero substantiated complaints concerning breaches of customer privacy and losses of customer data. No data breaches or framework non-compliances occurred during the year under review.

BUSINESS MODEL

GOVERNMENT CONCESSIONAIRE

As a government concessionaire, MYEG operates at the intersection of technology and governance, committed to advancing national economic development objectives. Through the deployment of cutting-edge technologies, the Group endeavours to streamline transactions and processes, both domestically and across borders. By pioneering the adoption of innovative solutions, MYEG plays a pivotal role in propelling countries where it operates the value chain, thereby fostering sustainable economic growth and prosperity.

Notably, MYEG has invested heavily in developing Web3 capabilities that it aims to deploy across the region, in collaboration principally with the governments of the region, focusing especially on making regional cross border supply chain and trading (export/import) faster, more efficient and secure. Besides financial investment, the Group has engaged deeply in dialogues and collaborative projects with governments to realise economic development objectives through the use of blockchain technology (e.g. China customs processing solutions for cross-border trade and the Malaysian National Blockchain Infrastructure project). MYEG is also collaborating with other leading institutions and organisations to accelerate blockchain deployments in the region (e.g. CAICT China, Universiti Malaya, Web3Labs in Hong Kong).

Web3 investment aligns with MYEG's mission and responsibility of being a close technology partner to governments. It means that the Group remains committed to working closely with governments to carry out national economic development objectives through the deployment of relevant technologies that can ease transactions and processes (domestically and cross border). In addition, the Group always aims to lead the way in the adoption of cutting-edge innovations that can catalyse the path up the value chain for the countries in which it is present.

However, operating as a government concessionaire, MYEG recognises the inherent susceptibility to fluctuations induced by political dynamics and policy shifts. Political going-ons and such occurrences may impact financial and non-financial value creation capabilities to a certain extent.

In response to such challenges, MYEG adopts a proactive approach, extending its reach into blockchain solutions and commercial sectors. This strategic diversification not only mitigates risks associated with government-related uncertainties but also fortifies resilience in the face of evolving economic landscapes.

FY2023 saw new and ongoing developments in various sectors that MYEG has services in, and more can be found in the Management Discussion and Analysis section of this report.

MATERIALITY MATTERS
(cont'd)

The Group is constantly vigilant of the political landscape as it continues to adopt measures to mitigate all risks arising from periodic uncertainties surrounding the government. The following measures have therefore been put in place through the years and maintained in FY2023:

01 Active engagement and management of relationships with government and regulatory authorities at the working and ministerial levels to mitigate potential change in legislation (see page 75 for more information on Stakeholder Engagement);

02 Remaining apolitical in dealings with governments and officials and in public communication to manage public perception;

03 Improving products, solutions, and customer experience to provide best-in-class services to maintain market leadership in e-services as well as to safeguard branding and logos, which is mainly done by maintaining existing Intellectual Property ("**IP**") and trademarks or by applying for new IP only when necessary (see page 83 for more information on MYEG's Intellectual Property);

04 Market diversification to expand business opportunities in various geographical regions;

05 Ensuring a balanced and diversified revenue mix between e-government and commercial services;

06 Employing sound ethical business practices aligned with the laws of countries where the Group operates (see page 83 for more information on our Ethical Work Conduct and Policy section); and

07 Conducting a comprehensive legal review and due diligence to ascertain the level of risk associated with governmental or legal issues (if any).

08 Continue investing in innovation as a key driver for MYEG to help the economies in which it operates to make a quantum leap to greater growth and wealth creation.

A market-by-market approach to addressing specific legislative changes and government law-making decisions has also been put in place.

MYEG has been, and always will be, driven to continue lending its industry expertise and organisational resources to aid the Group's government partners and their citizens.

ETHICAL WORK CONDUCT AND POLICY

Alongside its ABAC Policy and supply chain governance, MYEG aims to fortify a high standard of ethics when it comes to business principles and practices. Therefore, the following codes and policies have been established to achieve this:

Code of Conduct **Code of Ethics** **Code of Business Ethics**	Defines the expected ethical conduct of MYEG's employees and intermediaries based on the Group's core values and principles of integrity and responsibility. The Code of Conduct is based on principles in relation to trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism. The Code of Ethics is based on the principles in relation to sincerity, integrity, transparency, accountability and corporate social responsibility. The Code of Business Ethics sets out the standards of ethical business practices and conduct that the Group expects from all business associates of the Group.
Non-Discrimination and Equal Employment Opportunity Policy	Outlines issues related to racial discrimination, sexual harassment and other forms of inequity and prejudice, including revolting and threatening behaviours deemed inappropriate in MYEG's workplace environment.
ABAC Policy	Addresses any and all forms of corrupt behaviours, acts and practices that may cause MYEG to be exposed to corruption in any form. This includes, but is not limited to, corruption elements of bribery, gifts, improper payment or benefits, favours, misuse of power, theft, fraud, forgery of documents, money laundering, blackmail, using insider information for personal gain, political contributions and more.
Whistle-Blowing Policy	Addresses the fully confidential channel where employees, vendors and any stakeholder can safely report corruption, or any other malpractices or grievances, without fearing punitive repercussions such as retaliation, dismissal, victimisation, demotion, suspension, intimidation, discrimination, and more. The report will be received by the Audit Committee. Either an Internal auditor or an appointed third-party investigator will subsequently investigate the whistleblowing reports. The Group's Audit Committee also ensures whistle-blowing channels remain open and accessible at all times.

The policies above can be viewed and downloaded from the Group's Investor Relations portal at *https://www.myeg.com.my/investor-relations/governance*.

INTELLECTUAL PROPERTY ("IP")

IP continues to serve as a central element for MYEG in setting the Group apart from its competitors. MYEG excels in technological advancements, particularly in developing and enhancing specific services that are essential, especially in response to shifts in demand.

A good example is the COVID-19 pandemic becoming an opportunity for MYEG to develop and improve products and services that help deal with the situation, proving the Group's ability to instantly respond to sudden changes as well as displaying MYEG's capacity to adapt to its surrounding circumstances.

MATERIALITY MATTERS
(cont'd)

As MYEG is a major proponent of Web3 technology, which it firmly believes can bring significant benefits to the economies of the region especially from an efficiency and productivity standpoint, the Group aims to play a major role in catalysing the adoption of blockchain technology in this region, both in the government and commercial sectors through strategic collaborations and technological investments. With an existing presence in Malaysia, Philippines and China, MYEG aims to deploy Web3 services to the rest of the ASEAN and RCEP regions and connect these nations onto a common platform to ease and expedite cross border trading.

MYEG also continued maintaining its existing IPs and trademarks in the face of increasingly volatile market trends to safeguard the Group's unique brand proposition among stiff competition. MYEG has also, when necessary, leveraged existing IPs, technology and registered trademarks to respond proactively to many issues and opportunities.

As in previous years, the Group's approach to managing IP is two-pronged as follows:

	IP DEVELOPMENT	IP PROTECTION
STRATEGY	Innovating on existing and new product and service offerings to satisfy the existing needs of customers and improve user experience. Exploring new business areas and innovations relevant to technological revolutions, such as Fourth Industrial Revolution (IR 4.0) and Web3. Focusing on accessibility and cost effectiveness as prime considerations in innovation output. Sourcing third-party knowledge via collaborations and partnerships with institutions and promising tech start-ups locally and internationally.	Internal policies to ensure legal protection of our IP. Application and filing of patents on innovations developed by the Group. Registering trademarks and brand logos as IP.
RESULTS	MYEG entered into a Memorandum of Understanding ("**MOU**") with MIMOS Technology Solutions Sdn. Bhd. to jointly develop and operate the national Layer-1 public blockchain using Zetrix and MIMOS blockchain technology as the components of the Malaysia Blockchain Infrastructure ("**MBI**"). MYEG, in collaboration with the Institute of Industrial Internet and Internet of Things of the CAICT, established an international extension of China's national blockchain network, Xinghuo BIF, by introducing backbone and supernodes outside China known as Zetrix. This led to the full deployment of the Xinghuo Beta Name System ("**BNS**") and Xinghuo Digital Identity Service, which are fully compliant with W3C International Standards. Under Zetrix, blockchain-based Identifiers / Verifiable Credentials and blockchain-based E-signing services have been introduced. Zetrix had also launched the pilot for its cross-border trade financing solution, Zetrix TradeFi as well as the pilot project to offer supply chain financing products in conjunction with Chinese banks.	Trademarks registered and IPs patented previously have been carefully maintained, safeguarded and utilised throughout FY2023. These included the continued provision of government services and MYEG's entry into the healthcare sector and the blockchain space.

IP DEVELOPMENT	IP PROTECTION
MYEG received JPJ's approval to kickstart Proof of Concept ("**POC**") to set up an Automated Training and Driving Test System ("e-Testing") which aims to better assess the competencies of candidates undergoing the Drivers' Learning Education Curriculum. The Road Transport Department had allowed MYEG to proceed with the implementation of the pilot phase for MYDTS ("**MYDTS Pilot Test**") involving actual test candidates. Zetrix was chosen by the Chinese Government as a component of its government-to-government ("**G2G**") programme. Initiated by the China's Ministry of Science and Technology ("**MOST**"), Malaysia is one of the 14 countries participating in the programme. The China-Malaysia G2G cooperation covers four sectors, including public health (such as vaccine research and development), Artificial Intelligence ("**AI**"), Information and Communications Technology ("**ICT**") (blockchain, big data, etc.), as well as space remote sensing technology. MYEG and Universiti Malaya have expanded their research collaboration with CAICT to include the development of AI technology under the existing intergovernmental research collaboration. MYEG and China's state-owned Guangxi Beitou IT Innovation Technology Investment Group Co., Ltd. ("Beitou IT Innovation") entered into a collaboration to leverage the Zetrix blockchain to offer cross-border credentials verification services, paving the way for the digitalisation of vital documents including major government-issued identity credentials. Zetrix launched an IEO on Coinstore, a digital asset exchange. Zetrix tokens have thereafter been listed on Coinstore as well as other digital asset exchanges namely MEXC and BitForex. MYEG entered a collaboration to deploy its blockchain-based China customs clearance and processing services for the Philippines Bureau of Customs. MYEG entered a non-binding MOU with Oyika Green Technologies Sdn. Bhd. to a collaborate on the use of electric motorcycles and placement of battery swapping stations at designated locations for a trial period, in line with MYEG's ongoing efforts to reduce carbon emissions as part of its overarching commitment to reaching net zero by 2050.	

CUSTOMER EXPERIENCE AND SATISFACTION

MYEG is committed to transforming the landscape of government services, placing user experience at the forefront of its priorities. The Group's cutting-edge systems and solutions empower individuals to effortlessly access e-government services with a simple click, revolutionising the way they interact with the government. Through the adoption of best practices and continuous investment in new technologies, MYEG aims to bring added efficiency and ease to every interaction.

The Group recognises the significance of actively engaging with customers to gain a comprehensive understanding of their demands and needs. Attaining a high customer benchmark score is of great importance for MYEG, given that customer satisfaction is a fundamental aspect of the Group's operations. Customer happiness is the key to establishing a mutually beneficial, long-lasting and sustainable relationship with customers and this will ensure customer retention remains a competitive advantage for the long term.

MYEG consistently strives to enhance its platforms and services continually, aiming to further elevate customer satisfaction levels. This focus on customer-centricity not only drives loyalty, but also serves as a competitive advantage in the market.

MYEG customer service team has standard operating procedures on how to assist with complaints, in accordance with each channel, whether face-to-face, verbal, or written, through the Group's official channels. Complaints received will be assessed based on their nature or urgency to ensure that appropriate action is taken.

Over-The-Counter Highlights

		2021	2022	2023
IMMIGRATION COUNTER	Average Monthly Tickets Served	912.1 tickets	999.5 tickets	**318.7 tickets**
	Average Serving Time Per Customer	11:12 minutes	8:30 minutes	**8:56 minutes**
	Fastest Serving Time Per Customer	9:19 minutes (August 2021)	4:30 minutes (January 2022)	**6:04 minutes (December 2023)**
ROAD TAX COUNTER	Average Monthly Tickets Served	307.7 tickets	505.5 tickets	**254.9 tickets**
	Average Serving Time Per Customer	7:05 minutes	3:05 minutes	**2:39 minutes**
	Fastest Serving Time Per Customer	5:02 minutes (March 2021)	1:17 minutes (October 2022)	**1:46 minutes (January 2023)**



The post-pandemic return to normality has seen over-the-counter self-collection for both road tax and maid permits resume, whilst physical counters were also brought back.

In focusing on reducing its serving times to cope with the large amount of transactions and processing times, MYEG will continue to bolster its ability to attend to customers and be more attentive when dealing with customers to achieve the target of improving customer satisfaction when it comes to serving time.

MYEG always provides a non-compulsory feedback form at counters to garner insights on its customer service quality. The Group endeavours to better measure, maintain and enhance customer service best practices and targets in the future, which would be supplemented by a Customer Satisfaction Score. However, priority will always be given towards resolving a customer's issue urgently.

Customer Service Personnel Highlights

		2021	2022	2023
CUSTOMER SERVICE COUNTER	Immigration	17	16	**15**
	Road Tax	4	3	**2**
HELP DESK	Live Chat	6*	6	**9**
	Call	22	10	**16**
	E-mail	8	25	**9**



**Live Chat halted in March 2021 due to expired licence.*

MYEG redeploys its customer service workforce from time to time to support in-demand channels to ensure sufficient capacity in the various areas of customer service. Upon reviewing the prevailing SOPs and organisational chart in FY2023, the Group managed to continue optimising manpower to manage the high volume of queries received.

Phone Call Queries Highlights

		2021	2022	2023
IMMIGRATION	Average Call Answered Rate	90%	95%	92%
	Highest Call Answered Rate	96%	98%	99%
ROAD TAX	Average Call Answered Rate	90%	95%	91%
	Highest Call Answered Rate	97%	96%	98%
MYSAFETRAVEL	Average Call Answered Rate	90%	95%	-
	Highest Call Answered Rate	96%	98%	-



**The MySafeTravel phone call service was discontinued in FY2023*

For FY2023, MYEG was focused on improving the productivity of the team by ensuring that more chats were answered. Through measures implemented, the Group successfully increased the chat answered percentage to 99% compared with 95% in FY2022. The remaining 1% of chats not answered by agents were still attended to as emails via the ticketing system, which has been synced with the chat system.

Regarding incoming calls, despite the surge in calls after May 2023 due to policy changes pertaining to services offered, the Group managed to maintain a 91% rate of answered calls. Additionally, for customers who were unable to immediately reach any personnel, call backs were arranged to ensure that all incoming transactions were attended to.

Customer queries across immigration and road tax service segments continued to be spread between phone calls and MYEG's live chat service, helping to mitigate any disproportionately high volume of calls.

Live Chat Highlights



	2021	2022	2023
Average Live Chat Response Rate	82%*	90%	**99%**
Highest Live Chat Response Rate	89%	99%	**99%**

**Live Chat halted in March 2021 due to expired license.*



	2022	2023
Monthly Average of E-mails Received	8,956	**2,835**

MYEG also received a monthly average of 2,835 emails during FY2023, as part of the Group's robust customer service transaction channels.

It is important to note that for the online live chat service, any remaining inquiries that may not be attended to immediately by the live chat team are converted into e-mail format and would be responded to via e-mail within 48 hours. This in effect means that all live chats are eventually answered, even at a later date, directly or indirectly. This SOP has been implemented since FY2023.

CUSTOMER SERVICE TRAINING

FY2023 saw the Group continue its physical training sessions whilst also conducting digital training sessions when convenient. MYEG provides these sessions to ensure new and existing customer service agents are provided with the latest information on products and services and acquire necessary skills to help enhance the customer's experience at MYEG.

	2022	2023
Total Customer Service Training Sessions	106	**89**
Total Customer Service Briefing Sessions	49	**71**



The effectiveness and impact of training sessions held will be reviewed as this helps ensure the sessions provided are useful and focused on providing MYEG's staff with the required abilities needed to provide comprehensive customer service. Moving forward, the Group will continue to provide such training sessions and further develop the staff's capabilities.

CUSTOMER SATISFACTION SURVEY

MYEG diligently monitors its customers' experiences in using the Group's products and services via the Group's customer satisfaction survey. This approach enables the Group to gather precise feedback, fostering a better understanding of areas where improvements are needed and directing more focused attention to them. Customer feedback holds immense value for MYEG, prompting the Group to actively encourage input through various communication channels, including email, live chat service, and physical feedback forms.

To ensure customer satisfaction is monitored, MYEG has a Helpdesk Department that acts as the frontliners for the customers to reach out via communication channels such as X, Facebook, emails, live chats and phones. Apart from that, the Group has a Customer Relations Department that attends to customers who walk-in to official counters such as the customer service counter at MYEG's head office.

These departments look into the common issues raised by the customers and, where necessary, escalate them to the respective product owners such as the Project Department to look into ways of improvement on the procedures.

Customer satisfaction data is collected by the Customer Relations Department manually by providing feedback forms to the walk-in customers. For other channels, customers would automatically receive notifications either at the end of conversations (live chat) or after tickets have been closed (emails). The customer satisfaction survey is comprehensive, categorising feedback into various segments such as distinctions between new and returning customers, customer satisfaction scores, prevalent complaints, and popular engagement channels.

The tasks and responsibilities for both departments are to ensure that customers' issues raised are adequately resolved. The customer service representative is tasked with obtaining the necessary information regarding a situation and escalate it to the respective departments for resolution. Once a solution is found, the customer service representative is expected to get back to a customer either by call or email.



	2022	2023
Overall Customer Satisfaction Scores	71%	**86%**
Overall Customer Complaint Resolution Rate	100%	**100%**

Customer Satisfaction Scores (%) FY2022



CUSTOMER HAPPINESS FEEDBACK RATING PERCENTAGE (%)				
Month	**Total No of Feedback received**	**BAD**	**AVERAGE**	**AWESOME**
January 2022	NOT AVAILABLE			
February 2022	38		50%	50%
March 2022	67		52%	48%
April 2022	94		61%	39%
May 2022	12		25%	75%
June 2022	NO RECORD DUE TO TRANSITION OF SYSTEM			
July 2022				
August 2022	82		17%	83%
September 2022	732		9%	91%
October 2022	642		15%	85%
November 2022	834		18%	82%
December 2022	884		17%	83%

Customer Satisfaction Scores (%) FY2023



CUSTOMER HAPPINESS FEEDBACK RATING PERCENTAGE (%)				
Month	**Total No of Feedback received**	**BAD**	**AVERAGE**	**AWESOME**
January 2023	1697	9%	9%	82%
February 2023	1220	6%	6%	88%
March 2023	1072	1%	7%	92%
April 2023	951	6%	5%	89%
May 2023	875	3%	4%	93%
June 2023	959	6%	6%	88%
July 2023	1409	9%	15%	76%
August 2023	1588	6%	7%	87%
September 2023	1466	9%	8%	83%
October 2023	1914	9%	7%	84%
November 2023	1406	10%	6%	84%
December 2023	1068	7%	7%	86%

The customer satisfaction survey mainly requested feedback on the key quantitative and qualitative criteria encompassing:

- Information accuracy
- Customer service skills
- Waiting time

Apart from the above, customers receiving further case escalation have the option of evaluating the services received accordingly.

The Group has also further improved on the waiting time and information accuracy factors by instituting the following measures:

- Implementation of agreed Service Level Agreement
- Monthly KPI for calls attended set at 90
- Email-first response time of within 48 hours
- Average Serving Time (monthly) for counter set at 15 minutes per customer
- Product training and re-training to all our customer service representatives

In fulfilling the customers' feedback for a more detailed and personalised response, in moving forward, MYEG will be focusing on Customer Service skill training focusing on areas such as:

- Email writing and communication skills;
- Language competency and improvement classes;
- Grammar and sentence structure training; and
- Customer service training.

The Group is also equipping all agents with the necessary skills to enable them to attend to customers' feedback using multiple channels available.

MYEG is also actively engaged in reviewing survey questionnaires to enhance their comprehensiveness and ensure better service for customers. Additionally, efforts are underway to further digitise feedback channels, particularly the e-mail system and live chat system to reduce reliance on manual feedback forms. This initiative will provide customers with more options for submitting feedback, thereby encouraging increased participation and input to the Group.

MYEG will continue to focus on improving customer satisfaction performance. The recently-introduced Chatbot service in FY2022 also allows simple inquiries to be attended, contributing to the overall expansion of the customer services team's accessibility to customers and vice versa.

Customers wishing to provide feedback can contact the designated e-mail at *help@myeg.com.my* or call 03-7801 8888.

ENVIRONMENTAL

CLIMATE CHANGE AND EMISSIONS

Climate change is considered a significant and material concern for MYEG, given its potential impacts on the environment, community and other valued stakeholders. The Group remains committed to mitigate, manage and minimise its environmental footprint to reduce the actual impacts and potential threats of climate change, in particular when it comes to the Group's consumption of electricity and production of emissions.

MYEG's Board and Senior Management are aware of the escalating risks posed by climate change, and the Group's structure ensures that the Board has key oversight over policies and the management of climate change-related matters.

While MYEG's primary business model of delivering electronic government and commercial services is generally not directly affected by climate change issues, the business model is also not resource-intensive in terms of energy and other natural resource consumption and therefore does not significantly impact the environment.

However, the Group understands that the expanding foreign worker hostel business can lead to more energy and resource consumption and, consequently, emissions. Nevertheless, the Group intends to incorporate green building standards that pay attention to the use of resources such as water, to air quality and to waste management for its hostel projects, contributing toward minimising environmental impacts.

Furthermore, in line with its business expansion plans, MYEG may see a short-term increase in its impact on climate change via vehicle emissions, in relation to its delivery fleet of cars and motorcycles to meet the growth in service demand.

In the medium to long-term, however, MYEG's application of blockchain technology will enable more services to become 100% digital and thus reduce the requirements for physical delivery to complete the last mile loop.

Improved processes in turn lead to increased efficiency and productivity, which will translate into reduced energy consumption, reduced waste produced and other ecological benefits.

Additionally, on the topic of blockchain technology, given the immense potential of Web3 solutions in mitigating climate change impacts, Zetrix has the capacity to serve as a platform that helps facilitate the emergence of a vibrant and accessible carbon credit market, facilitating carbon credit trading by smaller companies to monetise / offset their emissions. Specifically, Zetrix can be leveraged to enable the tokenisation of carbon credits, which then promotes for a simpler trading mechanism which smaller companies can afford. This is in contrast to conventional carbon trading platforms, including voluntary carbon markets which are more structured to meet the requirements of larger companies.Moving forward, the realisation of this potential application is one of many areas that will be explored in greater detail as the Group continues to position Zetrix as a platform capable of driving the global sustainability agenda.

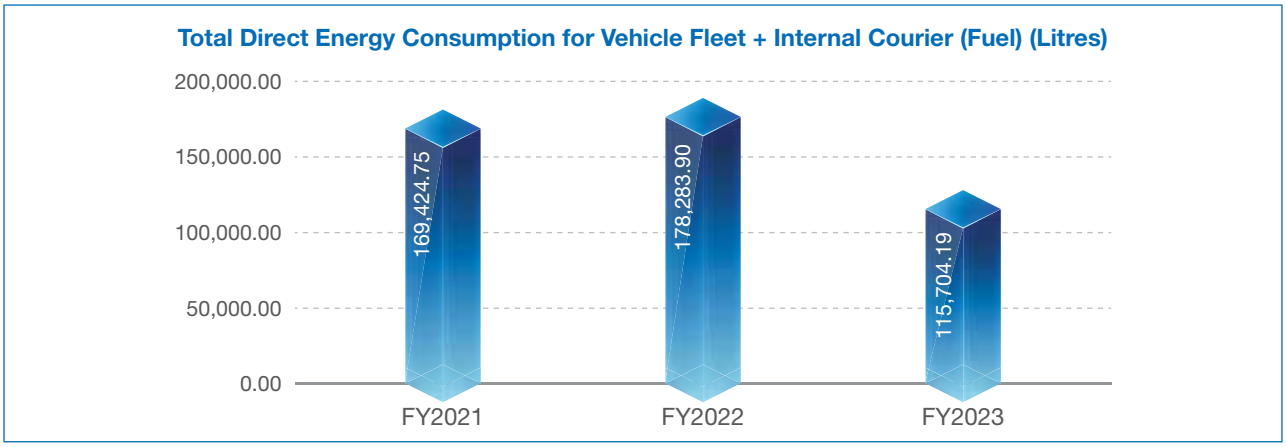
Meanwhile, the Board may also consider linking remunerations to the achievement of climate change and other sustainability targets via additional incentive-based remunerations. This will be further discussed by the Board.

MYEG acknowledges that environmental impacts can extend beyond its direct control, stemming from the activities of its suppliers and business partners throughout the value chain. The Group has made a commitment to formulate a policy that prioritizes vendors providing Green Technology ("Greentech") solutions and certified sustainable products and services. In addition to existing rigorous policies guiding the behaviour of third parties, the Group is actively exploring strategies to enhance effective engagement with its value chain.

These commitments and initiatives are fortified by the establishment of MYEG's Statement of Commitment to Addressing Climate Change Risks and Impacts that fully outlines the Group's climate change commitments, targets, plans, effects on the Group's business model and initiatives pursued in relation to MYEG's supply chain. Please refer to the full statement for more details, which can be read under the "Sustainability" subsection at *https://www.myeg.com.my/investor-relations/governance*.

FUEL CONSUMPTION AND EMISSIONS PERFORMANCE

MYEG closely monitors and discloses data on fuel consumption of its vehicle fleet (shown in the below graph) as well as electricity consumption (which can be found in the Electricity Consumption section of this report).



Note 1: Scope One Direct Energy (Fuel) for FY2023 takes into account the usage of diesel, petrol by MyDelivery motorcycle riders and Internal Courier fleet, in litres.

Note 2: Scope One Direct Energy (Fuel) for FY2023 fuel data may not be comparable to FY2021 and FY2022 data due to:

i) The difference in calculation methodology, in which a more refined and accurate data gathering and calculation methodology has been employed for FY2023's Scope 1-related calculations.

ii) Given this refined fuel and emissions data gathering and calculations methodology being employed in FY2023, Scope 3 emissions have been segregated as a separate category in FY2023 (whereas in previous years Scope 3 business travel fuel and emissions data were part of Scope 1 calculations).

The majority of fuel consumption at the Group is attributable to the last mile delivery of documents to end-users under the MyDelivery[1] service as well as internal courier[2] activities. While careful route planning is carried out to ensure deliveries are conducted in the most efficient manner possible, which ensures not only cost-efficiency but also fuel-efficiency, fuel usage for last mile delivery purposes will be closely related to the volume of e-government transactions recorded, with increased demand typically translating to higher number of deliveries required.

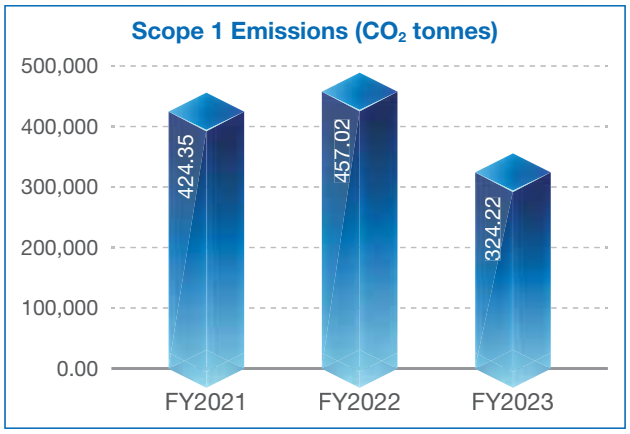
MYEG will continue to monitor the environmental impact of its riders and internal couriers in order to continue achieving a significant reduction in carbon footprint in the future. In this regard, the Group is optimistic that over time fuel usage related to deliveries will progressively decline as more documents are digitalised, bypassing the need for physical documents to be delivered to customer premises. In fact, this digital transformation is already taking place, underpinned by recent efforts by the government to introduce digital versions of previously physical-only documents such as road tax, drivers licences and foreign worker permits. For its part, MYEG is facilitating and enabling customers to opt for these digital options. Adding further impetus to this digitalisation drive is the Group's active ongoing efforts to promote the issuance of digital credentials on the Zetrix blockchain platform, which ensures safety, security and verifiability.

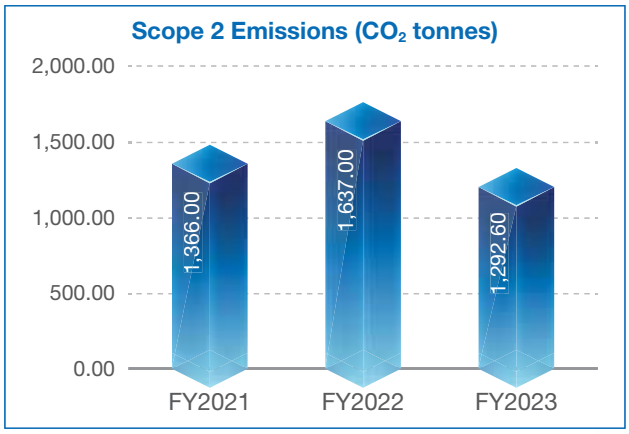
Note:

(1) *MyDelivery: MyDelivery is a specialised service aimed at delivering MyEG products directly to our clients. These products may include important documents and permits such as Lesen Kenderaan Motor (LKM), Lesen Memandu Kompeten (CDL), and Foreign Workers' Permits (PLKS).*

(2) *Internal Courier: This service is dedicated to handling the delivery of internal documents and parcels within our company. It ensures efficient and secure transportation of important paperwork, files, and packages between different departments or locations within our company.*

MYEG's emissions data is measured based on the Group's fuel and electricity consumed from the grid (Scope 1 and Scope 2 emissions respectively), shown below:





Note 1: Scope One Direct Energy (Fuel) for FY2023 takes into account the usage of petrol of MyDelivery motorcycle riders and our Internal Courier fleet, in litres.

Note 2: Scope One Direct Energy (Fuel) for FY2023 fuel data may not be comparable to FY2021 and FY2022 data due to:

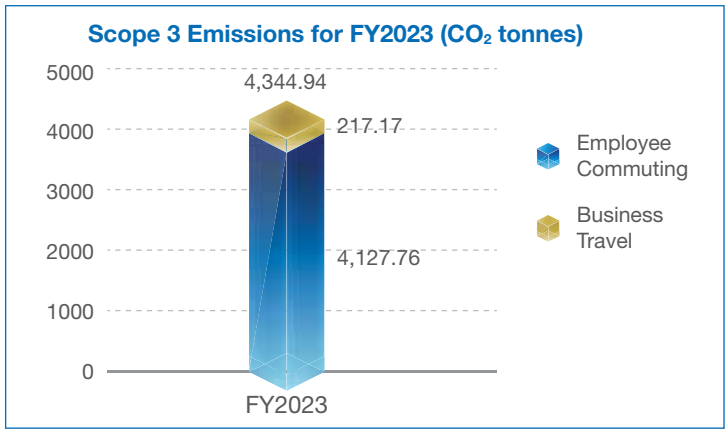
i. The difference in calculation methodology, in which a more refined and accurate data gathering and calculation methodology has been employed for FY2023's Scope 1-related calculations.

ii. Given this refined fuel and emissions data gathering and calculations methodology being employed in FY2023, Scope 3 emissions have been segregated as a separate category in FY2023 (whereas in previous years Scope 3 business travel fuel and emissions data were part of Scope 1 calculations).

The Group experienced a decrease in Scope 2 emissions (21.04% year-on-year), which can be attributed to streamlining of approved sites as part of efforts to maximise cost savings, as well as better control over electricity consumption at HQ through monthly monitoring of utility bills.

Starting from FY2023 onwards, MYEG has enhanced its environmental transparency by disclosing its Scope 3 emissions. This expansion of reporting encompasses emissions related to employees' commuting calculated via distance method.

As this is the first year that MYEG has provided Scope 3 Employee Commuting emissions data in FY2023, the average distance commuted annually per employee, derived from a survey conducted among employees, has been used as the basis for arriving at an estimated total as displayed in the table below. As the Group improves its calculation methdology and data collection approach for Scope 3 data, it aims to enhance its Scope 3 disclosures in the near future.

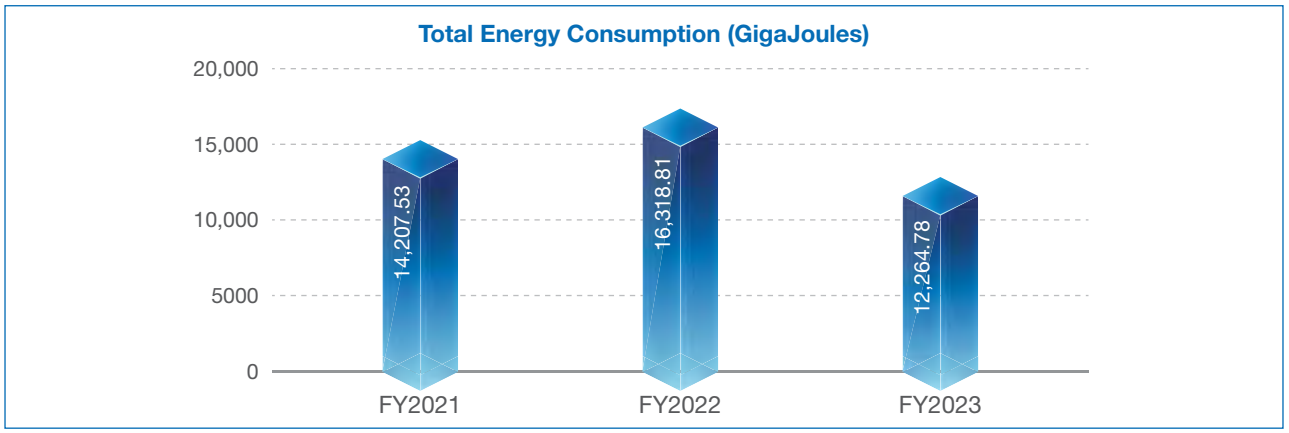


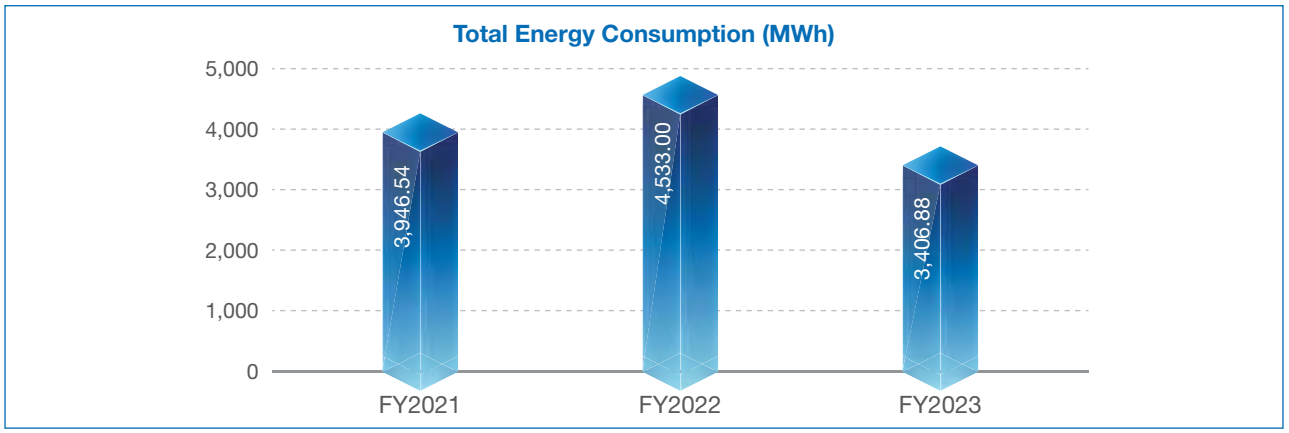
Note 1: Comparative figures for previous years are not available as FY2023 is the first year that Scope 3 data are being segregated and reported.

Note 2: Scope 3 Business Travel data consist of business travel info from MYEG and its major subsidiaries.

MATERIALITY MATTERS
(cont'd)

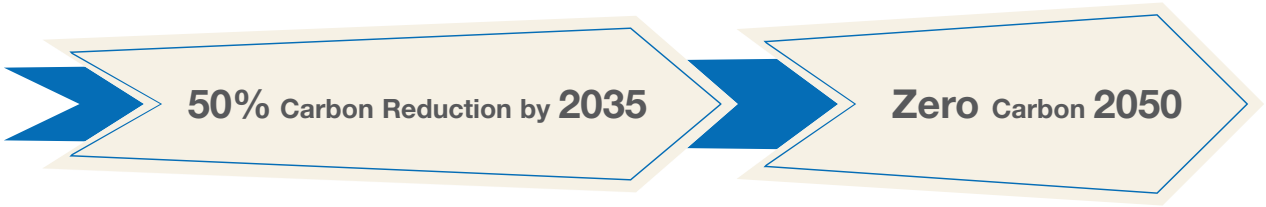
MYEG remains determined on its continued journey towards the goal of reducing its emissions in the future. Total energy consumption of the Group is shown here:





CARBON REDUCTION MILESTONES AND TARGETS

MYEG maintains its commitment to the target of Net Zero carbon by 2050. In line with its Zero Carbon commitment, MYEG is reviewing all aspects of its business model and operations towards realising the set target as shown here:



Managing and mitigating climate change impacts as well as initiating any related targets, policies and plans are aligned to the following frameworks and guidelines:

- United Nations Sustainability Development Goal 13: Climate Change
- Bank Negara Malaysia: Climate Change and Principal-based Taxonomy
- Global Compact Malaysia (MyClimate Action Guide)
- Malaysian Government's National Policy on Climate Change
- Task Force on Climate-Related Financial Disclosures ("**TCFD**")

MYEG's main approach in addressing climate change is based on TCFD's 4 pillars, which are:

Governance	Strategy	Risk Management	Metrics and Targets
Establishing the necessary leadership oversight for climate change, including Board and Senior Management's roles in addressing climate change impacts on the business model.	Formulate effective strategies and deploying necessary resouces towards reducing energy consumption and emissions across Scopes One, Two, and Three; which may include a progressive adoption of renewable energy ("**RE**"); This includes leveraging blockchain technologies to develop products and solutions that would facilitate the reduction of Carbon footprints across business sectors and in society.	For the Group to disclose how it identifies, assesses, and manages climate-related risks including physical, tranitional, legal and reputational risks and how climate risks are integrated into the overall risk management framework.	Setting supportive business / operational KPIs and targets to measure related performance towards the realisation of MYEG's Zero Carbon by 2050 goal.

Additionally, the Group is committed to further aligning its management approach towards setting up and accomplishing relevant climate change KPIs. These include:

KPI	METRIC	RATIONALE
Fuel Consumption Intensity	Total direct fuel consumption (in litres) per annum / Group revenue per annum	Fuel consumption results in the production of vehicle emissions that include air pollutants and GHG which contribute to climate change. Any expansion of delivery fleets will be cognisant of the need to set KPIs to limit and monitor the overall fuel consumption, and at the same time, reduce MYEG's negative impact on the environment.
Electricity Consumption intensity	Total electricity consumption (in MWh) per annum excluding electricity generated from RE / revenue per annum	MYEG's primary source of energy consumption is electricity and that is why it is deemed the most material to the Group. By setting targets for electricity consumption and implementing energy efficiency initiatives, the Group can reduce the fossil fuels burned to generate electricity and limit GHG emissions.
Scope One Emissions Intensity	Emissions attributed to fuel consumption (Tonnes CO 2e) / revenue	By setting targets for Scope 1 emissions, the Group can collectively work towards reducing direct emissions from sources owned by the Group, which include emissions produced from our facilities and vehicles. Additionally, to minimise the risk from carbon pricing mechanism.
Scope Two Emissions Intensity	Emissions attributed to electricity consumption (Tonnes CO 2e) / revenue	By setting targets for Scope 2 emissions, MYEG can focus on reducing the indirect emissions produced by the Group. This involves forms of purchased energy. For MYEG, this would primarily involve electricity and also other indirect energy consumed by the Group.

Recognising the importance of establishing detailed performance targets in catalysing MYEG's journey towards delivering on its net zero pledge, the Group held a workshop in early 2024 to formulate Targets and KPIs for the short, medium and long terms. These goals not only relate to emissions, but extend to all material ESG aspects of the Group. A summary of these Targets and KPIs is scheduled to be made available by the Group on its website later this year.

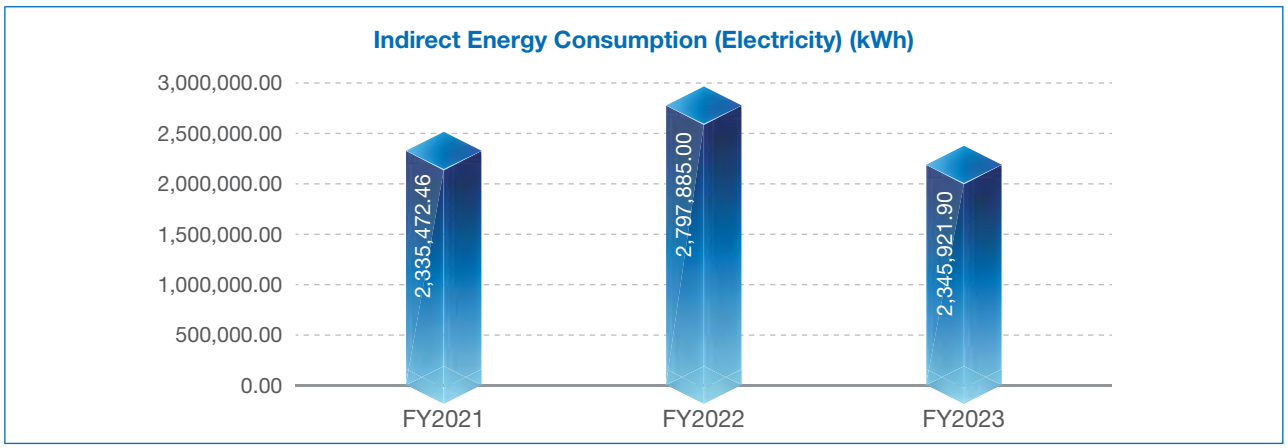
The Group perceives innovation as pivotal to discovering solutions for decarbonisation. Consequently, there is an intention to harness Web3 technologies as a crucial facilitator in achieving a carbon-free future. This commitment extends beyond the Group's own businesses, aiming to contribute to the broader national and global efforts towards sustainability.

ELECTRICITY CONSUMPTION AND RENEWABLE ENERGY

Energy data is measured based on the Group's electricity consumption from the grid, with electricity remaining the primary and most material source in terms of both its cost and environmental impact. Currently, the largest consumers of energy within the Group are its data centres. MYEG has implemented various energy-efficient features in on-premises data centres, focusing on servers and cooling systems to reduce overall energy consumption.

Given that electricity is the primary source of energy consumed by MYEG, the Group is dedicated to reducing electricity consumption. MYEG has undertaken a range of measures to drive energy efficiency across the value chain. This involves implementing energy-saving practices among staff, transitioning to LED-based lighting, and more. To develop a comprehensive approach to managing energy consumption, MYEG is exploring the feasibility of adopting an energy management system or energy efficiency standards suitable for its industry and business model.

Other methods such as green technology initiatives, corrective maintenance work and thorough monitoring will be taking place to improve electricity consumption for the Group moving forward. The Group has also made use of natural lighting and other energy-efficient methods to help avoid excess carbon being produced.



In FY2023, MYEG's total electricity consumption was recorded at 2.35 million kWh.

MYEG understands the potential renewable energy possesses in contributing towards the fight against climate change. By using renewable energy, it reduces the need for fossil fuels to be burned and released into the atmosphere which reduces climate related impacts.

The Group has already been looking into several areas to implement renewable energy initiatives:

MYEG's approach to potentially adopting renewable energy in the future will be consistent to further reduce MYEG's overall carbon emissions and embed sustainability throughout the organisation.

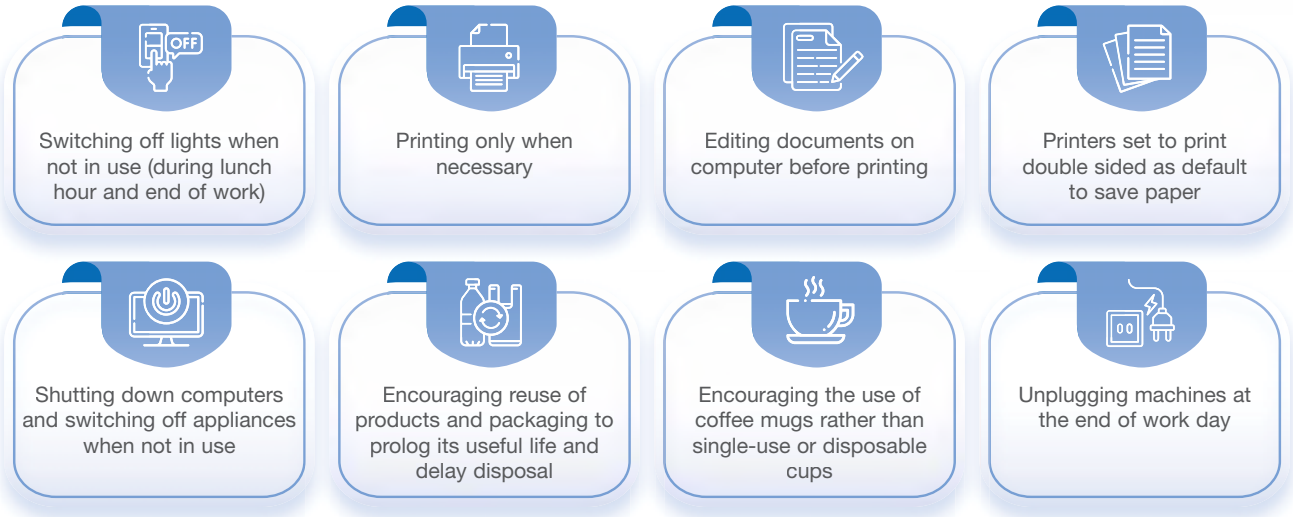
Please refer to the full Statement of Commitment to Addressing Climate Change Risks and Impacts for more details, which can be read under the "Sustainability" subsection at *https://www.myeg.com.my/investor-relations/governance*.

MORE ENVIRONMENTAL FOOTPRINT MANAGEMENT INITIATIVES

The Group has instituted an Environmental Policy, along with a Waste Management and Recycling Statement, with the objective of reducing MYEG's overall impact on the environment. These policies promote a more efficient utilisation of the resources the company possesses, emphasising a commitment to practices that do not harm the environment.

The Policy helps display the Group's commitment to managing MYEG's environmental footprint and provides a better understanding of the Group's approach to employees and relevant stakeholders.

