

**Mesiniaga Berhad**  
**Registration number: 198101013112 (79244V)**  
**(Incorporated in Malaysia)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For the fourth quarter ended 31 December 2021**

	2021	2020	2021
	CURRENT	Comparative	12 Months
	Qtr ended	Qtr ended	Cumulative
	31-Dec	31-Dec	to-date
	(RM '000)	(RM '000)	(RM '000)
Revenue	86,623	58,533	240,189
Operating expenses	-81,317	-62,181	-231,905
Depreciation	-470	-743	-2,013
Other operating income/(expenses)	48	444	-177
Profit/(loss) from operations	<u>4,884</u>	<u>-3,947</u>	<u>6,094</u>
Finance costs	-141	-222	-377
Finance income	203	286	542
Share of results of associated company	0	0	0
Profit/(loss) before tax	<u>4,946</u>	<u>-3,883</u>	<u>6,259</u>
Taxation and Zakat	-747	125	-783
Profit/(loss) after tax	<u>4,199</u>	<u>-3,758</u>	<u>5,476</u>
Other Comprehensive loss	<u>-3,699</u>	<u>-1,043</u>	<u>-3,699</u>
Total Comprehensive gain/(loss)	<u><u>500</u></u>	<u><u>-4,801</u></u>	<u><u>1,777</u></u>
Profit/(loss) attributable to:			
- Equity holders of the Company	4,189	-3,897	5,469
- Non-controlling interest	10	139	7
	<u>4,199</u>	<u>-3,758</u>	<u>5,476</u>
Total comprehensive income/(loss) for the financial year attributable to:			
- Equity holders of the Company	490	-4,940	1,770
- Non-controlling interest	10	139	7
	<u>500</u>	<u>-4,801</u>	<u>1,777</u>
Earnings/(loss) per share attributable to the ordinary equity holders of the Company during the period			
Basic/diluted earnings/(loss) per share (sen)	<u>6.94</u>	<u>-6.45</u>	<u>9.05</u>

Remarks

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2020)

**Mesiniaga Berhad**  
**Registration number: 198101013112 (79244V)**  
**(Incorporated in Malaysia)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 December 2021**

	<u>As at 31.12.2021</u>	Audited <u>As at 31.12.2020</u>
	(RM '000)	(RM '000)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	36,753	37,923
Intangible assets	-	-
Finance lease receivable	1,148	2,389
Trade and other receivables	3,629	3,791
Contract assets	9,220	2,703
Deferred tax assets	1,322	1,867
	<u>52,072</u>	<u>48,673</u>
<b>Current assets</b>		
Inventories	13,393	9,245
Receivables	58,813	40,509
Contract assets	42,203	31,623
Tax recoverable	243	164
Cash and cash equivalents	54,697	51,742
	<u>169,349</u>	<u>133,283</u>
<b>TOTAL ASSETS</b>	<u><u>221,421</u></u>	<u><u>181,956</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the parent</b>		
Share capital	64,528	64,528
Reserves	40,953	39,183
	<u>105,481</u>	<u>103,711</u>
Non-controlling interest	7,092	7,085
<b>Total equity</b>	<u><u>112,573</u></u>	<u><u>110,796</u></u>
<b>Non-current liabilities</b>		
Other deferred liabilities	6,390	3,334
Bank term loan	908	1,238
	<u>7,298</u>	<u>4,572</u>
<b>Current liabilities</b>		
Trade and other payables	79,116	48,437
Contract liabilities	13,665	13,001
Short term borrowing	8,328	4,820
Bank term loan	330	330
Taxation	111	-
	<u>101,550</u>	<u>66,588</u>
<b>Total liabilities</b>	108,848	71,160
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>221,421</u></u>	<u><u>181,956</u></u>
Net asset per share attributable to ordinary equity holders of the parent(RM)	1.7463	1.7170

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2020)

**Mesiniaga Berhad**

Registration number: 198101013112 (79244V)

(Incorporated in Malaysia)

**Condensed Consolidated Statements of Changes in Equity****For the fourth quarter ended 31 December 2021**

	<u>Share Capital</u> (RM '000)	<u>Share Premium</u> (RM '000)	<u>Retirement benefit reserves</u>	<u>Retained Earnings</u> (RM '000)	<u>Total</u> (RM '000)	<u>Non-controlling Interest</u> (RM '000)	<u>Total</u> (RM '000)
<u>12 months quarter ended 31 December 2021</u>							
Balance at beginning of year	64,528	-	(376)	39,559	103,711	7,085	110,796
Total comprehensive income for the period	-	-	(3,699)	5,469	1,770	7	1,777
Dividends	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Balance at end of period	<u>64,528</u>	<u>-</u>	<u>(4,075)</u>	<u>45,028</u>	<u>105,481</u>	<u>7,092</u>	<u>112,573</u>
<u>12 months quarter ended 31 December 2020</u>							
Balance at beginning of year	64,528	-	667	48,903	114,098	7,228	121,326
Total comprehensive income for the period	-	-	(1,043)	(9,344)	(10,387)	347	(10,040)
Dividends	-	-	-	-	-	(490)	(490)
Other Comprehensive Income	-	-	-	-	-	-	-
Balance at end of period	<u>64,528</u>	<u>-</u>	<u>(376)</u>	<u>39,559</u>	<u>103,711</u>	<u>7,085</u>	<u>110,796</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2020)

**Mesiniaga Berhad**  
**Registration number: 198101013112 (79244V)**  
**(Incorporated in Malaysia)**  
**Condensed Consolidated Statement of Cash Flow**  
**For the fourth quarter ended 31 December 2021**

