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

(505639-K)

(Incorporated in Malaysia)

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**



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

**FOURTH QUARTERLY REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income  
for the Fourth Quarter ended December 31, 2020**  
(The figures have not been audited)

	Individual Quarter			Cumulative Quarter		
	3 Months Ended			12 Months Ended		
	31.12.2020	31.12.2019	Changes	31.12.2020	31.12.2019	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	149,889	-	-	532,062	-	-
Operating Expenses	(61,465)	-	-	(223,019)	-	-
Operating Profit	88,424	-	-	309,043	-	-
Depreciation and Amortisation	(11,131)	-	-	(31,708)	-	-
Interest Income	61	-	-	458	-	-
Other Income	67	-	-	193	-	-
Share of results of a joint venture	(115)	-	-	(699)	-	-
Share of results of an associate	(318)	-	-	(938)	-	-
Profit Before Interest and Taxation	76,988	-	-	276,349	-	-
Interest Expense	(2,378)	-	-	(8,070)	-	-
Profit Before Taxation	74,610	-	-	268,279	-	-
Taxation	440	-	-	(1,584)	-	-
Profit After Taxation	75,050	-	-	266,695	-	-
Other Comprehensive Income / (Expense)	3	-	-	(18)	-	-
Total Comprehensive Income for the financial period	75,053	-	-	266,677	-	-
Profit After Taxation attributable to:						
Owners of the Company	75,514	-	-	268,157	-	-
Non-controlling interest	(464)	-	-	(1,462)	-	-
	75,050	-	-	266,695	-	-
Total Comprehensive Income attributable to:						
Owners of the Company	75,517	-	-	268,139	-	-
Non-controlling interest	(464)	-	-	(1,462)	-	-
	75,053	-	-	266,677	-	-
Earnings per share ("EPS") attributable to the equity holders of the Company (sen)						
- Basic EPS	2.2	-	-	7.7	-	-
- Diluted EPS	Not Applicable	Not Applicable	-	Not Applicable	Not Applicable	-

Notes:

- i) The financial year end of the Group had been changed from 30 September to 31 December. As such, there will be no comparative financial information available for the financial period ended 31 December 2020.
- ii) 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 period ended 31 December 2019 and the accompanying notes to the Unaudited Financial Statements.

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

**Condensed Consolidated Statements of Financial Position**  
**As at December 31, 2020**

	Unaudited As at 31.12.2020 RM'000	Audited As at 31.12.2019 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipment	412,913	302,883
Right-of-use assets	5,811	10,623
Investment properties	30,314	30,966
Investment in associates	12,809	13,714
Investment in joint ventures	6,121	4,756
Other investments	138,000	34,600
Development costs	56,233	854
Goodwill on consolidation	18,454	18,454
Financing receivables	196,667	288,357
	<u>877,322</u>	<u>705,207</u>
<b>CURRENT ASSETS</b>		
Inventories	6,054	3,245
Financing receivables	32,964	30,674
Trade receivables	173,046	156,785
Other receivables, deposits and prepayments	88,605	56,258
Amount owing by joint ventures	514	95
Amount owing by associates	5	6
Current tax assets	2,305	1,540
Cash and cash equivalents	234,613	76,220
	<u>538,106</u>	<u>324,823</u>
<b>TOTAL ASSETS</b>	<u>1,415,428</u>	<u>1,030,030</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
Share capital	634,262	360,630
Treasury shares	(61,652)	(144,743)
Reserves	6,421	6,439
Retained profits	569,692	490,606
	<u>1,148,723</u>	<u>712,932</u>
Non-controlling interests	(6,399)	(4,937)
<b>TOTAL EQUITY</b>	<u>1,142,324</u>	<u>707,995</u>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	120,840	132,574
Long term lease liabilities	2,022	3,941
Deferred tax liabilities	2,203	2,223
	<u>125,065</u>	<u>138,738</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	72,030	102,237
Other payables and accruals	26,871	30,484
Deferred revenue	1,252	1,159
Amount owing to an associate	195	-
Current tax liabilities	36	235
Short term borrowings	44,678	43,427
Short term lease liabilities	2,977	5,755
	<u>148,039</u>	<u>183,297</u>
<b>TOTAL LIABILITIES</b>	<u>273,104</u>	<u>322,035</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,415,428</u>	<u>1,030,030</u>
Net assets attributable to ordinary equity holders of the parent (RM'000)	1,148,723	712,932
Net assets per share attributable to ordinary equity holders of the parent (sen)	31.28	19.77

