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# **MY E.G. SERVICES BERHAD**

(505639-K)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**



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**MY E.G. SERVICES BERHAD**  
(Company No. 505639-K)

**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income  
for the Third Quarter ended September 30, 2021  
(The figures have not been audited)**

	Individual Quarter			Cumulative Quarter		
	3 Months Ended			9 Months Ended		
	30.09.2021	30.09.2020	Changes	30.09.2021	30.09.2020	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	156,796	136,096	15.2	489,989	382,173	28.2
Operating Expenses	(64,782)	(57,492)	12.7	(214,701)	(161,554)	32.9
Operating Profit	92,014	78,604	17.1	275,288	220,619	24.8
Depreciation and Amortisation	(11,788)	(6,681)	76.4	(35,250)	(20,577)	71.3
Interest Income	523	85	515.3	2,789	397	602.5
Other Income	-	125	100.0	3	126	(97.6)
Share of results of a joint venture	(312)	(123)	153.7	(286)	(584)	(51.0)
Share of results of an associate	(257)	480	(153.5)	(1,102)	(620)	77.7
Profit Before Interest and Taxation	80,180	72,490	10.6	241,442	199,361	21.1
Interest Expense	(1,410)	(1,660)	(15.1)	(4,952)	(5,692)	(13.0)
Profit Before Taxation	78,770	70,830	11.2	236,490	193,669	22.1
Taxation	(622)	(750)	(17.1)	(1,762)	(2,024)	(12.9)
Profit After Taxation	78,148	70,080	11.5	234,728	191,645	22.5
Other Comprehensive Expenses	(2)	(24)	(91.7)	(2)	(21)	(90.5)
Total Comprehensive Income for the financial period	78,146	70,056	11.5	234,726	191,624	22.5
Profit After Taxation attributable to:						
Owners of the Company	78,463	70,743	10.9	235,432	192,643	22.2
Non-controlling interest	(315)	(663)	(52.5)	(704)	(998)	(29.5)
	78,148	70,080	11.5	234,728	191,645	22.5
Total Comprehensive Income attributable to:						
Owners of the Company	78,461	70,719	10.9	235,430	192,622	22.2
Non-controlling interest	(315)	(663)	(52.5)	(704)	(998)	(29.5)
	78,146	70,056	11.5	234,726	191,624	22.5
Earnings per share ("EPS") attributable to the equity holders of the Company (sen)						
- Basic EPS	1.1	1.0 *		3.3	2.7 *	
- Diluted EPS	Not Applicable	Not Applicable		Not Applicable	Not Applicable	

\* Comparative figures for the weighted average number of ordinary shares for basic earnings per share have been restated to reflect the adjustment arising from the Bonus Issue during the financial year ending 31 December 2021.

Notes:

- i) The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes to the Interim Financial Statements.

