



MY E.G. SERVICES BERHAD
 (Company No. 505639-K)
 (Incorporated in Malaysia under the Companies Act, 1965)

FOURTH QUARTERLY REPORT FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Fourth Quarter ended June 30, 2014
 (The figures have not been audited)

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	30.06.2014 (RM'000)	30.06.2013 (RM'000)	30.06.2014 (RM'000)	30.06.2013 (RM'000)
Revenue	35,369	20,813	109,872	76,484
Operating expenses	(14,624)	(7,446)	(45,412)	(30,127)
Operating Profit	20,745	13,367	64,460	46,357
Depreciation and amortization	(3,527)	(3,025)	(13,161)	(11,226)
Interest Expense	(274)	(188)	(963)	(797)
Interest Income	6	22	374	53
Other Income	-	4	-	4
Profit Before Taxation	16,950	10,180	50,710	34,391
Taxation	(321)	548	(597)	458
Profit After Taxation	16,629	10,728	50,113	34,849
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the financial period/year	16,629	10,728	50,113	34,849
Profit After Taxation attributable to:				
Owners of the Company	16,629	10,728	50,114	34,849
Non-controlling interest	#	#	(1)	#
	16,629	10,728	50,113	34,849
Total Comprehensive Income attributable to:				
Owners of the Company	16,629	10,728	50,114	34,849
Non-controlling interest	#	#	(1)	#
	16,629	10,728	50,113	34,849
Earnings per share ("EPS") attributable to the equity holders of the company (sen)				
- Basic EPS	2.8	1.8	8.5	5.9
- Diluted EPS	Not Applicable	Not Applicable	Not Applicable	Not Applicable

represents an amount less than RM1,000.

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 30 June 2013 and the accompanying notes to the Interim Financial Statements.

MY E.G. SERVICES BERHAD
(Company No. 505639-K)
(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Statements of Financial Position
As at June 30, 2014

	Unaudited As at end of Current Quarter 30.06.2014 RM'000	Audited As at 30.6.2013 RM'000
ASSETS		
NON-CURRENT ASSETS		
Other investments	2,091	1,734
Development costs	9,968	10,674
Equipment	76,544	77,531
Goodwill on consolidation	12,016	12,016
Deferred tax asset	710	710
	101,329	102,665
CURRENT ASSETS		
Trade receivables	18,999	13,552
Other receivables, deposits and prepayments	29,304	12,846
Tax recoverable	14	37
Amount due from associate company	64,351	34,622
Cash and bank balances	21,946	18,389
	134,614	79,446
TOTAL ASSETS	235,943	182,111
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	60,105	60,105
Treasury shares	(10,237)	(7,766)
Retained profits	126,789	87,300
	176,657	139,639
Non-controlling interest	2	3
TOTAL EQUITY	176,659	139,642
NON-CURRENT LIABILITIES		
Deferred tax liability	707	678
Hire purchase	5,820	4,616
Term loan	3,284	3,539
	9,811	8,833
CURRENT LIABILITIES		
Trade payables	16,381	15,795
Other payables and accruals	3,910	3,211
Deferred revenue	19,940	10,620
Provision for taxation	315	53
Short term borrowings	8,927	3,957
	49,473	33,636
TOTAL LIABILITIES	59,284	42,469
TOTAL EQUITY AND LIABILITIES	235,943	182,111
Net assets attributable to ordinary equity holders of the parent (RM'000)	176,657	139,639
Net assets per share attributable to ordinary equity holders of the parent (sen)	29.95	23.63

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2013 and the accompanying notes to the Interim Financial Statements.