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2019 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 Fourth Quarter ended December 31, 2020**  
(The figures have not been audited)

	←----- Non-Distributable -----→							
	Share Capital	Treasury Shares	Fair Value Reserve	Foreign Exchange Reserve	Distributable Retained Profits	Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2019	-	-	-	-	-	-	-	-
Profit after tax for the financial period	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-
As at 31 December 2019	-	-	-	-	-	-	-	-
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	-	-	-	-	268,157	268,157	(1,462)	266,695
Other comprehensive expense for the financial period	-	-	-	(18)	-	(18)	-	(18)
Total comprehensive income for the financial period	-	-	-	(18)	268,157	268,139	(1,462)	266,677
Issuance of ordinary shares	14,975	-	-	-	-	14,975	-	14,975
Issuance of ordinary shares pursuant to Dividend Reinvestment Plan	58,398	-	-	-	-	58,398	-	58,398
Issuance of ordinary shares pursuant to Private Placement	211,509	-	-	-	-	211,509	-	211,509
Purchase of treasury shares	-	(30,913)	-	-	-	(30,913)	-	(30,913)
Cancellation of treasury shares	(11,250)	114,004	-	-	(102,754)	-	-	-
Dividends paid/payable	-	-	-	-	(86,317)	(86,317)	-	(86,317)
As at 31 December 2020	634,262	(61,652)	6,401	20	569,692	1,148,723	(6,399)	1,142,324

Notes:

- i) The financial year end of the Group had been changed from 30 September to 31 December. As such, there will be no comparative financial information available for the financial period ended 31 December 2020.
- ii) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2019 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 Fourth Quarter ended December 31, 2020**  
(The figures have not been audited)

	Current Period Ended 31.12.2020 RM'000	Corresponding Period Ended 31.12.2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	268,279	-
Adjustments for:-		
Amortisation of development costs	5,556	-
Depreciation of equipment	23,764	-
Depreciation of right of use assets	5,827	-
Depreciation of investment properties	652	-
Fixed assets written off	85	-
Loss on disposal of fixed assets	48	-
Gain on disposal of right of use assets	(182)	-
Interest expense	7,961	-
Interest expense on lease liabilities	307	-
Share of results in an associate	938	-
Share of results for joint ventures	699	-
Interest income	(458)	-
Impairment loss on trade receivables	590	-
	<hr/>	<hr/>
Operating profit before working capital changes	314,066	-
Increase in deferred revenue	93	-
Increase in inventories	(2,809)	-
Decrease in financing receivables	88,797	-
Increase in trade and other receivables	(48,595)	-
Decrease in trade and other payables	(33,820)	-
	<hr/>	<hr/>
<b>CASH FLOWS FROM OPERATIONS</b>	317,732	-
Income tax paid	(2,568)	-
Interest paid	(7,961)	-
	<hr/>	<hr/>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	307,203	-
	<hr/>	<hr/>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Development costs paid	(60,935)	-
Interest received	458	-
Purchase of property and equipment	(134,107)	-
Additional of right of use assets	(39)	-
Proceeds from disposal of property and equipment	180	-
Proceeds from disposal of right of use assets	159	-
Investment in a joint venture	(2,064)	-
Investment in an associate	(33)	-
Purchase of other investments	(103,400)	-
	<hr/>	<hr/>
<b>NET CASH FOR INVESTING ACTIVITIES</b>	(299,781)	-
	<hr/>	<hr/>

