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

(505639-K)  
(Incorporated in Malaysia)

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**



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

**FOURTH QUARTERLY REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income  
for the Fourth Quarter ended December 31, 2023**  
(The figures have not been audited)

	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	222,056	155,986	42.4	774,276	642,162	20.6
Operating Expenses	(41,744)	(46,776)	(10.8)	(188,578)	(217,097)	(13.1)
Operating Profit	180,312	109,210	65.1	585,698	425,065	37.8
Depreciation and Amortisation	(17,280)	(15,059)	14.7	(61,358)	(60,273)	1.8
Interest Income	427	56	>100.0	1,016	324	>100.0
Other Income	(396)	2	(>100.0)	339	2,863	(88.2)
Fair value (loss) / gain on investment	(785)	(16,380)	(95.2)	2,114	45,505	(95.4)
Share of results of a joint venture	13	58	(77.6)	435	124	>100.0
Share of results of an associate	(1)	-	(>100.0)	(1)	-	(>100.0)
Profit Before Interest and Taxation	162,290	77,887	>100.0	528,243	413,608	27.7
Interest Expense	(11,686)	(2,695)	>100.0	(39,966)	(9,241)	>100.0
Profit Before Taxation	150,604	75,192	>100.0	488,277	404,367	20.8
Taxation	(551)	(366)	50.5	(1,433)	(3,965)	(63.9)
Profit After Taxation	150,053	74,826	>100.0	486,844	400,402	21.6
Other Comprehensive Income	(1,738)	9	(>100.0)	(704)	14	(>100.0)
Total Comprehensive Income for the financial period	148,315	74,835	98.2	486,140	400,416	21.4
Profit After Taxation attributable to:						
Owners of the Company	150,164	74,691	>100.0	487,652	398,662	22.3
Non-controlling interest	(111)	135	(>100.0)	(808)	1,740	(>100.0)
	150,053	74,826	>100.0	486,844	400,402	21.6
Total Comprehensive Income attributable to:						
Owners of the Company	148,426	74,700	98.7	486,948	398,676	22.1
Non-controlling interest	(111)	135	(>100.0)	(808)	1,740	(>100.0)
	148,315	74,835	98.2	486,140	400,416	21.4
Earnings per share ("EPS") attributable to the equity holders of the Company (sen)						
- Basic EPS	2.0	1.0		6.6	5.4	
- 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 December 31, 2023**

	Unaudited As at 31.12.2023 RM'000	Audited As at 31.12.2022 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipment	305,168	330,006
Right-of-use assets	63,104	59,819
Investment properties	28,354	29,007
Investment in associates	352	33
Investment in joint ventures	9,814	9,379
Other investments	233,449	235,718
Development costs	1,206,048	762,678
Goodwill on consolidation	20,002	20,002
Financing receivables	204,020	243,456
	<u>2,070,311</u>	<u>1,690,098</u>
<b>CURRENT ASSETS</b>		
Inventories	25,779	25,809
Financing receivables	47,799	45,470
Trade receivables	346,996	334,859
Other receivables, deposits and prepayments	334,590	307,550
Amount owing by joint ventures	5,688	2,510
Amount owing by associates	39	32
Current tax assets	2,643	607
Digital assets	301,761	38
Cash and cash equivalents	84,144	76,424
	<u>1,149,439</u>	<u>793,299</u>
Assets held for sale	7,495	56,280
	<u>1,156,934</u>	<u>849,579</u>
<b>TOTAL ASSETS</b>	<u>3,227,245</u>	<u>2,539,677</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
Share capital	962,017	904,077
Treasury shares	(81,258)	(36,642)
Reserves	(671)	6,434
Retained profits	1,333,564	1,002,108
	<u>2,213,652</u>	<u>1,875,977</u>
Non-controlling interests	(4,732)	(3,874)
<b>TOTAL EQUITY</b>	<u>2,208,920</u>	<u>1,872,103</u>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	704,324	293,791
Long term lease liabilities	32,213	31,366
Deferred tax liabilities	2,860	2,859
	<u>739,397</u>	<u>328,016</u>

