

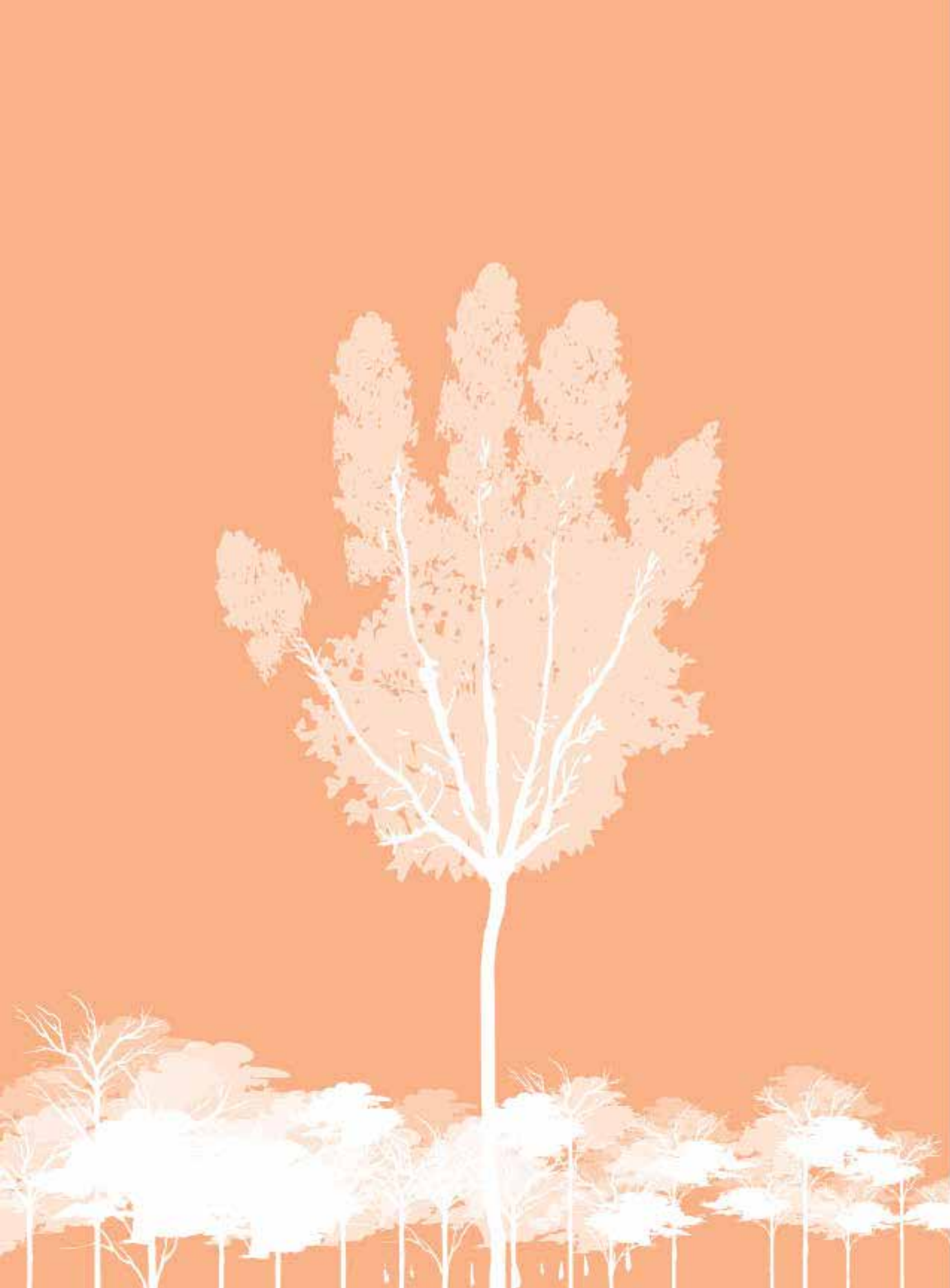
RISE ABOVE.



OMESTI

ANNUAL REPORT 2017





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## OUR DNA

### CREATIVE

Being curious, seeking out the smartest solution

### CARING

About the people we work with and for, helping people to live better, work smarter, grow faster

### COMPETENT

Aiming to be the best we can be, making the ordinary extraordinary

## WORKING WITH:

INTEGRITY  
HUMILITY  
LOYALTY  
COMPASSION

Attracting creative talent to foster our enterprising spirit

Combining youth and energy with maturity and wisdom

Constantly challenging ourselves and our thinking to deliver real innovation



OMESTI

## WE ARE

CURIOUS

BOLD

WISE

PASSIONATE

AGILE

# CHAIRMAN'S STATEMENT

## BACKGROUND

A key characteristic of the ICT & Technology sector is constant and rapid change with new ways of enabling business and connecting communities emerging on a regular basis. This development is spurred on by an increasingly discerning customer base that requires smarter, more effective solutions in almost every aspect of their operations. The ability to rapidly adapt therefore remains one of the vital requirements for success.

One of the key strategies for the OMESTI Group during the year has been to shift the business towards a recurring revenue model with the goal of providing long-term sustainability. A specific objective has been to pursue opportunities where OMESTI is a business process outsourcing (BPO) provider, with contracts operated on a revenue-sharing basis.

The Group has also focused on gaining further traction in the SME sector with its range of Software-As-A-Service solutions.

Details of these business activities are provided in the section on Management Discussion & Analysis, presented on pages 8 to 15 of Volume 1 of this Annual Report.

## PERFORMANCE

In spite of the challenging market environment, where the Malaysian economy continues to be impacted by global forces and just reaching a growth of 4.2% during 2016, the companies in the OMESTI Group have achieved a steady performance. Details of the Group's financial performance are provided in the section on Management Discussion & Analysis on pages 8 to 15 of Volume 1 of this Annual Report.



## MARKET OUTLOOK

The Malaysian Government continues its strategic goal of transforming the economy from conventional to digital. As such, a number of initiatives and incentives have been announced during the period under review. These include a significant allocation of RM1 billion in the 2017 Budget to the Malaysian Communications & Multimedia Commission (MCMC) to ensure quality internet coverage and speed of up to a baseline of 20MB per second.

The Government also launched the world's first Digital Free Trade Zone, aimed at providing a centralised hub for internet companies to trade goods, provide services, innovate and co-create solutions.

The SME sector in Malaysia is responsible for over 35% of the country's GDP, 65% of the country's employment, and nearly 18% of Malaysia's exports. By 2020, Malaysia aims to push the contribution to GDP to 41%, and the share of the country's exports from SMEs to 23%. With SMEs representing such a major component of the Malaysian economy, the sector represents a key focus market for the Group. OMESTI will therefore continue to expand its portfolio of As-A-Service solutions to help SMEs grow their businesses.

The Government is also driving its programme to transform Malaysia into a cashless society. Enabling an e-payments ecosystem is a key factor for success in this initiative and OMESTI is working with various parties, including Touch N Go, to develop solutions for deployment in the sector.