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

**Condensed Consolidated Statements of Cash Flows for the Fourth Quarter ended December 31, 2020**  
**(The figures have not been audited) (Cont'd)**

	<b>Current Period Ended 31.12.2020 RM'000</b>	<b>Corresponding Period Ended 31.12.2019 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(86,317)	-
Increase in amount owing to associates	196	-
Decrease in amount due to a joint venture	(419)	-
Purchase of treasury shares	(30,913)	-
Issuance of new shares	14,975	-
Proceeds from Dividend Reinvestment Plan	58,398	-
Proceeds from Private Placement	211,509	-
Drawdown of term loan	1,689	-
Repayment of term loans	(12,172)	-
Repayment of lease liabilities	(5,650)	-
Interest expenses on lease liabilities paid	(307)	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>150,989</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>158,411</b>	<b>-</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>	<b>(18)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>76,220</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>234,613</b>	<b>-</b>

Notes:

- i) The financial year end of the Group had been changed from 30 September to 31 December. As such, there will be no comparative financial information available for the financial period ended 31 December 2020.
- ii) The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2019 and the accompanying notes to the Unaudited Financial Statements.

**Notes To The Interim Financial Report For the Financial Period ended December 31, 2020**

**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 period ended 31 December 2019.

As announced to Bursa Securities on 27 September 2019, the Company has changed its financial year end from 30 September to 31 December. Consequently, the comparative figures are not comparable for the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidation statement of changes in equity, condensed consolidated statement of cash flows and the related notes.

The same accounting policies and methods of computation adopted in these interim financial statements are consistent with the annual financial statements for the financial period ended 31 December 2019.

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 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
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 16: COVID-19-Related Rent Concessions	1 June 2020
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	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 period ended 31 December 2019 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 as disclosed below:

### (i) Issuance of new ordinary shares pursuant to Dividend Reinvestment Scheme

During the financial quarter ended 31 December 2020, the Company issued a total of 36,549,480 new ordinary shares pursuant to the Dividend Reinvestment Plan ("DRP") applicable to the final dividend of 2.0 sen per ordinary share of MYEG for the financial period ended 31 December 2019 ("2019 final dividend") ("1<sup>st</sup> DRP") and 9,074,264 new ordinary shares pursuant to the DRP applicable to the first interim single-tier dividend of 0.5 sen per ordinary share of MYEG for the financial year ending 31 December 2020 ("2020 first interim dividend") ("2<sup>nd</sup> DRP") at the price of RM1.28 per MYEG share which amounted to RM46,783,334 and RM11,615,058 respectively.

### (ii) Issuance of new ordinary shares pursuant to Private Placement

The Company issued a total of 120,000,000 new ordinary shares at the price of RM1.80 per placement share, representing about 3.43% of the total number of issued shares (excluding treasury shares) of MYEG during the financial quarter ended 31 December 2020.

### (iii) Treasury shares

#### (a) Share buy-backs

Date of buy back	No of shares purchase (units)	Total (RM)
30.09.20	1,961,500	2,569,063
13.10.20	16,500	23,112
30.10.20	3,500	4,880

The total considerations of the share buy-backs were financed from internally generated funds.

#### (b) Share cancellation

Date of cancellation	No of shares cancelled (units)	Total (RM)
17.12.20	100,000,000	98,571,250

The total shares purchased and cancelled during the financial quarter ended 31 December 2020 amounted to 1,981,500 (31 December 2019: N/A) and 100,000,000 (31 December 2019: N/A) MYEG shares respectively.

As at 31 December 2020, a total of 53,664,700 (31 December 2019: N/A) MYEG shares were retained as treasury shares in the Company and a total of 112,500,000 (31 December 2019: N/A) treasury shares were cancelled. None of the treasury shares held were resold during the financial year ended 31 December 2020.

The treasury shares were treated in accordance with the requirement of Section 127 of the Companies Act 2016.