The full Environmental Policy together with Waste Management and Recycling Statement can be downloaded at *https://www.myeg.com.my/investor-relations/governance*. The policy is cascaded across our entire organisation, beginning at MYEG Tower to set best practices standards. These policy measures consist of:



WATER CONSUMPTION

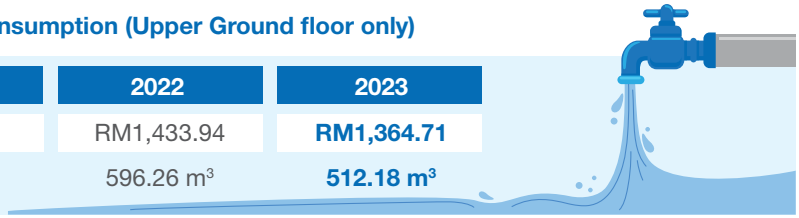
Water at MYEG is mainly consumed at office spaces. Recognizing the significance of monitoring and mitigating water usage, the Group underscores its commitment to sustainability through ESG-driven initiatives.

On a broader scale, MYEG employs a chilled water system for its building's cooling mechanism. This system facilitates water recirculation, contributing to a significant reduction in overall water consumption at a larger scale.

On an individual and focused level, employees are periodically reminded to turn off water-based appliances after usage, in addition to receiving strong awareness on the importance of saving water. The Group is exploring more water-saving initiatives to better reduce water consumption, which also complements the currently-adopted best practices on water management.

Water Consumption (Upper Ground floor only)

	2021	2022	2023
Total Cost (RM)	RM951.57	RM1,433.94	**RM1,364.71**
Total Consumption (m^3)	452.8 m^3	596.26 m^3	**512.18 m^3**



PAPER CONSUMPTION

As an online service provider, the Group's products and services can be accessed online which eliminates the need for physical paper to be used.

Despite this, the Group still adheres to guidelines that have been set in MYEG's Environmental Policy to manage its paper consumption, as well as other initiatives, such as:

Employees have a major role to play in reducing paper consumption and they are encouraged and reminded to use paper in an efficient manner such as using double-sided printing and avoiding the use of paper cups in the workplace.

The Group has established green features at MYEG in order to reduce paper consumption, which includes the introduction of digital forms, or e-forms, for employees to use regarding administrative matters e.g. leave application, salary slip, claims, appraisal, material requisition and more.

Relying on digital signatures instead of physical signatures on documents when it comes to regular administrative operations whice reduces the need to print.

Utilising cloud services for information distribution and sharing instead of distributing printed copies.

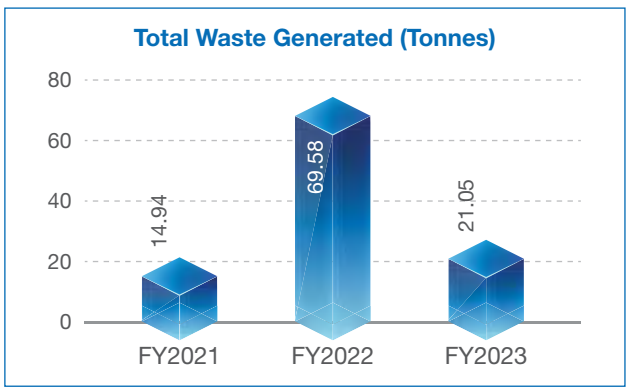
In FY2023, MYEG completed the allocation of 22 paper recycling centres at MYEG Tower. Each centre will be provided with a waste paper recycle bin. A shredder is provided for the disposal of waste papers that have sensitive data on them, and a designated vendor will collect waste paper from these centres on a monthly basis.

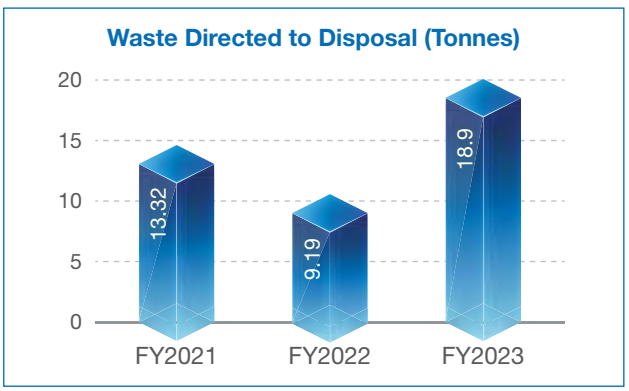
Going forward, MYEG continue to curb its paper usage in more ways as it systematically digitalises more facets of its organisation to enhance workflow and productivity.

WASTE MANAGEMENT AND RECYCLING

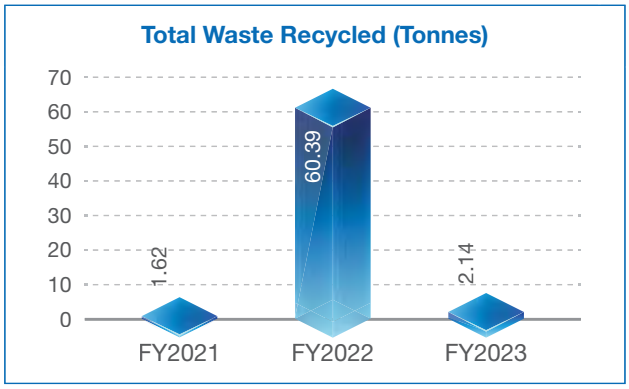
MYEG actively promotes waste management and recycling practices, recognising their positive impact on the environment. MYEG's primary objective is to minimise its overall contribution to landfills, particularly considering the potential release of harmful greenhouse gases into the environment.

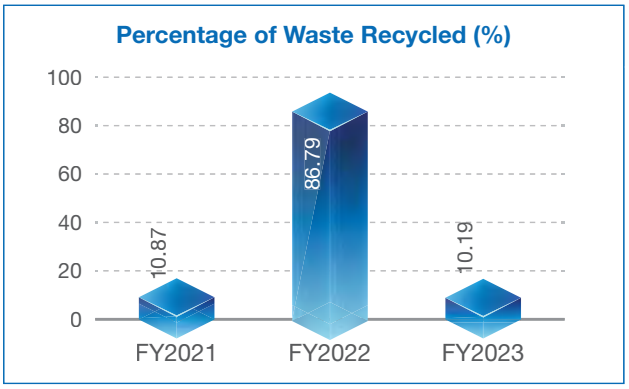
Here is the total waste generated as well as waste directed to disposal:





The Group's Waste Management and Recycling Statement provides more clarity on the initiatives that the Group wishes to develop which include the recycling of materials such as glass, paper and plastic. Data captured on the recycling of waste over the last three years are as below:





**The steep rise in waste generated in FY2022 is aligned with increased activity of disposed and recycled MYEG kiosks during FY2022. As the kiosks recycling and disposal programme was completed in the previous year, recycling rates returned to more normal rates in FY2023. MYEG plans to gradually ramp up its recycling activities as well since pandemic restrictions have long been lifted.*

MYEG has also adopted the practice of sorting items upon the dismantling of sites in Klang Valley, its Head Office and other regional areas to determine which materials could be potentially reused or recycled instead of being labelled as waste.

Reusable items, usually furniture and air condition systems, will be collected by the Internal Courier team and sent to HQ for restoration and redeployment. Constant development and evaluation of what initiatives could be implicated take place throughout the year in order for the Group to be more sustainable moving forward.

Additionally, MYEG monitors its food waste throughout the office as food is the main contributor to creating these greenhouse gases as they decompose. In order to reduce food waste, food compositing machines could be placed in the office where a limited weight of food waste can be deposited. There are also designated bins for food waste, following a similar idea as that of the recycling initiative.

MYEG remains committed towards expanding the Group's recycling policy and procedures regarding recycling other types of waste, which will be developed and suitably implemented in the future when it is feasible to do so. These may include recovering and recycling equipment and materials related to the Group's operations. The Group will continue to develop further policies that promote and cascade recycling of waste within the supply chain.

E-WASTE

As mentioned previously, MYEG operates as an online service provider, relying extensively on the latest technology and robust computer systems to deliver products and services to customers. The dynamic nature of the industry necessitates continuous upgrades to ensure customers receive the best possible experience. Consequently, the disposal of older technology equipment is a regular part of the Group's operational cycle.

Given that improper disposal of these old electronic devices links to the landfills where hazardous components can easily be leaked into the environment, MYEG ensures a structured and responsible disposal of damaged / non-usable electrical and electronic items. For example, parts of an old computer can easily be reused in another appliance instead of being thrown away.

From FY2021 to FY2023, the Group conducted the disposal of the following items to the recycling contractor:

	FY2021	FY2022	FY2023
Computer & Central Procession Unit (CPU)	0	79	78
Tablet	930	0	0
Accessories	221	633	79
Equipment	361	658	621
TOTAL	**1,512**	**1,370**	**718**

MYEG may consider joining e-waste recycling weeks that are set up by the Department of Environment to further its participation in recycling e-waste. Future e-waste solutions will be considered.

SOCIAL

TALENT RETENTION AND DEVELOPMENT

In a competitive talent market, MYEG actively engaged in the competition for skilled professionals. Across the industry, there is a pressing need to attract and retain high-calibre, competent individuals. MYEG places a strong emphasis on investing in its talent pool and motivates employees through incentives for outstanding performance.

In FY2023, MYEG implemented initiatives to foster the growth and development of talent within the Group. These initiatives encompassed targeted internships and leadership training courses, such as the 'Transformation into an Effective Leader' programme, designed for both top and middle management.

MYEG's labour standards are also kept to a high level through the various briefings, internal and external training and on-the job training. The Group's recruitment approach is two-pronged:

- Seeking to attract young individuals with industry-relevant experience
- Recruiting young talents from the nation's vast undergraduate pool through our internship programmes (such as the UUM graduate placement programme) which provides an avenue for successful candidates to join the Group full-time

MYEG also continued pursuing key programmes to substantially bolster efforts in internships, youth employment initiatives and graduate placements at the Group.

One of these programmes is the Malaysia Short-Term Employment Programme ("**MySTEP**"), which is a Malaysian government initiative targeting short-term (contract) employment opportunities in various ministries, government agencies and government-linked companies, as the government aims to create more employment opportunities and provide work experience to the younger generation of workers in Malaysia to increase their marketability.

Trainees who completed the programme and who were deemed qualified became permanent team members upon completion of the training period. MYEG plans to continue participating in MySTEP from year to year, while increasing the number of participants.

The other programme is the Professional Training and Education for Growing Entrepreneurs ("**PROTÉGÉ**"), which is an entrepreneurial training and marketplace training programme aimed to cultivate youth potential, in collaboration with industry experts. This would ideally contribute in creating more competitive and prepared job marketers as well as skilled job seekers to meet current industry needs.

	FY2021	FY2022	FY2023
Number of Interns	17	31	35
Number of MySTEP trainees	-	10	-
Number of PROTÉGÉ Participants	-	5	1

MYEG does not discriminate in hiring based on an individual's background, social status or education. MYEG is committed to providing opportunities to those from under-privileged backgrounds, poor social status, and a lack of formal education.

Employee performance appraisals are also conducted on an annual basis using a new and improved e-Appraisal system. Findings from appraisals are used as the basis to measure employees' performance and contributions against the underlying expectations, as well as to determine career development paths, promotions, and remuneration adjustments, among others.

In addition, the Group also has an internal employee rewards programme that recognises and appreciates excellence and individual performance called The Abdullah Ahmad Awards.

HUMAN RIGHTS AND LABOUR STANDARDS

Human and labour rights remain a vital part of MYEG's business operations. Recognising its importance, MYEG is guided by basic human rights principles and the Malaysian Employment Act 1995 and all other relevant labour laws of Malaysia. The Group subscribes to the International Labour Organisation ("**ILO**"), the Universal Declaration of Human Rights and the UN Global Compact 10 Principles as follows:



Other policies followed include MEYG's Human Rights Policy and the Non-Discrimination and Equal Opportunity Employment Policies. MYEG's Human Rights Policy sets out the Group's commitments and relevant guidelines in relation to the overarching commitment to operate and do business in a manner consistent with the principles contained in UN's Universal Declaration of Human Rights.

MYEG has implemented risk assessments for potential and new operations / projects where risk factors are evaluated thoroughly. These factors include labour issues, employee conduct and many more factors which could affect both financial and non-financial performance for MYEG.

At MYEG, there is a strict policy against any discrimination in the workplace and anyone found in breach of these policies will be severely punished for their actions which may include warnings, suspensions and in extreme cases contract termination. When it comes to equal employment opportunity at MYEG, the Group does not discriminate regarding age, physical or mental disability, national or ethnic origin, race, religious belief, gender, sexual orientation, gender identity, marital status, political belief, veteran status or any other possible discriminatory factors.

Guided by the Group's Non Discrimination and Equal Employment Opportunity, which states that MYEG seeks to provide equal opportunities in an atmosphere free from discrimination, equal employment opportunity extends to all aspects of the employment relationship including recruiting, interviewing, selection, hiring, transfers, promotions, training and development, terminations, working conditions, compensation, benefits as well as other terms and conditions of employment. The Group aims to represent all values and cultures, maintaining its core principles in ensuring that no form of discrimination or bias is present.

Discrimination has no place in the workplace environment and definitely should not impact one's ability to gain promotion or overall career progress. MYEG handles any complaints about discrimination with confidentiality and care whilst also providing one-to-one coaching to supervisors and managers on how to respond to discriminatory acts.

All workers must be granted their basic human rights such as access to employee benefits, medical care, freedom of association and paid a fair wage. MYEG's whistleblowing mechanism functions as a grievance mechanism for any worker or party to whistleblow on any incident or non-compliance with human rights provisions.

MYEG keeps its employees updated on the latest policies by placing posters in common areas, updating the employee handbook and sending any changes or updates on policies via e-mail. Digital communication channels such as online briefings, trainings and communications are all used to create awareness on bullying and harassment. The shift towards using these forms of communication was enacted since the COVID-19 pandemic and continues to be implemented alongside physical initiatives.

MYEG observes a clear zero-tolerance stance when it comes to these issues of bullying, harassment and unacceptable behaviour and always does its best to prevent any cases from occurring.

Management personnel have undergone training when it comes to dealing with any such human rights grievance reports made. In FY2023, 140 team members (FY2022: 119) consisting of assistant managers, team leaders and assistant team leaders attended bullying and harassment training.

MYEG respects the right to freedom of association in Malaysia and the right of collective bargaining. Both come under statutes of the ILO and the Universal Declaration of Human Rights. Employees are free to join any political body, trade association, NGO or religious / cultural group of their choosing so long as these groups are not illegal.

MYEG's employee handbook clearly outlines what rights and benefits they possess at MYEG. Other than English, this handbook has been translated into Bahasa Malaysia. As of FY2023, items such as Industrial Relations SOPs, Performance Improvement plans, Warning Letters, Show Cause Letters and induction programmes have been translated into Bahasa Malaysia.

Anyone found in breach of these policies will be severely punished for their actions which may include warnings, suspensions and in extreme cases contract termination.

HUMAN RIGHTS IN THE SUPPLY CHAIN

MYEG believes that its approach to human rights should be shared by all levels of the supply chain. The Group may cease doing business with anyone found to be acting in contrary to human right practices and standards.

All business associates are required to complete an acknowledgement and declaration form to demonstrate their agreement to comply with the Code of Business Ethics that MYEG has established.

The Code of Business Ethics sets out the standards of ethical business practices and conduct that the Group expects from all business associates, including but not limited to service providers, suppliers, business partners, joint venture entities and partners, associate companies, distributors, consultant, contractors, agents, and any third-party performing service for or on behalf of the Group.

GRIEVANCE MECHANISM

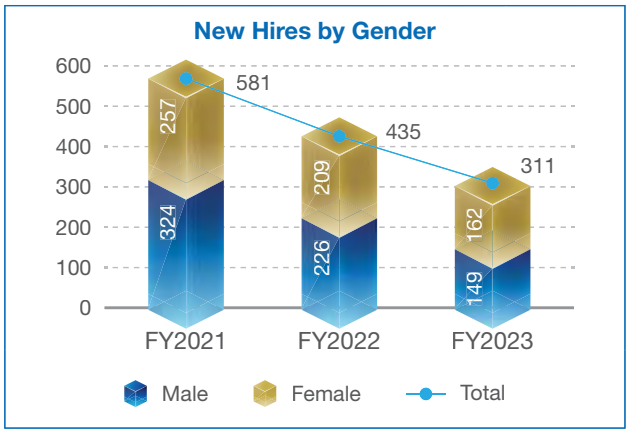
Management unequivocally supports employees' rights to flag any actions that involve harassment, bullying, human rights violation and breach of labour laws via MYEG's whistleblowing channel and policy.

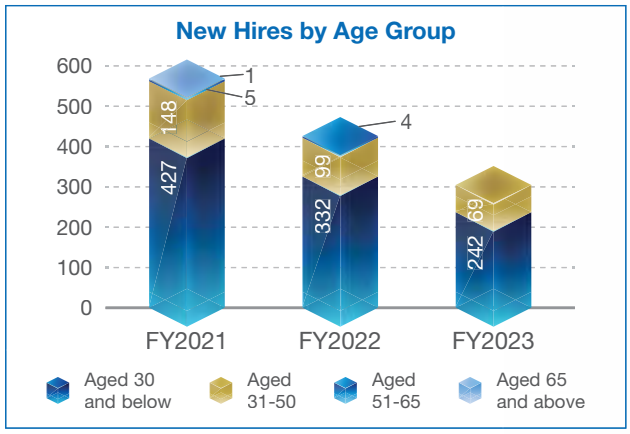
Employees are neither censured nor discouraged from sharing their grievances. They may also do so collectively. All complaints will be thoroughly investigated. Unless required by law, the identities of complainants will be kept confidential.

In FY2023, zero cases were brought up through the grievance mechanism for human rights or labour standards violations. There have been zero reported infringements on the rights of any persons, adult or child, nor any incidence of forced or compulsory labour. Neither has there been any violation of human rights involving indigenous people's rights at any time in MYEG's history.

HIRING AND ATTRITION RATES

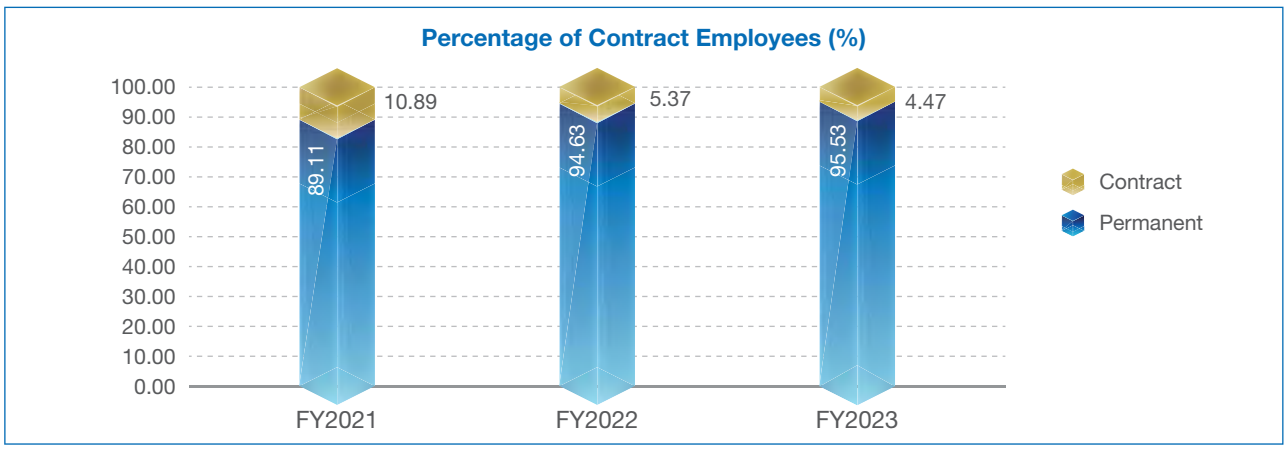
MYEG hired a total of 311 new employees in FY2023, which brought total employee count to 2,059 personnel as of 31 December 2023. The Group takes pride in hiring local talent which is why only 1.6% of its workforce in Malaysia consists of foreigners. Some 4.5% of employees are contractors or temporary staff.

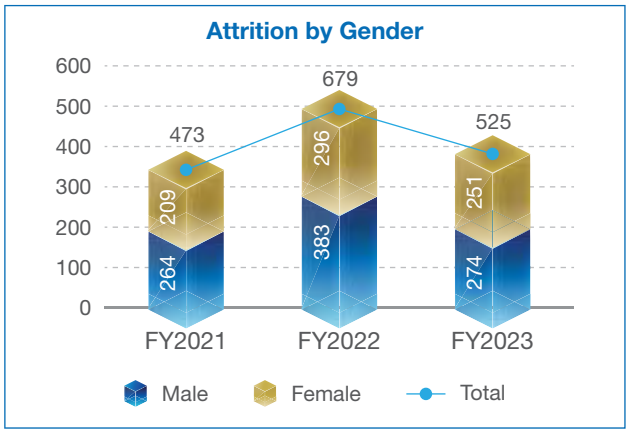


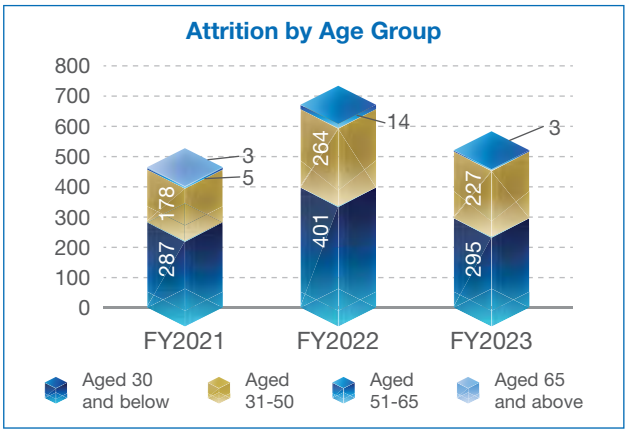


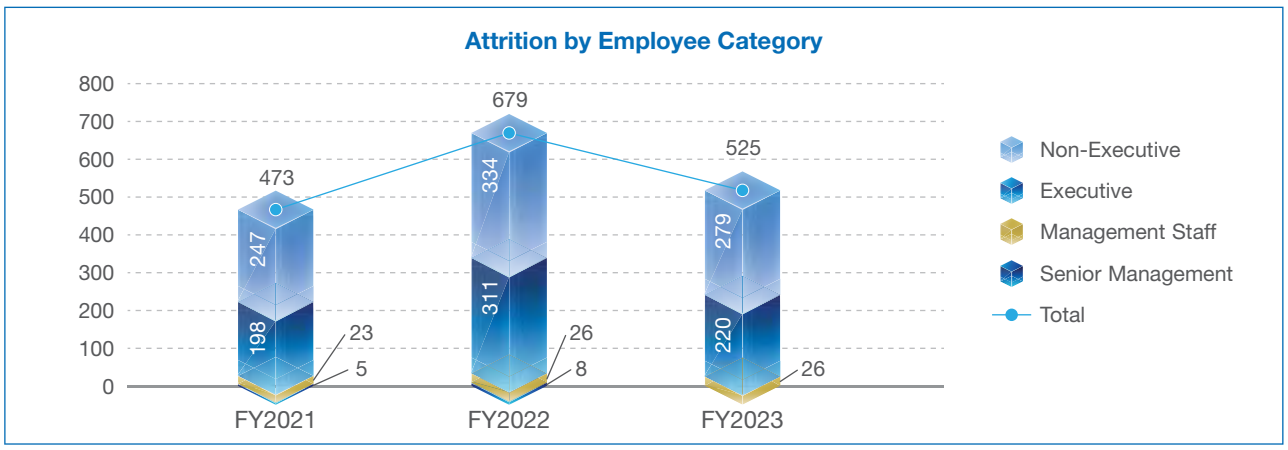
WORKFORCE BREAKDOWN BY CONTRACT TYPE (%)

Attrition rates remained healthy in FY2023 compared with industry peers, with 525 employees undergoing attrition. This reduction in staff numbers is primarily attributed to the release of contract personnel and restructuring of roles within the organisation aimed at enhancing work efficiency.









TALENT TRAINING AND DEVELOPMENT

MYEG is committed to providing employees with training that enhances their skills and abilities, allowing them to take on new roles and responsibilities within the organisation, as well as provide employees with career development opportunities such as leadership training that would help them grow and advance within the organisation.

Training serves as an effective tool to enhance employee competencies, support succession planning and bolster employee morale and satisfaction. It underscores MYEG's acknowledgment of its employees and reflects the Group's commitment to fostering its workforce's career progression. Training objectives mainly focus on addressing competency gaps in employees' skillsets through training opportunities.

Training and career development are the responsibility of both employees and Head of Department. A Head of Department shall assess their subordinates' training needs and recommend employees for training to the management so as to improve their job performance and develop their career. Employees may also initiate training requests to Head of Department which would be reviewed by Head of Department and the Industrial Relation, Training and Welfare Department on its suitability.

The Group has implemented a slew of important strategies for learning and development initiatives at the organisation:

1) Increasing employee engagement and wellbeing
2) Improving business productivity
3) Improving employee retention
4) Attracting the best talent for businesses
5) Increasing profitability
6) Improving the customer experience
7) Creating a stronger company culture

Informed by its learning and development strategies, MYEG ascertains training needs via its Training Needs Analysis ("**TNA**") process, as shown here:

Define the scope of the analysis	Identify the specific tasks that employees perform	Determine the skills and knowledge required to perform those tasks	Assess the current skills and knowledge of employees	Develop a plan to meet the identified needs
Including identifying the specific employees, job roles, or departments that the analysis will focus on, as well as the time frame for the analysis.	Including tasks related to their job role such as using specific software or equipment, or tasks related to compliance with regulations or industry standards.	This may include technical skills, such as proficiency with specific software or equipment, or soft skills such as communication or problem-solving. By determining the skills and knowledge required, the Group can identify any skills gaps and assign proper training.	These assessments are done through surveys, interviews, or observations, and in order to identify any gaps between the skills and knowledge that employees currently have and what's required to perform their tasks effectively.	Include developing a training programme or identifying resources that can help employees acquire the necessary skills and knowledge.
01	02	03	04	05

When it comes to assessing the current skills and knowledge of employees, the Group employs methods such as:

Assessment questionnaires and reports

Questionnaires are used to determine workers' skills, competencies and behaviours and these are to provide an evaluation report. Questionaiers such as training needs identification & appraisal forms are used to collect valuable data on employee competency.

Interviews

Interviewrs with the employees and their superior on skill gaps. Interviews are most likely based on frequent conversations between an interviewer and the employee which can provide valuable data on the employee's understanding of their role and performance concerning KPIs established for their position.

Focus Group

Group interviews conducted by a leader aimed to encourage the participants to interact to obtain data on the training needs detected by themselves. They also tend to reveal any information that provides insight into where employees currently stand regarding the company's objectives.

Observation

Observing an employee performing their everyday duties or resolving problems could provide a lot of information about their skills and knowledge and help determine which ones need to be reinforced through training.

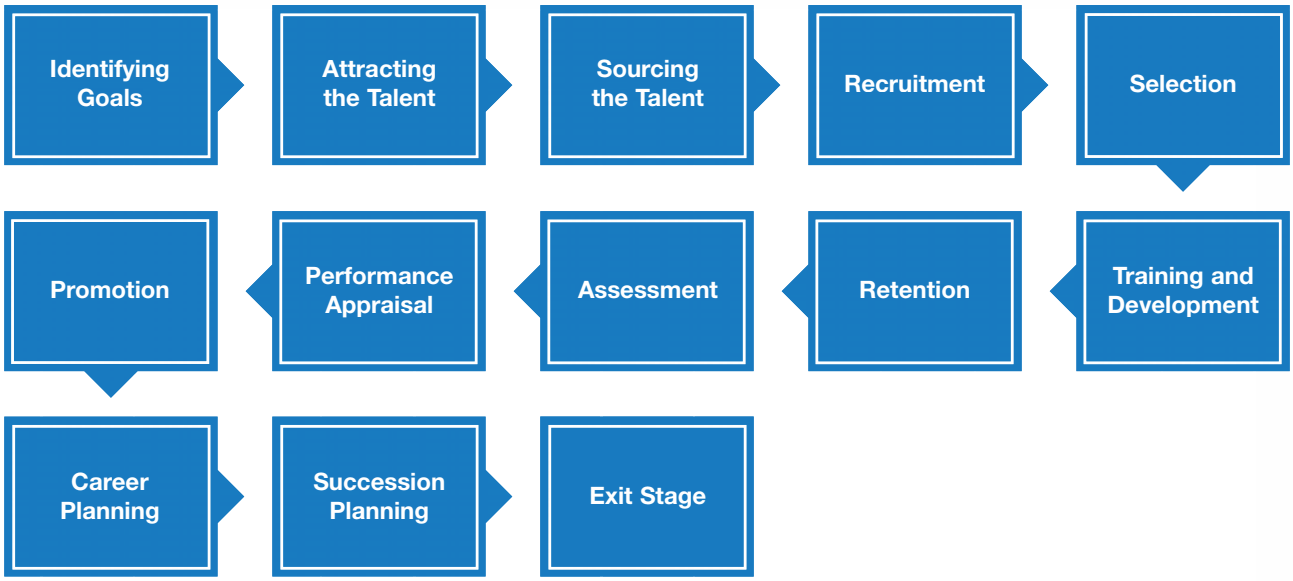
MATERIALITY MATTERS
(cont'd)

MYEG focuses on a structured training curriculum for all employees covering various areas, as detailed here:

1. **Orientation training**
   conducted on monthly basis for all newly hired employees to their company culture and vision, hierarchy, job responsibilities, different teams and anything else relevant to a new hire's job function.
2. **Onboarding training**
   the process of getting your new hires up to speed, understanding their new responsibilities, getting familiar with company culture, and becoming productive team members quickly.
3. **Compliance training**
   a training type mandated by legislation, regulation or policy. It educates employees on the laws and regulations applicable to their job function or industry e.g. **anti-harrassment, diversity training, business ethics, cybersecurity training** and more.
4. **Product training & briefing**
   ongoing training on product briefing which includes all the information about the organisation's goods, services or products that employees need to learn to perform their jobs effectively.
5. **Leadership development programme**
   for the existing leaders to refresh and reset their mindset. On the other hand, leadership training for other employees helps them better understand their current roles and learn what it takes to become exceptional leaders in the future.
6. **Quality assurance training**
   to help employees have better understand quality assurance activities and improve processes that ensure the final product or service meets set quality standards, which leads to customer satisfaction and loyalty.
7. **Sales training**
   designed to develop the selling and sales management competencies of sellers and sales managers. A training programme to improve sales people skills, knowledge and attributes to drive the sales team's behavioural change and maximise sales success.
8. **Soft skills training**
   focuses on personal attributes such as communication, conflict resolution, and problem-solving that are necessary for an individual's success and career development. Across an organisation, in every business unit and employee role, soft skills are crucial for gaining new clients, improving current customer relationships and service metrics as well as building a stronger team dynamic.
9. **Diversity training**
   creates awareness for diversity-focused issues within the workplace with an aim to facilitate positive interactions and reduce prejudice and discrimination among employees.
10. **Safety training**
    designed to train employees on precautionary processes and procedures to mitigate risk or the chance of injury or fatality on the job. Safety training is a form of compliance training delivered to protect the organisation and its people.
11. **Orientation training**
    conducted on monthly basis for all newly hired employees to ingrain them into the company culture and vision, hierarchy, job responsibilities, different teams and anything else relevant to a new hire's job function.

The Group evaluates post-training effectiveness in a variety of ways including conducting post-training quizzes, one-to-one discussions, employee surveys, participant case studies and official certification exams.

MYEG also has in place a carefully-crafted talent attraction and development process model in place in order to attain those aforementioned ambitions. Detailed here is the Group's talent development process model:



Identifying the goals	To identify what the organisation aims to achieve and what characteristics, qualifications and skills the recruits should possess to realise these goals.
Attracting the talent	To hire the best talent for the organisation. Organisations at this stage make an effort to attract the best, most talented candidates from the job market.
Sourcing the talent	The talent management personnel looks for appropriate sources in the job market or industries where the targeted candidates can be hired or recruited.
Recruitment	This is the first stage of hiring the best, most talented people for the organisation. Skilled and qualified candidates are invited to join the organisation.
Selection	This is the stage where the objective of talent management becomes a reality, as it is when the truly talented candidates are finally recruited or hired in various roles.
Training and development	At this stage, the selected recruits are provided with the necessary training to make them more productive and efficient in working towards organisation's goals.
Retention	The objective of talent management is not only hiring talent but also ensuring their retention in the organisation. Factors that the retention rate depends on include attractive pay packages, job specifications, safety and security of the employees, personal development of an employee, recognition and culture of the organisation, as well as the compatibility between the job and respective talent.
Assessment	Periodical assessment of employees' skills, abilities, improvements and competencies enable the organisation to know if they are a proper fit for employment continuation and promotion.
Performance appraisal	It is a measurement of the actual performance of the employees in the job. It enables the organisation to ascertain if an employee can be granted extra responsibilities.
Promotion	It refers to job enrichment. It keeps the energy level of the employees high and they become inspired to continue working for the organization.
Career planning	If an employee is found befitting to handle work pressure and extra responsibilities well, the management needs to plan his / her career trajectory so that he or she feels elevated and rewarded. Such recognition and rewards inspire the employees to remain with the organisation for a long time.
Succession planning	Deals with the replacement of employees within the organisation. Employees who have contirbuted their best to the organisation and have been serving for a long time deserve to hold higher positions within the company.
Exit stage	This is the final stage of the talent management process that ends in the retirement of the employees and therefore they are no more a part of the organisation.

MATERIALITY MATTERS
(cont'd)

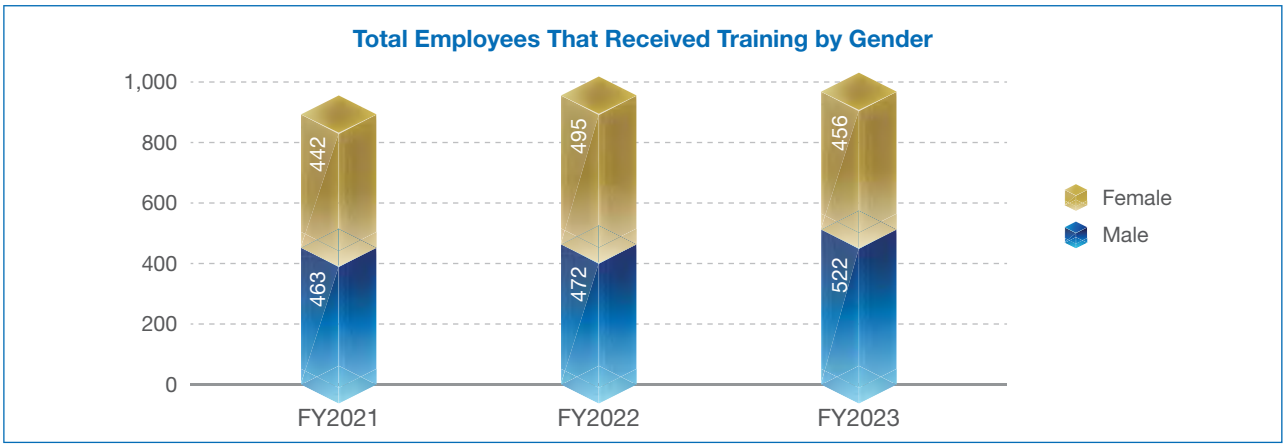
The importance of training and development, along with the relevant guidelines, are set out in MYEG's Employee Handbook, which states the Group's commitment to providing the relevant training and career development opportunities as these are an integral part of its employees' growth.

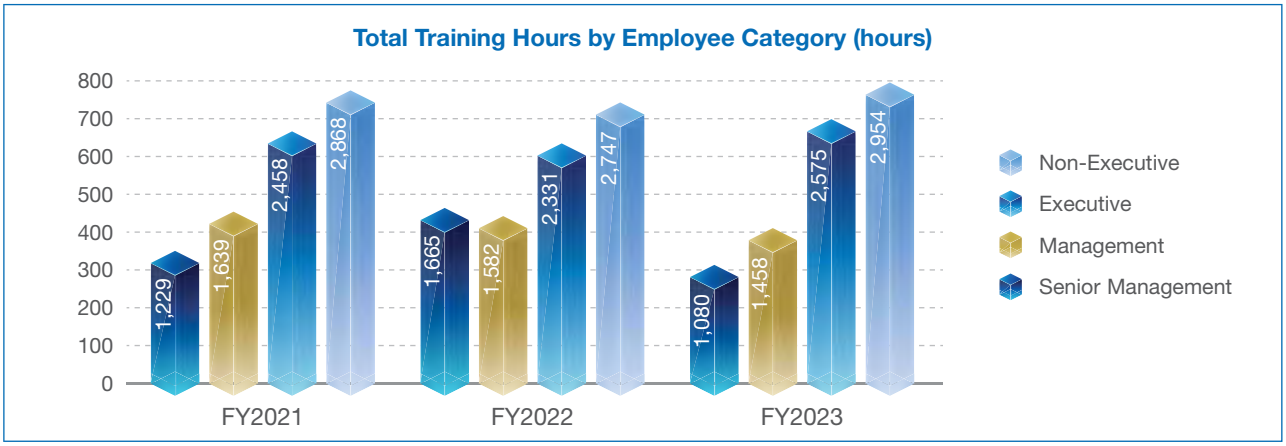
MYEG conducts these trainings to add to employees' skillsets and this, in turn, generates:

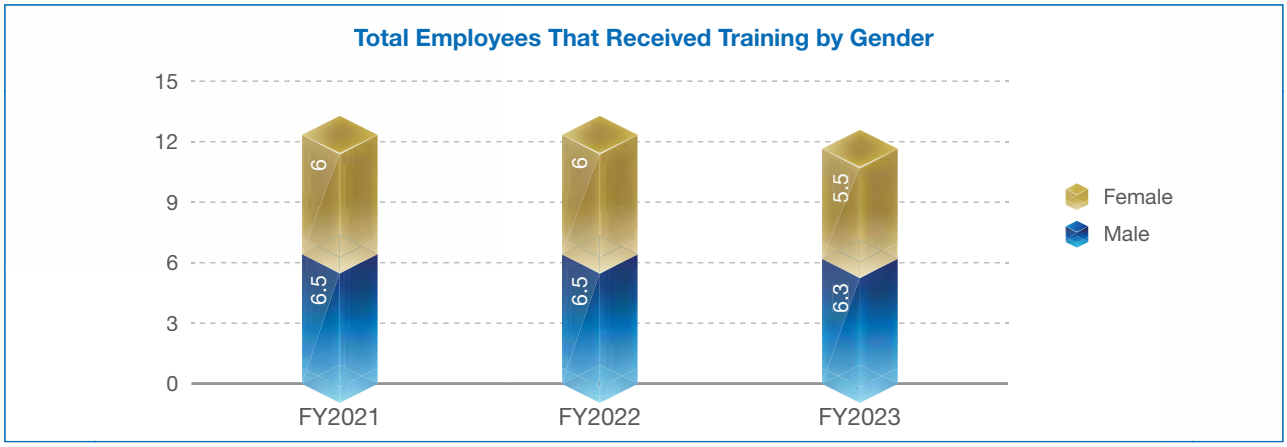
- Improved productivity
- Increased efficiency
- More accountability
- Less support being required
- Opportunities for employee development by tracking personal growth

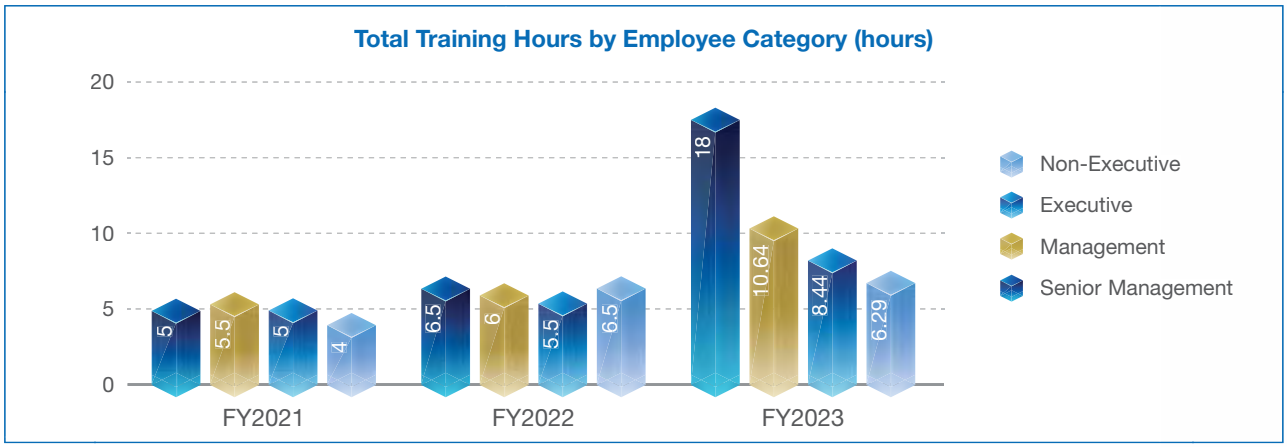
Shown here are the key highlights of MYEG's employee training and development:

	FY2021	FY2022	FY2023
Total Training Budget (RM)	RM146,609	RM135,778	RM136,889
Total Employees That Received Training (pax)	905	967	978
Total Employee Training Hours	8,194 hours	8,325 hours	8,224 hours
Average Training Hours per Employee	7.5 hours	8.6 hours	8.4 hours
Average Training Days Per Employee	1 day	1.1 day	1 day









MYEG plans to enhance its learning and development initiatives going forward, adopting relevant trends in the industry that can serve to bolster the productivity and efficiency of its workforce such as:

1. Upskilling & Reskilling for the Digital Workplace

With digital transformation comes the need for reskilling the existing workforce on how to use new digital processes and tools. It also means many traditional types of jobs that can be automated, will be automated – meaning certain jobs will become obsolete. That brings opportunities as well – as new jobs will emerge as new needs become clearer (i.e. AI professionals).

Outside of general reskilling for learning new skills brought on by the digital transformation of outdated processes, other types of upskilling that can be done through online learning courses may include:

i) Company Culture Training
ii) Leadership & Management Training
iii) Diversity & Inclusion Training
iv) Role or Industry-Specific Training
v) Compliance Training

2. In-App Experiences

This type of learning & development and support content allows employees to learn in the flow of work, at the exact moment of need, without leaving their digital tools. This type of learning empowers employees with the right support content at the right time, is more engaging and interactive, cuts down overall training and onboarding time as well as improves the productivity of workers.

3. Learning in the Moment of Need

This type of learning experience is much more effective than traditional training, as it provides employees with support content in the flow of work. This allows workforces to become more productive, as instead of spending dedicated time on "what-if" training and development, they're learning with real-life experiences – in the flow of their daily work.

This type of learning has been shown to retain more knowledge than traditional types of learning, as it has more importance, is interactive, and allows learners to connect the dots between the answer they're being given and the problem at hand – as they've experienced the issue first hand.

4. Microlearning

Microlearning is a type of learning that breaks down learning content into small, bite-sized information modules. Smaller learning sessions offer the right amount of information necessary for learners to achieve a specific training objective, making microlearning valuable in business contexts.

Microlearning is effective because learners apply the skills they've acquired before they lose attention, thus improving knowledge retention. This is also referred to as real-time learning.

5. Real-Time Employee Feedback

With real-time employee feedback, Learning & Development teams can ask learners for their feedback or more in-depth long-form answer surveys – directly after or in an employee training course. Learning through in-app experiences, with knowledge bases, or while learning in the moment of need all present unique opportunities for L&D teams to build in simple, short questions that pull vital data on the impact and helpfulness of their training and support content.

Alongside adopting these modern training trends, MYEG looks to bolster its learning and development infrastructure with key initiatives including:

Choose a modern learning platform	Training and development books	Mentorship programmes
A great way to create this atmosphere is with a modern learning management system. With the purpose of employee long-term development, training and development initiatives can be created individually or with the help of a learning management system. Orientations, workshops, lectures, case studies, simulations, and computer-based training (including e-learning) are all common training methods.	Creating a list of suggested books to read with download links, if available. This can then incentivize this initiative further by creating a company book club. Employees would read the same book and then discuss it over a dedicated time like a lunch and learn. Not only will this help enforce the topics learned, but it will offer different perspectives and collaboration between employees. This can further drive new key skills learned.	A mentorship program is one of the training and development initiatives that can integrate a new employee quickly. Mentors can help teach new skills and give the ins and outs unique to a given company. Plus, this relationship offers a fresh dynamic than a supervisor or a co-worker offering a different viewpoint that is often needed.

Recognition and awards	Lunchtime learning sessions	Incorporate blended learning
Another way to improve training and development is through employee recognition. This offers a motivating factor for completing training and also builds healthy competition. For example, employees could earn badges for training completed or an online board of top performers could be displayed for the company. Awards and recognition could also be tangible. Employees could earn an extra personal day or receive a gift card. Whatever the vehicle is, the end goal is to recognize employees who go the extra mile during the training process.	On going lunch and learn event is an opportunity for employees from different teams to meet and share their skills and expertise. Lunch and learns offer a sociable, collaborative alternative to traditional "top-down" or classroom-based learning. This makes them a great way to foster a culture of learning and knowledge sharing in the organisation. This can encourage teamwork and cooperation, and help to break down silos.	A method of learning that combines online training materials with in-person learning that engages learners in new and unique ways. With blended learning, learners can learn at their own pace and attend in-person training sessions to receive face-to-face instruction.

Employee and manager feedback	The 4 C's of blended learning
Getting feedback from employees on what can be further improved during the training process is equally as important. Creating an employee training survey and asking questions about training design, delivery, access to information and skills learned is extremely valuable to tweaking the process.	Blended learning is a highly effective approach to education that focuses on the 4 C's: critical thinking, communication, collaboration, and creativity. 1. Critical thinking involves problem-solving and decision-making, helping employees to analyze and evaluate information to make informed decisions. 2. Communication skills develop as learners participate in online discussions and collaborate with their peers on projects. 3. Collaboration requires employees to work together to achieve a common goal, allowing them to build teamwork and leadership skills. 4. Creativity is encouraged as learners will be challenged and have opportunities to explore new ideas and express themselves uniquely.