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

**Condensed Consolidated Statements of Financial Position**  
**As at December 31, 2023 (Cont'd)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	50,977	106,412
Other payables and accruals	81,143	73,423
Deferred revenue	1,752	1,439
Amount owing to associates	335	22
Current tax liabilities	22	88
Short term borrowings	142,334	149,267
Short term lease liabilities	2,365	8,907
	<u>278,928</u>	<u>339,558</u>
<b>TOTAL LIABILITIES</b>	<u>1,018,325</u>	<u>667,574</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,227,245</u>	<u>2,539,677</u>
Net assets attributable to ordinary equity holders of the parent (RM'000)	2,213,652	1,875,977
Net assets per share attributable to ordinary equity holders of the parent (sen)	29.68	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 Fourth Quarter ended December 31, 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	-	-	-	-	398,662	398,662	1,740	400,402
Other comprehensive income for the financial period	-	-	-	14	-	14	-	14
Total comprehensive income for the financial period	-	-	-	14	398,662	398,676	1,740	400,416
Expenses related to issuance of ordinary shares	(120)	-	-	-	-	(120)	-	(120)
Issuance of ordinary shares pursuant to Dividend Reinvestment Plan	49,302	-	-	-	-	49,302	-	49,302
Purchase of treasury shares	-	(24,278)	-	-	-	(24,278)	-	(24,278)
Dividends paid	-	-	-	-	(94,666)	(94,666)	-	(94,666)
As at 31 December 2022	904,077	(36,642)	6,401	33	1,002,108	1,875,977	(3,874)	1,872,103
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	-	-	-	-	487,652	487,652	(808)	486,844
Other comprehensive income for the financial period	-	-	-	(704)	-	(704)	-	(704)
Total comprehensive income for the financial period	-	-	-	(704)	487,652	486,948	(808)	486,140
Expenses related to issuance of ordinary shares	(54)	-	-	-	-	(54)	-	(54)
Issuance of ordinary shares pursuant to Dividend Reinvestment Plan	57,994	-	-	-	-	57,994	-	57,994
Dilution by non-controlling interest	-	-	-	-	-	-	(50)	(50)
Purchase of treasury shares	-	(44,616)	-	-	-	(44,616)	-	(44,616)
Changes in fair value reserve	-	-	(6,401)	-	-	(6,401)	-	(6,401)
Dividends paid	-	-	-	-	(105,297)	(105,297)	-	(105,297)
Dividend-in-specie paid	-	-	-	-	(50,899)	(50,899)	-	(50,899)
As at 31 December 2023	962,017	(81,258)	-	(671)	1,333,564	2,213,652	(4,732)	2,208,920

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 Fourth Quarter ended December 31, 2023**  
(The figures have not been audited)

	Current Period Ended 31.12.2023 RM'000	Corresponding Period Ended 31.12.2022 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	488,277	404,367
Adjustments for:-		
Amortisation of development costs	25,103	27,053
Depreciation of equipment	30,026	28,532
Depreciation of right-of-use assets	7,596	5,738
Depreciation of investment properties	653	653
Fixed assets written off	248	1,459
Gain on disposal of fixed assets	(119)	(654)
Gain on disposal of right-of-use assets	(224)	(16)
Stock written off / (reversal of stock written off)	14	(90)
Fair value gain on investment	(2,114)	(45,505)
Gain on disposal of other investment	(69)	-
Gain on disposal of an associate	-	(2,846)
Interest expense	37,910	8,097
Interest expense on lease liabilities	2,103	1,197
Share of results in an associate	1	-
Share of results for joint ventures	(435)	(124)
Interest income	(1,016)	(324)
Impairment gain on trade and financing receivables	(301)	(439)
	<hr/>	<hr/>
Operating profit before working capital changes	587,653	427,098
Increase / (Decrease) in deferred revenue	313	(105)
Decrease / (Increase) in inventories	16	(7,395)
Decrease in financing receivables	37,392	30,773
Increase in trade and other receivables	(33,161)	(145,720)
(Decrease) / Increase in trade and other payables	(47,715)	10,327
	<hr/>	<hr/>
<b>CASH FLOWS FROM OPERATIONS</b>	544,498	314,978
Income tax paid	(3,534)	(4,028)
Interest paid	(37,910)	(8,097)
	<hr/>	<hr/>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	503,054	302,853
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Development costs paid	(468,473)	(458,827)
Interest received	1,016	324
Purchase of property and equipment	(5,420)	(67,711)
Additions of right-of-use assets	(6,886)	(15,369)
Proceeds from disposal of property and equipment	232	657
Proceeds from disposal of right of use assets	220	-
Investment in an associate	(320)	-
Proceeds from disposal of an associate	-	18,946
Purchase of other investments	(10,635)	-
Proceeds from disposal of other investment	573	-
Additions of digital assets	(301,723)	(38)
Dilution by non-controlling interest	(50)	-
	<hr/>	<hr/>
<b>NET CASH FOR INVESTING ACTIVITIES</b>	(791,466)	(522,018)