**MY E.G. SERVICES BERHAD**  
(Company No. 505639-K)

**Condensed Consolidated Statements of Financial Position**  
**As at September 30, 2021**

	Unaudited As at 30.09.2021 RM'000	Audited As at 31.12.2020 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipment	379,221	330,823
Right-of-use assets	5,463	6,253
Investment properties	29,824	30,313
Investment in associates	15,795	12,810
Investment in joint ventures	6,772	6,121
Other investments	144,103	138,000
Development costs	140,384	126,733
Goodwill on consolidation	18,454	18,454
Financing receivables	197,943	196,667
	<u>937,959</u>	<u>866,174</u>
<b>CURRENT ASSETS</b>		
Inventories	13,296	3,428
Financing receivables	37,966	32,964
Trade receivables	112,487	172,783
Other receivables, deposits and prepayments	119,819	103,959
Amount owing by joint ventures	2,510	514
Amount owing by associates	13	5
Current tax assets	1,946	2,295
Cash and cash equivalents	375,703	234,613
	<u>663,740</u>	<u>550,561</u>
<b>TOTAL ASSETS</b>	<u>1,601,699</u>	<u>1,416,735</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
Share capital	664,160	634,262
Treasury shares	(127,218)	(61,652)
Reserves	6,419	6,421
Retained profits	744,618	570,191
	<u>1,287,979</u>	<u>1,149,222</u>
Non-controlling interests	(7,083)	(6,399)
<b>TOTAL EQUITY</b>	<u>1,280,896</u>	<u>1,142,823</u>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	101,369	120,840
Long term lease liabilities	2,568	1,911
Deferred tax liabilities	2,477	2,373
	<u>106,414</u>	<u>125,124</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	123,675	72,404
Other payables and accruals	42,955	26,839
Deferred revenue	1,258	1,252
Amount owing to an associate	33	33
Current tax liabilities	56	36
Short term borrowings	44,449	44,678
Short term lease liabilities	1,963	3,546
	<u>214,389</u>	<u>148,788</u>
<b>TOTAL LIABILITIES</b>	<u>320,803</u>	<u>273,912</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,601,699</u>	<u>1,416,735</u>
Net assets attributable to ordinary equity holders of the parent (RM'000)	1,287,979	1,149,222
Net assets per share attributable to ordinary equity holders of the parent (sen)	17.89	15.88 *

\* Comparative figure for the number of ordinary shares for net assets per share attributable to ordinary equity holders of the parent has been restated to reflect the adjustment arising from the Bonus Issue during the financial year ending 31 December 2021.

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes to the Unaudited Financial Statements.

**MY E.G. SERVICES BERHAD**  
**(Company No. 505639-K)**

**Condensed Consolidated Statements of Changes in Equity**  
**For the Third Quarter ended September 30, 2021**  
**(The figures have not been audited)**

	<----- Non-Distributable ----->				Distributable Retained Profits	Attributable to Owners of the Company	Non- controlling Interests	Total Equity
	Share Capital	Treasury Shares	Fair Value Reserve	Foreign Exchange Reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2020	360,630	(144,743)	6,401	38	490,606	712,932	(4,937)	707,995
Profit after tax for the financial period	-	-	-	-	192,643	192,643	(998)	191,645
Other comprehensive expense for the financial period	-	-	-	(21)	-	(21)	-	(21)
Total comprehensive income for the financial period	-	-	-	(21)	192,643	192,622	(998)	191,624
Issuance of ordinary shares	14,975	-	-	-	-	14,975	-	14,975
Purchase of treasury shares	-	(28,316)	-	-	-	(28,316)	-	(28,316)
Cancellation of treasury shares	(1,250)	15,433	-	-	(14,183)	-	-	-
As at 30 September 2020	374,355	(157,626)	6,401	17	669,066	892,213	(5,935)	886,278
As at 1 January 2021	634,262	(61,652)	6,401	20	570,191	1,149,222	(6,399)	1,142,823
Profit after tax for the financial period	-	-	-	-	235,432	235,432	(704)	234,728
Other comprehensive expense for the financial period	-	-	-	(2)	-	(2)	-	(2)
Total comprehensive income for the financial period	-	-	-	(2)	235,432	235,430	(704)	234,726
Expenses related to issuance of ordinary shares	(429)	-	-	-	-	(429)	-	(429)
Issuance of ordinary shares pursuant to Dividend Reinvestment Plan	30,327	-	-	-	-	30,327	-	30,327
Additional subscription of shares by minority interest	-	-	-	-	-	-	20	20
Purchase of treasury shares	-	(65,566)	-	-	-	(65,566)	-	(65,566)
Dividend paid	-	-	-	-	(61,005)	(61,005)	-	(61,005)
As at 30 September 2021	664,160	(127,218)	6,401	18	744,618	1,287,979	(7,083)	1,280,896

Notes:

- i) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes to the Unaudited Financial Statements.