Following is a complete list of FY2023 internal and external training programmes held:

- Basic Occupational CPR, First Aid & Aed
- Basic Fire Fighting (First Group)
- Basic Fire Fighting (Second Group)
- Basic Fire Fighting (Third Group)
- Digital Signature
- Osh Act (First Group)
- Osh Act (Second Group)
- Leadership and Motivational (First Group)
- Leadership and Motivational (Second Group)
- Leadership and Motivational (Third Group)
- Maicsa Regulatory Forum 2023 - Regulatory Insights: Compliances and Challenges
- Mengurus Disiplin Pekerja dan Menjalankan Siasatan Dalaman
- Sri 2023: Revving Up The Race for Sustainability
- Mastering Tiktok Marketing
- Effective Leadership and Supervisory Skills
- Recruitment & Selection Masterclass - From Job Analysis to Onboarding
- Induction 1.0
- Induction 2.0
- Induction 3.0
- Induction 4.0
- Induction 5.0
- Procurement and Negotiation Strategies
- Maicsa Annual Conference 2023 - Revitalising Governance Toward Sustainability
- Anti Bribery & Anti Corruption Training
- Tax Seminar on 2024 Budget
- Certified Professionals for Engineering
- Leadership & Motivation Program: MYEG Ukhwah Nourishment Program (Unp) 2023
- Interact! Interpersonal & Business Communication Skills Program" - (Group 1-5)
- Soft Skill Training (First Group)
- Soft Skill Training (Second Group)
- Soft Skill Training (Third Group)
- Soft Skill Training (Fourth Group)
- Myeg Ir & Pdpa Refreshed – Delivery Officer Training
- Myeg Ir & Pdpa Refreshed – Cre, Cse, Corporate Sales Training
- Immigration Training
- Live Chat - Customer Service
- JPJ Training (Other Services)
- Immigration Training
- Penerangan Proses Kerja Sop Jabatan Percetakan dan Penghantaran
- QA Score Sheet Training

STAFF BENEFITS AND REMUNERATION

MYEG continues to provide competitive remuneration packages and benefits as part of its ongoing strategy to attract and retain good talent. The Group's wage structure carefully takes into account the respective qualifications, skills, experience and capabilities of the job role and talent to form a solid remuneration offer for its talents.

Besides wages, benefits of full-time MYEG employees include:

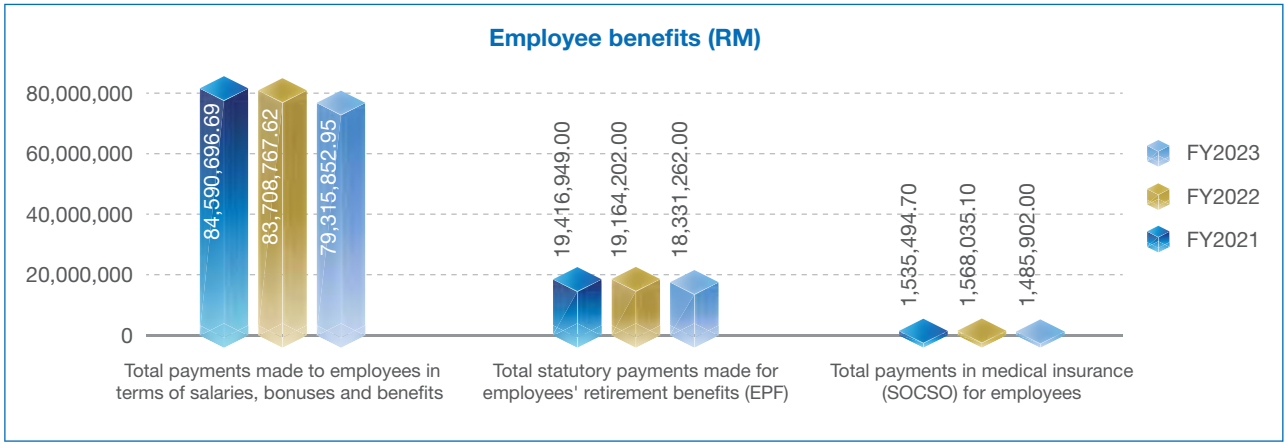
Paid sick leave, depending on the length of service: • 14 days for less than 2 years • 18 days for between 2 - 5 years • 23 days for between 5 - 8 years • 24 days for more than 8 years		A period up to 60 days is granted if hospitalisation is necessary	Maternity leave 98 consecutive days for each confinement period (up to 5 children)	Paternity leave (7 consecutive working days)
Marriage leave	Compassionate leave	Examination leave	Baby gifts	Health and medical coverage
Paid and unpaid leave	Bereavement benefits	Discounted car insurance	Overtime compensation (either by pay or leave)*	

**As stipulated by Labour Laws*

The Group also continues to comply with the government-legislated minimum wage structure in all of operating markets and therefore affirms its observance of this basic human right for all employees.

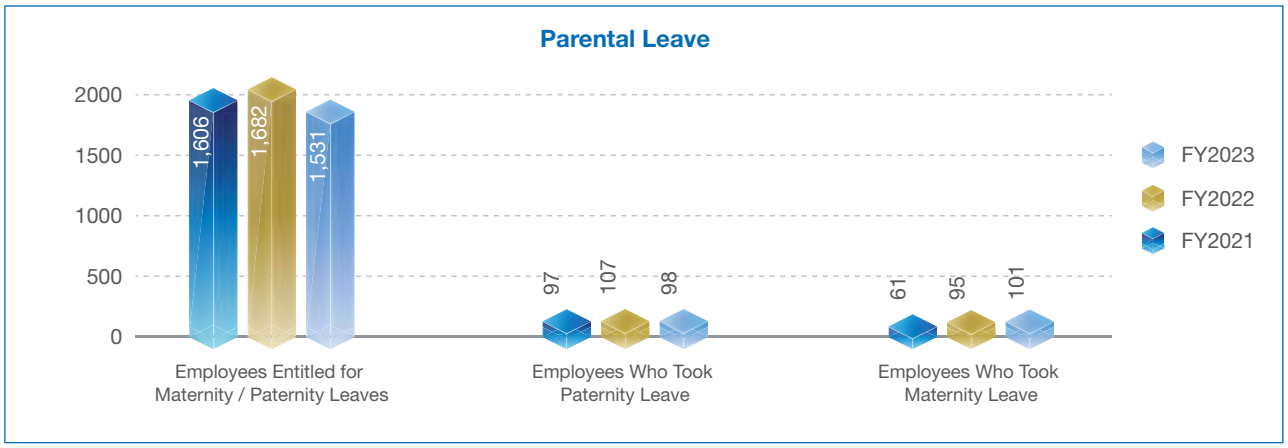
No significant gender bias or discrimination affects MYEG's remuneration strategy, as noted by the narrow gaps of male and female employees' median salary in accordance to job category. This is a healthy gap in median salary differences between male and female employees which MYEG will continue to champion going forward.

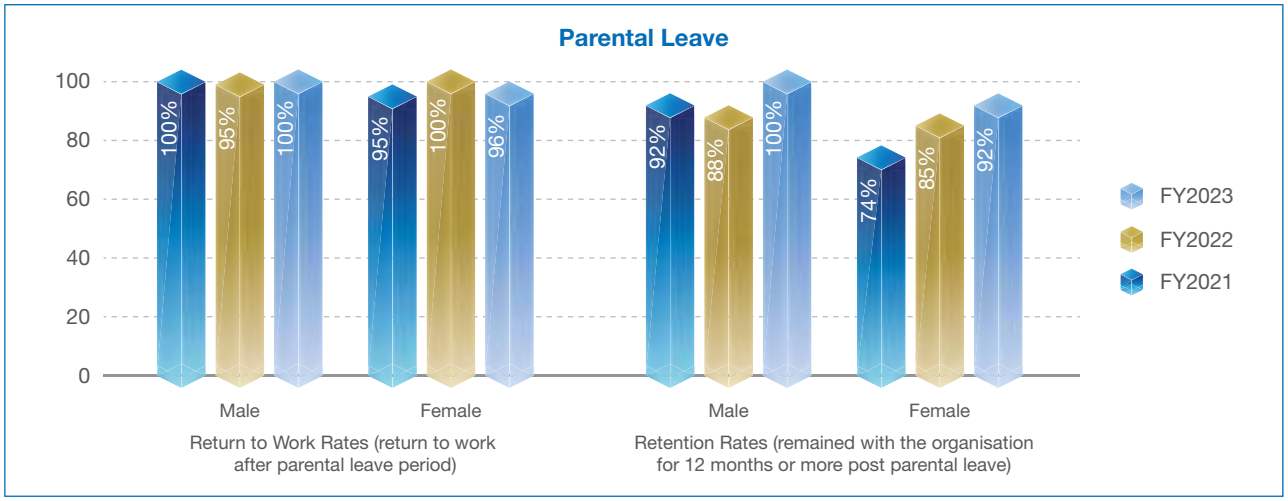
A fair and competitive remuneration package for its employees has been established at MYEG, including contributions to EPF, SOCSO and other related monetary bonuses and monetary benefits. As with every year, 100% of employees have had performance appraisals in FY2023.



PARENTAL LEAVE

Parental leave benefits are available to all eligible MYEG employees to aid in balancing their personal commitments with their professional work. The number of maternity leaves and paternity leaves taken by MYEG employees are shown in the table below.





SUCCESSION PLANNING

MYEG promotes a culture of healthy competition among employees, fostering an environment where they consistently face challenges and can strive to achieve their utmost potential. The Group identifies top performers based on specific traits that encompass personal development and high productivity.

The top 5% of performers in each department are usually rewarded for their efforts by being given the opportunity to work in management positions.

MYEG's Succession Planning Programme ("**SPP**") helps prepare the Group in the case where a member of senior management or anyone deemed in a 'Critical Position' within MYEG vacates their position. Through this programme, suitable and qualified employees would be able to take on the vacant role.

To decide which employees are involved in the succession planning process, MYEG looks at the scores of individuals in the annual performance. The HOD will evaluate and review these scores and from this will identify the top performers of the respective departments. There are 14 positions identified as Critical Positions and required to be part of the SPP which are shown below (this list may be subject to change and will be reviewed annually):

Job Position	Number of Positions		
	FY2021	FY2022	FY2023
Divisional Heads and Above	4	4	4
Project Heads	2	2	2
Business Unit Heads	2	2	1
Function Heads and Regional Heads	6	6	6

The potential successors for SPP are to be selected from the following pool of talents in the Group:

- Natural successor, i.e. immediate subordinate of a critical position; or
- Top 5% performers within the team, based on the performance appraisal; or
- Team members identified by top management with the right traits and characteristics for Critical Positions.

To monitor the effectiveness of the SPP, the following are conducted:

- Half Yearly Self-Assessment Reports by the potential successors; and
- The incumbents are to provide yearly assessments on the readiness of the potential successors.

There will be no timeline or target completion date of the SPP for the Critical Positions. However, in the event that the management finds the progress to be unsatisfactory, HR will be required to step in to ensure the smooth running of SPP. With this opportunity comes specific leadership training programmes that ensure leaders have the necessary skills.

Leadership roles require a high amount of responsibility at MYEG as these are the people that guide many decisions within the organisation. The entire process of placing people in management positions shows how the Group maintains a high level of performers in important roles within the Group. Whilst most of the senior management are local, all of them possess the required talent that ensures sustainability for MYEG's future.

EMPLOYEE ENGAGEMENT

Employee engagement remains an important communication and interaction tool for MYEG to constantly enhance the relationship between employees and managers. The following employee engagement activities were carried out in FY2023:

- Scheduled monthly onboarding / orientation
- Scheduled monthly training for employees
- Blood donation campaign
- Visitation to employees that are under prolonged illness and warded
- Visitation to family members (in the case of a deceased employee)

WORKFORCE INCLUSIVITY AND DIVERSITY

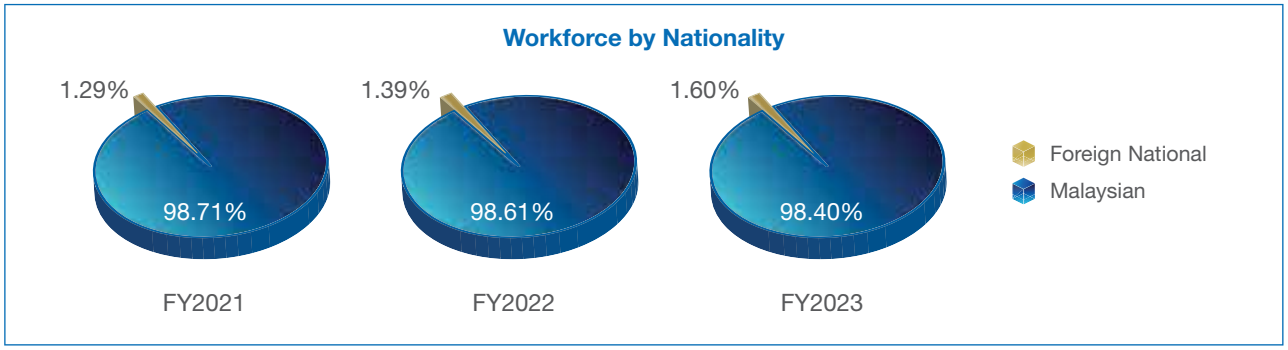
Diversity and equal opportunity form the foundation of MYEG's approach to talent management. The Group supports and fosters meaningful diversity and inclusion at its workplace, recognising that a thriving organisation requires a multitude of diverse perspectives and experiences which can increase productivity, strengthen strategic thinking and enhance reputation. Advocating for diversity also guarantees that marginalised and under-represented groups have equal access to employment opportunities.

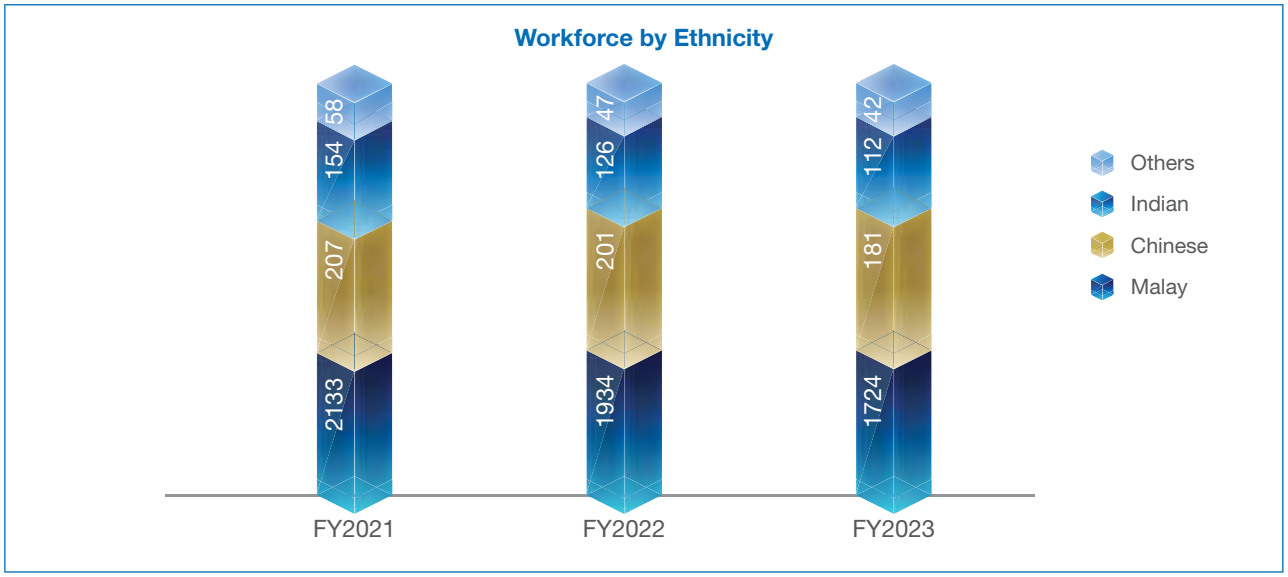
In the recruitment process, the Group strictly adheres to a Non-Discrimination and Equal Employment Opportunity Policy. The goal is to encompass all values and cultures within the Group, upholding core hiring principles that strictly prohibit any forms of discrimination or bias during the recruitment process.

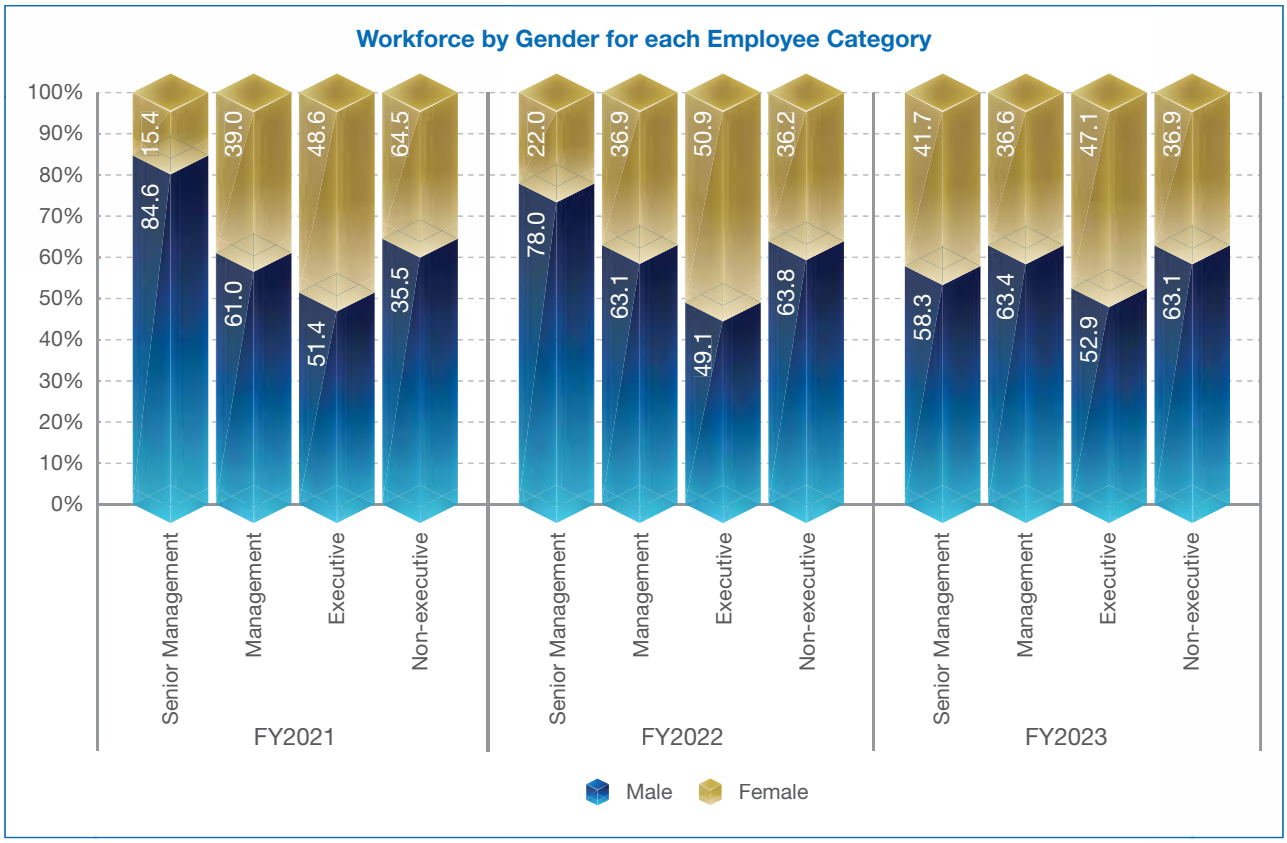
MYEG has a variety of initiatives in place to help promote diversity and inclusivity within the working environment:

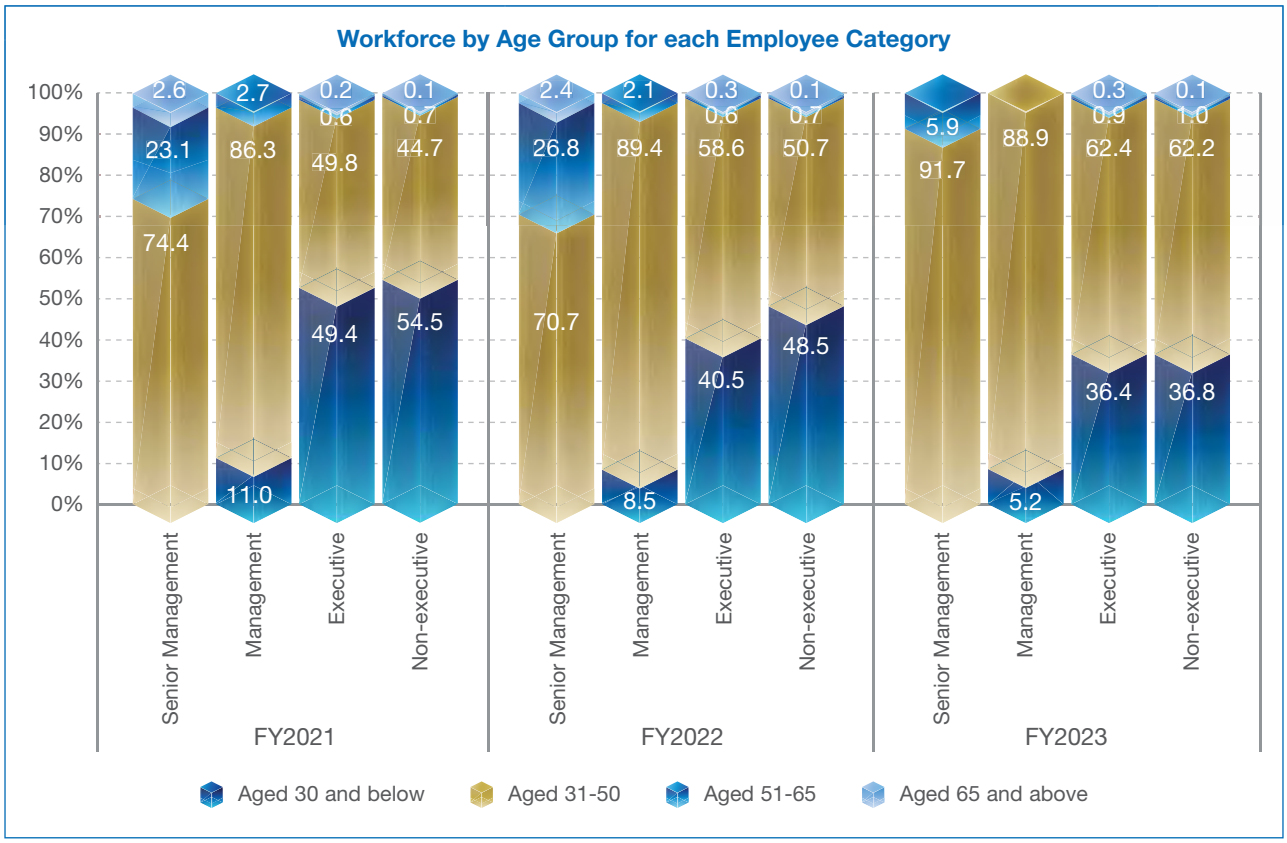
- Encouraging the celebration of cultural holidays and for employees to be respectful of all cultural beliefs. The Group will send e-mails reminding employees of cultural holidays.
- Fostering mutual respect amongst MYEG employees regarding its diverse ethnicity by creating a working environment in which everyone feels welcomed, impartially treated and fully supported to achieve their best.
- Ensuring diversity and inclusivity is achieved through the Group's appraisal procedures.
- Recruiting employee who have disabilities and providing them with equal opportunities whilst also catering to their needs wherever possible. This includes WFH arrangements, disabled parking spots and easy access to elevators.

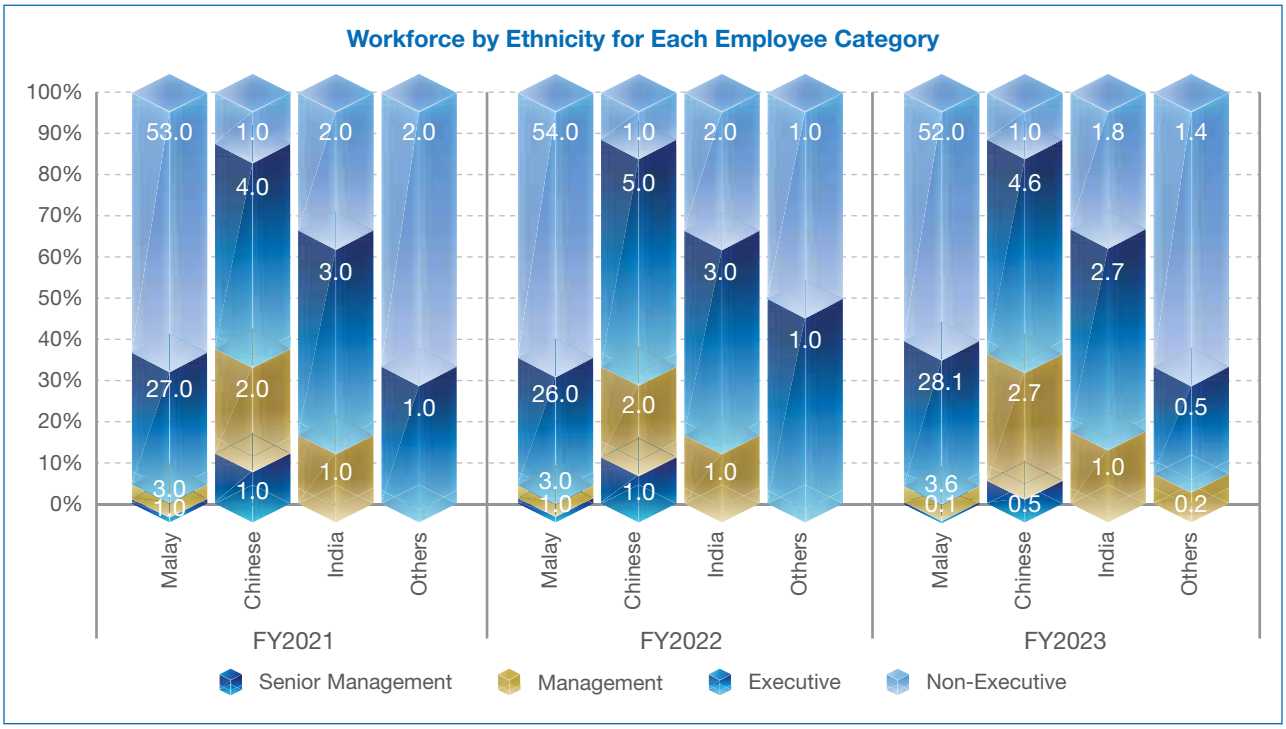
The following constitutes the workforce breakdown by gender, citizenship, age and employee category:






Workforce by Gender for each Employee Category
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
15.4
84.6
39.0
61.0
48.6
51.4
64.5
35.5
22.0
78.0
36.9
63.1
50.9
49.1
36.2
63.8
41.7
58.3
36.6
63.4
47.1
52.9
36.9
63.1
Senior Management
Management
Executive
Non-executive
FY2021
FY2022
FY2023
Male
Female


Workforce by Age Group for each Employee Category
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
2.6
23.1
74.4
2.7
86.3
11.0
0.2
0.6
49.8
49.4
0.1
0.7
44.7
54.5
2.4
26.8
70.7
2.1
89.4
8.5
0.3
0.6
58.6
40.5
0.1
0.7
50.7
48.5
5.9
91.7
88.9
5.2
0.3
0.9
62.4
36.4
0.1
1.0
62.2
36.8
Senior Management
Management
Executive
Non-executive
FY2021
FY2022
FY2023
Aged 30 and below
Aged 31-50
Aged 51-65
Aged 65 and above



OCCUPATIONAL SAFETY AND HEALTH

MYEG is committed to maintaining a safe and secure work environment, prioritising the well-being of employees, suppliers, contractors, and other stakeholders involved in its business operations. Achieving excellent occupational health and safety ("**OSH**") performance is of paramount importance to the Group for several reasons. OSH incidents, such as accidents, can significantly disrupt ongoing work, leading to delays or additional costs incurred due to damages.

Beyond the aspects of value creation, MYEG places a high priority on being a responsible corporate citizen and aims to prevent incidents that could result in injuries or fatalities. The Group is dedicated to taking all necessary measures to prevent tragedies that could impact families and society.

MYEG's OSH standards are ISO-based and strictly adhere to the Occupational Safety & Health Act ("**OSHA**") 1994, with oversight at the Board level falling under the Group's Managing Director. Health and safety data is collected in accordance with OSHA standards, facilitating industry benchmarking for continuous improvement.

Employees are provided regular training and briefing on safety to employees, with safety posters placed around the premises. Periodic reminders on safety and health via social media are posted to help protect workers against injuries and illnesses.

While the world as a whole is well into the endemic phase of the COVID-19 pandemic, MYEG will continue to adhere to certain protocols and best practices regarding workplace safety, health and wellbeing when it comes to COVID-19 if and when it is necessary. Any COVID-19 positive case reported from MYEG's employees will be immediately handled to mitigate the situation and ensure no further viral spread affects any other employee or customers.

HEALTH AND SAFETY COMMITTEE

Regarding general health and safety, all employees are represented by a formal joint management-worker Health and Safety Employee Committee ("**HSEC**"). This Committee focuses on concerns such as mental health, accidents, harassments and bullying. The HSEC consists of 18 members from the Group's management to represent the employer and 22 staff representatives to provide various points of view on employee health and safety measures, in compliance with OSHA requirements and the Group's OSH Policy.

The aim of this committee is to assess any safety risks in MYEG's operations both present and future whilst also giving counsel to the Board regarding overall management.

Health and safety discussions are carried out with worker representatives on a regular basis. FY2023 saw several OSH-related meetings held to further reinforce OSHA compliance as well as discuss the Group's health and safety policy. The topics of these meetings were:

1) Safety Training
2) Reducing Slips, Trips, and Falls
3) Mental Health and Stress at the Workplace
4) Fire Safety
5) Reporting Accidents
6) First Aid
7) Workplace Ergonomics
8) Workplace Violence and Harassment
9) Drugs on the Job
10) Communications Issues and Safety - Workplace health and safety

The following initiatives have been developed as a result of these meetings:

- Regular training and briefings on safety were organised for employees, and posters on safety and health were placed, as well as reminders on safety and health via social media to help employers protect workers against injuries and illnesses.
- Health and safety inspections, near-miss reporting, health and safety culture, training achievements, good housekeeping, and following the correct procedures are assessed and reported.
- All incidents must be investigated as soon as possible. Those assigned to conduct incident investigations should be competent. Employees and their representatives should participate for the benefit of the investigation.
- The results of such investigations should be communicated to the safety and health committee, where it exists, and the committee should make appropriate recommendations.
- The person in charge will be notified and informed to take corrective action(s) based on the recommendation. The corrective action(s) resulting from such investigations should be implemented and verified as recommended.
- All work-related fatalities, injuries, disabilities, ill health, diseases and near misses shall be notified to the employer and/or relevant authorities in accordance with national laws for them to be investigated by the company.
- These SOPs also remain a timely complement to our Safety and Health Policy which sets guidelines, protocols, and best practices regarding workplace safety, health and well-being.

As of FY2023 at MYEG, 15.75% of workers' are represented by formal joint management-worker health and safety committees.

OSH INCIDENT INVESTIGATION

As per MYEG's established OSH protocols, all OSH-related incidents must be reported and investigated as soon as possible. Those assigned to conduct incident investigations should be competent. Employees and their representatives should participate for the benefit of the investigation. The results of such investigations should be communicated to the safety and health committee, where it exists, and the committee should make appropriate recommendations.

The person in charge will be notified and informed for them to take appropriate corrective action(s) based on the recommendation. The corrective action(s) resulting from such investigations should be implemented and verified as recommended.

Any OSH non-comliance is also highlighted to the relevant department and upon assessing the facts objectively and impartially, adequate corrective measures for the non-compliance will be taken and noted for improvement.

Any work-related fatality, injury, disability, ill health, disease infection and near miss shall be notified to the employer and/or relevant authorities, in accordance with national laws, for it to be investigated by the Group.

HAZARD IDENTIFICATION, RISK ASSESSMENT AND RISK CONTROL

The Group conducts risk assessments to evaluate and identify hazards and risks in the workplace. OSHA involves conducting a thorough review of the environment, including the building, working practices and any other hazards that may exist.

Regular inspections are done to inspect dangerous activities and processes to assess pertinent risks and decide whether an alternative and safer method can be used.

The Chief Caring Officer acting as Chief Risk Officer is responsible for the Company's risk management operations, including managing, identifying, evaluating, reporting and overseeing the firm's OSH risks externally and internally to the organisation, and thus works diligently with senior management on governing this material topic. The Board receives quarterly reports on risk-related topics.

To prevent any significant negative occupational health and safety impacts on them and the organisation. MYEG conducts regular safety trainings and briefings for employees.

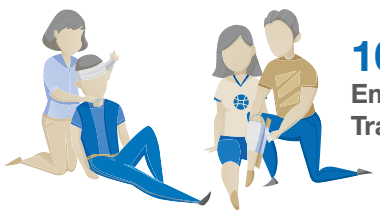
OSH TRAINING

Employee OSH training programmes provided by MYEG include Basic Occupational CPR, First Aid & AED, Basic Fire Fighting ASIC FIRE FIGHTING and briefing on the OSH Act. Information on OSH-related trainings are shown here:



30
Basic OSHA Training
Employer representative
(2022: 26 Trainings)

23
Basic OSHA Training
Employee representative
(2022: 27 Trainings)



104
Emergency Response Training
(2022: 134 Trainings)



25
Basic CPR Training
(2022: 30 Trainings)

	2021	2022	2023
Total Employees Trained on Health and Safety Standards	23	119	182

	2021	2022	2023
OSHA Training Budget	RM3,710	RM10,000	RM8,797
ERT Training Budget	RM15,310	RM22,000	RM19,053

OSH PERFORMANCE

MYEG routinely tracks and assesses its OSH performance via routine inspections of the premises and office equipment by staff, performing Incident Investigations, auditing the OSHA, performing corrective actions as well as updating the OSHA Planning Process and Management Review.

Health and Safety data are collected in compliance with OSHA standards for industry benchmarking purposes. In FY2023, MYEG continued to maintain excellent health and safety standards in its organisation, as evidenced by continued zero work fatalities annually as well as other notable OSH standards maintained.

	FY2021	FY2022	FY2023
Number of work-related fatalities	0	0	0
Number of work-related injuries	0	0	0
Lost time incident rate	0	0	0

These SOPs also remain a timely complement to MYEG's Safety and Health Policy which sets guidelines, protocols and best practices regarding workplace safety, health and wellbeing. These policies were copied into the Employee Self Service System.

MYEG always aims to reduce workplace injuries by improving health and safety procedures whilst also creating awareness on harassment & bullying in the workplace. The Group also aims to review the current relevant policy / programme on health and safety, OSHA and harassment / bullying to mitigate these issues from recurring.

More details on MYEG's commitment to the safety and health of employees at MYEG can be found in the Group's Safety and Health Policy at *https://www.myeg.com.my/investor-relations/governance*.

EMPLOYEE MENTAL HEALTH

MYEG continued its efforts to bolster positive mental health among employees in FY2023. The Group treats mental health to be just as important as physical wellbeing, more so after the pandemic's restrictive and isolated effects on society.

From organising games and team building sessions to forwarding news clippings / articles on mental health awareness to employees, MYEG continues to motivate its staff, boost morale and create a channel for staff to ease any frustration garnered from work stress, customer complaints, irregular working hours and more. The Group also continues to rely on robust digital communication platforms such as Zoom, WhatsApp and e-mails when needed, alongside physical channels, to propagate these mental health initiatives across the organisation.

COMMUNITY INITIATIVES

MYEG remains dedicated to upholding CSR, as these endeavours bring multiple benefits to the community through the wide range of financial and non-financial support provided to various charitable causes and community programmes. Through community initiatives, MYEG is also able to increase its exposure to the local community and improve its brand awareness. By establishing MYEG as a Group that firmly believes in investing within the community, stronger bonds can be forged with the people in the community, potentially leading to higher usage of the Group's platform.

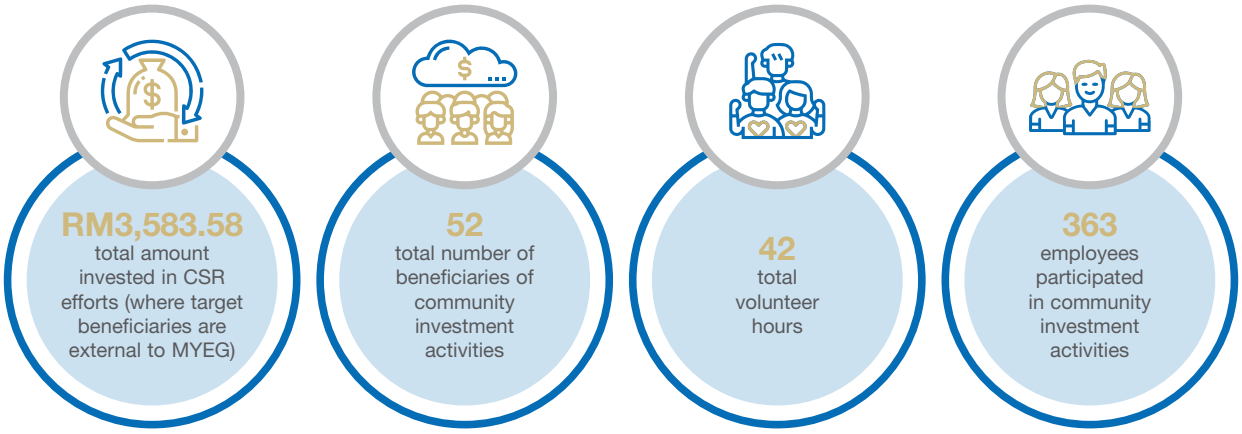
The local community has allowed MYEG to become the company it is today, and their usage of its products and services is vital for operations. The Group will continue to do its best to assist the community, focusing on welfare, socioeconomic factors, children's rights and more.

KomunitiMYEG, which is MYEG's CSR arm, comprises employees who volunteer their time and effort in CSR. Employee volunteers here are recognised through appropriate remunerations and responses. Given that MYEG encourages employees to be involved with community initiatives, these employees are rewarded accordingly. Volunteers will be given a certificate of participation and volunteer's involvement in CSR activities will also be recorded in the employee's yearly assessment/appraisal i.e. additional marks awarded in their yearly assessment.

MYEG wishes to keep close contact with the community and make communication between MYEG and the community as easy as possible. The Group can be contacted through e-mail and phone call whilst also being available on social media such as Facebook and X.

Any issues that need to be raised regarding the Group's services, business practices and operations or even employee conduct is open to discussion. MYEG aims to be as transparent as possible with the community and will try its best to deal with any potential concerns.

Notable highlights and information on the Group's community investment endeavours in FY2023 are as follows:



CSR EVENT

Giving the Gift of Life



MYEG organised our first Blood Donation Campaign of the year. A total of 154 donors from various departments came to support, and 106 of them successfully donated their blood, armed with the spirit of saving someone else's life.

MYEG Ramadhan Blessings



In embracing the spirit of Ramadhan, Komuniti MYEG distributed a traditional Ramadhan treat, bubur lambuk and a curated list of groceries from BELI to Mesra Home in Ampang. Mesra Home provides shelter to elderly Muslim women who are unmarried, childless and suffer from mental health.

Clear Your Space, Fill a Heart: Used Item Donation Drive



Komuniti MYEG collected 12 boxes of books, toys, clothes, and other miscellaneous items in good condition to be donated to Red Shield Industries (RSI), a social enterprise branch of The Salvation Army. RSI recycles and reuses these donations from the public and corporations, generating income to provide holistic care to the community through their Family Thrift Stores.

Meet MyEG's Life Savers



MYEG organised our second blood donation campaign and we are grateful for the continuous support from our staff, with a total of 124 contributors.

Empowering Tomorrow's Leaders with Digital Literacy



With the support of the IT team, Komuniti MYEG hosted a Basic Digital Literacy Workshop for the marginalised youth of Yayasan Chow Kit, aged between 13 and 17 years old. The workshop aimed to provide them with fundamental digital skills and knowledge about artificial intelligence (AI).

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	35.15 *
Executive	Percentage	22.70
Non-executive/Technical Staff	Percentage	14.11
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.30
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	3,406.88
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	0.512000
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	2,538
Executive	Hours	2,575
Non-executive/Technical Staff	Hours	2,954
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	4.47
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	26
Executive	Number	220
Non-executive/Technical Staff	Number	279
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	5.20
Management Between 30-50	Percentage	88.90
Management Above 50	Percentage	5.90
Executive Under 30	Percentage	36.40
Executive Between 30-50	Percentage	62.40
Executive Above 50	Percentage	1.20
Non-executive/Technical Staff Under 30	Percentage	36.80
Non-executive/Technical Staff Between 30-50	Percentage	62.20
Non-executive/Technical Staff Above 50	Percentage	1.00
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	91.70
Senior Management Above 50	Percentage	8.30
Gender Group by Employee Category		
Management Male	Percentage	63.40
Management Female	Percentage	36.60
Executive Male	Percentage	52.90
Executive Female	Percentage	47.10
Non-executive/Technical Staff Male	Percentage	63.10
Non-executive/Technical Staff Female	Percentage	36.90
Senior Management Male	Percentage	58.30
Senior Management Female	Percentage	41.70
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	70.00
Female	Percentage	30.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	182
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	3,583.58
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	52

Internal assurance | External assurance | No assurance | (*)Restated

CORPORATE GOVERNANCE OVERVIEW

INTRODUCTION

The Board recognises the importance of corporate governance and is committed to ensuring the adherence to the principles and best practices in corporate governance outlined in the Malaysian Code on Corporate Governance 2021 ("**MCCG**") and Corporate Governance Guide (4th Edition) throughout the Group. This dedication ensues that the affairs of the Group are conducted with integrity, professionalism, and in compliance with the law, regulatory requirements and rules, and ethical standards with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value as well as fostering sustainable development.

This Corporate Governance Overview ("**CG Overview**") outlines the following principles and recommendations which the Group has comprehended and applied with the best practices outlined in the MCCG:

- Board Leadership and Effectiveness
- Effective Audit and Risk Management
- Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This CG Overview is prepared in compliance with the Main Market Listing Requirements of Bursa Securities ("**MMLR of Bursa Securities**") and it is meant to be read together with the Corporate Governance Statement and Corporate Governance Report. The Corporate Governance Report provides detailed information on how the Group has applied each practice as set out in the MCCG for the financial year ended 31 December 2023 ("**FY2023**"). A copy of which is available on the Group's website: *www.myeg.com.my/investor-relations/reports-presentations* as well as via an announcement on Bursa Securities' website.

The Board will continue to take measures to improve compliance with the principles and recommended best practices along with our course of business.

PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board is responsible for providing effective stewardship and charting the strategic direction of the Group. This entails exercising control over the Company's operation through the utilization of a robust governance framework, effective delegation, risk management practices, and a system of assurances concerning financial reporting and internal controls. In fulfilling its duties, the Board is accountable to its shareholders and other stakeholders, including employees, business associates, communities, and the governmental entities.

Each Director is entrusted with a duty to act in good faith and in the best interest of the Company. Guiding the Board in its actions and roles is the Board Charter, a document that outlines the Board's authority, responsibilities, and operational procedures. The Board Charter was last reviewed and adopted by the Board in February 2024 and is readily accessible for viewing on the Company's website.

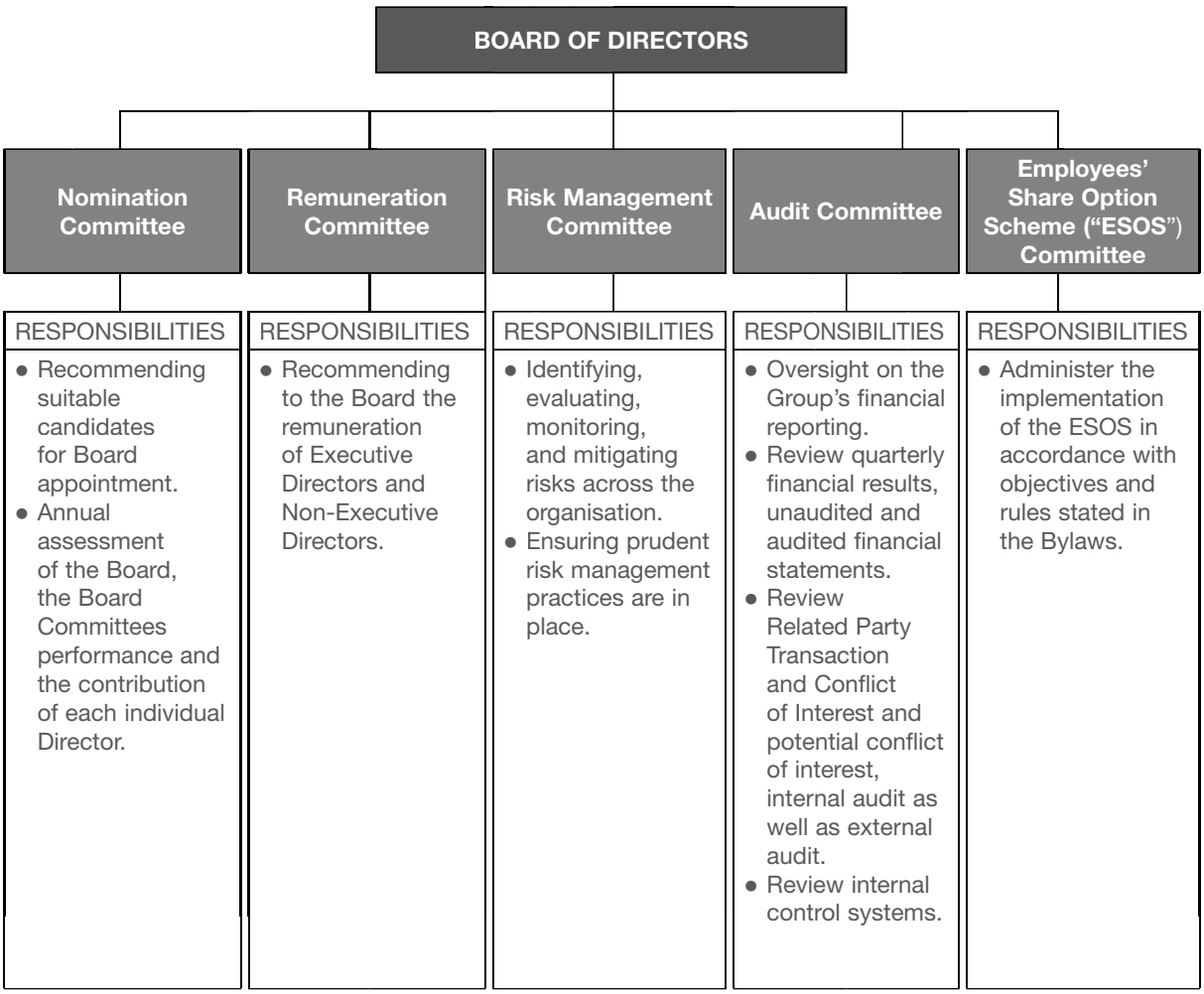
During FY2023, the Board considered and deliberated on a multitude of matters, including strategic decisions and risk management strategies within the business landscape. The Board recognises that the decisions made for the Group's benefit would affect various stakeholders. While the Board aimed to make fair and consistent decisions that aligned with the Group's values, it also recognised the importance of balancing these decisions with the need to support the Company's long-term viability and growth trajectory.