## INDUSTRY RECOGNITION

OMESTI Group companies are leaders in their respective fields with their successes and achievements often recognised by industry organisations and their peers. As such, ISS Consulting (Thailand) Ltd, part of the Diversified Gateway Solutions Berhad (DGSB) Group, received a number of prestigious accolades for its performance as an SAP Partner during the year.

## CARE IN THE COMMUNITY

OMESTI has continued to incorporate new initiatives into its operations as part of its commitment to being a responsible corporate citizen.

### GIVING BACK

During the year, the Group has set up the Anaho Foundation, an organisation dedicated to helping young Malaysians reach their full potential. Programmes that provide opportunities for youngsters to build their confidence, acquire new experiences and prepare them for the world at large will be the cornerstone of the Foundation's work.

Our internship programme will also be a key part of this initiative, where young students can gain first-hand exposure to the work environment and culture. During the year, a number of such students have been involved in technology development work on live projects.

Aligned to this, the Group has been actively involved in supporting youth development initiatives during the year. In August 2016, the Group's internet service provider OHANA partnered with the Kuala Lumpur Cricket Association (KLCA) to support its programme of cricket development for juniors.





# BREAKING DOWN THE DNA OF OUR AMBITION



## CONTINUOUS TRANSFORMATION

Disrupting the way of doing things, improving the way business works

## PUSH THE ENVELOPE

Reinventing ourselves bringing our passion to the table

## CLOSING THE GAP

SMEs / Large Enterprise

## SOLUTION DELIVERY

Ensuring consistent quality

## DISRUPT

Innovate fast

Integrate digitally

Conquer ideas

Interact quickly

Personalise

In November 2016, OHANA also formed a partnership with the Squash Racquets Association of Malaysia (SRAM) to set up the OHANA-SRAM Squash League. The League is designed to foster growth of the sport in the community and provide young players with a channel to develop their skills and learn from seniors in the game.

Both initiatives are in support of the Government's drive to provide access for more young people to be involved in sports.

### DIVERSITY IN THE WORKPLACE

The OMESTI Group practises a policy of full inclusion and diversity at the workplace. Appointments, promotions and other employee-related decisions are made solely on the basis of suitability of skills, experience and performance.

Our employee population comprises a well-balanced team that is results-oriented and focused on achieving the highest standards of excellence. Some 65% of our employees are male, while 35% are female. In terms of age, there is a balanced spread of youth and experience: 35% are aged 20 to 30 years old, 35% are aged 31 to 40, while some 20% are aged between 41 and 50 years old. In the upper age bracket, 8% are between 51 and 60 years old, while 2% is aged over 60.

During the year under review, a new assessment system, known as PACE (Performance Assessment Criteria for Excellence) was implemented to help employees achieve their goals on both a work-based and personal level.

### APPRECIATION & ACKNOWLEDGMENT

As Chairman of OMESTI Berhad, I would like to extend my sincere gratitude and appreciation to the people who have continued to demonstrate their commitment to the Group. First and foremost, to our employees: thank you for your diligence, dedication and loyalty. To the Board of Directors, the Executive Committee and the Management Team, who have each provided their wisdom and guidance and contributed to the progress made. And to our financiers, business partners, suppliers, shareholders and customers: We appreciate your continued commitment to the Group and confidence in its endeavours.

We look forward to your continued support as OMESTI continues to evolve.

Thank you.

**Tan Sri Dato' Seri Megat Najmuddin Bin Datuk Seri Dr. Hj. Megat Khas**

CHAIRMAN

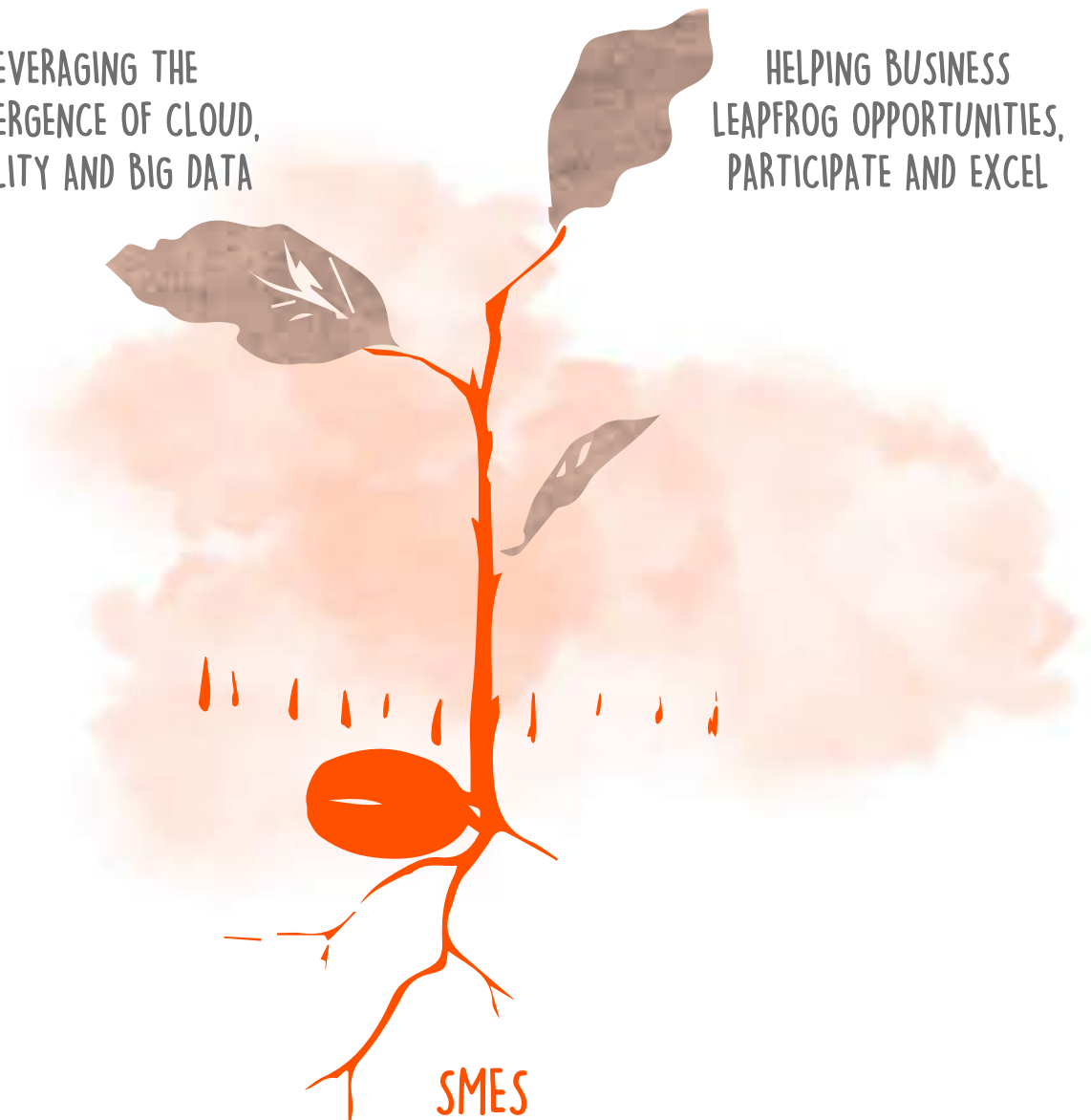




## MAXIMISING POTENTIAL

LEVERAGING THE  
CONVERGENCE OF CLOUD,  
MOBILITY AND BIG DATA

HELPING BUSINESS  
LEAPFROG OPPORTUNITIES,  
PARTICIPATE AND EXCEL



ACCOUNT FOR MORE THAN  
**90%**  
OF MALAYSIAN BUSINESSES

CONTRIBUTE UP TO  
**32%**  
OF GDP

EMPLOY MORE THAN  
**56%**  
POPULATION

ANSWERING THE NEED FOR SIMPLIFIED SOLUTIONS.