**MY E.G. SERVICES BERHAD**  
**(Company No. 505639-K)**

**Condensed Consolidated Statements of Cash Flows for the Third Quarter ended September 30, 2021**  
**(The figures have not been audited)**

	<b>Current Period Ended 30.09.2021 RM'000</b>	<b>Corresponding Period Ended 30.09.2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	236,490	193,669
Adjustments for:-		
Amortisation of development costs	16,601	684
Depreciation of equipment	16,795	18,027
Depreciation of right of use assets	3,379	4,709
Depreciation of investment properties	489	489
Fixed assets written off	1	9
Gain on disposal of fixed assets	(29)	(9)
Gain on disposal of right of use assets	(1)	(121)
Asset transfer in	(5)	-
Stock written off	82	-
Interest expense	4,824	5,621
Interest expense on lease liabilities	171	243
Share of results in an associate	1,102	620
Share of results for joint ventures	286	584
Interest income	(2,789)	(397)
Impairment loss on trade receivables	45	506
	<hr/>	<hr/>
Operating profit before working capital changes	277,441	224,634
Increase / (decrease) in deferred revenue	6	(130)
Increase in inventories	(9,950)	(3,923)
(Increase) / Decrease in financing receivables	(6,300)	85,141
Decrease in trade and other receivables	44,413	4,788
Increase in trade and other payables	67,387	92,614
	<hr/>	<hr/>
<b>CASH FLOWS FROM OPERATIONS</b>	<b>372,997</b>	<b>403,124</b>
Income tax paid	(1,289)	(1,949)
Interest paid	(4,824)	(5,621)
	<hr/>	<hr/>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>366,884</b>	<b>395,554</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Development costs paid	(30,252)	(60,097)
Interest received	2,789	397
Purchase of property and equipment	(65,161)	(17,841)
Additions of right-of-use assets	(169)	(20)
Proceeds from disposal of property and equipment	1	92
Proceeds from disposal of right of use assets	-	160
Investment in a joint venture	(937)	(751)
Investment in an associate	(4,087)	(33)
Purchase of other investments	(6,103)	(93,500)
Subscription of shares in a subsidiary by non-controlling interest	20	-
	<hr/>	<hr/>
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(103,899)</b>	<b>(171,593)</b>

**MY E.G. SERVICES BERHAD**  
**(Company No. 505639-K)**

**Condensed Consolidated Statements of Cash Flows for the Third Quarter ended September 30, 2021**  
**(The figures have not been audited) (Cont'd)**

	<b>Current Period Ended 30.09.2021 RM'000</b>	<b>Corresponding Period Ended 30.09.2020 RM'000</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Dividends paid	(30,678)	-
Increase in amount owing by associates	(8)	392
Decrease in amount due to a joint venture	(1,996)	(219)
Purchase of treasury shares	(65,566)	(28,316)
Issuance of new shares	-	14,975
Expenses related to issuance of ordinary shares	(429)	-
Drawdown of term loan	-	1,689
Repayment of term loans	(19,700)	(9,121)
Repayment of lease liabilities	(3,345)	(4,471)
Interest expenses on lease liabilities paid	(171)	(243)
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<b>(121,893)</b>	<b>(25,314)</b>
<b>NET INCREASE IN CASH AND BANK BALANCES</b>	<b>141,092</b>	<b>198,647</b>
<b>EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD</b>	<b>(2)</b>	<b>(21)</b>
<b>CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>234,613</b>	<b>76,220</b>
<b>CASH AND BANK BALANCES AT END OF THE FINANCIAL PERIOD</b>	<b>375,703</b>	<b>274,846</b>

Notes:

- i) The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes to the Unaudited Financial Statements.

**Notes To The Interim Financial Report For the Financial Period ended September 30, 2021**

**A Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the MFRS 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of My E.G. Services Bhd and its subsidiaries (“the Group”) for the financial year ended 31 December 2020.

The same accounting policies and methods of computation adopted in these interim financial statements are consistent with the annual financial statements for the financial year ended 31 December 2020.