In performing its fiduciary responsibilities and roles, the Board remains unwavering in its dedication to upholding a pinnacle standard of corporate governance. This commitment is aimed at fostering sustainable performance, adhering to best market practices, and exceeding stakeholders' expectations. Through these endeavours, the Board undertakes to instil trust and confidence among all stakeholders while steering the Group toward a prosperous and ethical future.

PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. BOARD RESPONSIBILITIES *(CONT'D)*

To facilitate the efficient and effective discharge of the Board's functions and responsibilities, the Board has established several Board Committees. These Board Committees are delegated specific powers by the Board, as outlined below:



The Board Committees function within clearly defined roles and responsibilities to assist the Board in overseeing the Company's affairs and addressing issues within their respective functions and Terms of Reference, which are available on the Company's website. The Board Committees have the authority to deal with specific issues, and the Chairman of each Board Committee reports directly to the Board on the outcomes of their meetings to the Board for consideration. However, it is important to note that the ultimate responsibility for decision making rests with the Board.

The presence of Independent Non-Executive Directors in these Committees provide independent advice, bringing impartiality, and contributing to the scrutiny and integrity of Board's deliberations and decision-making processes.

PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. BOARD RESPONSIBILITIES *(CONT'D)*

The Board has established a formal schedule of matters reserved for deliberation to uphold good governance practices are in place for the Group. These matters include:

(a) Conflict of interest issues in relation to a substantial shareholder or a Director including approving related party transactions;
(b) Material acquisition and disposal of assets not in the ordinary course of business including significant capital expenditures;
(c) Strategic investments, mergers and acquisitions, and corporate exercises;
(d) Limits of authority;
(e) Treasury policies;
(f) Risk management policies;
(g) Key human resource issues; and
(h) Business plans.

II. BOARD COMPOSITION

The composition of the Board aligns with the requirements of the MCCG and the MMLR of Bursa Securities. Having a majority of Independent Directors ensures the Board's adherence to governance standards and reinforces its commitment to transparency and accountability. The Board acknowledges the importance of diversity in enabling a range of perspectives to be considered and facilitates the making of informed decisions and the stewardship of MYEG. The Board also recognises the need to evolve strategically as a dynamic Board in accordance with the strategic direction of the Company. Hence, the Board through the Nomination Committee ("**NC**"), is actively reviewing its composition to strike a balance between independence and diversity to effectively discharge its collective responsibilities and to implement the necessary succession plans.

The Board recognises the benefits of having a diverse Board with a mix of age, ethnicity, gender, and cultural and geographical backgrounds. This diverse composition fosters a competitive edge by harnessing a broad spectrum of perspectives, experiences, and expertise necessary to achieve effective stewardship and management.

In assessing the suitability of individual Board members, the NC considers several factors such as skills, knowledge, expertise, experience, professionalism and time commitment to effectively discharge his/her roles as a Director, contributions, background, character, integrity and competence. In the case of candidates for the position of Independent Non-Executive Directors, the NC will evaluate the candidates' ability to discharge their responsibilities and bring in their independent judgement, to provide constructive challenge, strategic guidance, offer specialist advice, and impartiality. The NC also reviews the tenure of each Director, considering factors such as performance and contribution to the Board. Annual re-election of a director is contingent upon a satisfactory evaluation of the Director's effectiveness and ongoing suitability for the role.

The Board evaluates each individual in the context of the Board as a whole. The ultimate objective is to recommend a team which can best perpetuate the success of the Group's businesses and safeguarding shareholders' interests through the exercise of sound judgement.

While the Board does not enforce specific targets for the appointment of female candidates, it acknowledges the importance of gender diversity. During the year, the total number of female Directors is two (2) representing an approximately 30% of women representation on the Board. The Board believes that its current composition possesses necessary knowledge, experience, diverse range of skills, and competence to discharge their duties and responsibilities effectively. Moving forward, the Board, being in line with the national target of having 30% female representation on boards of listed issuers, will maintain a register of potential directors which includes high-calibre female candidates to be appointed when the need arises.

The Non-Executive Directors are free from management obligations and any relationships that could compromise with their independent judgement. This provides an effective check and balance in the functioning of the Board where all matters are reviewed with impartiality and fairness, to safeguard the Company's interests.

PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

II. BOARD COMPOSITION *(CONT'D)*

By maintaining independence from management, Non-Executive Directors play a vital role in challenging and evaluating decisions, policies, and strategies proposed by executive management. Their objective perspective and freedom from operational responsibilities allow them to offer constructive criticism, ask probing questions, and provide valuable insights into governance matters.

This commitment to independence fosters an environment conducive to robust deliberations and informed decision-making, ultimately enhancing the effectiveness and accountability of the Board in fulfilling its fiduciary duties to shareholders and stakeholders alike.

III. REMUNERATION

The Board has implemented a Directors and Senior Management's Remuneration Policy, which is clear, transparent, and designed to support and drive business strategy and long-term objectives of the Group. In this regard, the Remuneration Committee ("**RC**") is responsible for formulating and reviewing the remuneration policies for the Directors of the Group to ensure that it remains competitive, appropriate, and in line with the prevailing market practices. The RC considers various factors, such as market benchmarks, company performance, individual performance, and other relevant criteria to make equitable and well-informed remuneration decisions.

The Board conducts review of Senior Management remuneration to ensure that the Group continues to retain and attract the right talent within the industry. The proposed salary structure, which is duly considered by the RC, is presented to the Board for approval and implementation.

For further details on how the Board operates effectively and discharges its collective responsibility for the long-term sustainable success of the Group, please refer to the Corporate Governance Statement set out on pages 132 to 149 of this IAR2023.

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE ("AC")

The AC plays a key role in upholding the integrity and transparency of corporate reporting. It comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director that provides essential assurance to the Board regarding the robustness of risk management, internal controls and assurance processes within the Group. The AC's primary responsibility is to review and where necessary, to challenge Management to ensure appropriate disclosures of accounting treatment and accounting policies are made. Additionally, it monitors potential risks affecting the Group and ensures the implementation of mitigating measures to safeguard the health, safety and business continuity of the Group.

In line with the MMLR of Bursa Securities, the AC's responsibilities extend beyond reviewing and reporting on related party transactions and Conflict of Interest ("**COI**"). The AC's role is expanded to reviewing and reporting on related party transactions and COI that have 'arisen or persisted' and on the measures taken to resolve, eliminate or mitigate such COI.

During FY2023, the AC, supported by the internal audit function, undertook a comprehensive review of various areas within the Group to ascertain the adequacy of controls and effective management processes were in place. These areas included:

(a) Telemarketing Department;
(b) Human Resources Department;
(c) Operations Department (Logistic);
(d) Operation Management (ESC); and
(e) Management of Information System.

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT *(CONT'D)*

I. AUDIT COMMITTEE ("AC") *(CONT'D)*

The composition of the AC undergoes an annual review by the NC and subsequently recommended to the Board for approval. Based on the results of the evaluation conducted during the FY2023, the Board expressed satisfaction with the performance of the AC in discharging its responsibilities.

For further details on the activities undertaken by the AC, please refer to the AC Report set out on pages 150 to 153 of this IAR2023.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk management is a pivotal element of good management practice and effective corporate governance. Our Risk Management Policy ensures that the Board's decision-making is supported by sufficient information, fostering informed discussions and considerations. The enhanced levels of risk discourse and heightened Management engagement are imperative in ensuring that appropriate monitoring and mitigations are embedded to support the proposals in discussion.

The Board fulfills its obligation in risk governance and oversight functions through its Risk Management Committee ("**RMC**") which comprises three (3) Independent Non-Executive Directors. The RMC is entrusted with the management of the Group's overall risk exposure. In addition to reviewing the adequacy and efficacy of the internal control system of the Group, the RMC also assesses and monitors the effectiveness of risk management frameworks and controls.

The Board is committed to driving a proactive risk management approach and ensuring that the Group's employees possess a comprehensive understanding of risk management principles, in order to cultivate a sustainable risk management culture throughout the organisation. The Board will continue to challenge the Group's risk reporting mechanism and advocating for a data-driven approach to capture and quantify exposures where applicable and necessary.

The Board is confident that the system of internal control and risk management implemented during FY2023 is sound and sufficient to safeguard the Group's assets, as well as safeguard shareholders' investments and the interests of stakeholders. The details of the Risk Management and Internal Control Framework can be obtained in the Risk Management and Internal Control Statement set out on pages 154 to 156 of this IAR2023.

PRINCIPAL C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Group recognises the importance of stakeholder engagement leading to the long-term sustainability of its businesses. As a conscientious corporate entity, the Group acknowledges the importance of engaging with stakeholders and recognises the potential impact its operations may have on a diverse array of stakeholders. To ensure that engagement efforts are constructive and meaningful, the Board contextualises each decision within the framework of relevant economic, social, and environmental considerations. MYEG has taken proactive steps to enhance its engagement with stakeholders including analysts, fund managers, and shareholders, both locally and internationally, upon request. These engagements serve as vital platforms for fostering transparency, facilitating dialogue, and addressing concerns raised by stakeholders.

Since the financial year 2019, MYEG has adopted an integrated reporting approach and has continually to improve and strengthen its disclosure in alignment with the principles outlined in the Integrated Reporting framework. This framework encompasses the six capitals, seven guiding principles, and eight content elements, thereby enhancing the transparency and comprehensiveness of the Group's reporting practices.

PRINCIPAL C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *(CONT'D)*

II. CONDUCT OF GENERAL MEETINGS

The Group regards its Annual General Meeting ("**AGM**") as an important avenue for communicating with its shareholders. To ensure effective participation and engagement with the shareholders at the AGM of the Group, all members of the Board would be present at the meeting to address enquiries from shareholders and proxies. The Chairman of the Board presides over the AGM in an orderly manner and encourages active participation from the shareholders and proxies. During the meeting, the Group's overall performance is presented to shareholders.

Adhering to best governance practices, notice of the AGM is disseminated at least 28 days before the AGM date, allowing shareholders ample time for preparation. Voting at the AGM is facilitated through an electronic polling system promoting transparency and efficiency in voting processes. In embracing technological advancements, MYEG conducted its Twenty-Second ("**22nd**") AGM entirely through live streaming and online remote voting using Remote Participation and Voting facilities to allow wider participation of the Group's shareholders. The Group will continue to leverage on the use of technology, to enhance the quality of engagement with its shareholders and facilitate broader participation in the general meetings.

PRELUDE

The following pages cover the Board, its role, performance and oversight. Details on the Board's activities and discussions during the financial year along with the actions arising from these and the progress made, are provided. In addition, insights on director independence, evaluation on the effectiveness of our Board, succession planning and other on-going developments, are also provided.

CORPORATE GOVERNANCE STATEMENT

The Board recognises the importance of corporate governance and is committed to ensure that the principles and best practices in corporate governance as set out in the MCCG and Corporate Governance Guide (4th Edition) are observed and practised throughout the Group. This is to ensure that the affairs of the Group are conducted with integrity and professionalism, in compliance with the law, regulatory requirements and rules, and ethically with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value as well as sustainable development.

The Board recognises that having a strong corporate governance framework is essential for driving financial performance and delivering long-term and sustainable value to shareholders. In this regard, the Board has complied with MCCG and all relevant laws and regulations related to corporate governance. This Corporate Governance Statement ("**CG Statement**") outlines the commitment of the Board to ethical behaviour and transparency in all aspects of the Group's business strategy, operations, and corporate culture, with the goal of achieving sustainable growth, fostering stakeholder trust, and enhancing the Group's reputation as a responsible corporate citizen.

The Board is pleased to provide the following CG statement on how the Group has adopted and applied the principles and complied with the best practices outlined in the MCCG and Paragraph 15.25 of the MMLR of Bursa Securities.

A. BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

1. Board of Directors

The Group is led by an effective and experienced Board, with members from diverse background and specialisation, possessing a wide range of expertise in areas such as finance, corporate affairs, accounting, marketing, human resources, technology, and legal. Collectively, they bring a broad range of skills, experience, and knowledge which add strength to the leadership in managing and directing the Group's operations. There is a clear division of functions between the Board and the Management to ensure that no single individual or group dominates the decision-making process.

The Directors, individually have a legal duty to act in the best interest of the Group and are collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board's responsibilities, amongst others, include:

- working together with Senior Management to promote good corporate governance culture within the Group, which reinforces ethical, prudent, and professional behaviour;
- reviewing, challenging and deciding on Management's proposals for the Group, and monitoring their implementation by the Management;
- ensuring that the strategic plan of the Group supports long-term value creation, which includes strategies on economic, environmental, and social considerations underpinning sustainability;
- supervising and assessing Management performance to determine whether the business is being properly managed;
- ensuring there is a sound framework for risk management and internal controls;
- understanding the principal risk of the Group's business and recognising that business decisions involve the taking of appropriate risks;
- setting the risk appetite within which the Board expects Management to operate and ensuring that there is an appropriate Risk Management Framework to identify, analyse, evaluate, manage, and monitor significant financial and non-financial risks;
- ensuring that Senior Management has the necessary skills and experience, and that there are measures in place to provide for the orderly succession of the Board and Senior Management;
- ensuring that the Group has in place procedures to enable effective communication with stakeholders; and
- ensuring the integrity of the Group's financial and non-financial reporting.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

1. Board of Directors *(cont'd)*

To ensure the effectiveness in the discharge of its fiduciary duties and leadership function, the Board delegates certain of its responsibilities to the following Board Committees, which operate within their defined Terms of Reference and provide recommendations and advice:

(i) Nomination Committee ("**NC**")
(ii) Remuneration Committee ("**RC**")
(iii) Audit Committee ("**AC**")
(iv) Risk Management Committee ("**RMC**")
(v) ESOS Committee ("**EC**")

Each Board Committee operates within its approved Terms of Reference, which are periodically reviewed by the Board. The Board appoints the chairman and members of each Board Committee.

The chairman of each Board Committees reports the outcomes of their meetings to the Board and provides recommendations thereon to the Board. However, the ultimate responsibility for making final decisions on all matters, lies with the Board.

The Board may established additional committees delegated with specific authorities to act on its behalf when the needs arise. These committees will then operate under approved Terms of Reference or guidelines.

Board meeting agenda comprises statutory matters, governance and management reports, which include strategic risks, strategic projects and operational items.

The profile of each Director is presented on page 29 to page 35 of this IAR2023.

2. Separation of Positions of Chairman and Group Managing Director

The Board recognises the importance of having a clear division of power and responsibilities between the roles of the Chairman of the Board and Group Managing Director to ensure an equilibrium of power and authority in managing and directing the Group. The role of the Chairman of the Board and the Group Managing Director are distinct and separate to engender accountability and facilitate a clear division of responsibilities, ensuring a balance of power and authority in the Group. This segregation of roles also facilitates a healthy open exchange of views between the Board and Management in their deliberation of the Group's businesses, strategies, and key activities.

The Executive Chairman of the Board, Dato' Dr Norraesah binti Haji Mohamad, is primarily responsible for ensuring the effective and efficient conduct and functioning of the Board. She leads the Board with a focus on governance and compliance and serving as a facilitator during Board meetings.

The Chairman of the Board's key responsibilities, amongst others, include:

- providing leadership for the Board to enable it to perform its responsibilities effectively;
- setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
- leading Board meetings and discussions;
- encouraging active participation and allowing dissenting views to be freely expressed;
- managing the interface between Board and Management;
- ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and
- leading the Board in establishing and monitoring good corporate governance practices in the Group.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

2. Separation of Positions of Chairman and Group Managing Director *(cont'd)*

The Board has delegated the responsibility of overseeing the day-to-day management of the Group's business operations and the implementation of policies and strategies to the Group Managing Director, Wong Thean Soon, and the Management team. This delegation aims to achieve the Group's objective of creating long-term value for its shareholders.

The Board views that the Chairman of the Board should not be involved in any Board Committees. This measure ensures that checks and balances as well as objectivity will not be impaired/influenced by the Chairman of the Board who also sits on Board Committee(s). Therefore, our Chairman of the Board is not a member of any of the Board Committees, which is in line with the MCCG.

3. Supply of and Access to Information

All Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs in a timely manner which enables them to perform their duties effectively.

Procedures have been established to ensure the timely dissemination of Board and Board Committees papers to all Directors and members of the Board Committees ahead of the scheduled meetings. Notices of meetings are sent to each Director at least seven (7) days prior to the meeting date. After each meeting, the Company Secretary drafts the minutes of meeting and circulates them in a timely manner. All matters discussed and resolutions passed at each Board Meeting is recorded in the minutes.

Generally, the circulated Board papers would include minutes of the previous meeting, quarterly and annual financial statements, corporate developments, minutes of Board Committees' meetings, acquisition and disposal proposals, related party transactions and/or recurrent related party transactions, COI and/or potential COI of Directors and Key Senior Management, updates from Bursa Securities, list of directors' circular resolutions passed and reports on the Directors dealings in securities, if any. In addition, Management is often invited to attend Board meetings to provide detailed explanations on agenda items.

The internal and external auditors would brief Board members on the operations of the Group as well as the financial reporting standards that would affect the Group's financial statements during the period. As and when necessary, the Board may seek independent professional advice at the Group's expense, in the furtherance of their duties.

Technology is effectively utilised in Board and Board Committees' meetings. The agenda and meeting materials are sent online to Directors before the hardcopy versions of the same. Where the Directors are in remote areas or overseas, they are encouraged to participate meetings via audio or video conferencing.

4. Commitment of the Board

The Board would meet at least four (4) times a year, at quarterly intervals which are scheduled at the onset of the financial year to help facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to address urgent and important matters that require the attention of the Board. All pertinent issues discussed in Board meetings are properly recorded by the Company Secretary. Where appropriate, the Board may also resolve and approve various matters by way of written resolutions.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

4. Commitment of the Board *(cont'd)*

The Board met five (5) times during the FY2023. Details of attendance are as follows:

Directors	Number of meetings attended	%
Dato' Dr Norraesah binti Haji Mohamad	5 / 5	100
Wong Thean Soon	5 / 5	100
Datuk Mohd Jimmy Wong bin Abdullah	5 / 5	100
Wong Kok Chau	5 / 5	100
Dato' Sri Mohd Mokhtar bin Mohd Shariff	5 / 5	100
Dato' Mohd Jeffrey bin Joakim	5 / 5	100
Mohaini binti Mohd Yusof	5 / 5	100

The Board is satisfied with the level of time commitment from each Director in fulfilling their roles and responsibilities, as evidenced by their satisfactory attendance record.

Directors are responsible for notifying the Board before accepting any new directorships, despite the MMLR of Bursa Securities allowing a Director to sit on the Board of a maximum of five (5) listed issuers. Such notification should include an indication of the time that will be spent on the new appointment. At present, all Directors of the Company comply with the MMLR of Bursa Securities, with none sitting on the board of more than five (5) listed issuers.

5. Continuous Development of the Board

In order for the Group to remain competitive, the Board acknowledges the importance of staying up-to-date with the industry's directions and developments. The Board is provided with training opportunities in areas such as new laws and regulations, financial reporting, risk management, and investor relations in order to equip themselves with the knowledge to effectively discharge their duties.

The Board acknowledges that the Directors must attend the Mandatory Accreditation Program ("**MAP**"), both MAP Part I in relation to a Director's roles, duties and liabilities and MAP Part II in relation to sustainability and the related roles of a Director, as prescribed by Bursa Securities and the training needs of all Directors are identified by the NC.

The Directors are committed to enhancing their skills and knowledge during their tenure to maximise their effectiveness. In the financial year under review, the Directors have attended seminar(s), conference(s) and/or training(s) individually or collectively as set out below, to continuously upgrade their skills and stay abreast of current developments:

Directors	List of training/seminar/conference/ workshop attended
Dato' Dr Norraesah binti Haji Mohamad	• In-House Blockchain Technology Briefing on Zetrix • IEmPower- Women Drive: A way Forward in Halal Economy • Securities Industry Development Corporation – SIDC SRI2023: Revving Up the Race for Sustainability • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

5. Continuous Development of the Board *(cont'd)*

Directors	List of training/seminar/conference/ workshop attended
Wong Thean Soon	• In-House Blockchain Technology Briefing on Zetrix • Securities Industry Development Corporation – SIDC SRI2023: Revving Up the Race for Sustainability • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane.
Datuk Mohd Jimmy Wong bin Abdullah	• In-House Blockchain Technology Briefing on Zetrix • Securities Industry Development Corporation – SIDC SRI2023: Revving Up the Race for Sustainability • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane.
Wong Kok Chau	• In-House Blockchain Technology Briefing on Zetrix • Securities Industry Development Corporation – SIDC SRI2023: Revving Up the Race for Sustainability • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane. • Bursa Enhanced COI-Disclosure Requirements: Understanding and Navigating its Changes • Audit Oversight Board Conversation with Audit Committees
Dato' Sri Mohd Mokhtar bin Mohd Shariff	• In-House Blockchain Technology Briefing on Zetrix • Securities Industry Development Corporation – SIDC SRI2023: Revving Up the Race for Sustainability • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane.
Dato' Mohd Jeffrey bin Joakim	• In-House Blockchain Technology Briefing on Zetrix • Securities Industry Development Corporation – SIDC SRI2023: Revving Up the Race for Sustainability • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane. • National Integrity Forum 2023 – Leading Governance with Integrity
Mohaini binti Mohd Yusof	• In-House Blockchain Technology Briefing on Zetrix • Corporate Governance and Corporate Value – Needed Tool or Necessary Bane. • Securities Industry Development Corporation – SIDC SRI2023: Revving up the Race for Sustainability • National Integrity Forum 2023 – Leading Governance with Integrity • Breakfast Briefing (Integrating Sustainability in Finance: Unpacking the Why & Wherefore) • Joint Committee of Climate Change (JC3), co-chaired by Bank Negara Malaysia and Securities Commission Malaysia – JC3 Journey to Zero Conference 2023

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

5. Continuous Development of the Board *(cont'd)*

Furthermore, the Company Secretary also highlights changes to the relevant guidelines on statutory and regulatory requirements to the Board from time to time. The external auditors on the other hand, brief the Board on changes to the MFRS that affect the Group's financial statements during the year. In addition, the Directors receive regular briefings and updates on the Group's businesses, operations, risk management activities and human resource matters.

6. Board Committees

Nomination Committee

The NC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience, and other requisite qualities of Directors, as well as the annual assessment of the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director. The NC also identifies candidates to fill board vacancies, and nominates them for approval by the Board.

The NC comprises of three (3) members, of whom two (2) are Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The composition of the NC is as follows:

NC Members	Designation
Mohaini binti Mohd Yusof	Chairman, Independent Non-Executive Director
Dato' Sri Mohd Mokhtar bin Mohd Shariff	Member, Independent Non-Executive Director
Datuk Mohd Jimmy Wong bin Abdullah	Member, Non-Independent Non-Executive Director

During the FY2023, the NC had held one (1) meeting and all members registered full attendance. Below is a summary of the key activities undertaken by the NC in the discharge of its duties:

(a) Reviewed the Terms of Reference of the NC;

(b) Reviewed the following Policies:-
- Directors' Assessment Policy
- Succession Planning Policy
- Independent Directors' Tenure Policy
- Directors' Fit and Proper Policy

(c) Determined Directors who are subject to re-election by rotation;

(d) Reviewed the mix skills, experience, and other requisite qualities of Directors;

(e) Reviewed the composition of the Board and Board Committees;

(f) Reviewed the independence of the Independent Directors;

(g) Conducted annual assessment on effectiveness and performance of the Board, the Board Committees and the individual Directors;

(h) Reviewed the performance and term of office of AC; and

(i) Reviewed and assessed Directors' training needs.

A copy of the NC's Terms of Reference can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

6. Board Committees *(cont'd)*

Remuneration Committee

The RC is responsible for recommending the remuneration principles and the framework for members of the Board and Senior Management to the Board.

The RC comprises three (3) members, all of whom are Independent Non-Executive Directors. The composition is as follows:

RC Members	Designation
Dato' Sri Mohd Mokhtar bin Mohd Shariff	Chairman, Independent Non-Executive Director
Wong Kok Chau	Member, Independent Non-Executive Director
Dato' Mohd Jeffrey bin Joakim	Member, Independent Non-Executive Director

During the FY2023, the RC held one (1) meeting and all members registered full attendance. Below is a summary of the key activities undertaken by the RC in the discharge of its duties:

(a) Reviewed the remuneration package of the Executive Directors, Principal Officers and Senior Management within the Group;

(b) Reviewed and recommended the Directors' fees and benefits payable to the Independent Non-Executive Directors of the Company;

(c) Reviewed the Directors' and Senior Management Remuneration Policy; and

(d) Reviewed the Terms of Reference of the RC.

A copy of the RC's Terms of Reference can be found on the Group's website at https://www.myeg.com.my/investor-relations/governance.

Risk Management Committee

The RMC is responsible for monitoring the Group's risk management processes, including overseeing the assessment of key strategic and operational risks.

The RMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The composition is as follows:

RMC Members	Designation
Dato' Mohd Jeffrey bin Joakim	Chairman, Independent Non-Executive Director
Wong Kok Chau	Member, Independent Non-Executive Director
Mohaini binti Mohd Yusof	Member, Independent Non-Executive Director

During the FY2023, the RMC held four (4) meetings and all members registered full attendance. Below is a summary of the key activities undertaken by the RMC in the discharge of its duties:

(a) Reviewed quarterly risk assessment reports with the head of departments;

(b) Reviewed internal audit report on the operation and business processes with in-house internal auditors;

(c) Reviewed updated Risk Management Policy; and

(d) Reviewed the Terms of Reference of the RMC.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

6. Board Committees *(cont'd)*

Risk Management Committee *(cont'd)*

Further information can be found in the Risk Management and Internal Control Statement from page 154 to page 156 of this IAR2023.

A copy of the RMC's Terms of Reference can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

Audit Committee

The AC assists in providing oversight on the Group's financial reporting, disclosure, regulatory compliance and monitoring of internal control processes within the Group. Besides that, the AC reviews the quarterly financial results, unaudited and audited financial statements, internal and external audit reports, reportable related party transactions, conflict of interest and potential conflict of interest situations.

The composition, number of meetings held, and description of the activities carried out by the AC during the year is set out in the AC Report on pages 150 to 153 of this IAR2023.

A copy of the AC's Terms of Reference can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

7. Board Charter

The Group has established a Board Charter to promote high standards of corporate governance. The Board Charter is designed to provide guidance and clarity to Directors and Management regarding the role of the Board and its Committees. It clearly sets out the key values and principles of the Group and the duties and responsibilities of the Board, the Chairman of the Board, Group Managing Director, Independent Director and Board Committees. The Board Charter also provides structure guidance and ethical standards for the Board to follow in discharging their duties as well as operating practices.

The Board has a formal schedule of matters reserved for deliberation to ensure good governance is in place for the Group. These schedules of matters reserved are as follows:

- Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- Material acquisitions and disposal of assets not in the ordinary course of business including significant capital expenditures;
- Strategic investments, mergers and acquisitions and corporate exercises;
- Limits of authority;
- Treasury policies;
- Risk management policies;
- Key human resource issues; and
- Business plans.

The Board Charter is reviewed annually by the Board to keep abreast with the new changes in legislations and best practices, and remains effective and relevant to the Board's objectives.

A copy of the Board Charter can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

8. Code of Conduct, Code of Ethics, Code of Business Ethics and Conflict of Interest Policy.

The Group has established a Code of Conduct, Code of Ethics, and Code of Business Ethics to promote a corporate culture that encourages ethical conduct that permeates throughout the Group. Whereas, the Board is focused on the creation that imbues this culture throughout the Group. The Code of Conduct is based on principles of trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism. The Code of Ethics is based on the principles of sincerity, integrity, transparency, accountability and corporate social responsibility. The Code of Business Ethics sets out the standards of ethical business practices and conduct that the Group expects from all business associates.

The Group uphold these principles and values its dealings with employees, customers, suppliers, and business associates. The Directors, officers, and employees of the Group are required to observe, uphold and maintain high standards of integrity in carrying out their roles and responsibilities and to comply with the relevant laws and regulations as well as the Group's policies. Ongoing training on the Code of Conduct, Code of Ethics, Code of Business Ethics and general workplace behaviour is provided to the Group's employees to ensure that they continuously uphold high standard of conduct while performing their duties.

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has established an Anti-Bribery and Anti-Corruption Framework that sets out the Group's stance against bribery and corruption and adequate procedures for managing bribery and corruption risks in the Group's businesses, regardless of the country of operation. Following the establishment of the Anti-Bribery and Anti-Corruption Framework, the Group has adopted the Anti-Bribery and Anti-Corruption Policy and Anti-Bribery Procedures for Managing Stakeholders.

The Company promotes high standards of care, skill and fair dealing to ensure that conflict of interest is properly managed and mitigated to achieve the Group's business standards. In pursuit of this, the Company had on 28 February 2024, adopted the Conflict of Interest Policy. This policy outlines the disclosure obligations of each Director and Key Senior Management of the Group with respect to conflict of interest in an effective manner. The Company's Conflict of Interest Policy is periodically reviewed and updated as and when necessary.

In addition, the agenda with regards to disclosure of interest in contracts, conflict of interests or potential conflict of interests, proposed contracts and property is a fixed agenda for our quarterly Board meetings to serve as a reminder for Directors to disclose any conflict of interests or relationships that could affect the execution of their role as Director of the Company.

Notices on the closed period for dealing in the MYEG Shares are sent to Directors and Senior Management and the relevant employees on a quarterly basis specifying the timeframe during which they are prohibited from dealing in MYEG Shares, unless they comply with the procedures for dealings during closed period as stipulated in the MMLR of Bursa Securities.

A copy of the Code of Conduct, Code of Ethics and Code of Business Ethics, Anti-Bribery and Anti-Corruption Policy, Anti-Bribery Procedures for Managing Stakeholders and Conflict of Interest Policy can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

9. Whistle Blowing Policy and Procedures

The Group has adopted a Whistle Blowing Policy as the Board believes that a sound whistle blowing system will strengthen good management, and at the same time, demonstrate accountability, good risk management and support sound corporate governance practices. The policy encourages the reporting of any major concerns over any wrongdoings within the Group.

The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about genuine or suspected instances of wrongdoing at the Group. The identity of the whistleblower is kept confidential, and protection is accorded to the whistleblower against any form of reprisal or retaliation. All such concerns shall be set forth in writing and forwarded in a sealed envelope to either the Chairman of the AC, the Group Managing Director or Head of the Human Resource Department.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

9. Whistle Blowing Policy and Procedures *(cont'd)*

Besides the abovementioned policies, the Group has also put in place the following:

- Corporate Disclosure Policies and Procedures;
- Directors and Senior Management's Remuneration Policy;
- Directors' Assessment Policy;
- Human Rights Policy;
- Insider Dealing Policy;
- Non-Discrimination and Equal Employment Opportunity Policy;
- Risk Management Policy;
- Share Buy Back Policy;
- Safety and Health Policy;
- Directors' Fit and Proper Policy;
- Succession Planning Policy;
- Independent Director' Tenure Policy; and
- Conflict of Interest Policy

10. Sustainability

The Company acknowledges the importance of sustainability relating to ESG including their risks to and opportunities for the Group. The Board had also adopted Environmental Policy, Sustainability Policy and Statement of Commitment to Addressing Climate Change Risks and Impacts which demonstrates the Company's commitment to integrating the principles of sustainability into the Group's strategies, policies and procedures.

The Company will continuously and constantly disclose the targets and performances of the ESG; and if necessary, communicate to all the stakeholders of the Group.

Detailed information pertaining to the sustainability of the Group can be found in the Sustainability Statement on pages 54 to 125 in this IAR2023.

A copy of the Environmental Policy, Sustainability Policy and Statement of Commitment to Addressing Climate Change Risks and Impacts can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

11. Company Secretaries

Every Director has unrestricted access to the independent professional advice and services of the Company Secretaries on matters related to compliance with laws, rules, procedures and regulations affecting the Company and the Group. The Board believes that the current Company Secretaries are capable of carrying out their duties efficiently to ensure the effective functioning of the Board. However, in the event that the Company Secretaries fail to fulfil their functions effectively, the terms of their appointment do permit their removal and appointment of a successor by the Board.

The Board is assisted by qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Group's constitution, policies, procedures and compliance with relevant regulatory requirements, codes, guidance and legislations. Both Company Secretaries are fellow members of the Malaysian Institute of Chartered Secretaries and Administrators ("**MAICSA**") and have obtained Practicing Certificate from the Companies Commission of Malaysia ("**CCM**"). All the Directors have unrestricted access to the advice and services of the Company Secretaries for the conduct of the Board's affairs and business.

The Company Secretaries continuously keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through attendance at relevant conferences and training programmes. They have also attended the relevant continuous professional development programmes as required by the CCM and MAICSA for practising company secretaries. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging their functions, duties and responsibilities.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

I. Board Responsibilities *(cont'd)*

11. Company Secretaries *(cont'd)*

In addition, the Company Secretaries are accountable to the Board and are responsible for the following:

- Advising the Board on its roles and responsibilities;
- Advising the Board on matters related to corporate governance and the MMLR of Bursa Securities;
- Ensuring that Board procedures and applicable rules are observed;
- Maintaining records of the Board and ensuring effective management of the Company's statutory records;
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded;
- Assisting communications between the Board and Management;
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time; and
- Preparing agendas and co-coordinating the preparation of Board papers.

II. Board Composition

1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition are adequate and appropriate for facilitating effective decision making given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors, which is reflected in their diverse backgrounds and competencies. These competencies include finance, accounting, legal, digital, and other relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management.

During the financial year, the Board consists of seven (7) members, comprising one (1) Executive Chairman, one (1) Group Managing Director, four (4) Independent Non-Executive Directors, and one (1) Non-Independent Non-Executive Director, as follows:-

Name	Designation and Directorate	Age	Gender
Dato' Dr Norraesah binti Haji Mohamad	Executive Chairman	76	Female
Wong Thean Soon	Group Managing Director	53	Male
Wong Kok Chau	Independent Non-Executive Director	55	Male
Datuk Mohd Jimmy bin Abdullah	Non-Independent Non-Executive Director	62	Male
Dato' Sri Mohd Mokhtar bin Mohd Shariff	Independent Non-Executive Director	67	Male
Dato' Mohd Jeffrey bin Joakim	Independent Non-Executive Director	64	Male
Mohaini binti Mohd Yusof	Independent Non-Executive Director	58	Female

The composition of the Board complies with Paragraph 15.02 of the MMLR of Bursa Securities and the recommended Practice 5.2 of MCCG.

The majority of the Board comprises Independent Directors, which ensures that they can exercise independent judgment on the affairs of the Group.

All Directors of the Company hold not more than five (5) directorships in public listed companies under Paragraph 15.06(1) of the MMLR of Bursa Securities. The Board of Directors' profile can be found on page 29 to page 35 of the IAR2023.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

II. Board Composition *(cont'd)*

2. Independency of Independent Directors

The Board has adopted a 9-year policy for Independent Non-Executive Directors, setting out that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years without further extension and shall re-designate to Non-Independent if the Board wishes to retain the Director who has served beyond nine (9) years, subject to the NC's review and recommendations to the Board. As at the date of this statement, none of the Independent Directors have served the Company beyond nine (9) years.

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders. The Board, via the NC assesses each Director's independence annually to ensure on-going compliance with this requirement.

The NC is satisfied that the Independent Directors are independent of Management and free from any business or other relationships that could interfere with the exercise of independent judgement, objectivity and the ability to act in the best interest of the Group.

3. Appointment of Board and Senior Management

The Board comprises individuals with extensive complementary knowledge and competencies, as well as expertise to make active, informed and positive contribution to the Management of the Group in terms of the business' strategic direction and development. The appointment of the Board and its Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The NC assesses the suitability of the candidates before formally considering and recommending them for appointment to the Board. The NC considers and evaluates the candidates' required skills, knowledge, expertise, competence, experience, characteristics, professionalism in proposing its recommendation. For the appointment of Independent Directors, considerations will also be given to whether the candidates meet the requirements for independence as defined in MMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees, EGM, and AGM.

The Board has adopted a Directors' Fit and Proper Policy to assess the fitness and propriety of a candidate before being appointed or seeking re-election as a Director of the Company and its subsidiaries. This serves to ensure that any person to be appointed or re-elected as a Director within the Group ("Responsible Person") possesses the character, experience, integrity, competence and time to effectively discharge his/her role as a director. The Directors' Fit and Proper Policy is available on the Company's website.

The Board follows formal and transparent procedures when appointing directors as follows:-

- The NC shall prepare description of the director characteristics that the Board is looking for in a new appointment.
- The NC will seek professional advice as and when it considers necessary to identify a short-listed of suitable candidates and a list of nominations for candidates proposed by the Group Managing Director, and within the bounds of practicability, by any other senior executive, director or shareholder for considerations.
- All the candidates are interviewed by at least two (2) members of the NC whose evaluations will be circulated to all the members of the NC. A target appointment date is then fixed.
- The NC will then have to make a majority decision in recommending the appointment to the Board.
- The Board will then decide on the best candidate by ballot or majority decision and a Board resolution will be passed to appoint the candidate.
- The written consent of the nominees to act if elected shall be secured.
- The NC shall focus on the need for the Board to operate an open and transparent appointment process. This may include public advertisement or direct approaches being made to individuals who may be suitable or organisations that may be able to advise.
- The NC shall take into account on the overall composition and balance of the Board.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

II. Board Composition *(cont'd)*

4. Gender Diversity

The Board acknowledges the importance of promoting gender diversity within its composition and endeavours to increase female participation in the Board and Senior Management. However, the Board has decided not to set any specific targets, as the Board believes that having the right mix and skills for such positions is more crucial.

The Board has no specific policy on setting targets for female candidates to be appointed to the Board. With the current composition of two (2) female Directors which represents an approximately 30% of women representation on the board, the Board is in the opinion that its members have the necessary knowledge, experience, diverse range of skills and competence to discharge their duties and responsibilities effectively. The NC will however continue to take steps to ensure suitable female candidates are sought as part of its recruitment exercise.

5. Identifying Suitable Candidates

The Board will deliberate any proposed appointment of a new member based on the qualifications and experience of the proposed director. The NC will assess the suitability of potential candidates for appointment to the Board based on an internal policy that outlines the criteria and skill sets required for Board members. In identifying suitable candidates for the appointment of Director, the Board may engage independent search firms if needed.

6. Chairman of the NC

Mohaini binti Mohd Yusof, an Independent Non-Executive Director, leads the NC in succession planning and appointment of Board members and Senior Management. The NC conducts and annual review of board effectiveness and skill assessments, which provide relevant information on the Group's needs and allow the NC to source suitable candidates when the need arises.

7. Annual Evaluation

The NC is responsible for evaluating the performance and effectiveness of the entire Board, Board Committees and individual Directors on a yearly basis. Led by the NC's Chairman and supported by the Company Secretary, the evaluation process uses questionnaires. The NC reviews the evaluation results and recommends areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

On 27 February 2024, the NC assessed the effectiveness of the Board, Board Committees and the contribution of each Director by identifying the strengths and weaknesses. The assessment criteria used in the assessment of Board and individual Directors includes a mix of skills, knowledge, diversity, size and experience of the Board, core competencies, and contribution of each Director. The Board Committees were evaluated based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

The Board evaluation comprises performance evaluation of the Board and various Board Committees, Directors' peer evaluation and assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas related to:

- the Board structure;
- the Board operations;
- the roles and responsibilities of:
  - (i) the Board;
  - (ii) the Chairman; and
  - (iii) the Board Committees.
- Elements of ESG.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

II. Board Composition *(cont'd)*

7. Annual Evaluation *(cont'd)*

The Directors' peer evaluation assesses their abilities and competencies, calibre and personality, technical knowledge, objectivity, level of participation at Board and Board Committees' meetings and contribution to the Board processes.

Any appointment of a new Director to the Board or Board Committee is recommended by the NC for consideration and approval by the Board. In accordance with the Constitution of the Company, one-third (1/3) of the Directors for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The existing Constitution of the Company also provides that all Directors shall retire at least once every three (3) years.

During the year, the Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Board Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome and satisfied that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman of the Board possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.

Pursuant to Paragraph 15.20 of the MMLR of Bursa Securities, the NC of a listed issuer must review the term of office and performance of an AC and each of its members annually to determine whether such AC and members have carried out their duties in accordance with their terms of reference. The NC had reviewed and assessed the performance of each of the members of the AC through and was satisfied with the performance and effectiveness of the AC and each of its members.

The NC also considered the results of the evaluation when considering the re-election of Directors and recommended the Directors standing for re-election at the forthcoming AGM of the Company to the Board for endorsement. The Directors standing for retirement by rotation pursuant to Clause 94 of the Constitution of the Company and subject to re-election at the forthcoming AGM are Dato' Sri. Mohd Mokhtar bin Mohd Shariff and Wong Thean Soon. The NC had also conducted the fit and proper assessment on the Directors who are subject to re-election at the forthcoming AGM and was satisfied with the outcome of the assessments.

III. Remuneration

The objectives of the Directors and Senior Management's Remuneration Policy and Terms of Reference of the RC are to provide fair and competitive remuneration to Directors and Senior Management in order for the Group to attract and retain Directors and Senior Management of the calibre required to run the Group successfully. The responsibility for developing the Directors and Senior Management's Remuneration Policy, determining the remuneration packages of Directors, Group Managing Director and Senior Management, lies with the RC. Nevertheless, it is ultimately the responsibility of the Board to determine the remuneration of Directors and Senior Management.

Based on the Directors and Senior Management's Remuneration Policy, the remuneration packages for the Executive Directors comprises a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind and etc.). The variable component is determined by the Group's overall financial performance each financial year and is designed to support the Group's strategy and provides a balance between motivating and challenging the Board to deliver e business priorities and strong performance while also driving the long-term sustainable success of the Group.

The level of remuneration for Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with additional fees for serving on Board Committees. The Chairman of the NC, RC, RMC or AC may receive a higher fee for serving as Chairman of the respective committees. The fees for Non-Executive Directors are determined by the Board and approved by shareholders at the AGM and no Director is involved in deciding their own remuneration.

A. BOARD LEADERSHIP AND EFFECTIVENESS *(CONT'D)*

III. Remuneration *(cont'd)*

During the financial year under review, the RC reviewed the remuneration for Directors, and Senior Management. The remuneration packages were considered to be comparable to industry norms, reflecting their level of responsibilities and the performance of the Group The remuneration policies and procedures governing the remuneration of Executive Directors, Non-Executive Directors and Senior Management are available in the Directors and Senior Management's Remuneration Policy, published on the Company's website.

The details of the remuneration of the Board, on named basis, are set out below, comprising remuneration received/receivable from the Company and the Group for the FY2023:

	Group/Company					
	Fees	Salaries	Bonuses	Benefit in Kind	Others	Total*
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Directors						
Dato' Dr Norraesah binti Haji Mohamad	154	-	-	-	-	154
Wong Thean Soon	206	-	-	-	-	206
Non-Executive Director						
Datuk Mohd Jimmy Wong bin Abdullah	86	-	-	-	-	86
Wong Kok Chau	60	-	-	-	-	60
Dato' Sri Mohd Mokhtar bin Mohd Shariff	86	-	-	-	-	86
Dato' Mohd Jeffrey bin Joakim	86	-	-	-	-	86
Mohaini binti Mohd Yusof	86	-	-	-	-	86

* *The Directors of the Company only received remuneration from the Group.*

The details of the remuneration of the five (5) Senior Management, on named basis, for the FY2023 were disclosed in the Corporate Governance Report for FY2023.

A copy of the Directors and Senior Management's Remuneration Policy can be found on the Group's website at *https://www.myeg.com.my/investor-relations/governance*.

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The current AC consists of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, and all of them are financially literate and have a sufficient understanding of the Group's business. Additionally, all the members of the AC undertake continuous professional development to remain abreast of relevant developments in accounting and auditing standards, practices and rules. The composition of the AC is presented in the AC Report on page 150 of this IAR2023.

The Chairman of the AC is not the Chairman of the Board, which ensures that the objectivity of the Board's review of the AC's findings and recommendation remains intact.

The AC has adopted a Terms of Reference that sets out its goals, objectives, duties, responsibilities and criteria for the composition of the AC, which includes a former key audit partner of the Group observing a cooling-off period of at least three (3) years before being able to be appointed as a member of the AC. Presently, none of the current AC members is a former key audit partner involved in auditing of the Group.

B. EFFECTIVE AUDIT AND RISK MANAGEMENT *(CONT'D)*

I. Audit Committee *(cont'd)*

The Board is responsible for presenting a clear, balanced and understandable assessment of the Group's performance and position when presenting the annual audited financial statements and interim financial statements on a quarterly basis to the shareholders. The AC is entrusted to assist the Board in reviewing the Group's financial reporting process and accuracy of its financial results, and scrutinising information for disclosure to ensure accuracy, adequacy, completeness and compliance with the accounting standards.

The Board places great emphasis on the objectivity and independence of the external auditors. Through the AC, the Board maintains a transparent relationship with the external auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards. The AC is empowered to communicate directly with the external auditors to highlight any issues of concern at any point in time.

The external auditors would meet with the AC at least two (2) times a year without the presence of the executive Board members and Management on matters related to the Group and its audit activities. During these meetings, the external auditors highlight and discuss the nature and scope of the audit, audit programme, internal controls and any other issues that may require the attention of the AC or the Board. During the year under review, the AC met with the external auditors two (2) times without the presence of Management.

The AC members are financially literate and able to understand the Company's business and matters under the purview of the AC, including the financial reporting process. The AC members will undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required.

The AC ensures the external audit function is independent of the activities it audits and reviews contracts for the provision of non-audit services by the external auditors to ensure that they do not give rise to conflicts of interests. The excluded contracts would include management consulting, internal audit and standard operating policies and procedures documentation.

For FY2023, the fees paid to the external auditors, TGS TW PLT and its affiliated firms by the Group are stated in the Additional Compliance Information of this IAR2023.

The external auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Based on the AC's assessment of the External Auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the External Auditors in carrying out the annual audit for the FY2023. In view thereof, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming 23rd AGM.

Further information on the roles and responsibilities of the AC may be found in the AC Report on page 150 to page 153 of this IAR2023.

II. Risk Management and Internal Control Framework

The Board is ultimately responsibility for effectively managing risks across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve this objective, the Group has adopted a risk management policy. The Group's risk management systems are designed to manage, mitigate and eliminate risks (where possible), to achieve business objectives, but can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibility for reviewing the effectiveness of the Group's systems of internal control to the RMC. This covers all material controls including financial, operational, compliance and risk management systems. The RMC is further supported by several sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the existing risk controls.