# MANAGEMENT DISCUSSION & ANALYSIS

## INTRODUCTION

OMESTI Berhad (OMESTI Group) is a leading technology player in the Malaysian market that brings together a diverse range of enterprise and as-a-service solutions for Infrastructure – IaaS, Platform – PaaS, and Software – SaaS, with the appropriate skillsets to serve multiple industries within the private and public sectors.

## OVERVIEW OF BUSINESS OPERATIONS

The businesses within the Group are organised along broad business lines of:

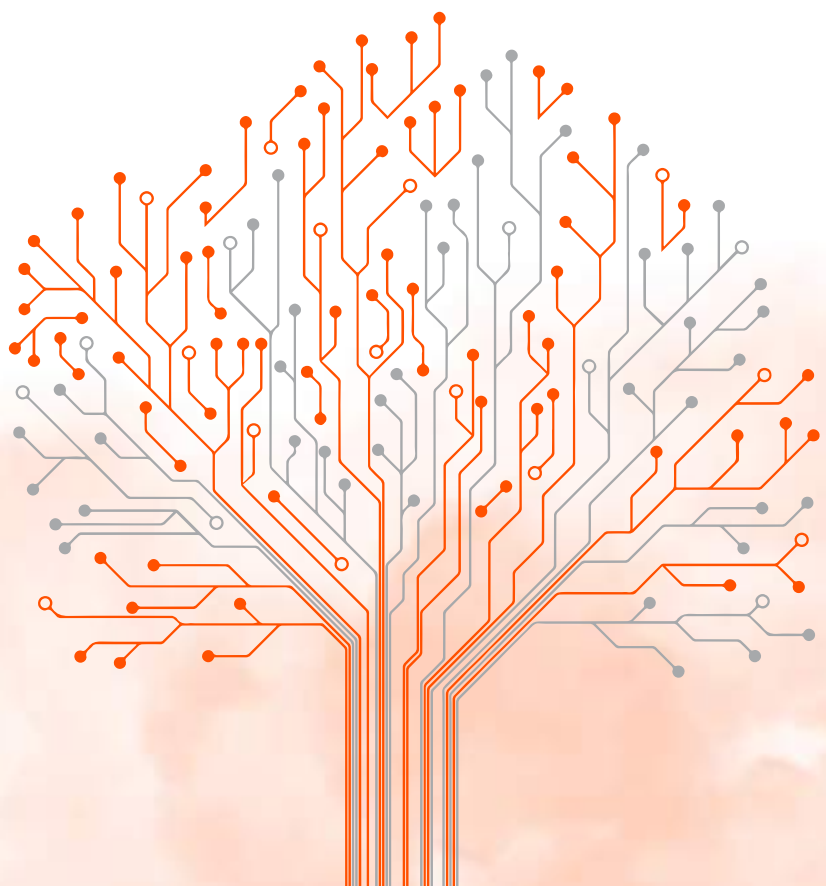
- Business Performance Services
- Digital & Infrastructure Services
- Trading & Distribution Services

In the **Business Performance Services** segment, the Group develops and deploys technology solutions for enterprise architecture, digital court solutions, e-payments platforms, core banking, core insurance, cloud/analytics/mobile applications, document management solutions, data centres and large-scale, complex ICT implementations. The Group also fields considerable expertise in SAP implementation through its subsidiary ISS Consulting in Thailand.

In the SME space, the Group brings together a number of Software-As-A-Service solutions for smaller businesses helping to streamline operations and provide flexibility for expansion. These subscription-based solutions include Corporate Secretarial Services, Accounting & Inventory, Digital HR, Payroll Services and Intelligent Video Analytics.

In the **Digital & Infrastructure Services** space, OMESTI is one of the leading providers of large-scale networking, telecommunications and other communication systems, primarily through its subsidiary Diversified Gateway Berhad. Its telco subsidiary, OHANA Communications Sdn Bhd, services the SME community, and Fiber At Home City Networks Sdn Bhd is an Open Access Network provider servicing the residential sector.

Business in the **Trading & Distribution Services** segment involves distribution and systems integration of hardware/software solutions from some of the leading industry principals including Hitachi Data Systems, IBM, Lenovo, Oracle as well as partnerships with Microsoft.



## OBJECTIVES & STRATEGIES

THE GROUP IS FOCUSED ON ENSURING ITS NEW BUSINESS VENTURES ARE EQUIPPED TO PURSUE, WIN, AND EXECUTE NEW PROJECTS.

The overriding goal of the OMESTI Group is to deliver best-of-breed solutions that simplify the complexities of business operations for its customers.

One of the key strategies during the year under review has been to shift the Group's operations towards a recurring revenue model with the aim of providing long-term business sustainability. A specific objective has also been to pursue opportunities where OMESTI is a business process outsourcing (BPO) provider, with contracts on a revenue-sharing basis.

### Short-Term Goals

In the short term, the Group is focused on ensuring its new business ventures are equipped to pursue, win and execute new projects. It is also committed to ensuring the continued successful delivery of its large-scale digital transformation projects. Development of best-of-breed technology solutions for the market is also a key priority.

### Long-Term Goals

In the longer term, the Group will continue to build its footprint as a mainstream BPO (Business Process Outsourcing) provider, both in the domestic market and across the ASEAN region. Development of a strong revenue recurring business model is the primary focus for the Group and it will leverage the alliances it has formed with strategic partners (see below under Product Development) to expand geographical coverage and access new industry sectors.

## REVIEW OF OPERATING ACTIVITIES

### PUBLIC SECTOR PROJECTS

Over the course of FYE 2017, the OMESTI Group secured a number of important projects for various government entities. These include:

- **Environmental Enforcement Systems** for Jabatan Alam Sekitar, under Ministry of Natural Resources & Environment
- **Infra for Local Council Management Systems (ePBT) and One Stop Centre (OSC)** for Works Approval Systems, under the Local Government Department, Ministry of Urban Wellbeing, Housing & Local Government
- **Disaster Recovery Centre** at Putrajaya for the Ministry of Education

as well as outsourcing of hardware and database centre services for various government departments.

A number of projects for outsourcing services, broadband implementation and maintenance services were also secured with Government-Linked Companies (GLCs) including Tenaga Nasional Berhad, Petronas Berhad, Petronas Dagangan Berhad and Telekom Malaysia.