During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

**MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 3: Definition of a Business

Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108: Definition of Material

Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

## A1. Basis of Preparation (Cont'd)

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB"):-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 16: Covid-19-Related Rent Concessions	1 June 2020
Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

## A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not qualified.

## A3. Seasonal and Cyclical Factors

The Group's business operation result was previously subjected to seasonality factors as the demand for new driving licences generally increases in the first half of the calendar year (i.e the First and Second Financial Quarters) due mainly to the long school holidays after the Government exams, where most 16-20 year olds would obtain their driving licences between the months of January to June. Therefore, revenue related to the "Jabatan Pengangkutan Jalan Malaysia" ("JPJ") in the first half of the calendar year (January – June) has historically been approximately 50% higher than the JPJ-related revenue recorded for the second half of the calendar year (July – December). However, the seasonal impact of JPJ test taking revenue had since diminished commencing from Financial Year ("FY") ended 30 June 2015 as revenue from other services increasingly contribute to a larger proportion of group revenue.



#### **A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group during the current financial quarter under review, that are unusual by reason of their nature, size or incidence.

#### **A5. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years, which have a material effect on the current quarter's results.

#### **A6. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter under review, saved for the share buy-backs disclosed below which the total considerations were financed from internally generated funds and the treasury shares were treated in accordance with the requirement of Section 127 of the Companies Act 2016:

<b>Date of buy back</b>	<b>No of shares purchase (units)</b>	<b>Total (RM)</b>
01.07.2021	1,000,000	1,786,394
07.07.2021	1,000,000	1,726,186
08.07.2021	375,900	611,277
12.07.2021	557,400	911,348
13.07.2021	1,200,200	1,956,312
15.07.2021	1,000,000	1,655,942
29.07.2021	1,000,000	1,706,116
30.07.2021	408,700	672,801
02.08.2021	1,000,000	1,635,872
03.08.2021	1,000,000	1,645,907
04.08.2021	1,000,000	1,595,733
05.08.2021	63,400	100,622
06.08.2021	837,500	1,319,651
09.08.2021	1,000,000	1,605,768
11.08.2021	773,600	1,288,845
12.08.2021	1,000,000	1,665,977
13.08.2021	1,000,000	1,655,942
16.08.2021	1,000,000	1,615,803
17.08.2021	1,000,000	1,615,803
20.08.2021	1,000,000	1,746,255

The total shares purchased during the financial quarter ended 30 September 2021 amounted to 17,216,700 (30 September 2020: 12,078,800) MYEG shares.

Upon completion of the bonus issue exercise on 15 September 2021, a total of 91,001,500 MYEG shares were issued as treasury shares.

As at 30 September 2021, a total of 182,003,000 (30 September 2020: 303,366,400\*) MYEG shares were retained as treasury shares in the Company. None of the treasury shares held were resold or cancelled during the financial period ended 30 September 2021.

\* Comparative figures for the number of treasury shares have been restated to reflect the adjustment arising from the Bonus Issue during the financial year ending 31 December 2021.

#### **A7. Dividends Paid**

On 3 March 2021, the Directors have proposed a final dividend of 1.7 sen per ordinary share (2019 – 2.0 sen) for the financial year ended 31 December 2020 of which the shareholders had approved at the 20th Annual General Meeting (“AGM”) held on 1 July 2021. The final dividend amounting to approximately RM61,005,160 was based on the current share capital of 3,588,539,337 ordinary shares (excluding 83,390,400 treasury shares) and it was paid on 10 September 2021. Under the Dividend Reinvestment Scheme, a total of 18,380,084 new ordinary shares were issued at the price of RM1.65 per MYEG share which amounted to RM30,327,139.

On 23 August 2021, the Directors have declared a first interim single tier dividend of 0.25 sen per ordinary share (2020 – 0.5 sen) for the current financial year ending 31 December 2021, which was paid on 11 November 2021 to shareholders registered at the closed business on 15 October 2021.

#### **A8. Segmental Information**

The Group operates wholly in Malaysia and is principally engaged in the business of development and implementation of E-Government services project and the provision of other upstream and downstream related services for the E-Government Initiative which are substantially within a single business segment. As such, the financial information by geographical and industry segments of the Group’s operations are not available for presentation.

#### **A9. Valuation of Property, Plant and Equipment**

There has been no valuation on any of the Group’s property, plant and equipment during the current financial quarter under review.

