

MY E.G. revenue to rise 19%

BY SHILING WOON (Source - thestar.com.my)

KUALA LUMPUR: MY E.G. Services Bhd, a Mesdaq-bound electronic government service provider, projects a 19% rise in revenue to RM22.9mil in this financial year ending June 2007, said executive chairman Datuk Dr Norraesah Mohamad.

This increase would be achieved through the upgrading of existing products and services to enhance customer service as well as the launch of two new products, she said after launching MY E.G.'s prospectus yesterday.



From left: Hwang-DBS Securities Bhd head of corporate finance Soon Bee Hwee, Home Affairs Minister Datuk Seri Mohd Radzi Sheikh Ahmad, Datuk Dr Norraesah Mohamad and MY E.G. managing director T.S. Wong at the launch of the prospectus in Kuala Lumpur

The company is forecasting a consolidated profit after tax of RM7mil this fiscal year, up from RM4.1mil last year.

"We are confident of achieving the projected numbers as MY E.G. has a concession agreement with the Government to design and develop the electronic delivery of driver and vehicle registration, licensing and summons services, as well as utility bill payments," she said.

Norraesah added that the company's revenue growth driver was the government sector.

MY E.G. application products and services come under two divisions:

- Government to citizen (G2C) services, available over the Internet and the group's 30 kiosks nationwide, include driving theory test booking, issuance and renewal of licences, electronic bill presentment and payment; and

- Government enterprise solutions (GES) are a non-Internet-based service that includes the provision of software and enterprise solutions, system development and maintenance, as well as services rendered at the company's e-service centres such as test taking and ancillary facilities and transmission of vehicle insurance data.

The company's G2C service suppliers include the Road Transport Department, the police, Kuala Lumpur City Hall, Telekom Malaysia Bhd and Tenaga Nasional Bhd.

Norraesah said MY E.G. was in the midst of negotiations with the National Registration Department (NRD) to offer its G2C products and services. It hopes to roll out these services next year.

"We intend to set up 100 additional kiosks next year with the roll-out of our services for NRD," she said, adding that the company would allocate about RM100,000 for each kiosk.

The company also plans to spread its wings to the United Arab Emirates and Pakistan in the next two years.

"We are keen to introduce our ICT (information and communications technology) products in these countries. However, we are still in the early stage of discussions with potential partners," she added.

MY E.G. is targeting a listing on the Mesdaq market on Jan 16. The company is issuing 25.5 million shares of 10 sen each at an issue price of 55 sen per share.

The initial public offering is expected to raise RM14mil, of which RM10.8mil will be for capital expenditure, RM1.38mil for working capital and RM1.8mil for listing expenses.