### DIGITAL REGISTRY SOLUTIONS

As part of its ongoing strategy to secure large-scale infrastructure projects to provide long-term recurring revenue, the Group achieved successes with key project wins for leading Malaysian regulatory authorities. One of these is for **Suruhanjaya Syarikat Malaysia (SSM)** (Companies Commission of Malaysia) to develop and implement a new XBRL (Extensible Business Reporting Language) financial reporting standards platform.

The project involves a comprehensive re-engineering of the SSM online infrastructure to an XBRL domain, which will enable companies to file annual returns and audited accounts electronically. The initiative will also enable SSM to capture critical financial information and other key data from registered companies, to provide powerful analytical insights into the Malaysian corporate landscape and enhance transparency in cross-border dealings.

### COURT INFRASTRUCTURE SOLUTIONS

Development and roll-out of the new eCOURTS Digital Court Infrastructure platform has continued during the period under review, with ten locations brought on stream as of July 2017, with data migration of records also completed.

This major project has involved the end-to-end design and development of new Case Management and eFILING modules for civil and criminal cases, as well as a revamped public portal.

Once fully rolled out, the new system will be online at a total of 20 locations across West Malaysia with links to external government agencies including Polis Diraja Malaysia, Jabatan Pengangkutan Jalan, the Land Office and others. A new mobile app will also enable lawyers and government agency users to view cause lists and case schedules, view their filing history, make payment via the mobile portal and access the search function.

The proprietary eCOURTS solution - developed, implemented, supported and maintained by an integrated team from OMESTI - delivers improved productivity and functionality for the judiciary, court officers and legal practitioners over a secure platform. The solution has also been implemented in Brunei and is being further marketed by OMESTI to other countries.

OMESTI is the exclusive distributor in Asia for the JAVS Court Recording & Transcription (CRT) solution that is deployed in over 400 court rooms across Malaysia.

The Group also recently served as ICT partner to the Court Department to implement the CRT systems for the newly introduced Court for Sexual Offences Against Children at the Palace of Justice, Putrajaya.

### SME SOLUTIONS

In a move to bring all its Software-As-A-Service offerings under one umbrella, the Group has set up OMESTI Actify to provide a single point of contact for SMEs and others requiring fit-for-purpose business solutions. During the period under review, headway has been made across the following portfolios:

**Corporate Secretarial Services:** Companies are showing increasing interest in outsourced services to ensure compliance with statutory requirements, particularly following the introduction of the new Companies Act, 2016.

**Accounting & Inventory:** New customers have been acquired for cloud-based accounting and inventory services, using the Account365 platform, for which OMESTI is an approved reseller.

**Digital HR:** Via its partnership with Microimage HCM of Sri Lanka, OMESTI has secured a number of key opportunities for its proprietary HCM Cloud platform.

**Payroll Services:** Interest in the Group's outsourced Payroll Services is growing as SMEs look to remove some of the in-house administrative overheads in order to focus on their core business.

**Intelligent Video Analytics:** Several project wins with selected retailers and mall operators have also been secured for OMESTI's intelligent video analytics solution VIDA. VIDA provides mall operators and retailers with a range of analytics extracted from video footage to enhance business and security intelligence, providing greater insights into customer behaviour and enabling better optimisation of resources.

### ePAYMENT SYSTEMS

Another of the major planks of OMESTI's strategic roadmap for the future is the development of its ePayment solutions portfolio. Its digital wallet concept, which runs on the Bancore platform, has gained further traction in Vietnam during the period, where some 1 million virtual VISA cards have been issued and the number of transactions made through the platform is increasing rapidly.

In West Africa, where this mobile wallet service appeals to the mass market, the platform has gained similar traction, enabling consumers to manage their prepaid card expenditure via their mobile device.

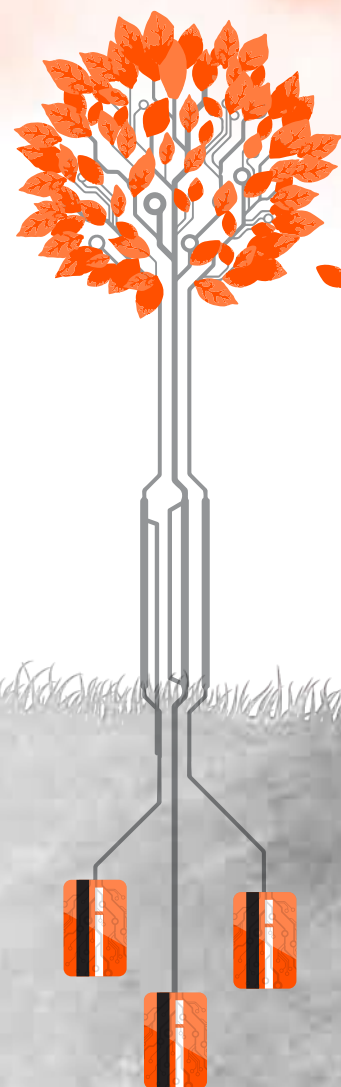
In Malaysia, OMESTI, in partnership with Touch N Go, the Malaysian national prepaid payment card provider, has continued its deployment of e-top-up kiosks at strategic locations around the country. These currently include Malaysia's national bank headquarters, Bank Negara, central transport hubs, selected retail malls and the toll highway network. The rollout programme is targeting to have 350 kiosks operational within a two-year period. In parallel, work is currently underway to enable an e-payments platform via these kiosks.

### FIBRE BROADBAND

Subscriptions for OHANA's business fibre broadband and other related services catering to SME requirements have seen a steady increase during the year.

### OPEN ACCESS NETWORKS

Fiber At Home City Networks (Fiber@Home) has progressed installation of its last-mile high-speed fibre infrastructure at a number of property developments around the country, providing connectivity for delivery of multiple telco, entertainment and security services across a single network. There are currently some 12,000 homes ready for connection at 35 leading commercial and residential developments in Johor, Penang and Selangor.



## SIGNIFICANT CHANGES

There have been no significant changes during the period that affect the operations of the Group.

## PRODUCT DEVELOPMENT

In order to enhance its technology portfolio, the Group has formed strategic alliances with leading organisations in the business registry solutions and financial reporting standards space. A partnership has been established with Foster Moore of New Zealand, the world-leading electronic registry solutions provider, whereby OMESTI will be the implementation partner across South East Asia for Foster Moore's core registry solution Catalyst™.

Similarly, a partnership has been set up with IRIS Business Services Ltd of India, the global leader in the XBRL (Extensible Business Reporting Language) solutions market, for OMESTI to market its XBRL solution across ASEAN. These two partnerships enable OMESTI to span the full digital core registry and reporting solutions spectrum in a region where a high percentage of these processes are still performed manually.

## MANAGING RISK

The rapid speed of technology development versus the comparatively slower rate of adoption by enterprise customers in some industries presents a considerable threat to the organisation as it strives to bring best-of-breed solutions to the market and achieve project wins.

