



[www.myeg.com.my](http://www.myeg.com.my)

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

(505639-K)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**



www.myeg.com.my

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

**SECOND QUARTERLY REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**  
**for the Second Quarter ended June 30, 2023**  
(The figures have not been audited)

	Individual Quarter			Cumulative Quarter		
	3 Months Ended			6 Months Ended		
	30.06.2023	30.06.2022	Changes	30.06.2023	30.06.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	184,875	161,792	14.3	358,099	323,560	10.7
Operating Expenses	(48,261)	(54,693)	(11.8)	(102,257)	(119,478)	(14.4)
Operating Profit	136,614	107,099	27.6	255,842	204,082	25.4
Depreciation and Amortisation	(14,853)	(15,970)	(7.0)	(29,544)	(28,928)	2.1
Interest Income	63	22	100.0	236	225	4.9
Other Income	24	-	100.0	521	2,847	(81.7)
Fair value (loss)/gain on investment	(999)	-	100.0	2,756	-	100.0
Share of results of a joint venture	129	(8)	100.0	246	79	100.0
Profit Before Interest and Taxation	120,978	91,143	32.7	230,057	178,305	29.0
Interest Expense	(9,227)	(2,203)	100.0	(12,928)	(3,642)	100.0
Profit Before Taxation	111,751	88,940	25.6	217,129	174,663	24.3
Taxation	(400)	(582)	(31.3)	(439)	(1,112)	(60.5)
Profit After Taxation	111,351	88,358	26.0	216,690	173,551	24.9
Other Comprehensive Income	901	7	100.0	898	5	100.0
Total Comprehensive Income for the financial period	112,252	88,365	27.0	217,588	173,556	25.4
Profit After Taxation attributable to:						
Owners of the Company	111,556	88,636	25.9	217,492	173,263	25.5
Non-controlling interest	(205)	(278)	(26.3)	(802)	288	(100.0)
	111,351	88,358	26.0	216,690	173,551	24.9
Total Comprehensive Income attributable to:						
Owners of the Company	112,457	88,643	26.9	218,390	173,268	26.0
Non-controlling interest	(205)	(278)	(26.3)	(802)	288	(100.0)
	112,252	88,365	27.0	217,588	173,556	25.4
Earnings per share ("EPS") attributable to the equity holders of the Company (sen)						
- Basic EPS	1.5	1.2		2.9	2.3	
- Diluted EPS	Not Applicable	Not Applicable		Not Applicable	Not Applicable	

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 2022 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 June 30, 2023**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipment	318,143	330,006
Right-of-use assets	64,966	59,819
Investment properties	28,681	29,007
Investment in associates	33	33
Investment in joint ventures	9,625	9,379
Other investments	240,068	235,718
Development costs	912,580	762,678
Goodwill on consolidation	20,002	20,002
Financing receivables	225,292	243,456
	<u>1,819,390</u>	<u>1,690,098</u>
<b>CURRENT ASSETS</b>		
Inventories	25,321	25,809
Financing receivables	48,451	45,470
Trade receivables	339,323	334,859
Other receivables, deposits and prepayments	291,009	307,550
Amount owing by joint ventures	3,937	2,510
Amount owing by associates	32	32
Current tax assets	2,065	607
Digital assets	78	38
Cash and cash equivalents	252,468	76,424
	<u>962,684</u>	<u>793,299</u>
Assets held for sale	8,137	56,280
	<u>970,821</u>	<u>849,579</u>
	<u>2,790,211</u>	<u>2,539,677</u>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
Share capital	904,076	904,077
Treasury shares	(59,788)	(36,642)
Reserves	7,332	6,434
Retained profits	1,168,701	1,002,108
	<u>2,020,321</u>	<u>1,875,977</u>
Non-controlling interests	(4,676)	(3,874)
<b>TOTAL EQUITY</b>	<u>2,015,645</u>	<u>1,872,103</u>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	377,892	293,791
Long term lease liabilities	34,389	31,366
Deferred tax liabilities	2,860	2,859
	<u>415,141</u>	<u>328,016</u>

