

Company Name : MyEG Services Berhad
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MyEG Proposes One-For-One Bonus Issue, Diversification Into Healthcare-Related Businesses



KUALA LUMPUR (March 16): E-government service provider My EG Services Bhd (MyEG) has proposed to undertake a one-for-one bonus issue of up to 4.15 billion new shares on an entitlement date to be announced later.

This is to reward existing shareholders as well as to encourage trading liquidity of MyEG shares on the local stock exchange, said the company in a filing with Bursa Malaysia today.

As at March 10, the group's issued share capital stood at RM638.78 million, comprising 3.67 billion shares.

Thus, under a maximum scenario, the enlarged share capital of MyEG will be 8.3 billion shares worth RM1.59 billion, assuming that the bonus issue is pursuant to the 100 million private placement shares and exercise of all 377.19 million employees' share option scheme (ESOS) options are fully granted.

For illustrative purposes, based on the three-month volume weighted average price (VWAP) of the shares up to March 10 of RM1.75, the theoretical ex-bonus share price is 88 sen per share.

On top of this, the company has proposed the diversification to include healthcare-related businesses, namely medical screening services, distribution of vaccines, other pharmaceutical products and medical devices and provision of quarantine and quarantine-related services.

"The proposed diversification enables the group to leverage on its existing branding, online platforms/channels and user base to effectively reach out to the public and provide sought-after services particularly during the Covid-19 pandemic," said MyEG.

The group also believes that the timely introduction of the relevant healthcare products and services, coupled with the increased demand for such products and services, should contribute positively to its financial performance moving forward.

Currently, the group has a total of 33 personnel appointed for its healthcare-related businesses. MyEG said the group intends to hire more personnel progressively as its healthcare-related businesses grow.

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the proposals are expected to be completed by the second quarter of 2021.

MyEG shares closed two sen or 1.02% higher at RM1.99 today, valuing it at RM7.31 billion. Some 15.43 million shares were traded. Over the past year, the counter gained some 116% from 92 sen.