Competition from smaller organisations that are moving out of their traditional comfort zone is also a key risk, with these organisations undercutting on price to capture market share, leading customers to make decisions based on cost rather than quality.

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THE GROUP HAS FORGED STRATEGIC PARTNERSHIPS TO ENSURE THAT IT CAN GO TO MARKET WITH **STRONG FUNDAMENTALS**, WHILE REMAINING **AGILE AND FLEXIBLE**.

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In mitigation, the Group has forged strategic alliances and partnerships with several of the leading technology players in the industry – as mentioned above – to ensure that it can go to market with strong fundamentals, while remaining agile and flexible. The Group is also focused on building closer relationships with customers and channel partners in order to ensure the key benefits of its solutions and services are conveyed and understood clearly.

Foreign exchange risks, especially in connection with borrowings and procurement activity in foreign currencies, is also one of the principal risks facing the organisation. To minimise the impact of any devaluation of the Malaysian Ringgit, the Group and its subsidiaries have adopted a policy of limiting the validity on price quotations and quoting wherever possible in US Dollars. The Group is also sourcing from local sources wherever practicable.

Prompt collection from trade receivables continues to be a concern for the business in the current challenging market environment.





## FINANCIAL PERFORMANCE

Omesti Berhad reports its financial performance along the three business segments referenced above, namely:

- Business Performance Services
- Digital & Infrastructure Services
- Trading & Distribution Services

A snapshot of the Five-Year Financial Highlights for the OMESTI Group is presented on page 18 of Volume 1 of this Annual Report.

### REVENUE

The Group revenue for the financial year ended 31 March 2017 was RM420.21 million, an increase of 3.2% amounting to RM13.13 million, as compared to the previous financial year.

The Business Performance Services segment's revenue for the financial year increased by 11.8% from RM223.53 million to RM249.85 million. The increase was mainly due to higher progress billings, primarily from the government sector and the Group's subsidiary in Thailand.

Total revenue generated from the Trading & Distribution Services segment increased by 3.7% to RM207.60 million in 2017, as compared to RM200.10 million in 2016. Revenue for this segment has continued to record a modest growth over the past years from expanding its channels and offerings.

The Digital & Infrastructure Services segment's revenue for the financial year decreased by 22.2% from RM47.62 million to RM37.03 million due to lower orders and projects fulfillment.

## COSTS AND EXPENSES

The cost of sales for the Group for the financial year was RM305.68 million, as compared to RM304.29 million in the previous financial year. Despite an increase in cost of sales, the Group's gross profit margin has improved to 27.3% in the current financial year, as compared to 25.3% in the previous financial year, which was mainly due to improved cost efficiency.

The operating cost for the Group during the financial year under review was RM128.65 million, compared to RM133.66 million in the previous financial year. The decrease of RM5.01 million was mainly due to the following:-

- (i) Digital & Infrastructure Services segment recorded a lower depreciation arising from reclassification of spares items to fixed assets, amounting to RM1.16 million in 2017 compared to RM2.46 million in 2016;
- (ii) Digital & Infrastructure Services segment also recorded a lower impairment loss on trade receivables of RM0.11 million in 2017, compared to RM1.50 million in 2016;
- (iii) No impairment loss on software development cost was recorded in 2017, as compared to RM2.29 million in 2016 under the Business Performance Services segment;
- (iv) Under the Other segment, the loss on fair value adjustments on other investment was lower at RM1.44 million in 2017, compared to RM3.76 million in 2016; and
- (v) No impairment loss on goodwill was recorded in 2017, as compared to RM2.06 million in 2016.

Improvements from the above were partially offset by increases in the following expenses:-

- (i) Employee benefits increased from RM83.42 million to RM89.94 million, an increase of RM6.52 million. This was mainly attributable to ESOS charge of RM4.35 million and costs associated with the Group's human capital restructuring amounting to RM1.49 million in 2017, compared to RM0.54 million in 2016;
- (ii) Impairment loss in other receivables amounting to RM2.63 million in 2017; and
- (iii) Loss on dilution of equity interest in an associate amounting to RM1.15 million in 2017, compared to RM0.06 million in 2016.

### NET LOSS BEFORE TAX

The Group's net loss before tax has been reduced by 59.4% to RM11.13 million in 2017, as compared to RM27.42 million in 2016. This was mainly due to the higher revenue and lower other operating expenses across the Business Performance Services segment and the Trading & Distribution Services segment.

Despite the improvement in the Group's key business operations, the Group's financial results remain at a loss, mainly due to the effects from the accounting for non-recurring items such as ESOS charge, costs associated with the Group's human capital restructuring, impairment loss in receivables and loss on dilution of equity interest in an associate.

In addition, the start-up businesses continue to weigh down the Group's financial performance with loss contributions of RM12.77 million during the year under review, an improvement compared to RM15.83 million in 2016.

### TAXATION

The Group's effective tax rate was higher than the statutory tax rate as profits of certain subsidiaries cannot be set-off against losses of other subsidiaries for tax purposes. These subsidiaries are not able to satisfy the conditions for group relief and certain expenses were disallowed for tax deductions.

### LIQUIDITY AND CAPITAL RESOURCES

The Group's capital expenditure and working capital requirements have been financed by cash generated from operations and short-term and long-term loans provided by financial institutions.

Cash and bank balances reduced to RM73.39 million in 2017, as compared to RM76.26 million in 2016. This was mainly due to net cash used in investing activities amounting to RM45.01 million compared to the previous year, primarily due to continued research and development costs in relation to the Group's new core banking solution partnership with SAP Global (RM35.48 million) and data storage equipment in a new start-up subsidiary (RM8.3 million).

Total borrowings of the Group decreased from RM117.69 million in 2016 to RM112.11 million in 2017. The decrease was mainly due to the net repayment of borrowings from the utilisation of proceeds from the issuance of new shares pursuant to private placement undertaken during the financial year under review (RM6.00 million).

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**MALAYSIAN ORGANISATIONS  
FACE THE CRITICAL NEED TO  
TRANSFORM.**

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## OUTLOOK

In order to combat rising competition and increasing economic pressures, Malaysian organisations face the critical need to transform. Enterprises across diverse industries such as retail, manufacturing, construction, finance, and oil & gas are at various stages of exploration and adoption of new technologies. Some are focused on internal transformation, where enterprise mobility, data warehousing, and security technologies remain highly relevant. Others are focused more on building new external applications and services.

This will result in digital transformation reaching macroeconomic scales over the next three to four years and this is changing the way organisations operate. Among the emerging trends (Source: IDC) that are set to affect the technology landscape in the coming years are:

**Big Data in the Cloud:** Growth for cloud analytics solutions will be three times more than on-premise analytics solutions.

**Internet of Things (IoT):** By 2018, connected vehicles, insurance telematics, personal wellness, and smart buildings will be the four main areas in the IoT spotlight across Malaysia, accounting for US\$700 million in spending.

**Cognitive Cybersecurity:** One third of cybersecurity environments will incorporate cognitive/AI technologies to assist humans in dealing with the increasing scale and complexity of cyberthreats.