#### **A10. Subsequent Events**

There were no material events subsequent to the end of the current financial quarter under review.

#### **A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial quarter under review.

#### **A12. Contingent Liabilities**

The Directors are of the opinion that the Group has no contingent liabilities, which, upon crystallisation would have a material impact on the financial position and business of the Group.

#### **A13. Capital Commitments**

There were no capital commitments during the current financial quarter under review.

#### A14. Related Party Transactions

The related party transactions of the Group for the Quarter and Financial Period ended 30 September 2021 are as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.09.2021 RM	30.09.2020 RM	30.09.2021 RM	30.09.2020 RM
<b>(i) A company which a director has financial interest</b>				
Embunaz Ventures Sdn Bhd				
- Professional Fees	62,400	62,400	187,200	187,200

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that were mutually agreed between the parties.

## **B Explanatory Notes Pursuant To Appendix 9B Of The Main Market Listing Requirements Of Bursa Malaysia Securities Berhad**

### **B1. Performance of the Group**

The Group posted Revenue and Profit after Taxation ("PAT") of RM156.80 million and RM78.15 million respectively for the third financial quarter ("Q3 FY2021") as compared to RM136.10 million and RM70.08 million respectively in the corresponding quarter ("Q3 FY2020"). The increase of approximately RM20.70 million (or 15.2%) in Revenue and RM8.07 million (or 11.5%) in PAT is primarily attributable to:

- (i) contribution from our new concession services, namely the online renewal of motorcycle insurance and road tax ("MIRT") as well as online renewal of Competent Driving License ("CDL");
- (ii) contribution from our new commercial services, namely COVID-19 health screening, quarantine collection services under MySafeTravel ("MST") and MySafeQuarantine ("MySafeQ") as well as increased online sale of groceries through our "Nak Beli" online store; and
- (iii) an overall increase in online transaction volumes for our existing concession and commercial services as more users opted to transact online due to the COVID-19 pandemic.

For the year-to-date period ended 30 September 2021 ("9M FY2021"), the Group recorded Revenue of RM489.99 million as compared to RM382.17 million in the corresponding period ("9M FY2020"). This represents an increase of RM107.82 million (28.2%) in Revenue. PAT for 9M FY2021 increased by RM43.08 million (22.5%) to RM234.73 million as compared to RM191.65 million achieved in 9M FY2020. The increase in Revenue and PAT is primarily attributable to:

- (i) the full 9 months of contribution from the new concession and commercial services introduced in the second half of FY2020; and
- (ii) an overall increase in online transaction volumes for our existing concession and commercial services as users continue their preference for online transactions due to the COVID-19 pandemic.

### **B2. Comparison with Preceding Quarter's Results**

	<b>Q3 2021</b>	<b>Q2 2021</b>	<b>Changes</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	156,796	161,729	(3.05)
Operating Profit	92,014	93,768	(1.87)
Profit Before Interest and Taxation	80,180	82,532	(2.85)
Profit Before Taxation	78,770	80,633	(2.31)
Profit After Taxation	78,148	80,108	(2.45)
Profit attributable to Ordinary Equity Holders of the Parent	78,463	80,684	(2.75)

For the Quarter under review, the Group recorded a Revenue of RM156.80 million, a net decrease of RM4.93 million (3.05%) as compared to Q2 FY2021 Revenue of RM161.73 million. The decrease in Revenue was mainly due to the continuation of the temporary closure of our E-Service Centres as a result of the temporary closure of Driving Institutes due to the lockdown under Movement Control Order ("MCO") which was imposed in several Malaysian states. The lockdown then transited to a total nationwide lockdown under the Enhanced Movement Control Order ("EMCO") imposed by the Government from May 2021 onwards. The lockdown was then further extended under Phase 1 of the National Recovery Plan for the duration of the Quarter under review.

The decrease in Revenue resulted in a slight decrease in the PAT by RM1.96 million (2.45%) to RM78.15 million, as compared to Q2 FY2021 PAT of RM80.11 million.