B. EFFECTIVE AUDIT AND RISK MANAGEMENT *(CONT'D)*

II. Risk Management and Internal Control Framework *(cont'd)*

To implement an internal audit function, the Group has outsourced the internal audit function as it is the most cost effective means. The independent third-party service provider of the internal audit services for the FY2023 was Vaersa Advisory Sdn. Bhd. ("Vaersa"), which reported directly to the AC as specified in the Terms of Reference of the AC. The internal auditors carry out their functions in accordance with the annual Internal Audit Plan which has been approved by the AC. Vaersa has approximately three (3) audit personnel assisting the person responsible for the internal audit. Details on the person responsible for the internal audit are as set out below:

Name	:	Ramnath R Sundaram
Qualification	:	Associate of Chartered Certified Accountant
Independence	:	Does not have any family relationship with any Director and/or major shareholder of the Company
Public Sanction or penalty	:	Has no convictions for any offences within the past 5 years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Further information can be found in the Risk Management and Internal Control Statement from page 154 to page 156 and the Management Discussion and Analysis from page 19 to page 28 of this IAR2023.

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with stakeholders

The Board recognises that communication with stakeholders is an essential aspect of the Group's sustainability. In view thereof, stakeholders are informed of all material business events and risks of the Group in a factual, timely and widely available manner. The Board has formalised a Corporate Disclosure Policy and Procedure not only to comply with the disclosure requirements stipulated in the MMLR of Bursa Securities, but also to establish the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Board acknowledges the importance of fostering effective two-way communication with investors and analysts to provide a greater understanding of the Group's vision, strategies, developments and financial prospects. A variety of engagement initiatives including direct meetings and dialogues with stakeholders are continually conducted to enhance mutual understanding.

The Group promptly disseminate its financial performance, major corporate developments and other relevant information to shareholders and investors through announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice to ensure that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analysts and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Group's corporate website includes a dedicated Investor Relations section that provides all relevant information on the Group, including announcements to Bursa Securities, share price information as well as the corporate and governance structure of the Group. Stakeholders are also able to subscribe to e-mail alerts from the Group via the Investor Relations page.

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *(CONT'D)*

II. Conduct of General Meetings

The AGM is the principal forum for dialogue with shareholders, allowing shareholders to review the Group's performance via the Group's annual report and pose questions to the Board for clarification. To ensure shareholders have sufficient time to read the IAR, it is circulated at least twenty-eight (28) clear days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event if they are unable to attend the meeting.

The 22nd AGM of the Company was conducted entirely through live streaming and online remote voting using Remote Participation and Voting facilities to allow wider participation of the Group's shareholders. Before the commencement of the AGM, the Board provided shareholders with ample opportunity and time to submit questions pertaining to the IAR, proposed resolutions and the business of the Company or the Group in general prior to seeking approval from members and proxies on the resolutions. The Board, Senior Management, external auditors and other advisors, were also present virtually at the fully virtual AGM to provide answers and clarification to shareholders.

During the 22nd AGM, shareholders were presented with an overview of the Group's performance and significant activities undertaken during the financial period under review. Shareholders actively participated in the meeting, including the opportunity to pose questions to the Board via real time submission of typed texts. Remote voting facilities were also provided, enabling shareholders to cast their votes electronically during the 22nd AGM.

In line with the MMLR of Bursa Securities, the Company has implemented and will continue to utilise poll voting for all proposed resolutions set out in the notice of any general meeting. To ensure transparency and accuracy, an independent scrutineer will be appointed to tabulate and validate the votes cast at any general meeting of the Company.

The proceedings of all meetings are recorded by the Company Secretary, and a summary of key matters discussed at the general meetings are made available for inspection on the Company's website.

AUDIT COMMITTEE REPORT

The Board is pleased to present the Audit Committee ("**AC**") Report for the financial year ended 31 December 2023 ("**FY2023**").

AUDIT COMMITTEE AT A GLANCE

Members

The AC is composed of three (3) members, majority of whom are Independent Non-Executive Directors, ensuring a robust and impartial oversight. One of the members is a member of the Malaysian Institute of Accountant, bringing specialized expertise to the AC deliberations. The composition of the AC adheres strictly to the stipulated requirements outlined in paragraph 15.09(1) of the MMLR of Bursa Securities, ensuring compliance with regulatory standards and best practices. It is noteworthy that no alternate director is appointed as a member of the AC, underscoring the AC's commitment to maintaining continuity and consistency in its operations.

During the FY2023, the AC members are as follows:

Name of AC Members	Position
Wong Kok Chau	Chairman, Independent Non-Executive Director
Datuk Mohd Jimmy Wong Bin Abdullah	Member, Non-Independent Non-Executive Director
Mohaini Binti Mohd Yusof	Member, Independent Non-Executive Director

All members of the AC possess financial literacy and equipped with the necessary skills to proficiently analyze and interpret financial statements. This expertise enables them fulfill their duties, roles, and responsibilities for the Company with precision and effectiveness. Their adeptness in financial matters ensures comprehensive oversight and informed decision-making, contributing significantly to the AC's ability to safeguard the Company's interests and maintain transparency and integrity in financial reporting.

Meetings

Throughout the FY2023, the AC convened for a total of five (5) meetings. These meetings were organized in a well-structured framework to optimize efficiency and effectiveness. Prior to each meeting, comprehensive agendas were prepared and distributed to all AC members well in advance, ensuring ample time for review and preparation. These agendas serve as invaluable roadmaps, delineating the intricate details of the topics slated for discussion and facilitating thorough deliberation and analysis during the meetings. This approach to meeting organization not only underscores the AC's commitment to transparency and accountability but also fosters an environment conducive to robust decision-making and prudent governance.

The attendance of the AC members during the FY2023 is as follows:

Name of AC Members	Meetings attended
Wong Kok Chau	5/5
Datuk Mohd Jimmy Wong Bin Abdullah	5/5
Mohaini Binti Mohd Yusof	5/5

The profile of the AC members can be found in the Profile of Directors as set out from pages 29 to 35 of this IAR2023.

The Company Secretaries or their designated representatives were present at all meetings, providing the necessary secretarial support to the AC members as prescribed under the Audit Committee Terms of Reference. Additionally, stakeholders directly involved in audit processes, including representatives from the external auditors, outsourced internal auditors, and Senior Management, were strategically invited to specific meetings. This facilitated direct communication, enabling timely clarification on audit-related matters, internal controls, and Group operations, thereby enhancing the AC's effectiveness in fulfilling its oversight responsibilities.

AUDIT COMMITTEE AT A GLANCE *(CONT'D)*

Meetings *(cont'd)*

To uphold transparency and accountability, the Minutes of each AC meeting were prepared and disseminated to all AC members and the Board electronically and in hardcopy. This practice ensured that all AC member and Board remained well-informed about the discussions and decisions made during the meetings. Furthermore, the Chairman of the AC regularly delivered comprehensive reports to the Board, highlighting key matters deliberated upon during AC meetings, thereby fostering alignment and collaboration between the AC and the Board in matters of strategic importance.

During the financial year under review, the AC conducted separate meetings with both the outsourced internal auditors and external auditors without the presence of the executive Board Members and Senior Management, to facilitate candid discussions on any pertinent issues or significant matters identified by the internal and external auditors. These meetings were structured to allow internal and external auditors to freely raise concerns, provide insights, and seek clarification from the AC without the presence of the executive Board Members and Senior Management.

The dates of these meetings, held independently with outsourced internal auditors and external auditors without the presence of the Senior Management, are as follows:

Outsourced Internal Auditors	External Auditors
30 May 2023	27 February 2023
21 August 2023	20 November 2023
20 November 2023	

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC

During the FY2023, the AC diligently fulfilled its obligations by engaging in the following activities as part of its oversight duties:

Financial Reporting

The AC reviewed the unaudited quarterly results and the annual audited financial statements of the Group ("Financial Reports"). This comprehensive review process ensured that all financial statements complied with the requirements of relevant regulatory authorities. Prior to submission to the Board for approval, the AC deliberated on the Financial Reports to ensure their accuracy and compliance with applicable reporting standards, ultimately facilitating the timely release of the Group's results to Bursa Securities.

Annual Report

The AC reviewed various components of the Annual Report, including the Audit Committee Report, Sustainability Statement, Corporate Governance Overview, Corporate Governance Statement, Corporate Governance Report, Directors' Responsibility Statement as well as the annual audited financial statements of the Group. Before submission to the Board for consideration and approval, the AC conducted thorough reviews of these documents, ensuring completeness, accuracy and alignment with regulatory requirements. This rigorous review process underscores the AC's commitment to upholding transparency, accountability, and best practices in corporate governance.

External Audit

The AC reviewed the audit planning memorandum presented by the external auditors, ensuring clarity regarding the scope and objectives of the annual audit before its commencement. This comprehensive review process provided by the AC with insights into the proposed audit approach, methodologies, and key areas of focus, enabling effective oversight and alignment with the Group's objectives. Additionally, the external auditors carried out an audit review memorandum, summarizing their findings from the ongoing audit of the Group's financial statements for the financial year end. This ensures that all relevant aspects of the external audit process are appropriately acknowledged and addressed.

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC *(CONT'D)*

External Audit *(cont'd)*

The AC thoroughly examined the external auditors' report concerning audit and accounting issues arising from the audit process. Additionally, the AC engaged in discussion with the external auditors during meetings specifically convened without the presence of the executive Board members and Senior Management. These sessions facilitated candid dialogues on matters identified during the audit, ensuring a robust exchange of insights and resolutions to enhance the Group's financial reporting integrity.

The AC conducted a comprehensive assessment of the external auditors' independence, suitability, objectivity, and effectiveness in carrying out their audit responsibilities. The AC received assurance from the external auditors that they remained independent throughout the audit engagement for FY2023, in full compliance with professional and regulatory requirements. This assurance underscored the AC's commitment to ensuring the integrity and credibility of the audit process.

The AC carefully evaluated the re-appointment of external auditors and their proposed audit fees, considering factors such as independence, objectivity, and the cost effectiveness of their services to safeguard the integrity of the audit process and ensure value for the Group prior to recommending re-appointment to the Board for approval.

Internal Audit

The AC diligently reviewed internal audit reports which outlined the recommendations for addressing areas of weakness within the Group. Additionally, the AC ensured that robust management action plans were established for the implementation of internal auditors' recommendations. This rigorous oversight process facilitated continuous improvement and risk mitigation across the organization.

The AC scrutinized the internal audit plan prepared by the outsourced internal auditors to ensure its adequacy in scope and comprehensive coverage of Group activities. Special attention was given to ensuring that all risk areas were audited annually, aligning with best practices in risk management and governance. The AC's involvement in reviewing the audit plan contributed to the effectiveness of internal audit processes and enhanced assurance over risk management practices.

The AC conducted a thorough evaluation of the scope, function, resources, and effectiveness of the outsourced internal auditors to ensure they discharged their functions and responsibilities with efficiency and integrity. This assessment encompassed a review of internal audit activities. By ensuring the adequacy and effectiveness of internal audit functions, the AC reinforced the Group's commitment to sound internal controls and governance practices.

Related Party Transactions

The AC reviewed related party transactions entered into by the Group every quarter to ensure that the transactions entered into were on arm's length basis and normal commercial terms, and to safeguard the interest of minority shareholders. Through thorough examination and clarification, the AC ensured that these transactions were conducted in accordance with regulatory requirements and corporate governance standards. This proactive oversight served to mitigate potential conflicts of interest and promote transparency and fairness in the Group's dealings with related parties.

Conflict of Interest

Effective 1 July 2023, in accordance with the amended Main Market Listing Requirements regarding Conflict of Interest, the AC has expanded its mandate to include the review, monitoring, and mitigation of any conflict of interest disclosures by the Key Person within the Group such as directors, key senior management, and legal representatives.

In conjunction with the amended Main Market Listing Requirements of Bursa Securities, the AC diligently reviewed the conflict of interest policy and recommended it to the Board for approval. The conflict of interest policy was adopted by the Board on 28 February 2024. The policy outlines circumstances that may constitute or give rise to conflicts of interest, disclosure requirements, management procedures, and record maintenance for disclosed conflicts of interest. Additionally, the Company practices quarterly disclosure, and the AC reviews any disclosed conflicts of interest. Findings or mitigation plans, if any, are reported to the Board for deliberation and approval.

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC *(CONT'D)*

Conflict of Interest *(Cont'd)*

As of the date of this report, the AC presented its inaugural conflict of interest report during the third quarter meeting held on 20 November 2023 for the period ended 30 September 2023 and subsequent conflict of interest report on the fourth quarter meeting held on 28 February 2024 for the period ended 31 December 2023.

Others

The AC reviewed its Terms of Reference to ensure that the Company has implemented most of the good practices recommended in the MCCG. This comprehensive review process aimed to align the AC's functions and responsibilities with best practices in corporate governance, enhancing transparency, accountability, and effectiveness within the Company's governance framework. The AC revised its Terms of Reference by incorporating the scope of conflicts of interest arising from the amended Main Market Listing Requirements of Bursa Securities on 28 February 2024.

The AC addressed complaints or cases reported under Whistle Blowing policy, ensuring that appropriate measures were taken to investigate and resolve any issues raised. By providing a channel for reporting concerns confidentially and without fear of retaliation, the AC promotes a culture of integrity and accountability within the Company, safeguarding against unethical conduct and misconduct. There were no complaints or cases reported under Whistle Blowing policy in FY2023.

The AC completed the annual evaluation process for AC members through self-assessment and peer evaluation. This structured evaluation framework allows AC members to assess their individual performance and contribution to the AC's effectiveness. By fostering continuous improvement and accountability, the evaluation process enhances the AC's ability to fulfill its oversight responsibilities and uphold the highest standards of governance.

TRAINING AND EDUCATION

During the financial year, the AC members attended individually or collectively seminar(s), conference(s) and/or training(s) to continuously upgrade their skills and to keep abreast of current developments to enhance their knowledge and enable them to discharge their duties more effectively.

INTERNAL AUDIT FUNCTION

The internal audit function serves as a cornerstone in evaluating and enhancing the Group's risk management, controls, and governance processes, employing a risk-based approach to support Senior Management in attaining corporate objectives.

For FY2023, the Group entrusted the internal audit function to Vaersa, an independent internal audit professional firm. Vaersa operates under the direct oversight of the AC and aids the Board in monitoring and managing risks and internal controls. The AC has ensured the maintenance of Vaersa's independence and provided the necessary resources and access to information to enable them to perform their duties effectively.

Vaersa executed internal audit reviews in alignment with the approved internal audit plan, encompassing assessments of operational controls; adequacy and effectiveness in risk mitigation, compliance with established policies and procedures, adherence to authority limits, and compliance with applicable laws. Formal reports of the review findings were presented to the AC, and Senior Management acknowledged the findings and acted upon recommendations made by Vaersa. Notably, the internal audit reviews did not unveil any significant weaknesses, providing reasonable assurance of the effectiveness of the Group's internal control systems and their ability to mitigate business risk and safeguard assets and resources.

The total cost incurred for the internal audit function during the financial year under review was amounted to approximately RM30,000.00. Further details regarding the internal audit function are elaborated in the Risk Management and Internal Control Statement on page 154.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

INTRODUCTION

The Board is pleased to present its Risk Management and Internal Control Statement ("**Statement**") for FY2023 which has been prepared pursuant to paragraph 15.26(b) of the MMLR on an additional statement to state risk management and internal control of the Company, Principle B of the MCCG relating to risk management and internal control framework, and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Public Listed Issuers ("the Guidelines"). This Statement outlines the nature and state of the internal controls of the Group.

BOARD'S RESPONSIBILITY

The Board recognises its duty to uphold a robust framework risk management and internal control, continuously assessing its adequacy and effectiveness to safeguard shareholders' interests and the Group's assets.

While Management is tasked with implementing a system of risk management and internal control, it is imperative to acknowledge the inherent limitations of such system. It is not intended to entirely eradicate all risks but rather to identify, evaluate, manage, and monitor risks to an acceptable level. This approach aims to mitigate the risk of material misstatements, losses, contingencies, fraud, or irregularities. It is important to emphasize that while this system can only provide reasonable assurance, it cannot guarantee absolute protection against risks that may hinder the Group's attainment of corporate objectives.

RISK MANAGEMENT FRAMEWORK

The Board acknowledges that effective risk management is fundamental to the operation of the business. As such, respective Heads of Departments bear the responsibility for identifying, evaluating, managing, and mitigating both existing and potential risks pertaining to their functions and/or departments on a daily basis.

To ensure ongoing oversight and management of risks, weekly management meetings are convened. These meetings serve as forums for monitoring and addressing the Group's risks in a timely and comprehensive manner. During these sessions, key risks are identified, discussed, and appropriate control measures are communicated and implemented by the Senior Management team.

The RMC, comprised entirely of independent directors, assumes responsibility for overseeing risk management matters relating to the Group's activities. It ensures the implementation of prudent risk management practices across the Group's operations and businesses. To assist the RMC in fulfilling its oversight duties, Heads of Departments from various functions are task with evaluating the Group's risk management processes including the assessment of key strategic and operational risks.

The Heads of Departments conduct regular risk management activities and prepares quarterly risk assessment reports. Concurrently, our in-house internal audit team conducts internal audits to identify significant risks within each department. Both Heads of Departments and the in-house internal audit team present their findings to the RMC during quarterly meetings for assessment, discussion, and action. The Chairman of the RMC highlights the key findings and oversees the entire risk management framework of the Group during scheduled meetings of the Board. Special meetings are convened when specific matters require immediate attention and discussion.

During the financial year under review, the Heads of Departments had met with the RMC on four (4) occasions to present updates on their respective department's quarterly risk assessment reports. These meetings facilitated in-depth discussion on key risk areas impacting the Group, allowing for identification of recommended risk management strategies to effectively manage and mitigate the identified risks.

The Group's Risk Management Policy, established in October 2013, underwent review by the Board during their scheduled meeting held on 28 February 2024. Following thorough assessment, the Board determined that the Group's Risk Management policy remained adequate and no further amendments were deemed necessary.

The risk management practices outlined above represent an ongoing process aimed at identifying, evaluating, mitigating and managing significant risks that may impact the Group's ability to achieve its corporate objectives. This process encompasses the financial year under review and extends up to the date of approval of this Risk Management and Internal Control Statement by the Board.

INTERNAL AUDIT FUNCTION

The Group has enlisted the services of Vaersa, an outsourced internal audit service provider, to complement our in-house internal audit team in carrying out internal audit functions. Vaersa's engagement ensures an independent assessment of the effectiveness and adequacy of the Group's internal control system. This dual approach provides the RMC, AC, and Board with reasonable assurance regarding the adequacy of the internal audit function's scope, operations, and resources, as well as the effectiveness of internal controls.

Regular assessment of the adequacy and effectiveness of internal controls established by Management to mitigate risks are conducted through a series of comprehensive measures. This includes interviews and discussions with key management staff, thorough reviews of established policies, procedures, and authority limits, as well as observation and testing of the internal controls on a sample basis. The results of these internal audit reviews, along with action plans highlighted to Management to address identified weaknesses and recommendations for enhancement opportunities, are reported to the AC. Subsequently, the AC provides a detailed report to the Board.

During the FY2023, internal audit works were conducted in accordance with the risk assessment outlined in the internal audit plan. Which was reviewed and approved by the AC. The scope of business processes audit reviews included Telemarketing Department, Human Resources Department, Operation Management (ESC), Operations Department (Logistic) and Management of Information System. Following the completion of audit reviews, the findings were discussed with Senior Management. Subsequently, the audit findings, along with recommendations for improvement were reported to the AC during quarterly meetings.

Based on the internal audit reviews conducted, no significant weaknesses were identified that resulted in material losses, contingencies, or uncertainties that necessitating separate disclosure in this report. The total costs incurred for the internal audit function for FY2023 was approximately RM30,000.

Vaersa engaged in discussion with the AC on 27 February 2023, 30 May 2023, 21 August 2023, and 20 November 2023. These meetings were conducted both with and without the presence of executive Board members and Senior Management to address audit related matters.

OTHER KEY ELEMENTS OF INTERNAL CONTROLS

The other key elements of the Group's internal control systems are:

i. Quarterly review of the financial performance:
The AC and the Board conduct quarterly reviews of the Group's financial performance to ensure transparency, accuracy, and alignment with strategic objectives.

ii. Clearly defined reporting and responsibility structures:
The Group maintains clearly defined and structured lines of reporting and responsibility, ensuring accountability and effective communication throughout the organisation.

iii. Operations review meetings:
Regular operations review meetings are convened to monitor the progress of business operations, discuss significant issues, and formulate corrective measures in a timely manner.

iv. Documented internal policies:
Internal policies are documented and disseminated to various departments within the Group through a series of memorandums, providing clear guidance on operational procedures and compliance requirements.

v. Whistle Blowing Policy:
The Group has established a Whistleblowing Policy, providing employees with a secure and confidential avenue to report suspected malpractices, misconduct, or violations of company policies and regulations, thereby promoting a culture of transparency and accountability.

ASSURANCE

The Board, guided by assurances provided by the Group Managing Director, Chief Financial Officer, and other relevant assurance providers, expresses confidence in the effective and efficient functioning of the Group's risk management and internal control practices and processes in all material aspects. This confidence provides reasonable assurance that the Group's assets are safeguarded, and the interests of shareholders and customers are protected.

It is important to acknowledge, however, that every risk management and internal control system has inherent limitations. While these systems are designed to mitigate risks, they cannot provide absolute assurance against material misstatements, losses, contingencies, fraud, or irregularities. Despite these limitations, the Board remains committed to continuously enhancing and strengthening the Group's risk management and internal control framework to mitigate potential risks and uphold the highest standards of governance and accountability.

CONTINUOUS ASSESSMENT AND ENHANCEMENT

The Board recognises the paramount importance of continually assessing and enhancing the Group's risk management and internal control practices and processes. In line with this commitment, the Board will persist in its oversight of the Group's risk management and internal control framework. Additionally, the Board will undertake regular reviews and assessments to gauge the adequacy and effectiveness of the Group's risk management and internal control practices and processes.

These ongoing efforts are aimed at ensuring that the Group's risk management and internal control practices remain relevant and effective in mitigating the evolving risks faced by the organisation. By staying vigilant and proactive, the Board endeavors to uphold the highest standards of governance and safeguard the interests of stakeholders.

CONCLUSION

Overall, the Statement provides an overview of the Group's system of risk management and internal control, including the processes and procedures in place to identify, assess, and manage risks, as well as the role of the AC and Vaersa in reviewing and reporting on the effectiveness of these controls.

The Statement acknowledges that the Group operates in a constantly changing and challenging business environment and that the system of risk management and internal controls must continuously evolve to meet these challenges. The Board is committed to taking appropriate action plans when necessary to enhance the Group's system of risk management and internal controls.

It is also worth noting that the Group's risk management and internal control systems do not apply to the associate companies, but the Group's interest in these companies is served through Board representation and periodic review of their management accounts.

Overall, the Statement appears to provide a reasonable level of assurance to shareholders and stakeholders regarding the Group's approach to risk management and internal control. However, it is important to note that the effectiveness of these systems can only be fully assessed over time, and stakeholders should continue to monitor the Group's progress in this area.

REVIEW BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement. Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on the Risk Management and Internal Control Statement included in this Annual Report, issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Risk Management and Internal Control Statement: Guidelines for Directors of Listed Issuers and Practice Note 10.1 and 10.2 of Malaysian Code of Corporate Governance 2021, nor is factually inaccurate.

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are engaged in the businesses of development and implementation of the electronic government services project and the provision of other related services for the electronic government services project and investment holding. During the financial year, the Company has added provision of information technology solutions and services to its principal activities. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	486,839	132,292
Attributable to:		
Owners of the Company	487,648	132,292
Non-controlling interests	(809)	-
	486,839	132,292

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

DIVIDENDS

Since the end of the last financial year, the Company paid:

	RM'000
A final single-tier dividend of 1.17 sen per ordinary share in respect of the financial year ended 31 December 2022, declared on 10 August 2023 and paid on 20 September 2023	86,644
A first interim single-tier dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 December 2023, declared on 21 August 2023 and paid on 17 November 2023	18,654
First tranche of dividend-in-specie on 10 March 2023 *	50,899
Second tranche of dividend-in-specie on 27 September 2023 #	8,696
	164,893

* On 10 March 2023, the Company has successfully executed the first tranche of its dividend-in-specie which entails the distribution of up to 69,750,000 Agmo Holdings Berhad ("Agmo") shares held by the Company through MY E.G. Capital Sdn. Bhd. ("MYEGC"). Of these shares, 69,724,752 Agmo shares amounted to RM50,899,069 have been distributed to entitled shareholders, while the remaining 25,248 Agmo shares, stemming from fractional entitlements were retained by MYEGC as other investments. The basis of distribution was for every one share of the Company's held, the shareholders would be entitled for 0.0093 Agmo share.

DIVIDENDS *(CONT'D)*

On 27 September 2023, the Company has successfully completed the second and final tranche of the dividend-in-specie which entails the distribution of up to 14,275,248 Agmo shares held by the Company through MYEGC. Of these shares, 14,255,806 Agmo shares amounted to RM8,696,042 have been distributed to the entitled shareholders, while the remaining 19,442 Agmo shares resulting from fractional entitlements were retained by MYEGC as other investments. The basis of distribution was for every one share of the Company's held, the shareholders would be entitled for 0.0019 Agmo share.

On 28 February 2024, the Directors recommended the payment of a final single-tier dividend of 1.68 sen per ordinary share in respect of the current financial year, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital from RM904,076,762 to RM962,017,321 by issuance of 81,110,688 new ordinary shares from the exercise of Dividend Reinvestment Plan ("DRP") at an exercise price of RM0.715 per share amounting to RM57,940,559 (net of transaction cost).

The new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

TREASURY SHARES

During the financial year, the Company repurchased 59,542,900 of its issued ordinary shares from the open market. The average price paid for the shares repurchased was RM0.75 per share. The total consideration paid for the share purchase was RM44,616,170 including transaction cost. The ordinary shares purchase were being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 in Malaysia and were presented as a deduction from equity.

As at 31 December 2023, the Company held 99,138,300 treasury shares out of the total 7,558,681,766 issued ordinary shares. Further relevant details are disclosed in Note 24 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors in office during the financial year until the date of this report are:

Dato' Dr Norraesah Binti Haji Mohamad*
Wong Thean Soon*
Datuk Mohd Jimmy Wong Bin Abdullah*
Wong Kok Chau
Dato' Sri Mohd Mokhtar Bin Mohd Shariff
Dato' Mohd Jeffrey Bin Joakim
Mohaini Binti Mohd Yusof

DIRECTORS *(CONT'D)*

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year up to the date of this report are:

Chong Chien Ming
Chong Mei Yee
Cheong Kok Leong
Khow Siong Long
Malcolm Caesar Leong Sze Kwong
Tan Seong Yeau
Sean Cornelius Yoong Wan Yen
Tan Kai Jie
Wong Thean Chye
Chan Yat Choong
Chow Kah Siong
Ding XiaoTing
Xu Bo
Lu Peng Fei
Benjamin Low Ewe Ee
Chu Zhi Ning
Gopirajan A/L J Rasamy
Dato' Raja Haji Munir Shah Bin Raja Mustapha (Resigned on 18 September 2023)
Zulhelmi Bin Othman (Resigned on 18 September 2023)

** Directors of the Company and certain subsidiaries.*

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interest in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end according to the Register of Directors' Shareholding are as follows:

	Number of ordinary shares				
	At 1.1.2023	DRP	Bought	Sold	At 31.12.2023
The Company					
Direct interests					
Dato' Dr Norraesah Binti Haji Mohamad	51,865,834	841,516	1,500,000	(14,000,000)	40,207,350
Wong Thean Soon	917,106,285	13,261,023	103,999,500	(91,472,900)	942,893,908
Datuk Mohd Jimmy Wong Bin Abdullah	6,921,242	113,256	-	-	7,034,498
Indirect interests					
Wong Thean Soon (#)	1,283,966,115	19,160,542	110,187,482	(202,600,000)	1,210,714,139

(#) Indirect interest through his interest in Asia Internet Holdings Sdn. Bhd. by virtue of Section 8 of the Companies Act 2016 in Malaysia.

DIRECTORS' INTERESTS IN SHARES *(CONT'D)*

By virtue of his interests in the shares of the Company, Wong Thean Soon is also deemed to have interest in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016 in Malaysia.

Other than as disclosed above, none of the other Directors in office at the end of the financial year have any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than Director who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 43(b) to the financial statements.

The details of the Directors' fees and remuneration for the financial year ended 31 December 2023 are set out below:

	Group RM'000	Company RM'000
Salaries, fees and other emoluments	1,865	764
Defined contribution plans	131	-
	1,996	764

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE COSTS

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

OTHER STATUTORY INFORMATION *(CONT'D)*

(b) At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

(iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(d) In the opinion of the Directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SUBSIDIARIES

The details of the subsidiaries are disclosed in Note 7 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 46 to the financial statements.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The significant events after the reporting period are disclosed in Note 47 to the financial statements.

AUDITORS

The Auditors, Messrs. TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration for the Group and of the Company as set out in Note 35 to the financial statements are RM558,400 and RM92,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 25 April 2024.

WONG THEAN SOON

DATO' DR NORRAESAH BINTI HAJI MOHAMAD

KUALA LUMPUR

STATEMENT BY DIRECTORS

Pursuant to Secion 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 169 to 260 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 25 April 2024.

DATO' DR NORRAESAH BINTI HAJI MOHAMAD **WONG THEAN SOON**

KUALA LUMPUR

STATUTORY DECLARATION

Pursuant to Secion 251(1) of the Companies Act 2016

I, Wong Thean Soon, being the Director primarily responsible for the financial management of MY E.G. Services Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 169 to 260 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in the)
Federal Territory on 25 April 2024)

WONG THEAN SOON

Before me,

Shi' Aratul Akmar Binti Sahari
(W788)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the members of MY E.G. Services Berhad
(Incorporated in Malaysia) [Registration No.: 200001003034 (505639-K)]

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MY E.G. Services Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 169 to 260.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(CONT'D)*

Key audit matters *(cont'd)*

Impairment of financing receivables and trade receivables	
Key audit matters	**How our audit addressed the key audit matters**
As disclosed in Notes 12 and 14 to the financial statements respectively, financing receivables and trade receivables as at the reporting date amounted to approximately RM251.59 million and RM341.03 million, representing 7.82% and 10.60% respectively of total assets of the Group. The management assessed the level of allowance for expected credit losses on financing receivables and trade receivables based on, amongst others, the realisable value of collaterals pledged, the borrowers' financial position and their abilities to repay. This assessment involves significant judgement and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance for expected credit losses. We considered this as key audit matter due to the significance of financing receivables and trade receivables and the uncertainty inherent in determining the level of allowance for expected credit losses.	Our audit procedures included, amongst others: • Reviewed recoverability of the financing receivables and trade receivables; • Reviewed management's basis of assessment on expected credit losses on financing receivables and trade receivables; • Reviewed management's assessment on the borrowers' and guarantors' creditworthiness and collaterals pledged for the financing receivables; • Enquired management on procedures established for the approval of financing receivables; • Reviewed the repayment of principal and interest during the financial year; and • Considered the adequacy of the Group's disclosure in this area.
Fair value assessment of other investments	
Key audit matters	**How our audit addressed the key audit matters**
As disclosed in Note 11 to the financial statements, other investments as at the reporting date amounted to approximately RM233.46 million representing 7.26% of total assets of the Group. The management's determination of other investments' fair value involves significant assumptions on future results of the business. In particular, key assumptions are made on, among others, growth rates and discount rates in the projected cash flows. This assessment involves significant judgement and there is inherent uncertainty in the assumptions applied by the management to determine the fair value of other investments. We considered this as key audit matter due to the significance of the other investments of the Group and the uncertainty inherent in determining the fair value of these other investments.	Our audit procedures included, amongst others: • Obtained management's fair value assessment and gained an understanding of their approach in determining the fair value of other investments; • Reviewed the reasonableness of key assumptions used and judgement made in determining the fair values of other investments; and • Reviewed the sensitivity analysis on revenue growth, profit margin and discount rate.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(CONT'D)*

Key audit matters *(cont'd)*

Impairment of development costs	
Key audit matters	**How our audit addressed the key audit matters**
As disclosed in Note 6 to the financial statements, development costs as at the reporting date amounted to approximately RM1,206.05 million representing 37.48% of total assets of the Group. Development costs are subject to impairment assessment by comparing the carrying amounts to their corresponding recoverable amounts. The recoverable amounts were determined by the management using the value in use method, based on future financial information. We considered this as key audit matter due to the significance of the carrying amounts of development cost and the uncertainty inherent in determining the recoverable amounts.	Our audit procedures included, amongst others: • Obtained management's impairment analysis and gained an understanding of their impairment assessment process; • Reviewed the reasonableness of key assumptions used and judgement made in determining the recoverable amount; • Reviewed the sensitivity analysis on revenue growth, profit margin and discount rate; and • Evaluated the capitalisation process and determined that costs capitalised met the requirements of MFRS 138.

We have determined that there were no key audit matters to communicate for the Company in our report.

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(CONT'D)*

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(CONT'D)*

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

Other matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

LIM GE RU
03360/03/2026 J
Chartered Accountant

KUALA LUMPUR
25 April 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	304,436	330,006	111,125	153,121
Investment properties	4	28,354	29,007	148,692	118,447
Right-of-use assets	5	63,490	59,819	305	24
Development costs	6	1,206,049	762,678	195,595	100,757
Investment in subsidiaries	7	-	-	81,145	20,395
Investment in associates	8	352	33	#	-
Investment in joint ventures	9	9,814	9,379	12,249	12,249
Goodwill on consolidation	10	20,002	20,002	-	-
Other investments	11	233,458	235,718	-	-
Financing receivables	12	203,813	243,456	-	-
		2,069,768	1,690,098	549,111	404,993
Current assets					
Inventories	13	25,779	25,809	-	-
Financing receivables	12	47,780	45,470	-	-
Trade receivables	14	341,028	334,859	9,072	7,530
Other receivables	15	340,604	307,551	91,779	85,133
Amount due from subsidiaries	16	-	-	1,380,108	1,139,816
Amount due from associates	17	38	32	7	2
Amount due from joint ventures	18	5,688	2,510	3,178	-
Tax recoverable		1,188	607	-	-
Digital assets	19	301,761	38	-	-
Fixed deposits with licensed banks	20	23,825	20,127	11,369	11,143
Cash and bank balances	21	60,319	56,296	15,028	35,451
		1,148,010	793,299	1,510,541	1,279,075
Assets held for sale	22	-	56,280	-	-
		1,148,010	849,579	1,510,541	1,279,075
Total assets		3,217,778	2,539,677	2,059,652	1,684,068

 # - represents an amount less than RM1,000.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023
(cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
EQUITY					
Share capital	23	962,017	904,077	962,017	904,077
Treasury shares	24	(81,258)	(36,642)	(81,258)	(36,642)
Reserves	25	1,323,329	1,008,542	352,763	385,364
Equity attributable to owners of the Company		2,204,088	1,875,977	1,233,522	1,252,799
Non-controlling interests ("NCI")		(3,802)	(3,874)	-	-
Total equity		2,200,286	1,872,103	1,233,522	1,252,799
LIABILITIES					
Non-current liabilities					
Loans and borrowings	26	704,324	293,791	674,696	277,850
Lease liabilities	27	24,166	31,366	33	-
Deferred tax liabilities	28	2,538	2,859	1,910	1,910
		731,028	328,016	676,639	279,760
Current liabilities					
Loans and borrowings	26	142,334	149,267	110,391	120,650
Lease liabilities	27	9,860	8,907	283	24
Trade payables	29	50,837	106,412	2,648	3,020
Other payables	30	81,325	73,423	28,911	19,445
Contract liabilities	31	1,751	1,439	-	-
Amount due to subsidiaries	16	-	-	7,236	8,348
Amount due to associates	17	335	22	-	-
Tax payable		22	88	22	22
		286,464	339,558	149,491	151,509
Total liabilities		1,017,492	667,574	826,130	431,269
Total equity and liabilities		3,217,778	2,539,677	2,059,652	1,684,068

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Revenue	32	774,261	651,107	216,422	164,370
Cost of sales		(116,943)	(153,336)	(7,402)	(20,086)
Gross profit		657,318	497,771	209,020	144,284
Other income		5,004	49,420	8,403	10,627
Administrative expenses		(74,601)	(72,156)	(28,599)	(25,336)
Other expenses		(59,091)	(61,990)	(22,051)	(21,341)
Net reversal on impairment of financial assets	33	300	439	-	-
Profit from operations		528,930	413,484	166,773	108,234
Finance costs	34	(39,959)	(9,241)	(34,329)	(6,534)
Share of result of associates		(1)	-	-	-
Share of result of joint ventures		435	124	-	-
Profit before tax	35	489,405	404,367	132,444	101,700
Taxation	36	(2,566)	(3,965)	(152)	(1,432)
Profit for the financial year		486,839	400,402	132,292	100,268
Other comprehensive income					
Item that will be reclassified subsequently to profit or loss					
Exchange differences on translation		(704)	14	-	-
Item that will not be reclassified to profit or loss					
Changes in fair value of other investments		(6,333)	-	-	-
		(7,037)	14	-	-
Total comprehensive income for the financial year		479,802	400,416	132,292	100,268
Profit for the financial year attributable to:					
Owners of the Company		487,648	398,662	132,292	100,268
NCI		(809)	1,740	-	-
		486,839	400,402	132,292	100,268
Total comprehensive income attributable to:					
Owners of the Company		480,611	398,676	132,292	100,268
NCI		(809)	1,740	-	-
		479,802	400,416	132,292	100,268
Earnings per share					
Basic earnings per share (sen)	38	6.57	5.39		
Diluted earnings per share (sen)	38	6.57	5.39		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
For the Financial Year Ended 31 December 2023

		← Non-distributable →				Distributable			
	Note	Share capital RM'000	Treasury shares RM'000	Fair value reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Attributable to Owners of the Company RM'000	NCI RM'000	Total equity RM'000
Group									
At 1 January 2022		854,895	(12,364)	6,401	19	698,112	1,547,063	(5,614)	1,541,449
Profit for the financial year		-	-	-	-	398,662	398,662	1,740	400,402
Other comprehensive income for the financial year		-	-	-	14	-	14	-	14
Total comprehensive income for the financial year		-	-	-	14	398,662	398,676	1,740	400,416
Transactions with owners:									
Issuance of ordinary shares pursuant to DRP	23	49,182	-	-	-	-	49,182	-	49,182
Purchase of treasury shares	24	-	(24,278)	-	-	-	(24,278)	-	(24,278)
Dividends to owners of the Company	39	-	-	-	-	(94,666)	(94,666)	-	(94,666)
Total transactions with owners		49,182	(24,278)	-	-	(94,666)	(69,762)	-	(69,762)
At 31 December 2022		904,077	(36,642)	6,401	33	1,002,108	1,875,977	(3,874)	1,872,103

	Note	← Non-distributable → Share capital RM'000	Treasury shares RM'000	Fair value reserve RM'000	Other reserve RM'000	Distributable Retained earnings RM'000	Attributable to Owners of the Company RM'000	NCI RM'000	Total equity RM'000
Group *(cont'd)*									
At 1 January 2023		904,077	(36,642)	6,401	33	1,002,108	1,875,977	(3,874)	1,872,103
Profit for the financial year		-	-	-	-	487,648	487,648	(809)	486,839
Other comprehensive income for the financial year		-	-	(6,333)	(704)	-	(7,037)	-	(7,037)
Total comprehensive income for the financial year		-	-	(6,333)	(704)	487,648	480,611	(809)	479,802
Realisation of fair value reserve upon disposal of other investment		-	-	(68)	-	68	-	-	-
Transactions with owners:									
Issuance of ordinary shares pursuant to DRP	23	57,940	-	-	-	-	57,940	-	57,940
Purchase of treasury shares	24	-	(44,616)	-	-	-	(44,616)	-	(44,616)
Acquisition of subsidiary's shares from NCI		-	-	-	-	(931)	(931)	881	(50)
Dividends to owners of the Company	39	-	-	-	-	(164,893)	(164,893)	-	(164,893)
Total transactions with owners		57,940	(44,616)	-	-	(165,824)	(152,500)	881	(151,619)
At 31 December 2023		962,017	(81,258)	-	(671)	1,324,000	2,204,088	(3,802)	2,200,286

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2023
(cont'd)

		← Non-distributable →		Distributable	
		Share capital	Treasury shares	Retained earnings	Total equity
	Note	RM'000	RM'000	RM'000	RM'000
Company					
At 1 January 2022		854,895	(12,364)	379,762	1,222,293
Profit for the financial year, representing total comprehensive income for the financial year		-	-	100,268	100,268
Transactions with owners:					
Issuance of ordinary shares pursuant to DRP	23	49,182	-	-	49,182
Purchase of treasury shares	24	-	(24,278)	-	(24,278)
Dividends to owners of the Company	39	-	-	(94,666)	(94,666)
Total transactions with owners		49,182	(24,278)	(94,666)	(69,762)
At 31 December 2022		904,077	(36,642)	385,364	1,252,799
At 1 January 2023		904,077	(36,642)	385,364	1,252,799
Profit for the financial year, representing total comprehensive income for the financial year		-	-	132,292	132,292
Transactions with owners:					
Issuance of ordinary shares pursuant to DRP	23	57,940	-	-	57,940
Purchase of treasury shares	24	-	(44,616)	-	(44,616)
Dividends to owners of the Company	39	-	-	(164,893)	(164,893)
Total transactions with owners		57,940	(44,616)	(164,893)	(151,569)
At 31 December 2023		962,017	(81,258)	352,763	1,233,522

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Cash flows from/(for) operating activities					
Profit before tax		489,405	404,367	132,444	101,700
Adjustments for:					
Amortisation of development costs		25,103	27,053	8,550	8,000
Allowance for expected credit losses:					
- financing receivables		59	-	-	-
- trade receivables		16	-	-	-
Bad debts written off		12	2	-	-
Deposit received forfeited		(9)	-	-	-
Depreciation of property, plant and equipment		30,042	28,531	9,720	11,017
Depreciation of investment properties		653	653	3,452	2,320
Depreciation of right-of-use assets		7,491	5,738	327	284
Dividend income from a subsidiary		-	-	(200,000)	(125,000)
Dividend income from other investments		(240)	(1,440)	-	-
Fair value (gain)/loss on digital assets		(39)	3	-	-
Property, plant and equipment written off		276	1,458	-	-
Fair value loss/(gain) on other investments		3	(45,505)	-	-
Gain on disposal of associates		-	(2,846)	-	-
Gain on disposal of property, plant and equipment	C	(358)	(654)	-	-
Gain on disposal of assets held for sale	D	(3,328)	-	-	-
Gain on termination of lease contract		(13)	(17)	-	-
Operating profit/(loss) before working capital changes carried forward		549,073	417,343	(45,507)	(1,679)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023
(cont'd)

	Note	Group		Company	
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Cash flows from/(for) operating activities *(cont'd)*					
Operating profit/(loss) before working capital changes brought forward		549,073	417,343	(45,507)	(1,679)
Reversal of allowance for expected credit losses:					
- trade receivables		(31)	(14)	-	-
- other receivables		(1)	(2)	-	-
- financing receivables		(343)	(423)	-	-
Inventories written down	E	99	15	-	-
Reversal of inventories written down	E	(49)	(20)	-	-
Right-of-use assets written off		151	-	-	-
Share of result of associates		1	-	-	-
Share of result of joint ventures		(435)	(124)	-	-
Unrealised gain on foreign exchange		(1)	(3)	(1)	-
Interest expenses		40,006	9,294	34,329	6,539
Interest income		(1,017)	(312)	(8,403)	(10,626)
Operating profit/(loss) before working capital changes		587,453	425,754	(19,582)	(5,766)
Changes in working capital:					
Inventories	E	1,018	(5,814)	-	-
Receivables		3,825	(114,949)	(8,188)	7,291
Payables		(47,665)	10,352	9,094	2,390
Subsidiaries	H	-	-	(5,870)	-
Contract liabilities		312	(105)	-	-
Cash generated from/(used in) operations		544,943	315,238	(24,546)	3,915
Tax paid		(3,931)	(5,830)	(152)	(1,434)
Tax refunded		397	1,802	-	-
Net cash from/(used in) operating activities		541,409	311,210	(24,698)	2,481

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash flows for investing activities					
Acquisition of:					
- other investments		(10,635)	-	-	-
- associates		(320)	-	-	-
Additions of right-of-use assets	**A**	(8,114)	(8,426)	-	-
Advance to subsidiaries	**F**	-	-	(94,225)	(290,063)
Advance to joint ventures		(3,178)	-	(3,178)	-
Advance to associates		(6)	(4)	(5)	(2)
Net investment in digital assets		(301,684)	(41)	-	-
Purchase of additional shares in subsidiaries		-	-	(60,750)	-
Purchase of property, plant and equipment		(5,687)	(66,315)	(1,421)	(1,883)
Subscription of shares in a subsidiary from NCI		(50)	-	-	-
Development costs incurred		(468,434)	(467,216)	(103,388)	(42,542)
Increased in fixed deposits pledged with licensed banks		(3,692)	(4,159)	(226)	(3,113)
Increased in fixed deposits with tenure more than 3 months		(3)	(2)	-	-
Interest received		1,017	312	8,403	10,626
Dividends received		70	1,440	-	125,000
Proceeds from disposal of an associate		-	18,946	-	-
Proceeds from disposal of property, plant and equipment	**C**	466	657	-	-
Proceeds from disposal of other investments	**G**	573	-	-	-
Net cash used in investing activities		(799,677)	(524,808)	(254,790)	(201,977)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023
(cont'd)

	Note	Group		Company	
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities					
Dividends paid		(47,358)	(45,484)	(47,358)	(45,484)
Drawdown of block discounting		6,920	16,320	-	-
Drawdown of sukuk wakalah		425,000	150,000	425,000	150,000
Drawdown of term loans		15,151	90,000	-	90,000
Drawdown of revolving credit		3,800	80,000	-	80,000
Interest paid		(40,006)	(9,294)	(34,329)	(6,539)
Purchase of treasury shares		(44,616)	(24,278)	(44,616)	(24,278)
Repayment of lease liabilities	B	(9,640)	(6,889)	(316)	(289)
Repayment of term loans		(33,413)	(47,807)	(33,413)	(47,807)
Repayment of block discounting		(7,758)	(6,002)	-	-
Repayment of revolving credit		(6,100)	-	(5,000)	-
Advances from/(Repayment to) associates		313	(2)	-	-
(Repayment to)/Advances from subsidiaries		-	-	(904)	7,351
Net cash from financing activities		262,293	196,564	259,064	202,954
Net increase/(decrease) in cash and cash equivalents		4,025	(17,034)	(20,424)	3,458
Cash and cash equivalents at the beginning of the financial year		56,681	73,698	35,451	31,993
Effect of exchange translation differences on cash and cash equivalents		1	17	1	-
Cash and cash equivalents at the end of the financial year		60,707	56,681	15,028	35,451
Cash and cash equivalents at the end of the financial year comprises:					
Cash and bank balances (including short-term investments)		60,319	56,296	15,028	35,451
Fixed deposits with licensed banks		23,825	20,127	11,369	11,143
		84,144	76,423	26,397	46,594
Less: Cash at trust account balances	21	(2)	(2)	-	-
Less: Fixed deposits pledged to licensed banks	20(b)	(23,307)	(19,615)	(11,369)	(11,143)
Less: Fixed deposits withtenure more than 3 months	20(c)	(128)	(125)	-	-
		60,707	56,681	15,028	35,451

NOTES TO THE STATEMENTS OF CASH FLOWS

A. Additions of right-of-use assets

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Total purchase of right-of-use assets	12,067	50,672	608	-
Less: Acquisition by means of lease liabilities	(3,953)	(42,246)	(608)	-
	8,114	8,426	-	-

B. Cash outflow for leases as lessee

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	35	3,809	1,527	508	646
Payment relating to low-value assets	35	114	44	48	25
		3,923	1,571	556	671
Included in net cash from financing activities					
Interest paid on lease liabilities	34, 35	2,096	1,197	14	5
Payment of lease liabilities		9,640	6,889	316	289
		11,736	8,086	330	294
		15,659	9,657	886	965

C. Gain on disposal of property, plant and equipment

	Group	
	2023	2022
	RM'000	RM'000
Net carrying amount of property, plant and equipment disposed	108	29
Proceeds from disposal of property, plant and equipment	(466)	(657)
Settlement against other payables	-	(26)
Gain on disposal of property, plant and equipment	(358)	(654)

NOTES TO THE STATEMENTS OF CASH FLOWS *(CONT'D)*

D. Proceeds from disposal of assets held for sale

	Group	
	2023	2022
	RM'000	RM'000
Total disposal of assets held for sale	56,267	-
Add: Gain on disposal of assets held for sale	3,328	-
Less: Distribution to owners by way of a dividend-in-specie	(59,595)	-
	-	-

E. Inventories

	Group	
	2023	2022
	RM'000	RM'000
Total purchase of inventories	30	(7,485)
Less: Inventories written down	(99)	(15)
Add: Reversal of inventories written down	49	20
Add: Transfer from property, plant and equipment	1,233	611
Add: Transfer from right-of-use assets	-	1,055
Less: Transfer to property, plant and equipment	(195)	-
	1,018	(5,814)

F. Advance to subsidiaries

	Company	
	2023	2022
	RM'000	RM'000
Net changes during the financial year	(34,630)	(296,465)
Add: Controlled transferred of property, plant and equipment to a subsidiary	-	6,402
Less: Distribution to owners by way of a dividend-in-specie	(59,595)	-
	(94,225)	(290,063)

NOTES TO THE STATEMENTS OF CASH FLOWS *(CONT'D)*

G. Proceeds from disposal of other investments

	Group	
	2023	2022
	RM'000	RM'000
Total disposal of other investments	6,572	-
Less: Balance included in other receivables	(5,999)	-
	573	-

H. Subsidiaries

	Company	
	2023	2022
	RM'000	RM'000
Net changes during the financial year	(205,870)	-
Add: Dividend receivable	200,000	-
	(5,870)	-

The accompanying notes form an integral part of the financial statements.