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## OMESTI PLACES A CONTINUED FOCUS ON DRIVING TRANSFORMATION WITHIN ITS OWN ORGANISATION AND FOR ITS CUSTOMERS.

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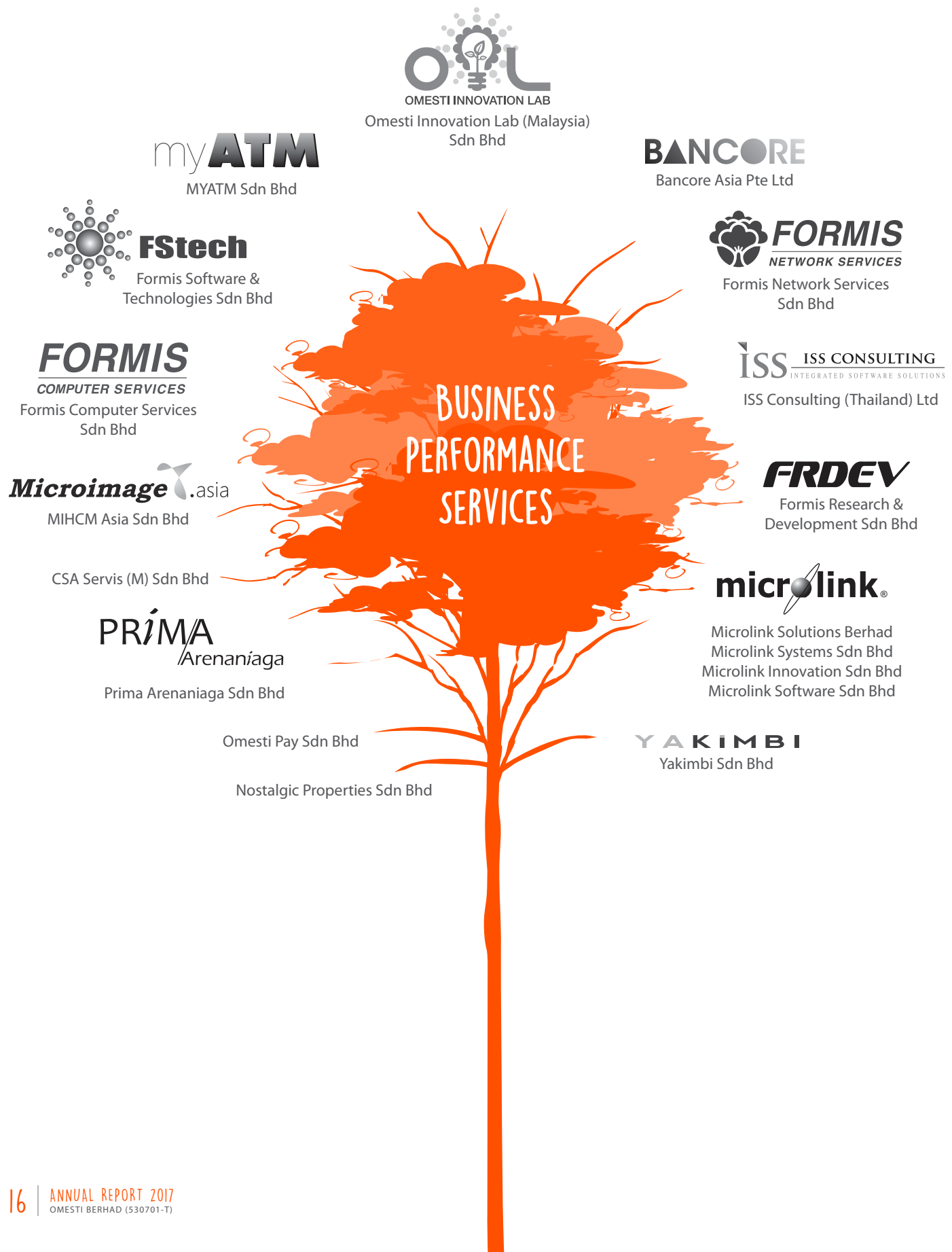
**Datacentres:** One quarter of companies in data-intensive industries will adopt formal datacentre planning, sourcing, and governance processes to speed digital transformation efforts.

**Service Provider Strategy:** By 2020, it is predicted that 60% of enterprises will reconsider their current service providers, causing a shift in the systems integrator's function from traditional to digital and the emergence of new services roles.

With specialist capabilities in several of these areas, OMESTI Group's businesses are actively pursuing the many opportunities that these trends present. With continued focus on driving transformation within its own organisation and for its customers, OMESTI is confident of a positive outlook in the years ahead.