MY E.G. SERVICES BERHAD
(Company No. 505639-K)
(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Statements of Changes in Equity
For the Fourth Quarter ended June 30, 2014
(The figures have not been audited)

	← Non-Distributable →		← Distributable →		Attributable to Owners of the Company (RM'000)	Non-controlling Interest (RM'000)	Total Equity (RM'000)
	Share capital (RM'000)	Treasury Shares (RM'000)	Retained Profits (RM'000)				
As at 1 July 2012	60,105	(2,206)	60,769		118,668	-	118,668
Subscription of shares in a subsidiary by non-controlling interest	-	-	-		-	3	3
Purchase of Treasury Shares	-	(5,560)	-		(5,560)	-	(5,560)
Profit After Tax For The Financial Year	-	-	34,849		34,849	#	34,849
Dividends Paid	-	-	(8,318)		(8,318)	-	(8,318)
As at 30 June 2013	60,105	(7,766)	87,300		139,639	3	139,642
As at 1 July 2013	60,105	(7,766)	87,300		139,639	3	139,642
Purchase of Treasury Shares	-	(2,471)	-		(2,471)	-	(2,471)
Profit After Tax For The Financial Year	-	-	50,114		50,114	(1)	50,113
Dividends paid	-	-	(10,625)		(10,625)	-	(10,625)
As at 30 June 2014	60,105	(10,237)	126,789		176,657	2	176,659

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2013 and the accompanying notes to the Interim Financial Statements.

MY E.G. SERVICES BERHAD
(Company No. 505639-K)
(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Statements of Cash Flows
For the Fourth Quarter ended June 30, 2014
(The figures have not been audited)

	Current Year To Date Ended 30.06.2014 (RM'000)	Corresponding Year To Date Ended 30.06.2013 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	50,710	34,391
Adjustments for:-		
Amortisation of development costs	1,480	1,390
Depreciation of equipment	11,681	9,812
Impairment losses on trade receivables	1	24
Interest Expense	963	797
Gain on disposal of equipment	-	(4)
Equipment written off	95	-
Interest income	(374)	(53)
Operating profit before working capital changes	64,556	46,357
Increase in trade and other receivables	(21,907)	(769)
Increase in trade and other payables	1,284	7,372
Increase in deferred revenue	9,320	3,420
Increase in amount owing by an associate	(29,728)	(10,950)
CASH FLOWS FROM OPERATIONS	23,525	45,430
Income tax paid	(284)	(797)
Interest paid	(962)	(356)
NET CASH FROM OPERATING ACTIVITIES	22,279	44,277
CASH FLOWS FOR INVESTING ACTIVITIES		
Advances to associates	-	(7,366)
Purchase of equipment	(10,789)	(9,800)
Proceeds from disposal of equipment	-	474
Purchase of other investments	(356)	(1,384)
Subscription of shares in a subsidiary by non-controlling interest	-	3
Development costs paid	(774)	(910)
Interest received	374	53
NET CASH FOR INVESTING ACTIVITIES	(11,545)	(18,930)
CASH FOR FINANCING ACTIVITIES		
Drawdown of revolving credit	3,000	-
Drawdown of term loans	1,400	1,400
Repayment of term loans	(1,632)	(1,901)
Drawdown of hire purchase loans	6,520	-
Repayment of hire purchase and finance lease payables	(3,369)	(2,401)
Dividends paid	(10,625)	(8,318)
Purchase of treasury shares	(2,471)	(5,560)
NET CASH FOR FINANCING ACTIVITIES	(7,177)	(16,780)
NET INCREASE IN CASH AND BANK BALANCES	3,557	8,567
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR	18,389	9,822
CASH AND BANK BALANCES AT END OF THE FINANCIAL YEAR	21,946	18,389

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2013 and the accompanying notes to the Interim Financial Statements.

Notes To The Interim Financial Report For The Financial Year Ended 30 June 2014

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 30 June 2013.

The same accounting policies and methods of computation adopted in these interim financial statements are consistent with the annual financial statements for the year ended 30 June 2013.

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 30 June 2013 was not qualified.

A3. Seasonal and Cyclical Factors

The Group’s business operation result is subject to seasonality factors. The demand for new driving licences generally increases in the first half of the year (i.e the second half of the Group’s financial year) 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 year (January – June) has historically been approximately 50% higher than the JPJ-related revenue recorded for the second half of the year (July – December).