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

**Condensed Consolidated Statements of Cash Flows for the Fourth Quarter ended December 31, 2023**  
(The figures have not been audited) (Cont'd)

	<b>Current Period Ended 31.12.2023 RM'000</b>	<b>Corresponding Period Ended 31.12.2022 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(105,297)	(94,666)
Increase in amount owing to associates	306	(6)
Increase in amount due from a joint venture	(3,178)	-
Purchase of treasury shares	(44,616)	(24,278)
Issuance of new shares pursuant to Dividend Reinvestment Plan	57,994	49,302
Expenses related to issuance of ordinary shares	(54)	(120)
Drawdown of term loan	22,071	106,320
Repayment of term loans	(41,171)	(53,809)
Drawdown of revolving credit	6,700	80,000
Repayment of revolving credit	(9,000)	-
Drawdown of SUKUK	425,000	150,000
Repayment of lease liabilities	(9,815)	(5,250)
Interest expenses on lease liabilities paid	(2,103)	(1,197)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>296,837</b>	<b>206,296</b>
<b>NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES</b>	<b>8,425</b>	<b>(12,869)</b>
<b>EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD</b>	<b>(704)</b>	<b>14</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>84,144</b>	<b>76,424</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 December 31, 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>
02.10.2023	2,000,000	1,576,181
05.10.2023	2,000,000	1,576,181
18.10.2023	2,000,000	1,626,346

The total shares purchased during the financial quarter ended 31 December 2023 amounted to 6,000,000 (31 December 2022: 5,000,000) MYEG shares.

As at 31 December 2023, a total of 99,138,300 (31 December 2022: 39,595,400) 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 31 December 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.

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

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

For the financial year ended 31 December 2022, the Directors had proposed the declaration of a final dividend of 1.17 sen per ordinary share (2021 – 1.03 sen) of which the shareholders had subsequently approved at the 22th Annual General Meeting held on 22 June 2023.

The final dividend, which amounted to RM86,643,787 was paid on 20 September 2023. Under the Dividend Reinvestment Scheme, a total of 81,110,688 new ordinary shares were issued at the price of RM0.715 per MYEG share which amounted to RM57,994,131.

### **iii) Interim Dividend for the financial year ended 31 December 2023**

On 21 August 2023, the Directors had declared a first interim single tier dividend of 0.25 sen per ordinary share (2022 – 0.25 sen) for the current financial year ended 31 December 2023, which was paid on 17 November 2023 to shareholders registered at the closure of business on 18 October 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 31 December 2023 are as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>(i) A company which a director has financial interest</b>				
Embunaz Ventures Sdn Bhd				
- Professional Fees	62,400	62,400	249,600	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 RM222.06 million and RM150.05 million respectively for the fourth quarter financial period ended 31 December 2023 (“Q4 FY2023”) as compared to RM155.99 million and RM74.83 million respectively in the corresponding quarter last year (“Q4 FY2022”). The increase in Revenue of RM66.07 million (or 42.36%) and the increase in PAT of RM75.22 million (or more than 100%) was a result of:

- i) contribution from newly launch services from our Zetrix blockchain platform;
- ii) contribution from the sale of Zetrix tokens; and
- iii) the Initial Exchange Offering (“IEO”) of Zetrix tokens on 3 major global digital asset exchanges.

For the financial year ended 31 December 2023 (“12M FY2023”), the Group recorded Revenue of RM774.28 million as compared to RM642.16 million in the corresponding period (“12M FY2022”). This represents an increase of RM86.44 million (20.57%) in Revenue. PAT for 12M FY2023 increased by RM50.07 million (21.59%) to RM486.84 million as compared to RM400.40 million achieved in 12M FY2022. The increase in Revenue and PAT is primarily attributable to:

- (i) contribution from newly launch services from our Zetrix blockchain platform;
- (ii) contribution from the sale of Zetrix tokens;
- (iii) the Initial Exchange Offering (“IEO”) of Zetrix tokens on 3 major global digital asset exchanges;
- (iv) the full 12 months of contribution from the existing concession and commercial services; and
- (v) increase in foreign worker job matching service due to uplifting of freeze on foreign worker recruitment;