# BUSINESS STRUCTURE BY SEGMENT



DIGITAL &  
INFRASTRUCTURE  
SERVICES

**ISS** ISS CONSULTING  
INTEGRATED SOFTWARE SOLUTIONS  
ISS Consulting (Malaysia) Sdn Bhd

**Fiber@Home™**

Fiber At Home City Networks Sdn Bhd

**DGB**

Diversified Gateway Berhad

**OHANA**

Ohana Communications  
Sdn Bhd

**ABS**  
APPLIED BUSINESS SYSTEMS

Applied Business Systems  
Sdn Bhd

**RSB**

Rangkaian Ringkas Sdn Bhd

TRADING &  
DISTRIBUTION  
SERVICES

**FIRST**  
solution

First Solution Sdn Bhd

**ca**

CA IT Infrastructure  
Solutions Sdn Bhd

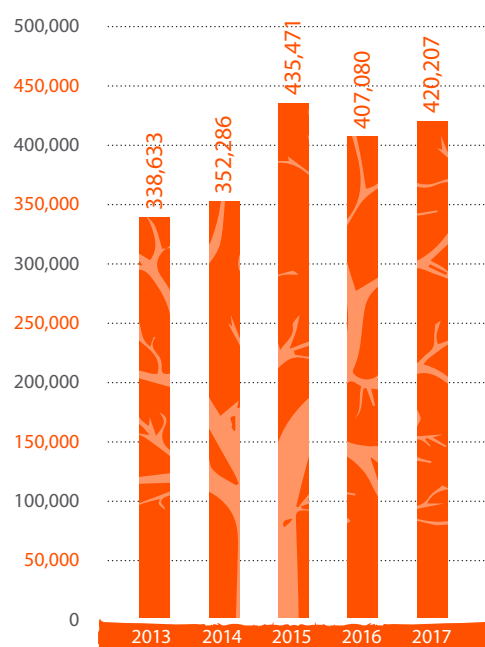
**FST**

FORMIS Systems & Technology

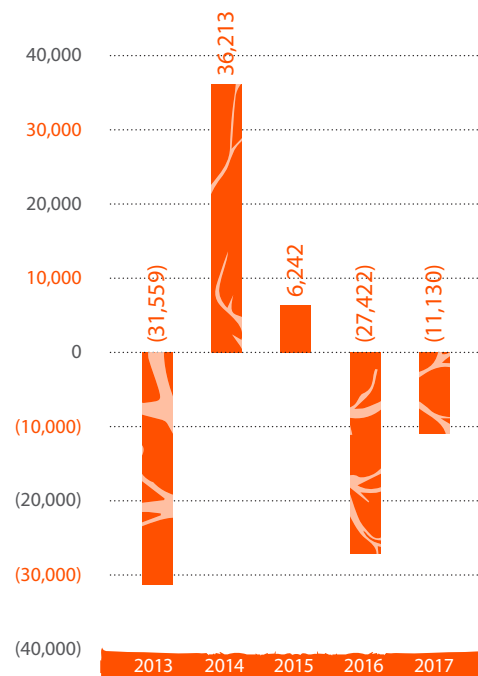
Formis Systems &  
Technology Sdn Bhd

# FINANCIAL HIGHLIGHTS 2013–2017

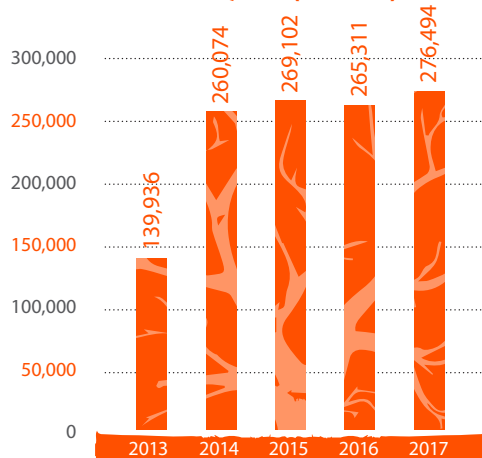
REVENUE (RM'000)



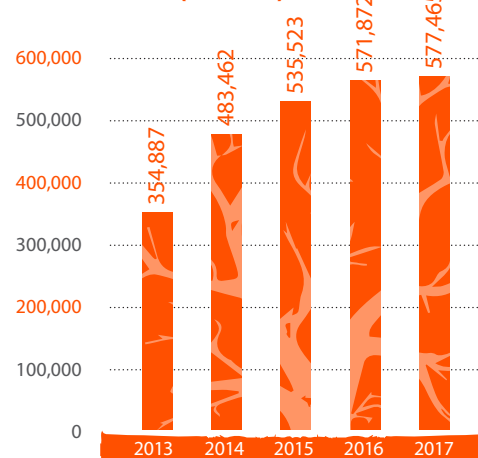
PROFIT/(LOSS) BEFORE TAX (RM'000)



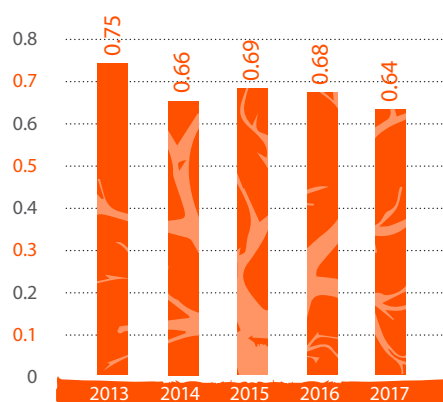
SHAREHOLDERS' EQUITY (RM'000)



TOTAL ASSETS (RM'000)



NET ASSET/SHARE (RM)





# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Independent Non-Executive Chairman

Tan Sri Dato' Seri Megat Najmuddin Bin

Datuk Seri Dr. Hj. Megat Khas

### Non-Executive Vice-Chairman

Dato' Mah Siew Kwok

### Executive Directors

Monteiro Gerard Clair

Mah Xian-Zhen

### Non-Executive Directors

Dato' Sri Thong Kok Khee (Non-Independent)

Hj. Ahmad Bin Khalid (Independent)

Tai Keat Chai (Independent)

Mah Yong Sun (Independent)

## BOARD COMMITTEES

### EXECUTIVE COMMITTEE

Dato' Mah Siew Kwok (Chairman)

Mah Xian-Zhen

Monteiro Gerard Clair

### AUDIT & RISK MANAGEMENT COMMITTEE

Tai Keat Chai (Chairman)

Dato' Mah Siew Kwok

Hj. Ahmad Bin Khalid

### NOMINATING COMMITTEE

Hj. Ahmad Bin Khalid (Chairman)

Tan Sri Dato' Seri Megat Najmuddin Bin

Datuk Seri Dr. Hj. Megat Khas

Mah Yong Sun

### REMUNERATION COMMITTEE

Dato' Mah Siew Kwok (Chairman)

Tan Sri Dato' Seri Megat Najmuddin Bin

Datuk Seri Dr. Hj. Megat Khas

Monteiro Gerard Clair

### LONG-TERM INCENTIVE PLAN COMMITTEE

Mah Yong Sun (Chairman)

Tai Keat Chai

Mah Xian-Zhen

## COMPANY SECRETARY

Phang Ai Tee

(MAICSA No. 7013346)

## REGISTERED OFFICE

16th Floor, KH Tower

8 Lorong P Ramlee

50250 Kuala Lumpur

T +603 2078 4488

F +603 2070 6893

## AUDITORS

BDO

Level 8

BDO @ Menara CentARA

360 Jalan Tuanku Abdul Rahman

50100 Kuala Lumpur

T +603 2616 2888

F +603 2616 3190/3191

## PRINCIPAL BANKERS

AmBank (M) Berhad

CIMB Bank Berhad

Hong Leong Bank Berhad

Hong Leong Islamic Bank Berhad

Malayan Banking Berhad

OCBC Bank (Malaysia) Berhad

Public Bank Berhad

RHB Bank Berhad

Standard Chartered Bank Malaysia Berhad

## SHARE REGISTRAR

Bina Management (M) Sdn Bhd

Lot 10, The Highway Centre

Jalan 51/205, 46050 Petaling Jaya

Selangor Darul Ehsan

T +603 7784 3922

F +603 7784 1988

## STOCK EXCHANGE LISTING

Main Market, Bursa Malaysia Securities Berhad

Stock Code: 9008

Stock Name: OMESTI

Sector: Technology

## WEBSITE ADDRESS

[www.omesti.com](http://www.omesti.com)

# PROFILE OF DIRECTORS

## TAN SRI DATO' SERI MEGAT NAJMUDDIN BIN DATUK SERI DR. HJ. MEGAT KHAS

### CHAIRMAN

- Age 72, Male, Malaysian
- Non-Executive Director and Chairman since 22 January 2002
- Re-designated as Independent Non-Executive Chairman on 3 September 2015
- Member of Remuneration Committee and Nominating Committee