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

On 27 February 2020, the Directors have declared a final dividend of 2.0 sen per ordinary share (2018 – 1.4 sen) for the financial year ended 31 December 2019 and it was paid on 5 November 2020. The final dividend amounting to RM69,053,226 (2018 – RM48,780,733 based on the share capital of 3,484,338,093 ordinary shares, excluding 121,967,900 treasury shares) was based on the share capital of 3,452,661,293 ordinary shares, excluding 153,644,700 treasury shares. Under the Dividend Reinvestment Scheme, a total of 36,549,480 new ordinary shares were issued at the price of RM1.28 per MYEG share which amounted to RM46,783,334.

On 27 August 2020, the Directors had declared a first interim single tier dividend of 0.5 sen per ordinary share (2019 – 0.5 sen) amounting to RM17,263,306 (2019 – RM17,421,690 based on the share capital of 3,484,338,093 ordinary shares, excluding 121,967,900 treasury shares) which was based on the share capital of 3,452,661,293 ordinary shares, excluding 153,644,700 treasury shares for the current financial year ended 31 December 2020 and it was paid on 5 November 2020. Under the Dividend Reinvestment Scheme, a total of 9,074,264 new ordinary shares were issued at the price of RM1.28 per MYEG share which amounted to RM11,615,058.

#### **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 and Equipment**

There has been no valuation on any of the Group's property 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 year ended 31 December 2020 are as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM	RM	RM	RM
<b>(i) A company which a director has financial interest</b>				
Embunaz Ventures Sdn Bhd				
- Professional Fees	62,400	-	249,600	-

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 RM149.89 million and RM75.05 million respectively for the fourth financial quarter (“Q4 FY2020”). For the financial year ended 31 December 2020, (“12M FY2020”), the Group recorded Revenue of RM532.06 million and PAT of RM266.70 million respectively.

The contribution of Revenue and PAT achieved for the quarter and financial year is primarily attributable to:

- (i) concession related services such as Immigration and JPJ related and ancillary services;
- (ii) introduction of new concession services from JPJ, namely the online renewal of motorcycle insurance and road tax as well as online renewal of Competent Driving License (“CDL”);
- (iii) commercial services such as motor vehicle trading related services, financing services, sale of tax monitoring system and foreign worker related services;
- (iv) introduction of new services such as COVID-19 health screening and quarantine services for inbound travellers to Malaysia under MySafeTravel (“MST”) as well as the online sale of groceries through our “Nak Beli” online store; and
- (v) contribution from Cardbiz Group which principally is involved in the deployment of payment solutions and hardware and merchant acquiring services.

Our Group’s main expenses for the quarter and financial year comprise primarily of the following:

- (i) personnel related expenses and operating expenses;
- (ii) advertising and promotion expenses;
- (iii) maintenance and operating expenses for MYEG’s building (“MYEG Tower”);
- (iv) interest expense arising from the term loan to finance MYEG Tower; and
- (v) depreciation and amortisation charges.

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

	<b>Q4 2020</b>	<b>Q3 2020</b>	<b>Changes</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>%</b>
Revenue	149,889	136,096	10.13
Operating Profit	88,424	78,604	12.49
Profit Before Interest and Taxation	76,988	72,490	6.20
Profit Before Taxation	74,610	70,830	5.34
Profit After Taxation	75,050	70,080	7.09
Profit attributable to Ordinary Equity Holders of the Parent	75,514	70,743	6.74

For the quarter under review, the Group recorded a Revenue of RM149.89 million, a net increase of RM13.79 million (10.13%) as compared to Q3 FY2020 revenue of RM136.10 million. The increase in Revenue was mainly due to:

- (i) increase in volume from COVID-19 health screening;
- (ii) increase in volume from the online renewal of motorcycle insurance and road tax as well as CDL;
- (iii) increase in revenue contribution from online sale of groceries through our “Nak Beli” online store; and
- (iv) introduction of screening and quarantine for inbound travellers to the country under MST.

The Group achieved a PAT of RM75.05 million in Q4 FY2020, as compared to Q3 FY2020 PAT of RM70.08 million. The net increase in PAT of 7.09% amounting to RM4.97 million was mainly attributable to the factors mentioned above.