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

**Condensed Consolidated Statements of Financial Position**  
**As at June 30, 2023 (Cont'd)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	105,094	106,412
Other payables and accruals	77,032	73,423
Deferred revenue	16,186	1,439
Amount owing to an associate	16	22
Current tax liabilities	22	88
Short term borrowings	158,998	149,267
Short term lease liabilities	2,077	8,907
	<u>359,425</u>	<u>339,558</u>
<b>TOTAL LIABILITIES</b>	<u>774,566</u>	<u>667,574</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,790,211</u>	<u>2,539,677</u>
Net assets attributable to ordinary equity holders of the parent (RM'000)	2,020,321	1,875,977
Net assets per share attributable to ordinary equity holders of the parent (sen)	27.28	25.22

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 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 Second Quarter ended June 30, 2023**  
(The figures have not been audited)

<----- Non-Distributable ----->

	Share Capital RM'000	Treasury Shares RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserve RM'000	Distributable Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
As at 1 January 2022	854,895	(12,364)	6,401	19	698,112	1,547,063	(5,614)	1,541,449
Profit after tax for the financial period	-	-	-	-	173,263	173,263	288	173,551
Other comprehensive income for the financial period	-	-	-	5	-	5	-	5
Total comprehensive income for the financial period	-	-	-	5	173,263	173,268	288	173,556
Expenses related to issuance of ordinary shares	(46)	-	-	-	-	(46)	-	(46)
Purchase of treasury shares	-	(10,615)	-	-	-	(10,615)	-	(10,615)
As at 30 June 2022	854,849	(22,979)	6,401	24	871,375	1,709,670	(5,326)	1,704,344
As at 1 January 2023	904,077	(36,642)	6,401	33	1,002,108	1,875,977	(3,874)	1,872,103
Profit after tax for the financial period	-	-	-	-	217,492	217,492	(802)	216,690
Other comprehensive income for the financial period	-	-	-	898	-	898	-	898
Total comprehensive income for the financial period	-	-	-	898	217,492	218,390	(802)	217,588
Expenses related to issuance of ordinary shares	(1)	-	-	-	-	(1)	-	(1)
Purchase of treasury shares	-	(23,146)	-	-	-	(23,146)	-	(23,146)
Dividend-in-specie paid	-	-	-	-	(50,899)	(50,899)	-	(50,899)
As at 30 June 2023	904,076	(59,788)	6,401	931	1,168,701	2,020,321	(4,676)	2,015,645

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 2022 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 Second Quarter ended June 30, 2023**  
(The figures have not been audited)

	<b>Current Period Ended 30.06.2023 RM'000</b>	<b>Corresponding Period Ended 30.06.2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	217,129	174,663
Adjustments for:-		
Amortisation of development costs	11,066	14,010
Depreciation of equipment	15,281	13,804
Depreciation of right-of-use assets	3,805	1,614
Depreciation of investment properties	326	326
Fixed assets written off	8	19
Gain on disposal of fixed assets	(7)	-
Gain on disposal of right-of-use assets	(211)	-
Stock written off	(34)	47
Fair value gain on investment	(2,756)	-
Gain on disposal of an associate	-	(2,846)
Interest expense	11,785	3,561
Interest expense on lease liabilities	1,155	109
Share of results for joint ventures	(246)	(79)
Interest income	(236)	(225)
Impairment gain on trade and financing receivables	(195)	(348)
	<hr/>	<hr/>
Operating profit before working capital changes	256,870	204,655
Increase in deferred revenue	14,747	15,400
Decrease / (Increase) in inventories	522	(6,689)
Decrease in financing receivables	15,364	13,435
Decrease / (Increase) in trade and other receivables	12,092	(75,506)
Increase in trade and other payables	2,291	7,715
	<hr/>	<hr/>
<b>CASH FLOWS FROM OPERATIONS</b>	<b>301,886</b>	<b>159,010</b>
Income tax (paid) / refunded	(1,962)	628
Interest paid	(11,785)	(3,561)
	<hr/>	<hr/>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>288,139</b>	<b>156,077</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Development costs paid	(160,968)	(221)
Interest received	236	225
Purchase of property and equipment	(3,426)	(109,233)
Additions of right-of-use assets	(7,752)	-
Proceeds from disposal of property and equipment	7	-
Proceeds from disposal of right of use assets	220	-
Proceeds from disposal of an associate	-	18,946
Purchase of other investments	(4,350)	-
Additions of digital assets	(40)	-
	<hr/>	<hr/>
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(176,073)</b>	<b>(90,283)</b>