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) On 2 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM133,572 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- ii) On 5 May 2014, the Company had purchased a total of 25,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM66,986 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- iii) On 15 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM135,580 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- iv) On 16 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM132,367 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- v) On 19 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM131,835 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- vi) On 20 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM129,857 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- vii) On 21 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM129,454 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- viii) On 22 May 2014, the Company had purchased a total of 50,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM129,555 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

A6. Debt and Equity Securities (continued)

- ix) On 26 May 2014, the Company had purchased a total of 29,100 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM74,454 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- x) On 27 May 2014, the Company had purchased a total of 20,000 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM51,372 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.
- xi) On 28 May 2014, the Company had purchased a total of 6,300 of its issued share capital ("MYEG shares") from the open market. The total consideration paid for the share buy-back of MYEG shares, including transaction costs was RM16,183 and was financed from internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

The total shares bought back for the financial year ended 30 June 2014 amounted to 430,400 (30.06.2013: 6,490,200) MYEG shares. As at 30 June 2014 a total of 11,236,800 (30.06.2013: 10,098,600) MYEG shares were retained as treasury shares in the Company. None of the treasury shares held were resold or cancelled during the financial year ended 30 June 2014.

A7. Dividends Paid

On 26 November 2013, the Directors have declared a final tax exempt dividend of 1.3 sen per 10 sen ordinary share (2012 – 0.9 sen) amounting to RM7,673,310 for the financial year ended 30 June 2013 and it was paid on 24 January 2014.

On 26 February 2014, the Directors have declared a first interim tax exempt dividend of 0.5 sen per 10 sen ordinary share (2013 – 0.5 sen) amounting to RM2,951,223 (2013 – RM2,963,005) for the current financial year ended 30 June 2014 and it was paid on 21 May 2014 to shareholders registered at the close of business on 25 April 2014.

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 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, saved as disclosed below:

- i) On 23 May 2000, MYEG had entered into a concession agreement with the Government for the electronic delivery of driver and vehicle registration, licensing and summons services, utility bill payments ("E-services") and Ministry of Health online information system for a minimum tenure of 15 years, which will be expiring on 22 May 2015.

MYEG had on 23 July 2014 obtained the extension of the E-Services Concession Agreement for a further period of 5 years commencing from 23 May 2015 and expiring on 22 May 2020 vide an extension letter from Malaysia Administrative Modernisation and Management Planning Unit [also known as Unit Pemodenan Tadbiran Dan Perancangan Pengurusan Malaysia (MAMPU)] which was dated 14 July 2014.

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, saved as disclosed below:-

- (i) Investment in a new subsidiary company by My EG Capital Sdn Bhd ("MYEG Capital"), a wholly-owned subsidiary of the Company

MYEG Capital had on 1 July 2014 subscribed for 650,000 ordinary shares of RM1.00 each in the share capital of My EG Marketing Sdn Bhd (formerly known as Henrywill Marketing Sdn Bhd) ("MYEG Marketing"), representing 50.66% of the equity interests in MYEG Marketing, for a total cash consideration of RM650,000 only, thereby resulting in MYEG Marketing becoming a subsidiary of MYEG Capital, which in turn is the sub-subsiary of the Company.

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

As at 30.6.2014, the Group has commitment for the following:-

	30.06.2014	30.06.2013
	RM'000	RM'000
Purchase of communication equipment	1,000	402

A14. Related Party Transactions

The related party transactions of the Group for the Quarter and Year ended 30.06.2014 are as follows:

	Individual Quarter		Cumulative Quarter	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM	RM	RM	RM
(i) Associate company				
MY E.G. Integrated Networks Sdn Bhd - Sales	11,450,000	3,300,000	25,700,000	10,950,000
(iii) A company which a director has financial interest				
Embunaz Ventures Sdn Bhd - Professional Fees	62,400	48,000	288,000	192,000

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.

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 RM35.37 million and RM16.63 million respectively for the fourth financial quarter ("Q4 FY2014") as compared to RM20.81 million and RM10.73 million respectively in the corresponding quarter ("Q4 FY2013"). The increase of approximately RM14.56 million (or 69.9%) in Revenue and increase of RM5.90 million (or 55.0%) in PAT respectively are primarily attributable to:

- i) higher transaction volumes from the online renewal of foreign workers' permit and online transfer of vehicle ownership;
- ii) continuous growth in the existing services particularly online renewal of insurance and road tax;
- iii) higher revenue contribution from ancillary services related to our core e-Government services; and
- iv) increased in billings due to completion of development work for the associate company.