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are engaged in the businesses of development and implementation of the electronic government services project and the provision of other related services for the electronic government services project and investment holding. During the financial year, the Company has added provision of information technology solutions and services to its principal activities. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("**MFRSs**"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy information in the respective notes.

The Group and the Company have consistently applied the accounting policies throughout all periods presented in the financial statements unless otherwise stated.

(i) Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following new and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("**MASB**") that are mandatory for current financial year:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

2. BASIS OF PREPARATION *(CONT'D)*

(a) Statement of compliance *(cont'd)*

(i) Adoption of new and amended standards *(cont'd)*

The adoption of the new and amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company, except for the following:

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments require the disclosure of "material", rather than "significant", accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's and the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

(ii) Standards issued but not yet effective

The Group and the Company have not applied the following amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 16	Lease liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Agreement	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above amendments to MFRSs when they become effective.

The initial applications of the above-mentioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

2. BASIS OF PREPARATION *(CONT'D)*

(c) Significant accounting judgements, estimates and assumptions *(cont'd)*

Judgements

The following are the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and property, plant and equipment

The Group and the Company have developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group and the Company would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

Control over PT MYEG Services Indonesia. ("PTMYEG")

Note 7 describes that PTMYEG is a wholly-owned subsidiary of the Group even thought the Group owns only 90% of the ownership interest in this entity. This is because the 10% non-controlling interest in PTMYEG has agreed to forgo his entitlement and shares to the net assets and profits of PTMYEG.

The Group has de-facto control over PTMYEG by obtaining written undertakings from Tan Kai Jie who is a shareholder of PTMYEG. He has undertaken that he will vote in tandem with the Group on all shareholders' resolutions of PTMYEG. The Group together with the abovementioned party hold 100% of the voting rights of PTMYEG.

Determining the lease term of contracts with renewal and termination options - Group and Company as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group and the Company include the renewal period as part of the lease term for leases of land and building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

2. BASIS OF PREPARATION *(CONT'D)*

(c) Significant accounting judgements, estimates and assumptions *(cont'd)*

Judgements *(cont'd)*

Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations:

The Group recognises revenue over time in the following circumstances:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

(b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and

(c) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

Digital assets

The Group has considered its position on the accounting for digital assets for the financial year and has determined that the Group's digital assets fall into 2 categories:

(i) Inventory method (historical method used by the Group); and

(ii) Intangible asset method (the method noted by the International Accounting Standard Board in its most recent deliberations).

The Group notes that under the 2 methods noted above, the treatment continues to measure digital assets at fair value (unless otherwise disclosed and provided certain conditions are met) under the respective accounting standards.

Fair value of digital assets

Digital assets (including Ethereum, Bitcoin, Tether USDt and other stable coins) are measured at fair value using the quoted price in United States Dollar ("**USD**") from a number of different sources at closing Coordinated Universal Time. The Group considers this fair value to be a Level 1 input under the MFRS 13 *Fair Value Measurement* fair value hierarchy as the price on the quoted price (unadjusted) in an active market for identical assets.

The Group uses a number of exchanges in order to provide the Group with appropriate size and liquidity to provide reliable evidence of fair value for the size and volume of transactions that are reasonably contemplated by the Group.

2. BASIS OF PREPARATION *(CONT'D)*

(c) Significant accounting judgements, estimates and assumptions *(cont'd)*

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below.

Useful lives of property, plant and equipment, investment properties and right-of-use ("**ROU**") assets

The Group and the Company regularly review the estimated useful lives of property, plant and equipment, investment properties and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, investment properties and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment, investment properties and ROU assets. The carrying amount at the reporting date for property, plant and equipment, investment properties and ROU assets are disclosed in Notes 3, 4 and 5 to financial statements respectively.

Development costs

The Group and the Company capitalise development costs for a project in accordance with the accounting policy. Initial capitalisation of development costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generations of the project, discount rates to be applied and the expected period of benefits. The carrying amount at the reporting date for development costs is disclosed in Note 6 to the financial statements.

Recoverability of development costs

During the financial year, the Directors considered the recoverability of the Group's and of the Company's development cost arising from its existing concession services and its newly introduced block-chain platform, namely Zetrix.

The project continues to progress in a satisfactory manner, and customer reaction has reaffirmed the Directors' previous estimates of anticipated revenues from the project. However, increased competitor activity has caused the Directors to reconsider their assumptions regarding future market share and anticipated margins of this product. Detailed sensitivity analysis has been carried out and the Directors are confident that the carrying amount of the asset will be recovered in full, even if returns are reduced. This situation will be closely monitored, and adjustments made in future periods, if market activity indicates that such adjustments are appropriate. The carrying amount at the reporting date for development costs is disclosed in Note 6 to the financial statements.

Amortisation of development costs

The Group and the Company regularly review the estimated useful lives of development costs based on the changes in the expected level of usage and technological development, therefore future amortisation charges could be revised. The carrying amount at the reporting date for development costs is disclosed in Note 6 to the financial statements.

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used to determine the value in use is disclosed in Note 10 to the financial statements.

2. BASIS OF PREPARATION *(CONT'D)*

(c) Significant accounting judgements, estimates and assumptions *(cont'd)*

Key sources of estimation uncertainty *(cont'd)*

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of unrecognised deferred tax assets are disclosed in Note 36 to the financial statements.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected selling prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 13 to the financial statements.

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement the Group assesses the impact of any variable consideration in the contract due to discounts or penalties in the contract.

There is no estimation required in determining the transaction price, as revenue from sale of goods and rendering of services are based on invoiced values. Discounts are not considered as they are only given in rare circumstances.

Provision for expected credit loss of financial assets at amortised cost

The Group reviews the recoverability of its receivables at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the payment profiles of past sales, the corresponding historical credit losses and adjusts for qualitative and quantitative reasonale and supportable forward-looking information at the end of each reporting period.

The Group uses a provision matrix to calculate expected credit loss for trade and other receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The carrying amounts at the reporting date for receivables are disclosed in Notes 12, 14, 15, 16, 17 and 18 to the financial statements respectively.

2. BASIS OF PREPARATION *(CONT'D)*

(c) Significant accounting judgements, estimates and assumptions *(cont'd)*

Key sources of estimation uncertainty *(cont'd)*

Fair value estimates for investment in unquoted shares

The Group carries certain financial assets that are not traded in an active market at fair value. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The amount of fair value changes would differ if the Group uses different valuation methodologies and assumptions, and eventually affect profit and/or other comprehensive income. The carrying amounts of these financial assets as at the reporting date are disclosed in Note 11 to the financial statements.

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 December 2023, the Group has tax recoverable and payable of RM1,188,000 (2022: RM607,000) and RM22,000 (2022: RM88,000) respectively. The Company has tax payable of RM22,000 (2022: RM22,000).

3. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Office and communication equipment	Medical equipment	Computers	Software	IT terminals	Motor vehicles	Office furniture and renovation	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group										
Cost										
At 1 January 2022	222,470	108,122	8,820	32,701	5,391	9,533	5,439	62,308	26,102	480,886
Additions	-	45,918	14,700	802	96	3,430	266	1,103	-	66,315
Transfer from right-of-use assets	-	-	-	-	-	-	946	-	-	946
Transfer to right-of-use assets	-	(6,402)	-	-	-	-	-	-	-	(6,402)
Transfer to inventories	-	-	-	-	-	(395)	(608)	-	-	(1,003)
Disposals	-	(9)	-	(10)	-	-	(1,043)	(24)	-	(1,086)
Written off	-	(4)	-	-	-	(1,031)	-	(1,633)	-	(2,668)
At 31 December 2022	222,470	147,625	23,520	33,493	5,487	11,537	5,000	61,754	26,102	536,988
Additions	-	208	-	513	1,368	2,923	225	297	153	5,687
Transfer from right-of-use assets	-	-	-	-	-	-	909	-	-	909
Transfer from inventories	-	-	-	-	-	-	195	-	-	195
Transfer to inventories	-	-	-	-	-	(1,848)	-	-	-	(1,848)
Disposals	-	(1)	-	-	-	-	(1,193)	-	-	(1,194)
Written off	-	-	-	(31)	-	(1,809)	-	(33)	-	(1,873)
At 31 December 2023	222,470	147,832	23,520	33,975	6,855	10,803	5,136	62,018	26,255	538,864

3. PROPERTY, PLANT AND EQUIPMENT *(CONT'D)*

	Buildings	Office and communication equipment	Medical equipment	Computers	Software	IT terminals	Motor vehicles	Office furniture and renovation	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group *(cont'd)*										
Accumulated depreciation										
At 1 January 2022	15,883	72,551	490	28,132	4,163	4,302	4,704	23,837	-	154,062
Charge for the financial year	4,492	9,265	4,508	1,909	525	1,927	219	5,686	-	28,531
Transfer from right-of-use assets	-	-	-	-	-	-	946	-	-	946
Transfer to inventories	-	-	-	-	-	(238)	(154)	-	-	(392)
Disposals	-	(1)	-	(3)	-	-	(1,043)	(10)	-	(1,057)
Written off	-	(3)	-	-	-	(920)	-	(287)	-	(1,210)
At 31 December 2022	20,375	81,812	4,998	30,038	4,688	5,071	4,672	29,226	-	180,880
Charge for the financial year	4,492	11,127	4,704	1,354	546	2,111	88	5,620	-	30,042
Transfer from right-of-use assets	-	-	-	-	-	-	702	-	-	702
Transfer to inventories	-	-	-	-	-	(615)	-	-	-	(615)
Disposals	-	(1)	-	-	-	-	(1,085)	-	-	(1,086)
Written off	-	-	-	(31)	-	(1,561)	-	(5)	-	(1,597)
At 31 December 2023	24,867	92,938	9,702	31,361	5,234	5,006	4,377	34,841	-	208,326
Accumulated impairment losses										
At 1 January 2022/ 31 December 2022/ 31 December 2023	-	-	-	-	-	-	-	-	26,102	26,102
Carrying amount										
At 31 December 2023	197,603	54,894	13,818	2,614	1,621	5,797	759	27,177	153	304,436
At 31 December 2022	202,095	65,813	18,522	3,455	799	6,466	328	32,528	-	330,006

3. PROPERTY, PLANT AND EQUIPMENT *(CONT'D)*

	Buildings RM'000	Office and communication equipment RM'000	Computers RM'000	Software RM'000	Motor vehicles RM'000	Office furniture and renovation RM'000	Capital work-in-progress RM'000	Total RM'000
Company								
Cost								
At 1 January 2022	141,249	49,180	13,193	2,852	540	41,137	26,102	274,253
Additions	-	1,620	97	63	-	103	-	1,883
Transfer from investment properties	5,013	-	-	-	-	-	-	5,013
Transfer to investment properties	(21,857)	-	-	-	-	-	-	(21,857)
Transfer to a subsidiary	-	(6,402)	-	-	-	-	-	(6,402)
At 31 December 2022	124,405	44,398	13,290	2,915	540	41,240	26,102	252,890
Additions	-	13	75	1,304	-	29	-	1,421
Transfer from investment properties	6,443	-	-	-	-	-	-	6,443
Transfer to investment properties	(42,642)	-	-	-	-	-	-	(42,642)
At 31 December 2023	88,206	44,411	13,365	4,219	540	41,269	26,102	218,112
Accumulated depreciation								
At 1 January 2022	10,466	21,058	12,121	2,358	540	17,648	-	64,191
Charge for the financial year	2,825	3,523	536	269	-	3,864	-	11,017
Transfer from investment properties	560	-	-	-	-	-	-	560
Transfer to investment properties	(2,101)	-	-	-	-	-	-	(2,101)
At 31 December 2022	11,750	24,581	12,657	2,627	540	21,512	-	73,667
Charge for the financial year	1,693	3,489	317	360	-	3,861	-	9,720
Transfer from investment properties	719	-	-	-	-	-	-	719
Transfer to investment properties	(3,221)	-	-	-	-	-	-	(3,221)
At 31 December 2023	10,941	28,070	12,974	2,987	540	25,373	-	80,885
Accumulated impairment losses								
At 1 January 2022/31 December 2022/ 31 December 2023	-	-	-	-	-	-	26,102	26,102
Carrying amount								
At 31 December 2023	77,265	16,341	391	1,232	-	15,896	-	111,125
At 31 December 2022	112,655	19,817	633	288	-	19,728	-	153,121

3. PROPERTY, PLANT AND EQUIPMENT *(CONT'D)*

(a) Assets pledged as securities to licensed banks

The net carrying amount of buildings of the Group and of the Company are pledged as securities for banking facilities granted to the Group and to the Company as disclosed in Note 26 to the financial statements are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Buildings	130,384	133,359	71,563	80,011

(b) The strata title deed of building of the Group and of the Company amounting to RM197,603,000 and RM77,265,000 (2022: RM202,095,000 and RM112,655,000) are yet to be issued by relevant authorities.

(c) During the financial year ended 31 December 2023, leasehold buildings of the Company amounting to RM39,421,000 (2022: RM19,756,000) were transferred to investment properties because they are no longer be used by the Group and were leased to a third party.

(d) Material accounting policy information

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, except for capital work-in-progress are stated at cost less impairment losses and not depreciated.

Depreciation of property, plant and equipment is recognised in the profit or loss on straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Property, plant and equipment under capital work-in-progress are not depreciated until the assets are ready for its intended use.

Property, plant and equipment is depreciated based on the estimated useful lives of the assets as follows:

Buildings	2%
Office and communication equipment	10 - 12%
Medical equipment	20%
Computers	20%
Software	20%
IT terminals	20%
Motor vehicles	16 - 20%
Office furniture and renovation	10%

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount recognised in profit or loss.

4. INVESTMENT PROPERTIES

	Leasehold buildings
	RM'000
Group	
Cost	
At 1 January 2022/31 December 2022/31 December 2023	32,654
Accumulated depreciation	
At 1 January 2022	2,994
Charge for the financial year	653
At 31 December 2022	3,647
Charge for the financial year	653
At 31 December 2023	4,300
Carrying amount	
At 31 December 2023	28,354
At 31 December 2022	29,007
Company	
Cost	
At 1 January 2022	115,989
Transfer to property, plant and equipment	(5,013)
Transfer from property, plant and equipment	21,857
At 31 December 2022	132,833
Transfer to property, plant and equipment	(6,443)
Transfer from property, plant and equipment	42,642
At 31 December 2023	169,032
Accumulated depreciation	
At 1 January 2022	10,525
Charge for the financial year	2,320
Transfer to property, plant and equipment	(560)
Transfer from property, plant and equipment	2,101
At 31 December 2022	14,386
Charge for the financial year	3,452
Transfer to property, plant and equipment	(719)
Transfer from property, plant and equipment	3,221
At 31 December 2023	20,340
Carrying amount	
At 31 December 2023	148,692
At 31 December 2022	118,447

4. INVESTMENT PROPERTIES *(CONT'D)*

(a) The investment properties of the Group and of the Company are leased to customers under operating leases with monthly rental payments. The leases contain initial non-cancellable periods ranging from 1 to 3 years.

As at the reporting date, the future minimum rental receivable under the non-cancellable operating leases are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Within 1 year	1,721	1,215	6,228	2,326
Between 1 and 2 years	1,993	601	7,860	1,131
Between 2 and 3 years	-	-	-	24
	3,714	1,816	14,088	3,481

(b) Certain investment properties have been pledged to a licensed bank as security for banking facilities granted to the Group and to the Company as disclosed in Note 26 to the financial statements.

(c) Fair value measurement

There are no Level 1 investment properties during the financial years ended 31 December 2023 and 31 December 2022. There was transfer for investment properties from Level 2 to Level 3 due to change of valuation method in the previous financial year ended 31 December 2022. The valuation technique are as follow:

Level 2

Level 2 fair value of lands and buildings have been generally derived by using sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property site. The most significant input into this valuation approach is price per square foot of comparable properties.

Level 3

The fair value of the investment properties of the Group and of the Company were estimated by the Directors based on the recent transacted prices in the market of properties with similar condition and location. If the Group's and the Company's investment properties carried at fair value, it will classify as at Level 3 fair value item for the purpose of fair value hierarchy disclosure.

There were no transfers between levels during the current financial year.

Fair value measurement of the investment properties were categorise as follows:

	Group		Company	
	2023	2022	2023	2022
	Level 3	Level 3	Level 3	Level 3
	RM'000	RM'000	RM'000	RM'000
Leasehold buildings	34,766	31,268	164,674	121,769

4. INVESTMENT PROPERTIES *(CONT'D)*

(d) Investment properties of the Company comprise buildings that are leased to companies within the Group to earn rental income. They are accounted for as property, plant and equipment at the Group.

(e) The strata title deed of building of the Group and of the Company amounting to RM28,354,000 and RM148,692,000 (2022: RM29,007,000 and RM118,447,000) are yet to be issued by relevant authorities.

(f) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group		Company	
	2023	2022	2023	2022
	Level 3	Level 3	Level 3	Level 3
	RM'000	RM'000	RM'000	RM'000
Rental income	410	1,619	6,789	6,619
Direct operating expenses	365	310	1,647	1,099

(g) Material accounting policy information

Investment properties are properties held either to earn rental income or for capital appreciation, or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rate is:

Leasehold buildings	Over the remaining period of the lease

5. RIGHT-OF-USE ASSETS

	Office buildings	Premises	Motor vehicles	Office and communication equipment	Leasehold land	Capital work-in progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group							
Cost							
At 1 January 2022	6,267	4,358	4,953	-	-	-	15,578
Additions	123	1,440	792	29,450	8,661	10,206	50,672
Transfer to inventories	-	-	(1,499)	-	-	-	(1,499)
Transfer to property, plant and equipment	-	-	(946)	-	-	-	(946)
Transfer from property, plant and equipment	-	-	-	6,402	-	-	6,402
Expiration of lease contract	(700)	(849)	-	-	-	-	(1,549)
Termination of lease contract	-	(1,002)	-	-	-	-	(1,002)
At 31 December 2022	5,690	3,947	3,300	35,852	8,661	10,206	67,656
Additions	-	3,792	188	-	7,121	966	12,067
Transfer to property, plant and equipment	-	-	(909)	-	-	-	(909)
Reclassification	-	-	-	-	10,163	(10,163)	-
Written off	-	-	-	-	(151)	-	(151)
Expiration of lease contract	-	(3,876)	-	-	-	-	(3,876)
Termination of lease contract	-	(864)	-	-	-	-	(864)
At 31 December 2023	5,690	2,999	2,579	35,852	25,794	1,009	73,923

5. RIGHT-OF-USE ASSETS *(CONT'D)*

	Office buildings	Premises	Motor vehicles	Office and communication equipment	Leasehold land	Capital work-in progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group *(cont'd)*							
Accumulated depreciation							
At 1 January 2022	1,128	1,641	2,668	-	-	-	5,437
Charge for the financial year	525	1,981	590	2,536	106	-	5,738
Transfer to inventories	-	-	(444)	-	-	-	(444)
Transfer to property, plant and equipment	-	-	(946)	-	-	-	(946)
Expiration of lease contract	(700)	(849)	-	-	-	-	(1,549)
Termination of lease contract	-	(399)	-	-	-	-	(399)
At 31 December 2022	953	2,374	1,868	2,536	106	-	7,837
Charge for the financial year	93	2,149	350	4,302	597	-	7,491
Transfer to property, plant and equipment	-	-	(702)	-	-	-	(702)
Expiration of lease contract	-	(3,876)	-	-	-	-	(3,876)
Termination of lease contract	-	(317)	-	-	-	-	(317)
At 31 December 2023	1,046	330	1,516	6,838	703	-	10,433
Carrying amount							
At 31 December 2023	4,644	2,669	1,063	29,014	25,091	1,009	63,490
At 31 December 2022	4,737	1,573	1,432	33,316	8,555	10,206	59,819

5. RIGHT-OF-USE ASSETS *(CONT'D)*

	Premises RM'000
Company	
Cost	
At 1 January 2022/31 December 2022	934
Additions	608
Expiration of lease contract	(865)
At 31 December 2023	677
Accumulated depreciation	
At 1 January 2022	626
Charge for the financial year	284
At 31 December 2022	910
Charge for the financial year	327
Expiration of lease contract	(865)
At 31 December 2023	372
Carrying amount	
At 31 December 2023	305
At 31 December 2022	24

(a) The Group and the Company lease various office properties, equipment and motor vehicles of which the leasing activities are summarised below:

i.	Office buildings	The Group has leased a number of office buildings between 1 year and 3 years.
ii.	Premises	The Group has leased a number of sites, warehouses and retail shops between 1 year and 3 years. The Group is not allowed to sublease the warehouses and retail shops. The Company has leased a number of retail shops between 1 year to 3 years.
iii.	Motor vehicles	The Group has leased its motor vehicles under hire purchase arrangements. The leases are secured by the leased assets. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.
iv.	Office and communication equipment	The Group has leased its office and communication equipment under hire purchase arrangements. The leases are secured by the leased assets. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.
v.	Leasehold land	The Group has leased several leasehold lands over the lease term.
vi.	Capital work-in-progress	The Group has construction in progress for a leasehold land.

5. RIGHT-OF-USE ASSETS *(CONT'D)*

(b) The Group and the Company also have short-term leases with lease terms of 12 months or less and leases of assets with low value at less than RM20,000 each when purchase new. Leases included extension and termination options. These options are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group and the Company have applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(c) Leasehold land and building of the Group amounted to RM12,761,000 (2022: RMNil) has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 26 to the financial statements.

(d) Material accounting policy information

ROU assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of ROU assets are recognised in the profit or loss on straight-line method from the commencement date to the earlier of the end of the useful life of the ROU assets or the end of the lease term. ROU assets under capital work-in-progress are not depreciated until the assets are ready for its intended use.

The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follow:

Office buildings	2%
Premises	Over the lease term
Office and communication equipment	10 - 12%
Motor vehicles	20%
Leasehold land	Over the lease term

6. DEVELOPMENT COSTS

	Development costs	Intangible assets under development	Total
	RM'000	RM'000	RM'000
Group			
Cost			
At 1 January 2022	369,472	-	369,472
Additions	319,955	147,261	467,216
At 31 December 2022	689,427	147,261	836,688
Additions	369,679	98,755	468,434
Foreign translation differences	40	-	40
At 31 December 2023	1,059,146	246,016	1,305,162

6. DEVELOPMENT COSTS *(CONT'D)*

	Development costs	Intangible assets under development	Total
	RM'000	RM'000	RM'000
Group *(cont'd)*			
Accumulated amortisation			
At 1 January 2022	46,957	-	46,957
Charge for the financial year	27,053	-	27,053
At 31 December 2022	74,010	-	74,010
Charge for the financial year	25,103	-	25,103
Foreign translation differences	#	-	#
At 31 December 2023	99,113	-	99,113
Carrying amount			
At 31 December 2023	960,033	246,016	1,206,049
At 31 December 2022	615,417	147,261	762,678
Company			
Cost			
At 1 January 2022	86,482	-	86,482
Additions	42,542	-	42,542
At 31 December 2022	129,024	-	129,024
Additions	103,388	-	103,388
At 31 December 2023	232,412	-	232,412
Accumulated amortisation			
At 1 January 2022	20,267	-	20,267
Charge for the financial year	8,000	-	8,000
At 31 December 2022	28,267	-	28,267
Charge for the financial year	8,550	-	8,550
At 31 December 2023	36,817	-	36,817
Carrying amount			
At 31 December 2023	195,595	-	195,595
At 31 December 2022	100,757	-	100,757

 # - represents an amount less than RM1,000

6. DEVELOPMENT COSTS *(CONT'D)*

Development costs were mainly expenditures incurred for the development of Zetrix platform and applications, JPJ Test taking and license module, payment gateway and portal development. The amortisation charges are recognised in statements of profit or loss and other comprehensive income under the "Cost of sales" and "Other expenses" line items. Additional development costs with finite useful lives are amortised over a period of 2 to 5 years. Certain development costs are not amortised as these assets are not available for use and are still under development as at the financial year end.

(a) Impairment testing for cash-generating units ("**CGU**")

Management has carried out a review of the recoverable amounts of the project development costs based on value in use calculations. The key assumptions for the value in use calculations are regarding the discount rates and using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU to which the asset belongs. The growth rates are based on past results and budgets done by management.

The Group and the Company prepare cash flows forecasts derived from the most recent financial forecasts approved by management for the next 2 to 5 years. The rate used to discount the forecast cash flows is 11%.

As at 31 December 2023, any reasonably possible change to the key assumptions applied not likely to cause the recoverable amounts to be below the carrying amounts of the respective intangible assets.

Having considered the above, management is of the view that there is no impairment of development costs as at 31 December 2023.

(b) Material accounting policy information

Internally generated intangible assets – research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group and the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete; and
- the ability to measure reliably the expenditure during development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. When no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Capitalised development expenditures are amortised over the periods the Group expected to benefit from selling the products developed. The amortisation expenses recognised in profit or loss on a straight-line basis and included within the cost of sales and other expenses.

Intangible asset acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Capitalised costs are amortised on a straight-line basis over their estimated useful lives. Amortisation expenses are recognised in profit or loss and included within the cost of sales and other expenses.

7. INVESTMENT IN SUBSIDIARIES

	Company	
	2023	2022
	RM'000	RM'000
In Malaysia		
Unquoted shares, at cost		
At 1 January	20,395	20,395
Additions	60,750	-
At 31 December	81,145	20,395

The details of the subsidiaries are as follows:

Name of Company	Place of business /Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Subsidiaries of the Company				
Gale Vector Sdn. Bhd. ("GVSB")	Malaysia	100	100	Provision of software solutions and maintenance services.
MY EG Sdn. Bhd. ("EGSB")	Malaysia	100	100	Principally engaged in the business of development and implementation of the Electronic Government services project and the provision of other related services.
MY E.G. Commerce Sdn. Bhd. ("MECSB")	Malaysia	100	100	Principally engaged in the business of providing of auto insurance intermediary services and other related ancillary services.
MYEG	Malaysia	100	100	Principally engaged in the business of investment holding.
MY EG Management Services Sdn. Bhd. ("MYEGMS")	Malaysia	100	100	Provide management and consultancy services.
MY EG International Sdn. Bhd. ("MYEGI")	Malaysia	100	100	To undertake investments and joint ventures in foreign countries.
MY E.G. Digital ID Sdn. Bhd. ("MYEGDI")	Malaysia	100	100	Development and implementation of distributed ledger technology and solutions for digital identification services.
Subsidiaries of MYEGC				
MY EG Ad Networks Sdn. Bhd. ("MYEGAD")	Malaysia	100	100	Providing advertising and marketing services.

7. INVESTMENT IN SUBSIDIARIES *(CONT'D)*

The details of the subsidiaries are as follows: *(cont'd)*

Name of Company	Place of business /Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Subsidiaries of MYEGC *(cont'd)*				
Agensi Pekerjaan MY EG Jobs Sdn. Bhd. ("MYEGJOBS")	Malaysia	100	100	To carry on business as a private employment agency to recruit and place a worker to another employer.
Car X Services Sdn. Bhd. ("CarX")	Malaysia	55	55	Principally engaged in the business of operating and managing automotive classified web portals, other value added services for the automotive classifieds web portal.
MY EG Finance Technologies Sdn. Bhd. ("MYEGFT")	Malaysia	100	100	Financial leasing activities and other credit granting activities, money lending services.
MY E.G. Alternative Payment Services Sdn. Bhd. ("MYEG ALT")	Malaysia	100	100	Providing and operating an electronic payment and remittance platform for the issuance, transfer, clearance and settlement of electronic money and all ancillary products and services related to it.
Picasso Media Sdn. Bhd. ("Picasso Media")	Malaysia	60	60	Provision of diversified media solutions and related professional services.
CardBiz Holding Sdn. Bhd. ("CardBiz")	Malaysia	55	55	Investment holding.
Hurr Tv Sdn. Bhd. ("Hurr Tv")	Malaysia	60	60	Build, own and operate an online TV channel and e-commerce platform.
Essential Reviews Sdn. Bhd. ("ERSB")	Malaysia	67	67	Provision of digital platform for reviews and news on restaurants and food and beverage businesses, with advertising or marketing possibilities for related brands.
Mydigitalcoin Sdn. Bhd. ("MYDC")	Malaysia	100	100	Provision of payment solutions and related services.
MY EG E-Settlement Sdn. Bhd. ("MYEGE")	Malaysia	100	100	Providing software solutions and maintenance services.
PayMe Sdn. Bhd. ("PayMe")	Malaysia	100	100	Provision of human resource management and payroll services.
MY EG Islamic Finance Sdn. Bhd. ("MYEGIF")	Malaysia	100	100	Provision of Islamic financing, leasing and other Islamic credit granting activities.

7. INVESTMENT IN SUBSIDIARIES *(CONT'D)*

The details of the subsidiaries are as follows: *(cont'd)*

Name of Company	Place of business /Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Subsidiaries of MYEGC *(cont'd)*				
MYEG Medical Services Sdn. Bhd. ("MYEGM")	Malaysia	100	100	To market medical products and services including health screening solutions and management services.
NFT Pangolin Technologies Sdn. Bhd. ("NFTPT")	Malaysia	51	51	Development and provision of computer services, other information technology and investment holding.
Beli Mart Sdn. Bhd. ("Beli Mart")	Malaysia	100	100	To build, develop, own, and operate e-commerce platform.
Subsidiaries of CardBiz				
CardBiz Solutions Sdn. Bhd. ("CSSB")	Malaysia	55	55	Principally engaged in the business as information and communication technologies software solutions provider that provide software and system customisation for the clients. The company provides turnkey solution including supplying of networking, tele-communication, computer software, and hardware related products.
CardBiz Payment Services Sdn. Bhd. ("CPSSB")	Malaysia	55	55	Provision of all kinds of information technology and credit card terminal rental and other related services.
CardBiz Technologies Sdn. Bhd. ("CTSB")	Malaysia	55	55	Trading of computer hardware, software, printer, accessories, peripherals, equipment, and electronic products.
Buy Now Asia Sdn. Bhd. ("BNASB")	Malaysia	55	55	Principally engaged in business as an E-Commerce service provider, online purchase and redemption, merchant, marketing services and other related activities.
CardBiz eServices Sdn. Bhd. ("CBES")	Malaysia	55	55	Activities of providing of infrastructure for hosting, data processing services and related activities.
Subsidiaries of EGSB				
MYEG Trade Sdn. Bhd. ("MTSB")	Malaysia	100	100	Trading of motor vehicles, rental of motor vehicles and provision of ancillary services.

7. INVESTMENT IN SUBSIDIARIES *(CONT'D)*

The details of the subsidiaries are as follows: *(cont'd)*

Name of Company	Place of business /Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Subsidiaries of EGSB *(cont'd)*				
MY EG Lodging Sdn. Bhd. ("MLSB")	Malaysia	65	55	Build, own and operate hostels for foreign workers.
MYEG Auto Assist Sdn. Bhd. ("MYAA")	Malaysia	100	100	Provision of motor vehicle inspection, maintenance and repair of motor vehicles, motor vehicles breakdown assistance with towing services, sale of removable motor vehicle spare parts, and provision of membership in relation thereto.
MYEG TwoCar Sdn. Bhd. ("MYEG TwoCar")	Malaysia	80	80	Provision of undertaking the registration and transfer of motor vehicle ownership business segment, providing complementary services arising from new and used car dealers and ancillary services.
Subsidiary of Hurr Tv				
Muca Wellness Sdn. Bhd. ("MUCA")	Malaysia	60	60	General merchants, importers, exporters, distributors and manufacturers of cosmetics, skin care products, healthcare products and pharmaceuticals.
Subsidiaries of MYEGI				
MY EG (Indonesia) Sdn. Bhd. ("MYEGIND")	Malaysia	100	100	Investment holding.
MY EG (Bangladesh) Sdn. Bhd. ("MYEGBD")	Malaysia	100	100	Activities of holding companies.
MY EG (Philippines) Sdn. Bhd. ("MYEGP")	Malaysia	100	100	Investment holding.
MY EG (Thailand) Sdn. Bhd. ("MYEGT")	Malaysia	100	100	Investment holding.
Zetrix Ltd ("ZLTD")	British Virgin Islands	100	100	Investment holding.
Zetrix Tech Development (Shanghai) Co., Ltd. ("Zetrix China") ^	China	100	100	Technology development and consulting; enterprises management consulting; import and export of goods and technology, wholesale of computer hardware and software and auxiliary equipment.

7. INVESTMENT IN SUBSIDIARIES *(CONT'D)*

The details of the subsidiaries are as follows: *(cont'd)*

Name of Company	Place of business /Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Subsidiaries of MYEGI *(cont'd)*				
Zetrix Foundation ^	Cayman Islands	100	100	To act as a holding company for all of its intellectual property and investment holding.
Subsidiary of MYEGIND				
PT MYEG Services Indonesia ("PTMYEG") ^ #	Indonesia	100	100	To build, own, and operate a digital platform for commercial services.
Subsidiaries of MLSB				
MYEG FWA (Tanjong Langsat) Sdn. Bhd. ("MYEGFWA")	Malaysia	100	100	Property investment and provision of workers accommodation services.
MY EG Lodging (Muar) Sdn. Bhd. ("MYEGMUAR")	Malaysia	100	-	Property investments and provision of workers accommodation services.
MY EG Lodging (NC) Sdn. Bhd. ("MYEGNC") *	Malaysia	100	-	Property investment and provision of workers accommodation services.
Subsidiaries of MYEGM				
MYEG Pharma Sdn. Bhd. ("MYEGPHA")	Malaysia	100	100	Manufacturing, trading, export and import, and distribution of medical devices and equipment and related ancillary services.
MYEG Vac Sdn. Bhd. ("MYEG VAC")	Malaysia	51	51	To market medical products and services.
Subsidiary of GVSB				
NFT Capital (Labuan) Co., Ltd ("NFT Labuan")	Malaysia	100	100	Investment holding.
Subsidiary of NFT (Labuan)				
NFT Capital Sdn. Bhd. ("NFT Capital")	Malaysia	100	100	Activities of holding companies.

7. INVESTMENT IN SUBSIDIARIES *(CONT'D)*

The details of the subsidiaries are as follows: *(cont'd)*

Name of Company	Place of business /Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Subsidiary of NFT Capital				
NFT Creative Sdn. Bhd. ("NFT Creative")	Malaysia	100	100	To carry on the business of providing solutions and technical services and support related to application and software development.
Subsidiary of MYDC				
Zetrix Sdn. Bhd. ("Zetrix")	Malaysia	56	56	Development and provision of distributed ledger technology and solutions related products and services.
Subsidiary of ZLTD				
Zetrix SG Pte. Ltd. ("ZSG") *	Singapore	100	-	Investment holding.

^ *These subsidiaries were consolidated using the unaudited management accounts of which the financial statements are not material to the Group.*

* *The subsidiary was incorporated during the financial year. The subsidiary was consolidated using the unaudited management accounts of which the financial statements are not material to the Group.*

\# *The non-controlling interest in PTMYEG has agreed to forgo his entitlement and shares to the net assets and profits of PTMYEG. Accordingly, the Group has not recognised any share of non-controlling interests in the statement of comprehensive income and statement of financial position for PTMYEG.*

(a) Incorporation of subsidiaries

<u>During the financial year</u>

(i) On 7 March 2023, MLSB incorporated a wholly-owned subsidiary with 100 ordinary shares; representing 100% of equity interest in MYEGMUAR for a total consideration of RM100.

(ii) On 28 July 2023, MLSB incorporated a wholly-owned subsidiary with 500,000 ordinary shares; representing 100% of equity interest in MYEGNC for a total consideration of RM500,000.

(iii) On 4 October 2023, ZLTD incorporated a wholly-owned subsidiary with 100 ordinary shares; representing 100% of equity interest in ZSG for a total consideration of SGD100 (equivalent to RM349).

7. INVESTMENT IN SUBSIDIARIES *(CONT'D)*

(a) Incorporation of subsidiaries *(cont'd)*

In the previous financial year

(i) On 17 March 2022, MYEGI incorporated a wholly-owned subsidiary with 50,000 ordinary shares; representing 100% of equity interest in ZLTD for a total consideration of USD50,000 (equivalent to RM211,150).

(ii) On 5 August 2022, MYEGI incorporated a wholly-owned subsidiary with 1 ordinary shares; representing 100% of equity interest in Zetrix Foundation for a total consideration of USD1 (equivalent to RM5).

(iii) On 22 September 2022, MYEGI entered into a share sales agreement to incorporate a wholly-owned subsidiary in China, namely Zetrix China. The total register capital of this subsidiary is RMB1,000,000 and shall be contributed by the Company according to the business needs of the subsidiary and shall be fully contributed within ten (10) years after the issuance of the subsidiary's business license. MYEGI has contributed RMB28,000 (RM19,098) during the financial year.

(b) Acquisition of shares from NCI

On 8 August 2023, EGSB, a wholly-owned subsidiary of the Company, acquired 10% equity interest in MLSB for a total cash consideration of RM50,000, which increased the equity ownership from 55% to 65%.

The effect of changes in the equity interest in MLSB that is attributable to owners of the Company:

	RM'000
Carrying amount of NCI acquired	(881)
Consideration paid to NCI	(50)
Decrease in parent's equity	(931)

(c) Additional investments in subsidiaries

On 1 September 2023, MYEGC had subscribed for additional of 2,999,900 new ordinary shares in Beli Mart for a total cash consideration of RM2,999,900, which did not result in changes in the equity interest.

On 6 November 2023, NFT Capital had subscribed for additional of 9,900,000 new ordinary shares in NFT Creative for a total cash consideration of RM9,900,000, which did not result in changes in the equity interest.

On 4 December 2023, the Company had subscribed for additional of 60,750,000 new ordinary shares in EGSB for a total cash consideration of RM60,750,000, which did not result in changes in the equity interest.

(d) Non-controlling interest

The Group's subsidiaries which have non-controlling interests are not individually or in aggregate material to the financial position, financial performance and cash flows of the Group.

(e) Material accounting policy information

Investment in subsidiaries are measured in the Company's statement of financial position at cost less accumulated impairment losses.

8. INVESTMENT IN ASSOCIATES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	756	436	400	400
Share of post-acquisition losses	(404)	(403)	-	-
	352	33	400	400
Accumulated impairment losses	-	-	(400)	(400)
	352	33	#	-
Share of post-acqusition results				
At beginning of the financial year	403	3,249	-	-
Share of loss	1	-	-	-
Disposal	-	(2,846)	-	-
At end of the financial year	404	403	-	-

 # - represents an amount less than RM1,000.

Details of the associates are as follows:

Name of Associate	Place of business/Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Associates of Company				
MY E.G. Integrated Networks Sdn. Bhd. ("MINT")	Malaysia	40	40	Provision of software and hardware solutions and related services.
Zetrix Fintech Sdn. Bhd. ("ZFSB") *	Malaysia	40	-	Provision of digital solutions and ancillary services and investment holding company
Associates of MYEGC				
My AdMarket Sdn. Bhd. ("MYAM")	Malaysia	40	40	Activities of holding companies.
Dinamik Koridor Sdn. Bhd. ("DKSB")	Malaysia	33	33	Activities of holding companies.
Associate of MYEGIND				
PT Cartenz Inti Utama ("PT Cartenz") *	Indonesia	-	-	Engaged in development, trading, industry and service.
Associate of MYEGT				
MY EG (Thailand) Co., Ltd. ("MTCL")	Thailand	49	-	Trading and investment company.

* *These associates were consolidated using the unaudited management accounts of which the financial statements are not material to the Group.*

8. INVESTMENT IN ASSOCIATES *(CONT'D)*

(a) The summarised financial information of the associate that is material to the Group are as follows:

	MINT	
	2023	2022
	RM'000	RM'000
Financial position		
Current assets	801	833
Current liabilities	(142,055)	(142,055)
Net liabilities	(141,254)	(141,222)
Financial performance		
Revenue	-	150
(Loss)/Profit during the financial year/Total comprehensive (loss)/income	(32)	118
Group's share of (loss)/profit/Total comprehensive loss for the financial year	-	-
Reconciliation of net liabilities to carrying amount		
Group's share of net liabilities	(56,502)	(56,489)
Share of losses recognised	400	400
Share of losses in excess of the interest in the associate not recognised	56,102	56,089
Carrying amount of the Group's interest in this associate	-	-

The Group has not recognised losses relating to MINT, where its share of losses exceeded the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the end of the reporting period was RM56.1 million (2022: RM56.0 million), of which approximately RM12,800 relates to the share of the current financial year's losses. The Group has no obligations in respect of these losses.

(b) The summarised financial information has not been presented for ZFSB, MYAM, DKSB and MTCL as they are not individually material to the Group.

(c) Incorporation of associates

During the financial year

On 25 October 2023, the Company incorporated ZFSB with 1 ordinary share; representing 100% of equity interest in ZFSB for a total consideration of RM1. On 26 October 2023, ZFSB had increased its share capital from 1 to 100 ordinary shares, the Company had subscribed an additional of 50 ordinary shares for a total consideration of RM50. Subsequently, on 8 November 2023, ZFSB had increased its share capital from 100 to 200 ordinary shares, the Company had subscribed an additional of 29 ordinary shares for a total consideration of RM29. As a result, the Company's effective equity interest in ZFSB decreased from 100% to 40%.

(d) Acquisition of associates

During the financial year

On 9 June 2023, MYEGT entered into a shareholder agreement to acquire 245,000 preference shares of MTCL at THB 10 each, for a total cash consideration of THB 2,450,000 (RM319,725), which represent 49% of equity interest in MTCL.

8. INVESTMENT IN ASSOCIATES *(CONT'D)*

(e) Disposal of an associate

In the previous financial year

On 29 December 2021, MYEGIND disposed of its 19% equity interest in PT Cartenz for a cash consideration of RM18,945,500 (USD4,500,000), which had resulted in realised loss on foreign exchange of RM128,750. The disposal was completed on 24 July 2022. As such, the Group has recognised gain on disposal of an associate amounted to RM2,846,421 in the previous financial year.

(f) Material accounting policy information

Investments in associates are measured in the Group's and the Company's statement of financial position at cost less any impairment losses.

9. INVESTMENT IN JOINT VENTURES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	12,764	12,764	12,249	12,249
Share of post-acquisition losses	(2,950)	(3,385)	-	-
	9,814	9,379	12,249	12,249

Details of the joint ventures are as follows:

Name of joint venture	Place of business/Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Joint venture of the Company				
MYEG Philippines, Inc. ("MYEG Philippines")	Philippines	49	49	Development and implementation of Electronic Government services project and provision of other related services including payment services in the Republic of the Philippines.
Joint venture of MYEGBD				
MYEG (BD) Ltd.	Bangladesh	40	40	Engaging in the business of technology services and e-Government services in Bangladesh.

(a) The Group's involvement in joint arrangements are structured through separate vehicles which provide the Group rights to the net assets of the entities. Accordingly, the Group has classified these investments as joint ventures.

9. INVESTMENT IN JOINT VENTURES *(CONT'D)*

(b) The summarised unaudited financial information for the material joint venture of the Group is as follows:

	MYEG Philippines	
	2023	2022
	RM'000	RM'000
Financial position		
Non-current assets	2,131	2,098
Current assets	18,487	9,452
Non-current liabilities	(86)	(2,682)
Current liabilities	(13,931)	(6,268)
Net assets	6,601	2,600
Financial performance		
Revenue	24,417	16,182
Loss/Total comprehensive loss during the financial year	(1,088)	(310)
Group's share of losses/total comprehensive loss for the financial year	(435)	(124)
Reconciliation of net liabilities to carrying amount		
Group's share of net assets	2,641	1,040
Add: Deposits for future stock subscriptions	86	7,931
Carrying amount of the Group's interest in this joint venture	2,727	8,971

(c) The summarised financial information has not been presented for MYEG (BD) Ltd. as it is not material to the Group.

(d) Material accounting policy information

Investment in joint ventures are measured in the Group's and the Company's statement of financial position at cost less any impairment losses.

10. GOODWILL ON CONSOLIDATION

	Group	
	2023	2022
	RM'000	RM'000
Cost		
At 1 January	20,097	20,097
Accumulated impairment losses	(95)	(95)
At 31 December	20,002	20,002

Goodwill on consolidation is stated at cost and arose from the acquisition of the subsidiaries.