### B3. Prospect of the Group

For the financial year ending 31 December 2021 ("FYE2021), MYEG expects to continue introducing innovative services by leveraging on new technologies in Malaysia as well as the countries which we have presence in, to drive our organic growth for FYE2021.

The COVID-19 pandemic has adversely impacted economies around the world and Malaysia has not being spared. Although this pandemic is ongoing, we are optimistic that our business will remain resilient while we remain vigilant for new opportunities. For instance, during these trying times, we continue to introduce innovative online services such as our Covid-19 health screening service as well as new concession services such as the online renewal of MIRT and online renewal of CDL for the convenience of Malaysians.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the long-term outlook for MYEG remains positive as we continue to introduce innovative services in Malaysia and the countries where we have regional presence.

### B4. Variance from Profit Forecast

Not applicable as there was no financial forecast issued for the current financial period.

### B5. Taxation

The taxation figures are as follows:

	Individual Quarter 3 months ended			Cumulative Quarter 9 months ended		
	30.09.2021 RM'000	30.09.2020 RM'000	Changes %	30.09.2021 RM'000	30.09.2020 RM'000	Changes %
Current taxation	518	750	-	1,658	2,024	-
Deferred taxation	104	-	-	104	-	-
	<u>622</u>	<u>750</u>	<u>-</u>	<u>1,762</u>	<u>2,024</u>	<u>-</u>

The effective tax rate for the current taxation for cumulative year to date is 0.79% as compared to the statutory tax rate of 24%. The lower effective tax rate is primarily because a significant proportion of the Group's revenue and PBT are mainly contributed by subsidiaries providing cloud computing services, software development specifically in blockchain as well as management and support services with tax incentive.

## B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement, save as disclosed below:

- i) On 9 December 2020, CIMB Investment Bank Berhad had, on behalf of the Board of Directors of MYEG announced that the Company proposes to undertake the private placement of up to 220,000,000 new MYEG Shares ("Placement Shares I"), representing up to about 6.29% of the total number of issued MYEG Shares (excluding treasury shares) ("Private Placement I").

On 15 December 2020, Bursa Securities has vide its letter, approved the Private Placement I and the listing and quotation of up to 220,000,000 Placement Shares I.

The first tranche of the Private Placement I was completed on 17 December 2020 following the listing and quotation of 120,000,000 Placement Shares I on the Main Market of Bursa Securities. On 16 June 2021, Bursa Securities has resolved to grant an extension of time of 6 months from 15 June 2021 to 14 December 2021 for the Company to complete the implementation of the remaining tranche of the Private Placement I.

As at 30 September 2021, the status of utilization of proceeds raised from the first tranche of the Private Placement I amounting to RM216.0 million are as follow:

Descriptions	Proposed	Actual	Actual	Balance	Estimated timeframe for the utilisation of proceeds from the date of listing of the Placement Shares
	Utilisation	Proceeds Raised	Utilisation		
	RM'mil	RM'mil	RM'mil	RM'mil	
Development of foreign workers hostels under the foreign workers accommodation programme	94.5	50.0	16.9	33.1	Within 24 months
Development of healthcare related services	168.0	89.0	52.2	36.8	Within 24 months
Purchase of fixed assets and related solutions for the e-government concession services	126.0	67.0	37.1	29.9	Within 12 months
Working capital	9.1	5.5	5.5	-	Within 12 months
Estimated expenses for the Proposed Placement	9.4	4.5	4.5	-	Immediate
	<u>407.0</u>	<u>216.0</u>	<u>116.2</u>	<u>99.8</u>	

- ii) On 18 October 2021, CIMB Investment Bank Berhad had, on behalf of the Board of Directors of MYEG announced that the Company proposes to undertake the private placement of up to 300,000,000 new MYEG Shares, representing up to about 4.17% of the total number of issued MYEG Shares (excluding treasury shares) ("Private Placement II"). Private Placement II will entail the completion of the remaining 100,000,000 new MYEG Shares from Private Placement I and the application to Bursa Securities Malaysia Berhad for the listing and quotation of up to 200,000,000 new MYEG Shares ("Placement Shares II").