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

**Condensed Consolidated Statements of Cash Flows for the Second Quarter ended June 30, 2023**  
(The figures have not been audited) (Cont'd)

	<b>Current Period Ended 30.06.2023 RM'000</b>	<b>Corresponding Period Ended 30.06.2022 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease) / Increase in amount owing to associates	(6)	20
Increase in amount due from a joint venture	(1,427)	-
Purchase of treasury shares	(23,146)	(10,615)
Expenses related to issuance of ordinary shares	(1)	(46)
Drawdown of term loan	15,305	90,000
Repayment of term loans	(23,473)	(39,465)
Drawdown of revolving credit	2,000	30,000
Drawdown of SUKUK	100,000	-
Repayment of lease liabilities	(5,016)	(1,564)
Interest expenses on lease liabilities paid	(1,155)	(109)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>63,081</b>	<b>68,221</b>
<b>NET INCREASE IN CASH AND BANK BALANCES</b>	<b>175,147</b>	<b>134,015</b>
<b>EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD</b>	<b>898</b>	<b>5</b>
<b>CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>76,423</b>	<b>89,279</b>
<b>CASH AND BANK BALANCES AT END OF THE FINANCIAL PERIOD</b>	<b>252,468</b>	<b>223,299</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 2022 and the accompanying notes to the Unaudited Financial Statements.

**Notes To The Interim Financial Report For the Financial Period ended June 30, 2023**

**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 2022.

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 2022.

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)**

MFRS 17 Insurance Contracts

Amendments to MFRS 17: Insurance Contracts

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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”):-

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

**Effective Date**

Amendments to MFRS 16: Lease – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Presentation of Financial Statements - <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 10 Consolidated Financial Statements	Deferred
Amendment to MFRS 128: Investments in Associates and Joint Ventures – <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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 2022 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>
06.04.2023	843,100	656,540

The total shares purchased during the financial quarter ended 30 June 2023 amounted to 843,100 (30 June 2022: Nil) MYEG shares.

As at 30 June 2023, a total of 72,116,800 (30 June 2022: 23,095,400) 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 2023.

## **A7. Dividends Paid**

### **i) Dividend-in-specie**

On 23 December 2022, the Directors proposed to distribute 84,000,000 shares representing the Group's entire 25.8% equity interest in Agmo Holdings Berhad ("Agmo Shares") held through MYEG Capital Sdn Bhd ("MYEG Capital") in two (2) separate tranches by way of a dividend-in-specie ("Dividend-in-Specie").

The distribution of the first tranche of the Dividend-in-Specie, consisting of 69,750,000 Agmo Shares was completed on 10 March 2023, following the distribution of 69,724,752 Agmo Shares to entitled shareholders with the remaining 25,248 Agmo Shares arising from fractional entitlements to be retained by MYEG Capital.

### **ii) Final Dividend for the financial year ended 31 December 2022**

For the financial year ended 31 December 2022, the Directors have proposed the declaration of a final dividend of 1.17 sen per ordinary share (2021 – 1.03 sen) of which the shareholders had approved at the 22th Annual General Meeting held on 22 June 2023. The entire portion of the final dividend of 1.17 sen per ordinary share will be paid via a Dividend Reinvestment Scheme which will be completed by 20 September 2023.

## **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 year ended 30 June 2023 are as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	6 months ended	6 months ended
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM	RM	RM	RM
<b>(i) A company which a director has financial interest</b>				
Embunaz Ventures Sdn Bhd				
- Professional Fees	62,400	62,400	124,800	124,800

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 RM184.88 million and RM111.35 million respectively for the second quarter financial period ended 30 June 2023 (“Q2 FY2023”) as compared to RM161.79 million and RM88.36 million respectively in the corresponding quarter (“Q2 FY2022”). The increase in Revenue of RM23.09 million (or 14.27%) and PAT of RM22.99 million (or 26.02%) was a result of:

- i) an overall increase in Revenue from our existing services;
- ii) contribution from newly launch services from our Zetrix blockchain platform; and
- iii) contribution from the sale of Zetrix tokens.