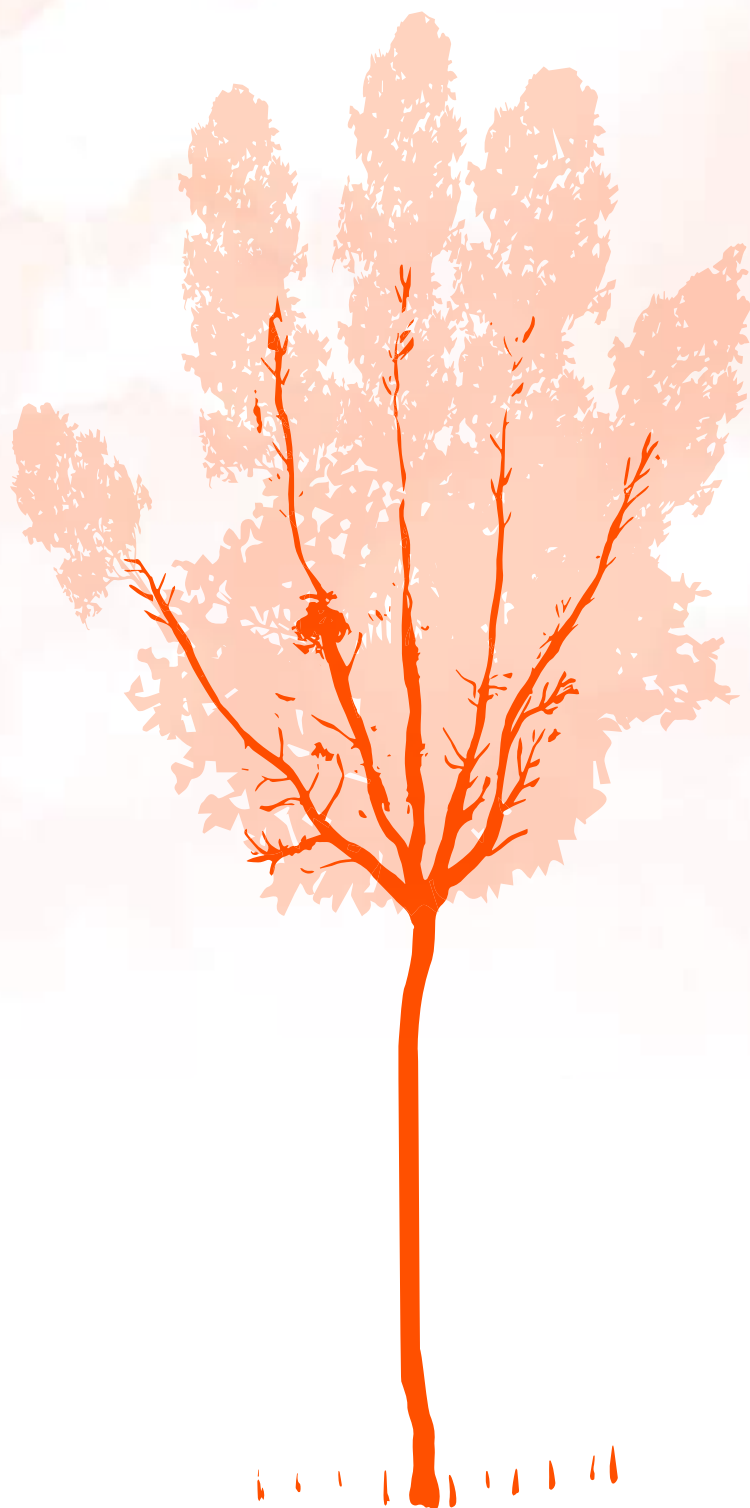
A lawyer by profession who graduated from the University of Singapore, Tan Sri Megat ceased practice in 1986 to concentrate on business and politics, serving as State Assemblyman of Kelana Jaya, Selangor for two terms and as municipal councillor for two decades.

In August 1994, he was appointed Executive Committee Member of the Federation of Public Listed Companies Berhad and elected President in 1997. He has also served as President of the Malaysia Institute of Corporate Governance from April 1998 until May 2016. He was appointed as a member of the National Economic Advisory Council 2, the Capital Market Strategic Committee and the Bank Negara Corporate Debt Restructuring Committee. He was also a member of the High Level Finance Committee of the Ministry of Finance and Capital Market Advisory Council of the Securities Commission.

He was a member of the Advisory Board of the Malaysian Anti-Corruption Commission and of UMNO Disciplinary & Appeal Board.

He also served as Director on the boards of Petroliam Nasional Berhad from April 2010 until April 2017.

He currently serves as Chairman of Asian Pac Holdings Berhad, SEG International Bhd and Majuperak Holdings Berhad. He also serves as Director on the boards of several private companies. He was a member of Bank Negara Malaysia's Financial Directors' Education Steering Committee.



## DATO' MAH SIEW KWOK

### NON-EXECUTIVE VICE CHAIRMAN

- Age 69, Male, Malaysian
- Appointed to the Board as an Executive Director on 22 January 2002
- Re-designated as Executive Vice Chairman and Chief Executive Officer on 1 April 2006 and then as Non-Executive Vice Chairman on 31 July 2012
- Chairman of Remuneration Committee and Executive Committee and member of Audit & Risk Management Committee

Dato' Mah qualified in law and was called to the English Bar in 1972. He was the founder and senior partner of Messrs Mah & Partners in 1975, specialising in Corporate Law, Banking Law and Land Law. He remained in practice for ten years before venturing into the commercial sector. From 1983 to 1994 he served as Managing Director of South Malaysia Industries Berhad.

He currently serves as Chairman of Diversified Gateway Solutions Berhad and Kian Joo Can Factory Berhad and as Deputy Chairman of Ho Hup Construction Company Berhad. He was appointed as an Independent Non-Executive Director of Voir Holdings Berhad on 15 February 2017. He also serves on the board of several private companies. He is Deputy Chairman of Chong Hwa Independent High School and a trustee and member of Chong Hwa KL Foundation. He is also a member of the Board of Trustees of Kwan Inn Teng Foundation. He has been elected as Executive Committee Member of the Inns of Court Malaysia.

Dato' Mah is the father of Ms Mah Xian-Zhen, an Executive Director of the Company.

## MAH XIAN-ZHEN

### EXECUTIVE DIRECTOR

- Age 35, Female, Malaysian
- Appointed to the Board on 19 September 2011
- Member of Executive Committee and Long-Term Incentive Plan Committee

Ms Mah joined Omesti Berhad in October 2009 as Executive Assistant to the Chief Executive Officer before being appointed as an Executive Director of the Company. She is closely involved in developing, organising, implementing and monitoring strategic plans and programmes throughout the organisation.

She graduated with a Bachelor of Arts from Wellesley College, MA, USA, followed by a Graduate Diploma in Law from BPP Law School. She then attended the Bar Vocational Course in London and was called to Bar of England and Wales in 2006. On completing her Bar Vocational Course, she returned to Malaysia and in September 2006, joined Messrs Shook Lin & Bok. In 2007, she was called to the Malaysian Bar, and remained with the firm as a Legal Assistant until June 2009, focusing on corporate and commercial litigation. In 2009, she also obtained an Executive Diploma in Islamic Law (Islamic Banking) from International Islamic University, Malaysia.

Ms Mah currently serves as Non-Independent Non-Executive Director of Microlink Solutions Berhad and a Director of Omesti Holdings Berhad and Man Yau Holdings Berhad.

Ms Mah is the daughter of Dato' Mah Siew Kwok, Non-Executive Vice Chairman and a major shareholder of Omesti Berhad.