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

	<b>Q4 2023</b>	<b>Q3 2023</b>	<b>Changes</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>%</b>
Revenue	222,056	194,121	14.39
Operating Profit	180,312	149,544	20.57
Profit Before Interest and Taxation	162,290	135,896	19.42
Profit Before Taxation	150,604	120,544	24.94
Profit After Taxation	150,053	120,101	24.94
Profit attributable to Ordinary Equity Holders of the Parent	150,164	119,996	25.14

For the Quarter under review, the Group recorded a Revenue of RM222.06 million as compared to the preceding quarter Q3 FY2023 Revenue of RM194.12 million. The Group’s PAT amounted to RM150.05 million in Q4 FY2023 as compared to Q3 FY2023 PAT of RM120.10 million.

The increase in Revenue of RM27.94 million (14.39%) and PAT of RM29.95 million (24.94%) was primarily due to:

- i) contribution from our Zetrix blockchain platform;
- ii) contribution from the sale of Zetrix tokens; and
- iii) the Initial Exchange Offering (“IEO”) of Zetrix tokens on 3 major global digital asset exchanges.

### B3. Prospect of the Group

For the financial year ending 31 December 2024 (“FYE2024”), 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 FYE2024.

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 12 months ended		
	31.12.2023	31.12.2022	Changes	31.12.2023	31.12.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Current taxation	551	2,422	(77.3)	1,432	5,882	(75.7)
Deferred taxation	-	65	(100.0)	1	204	(99.5)
	<u>551</u>	<u>2,487</u>	<u>(77.8)</u>	<u>1,433</u>	<u>6,086</u>	<u>(76.5)</u>

The effective tax rate for the current taxation for cumulative year to date is 0.29% 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.

## B7. Group Borrowings

Details of the Group's borrowings as at December 31, 2023 were as follow:-

	As at 31.12.2023		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	129,324	22,934	152,258
Islamic Medium Term Notes	575,000	-	575,000
<b><u>Unsecured^</u></b>			
Revolving Credit	-	119,400	119,400
Total Borrowings	<u>704,324</u>	<u>142,334</u>	<u>846,658</u>

	As at 31.12.2022		
	Non-Current RM'000	Current RM'000	Total RM'000
<b><u>Secured^</u></b>			
Term Loan	143,791	27,567	171,358
Islamic Medium Term Notes	150,000	-	150,000
<b><u>Unsecured^</u></b>			
Revolving Credit	-	121,700	121,700
Total Borrowings	<u>293,791</u>	<u>149,267</u>	<u>443,058</u>

^ The borrowings are denominated in RM.

The weighted average interest rate of borrowings as at Q4 FY2023 was 5.09%.

## 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		
	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %
Interest Income	(427)	(56)	100.0	(1,016)	(324)	100.0
Other Income	396	(2)	(100.0)	(339)	(2,863)	(88.2)
Interest Expense	11,294	2,080	100.0	37,910	8,097	100.0
Interest Expense on Lease Liabilities	419	632	(33.7)	2,103	1,197	75.7
Depreciation and Amortisation	17,864	15,608	14.5	63,378	61,976	2.3
Impairment Loss / (Gain) on Trade Receivables	32	(32)	(100.0)	(301)	(439)	(31.4)
Fixed Assets Written Off	68	1,436	(95.3)	248	1,459	(83.0)
Loss / (Gain) on Foreign Exchange						
- Realised	194	41	100.0	220	383	(42.6)
- Unrealised	(1,270)	(219)	100.0	(48)	(92)	(47.8)

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

The Directors have proposed the declaration of a final dividend of 1.68 sen per ordinary share (2022 – 1.17 sen) 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	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Net profit attributable to ordinary shareholders	150,164	74,691	487,652	398,662
Weighted average number of ordinary shares in issue ('000s)	7,426,033	7,382,067	7,426,033	7,382,067
Basic EPS (sen)	2.0	1.0	6.6	5.4

### 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 ("UM") 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. On 23 February 2024, the MOU with UM has ceased to be in effect immediately as a formal agreement has been signed on 14 June 2023.
- 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.

**B13. Additional Disclosure Requirement (Cont'd)**

- 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.
- vii) The Company had on 26 February 2024 entered into a non-binding MOU with Sarawak Digital Economy Corporation Berhad in relation to a collaboration to provide Electronic Government Services in Sarawak.

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

By Order of the Board  
Tan Ai Ning  
Secretary  
28 February 2024