For the financial year ended 30 June 2014 ("12M FY2014"), the Group recorded Revenue of RM109.87 million as compared to RM76.48 million in the corresponding year ("12M FY2013"). This represents an increase of RM33.39 million (43.7%) in Revenue. PAT for 12M FY2014 increase by RM15.26 million (43.8%) to RM50.11 million as compared to RM34.85 million achieved in 12M FY2013. The increase in Revenue and PAT is primarily attributable to:

- i) higher transaction volumes from the online renewal of foreign workers' permit and online transfer of vehicle ownership which were introduced in second half of FY2013;
- ii) continuous increase in volume driven by our ongoing advertising and promotion campaigns to create and enhance brand awareness; and
- iii) increased in billings due to completion of development work for the associate company.

B2. Comparison with Preceding Quarter's Results

	Q4 FY2014 RM'000	Q3 FY2014 RM'000
Revenue	35,369	30,634
Profit Before Tax ("PBT")	16,950	13,900
PAT	16,629	13,739

For the Quarter under review, the Group recorded a Revenue of RM35.37 million, an increase of RM4.74 million (15.5%) as compared to Q3 FY2014. PAT increased by RM2.89 million (21.0%) to RM16.63 million, as compared to Q3 FY2014 PAT of RM13.74 million.

The increase in Revenue and PAT are primarily attributable to:

- i) higher volume from the online renewal of foreign workers' permit;
- ii) higher volume from the online transfer of vehicle ownership; and
- iii) increased in billings due to completion of development work for the associate company

B3. Prospect of the Group

For the financial year ending 30 June 2015 ("FYE 2015"), the continued growth in volume of our existing services is expected to continue contributing to our Group revenue. With our concession period extended for a further five years from 23 May 2015 to 22 May 2020, we are working closely with new and existing government agencies to introduce additional online services which are relevant to Malaysians.

Barring any unforeseen circumstances, the Directors of MYEG are of the opinion that the results for the financial year ending 30 June 2015 will continue to be satisfactory as awareness of our existing services and brand name continues to increase while MYEG continues to roll out new services.

B4. Variance from Profit Forecast

Not applicable as there was no financial forecast issued for the financial year ended 30 June 2014.

B5. Taxation

The taxation figures are as follows:

	Current Quarter 30.06.2014 (RM'000)	Current Year To Date 30.06.2014 (RM'000)
Current taxation	321	568
Deferred taxation	-	29
	<u>321</u>	<u>597</u>

The effective tax rates for the current taxation for financial quarter and cumulative year to date are 1.89% and 1.18% respectively as compared to the statutory tax rate of 25%. 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 are no corporate proposals announced but not completed as at the date of this announcement.

B7. Group Borrowings

Details of the Group's borrowings as at June 30, 2014 were as follows:-

	Non-Current (RM'000)	Current (RM'000)	Total (RM'000)
Secured			
Hire Purchase	5,820	4,423	10,243
Term Loan	3,284	1,504	4,788
Revolving Credit	-	3,000	3,000
Total Borrowings	<u>9,104</u>	<u>8,927</u>	<u>18,031</u>

The borrowings are denominated in RM.

B8. Off Balance Sheet Financial Instruments

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

B9. Realised and Unrealised Profits/Losses Disclosure

	As at 30.06.2014 (RM'000)	Audited As at 30.06.2013 (RM'000)
Total retained profits of the Company and its subsidiaries:		
- Realised	137,994	89,868
- Unrealised	3	32
	137,997	89,900
Total share of accumulated losses of associate:		
- Realised	(400)	(400)
- Unrealised	-	-
	137,597	89,500
(Less)/Add : Consolidation Adjustments	(10,808)	(2,200)
Total Group retained profits as per consolidated accounts	126,789	87,300

B10. Profit Before Taxation

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

	Current Quarter 30.06.2014 (RM'000)	Current Year To Date 30.06.2014 (RM'000)
Interest Income	(6)	(374)
Interest Expense	274	963
Depreciation and amortization	3,527	13,161
Impairment (gain)/losses on trade receivables	(1)	1

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.