For the year-to-date period ended 30 June 2023 (“6M FY2023”), the Group recorded Revenue of RM358.10 million as compared to RM323.56 million in the corresponding period (“6M FY2022”) while PAT for 6M FY2023 increased to RM216.69 million as compared to RM173.55 million in the corresponding period 6M FY2022. The increase of RM34.54 million (10.67%) in Revenue and the increase of RM43.14 million (24.86%) in PAT was primarily attributable to:

- (i) an overall increase in Revenue from our existing services with higher margins which offset the cessation of Revenue contribution from the health screening and quarantine services;
- (ii) a one-off recognition of fair value gain in investment as a result from the listing of our investment in Agmo Holdings Berhad;
- (iii) contribution from newly launch services from our Zetrix blockchain platform; and
- (iv) contribution from the sale of Zetrix tokens.

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

	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Changes</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>%</b>
Revenue	184,875	173,224	6.73
Operating Profit	136,614	119,228	14.58
Profit Before Interest and Taxation	120,978	109,079	10.91
Profit Before Taxation	111,751	105,378	6.05
Profit After Taxation	111,351	105,339	5.71
Profit attributable to Ordinary Equity Holders of the Parent	111,556	105,936	5.31

For the Quarter under review, the Group recorded a Revenue of RM184.88 million as compared to the preceding quarter Q1 FY2023 Revenue of RM173.22 million. The Group’s PAT amounted to RM111.35 million in Q2 FY2023 as compared to Q1 FY2023 PAT of RM105.34 million. The increase in Revenue of RM11.66 million (6.73%) and PAT of RM6.01 million (5.71%) was primarily due to:

- i) contribution from our Zetrix blockchain platform; and
- ii) contribution from the sale of Zetrix tokens.

### B3. Prospect of the Group

For the financial year ending 31 December 2023 (“FYE2023”), MYEG expects to continue introducing innovative services by leveraging on new technologies, specifically blockchain or Web 3.0, in Malaysia as well as globally, to drive our organic growth for FYE2023.

With its Layer 1 blockchain platform namely Zetrix coming online, there is a huge potential for MYEG to commercialise innovative services as Web 3.0 becomes widely adopted. Furthermore, Zetrix has also been integrated with China’s national blockchain platform, namely “Xing Huo” which will allow ease of cross border trade to take place and it will be the Group’s foray into the global market.

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 as well as globally.

### 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 6 months ended		
	30.06.2023	30.06.2022	Changes	30.06.2023	30.06.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Current taxation	400	521	(23.2)	439	1,038	(57.7)
Deferred taxation	-	61	(100.0)	-	74	(100.0)
	<u>400</u>	<u>582</u>	<u>(31.3)</u>	<u>439</u>	<u>1,112</u>	<u>(60.5)</u>

The effective tax rate for the current taxation for cumulative year to date is 0.20% 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 incentives.

## 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 June 2023, 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	Utilisation		
	RM'mil	RM'mil	RM'mil	RM'mil	
Development of foreign workers hostels under the foreign workers accommodation programme	94.5	50.0	21.9	28.1	Within 24 months
Development of healthcare related services	168.0	89.0	89.0	-	Within 24 months
Purchase of fixed assets and related solutions for the e-government concession services	126.0	67.0	67.0	-	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>187.9</u>	<u>28.1</u>	

- ii) On 23 December 2022, the Directors proposed to distribute 84,000,000 shares representing the Group's entire 25.8% equity interest in Agmo Holdings Berhad ("Agmo Shares") held through MYEG Capital Sdn Bhd ("MYEG Capital") in two (2) separate tranches by way of a dividend-in-specie ("Dividend-in-Specie").