### B3. Prospect of the Group

For the financial year ending (“FYE”) 31 December 2021, MYEG will continue to introduce innovative services leveraging on new technology in the country as well as within our regional presence in Asia, to drive our organic growth for FYE2021.

The COVID-19 pandemic has brought unfavourable impacts to economies in the world and Malaysia is not spared too. Whilst this pandemic is ongoing, we are sanguine that our business is resilient and will present to us new opportunities. For instance, during this trying times and lockdown period, we had introduced:

- (i) innovative online services such as Covid-19 health screening;
- (ii) new concession services namely the online renewal of motorcycle insurance and road tax as well as online renewal of CDL; and
- (iii) health screening and quarantine services for inbound travellers to the country under MST.

Despite these challenges and 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 the country 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 12 months ended		
	31.12.2020 RM'000	31.12.2019 RM'000	Changes %	31.12.2020 RM'000	31.12.2019 RM'000	Changes %
Current taxation	(420)	-	-	1,604	-	-
Deferred taxation	(20)	-	-	(20)	-	-
	<u>(440)</u>	<u>-</u>	<u>-</u>	<u>1,584</u>	<u>-</u>	<u>-</u>

The effective tax rate for the current taxation for cumulative year to date is 0.59% 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 MY EG Sdn Bhd (“EGSB”). As EGSB is a MSC status company with tax incentives, its revenue is not subjected to income tax.

## 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.

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, representing up to about 6.29% of the total number of issued MYEG Shares (excluding treasury shares).

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

The first tranche of the Private Placement was completed on 17 December 2020 following the listing and quotation of 120,000,000 Placement Shares on the Main Market of Bursa Securities.

The status of the actual proceeds raised from the first tranche of the Private Placement 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 from Tranche 1	Utilisation		
	RM'000	RM'000	RM'000	RM'000	
Development of foreign workers hostels under the foreign workers accommodation programme	94.5	50.0	5.1	44.9	Within 24 months
Development of healthcare related services	168.0	89.0	7.8	81.2	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>54.5</u>	<u>161.5</u>	

## B7. Group Borrowings

Details of the Group's borrowings as at December 31, 2020 were as follow:-

	As at 31.12.2020		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	120,840	23,578	144,418
<b><u>Unsecured^</u></b>			
Revolving Credit	-	21,100	21,100
Total Borrowings	120,840	44,678	165,518

  

	As at 31.12.2019		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	-	-	-
<b><u>Unsecured^</u></b>			
Revolving Credit	-	-	-
Total Borrowings	-	-	-

^ The borrowings are denominated in RM.

The weighted average interest rate of borrowings as at Q4 FY2020 was 4.72%.

## 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 12 months ended		
	31.12.2020 RM'000	31.12.2019 RM'000	Changes %	31.12.2020 RM'000	31.12.2019 RM'000	Changes %
Interest Income	(61)	-	-	(458)	-	-
Other Income	(67)	-	-	(193)	-	-
Interest Expense	2,340	-	-	7,961	-	-
Interest Expense on Lease Liabilities	64	-	-	307	-	-
Depreciation and Amortisation	11,890	-	-	35,799	-	-
Impairment Loss on Trade Receivables	84	-	-	590	-	-
Fixed Assets Written Off	76	-	-	85	-	-
(Gain)/Loss on Foreign Exchange						
- Realised	(35)	-	-	27	-	-
- Unrealised	(43)	-	-	(43)	-	-

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

The Directors have proposed the declaration of a final dividend of 1.7 sen per ordinary share (2019 – N/A) for the shareholders' approval at the forthcoming Annual General Meeting, the date of which will be announced later.

## 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 12 months ended	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Net profit attributable to ordinary shareholders	75,514	-	268,157	-
Weighted average number of ordinary shares in issue ('000s)	3,481,743	-	3,481,743	-
Basic EPS (sen)	<u>2.2</u>	<u>-</u>	<u>7.7</u>	<u>-</u>

### 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.

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  
3 March 2021