10. GOODWILL ON CONSOLIDATION *(CONT'D)*

The carrying amounts of goodwill allocated to each cash-generating unit are as follows:

	Group	
	2023	2022
	RM'000	RM'000
E-business activities	9,422	9,422
Provision of credit terminal, hardware, solutions and other related services	5,689	5,689
Other cash-generating units	4,891	4,891
	20,002	20,002

The Group has assessed the recoverable amount of goodwill allocated and determined that no additional impairment is required. The recoverable amounts of cash-generating units are determined using the value in use approach, and this is derived from the present value of the future cash flows from the operating segments computed based on the projections of financial budgets approved by management covering a period of five years.

The key assumptions used in the determination of the recoverable amounts value in use are as follows:

	Gross margin		Growth rate		Discount rate	
	2023	2022	2023	2022	2023	2022
E-business activities	85%	85%	3% - 5%	3% - 5%	14%	14%
Provision of credit card, terminal, hardware, solutions and other related service	35% - 40%	35% - 40%	15% - 27%	15% - 27%	14%	14%

(a) Budgeted gross margin — Average gross margins achieved in the year immediately before the budgeted year.

(b) Growth rate — The growth rates used are based on the expected projection of e-business and provision of credit card terminal, hardware, solutions and other related services. There is no growth rate in perpetuity to arrive at terminal value.

(c) Discount rate (pre-tax) — Reflect specific risk relating to the relevant cash generating unit.

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on both external sources and internal historical data.

The Directors believe that there is no reasonable change in the above key assumptions applied that is likely to materially cause the respective cash generating unit carrying amount of the goodwill to exceed its recoverable amounts.

Material accounting policy information

Goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying amount may be impaired.

11. OTHER INVESTMENTS

	Group	
	2023	2022
	RM'000	RM'000
At fair value through other comprehensive income ("FVTOCI")		
Unquoted shares in Malaysia	195,736	201,085
Unquoted shares outside Malaysia	32,983	34,633
Investment in limited partnership outside Malaysia	4,729	-
	233,448	235,718
At fair value through profit or loss ("FVTPL")		
Quoted shares in Malaysia	10	-
	233,458	235,718

The Group has designated the unquoted equity investments and investment in limited partnership at FVTOCI because the Group intends to hold for long-term strategic purposes.

During the financial year

(a) During the financial year, unquoted equity investments with total carrying amount of approximately RM11,425,000 were transferred from level 3 to level 2 as there is a change in valuation technique from income approach to market approach.

In the previous financial year

(a) On 4 July 2022, the management had reclassified investment in Agmo to FVTPL and no changes in fair value at the date of reclassification.

(b) On 18 August 2022, Agmo was listed on the ACE Market of the Bursa Malaysia Securities Berhad.

(c) On 23 December 2022, the Company proposed to distribute 84,000,000 ordinary shares in Agmo, representing the entire 25.8% equity interest in Agmo held through MYEGC, a wholly-owned subsidiary of the Company, to entitled shareholders of the Company in two (2) separate tranches by way of a dividend-in-specie. As a result, the investment in Agmo was reclassed to asset held for sale as at reporting date.

11. OTHER INVESTMENTS *(CONT'D)*

The details of significant unobservable inputs of material investments under level 3 fair value measurement relating to unquoted investments are as follows:

Unquoted shares in Malaysia

Unobservable inputs			Relationship of unobservable inputs to fair value	Sensitivity analysis assume all other variables held constant
(a)	Revenue growth rates of 16% - 693% (2022: 8% - 212%)	Based on management's experience and knowledge of market conditions of the specific industries.	The higher the revenue growth rate, the higher the fair value.	A 1% change in revenue growth rate would result in an increase/ decrease in fair value by RM628,527 to RM11,644,534 (2022: RM76,849 to RM4,294,233).
(b)	Pre-tax operating profit margins of 35% - 70% (2022: 42% - 75%)	Taking into account management's experience and knowledge of market conditions of the specific industries.	The higher the pre-tax operating margins, the higher the fair value.	A 1% change in pre-tax operating profit margin result in an increase/ decrease in the fair value by RM502,075 to RM7,538,468 (2022: RM482,348 to RM4,154,475).
(c)	Discount rate of 11% - 13% (2022: 14% - 31%)	Determined using a Capital Asset Pricing Model.	The higher the discount rate, the lower the fair value.	A 1% change in discount rate would result in a decrease/ increase in the fair value by RM365,154 to RM2,725,726 (2022: RM650,164 to RM8,333,844).

Unquoted shares outside Malaysia

Unobservable Inputs			Relationship of unobservable inputs to fair value	Sensitivity analysis assume all other variables held constant
(a)	Revenue growth rates of 17% - 77% (2022: 85%)	Based on management's experience and knowledge of market conditions of the specific industries.	The higher the revenue growth rate, the higher the fair value.	A 1% change in revenue growth rate would result in an increase/ decrease in fair value by RM109,826 to RM3,194,435 (2022: RM94,083).
(b)	Pre-tax operating profit margins of 79% - 87% (2022: 85%)	Taking into account management's experience and knowledge of market conditions of the specific industries.	The higher the pre-tax operating margins, the higher the fair value.	A 1% change in pre-tax operating profit margin result in an increase/ decrease in the fair value by RM6,079 to RM3,006,131 (2022: RM295,878).
(c)	Discount rate of 11% - 13% (2022: 38%)	Determined using a Capital Asset Pricing Model.	The higher the discount rate, the lower the fair value.	A 1% change in discount rate would result in a decrease/ increase in the fair value by RM126,721 to RM2,832,597 (2022: RM507,496).

11. OTHER INVESTMENTS *(CONT'D)*

Investment in limited partnership outside Malaysia

The investment in limited partnership, Summer Everest Ecosystem Fund, L.P. represents the Group's subscription for the participating interests in a partnership. The participating interests do not carry any voting rights or any other special rights, but carry the right to distributions if so declared on an ongoing basis as well as to participate in the return of capital upon the dissolution and winding up of the partnership.

The fair value of the investment is primarily based on the net asset values of the partnership as the partnership measures and evaluates the performance of substantially all of its investments on a fair value basis.

There were no unobservable inputs identified that would require disclosure of sensitivity analysis on possible movements on the fair value of the investment.

Material accounting policy information

Investment in equity investment are not held for trading.

At initial recognition, the Group has irrevocably elect to present subsequent changes in the fair value of the investments in other comprehensive income. This election is made on an investment-by-investment basis. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

12. FINANCING RECEIVABLES

	Group	
	2023	2022
	RM'000	RM'000
Loan receivables (Secured)	189,218	218,653
Loan receivables (Unsecured)	19,868	22,760
Hire purchase and finance lease receivables	24,644	32,629
Ijarah financing receivables	28,765	25,940
Micro financing receivables	1	2
	262,496	299,984
Less: Unearned profit	(9,206)	(9,077)
Gross financing receivables	253,290	290,907
Less: Allowance for expected credit losses ("ECLs")	(1,697)	(1,981)
Net financing receivables	251,593	288,926

The maturity of the financing receivables are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Non-current	203,813	243,456
Current	47,780	45,470
	251,593	288,926

12. FINANCING RECEIVABLES *(CONT'D)*

Movements in the allowance for ECLs are as follows:

	Group	
	2023	2022
	RM'000	RM'000
At beginning of the financial year	1,981	2,404
Charge for the financial year	59	-
Reversal during the financial year	(343)	(423)
At end of the financial year	1,697	1,981

The following table provide information about the exposure to credit risk and allowance for ECLs for financing receivables:

	Gross amount	ECLs	Net amount
	RM'000	RM'000	RM'000
Group			
2023			
Not past due	251,321	-	251,321
Past due:			
Less than 30 days	213	-	213
31 to 60 days	37	-	37
61 to 90 days	22	-	22
Past due more than 90 days	1,697	(1,697)	-
	253,290	(1,697)	251,593
2022			
Not past due	288,671	-	288,671
Past due:			
Less than 30 days	150	-	150
31 to 60 days	48	-	48
61 to 90 days	30	-	30
Past due more than 90 days	2,008	(1,981)	27
	290,907	(1,981)	288,926

13. INVENTORIES

	Group	
	2023	2022
	RM'000	RM'000
At cost		
Used motor vehicles	1,559	1,599
Finished goods	24,220	24,210
	25,779	25,809
Recognised in profit or loss:		
Inventories recognised as cost of sales	16,562	23,596
Inventories written down	99	15
Reversal of inventories written down	(49)	(20)

The inventories written down is made when the related inventories were obsolete.

The reversal of inventories written down was made when the related inventories were sold above their carrying amounts.

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is determined based on a first-in-first out basis.

14. TRADE RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Trade receivables	341,044	334,890	9,072	7,530
Less: Allowance for ECLs	(16)	(31)	-	-
	341,028	334,859	9,072	7,530

The Group's and the Company's normal trade credit terms range from cash terms to 180 (2022: cash terms to 180) days. Other credit terms are assessed and approved on a case-by-case basis.

Movements in the allowance for ECLs are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial year	31	45	-	-
Charge for the financial year	16	-	-	-
Reversal for the financial year	(31)	(14)	-	-
At end of the financial year	16	31	-	-

14. TRADE RECEIVABLES *(CONT'D)*

The following table provide information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross amount	ECLs	Net amount
	RM'000	RM'000	RM'000
Group			
2023			
Not past due	83,287	-	83,287
Past due:			
Less than 30 days	2,190	-	2,190
31 to 60 days	1,584	-	1,584
61 to 90 days	1,118	-	1,118
Past due more than 90 days	252,865	(16)	252,849
	341,044	(16)	341,028
2022			
Not past due	206,443	-	206,443
Past due:			
Less than 30 days	3,743	-	3,743
31 to 60 days	3,028	-	3,028
61 to 90 days	3,953	-	3,953
Past due more than 90 days	117,723	(31)	117,692
	334,890	(31)	334,859
Company			
2023			
Not past due	361	-	361
Past due:			
Less than 30 days	111	-	111
31 to 60 days	140	-	140
61 to 90 days	76	-	76
Past due more than 90 days	8,384	-	8,384
	9,072	-	9,072
2022			
Not past due	6,710	-	6,710
Past due:			
31 to 60 days	32	-	32
Past due more than 90 days	788	-	788
	7,530	-	7,530

14. TRADE RECEIVABLES *(CONT'D)*

The foreign currency exposure profile of trade receivables are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Singapore Dollar ("SGD")	21	-	-	-

15. OTHER RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-trade receivables (a)	40,101	42,420	18,413	16,733
Less: Allowance for ECLs	(15)	(16)	-	-
	40,086	42,404	18,413	16,733
Deposits (b)	264,055	237,050	70,242	65,853
Prepayments (c)	36,166	27,800	3,124	2,547
Goods and services tax ("GST") receivables	297	297	-	-
	340,604	307,551	91,779	85,133

Movements in the allowance for ECLs are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial year	16	18	-	-
Reversal during the financial year	(1)	(2)	-	-
At end of the financial year	15	16	-	-

15. OTHER RECEIVABLES *(CONT'D)*

The Group's and the Company's non-trade receivables, deposits and prepayments included the following items:

			Group		Company	
			2023	2022	2023	2022
			RM'000	RM'000	RM'000	RM'000
(a)	(i)	Performance guarantee placed with gateway provider	28,195	37,562	15,034	13,472
	(ii)	Performance bond	99	99	-	-
(b)	(i)	Purchase of property, plant and equipment	254,270	227,391	68,545	65,146
	(ii)	Purchase of leasehold land	5,379	3,561	-	-
(c)	(i)	Advance payments for health screening services	20,645	20,090	-	-
	(ii)	Advance payments for inventories	2,883	2,907	-	-

The foreign currency exposure profile of other receivables are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Indonesian Rupiah ("IDR")	11	11	-	-

16. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Company	
	2023	2022
	RM'000	RM'000
Amount due from subsidiaries		
Trade	205,662	-
Non-trade	1,174,446	1,139,816
	1,380,108	1,139,816
Amount due to subsidiaries		
Trade	208	-
Non-trade	(7,444)	(8,348)
	(7,236)	(8,348)

Amount due from/(to) subsidiaries are unsecured, non-interest bearing and repayment on demand.

17. AMOUNT DUE FROM/(TO) ASSOCIATES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Amount due from associates				
- Trade	65,450	65,450	42,750	42,750
- Non-trade	29,843	29,837	29,812	29,807
	95,293	95,287	72,562	72,557
Less: Allowance for ECLs	(95,255)	(95,255)	(72,555)	(72,555)
	38	32	7	2
Amount due to associates				
- Non-trade	(335)	(22)	-	-

Amount due from/(to) associates are unsecured, non-interest bearing and repayment on demand.

The trade balance relates to the development work for the online tax monitoring project ("the Project") and is repayable upon the commencement of the said project. On 3 December 2014, the Company received a revised letter of award under the service tax regime to develop the Project. Nevertheless, the GST was implemented on 1 April 2015 and the service tax regime was replaced by the GST regime whereby the Project has been varied. Accordingly, the Project was being reviewed to cater for certain requirements and enhancements following the implementation of GST. A technical committee together with a steering committee have been established by the relevant authorities for this purpose.

The amendments to the relevant Act for the purpose of the implementation of the Project have been completed and came into effect from 1 January 2017. An internal trial run was carried out to ensure any further technical issues in relation to the Project are resolved prior to commercialisation in the near future.

Effective 1 June 2019, it was announced by the Ministry of Finance that a zero-rated GST will be imposed. Subsequent to this announcement, the GST regime has been abolished and replaced by the Sales and Services Tax ("SST"). Hence, the Project has been temporarily suspended. Accordingly, full impairment on the amount due from the associate has been provided in the financial period ended 2018.

18. AMOUNT DUE FROM JOINT VENTURES

Amount due from joint ventures are unsecured, non-trade in nature, non-interest bearing and repayment on demand.

The foreign currency exposure profile of amount due from joint ventures are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Philippine Peso ("PHP")	2,509	2,509	-	-

19. DIGITAL ASSETS

	Group	
	2023	2022
	RM'000	RM'000
Cryptocurrencies	301,761	38

Digital assets are accounted for using inventory methodology and is measured at its fair value less costs to sell, with any change in fair value less costs to sell being recognised in profit or loss in the period of the change.

The foreign currency exposure profile of digital assets are as follow:

	Group	
	2023	2022
	RM'000	RM'000
USD	301,761	38

20. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranged from 1.65% to 3.25% (2022: 1.65% to 2.85%) per annum and 1.75% to 2.75% (2022: 1.65% to 1.75%) per annum respectively. The fixed deposits have maturity periods ranged from 1 to 12 (2022: 1 to 12) months and 12 (2022: 12) months for the Group and for the Company respectively.

(b) Included in the fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period were amounts of RM23,307,000 and RM11,369,000 (2022: RM19,615,000 and RM11,143,000) respectively which have been pledged to licensed banks as security for banking facilities granted to the Group and to the Company as disclosed in Note 26 to the financial statements.

(c) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period are amounts of RM128,000 (2022: RM125,000) with tenure more than 3 months.

(d) At the end of the reporting period, the fixed deposits of the Group and of the Company amounting to RM452,000 and RM33,000 (2022: RM319,000 and RM33,000) respectively were held in trust by a Director of a subsidiary and a Director of the Company. The fixed deposits held in trust have been pledged to licensed banks as security for banking facilities granted to the Group and to the Company as disclosed in Note 26 to the financial statements.

(e) The interest rate of the fixed deposits with maturity period of more than 3 months of the Company ranged from 1.75% to 2.75% (2022: 1.35% to 2.30%) per annum.

(f) The foreign currency exposure profile of fixed deposits with licensed banks are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
USD	2,120	2,120	-	-

21. CASH AND BANK BALANCES

The cash and bank balances of the Group and of the Company included short-term cash investment amounted to RM3,504,000 and RM2,222,000 (2022: RM4,183,000 and RM2,099,000).

The short-term cash investments represent investment in highly liquid money market. These investments are readily convertible to known amount of cash and are subject to an insignificant risk of changes.

The short-term cash investments' unit price ranged from RM0.50 to RM1.44 (2022: RM0.50 to RM1.40). The short-term cash investments have maturity periods ranged from 1 to 30 (2022: 1 to 30) days.

At the end of the reporting year, the bank balances of the Group and of the Company amounts to RM75,000 and RM68,000 (2022: RM315,000 and RM100,000) was held in trust by a Director of the Company and a Director of a subsidiary.

Included in the bank balances of the Group is an amount of RM2,000 (2022: RM2,000) held under Trust Fund established under the Trust Deed dated 24 July 2020 and these accounts are not for Group's operation purposes.

The foreign currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
USD	331	16	-	-
SGD	10	35	10	35
IDR	4	4	-	-
Chinese Yuan ("CNY")	3	-	-	-

22. ASSETS HELD FOR SALE

	Group	
	2023	2022
	RM'000	RM'000
Other investments		
Investment in quoted shares to be distribute as dividend-in-specie	-	56,280
At beginning of the financial year	56,280	-
Distributed as dividend-in-specie	(56,267)	-
Transfer (to)/from other investments	(13)	56,280
At end of the financial year	-	56,280

On 23 December 2022, the Company proposed to distribute 84,000,000 ordinary shares in Agmo, representing the entire 25.8% equity interest in Agmo held through MYEGC, a wholly-owned subsidiary of the Company, to entitled shareholders of the Company in two (2) separate tranches by way of a dividend-in-specie ("Proposed Dividend-in-Specie").

As such, the Group's investment in Agmo was reclassified to asset held for sale as the investment will be held for distribution to owners of the Company.

22. ASSETS HELD FOR SALE *(CONT'D)*

As disclosed in Note 46(a) to the financial statements, the Company had completed the distribution of total 83,980,558 Agmo Shares during the financial year, the remaining 19,442 Agmo Shares arising from fractional entitlements will be retained by the Group.

As such, the remaining balances of Agmo Shares was reclassified to other investments at FVTPL.

23. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2023	2022	2023	2022
	Unit'000	Unit'000	RM'000	RM'000
At begininning of financial year	7,477,571	7,408,616	904,077	854,895
Issuance of new shares pursuant to:				
- DRP	81,111	68,955	57,940	49,182
At end of the financial year	7,558,682	7,477,571	962,017	904,077

During the financial year, the Company issued 81,111,688 new ordinary shares from the exercise of the DRP at an exercise price of RM0.715 per share amounting to RM57,940,559 (net of transaction cost).

In the previous financial year, the Company issued 68,954,436 new ordinary shares from the exercise of the DRP at an exercise price of RM0.715 per share amounting to RM49,182,065 (net of transaction cost).

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

24. TREASURY SHARES

	Group and Company			
	Number of ordinary shares		Amount	
	2023	2022	2023	2022
	Unit'000	Unit'000	RM'000	RM'000
At begininning of the financial year	39,595	12,000	36,642	12,364
Buy back	59,543	27,595	44,616	24,278
At end of the financial year	99,138	39,595	81,258	36,642

During the financial year, the Company repurchased 59,543,900 (2022: 27,595,400) units of its issued share capital from the open market at an average price of RM0.75 (2022: RM0.88) per share including transaction costs. The purchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares.

25. RESERVES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Fair value reserve (a)	-	6,401	-	-
Foreign exchange translation reserve (b)	(671)	33	-	-
Retained earnings	1,324,000	1,002,108	352,763	385,364
	1,323,329	1,008,542	352,763	385,364

(a) Fair value reserve

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investments designated at FVOCI.

(b) Foreign exchange translation reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries and the Group's share of an associate's and joint ventures' foreign currency translation differences whose functional currencies are different from the Group's presentation.

26. LOANS AND BORROWINGS

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Secured				
Term loans	130,238	148,500	115,087	148,500
Revolving credits	119,400	121,700	95,000	100,000
Block discounting	22,020	22,858	-	-
	271,658	293,058	210,087	248,500
Unsecured				
Sukuk wakalah	575,000	150,000	575,000	150,000
	846,658	443,058	785,087	398,500

26. LOANS AND BORROWINGS *(CONT'D)*

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-current				
Term loans	114,847	127,850	99,696	127,850
Block discounting	14,477	15,941	-	-
Sukuk wakalah	575,000	150,000	575,000	150,000
	704,324	293,791	674,696	277,850
Current				
Term loans	15,391	20,650	15,391	20,650
Revolving credits	119,400	121,700	95,000	100,000
Block discounting	7,543	6,917	-	-
	142,334	149,267	110,391	120,650
	846,658	443,058	785,087	398,500

The repayment term of loans and borrowings are as follows:

(i) Term loans are repayable by 60 to 120 (2022: 60 to 120) months.
(ii) Revolving credits are repayable not more than 180 (2022: 180) days.
(iii) Block discounting are repayable by 33 to 60 (2022: 57 to 60) months.
(iv) Sukuk wakalah are repayable within 5 (2022: 5) years.

The loans and borrowings are secured by the following:

(a) Term loans

(i) A placement of certain fixed deposits of the Group and of the Company as disclosed in Note 20 to the financial statements;
(ii) Specific charges over the buildings and investment properties of the Group and of the Company as disclosed in Notes 3 and 4 to the financial statements respectively; and
(iii) First party legal charge over the ROU assets of the Group as disclosed in Note 5 to the financial statements.

(b) Revolving credits

(i) Facility agreement between a subsidiary of the Company and the bank, as principal instrument;
(ii) Corporate guarantee of the Company and certain subsidiaries; and
(iii) A specific charge over the building of the Company as disclosed in Notes 3 and 4 to the financial statements respectively.

(c) Block discounting

(i) Master agreement between the subsidiaries and the bank;
(ii) Assignment of Hire Purchase/Non-Act Leasing Agreements through a power of attorney in favour of the bank;
(iii) Pledged over the fixed deposits with a licensed bank of the subsidiaries as disclosed in Note 20 to the financial statements; and
(iv) Corporate guarantee by the Company.

26. LOANS AND BORROWINGS *(CONT'D)*

The average effective interest rates per annum are as follows:

	Group		Company	
	2023	2022	2023	2022
	%	%	%	%
Term loans	3.74 - 15.00	3.34 - 7.45	3.74 - 7.70	3.34 - 7.45
Revolving credits	2.39 - 7.03	2.02 - 4.17	2.39 - 5.63	3.80 - 4.17
Block discounting	2.02 - 3.69	1.65 - 4.71	-	-
Sukuk wakalah	5.40 - 5.85	5.70 - 5.85	5.40 - 5.85	5.70 - 5.85

The foreign currency exposure profile of loans and borrowings are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Australian Dollar ("AUD")	66,766	81,767	66,766	81,767
USD	20,600	20,600	-	-

27. LEASE LIABILITIES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-current	24,166	31,366	33	-
Current	9,860	8,907	283	24
	34,026	40,273	316	24

The maturity analysis of lease liabilities at the end of the reporting period are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Within 1 year	11,525	11,043	288	25
Between 2 - 5 years	26,036	34,700	34	-
	37,561	45,743	322	25
Less: Future finance charge	(3,535)	(5,470)	(6)	(1)
Present value of lease liabilities	34,026	40,273	316	24

The Group and the Company lease various properties and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

28. DEFERRED TAX LIABILITIES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial year	2,859	2,921	1,910	1,910
Recognised in profit or loss	(321)	(62)	-	-
At end of the financial year	2,538	2,859	1,910	1,910

The components of deferred tax liabilities are made up of temporary differences arising from:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	1,992	2,307	1,351	1,351
Development costs	559	559	559	559
Provisions	(13)	(7)	-	-
	2,538	2,859	1,910	1,910

29. TRADE PAYABLES

The normal trade credit terms granted to the Group and to the Company ranged from cash term to 90 (2022: cash terms to 90) days.

The foreign currency exposure profile of trade payables are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
USD	117	3,816	-	-

30. OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-trade payables	7,976	15,929	7,556	14,543
Accruals	57,737	29,887	20,807	4,264
Deposits	14,534	26,416	265	205
SST payable	1,078	1,191	283	433
	81,325	73,423	28,911	19,445

30. OTHER PAYABLES *(CONT'D)*

The foreign currency exposure profile of other payables are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
IDR	64	16	-	-

31. CONTRACT LIABILITIES

	Group	
	2023	2022
	RM'000	RM'000
Current		
Advance consideration received from customers	1,709	1,393
Advance billing to customers	42	46
	1,751	1,439

	Group	
	2023	2022
	RM'000	RM'000
At 1 January	1,439	1,544
Deferred during the financial year	5,491	4,168
Revenue recognised during the financial year	(5,179)	(4,273)
At 31 December	1,751	1,439

Advance consideration received from customers

The contract liabilities relate to advance billings for services of which the revenue will be recognised over the remaining contract term of the specific contract it relates to and is expected to recognised as revenue within one year.

Advance billing to customers

The contract liabilities primarily relate to the advance consideration received from customer, which revenue is over the remaining contract term of the specific contract it relates to and is expected to recognised as revenue within one year.

32. REVENUE

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:				
Concessions based services	30,086	42,950	7,188	8,842
Commercial based services and products:				
- sales of goods	20,979	37,255	-	-
- rental of motor vehicles	10	-	-	-
- services rendered	565,221	517,615	978	21,315
- concesssion related services	-	16,510	1,467	2,594
- sales of digital asset	127,647	-	-	-
	743,943	614,330	9,633	32,751
Revenue from financing receivables:				
Commercial based services	601	246	-	-
Interest income derived from financing receivables	16,357	20,568	-	-
Profit income derived from ijarah financing receivables	1,833	1,520	-	-
	18,791	22,334	-	-
Revenue from other sources:				
- rental income	11,287	13,003	6,789	6,619
- dividend income	240	1,440	200,000	125,000
	11,527	14,443	206,789	131,619
	774,261	651,107	216,422	164,370
Timing of revenue recognition:				
- At a point in time	727,396	605,554	9,633	32,751
- Over time	16,547	8,776	-	-
	743,943	614,330	9,633	32,751

32. REVENUE *(CONT'D)*

Rendering of services

Revenue from concession based services and commercial based services are recognised at a point in time in which the services are rendered, which simultaneously received and consumes the benefit provided by the Group and the Company, and the Group and the Company have a present right to payment for the services.

Revenue from media solution and related professional services are recognised over time in which the services are rendered, which simultaneously received and consumes the benefit provided by the Group, and the Group has a present right to payment for the services.

Sales of goods

Revenue from sale of goods is recognised when control of the products has transferred, being at the point that the goods had been delivered to the customer. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolence and loss in relation to the goods.

A receivable is recognised by the Group when the goods are delivered as this represents the point in time at which the right to consideration is unconditional, because only the passage of time is required before payment is due.

Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Interest income

Interest income is recognised on accruals basis using the effective interest method.

Dividend income

Dividend income from investment is recognised when the right to received dividend payment is established.

Income from Ijarah financing

This represents a lease contract that transfers the ownership of an asset to another party for a specified period in exchange for a rental. Effective transfer of the legal title is a consequent to the conclusion of the lease arrangement that can be in the form of a sale or gift of the asset to the lessee. Al-Ijarah Thumma al-Bai' ("AITAB") is a form of Ijarah lease contracts where the sale of asset to the lessee is executed at the completion of the lease period. Income from an Ijarah contract is recognised on effective profit rate basis over the period of the contract based on the principal amounts outstanding.

33. NET REVERSAL ON IMPAIRMENT OF FINANCIAL ASSETS

	Group	
	2023	2022
	RM'000	RM'000
Allowance for ECLs:		
- financing receivables	59	-
- trade receivables	16	-
Reversal of allowance for ECLs:		
- financing receivables	(343)	(423)
- trade receivables	(31)	(14)
- other receivables	(1)	(2)
	(300)	(439)

34. FINANCE COSTS

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Interest expenses of financial liabilities not at FVTPL				
- term loans	7,704	4,952	7,226	4,952
- revolving credit	5,715	2,124	4,151	1,582
- sukuk wakalah	22,938	-	22,938	-
- block discounting	1,552	1,021	-	-
- lease liabilities	2,049	1,144	14	-
- bank guarantee	1	-	-	-
	39,959	9,241	34,329	6,534

35. PROFIT BEFORE TAX

Profit before tax is determined after charging/(crediting), amongst others, the following items:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration				
- statutory audit	558	497	92	92
- non-audit services	3	3	3	3
Amortisation of development costs	25,103	27,053	8,550	8,000
Bad debts written off	12	2	-	-
Deposit received forfeited	(9)	-	-	-
Depreciation of property, plant and equipment	30,042	28,531	9,720	11,017
Depreciation of investment properties	653	653	3,452	2,320
Depreciation of right-of-use assets	7,491	5,738	327	284
Property, plant and equipment written off	276	1,458	-	-
Fair value loss/(gain) on other investments	3	(45,505)	-	-
Fair value (gain)/loss on digital assets	(39)	3	-	-
Gain on disposal of assets held for sale	(3,328)	-	-	-
Gain on disposal of property, plant and equipment	(358)	(654)	-	-
Gain on disposal of associates	-	(2,846)	-	-
Gain on termination of lease contract	(13)	(17)	-	-
Interest expense on lease liabilities (recognise as cost of sales)	47	53	-	5
Inventories written down	99	15	-	-
Lease expenses:				
- short-term leases (a)	3,809	1,527	508	646
- low-value assets (a)	114	44	48	25
Loss/(Gain) on foreign exchange:				
- realised	335	#	#	#
- unrealised	(1)	(3)	(1)	-
Reversal of inventories written down	(49)	(20)	-	-
Right-of-use assets written off	151	-	-	-
Share of result of associates	1	-	-	-
Share of result of joint ventures	(435)	(124)	-	-
Interest income	(1,017)	(312)	(8,403)	(10,626)

 # - represents an amount less than RM1,000

(a) The Group and the Company lease various property and equipment with contract terms of not more than one year or value of the asset not more than RM20,000. These leases are short-term lease and leases of low-value assets. The Group and the Company have elected not to recognise ROU assets and lease liabilities for these leases.

36. TAXATION

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Tax expenses recognised in profit or loss				
Current tax				
- Current financial year	2,852	3,742	137	105
- Under provision in prior financial years	35	285	15	1,327
	2,887	4,027	152	1,432
Deferred tax				
- Origination and reversal of temporary differences	(220)	(62)	-	-
- Over provision in prior financial years	(101)	-	-	-
	(321)	(62)	-	-
	2,566	3,965	152	1,432

A reconciliation of income tax expenses applicable to profit before tax at the statutory tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit before tax	489,405	404,367	132,444	101,700
At Malaysian statutory tax rate of 24% (2022: 24%)	117,457	97,048	31,787	24,408
Income exempted from tax	(134,148)	(92,026)	-	-
Income not subject to tax	(1,037)	(12,030)	(48,000)	(30,000)
Expenses not deductible for tax purposes	9,083	3,345	3,450	538
Movement of deferred tax assets not recognised	11,277	7,343	12,900	5,159
Under/(Over) provision in prior financial years				
- current tax	35	285	15	1,327
- deferred tax	(101)	-	-	-
	2,566	3,965	152	1,432

36. TAXATION *(CONT'D)*

The Group and the Company have unutilised business losses and unabsorbed capital allowances for carry forward to offset future taxable profits as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Unutilised business losses	119,349	76,880	73,936	32,141
Unabsorbed capital allowances	67,262	43,677	30,094	18,137
	186,611	120,557	104,030	50,278

Based on the current legislation, any unutilised business losses shall be carried forward for a maximum period of ten consecutive years of assessment immediately following that year of assessment, whereas the unabsorbed capital allowances are allowed to be carried forward indefinitely.

Unrecognised deferred tax assets

Deferred tax assets (stated at gross) have not been recognised in respect of the following items:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Unutilised business losses	119,349	76,880	73,936	32,141
Unabsorbed capital allowances	67,262	43,677	30,094	18,137
Property, plant and equipment	(10,451)	8,908	-	-
Other provisions	(4,026)	(4,319)	-	-
	172,134	125,146	104,030	50,278

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiaries that have a recent history of losses.

37. STAFF COSTS

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Salaries, fees and other emoluments	88,480	98,368	10,539	11,214
Defined contribution plans	10,150	11,035	847	1,286
	98,630	109,403	11,386	12,500

38. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2023	2022
	RM'000	RM'000
Profit attributable to owners of the Company	487,648	398,662
Weighted average number of ordinary shares in issue:		
Ordinary shares at 1 January ('000)	7,437,976	7,396,616
Effect of treasury shares buy-back ('000)	(34,832)	(14,550)
Effect of new ordinary shares issued pursuant to DRP ('000)	22,889	19,269
Weighted average number of ordinary shares at 31 December ('000)	7,426,033	7,401,335
Basic earnings per ordinary shares (sen)	6.57	5.39

(b) Diluted earnings per share

Diluted earnings per ordinary share equals basic earnings per ordinary share because there is no potentially dilutive instruments in existence as at the end of each reporting period.

39. DIVIDENDS

	Group and Company	
	2023	2022
	RM'000	RM'000
In respect of the financial year ended 31 December 2021:		
- a final single-tier dividend of 1.03 sen per ordinary share, declared on 10 August 2022 and paid on 21 September 2022	-	76,071
In respect of the financial year ended 31 December 2022:		
- a first interim single-tier dividend of 0.25 sen per ordinary share, declared on 9 August 2022 paid on 25 November 2022	-	18,595
- a final single-tier dividend of 1.17 sen per ordinary share, declared on 10 August 2023 paid on 20 September 2023	86,644	-
In respect of the financial year ended 31 December 2023:		
- a first interim single-tier dividend of 0.25 sen per ordinary share, declared on 21 August 2023 paid on 17 November 2023	18,654	-
- first tranche of dividend-in-specie on 10 March 2023 (Note 46(a))	50,899	-
- second tranche of dividend-in-specie on 27 September 2023 (Note 46(a))	8,696	-
	164,893	94,666

39. DIVIDENDS *(CONT'D)*

On 28 February 2024, the Directors recommended the payment of a final single-tier dividend of 1.68 sen per ordinary share in respect of the current financial year, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below show the details of changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	At 1.1.2023	New lease	Financing cash flows (i)	Other changes (ii)	At 31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Term loans	148,500	-	(18,262)	-	130,238
Revolving credit	121,700	-	(2,300)	-	119,400
Sukuk wakalah	150,000	-	425,000	-	575,000
Block discounting	22,858	-	(838)	-	22,020
Lease liabilities	40,273	3,953	(9,640)	(560)	34,026
Amount due to associates	22	-	313	-	335
	483,353	3,953	394,273	(560)	881,019
Company					
Term loans	148,500	-	(33,413)	-	115,087
Revolving credit	100,000	-	(5,000)	-	95,000
Sukuk wakalah	150,000	-	425,000	-	575,000
Lease liabilities	24	608	(316)	-	316
Amount due to subsidiaries	8,348	-	(904)	-	7,444
	406,872	608	385,367	-	792,847

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES *(CONT'D)*

The table below show the details of changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes: (Cont'd)

	At 1.1.2022	New lease	Financing cash flows (i)	Other changes (ii)	At 31.12.2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Term loans	106,307	-	42,193	-	148,500
Revolving credit	41,700	-	80,000	-	121,700
Sukuk wakalah	-	-	150,000	-	150,000
Block discounting	12,540	-	10,318	-	22,858
Lease liabilities	5,536	42,246	(6,889)	(620)	40,273
Amount due to associates	24	-	(2)	-	22
	166,107	42,246	275,620	(620)	483,353
Company					
Term loans	106,307	-	42,193	-	148,500
Revolving credit	20,000	-	80,000	-	100,000
Sukuk wakalah	-	-	150,000	-	150,000
Lease liabilities	313	-	(289)	-	24
Amount due to subsidiaries	997	-	7,351	-	8,348
	127,617	-	279,255	-	406,872

(i) The cash flows from loans and borrowings make up the net amounts of proceeds from or repayments of borrowings in the statements of cash flows.

(ii) Other changes include termination of lease contracts.

41. COMMITMENTS

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Capital expenditure				
Purchase of property, plant and equipment	476,542	769,575	475,200	75,000
Purchase of right-of-use assets	29,747	220	-	-
Development costs	86,521	63,455	82,000	63,455
	592,810	833,250	557,200	138,455

42. FINANCIAL GUARANTEES

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Guarantee given to financial institution for credit facilities granted to subsidiaries	-	-	57,771	43,458
Bank guarantee for performance bond given to third parties	6,651	6,015	6,000	5,555
	6,651	6,015	63,771	49,013

43. RELATED PARTY DISCLOSURES

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Transactions with subsidiaries				
- Sales	-	-	960	960
- Dividend income	-	-	200,000	125,000
- Rental income	-	-	4,939	5,000
- Interest income	-	-	8,014	10,469
- Management fee	-	-	(4,010)	(4,010)
Transaction with a related party*				
- Professional fee	(250)	(250)	(250)	(250)

* *a company in which Dato' Dr Norraesah Binti Haji Mohamad has a substantial financial interest.*

43. RELATED PARTY DISCLOSURES *(CONT'D)*

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management personnel are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Executive Directors				
Fee	361	361	361	361
Non-executive Directors				
Fee	403	403	403	403
	764	764	764	764
Directors of the subsidiaries				
Executive Directors				
Salaries, bonuses and other benefits	912	952	-	-
Defined contribution plans	108	113	-	-
	1,020	1,065	-	-
Non-executive Directors				
Salaries, bonuses and other benefits	189	189	-	-
Defined contribution plans	23	23	-	-
	212	212	-	-
	1,996	2,041	764	764

44. SEGMENT INFORMATION

(a) Business segments

Segmental reporting is not presented as the Group is principally engaged in the development and implementation of the electronic government services project and the provision of other upstream and downstream related services for the electronic government services project, which is substantially within a single business segment and operates wholly in Malaysia.

(b) Geographical information

Revenue is based on the countries in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The non-current assets located outside Malaysia amounted to approximately RM702 million (2022: RM11 million) as at the financial year end.

44. SEGMENT INFORMATION *(CONT'D)*

(b) Geographical information *(cont'd)*

The information on the disaggregation of revenue based on the countries which the customers are based is summarised below:

	Revenue from contracts with customers		Revenue from financing receivables	Revenue from other sources	Group
	Point in time	Over time			
	RM'000	RM'000	RM'000	RM'000	RM'000
2023					
Malaysia	599,749	16,547	18,791	11,527	646,614
Outside Malaysia	127,647	-	-	-	127,647
	727,396	16,547	18,791	11,527	774,261
2022					
Malaysia	603,697	8,776	22,334	14,443	649,250
Outside Malaysia	1,857	-	-	-	1,857
	605,554	8,776	22,334	14,443	651,107

(c) Information about major customers

No disclosure on major customers information as no customer represent equal or more than ten percent (10%) of the Group's total revenue.

45. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost.

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(a) Classification of financial instruments *(Cont'd)*

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Financial assets				
At FVTPL				
Other investments	10	-	-	-
Short-term cash investment (included in cash and bank balances)	3,504	4,183	2,222	2,099
	3,514	4,183	2,222	2,099
At FVTOCI				
Other investments	233,448	235,718	-	-
At amortised cost				
Financing receivables	251,593	288,926	-	-
Trade receivables	341,028	334,859	9,072	7,530
Other receivables	304,141	279,454	88,655	82,586
Amount due from subsidiaries	-	-	1,380,108	1,139,816
Amount due from associates	38	32	7	2
Amount due from joint ventures	5,688	2,510	3,178	-
Fixed deposits with licensed banks	23,825	20,127	11,369	11,143
Cash and bank balances	56,815	52,113	12,806	33,352
	983,128	978,021	1,505,195	1,274,429
Financial liabilities				
At amortised cost				
Trade payables	50,837	106,412	2,648	3,020
Other payables	80,247	72,232	28,628	19,012
Amount due to subsidiaries	-	-	7,236	8,348
Amount due to associates	335	22	-	-
Loans and borrowings	846,658	443,058	785,087	398,500
	978,077	621,724	823,599	428,880

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operation whilst managing its credit, liquidity and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its financing receivables, trade and other receivables, amount due from associates, amount due from joint ventures, fixed deposits with licensed banks and cash and bank balances. The Company's exposure to credit risk arises principally from trade and other receivables, amount due from subsidiaries, amount due from associates, amount due from joint ventures, fixed deposits with licensed banks and cash and bank balances. There are no significant changes as compared to prior financial year.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposits with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured advances to subsidiaries. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group and the Company assess whether any if the trade and other receivables, amount due from subsidiaries, amount due from associates and amount due from joint ventures are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partially or full) when there is no prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay amounts subject to the write-off. Nevertheless, receivables that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represent the Group's and the Company's maximum exposure to credit risk except for financial guarantees provided to banks for banking facilities granted to certain subsidiaries and performance bond given to third parties.

The Group's and the Company's maximum exposure in this respect are RM6,651,176 and RM63,770,319 (2022: RM6,015,187 and RM49,013,415) respectively, representing the financial guarantee given to the third parties and certain subsidiaries as at the end of the reporting period. There was no indication that any subsidiaries would default on repayment as at the end of the reporting period.

There are no significant changes as compared to previous financial year.

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(i) Credit risk *(Cont'd)*

In addition, the Group also determines the concentration of credit risk by monitoring, on an ongoing basis, its trade and financing receivables based on the countries where the customer has operations. The credit risk concentration profile of trade and financing receivables at the end of the reporting period is as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Malaysia	586,381	617,285	2,832	1,030
Outside Malaysia	6,240	6,500	6,240	6,500
	592,621	623,785	9,072	7,530

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting to financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance their liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(ii) Liquidity risk *(Cont'd)*

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand within 1 year RM'000	2 to 5 years RM'000	More than 5 years RM'000	Total contractual cash flows RM'000	Total carrying amounts RM'000
Group					
2023					
Non-derivative financial liabilities					
Trade payables	50,837	-	-	50,837	50,837
Other payables	80,247	-	-	80,247	80,247
Amount due to associates	335	-	-	335	335
Term loans	16,880	111,088	8,428	136,396	130,238
Revolving credits	119,400	-	-	119,400	119,400
Sukuk wakalah	32,095	656,294	-	688,389	575,000
Block discounting	8,705	15,762	-	24,467	22,020
Lease liabilities	11,525	26,036	-	37,561	34,026
	320,024	809,180	8,428	1,137,632	1,012,103
Financial guarantee given to third parties	6,651	-	-	6,651	-
2022					
Non-derivative financial liabilities					
Trade payables	106,412	-	-	106,412	106,412
Other payables	72,232	-	-	72,232	72,232
Amount due to associates	22	-	-	22	22
Term loans	33,330	110,855	20,553	164,738	148,500
Revolving credits	121,700	-	-	121,700	121,700
Sukuk wakalah	8,700	184,800	-	193,500	150,000
Block discounting	8,223	17,561	-	25,784	22,858
Lease liabilities	11,043	34,700	-	45,743	40,273
	361,662	347,916	20,553	730,131	661,997
Financial guarantee given to third parties	6,015	-	-	6,015	-

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(ii) Liquidity risk *(Cont'd)*

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. *(Cont'd)*

	On demand within 1 year	2 to 5 years	More than 5 years	Total contractual cash flows	Total carrying amounts
	RM'000	RM'000	RM'000	RM'000	RM'000
Company					
2023					
Non-derivative financial liabilities					
Trade payables	2,648	-	-	2,648	2,648
Other payables	28,628	-	-	28,628	28,628
Amount due to subsidiaries	7,236	-	-	7,236	7,236
Term loans	16,880	98,001	5,987	120,868	115,087
Revolving credits	95,000	-	-	95,000	95,000
Sukuk wakalah	32,095	656,294	-	688,389	575,000
Lease liabilities	288	34	-	322	316
	182,775	754,329	5,987	943,091	823,915
Financial guarantee given to third parties and certain subsidiaries	63,771	-	-	63,771	-
2022					
Non-derivative financial liabilities					
Trade payables	3,020	-	-	3,020	3,020
Other payables	19,012	-	-	19,012	19,012
Amount due to subsidiaries	8,348	-	-	8,348	8,348
Term loans	33,330	110,855	20,553	164,738	148,500
Revolving credits	100,000	-	-	100,000	100,000
Sukuk wakalah	8,700	184,800	-	193,500	150,000
Lease liabilities	25	-	-	25	24
	172,435	295,655	20,553	488,643	428,904
Financial guarantee given to third parties and certain subsidiaries	49,013	-	-	49,013	-

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(ii) Liquidity risk *(Cont'd)*

Financial guarantee has not been recognised since the fair value on initial recognition was deemed not material and the probability of the subsidiaries defaulting in their credit facilities is remote.

(iii) Market risk

(a) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily AUD, USD, SGD, PHP, IDR and CNY.

The Group and the Company have not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group and the Company would apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management to ensure that the net exposure is at an acceptable level.

The carrying amounts of the Group's and of the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting periods are as follows:

	AUD	USD	SGD	PHP	IDR	CNY	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group							
2023							
Financial assets							
Trade receivables	-	-	21	-	-	-	21
Other receivables	-	-	-	-	11	-	11
Amount due from joint ventures	-	-	-	2,509	-	-	2,509
Fixed deposits with licensed banks	-	2,120	-	-	-	-	2,120
Cash and bank balances	-	331	10	-	4	3	348
	-	2,451	31	2,509	15	3	5,009
Financial liabilities							
Trade payables	-	(117)	-	-	-	-	(117)
Other payables	-	-	-	-	(64)	-	(64)
Term loans	(66,766)	-	-	-	-	-	(66,766)
Revolving credit	-	(20,600)	-	-	-	-	(20,600)
	(66,766)	(20,717)	-	-	(64)	-	(87,547)
Net financial (liabilities)/ assets	(66,766)	(18,266)	31	2,509	(49)	3	(82,538)

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(iii) Market risk *(Cont'd)*

(a) Foreign currency risk *(Cont'd)*

The carrying amounts of the Group's and the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting periods are as follows: *(Cont'd)*

	AUD RM'000	USD RM'000	SGD RM'000	PHP RM'000	IDR RM'000	CNY RM'000	Total RM'000
Group *(Cont'd)*							
2022							
Financial assets							
Other receivables	-	-	-	-	11	-	11
Amount due from joint ventures	-	-	-	2,509	-	-	2,509
Fixed deposits with licensed banks	-	2,120	-	-	-	-	2,120
Cash and bank balances	-	16	35	-	4	-	55
	-	2,136	35	2,509	15	-	4,695
Financial liabilities							
Trade payables	-	(3,816)	-	-	-	-	(3,816)
Other payables	-	-	-	-	(16)	-	(16)
Term loans	(81,767)	-	-	-	-	-	(81,767)
Revolving credit	-	(20,600)	-	-	-	-	(20,600)
	(81,767)	(24,416)	-	-	(16)	-	(106,199)
Net financial (liabilities)/ assets	(81,767)	(22,280)	35	2,509	(1)	-	(101,504)

	AUD RM'000	SGD RM'000	Total RM'000
Company			
2023			
Financial asset			
Cash and bank balances	-	10	10
Financial liability			
Term loans	(66,766)	-	(66,766)
Net financial (liabilities)/assets	(66,766)	10	(66,756)
2022			
Financial asset			
Cash and bank balances	-	35	35
Financial liability			
Term loans	(81,767)	-	(81,767)
Net financial (liabilities)/assets	(81,767)	35	(81,732)

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(iii) Market risk *(Cont'd)*

(a) Foreign currency risk *(Cont'd)*

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's and of the Company's profit before tax for the financial year to reasonably possible change in the AUD, USD, SGD, PHP, IDR and CNY exchange rates against RM, which all other variables held constant.