B11. Material Litigations

- i) As at the date of this announcement, there are no material litigations against the Group or taken by the Group, saved as disclosed below:

On 15 August 2013, the Company was served with a Writ of Summons together with the Statement of Claim issued in the Kuala Lumpur High Court by ten (10) third parties ("Plaintiffs").

The claim is in relation to the alleged unlawful conspiracy between the Company and another four (4) third parties ("Defendants") affecting the importance of the economics of the Plaintiffs. The Plaintiffs sought for an injunction from Court to stop the Company from executing the program Bantuan Lesen 1 Malaysia ("BL1M"), damages for alleged unlawfully conspired (which are not quantified), costs and interest. The Company has sought its solicitors' advice on the necessary course of action to be taken in relation to the aforesaid Writ of Summons. We have filed for Defence and Counter Claim on 19 September 2013. Subsequently on 23 October 2013, we have filed to strike out the application by the Plaintiff.

The directors of the Company are of the view that the claims by the Plaintiffs are without merit and will vigorously defend the claim. There has been no material update as at the date of this announcement.

- ii) On 12 June 2014, the Company was served with a Writ of Summons together with the Statement of Claim issued in the Shah Alam High Court by three (3) third parties (“Plaintiffs”).

The Plaintiffs claim for the following orders:

- (1) that they are the rightful inventors for the Point of Sale – GST Automatic Tax Reporting System (“ARTS”) and that there is infringement of the ATRS by the *Method of Automated Reporting of Point-of-Sale Tax Collection under a Secured Environment* (“MARTC”);
- (2) that the Company withdraws Patent application no. MYP120010005962 for the MARTC;
- (3) for an injunction that the Company discontinue the application for patent no. MY PI2010005962 and/or be restrained from lodging any patent application for similar to GST Automatic Tax Reporting System and/or any part thereof;
- (4). for an injunction that the Company be restrained and/or be ordered to discontinue using MARTC and/or any other device which is the same and/or similar to ATRS;
- (5) that the Company be required to surrender and/or deliver to the Plaintiffs all materials and/or documents and/or records and/or products connected to the infringement of ATRS patent;
- (6) an inquiry as to damages in connection with the infringement or alternatively at the Plaintiffs’ option an account of profit received by the Company as a result of the infringement;
- (7) interest on the amount under (6) above at the rate of 5% per annum from 14.12.2010 until full settlement;
- (8) costs; and
- (9) any other relief the court think just and fair.

The directors of the Company are of the view that the claims by the Plaintiffs are without merit and will vigorously defend the claim. The Company has sought its solicitors’ advice on the necessary course of action to be taken in relation to the aforesaid Writ of Summons. The Defence has been filed and pre-trial case management has been fixed on 11 September 2014.

B12. Dividends

The Directors have proposed the declaration of a final tax exempt dividend of 2.0 sen per RM0.10 ordinary share (2013 – 1.3 sen) for the shareholders’ approval at the forthcoming Annual General Meeting, the date of which will be announced later.

B13. EPS

i. Basic

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

	Current Quarter 30.06.2014 (RM’000)	Current Year To Date 30.06.2014 (RM’000)
Net profit attributable to ordinary shareholders	16,629	50,114
Weighted average number of ordinary shares of RM0.10 each in issue (‘000s)	590,032	590,354
Basic EPS (sen)	2.8	8.5

ii. Diluted

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

B14. Additional Disclosure RequirementUpdate on Memorandum of Understanding (“MoU”) pursuant to Paragraph 9.29, Chapter 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The Company had on 8 June 2011 entered into a MoU on introducing of e-Government services in Kazakhstan with National Information Technologies JSC of the Republic of Kazakhstan. There has been no material update, and no subsequent agreement has been entered arising from the MoU as at the date of this announcement.

The Company had on 2 September 2013 entered into a MoU to jointly explore possible business opportunities and collaboration in the areas of e-Government services delivery and joint go-to-market for specific target market segments with Celcom Axiata Berhad. There has been no material update, and no subsequent agreement has been entered arising from the MoU as at the date of this announcement.

The Company had on 23 October 2013 entered into a MoU to establish a proposed fund of RM60 million for the purpose of providing funding services into the early stage technology companies and other entities with Cradle Fund Sdn Bhd. 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
25 August 2014