On 26 October 2021, Bursa Securities has vide its letter approved the listing and quotation of up to 200,000,000 Placement Shares II.

The first tranche of the Private Placement II was completed on 29 October 2021 following the listing and quotation of 210,000,000 new MYEG Shares comprising of 100,000,000 Placement Shares I and 110,000,000 Placement Shares II on the Main Market of Bursa Securities.

## B7. Group Borrowings

Details of the Group's borrowings as at September 30, 2021 were as follow:-

	As at 30.09.2021		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	101,369	23,349	124,718
<b><u>Unsecured^</u></b>			
Revolving Credit	-	21,100	21,100
Total Borrowings	101,369	44,449	145,818

  

	As at 30.09.2020		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	125,625	21,844	147,469
<b><u>Unsecured^</u></b>			
Revolving Credit	-	21,100	21,100
Total Borrowings	125,625	42,944	168,569

^ The borrowings are denominated in RM.

The weighted average interest rate of borrowings as at Q3 FY2021 was 3.40%.

## B8. Off Balance Sheet Financial Instruments

As at the date of this report, there are no off-balance sheet financial instruments.

## B9. Profit Before Taxation

Profit before taxation is arrived at after (crediting)/charging:-

	Individual Quarter 3 months ended			Cumulative Quarter 9 months ended		
	30.09.2021 RM'000	30.09.2020 RM'000	Changes %	30.09.2021 RM'000	30.09.2020 RM'000	Changes %
Interest Income	(523)	(85)	-	(2,789)	(397)	-
Other Income	-	(125)	-	(3)	(126)	-
Interest Expense	1,364	1,636	-	4,824	5,621	-
Interest Expense on Lease Liabilities	58	68	-	171	243	-
Depreciation and Amortisation	12,361	7,728	-	37,264	23,909	-
Impairment Loss on Trade Receivables	(29)	221	-	45	506	-
Fixed Assets Written Off	1	-	-	1	9	-
(Gain)/Loss on Foreign Exchange						
- Realised	9	(11)	-	72	62	-
- Unrealised	(29)	12	-	30	-	-

Saved as disclosed above and in the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income, the other items under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

## B10. Material Litigations

As at the date of this announcement, there are no material litigations against the Group or taken by the Group.

## B11. Dividends

No dividends were declared during the current financial quarter review.

## B12. EPS

### i. Basic

The basic EPS is computed by dividing the net profit for the financial quarter and financial period by the number of ordinary shares in issue during the period.

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.09.2021 RM'000	30.09.2020 RM'000	30.09.2021 RM'000	30.09.2020 RM'000
Net profit attributable to ordinary shareholders	78,463	70,743	235,432	192,643
Weighted average number of ordinary shares in issue ('000s)	7,182,762	7,068,125	7,182,762	7,068,125
Basic EPS (sen)	1.1	1.0	3.3	2.7

### ii. Diluted

The company does not have any convertible shares or convertible financial instruments for the current financial quarter and financial year to date.

## B13. Additional Disclosure Requirement

Update on Memorandum of Understanding ("MOU") pursuant to Paragraph 9.29, Chapter 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

MY EG Lodging Sdn. Bhd., a sub-subsiary of the Company has entered into a MOU with Johor Corporation on 3 April 2018 to explore the possibility to purchase or lease a land situated within Muar Furniture Park.

The Company had on 22 October 2018 entered into a MOU with University of Malaya to jointly promote and foster the development of academic and research projects in blockchain, as well as for the implementation of an on-campus e-wallet.

The Company had on 24 May 2021 entered into a MOU with Breathonix Pte Ltd to establish a commercial and an exclusive distribution relationship with BRX and to obtain regulatory approval in Malaysia to sell and/or lease the breath analysis technology developed by BRX for identifying certain specific COVID-19 bio-markers and correspondingly producing rapid COVID-19 test results in Malaysia.

There has been no material update, and no subsequent agreement has been entered arising from the MOU as at the date of this announcement.

By Order of the Board  
Tan Ai Ning  
Secretary  
29 November 2021