	2023 RM'000	2022 RM'000
Group		
Effects on profit after tax:		
AUD/RM		
Strengthened by 1% (2022: 1%)	(668)	(818)
Weakened by 1% (2022: 1%)	668	818
USD/RM		
Strengthened by 1% (2022: 1%)	(183)	(223)
Weakened by 1% (2022: 1%)	183	223
SGD/RM		
Strengthened by 1% (2022: 1%)	#	#
Weakened by 1% (2022: 1%)	(#)	(#)
PHP/RM		
Strengthened by 1% (2022: 1%)	25	25
Weakened by 1% (2022: 1%)	(25)	(25)
IDR/RM		
Strengthened by 1% (2022: 1%)	(#)	(#)
Weakened by 1% (2022: 1%)	#	#
CNY/RM		
Strengthened by 1% (2022: 1%)	#	-
Weakened by 1% (2022: 1%)	(#)	-

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(iii) Market risk *(Cont'd)*

(a) Foreign currency risk *(Cont'd)*

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's and of the Company's profit before tax for the financial year to reasonably possible change in the AUD, USD, SGD, PHP, IDR and CNY exchange rates against RM, which all other variables held constant. *(Cont'd)*

	2023 RM'000	2022 RM'000
Company		
Effects on profit after tax:		
AUD/RM		
Strengthened by 1% (2022: 1%)	(668)	(818)
Weakened by 1% (2022: 1%)	668	818
SGD/RM		
Strengthened by 1% (2022: 1%)	#	#
Weakened by 1% (2022: 1%)	(#)	(#)

 # - represents amount less than RM1,000

Material accounting policy information

Transactions in foreign currencies are translated to the respective functional currencies of the Group and of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at financial year end are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at FVTOCI.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(iii) Market risk *(Cont'd)*

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to change in interest rates.

The Group and the Company manage their interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group and the Company manage their interest rate risk exposure from interest bearing borrowing by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor their interest rate risk by reviewing their debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profit of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2023 RM'000	2022 RM'000
Group		
Fixed rate instruments		
Financial assets		
Fixed deposits with licensed banks	23,825	20,127
Financing receivables	251,593	288,926
Financial liabilities		
Block discounting	(22,020)	(22,858)
Lease liabilities	(34,026)	(40,273)
Sukuk wakalah	(575,000)	(150,000)
	(355,628)	95,922

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(iii) Market risk *(Cont'd)*

(b) Interest rate risk *(Cont'd)*

The interest rate profit of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was: *(Cont'd)*

	2023 RM'000	2022 RM'000
Group *(Cont'd)*		
Floating rate instruments		
Financial liabilities		
Revolving credit	(119,400)	(121,700)
Term loans	(130,238)	(148,500)
	(249,638)	(270,200)
Company		
Fixed rate instruments		
Financial asset		
Fixed deposits with licensed banks	11,369	11,143
Financial liabilities		
Sukuk wakalah	(575,000)	(150,000)
Lease liabilities	(316)	(24)
	(563,947)	(138,881)
Floating rate instruments		
Financial liabilities		
Revolving credit	(95,000)	(100,000)
Term loans	(115,087)	(148,500)
	(210,087)	(248,500)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flows sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Group's and the Company's profit before tax by RM2,496,000 and RM2,100,000 (2022: RM2,702,000 and RM2,485,000), arising mainly as a result of lower/higher interest expense on floating rate borrowings. This analysis assumed that all other variables remain constant. The assumed movement in basis points for the interest rate sensitivity analysis based on the currently observable market environment.

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(b) Financial risk management objectives and policies *(Cont'd)*

(iii) Market risk *(Cont'd)*

(c) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted instruments. These investments are listed on Bursa Malaysia and are classified as financial assets at FVTPL.

Management of the Group monitors investments in quoted instruments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by Risk Management Committee of the Group.

Market price risk sensitivity analysis

At the reporting date, if the various stock indices had been 1% higher/ lower, with all other variables held constant, the Group's profit before tax would have been RM102 (2022: RMNil) higher/lower, arising as a result of higher/lower fair value gains on held for trading investment in equity instruments.

(c) Fair value of financial instruments

The fair value of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value			Total fair value	Carrying amount
	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
2023					
Financial assets					
Other investments:					
- unquoted investments	-	29,735	198,984	228,719	228,719
- quoted investment	10	-	-	10	10
- limited partnership	-	-	4,729	4,729	4,729
Short-term investments	-	3,504	-	3,504	3,504

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(c) Fair value of financial instruments *(Cont'd)*

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position. *(Cont'd)*

	Fair value of financial instruments carried at fair value			Total fair value	Carrying amount
	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000
Group *(Cont'd)*					
2022					
Financial assets					
Other investments:					
- unquoted investments	-	24,309	211,409	235,718	235,718
Short-term investments	-	4,183	-	4,183	4,183
Company					
2023					
Financial asset					
Short-term investments	-	2,222	-	2,222	2,222
2022					
Financial asset					
Short-term investments	-	2,099	-	2,099	2,099

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels during current and previous financial periods.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Non-derivative financial instruments

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

45. FINANCIAL INSTRUMENTS *(CONT'D)*

(c) Fair value of financial instruments *(Cont'd)*

(iv) Level 3 fair value

Level 3 fair value for the financial assets and liabilities are estimated using unobservable inputs.

Reconciliation of fair value measurement of Level 3 financial instruments:

	2023 RM'000	2022 RM'000
Group		
At FVTOCI		
Unquoted shares		
At beginning of the financial year	211,409	222,184
Addition	5,906	-
Disposal	(573)	-
Changes in fair value through OCI	(6,333)	-
Transfer to level 2	(11,425)	-
Transfer to FVTPL	-	(10,775)
At end of the financial year	198,984	211,409
Limited partnership		
At beginning of the financial year	-	-
Addition	4,729	-
At end of the financial year	4,729	-
	203,713	211,409

46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 19 January 2023, the proposed distribution of 84,000,000 ordinary shares in Agmo, representing the Company's entire 25.8% equity interest in Agmo held through MYEGC, a wholly-owned subsidiary of the Company, to entitled shareholders of the Company in two separate tranches by way of a dividend-in-specie ("Proposed Dividend-in-Specie") has been approved.

On 10 March 2023, the Company has successfully executed the first tranche of its dividend-in-specie which entails the distribution of up to 69,750,000 Agmo shares held by the Company through MYEGC. Of these shares, 69,724,752 Agmo shares amounted to RM50,899,069 have been distributed to entitled shareholders, while the remaining 25,248 Agmo shares, stemming from fractional entitlements, will be retained by MYEGC. The basis of distribution was for every one share of the Company's held, the shareholders would be entitled for 0.0093 Agmo share.

On 27 September 2023, the Company has successfully completed the second and final tranche of the dividend-in-specie which entails the distribution of up to 14,275,248 Agmo shares held by the Company through MYEGC. Of these shares, 14,255,806 Agmo shares amounted to RM8,696,042 have been distributed to the entitled shareholders, while the remaining 19,442 Agmo shares resulting from fractional entitlements will be retained by MYEGC. The basis of distribution was for every one share of the Company's held, the shareholders would be entitled for 0.0019 Agmo share.

46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR *(CONT'D)*

(b) On 30 March 2023, the Company entered into a Partnership Agreement with East Logistic-Link Co., Ltd, a wholly-owned agency of the General Administration of Customs of the People's Republic of China. This agreement aims to facilitate cross-border trade by jointly providing a comprehensive range of services, including certificates of origin on the Zetrix blockchain platform. The integration of this technology is expected to enhance the accuracy and efficiency of data availability for tariff computation and customs clearance, particularly within the Regional Comprehensive Economic Partnership member nations. The agreement primarily focuses on international exports entering China, and exporters are now eligible to register for the service, known as Ztrade, at Zetrix.com.

(c) On 12 April 2023, MLSB, a subsidiary of the Company received a letter of acceptance from Penang Development Corporation ("PDC") for a project at Batu Kawan Industrial Park 3 (BKIP 3), Pulau Pinang. The project involves leasing 8.39 acres of land for RM20,393,137 over 30 years to construct and manage a workers village and related facilities for 7,500 foreign workers.

(d) On 8 May 2023, the Company announced that its joint venture company, MYEG Philippines has launched a payment processing service for the Securities and Exchange Commission Philippines providing more convenient payment options to the Filipino public. This initiative reinforces MYEG Philippines' leading position as an e-government services provider in the Philippines.

(e) On 30 May 2023, Zetrix, the Layer-1 blockchain platform by the Company had successful deployment of the Xinghuo International Supernode, along with the introduction of the Xinghuo Blockchain Infrastructure and Facility ("Xinghuo BIF") naming services, compliant with W3C International Standards. Following an agreement between MYEG and China's national blockchain, Xinghuo BIF now owns and operates the Xinghuo International Supernode, marking a significant milestone for real-world use cases on the Zetrix blockchain. Xinghuo BIF which is supported by the China Academy of Information and Communications Technology ("CAICT"), serves as a national blockchain infrastructure facilitating global trade connectivity. This deployment signifies MYEG's commitment to pioneering blockchain technology adoption and facilitating cross-border trade.

(f) On 14 June 2023, the Company collaborates with Universiti Malaya ("UM") and the CAICT for the expansion of its research in development of Artificial Intelligence technology. This expansion builds upon a collaborative project initiated in February 2023, titled "Research on Key Issues of China-Malaysia Transborder Blockchain Infrastructure and Pilot Applications", which was part of the intergovernmental collaboration between Malaysia and the People's Republic of China in Science, Technology, and Innovation.

(g) On 14 June 2023, the Company has entered a non-binding Memorandum of Understanding ("MOU") with Oyika Green Technologies Sdn. Bhd. regarding a collaboration on the use of electric motorcycles and the placement of battery swapping stations at designated locations for a trial period. This initiative aligns with the Company's ongoing efforts to reduce carbon emissions as part of its overarching commitment to achieving net zero by 2050.

(h) On 7 July 2023, the Company announced an extension of its role as the provider of online services for the Immigration Department of Malaysia, following a notification letter dated 4 July 2023 from the Ministry of Home Affairs. This extension, subject to finalisation of terms through further discussions with the Government, allows the Company to also serve as the collection agent for Government revenue.

(i) On 27 July 2023, the Company announced a MOU involving its joint venture, MYEG Philippines, MYEG Ventures Inc. ("MVI"), Cargo Data Exchange Center Inc. ("CDEC"), and the Philippines Bureau of Customs ("BOC"). The MOU aims to deploy Zetrix blockchain-based customs clearance and processing services for the BOC, with collaboration from all parties. MYEG Philippines and MVI will provide the Zetrix Platform in the Philippines, with CDEC facilitating API integration, while the BOC will approve its use for Philippines-China exports.

This announcement highlights the Company's strategic initiative to enhance customs clearance processes through blockchain technology, underscoring the Company's commitment to innovation and efficient service delivery in partnership with key stakeholders in the Philippines.

46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR *(CONT'D)*

(j) On 27 July 2023, the Company received approval from Bursa Malaysia Securities Berhad for the listing and quotation of up to 166,622,721 new shares under the DRP Share Issuance. The approval is subject to compliance with relevant provisions of the Main Market Listing Requirements, including informing Bursa Securities upon completion of the issuance and furnishing written confirmation of compliance. CIMB Investment Bank Berhad ("CIMB") will oversee the implementation of the DRP and is required to pay any additional listing fees based on the final issue price.

(k) On 10 August 2023, CIMB announced on behalf of the Company that the issue price for the new shares to be issued under the DRP in respect of the final single-tier dividend of 1.17 sen per ordinary share for the financial year ended 31 December 2022 had been fixed at RM0.715 per share.

(l) On 18 September 2023, the Company announced a partnership with China's Guangxi Beitou IT Innovation Technology Investment Group Co., Ltd. to utilise the Zetrix blockchain for cross-border credentials verification services, facilitating the digitalization of vital documents, including government-issued identity credentials. Beitou IT Innovation, a subsidiary of Guangxi Beibu Gulf Investment Group Co., Ltd., specializes in digital industry development and manages the China-ASEAN Information Port Beitou Digital Technology Park.

(m) On 19 September 2023, the Company announced the temporary suspension of accepting applications for immigration-related services, effective from 15 September 2023, until further notice. This suspension aims to facilitate the finalisation of concession terms with the Government of Malaysia. Any significant updates regarding the resumption of immigration-related services and the concession extension will be promptly disclosed to Bursa Malaysia Securities Berhad.

(n) On 17 October 2023, the Company announced the receipt of a letter of acceptance dated 16 October 2023, from the Ministry of Home Affairs, extending the Immigration Related Services for a period of 2 years ("the Extension"). As per the Extension requirements, the Company will undertake a system enhancement before resuming acceptance of applications for Immigration related services, with the commencement date to be announced in due course.

(o) On 17 October 2023, the Company announced that its Enterprise Layer 1 Blockchain Zetrix will conduct an Initial Exchange Offering ("IEO") on Coinstore, a digital asset exchange, from 18 October 2023 to 26 October 2023. Following the IEO, Zetrix tokens will be listed on Coinstore, as well as other digital asset exchanges such as MEXC and BitForex on 28 October 2023.

(p) On 23 October 2023, Summer Capital Limited ("Summer Capital") announced its partnership with Zetrix, a public blockchain platform connected to China's national blockchain infrastructure, Xinghuo BIF. This collaboration aims to capitalise on Hong Kong's growing interest in blockchain technology, driven by regulatory developments and government initiatives. Zetrix's integration with Xinghuo BIF provides access to China's digital economy, making it attractive for businesses expanding into China. Summer Capital's strategic investment and network in Hong Kong are expected to enhance Zetrix's position and drive innovation in the web3 space.

(q) On 30 October 2023, the Company announced the extension of its appointment as a collection agent for the Road Transport Department of Malaysia through its subsidiary, EGSB. The extension, effective from 23 May 2023 to 22 May 2026 authorises the Company and EGSB to provide vehicle registration services, driver and vehicle licensing and electronic payment of summon services for a period of three years.

(r) On 30 November 2023, Zetrix initiated a pilot project in collaboration with Chinese banks, starting with the Bank of China, to offer supply chain financing products for international importers and exporters. Leveraging blockchain technology, the project streamlines digital onboarding processes and offers cost-effective financing options. This move aligns with China's robust digital transformation efforts, supported by government initiatives. Zetrix's integration with China's national blockchain, Xinghuo BIF, ensures secure and reliable transactions. Partnering with Dixchain further strengthens Zetrix's ability to provide comprehensive digital solutions for global cross-border trade and finance.

46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR *(CONT'D)*

(s) On 6 December 2023, the Company disclosed the execution of a Lease Agreement between MYEGNC and PDC for a 30-year term commencing from the date of Legal Possession of the Land, at a lease consideration of RM20,403,588.

47. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

(a) On 22 January 2024, Zetrix, a prominent layer-1 public blockchain platform developed by the Company, joined forces with Web3Labs Hong Kong and Summer Capital to advance Hong Kong's Web3 aspirations and establish Zetrix as the preferred blockchain infrastructure for government-aligned applications in the region. Partnerships with key stakeholders in China, Malaysia, and the Philippines have been announced which underscores a commitment to advancing blockchain technology and fostering innovation in the region.

(b) On 16 February 2024, the Company announces that MYEG Philippines, in collaboration with the Social Security System of the Philippines, has established a partnership to streamline the payment process for SSS PH members. This initiative aims to facilitate convenient and efficient online payment of loans and contributions through MYEG Philippines's website, enhancing the overall payment experience for SSS PH members. Through this partnership, MYEG Philippines reinforces its position as a leading provider of e-government services in the Philippines.

(c) On 26 February 2024, the Company entered a MOU with Sarawak Digital Economy Corporation Berhad ("SDEC") to collaborate on providing Electronic Government Services in Sarawak. SDEC, wholly-owned by the Sarawak Government, aims to promote and strengthen the Sarawak Digital and Innovation Ecosystem in alignment with the Post Covid-19 Development Strategy 2030 and Sarawak Digital Economy Strategy 2030.

(d) On 11 March 2024, the Company disclosed that MYEGC, completed the acquisition of 14,572,300 ordinary shares, representing approximately 14.40% equity interest in HeiTech Padu Berhad. The acquisition was conducted via Open Market and Direct Business Transaction, involving a total cash consideration of approximately RM31,247,960.

(e) On 15 March 2024, the Company announced its collaboration with Direct Lending Sdn. Bhd., a digital financing platform, to introduce a Shariah-compliant Buy Now, Pay Later programme designed specifically for automotive services in Malaysia. This initiative allows Malaysians to access various essential automotive services such as flood repair, body and paint work, regular maintenance, towing, and tire replacement, with the flexibility of paying in affordable monthly installments for up to 12 months.

48. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

48. CAPITAL MANAGEMENT *(CONT'D)*

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:

	Group	
	2023	2022
	RM'000	RM'000
Loans and borrowings	846,658	443,058
Lease liabilities	34,026	40,273
	880,684	483,331
Less: Fixed deposits with licensed banks	(23,825)	(20,127)
Less: Cash and bank balances	(60,319)	(56,296)
Net debt	796,540	406,908
Total equity	2,200,286	1,872,103
Gearing ratio (times)	0.36	0.22

49. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 April 2024.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

There were no proceeds raised by the Company from any corporate proposal during the financial year ended 31 December 2023.

2. AUDIT & NON-AUDIT FEES

For FY2023, the audit fees and non-audit fees paid/payable to the external auditors are detailed in the table below:

Type of fee	Group (RM)	Company (RM)
Audit fees	558,400	92,000
Non-audit fees	3,000	3,000
Total	561,400	95,000

3. MATERIAL CONTRACTS

There were no material contracts subsisting at the end of the FY2023 entered into by the Group involving the interests of the Directors' and major shareholders.

4. CONTRACTS RELATING TO LOANS

There were no contracts relating to loans by the Company involving Directors' and major shareholders' interests.

5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Details of transactions with related parties undertaken by the Group during the FY2023 are disclosed in Note 43 to the audited financial statements.

6. EMPLOYEES' SHARE OPTION SCHEME

At the Extraordinary General Meeting ("**EGM**") held on 6 August 2020, the shareholders of the Company approved the establishment of Employees' Share Option Scheme ("**ESOS**") of up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time over the duration of five (5) years from the effective date of implementation of ESOS i.e. on 24 December 2020.

The shareholders of the Company had subsequently during the EGM held on 1 July 2021 approved the allocation of ESOS options to the Directors namely, Dato' Dr Norraesah binti Haji Mohamad, Wong Thean Soon, Datuk Mohd Jimmy Wong bin Abdullah, Wong Kok Chau, and Dato' Sri Mohd Mokhtar Bin Mohd Shariff.

During the financial year, the Company has yet to grant any option to the Directors and/or eligible persons.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is required by the Act to present the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards and give a true and fair view of the state of affairs, the results and cash flows of the Group and the Company.

The Board is satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 December 2023, the appropriate accounting policies were used and applied consistently, adopted to include new and revised Malaysian Financial Reporting Standards where applicable. The Board is also at the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

The Directors are responsible for ensuring that the Company keeps proper accounting records which enable the financial position of the Group and the Company to be disclosed with reasonable accuracy and which enable them to ensure that the financial statements comply with the Act.

The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and irregularities.

Total number of issued shares : 7,558,681,766 (including 99,626,200 treasury shares)
Class of Shares : Ordinary shares
Voting Right : One vote per Ordinary Share
Number of Shareholders : 36,091

DISTRIBUTION OF SHAREHOLDINGS [1]

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%[2]
Less than 100	1,520	4.21	46,187	*
100 to 1,000	5,107	14.15	2,669,555	0.03
1,001 to 10,000	16,401	45.44	83,768,869	1.12
10,001 to 100,000	10,383	28.77	348,077,510	4.67
100,001 – less than 5% of issued shares	2,679	7.42	6,580,845,166	88.23
5% and above issued shares	1	*	443,648,279	5.95
Total	**36,091**	**100.00**	**7,459,055,566**	**100.00**

Notes:-

* *insignificant*

(1) *Pursuant to the Bursa Malaysia Depository Disclosure Framework, reports on the list of shareholders and transactions are based on the settlement cycle of 2 trading days after the transaction date. Hence, the distribution of shareholdings record transactions made up to 28 March 2024 which was subsequently captured in the Record of Depository ("**ROD**") dated 1 April 2024.*

(2) *Excluding a total of 99,626,200 shares bought back by the Company and retained as treasury shares based on the ROD dated 1 April 2024.*

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

	No. of Shares Held			
Names of Substantial Shareholders	**Direct Interest**	**% [1]**	**Indirect Interest**	**% [1]**
Wong Thean Soon	932,393,908	12.50	1,221,214,139 [2]	16.37
Asia Internet Holdings Sdn Bhd	1,221,214,139	16.37	-	-
Kumpulan Wang Persaraan (Diperbadankan) ("**KWAP**")	446,185,064	5.98	86,756,070 [3]	1.16
Employees Provident Fund Board	380,445,319	5.10	-	-

Notes:-

(1) *Excluding a total of 99,626,200 shares bought back by the Company and retained as treasury shares based on the ROD dated 1 April 2024.*

(2) *Deemed interest by virtue of his substantial shareholdings in Asia Internet Holdings Sdn Bhd pursuant to Section 8 of the Act.*

(3) *Deemed interest via KWAP's Fund Manager.*

ANALYSIS OF SHAREHOLDINGS

As at 1 April 2024
(cont'd)

DIRECTORS' SHAREHOLDINGS

	No. of Shares Held			
Name of Directors	**Direct Interest**	**% [1]**	**Indirect Interest**	**% [1]**
Dato' Dr Norraesah binti Haji Mohamad	36,207,350	0.49	-	-
Wong Thean Soon	932,393,908	12.50	1,221,214,139 [2]	16.37
Datuk Mohd Jimmy Wong bin Abdullah	6,611,198	0.089	-	-
Wong Kok Chau	-	-	-	-
Dato' Sri Mohd Mokhtar bin Mohd Shariff	-	-	-	-
Dato' Mohd Jeffrey bin Joakim	-	-	-	-
Mohaini binti Mohd Yusof	-	-	-	-

Notes:-

(1) *Excluding a total of 99,626,200 shares bought back by the Company and retained as treasury shares based on the ROD dated 1 April 2024.*

(2) *Deemed interest by virtue of his substantial shareholdings in Asia Internet Holdings Sdn Bhd pursuant to Section 8 of the Act.*

TOP THIRTY (30) SHAREHOLDERS [1]

No.	Names	No. of Shares	%[2]
1.	Kumpulan Wang Persaraan (Diperbadankan)	443,648,279	5.95
2.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. *Pledged Securities Account for Wong Thean Soon (MY4348)*	293,517,734	3.94
3.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Asia Internet Holdings Sdn. Bhd. (MGN-AIH0002M)*	259,320,725	3.48
4.	AMSEC Nominees (Tempatan) Sdn Bhd *Pledged Securities Account - Ambank (M) Berhad for Asia Internet Holdings Sdn Bhd*	229,977,214	3.08
5.	CIMB Group Nominees (Tempatan) Sdn. Bhd. *CIMB Bank Berhad (EDP 2)*	205,650,442	2.76
6.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. *Maybank Investment Bank Berhad for Wong Thean Soon*	128,486,626	1.72
7.	Maybank Investment Bank Berhad *IVT (10) ECD D1-H*	123,670,353	1.66
8.	Cartaban Nominees (Asing) Sdn Bhd *Exempt an for State Street Bank & Trust Company (WEST CLT OD67)*	120,691,800	1.62
9.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	120,193,837	1.61
10.	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Asia Internet Holdings Sdn. Bhd. (001-Account 2)*	114,982,200	1.54
11.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. *Exempt an for KGI Securities (Singapore) Pte Ltd (66589 T CL)*	103,512,589	1.39
12.	RHB Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Asia Internet Holdings Sdn. Bhd.*	101,692,468	1.36

TOP THIRTY (30) SHAREHOLDERS [1] *(CONT'D)*

No.	Names	No. of Shares	%[2]
13.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. *Pledged Securities Account for Asia Internet Holdings Sdn Bhd (MY2599)*	97,289,248	1.30
14.	Phillip Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Asia Internet Holdings Sdn. Bhd.*	97,116,682	1.30
15.	CIMSEC Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Asia Internet Holdings Sdn Bhd (WBTM)*	92,092,909	1.24
16.	Maybank Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Asia Internet Holdings Sdn. Bhd.*	91,968,079	1.23
17.	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Wong Thean Soon (7003171)*	86,328,333	1.16
18.	HSBC Nominees (Tempatan) Sdn Bhd *HSBC (M) Trustee Bhd for Principal Dali Equity Growth Fund*	79,126,551	1.06
19.	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt an for AIA Bhd.*	78,272,181	1.05
20.	HSBC Nominees (Asing) Sdn Bhd *JPMCB Na for Vanguard Emerging Markets Stocks Index Fund*	72,106,400	0.97
21.	AMSEC Nominees (Tempatan) Sdn Bhd *Pledged Securities Account - Ambank (M) Berhad for Wong Thean Soon (SMART)*	71,731,106	0.96
22.	HSBC Nominees (Asing) Sdn Bhd *JPMCB Na for Vanguard Total International Stock Index Fund*	70,201,162	0.94
23.	Cartaban Nominees (Tempatan) Sdn Bhd *PAMB for Prulink Equity Fund*	67,771,976	0.91
24.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Wong Thean Soon (MGN-WTS0003M)*	67,395,982	0.90
25.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. *CGS International Futures Malaysia Sdn. Bhd. (MY)*	65,446,000	0.88
26.	Maybank Investment Bank Berhad *IVT (15) ECD D1-H*	60,628,400	0.81
27.	Kenanga Investment Bank Berhad *IVT NAGA 8*	60,255,100	0.81
28.	AMSEC Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Wong Thean Soon*	58,473,085	0.78
29.	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Wong Thean Soon (8080812)*	57,841,733	0.78
30.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (Islamic)*	56,707,753	0.76

Notes:-

(1) *Pursuant to the Bursa Malaysia Depository Disclosure Framework, reports on the list of shareholders and transactions are based on the settlement cycle of 2 trading days after the transaction date. Hence, the distribution of shareholdings record transactions made up to 28 March 2024 which was subsequently captured in the ROD dated 1 April 2024.*

(2) *Excluding a total of 99,626,200 shares bought back by the Company and retained as treasury shares based on the ROD dated 1 April 2024.*

LIST OF PROPERTIES

Location	Description/ Existing Use	Land Area/ Built-up Area (sq ft)	Tenure	Approximate Age of Buildings	Net book Value * (RM)	Year of Acquisition
MYEG Tower, Empire City, No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor.	22-storey of Stratified Parcels designated for office use forming part of MYEG Tower	1,012,939/ 238,932	Leasehold, expiring on 8th June 2104	8 years	135,572,638.99	2015
MYEG Tower, Empire City, No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor.	Seven (7) -storey of stratified parcels designated for office use forming part of MYEG Tower	1,012,939/ 79,284	Leasehold, expiring on 8th June 2104	8 years	39,579,401.36	2016
MYEG Tower, Empire City, No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor.	One (1) -storey of stratified parcels designated for office use forming part of MYEG Tower	1,012,939/ 11,206	Leasehold, expiring on 8th June 2104	8 years	5,702,453.48	2017
MYEG Tower, Empire City, No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor.	One (1) -storey of stratified parcels designated for office use forming part of MYEG Tower	1,012,939/ 11,120	Leasehold, expiring on 8th June 2104	8 years	5,761,642.56	2018
MYEG Tower, Empire City No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor.	One (1) commercial space within the podium level below MYEG Tower	1,012,939/ 45,328	Leasehold, expiring on 8th June 2104	5 years	31,938,108.80	2018
MYEG Tower, Empire City, No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor.	One (1) -storey of stratified parcels designated for office use forming part of MYEG Tower	1,012,939/ 11,238	Leasehold, expiring on 8th June 2104	8 years	7,403,787.00	2018
PLO 69, Mukim Sungai Tiram, Daerah Johor Bahru, Johor.	Leasehold Land/ Vacant	387,074.16/-	Leasehold, expiring on 10th January 2053	-	9,677,972.76	2017
HSM 11533, P762, Mukim Sungai Buloh, Tempat Kampung Paya Jaras, Daerah Petaling, Selangor.	Leasehold Land/ Vacant	90,384.55/-	Leasehold, expiring on 22th December 2069	-	8,372,805.56	2021
No. 1, 3, 5, 7, 9, 11, 15, 17, 19, 21, 23, Lorong Sultan Mohamed 25, Taman IKS PKNS, Fasa 3, Bandar Sultan Sulaiman, 42000 Pelabuhan Klang, Selangor.	11 units of 3-storey shop office designated for foreign worker accommodation/ hostel	17,362.19/ 17,362.19	Leasehold, expiring on 30th June 2105	23	4,388,498.16	2021
Lot 7138, Mukim Rawang, Tempat Baru 17, Jalan Rawang, Daerah Gombak, Selangor.	Leasehold Land/Vacant	94,948.45	Leasehold, expiring Jan 2085	-	7,034,725.47	2022

** As at 31 December 2023*

NOTICE OF THE TWENTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third (**"23rd"**) Annual General Meeting (**"AGM"**) of MY E.G. SERVICES BERHAD (**"MYEG"** or **"Company"**) will be held as a virtual meeting through live streaming and online remote voting using Remote Participation and Voting (**"RPV"**) facilities via Vote2U at *https://web.vote2u.my* from the broadcast venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia (**"Broadcast Venue"**) on Tuesday, 25 June 2024 at 10.00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions set out in this Notice.

AGENDA

ORDINARY BUSINESS

1.	To receive the audited financial statements for the financial year ended 31 December 2023 (**"FY2023"**) together with the Reports of the Directors and Auditors thereon.	**Please refer to Explanatory Note A**
2.	To approve the payment of a final single-tier dividend of 1.68 sen per ordinary share in respect of the FY2023.	**Ordinary Resolution 1**
3.	To approve the payment of Directors' fees and benefits to the Directors of the Company and its subsidiaries amounting to RM763,560 for the FY2023.	**Ordinary Resolution 2**
4.	To re-elect the following Directors, who retire pursuant to Clause 94 of the Constitution of the Company and being eligible offer themselves for re-election:	
	4.1 Dato' Sri Mohd. Mokhtar bin Mohd Shariff	**Ordinary Resolution 3**
	4.2 Mr Wong Thean Soon	**Ordinary Resolution 4**
5.	To re-appoint TGS TW PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 5**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:

6. **PROPOSED RENEWAL OF AUTHORITY FOR PURCHASE OF OWN ORDINARY SHARES BY THE COMPANY** — **Ordinary Resolution 6**

"THAT, subject to the Companies Act 2016 (**"Act"**), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) and any other relevant authorities, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of MYEG (**"MYEG Shares"**) comprised in the Company's total number of issued shares, such purchases to be made through the Bursa Securities subject further to the following:

(i) the aggregate number of MYEG Shares which may be purchased and/or held by the Company shall be up to ten percent (10%) of the total number of issued MYEG Shares for the time being;

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing the MYEG Shares shall not exceed the total retained profits of the Company. As at 31 December 2023, the audited retained profits of the Company were approximately RM352.763 million;

(iii) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

(a) the conclusion of the Twenty-Fourth ("**24th**") AGM, following the 23rd AGM at which the proposed renewal of authority for purchase of own shares by the Company was passed, at which time it will lapse unless an ordinary resolution is passed at the 24th AGM, the authority is renewed, either unconditionally or subject to conditions;

(b) the expiration of the period within which the 24th AGM after that date is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by the Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authority; and

(iv) upon completion of the purchase(s) of the MYEG Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the MYEG Shares in the following manner:

(a) cancel the MYEG Shares purchased; or

(b) retain the MYEG Shares purchased as treasury shares; or

(c) retain part of the MYEG Shares purchased as treasury shares and cancel the remainder of the MYEG Shares purchased; or

(d) distribute the treasury shares as dividends to shareholders and/or resell on the Bursa Securities and/or transfer the MYEG Shares or any of the MYEG Shares for the purposes of or under an employees' share scheme and/or transfer the MYEG Shares or any of the MYEG Shares as purchase consideration and/or cancel all or part of them and/or sell, transfer or otherwise use the MYEG Shares for such other purposes as minister charged with the responsibility for companies may by order prescribe; or

(e) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Bursa Securities and any other relevant authority for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the MYEG Shares with full power to assent to any condition, modification, variation and/or amendments as may be imposed by the relevant authorities and to take all such step as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

7. **PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES BY THE DIRECTORS AND WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO THE ACT** **Ordinary Resolution 7**

"THAT pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby empowered to allot and issue MYEG Shares, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of MYEG Shares to be issued does not exceed ten percent (10%) of the total number of issued MYEG Shares (excluding treasury shares) at the time of issue and THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional MYEG Shares so issued on the main market of Bursa Securities and THAT such authority shall continue to be in force until the conclusion of the 24th AGM of the Company.

THAT in connection with the above, pursuant to Section 85 of the Act to be read together with Clause 58 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of the new shares above by the Company."

8. **PROPOSED RENEWAL OF AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW MYEG SHARES IN RELATION TO THE DIVIDEND REINVESTMENT PLAN ("DRP") THAT PROVIDES SHAREHOLDERS WITH AN OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN MYEG SHARES** **Ordinary Resolution 8**

"THAT pursuant to the DRP approved by the shareholders at the Extraordinary General Meeting held on 6 August 2020, approval be and is hereby given to the Company to allot and issue such number of new MYEG Shares for the DRP until the conclusion of the 24th AGM, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company PROVIDED THAT the issue price of the said new MYEG Shares, shall be determined and fixed by the Board of Directors ("**the Board**") at not more than ten percent (10%) discount to the 5-day volume weighted average market price ("**VWAP**") of MYEG Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time;

AND THAT the Board be and is hereby authorised to do all such acts and enter into all such transactions, arrangements, and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as the Board may, in its absolute discretion, deem fit and in the best interest of the Company."

9. To transact any other business that may be transacted at the 23rd AGM of which due notice shall have been given in accordance with the Act and the Constitution of the Company.

By Order of the Board

TAI YIT CHAN (MAICSA 7009143) (SSM PC No.: 202008001023)
TAN AI NING (MAICSA 7015852) (SSM PC No.: 202008000067)
Company Secretaries

Selangor Darul Ehsan
30 April 2024

EXPLANATORY NOTES:

(A) Audited Financial Statements

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders. Hence, this item is not put forward for voting.

(B) Ordinary Resolution 2 – Payment of Directors' fees and benefits for the FY2023

Payment of Directors' Fees and Benefits under Section 230(1) of the Act provides amongst others, that the Directors' fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting.

The current annual fee for the Directors' fees, which was last approved by the Board of Directors in year 2023 had remained unchanged since financial year 2020. During a review in year 2024, the Remuneration Committee recommended and the Board has approved, subject to shareholders' approval at this coming AGM, for Directors' fees to remain unchanged. The Executive Directors do not receive executive remuneration and there are no benefits payable to Directors. Details of the Directors' fees for FY2023 are set out in the Corporate Governance Statement of MYEG's integrated annual report for the financial year ended 31 December 2023 ("**Integrated Annual Report 2023**") and Corporate Governance Report 2023.

(C) Ordinary Resolutions 3 and 4 – Re-election of Directors

The profiles of the Directors who are standing for re-election as per Agenda item no. 4 are set out in the Board of Directors' profile of the Integrated Annual Report 2023.

The Nomination Committee ("**NC**") has considered the performance and contribution of each of the retiring Director for seeking re-election. In addition, the NC has also conducted an assessment on the fitness and propriety of the retiring Directors including the review of their fit and proper declarations in accordance with the Directors' Fit and Proper Policy. The said retiring Directors have abstained from deliberations and decisions on their own eligibility and sustainability to stand for re-election. Based on the recommendation of the NC, the Board is satisfied with the performance and contributions of the following Directors and supports the re-election based on the following justifications:

(i) Ordinary Resolution 3 – Re-election of Dato' Sri Mohd. Mokhtar bin Mohd Shariff as Independent Non-Executive Director

Dato' Sri Mohd. Mokhtar bin Mohd Shariff fulfils the requirements of independence set out in the Main Market Listing Requirements ("**MMLR**") of Bursa Securities as well as the Malaysian Code on Corporate Governance. He has demonstrated his independence through his engagement in the meetings by proactively giving valuable insights to the Management in developing the Group's business strategies. He also exercised his due care and carried out his professional duties proficiently during his tenure as an Independent Non-Executive Director of the Company.

(ii) Ordinary Resolution 4 – Re-election of Mr Wong Thean Soon as Group Managing Director

Mr Wong Thean Soon proactively provides advisory guidance on the strategic business direction to the Group. He shows exemplary leadership in building business and creating value, he has contributed significantly to the Group by providing valuable inputs and steered the Group forward with notable achievements during his tenure as a Group Managing Director of the Company.

(D) Ordinary Resolution 6 - Proposed Renewal of Authority for Purchase of Own Ordinary Shares by the Company

The proposed Ordinary Resolution 6 if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total number of issued MYEG Shares. This authority unless revoked or varied by the Company at a general meeting will expire at the 24th AGM of the Company.

Please refer to the statement to shareholders in relation to the proposed renewal of authority for purchase of own ordinary shares by MYEG dated 30 April 2024 for further information.

(E) Ordinary Resolution 7 - Proposed Authority to Allot and Issue Shares by Directors and Waiver of Pre-Emptive Rights pursuant to the Act

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act.

The mandate, if passed, will give flexibility to the Directors of the Company to issue shares and allot up to a maximum of 10% of the total number of issued MYEG Shares (excluding treasury shares) at the time of such allotment and issuance of MYEG Shares and for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the 24th AGM of the Company.

The waiver of pre-emptive rights pursuant to Section 85 of the Act to be read together with Clause 58 of the Constitution of the Company will allow the Directors of the Company to issue new shares of the Company which will rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

The rationale for this resolution is to eliminate the need to convene general meeting(s) from time to time to seek shareholders' approval as and when the Company issues new MYEG Shares for future business opportunities for the purpose of funding investment project(s), working capital and/or acquisitions and thereby reducing administrative time and cost associated with the convening of such meeting(s).

The Company has not issued and allotted any MYEG Shares since obtaining the said authority from its shareholders at the 22nd AGM held on 22 June 2023, and therefore, no proceeds were raised from this authority.

(F) Ordinary Resolution 8 – Proposed Renewal of Authority for Directors to Allot and Issue New MYEG Shares in relation to the DRP

The proposed Ordinary Resolution 8, if passed, will give authority to the Directors of the Company to allot and issue new MYEG Shares pursuant to the DRP. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the 24th AGM of the Company.

PARTICIPATION AND PROXY:

1. The 23rd AGM of the Company will be held as a virtual meeting through live streaming and online remote voting using RPV facilities via Vote2U at *https://web.vote2u.my*. Please refer to the Administrative Guide for Shareholders for the procedures to register, participate and vote remotely through the RPV facilities.

2. In compliance with Section 327(2) of the Act, the Chairman shall be present at the main venue of the meeting in Malaysia and in accordance with Clause 63 of the Company's Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that allows all Members of the Company to participate and exercise the members' right to participate and vote at the meeting. Shareholders, proxy(ies) and corporate representatives will not be allowed to be physically present nor enter the Broadcast Venue.

3. Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, voting at the 23rd AGM will be conducted by poll rather than a show of hands. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

4. A member entitled to attend, participate and vote at the virtual meeting is entitled to appoint proxy(ies) to attend and vote in his/her stead. If the proxy(ies) is not a member of the Company, he/she need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies and there shall be no restriction as to qualification of the proxy(ies).

5. A member shall be entitled to appoint up to two (2) proxies or attorneys or authorised representatives to vote at the same virtual meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.

6. Where a member of the Company is an exempt authorised nominee which holds MYEG Shares for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

7. An instrument appointing a proxy must be in writing under the hand of the appointer or his/her attorney is duly authorised and in the case of corporation shall be either under its common seal or under the hand of an officer or attorney duly authorised.

8. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty eight (48) hours before the time set for holding the virtual meeting (no later than Sunday, 23 June 2024 at 10.00 a.m.) or at any adjournment of the virtual meeting failing which, the instrument of proxy shall not be treated as valid.

   Alternatively, individual shareholders may choose to submit the electronic Proxy Form ("**e-Proxy Form**") using RPV facilities via Vote2U at *https://web.vote2u.my* no later than Sunday, 23 June 2024 at 10.00 a.m. or at any adjournment of virtual meeting. Please refer to the Administrative Guide for Shareholders for the procedures to submit the Proxy Form/e-Proxy Form.

9. The appointment of the proxy(ies) will be **INVALID** if the Proxy Form/e-Proxy Form is not completed correctly in accordance with the instructions stated in the form.

10. In respect of deposited securities, only members whose names appear on the Record of Depositors on Tuesday, 18 June 2024 (General Meeting Record of Depositors) shall be eligible to attend the virtual meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

MODE OF COMMUNICATION:

Prior to the 23rd AGM, shareholders may submit questions to the Board of Directors at *www.myeg.com.my/investor-relations/general-meetings* latest by Sunday, 23 June 2024 and the response will be broadcasted during the virtual meeting. During the 23rd AGM, shareholders may submit questions by clicking on "*Ask Question*" on the RPV facilities while participating in the virtual meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, participate and vote at the 23rd AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 23rd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 23rd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

NUMBER OF SHARES HELD	CDS ACCOUNT NO.

MY E.G. SERVICES BERHAD

[Registration No. 200001003034 (505639-K)]
(Incorporated in Malaysia)

I/We, _____ NRIC/Registration No. _____
(Full name in block letters)

of _____
(Full Address)

telephone no. _____email address_____ being a member/members of **MY E.G. Services Berhad** (the "**Company**") hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Twenty-Third ("**23rd**") Annual General Meeting ("**AGM**") of the Company which will be held as a virtual meeting through live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities via Vote2U at *https://web.vote2u.my* from the broadcast venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Tuesday, 25 June 2024 at 10.00 a.m. and at any adjournment thereof:

IMPORTANT NOTE:

Please indicate below by (i) tick [√] either **ONE** of the options (a) or (b) for the number of proxy(ies) which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented, (iii) please tick [√] option (c) if you would like to appoint the Chairman of the 23rd AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/ Registration No.	Address & Email Address	Proportion of shareholding to be represented
(a)	**Appoint ONE proxy only** *(Please complete details of proxy below)*			
Proxy				100%
(b)	**Appoint MORE THAN ONE proxy** *(Please complete details of proxies & proportion of shareholding to be represented by each proxy below)*			
Proxy 1				%
Proxy 2				%
				100%
(c)	**The Chairman of the 23rd AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf**			

My/our proxy/proxies is/are to vote as indicated below:

Please indicate with an "X" in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

NO.	RESOLUTION	FOR		AGAINST	
	Ordinary Business	Proxy 1	Proxy 2	Proxy 1	Proxy 2
Ordinary Resolution 1	To approve the payment of a final single-tier dividend of 1.68 sen per ordinary share in respect of the financial year ended 31 December 2023				
Ordinary Resolution 2	To approve the payment of Directors' fees and benefits to the Directors of the Company and its subsidiaries amounting to RM763,560 for the financial year ended 31 December 2023				
Ordinary Resolution 3	To re-elect Dato' Sri Mohd. Mokhtar bin Mohd Shariff				
Ordinary Resolution 4	To re-elect Mr Wong Thean Soon				
Ordinary Resolution 5	To re-appoint TGS TW PLT as Auditors of the Company and to authorise the Directors to fix their remuneration				
	Special Business				
Ordinary Resolution 6	Proposed renewal of authority for purchase of own ordinary shares by the Company				
Ordinary Resolution 7	Proposed authority to allot and issue shares by the Directors and waiver of pre-emptive rights pursuant to the Companies Act 2016				
Ordinary Resolution 8	Proposed renewal of authority for Directors to allot and issue new MYEG Shares in relation to the Dividend Reinvestment Plan				

Dated this _____ day of _____ 2024

_____
Signature / Common Seal of Shareholder

Participation and Proxy:

1. The 23rd AGM of the Company will be held as a virtual meeting through live streaming and online remote voting using RPV facilities via Vote2U at *https://web.vote2u.my*. Please refer to the Administrative Guide for Shareholders for the procedures to register, participate and vote remotely through the RPV facilities.
2. In compliance with Section 327(2) of the Companies Act 2016 ("**Act**"), the Chairman shall be present at the main venue of the meeting in Malaysia and in accordance with Clause 63 of the Company's Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that allows all Members of the Company to participate and exercise the members' right to participate and vote at the meeting. Shareholders, proxy(ies) and corporate representatives will not be allowed to be physically present nor enter the Broadcast Venue.
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4. A member entitled to attend, participate and vote at the virtual meeting is entitled to appoint proxy(ies) to attend and vote in his/her stead. If the proxy(ies) is not a member of the Company, he/she need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies and there shall be no restriction as to qualification of the proxy(ies).
5. A member shall be entitled to appoint up to two (2) proxies or attorneys or authorised representatives to vote at the same virtual meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

Please fold here

Stamp

The Share Registrar

MY E.G. SERVICES BERHAD
[Registration No. 200001003034 (505639-K)]

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

Please fold here

7. An instrument appointing a proxy must be in writing under the hand of the appointer or his/her attorney is duly authorised and in the case of corporation shall be either under its common seal or under the hand of an officer or attorney duly authorised.
8. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty eight (48) hours before the time set for holding the virtual meeting (no later than Sunday, 23 June 2024 at 10.00 a.m.) or at any adjournment of the virtual meeting failing which, the instrument of proxy shall not be treated as valid.

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9. The appointment of the proxy(ies) will be **INVALID** if the Proxy Form/e-Proxy Form is not completed correctly in accordance with the instructions stated in the form.
10. In respect of deposited securities, only members whose names appear on the Record of Depositors on Tuesday, 18 June 2024 (General Meeting Record of Depositors) shall be eligible to attend the virtual meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the 23rd AGM dated 30 April 2024.



www.myeg.com.my

Corporate Head Office:
Level 43A, MYEG Tower, Empire City
No 8, Jalan Damansara, PJU 8,
47820 Petaling Jaya, Selangor.
Tel: 03-7664 8000 Fax: 03-7664 8008
Email: investors@myeg.com.my

Customer Service Office:
Level UG, MYEG Tower, Empire City,
No 8, Jalan Damansara, PJU 8,
47820 Petaling Jaya, Selangor.
Tel: 03-7801 8888
Email: help@myeg.com.my