The distribution of the first tranche of the Dividend-in-Specie, consisting of 69,750,000 Agmo Shares was completed on 10 March 2023, following the distribution of 69,724,752 Agmo Shares to entitled shareholders with the remaining 25,248 Agmo Shares arising from fractional entitlements to be retained by MYEG Capital.

The second tranche of the Dividend-in-Specie consisting of 14,250,000 Agmo Shares will be distributed after the upliftment of the 12 months moratorium on 17 August 2023.

## B7. Group Borrowings

Details of the Group's borrowings as at June 30, 2023 were as follow:-

	As at 30.06.2023		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	127,892	35,298	163,190
Islamic Medium Term Notes	250,000	-	250,000
<b><u>Unsecured^</u></b>			
Revolving Credit	-	123,700	123,700
Total Borrowings	<u>377,892</u>	<u>158,998</u>	<u>536,890</u>

  

	As at 30.06.2022		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	139,781	29,601	169,382
Islamic Medium Term Notes	-	-	-
<b><u>Unsecured^</u></b>			
Revolving Credit	-	71,700	71,700
Total Borrowings	<u>139,781</u>	<u>101,301</u>	<u>241,082</u>

^ The borrowings are denominated in RM.

The weighted average interest rate of borrowings as at Q2 FY2023 was 7.45%.

## 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 6 months ended		
	30.06.2023	30.06.2022	Changes	30.06.2023	30.06.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Interest Income	(63)	(22)	186.4	(236)	(225)	4.9
Other Income	(24)	-	100.0	(521)	(2,847)	(81.7)
Interest Expense	8,666	2,164	100.0	11,785	3,561	100.0
Interest Expense on Lease Liabilities	567	51	100.0	1,155	109	100.0
Depreciation and Amortisation	15,370	16,367	(6.1)	30,478	29,754	2.4
Impairment Gain on Trade Receivables	(118)	(216)	(45.4)	(195)	(348)	(44.0)
Fixed Assets Written Off	-	11	(100.0)	8	19	(57.9)
(Gain) / Loss on Foreign Exchange						
- Realised	(16)	119	(100.0)	(44)	262	(100.0)
- Unrealised	1,089	34	100.0	1,079	42	100.0

Save 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

On 21 August 2023, the Directors have declared a first interim single tier dividend of 0.25 sen per ordinary share (2022 – 0.25 sen) for the current financial year ending 31 December 2023, payable on 17 November 2023 to shareholders registered at the closed business on 18 October 2023.

## 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 6 months ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to ordinary shareholders	111,556	88,636	217,492	173,263
Weighted average number of ordinary shares in issue ('000s)	7,427,118	7,392,292	7,427,118	7,392,292
Basic EPS (sen)	1.5	1.2	2.9	2.3



**B12. EPS (cont'd)**

## 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

- i) MY EG Lodging Sdn. Bhd., a sub-subsidiary 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.
- ii) 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.
- iii) The Company had on 24 November 2021 entered into a MOU with A Tech Insure Sdn Bhd to provide Malaysian civil servants with a platform to purchase motor vehicle takaful coverage together with road tax renewal by way of an interest-free Shariah compliant Qard loan facility that enables instalment payments via a salary deduction plan of up to 10 months.
- iv) The Company had on 6 October 2022 entered into a MOU with MIMOS Technology Solutions Sdn Bhd to jointly develop and operate the national layer 1 public blockchain using Zetrix and MIMOS blockchain technology, as the components of the Malaysia Blockchain Infrastructure.
- v) The Company had on 14 June 2023 entered into a non-binding MOU with Oyika Green Technologies Sdn Bhd in relation to a collaboration on the use of electric motorcycles and placement of battery swapping stations at designated locations for a trial period, in line with MYEG's ongoing efforts to reduce carbon emissions as part of its overarching commitment to reaching net zero by 2050.
- vi) The Company's joint venture company MYEG Philippines, Inc, had on 27 July 2023 entered into a MOU with MYEG Ventures Inc., Cargo Data Exchange Center Inc., and the Philippines Bureau of Customs ("BOC"). The purpose of this MOU is to establish a deployment of Zetrix blockchain-based customs clearance and processing services for the BOC.

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  
21 August 2023