	<u>2021</u> 12 months ended 31-Dec (RM '000)	<u>2020</u> 12 months ended 31-Dec (RM '000)
<b>Cash Flows From Operating Activities</b>		
Net profit/(loss) attributable to shareholders	5,476	(8,997)
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	2,013	3,694
Property, plant and equipment write off	-	6
Taxation	783	10
Impairment of intangible assets	-	503
Interest expense	377	543
Interest income	(542)	(1,071)
Retirement benefits	200	200
Gain on sales of property, plant and equipment	-	-
Allowance for doubtful debts	(619)	1,223
Unrealised foreign exchange Gain	419	73
Write down of inventory	1,818	1,539
	<u>9,925</u>	<u>(2,277)</u>
<b>Changes in working capital:</b>		
Inventories	(5,966)	(1,207)
Receivables	(33,960)	4,203
Payables	31,349	(102,688)
Net cash generated/(used) from operations	<u>1,348</u>	<u>(101,969)</u>
Net taxation (paid)/refunded	(196)	(187)
Zakat	(10)	(10)
<b>Net cash generated/(used) from operating activities</b>	<u><u>1,142</u></u>	<u><u>(102,166)</u></u>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(843)	(905)
Proceeds from disposal of property, plant and equipment	-	-
Interest received	742	1,071
	<u>(101)</u>	<u>166</u>
<b>Cash Flows From Financing Activities</b>		
Dividends paid to NCI	-	(490)
Interest paid on borrowings	(377)	(543)
Repayment of finance lease	(818)	(424)
Repayment of term loan	(330)	(330)
Net drawdown of short term borrowing	3,482	2,938
Drawdown/(increase) in restricted deposits	6,146	183
	<u>8,103</u>	<u>1,334</u>
Net increase/(decrease) in cash and cash equivalents	9,144	(100,666)
<b>Cash and cash equivalents b/f</b>	44,026	144,692
<b>Cash and cash equivalents c/f</b>	<u><u>53,170</u></u>	<u><u>44,026</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2020)

**MESINIAGA BERHAD**

Registration number: 198101013112 (79244V)

**UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE  
FOURTH QUARTER ENDED 31 DECEMBER 2021**

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**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT –  
FINANCIAL REPORTING STANDARD**

**A1. BASIS OF PREPARATION**

The unaudited quarterly financial statements have been prepared in accordance with MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited quarterly financial statements should be read in conjunction with the Group’s audited annual financial statements for the financial year ended 31 December 2020. The audited financial statements of the Group for the year ended 31 December 2020 were prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s consolidated audited financial statements for the financial year ended 31 December 2020, except for the adoption of the following Amendments to MFRS during the current financial period:

- Amendments to MFRS 16 ‘COVID-19-Related Rent Concessions’

The adoption of the above amendments did not have any significant financial impact to the Group upon initial application.

The Malaysian Accounting Standards Board had issued the following amendments and annual improvements to existing accounting standards which are relevant to the Group.

- (i) Improvements and amendments to published standards and interpretations that are issued but not yet effective:
  - Annual Improvements to MFRS 9 ‘Fees in the 10% test for derecognition of financial liabilities’
  - Amendments to MFRS 3 ‘Reference to Conceptual Framework’
  - Amendments to MFRS 116 ‘Proceeds before intended use’
  - Amendments to MFRS 137 ‘onerous contracts—cost of fulfilling a contract’
  - Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’
- (ii) Improvements and amendments to published standards and interpretations that are issued but effective date yet to be determined:

- Amendments to MFRS 10 “Consolidated Financial Statements” and MFRS 128 “Investment in associates and joint ventures - Sale or contribution of assets between an investor and its associates/joint ventures”

The Group did not early adopt any of the above amendments and annual improvements to the published accounting standards. Based on the work performed to date, the Group does not currently expect the impact of these changes to be significant.

A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group’s Annual Financial Statements for the year ended 31 December 2020 was not subject to any qualification.

A3. SEASONALITY OR CYCLICALITY OPERATIONS

The Group’s operations are not significantly affected by any seasonal or cyclical factors.

A4. UNUSUAL ITEMS

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

A5. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates of amounts reported in prior interim periods or the current financial year or changes in estimates of amounts reported in prior financial years.

A6. ISSUANCE OR REPAYMENT OF DEBTS AND EQUITY SECURITIES

There were no issuance and repayment of debts and equity securities, shares buy-back, share cancellations, shares held as treasury shares or resale of treasury shares during the current quarter under review.

A7. DIVIDEND PAID

No dividend has been paid for the current quarter.

A8. SEGMENTAL REPORTING

Segmental information is not presented as the Group is primarily engaged in the sale of information technology products and related services in Malaysia.

A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment have been brought forward without amendment from previous annual financial statements.

A10. SUBSEQUENT MATERIAL EVENTS

There were no subsequent material events as at the date of this report that will affect the financial results of the current quarter under review.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no significant changes in composition of the Group during the interim period, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructurings or discontinued operations.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets to be disclosed.

**B. BURSA MALAYSIA LISTING REQUIREMENTS**

**B1. REVIEW OF THE PERFORMANCE**

The Group revenue of RM240.2 million for 2021 was 21.5% higher than the comparative period in 2020 of RM197.7 million. A profit before tax of RM6.3 million was recorded in 2021, compared to a loss before tax of RM 9.0 million for the same period in 2020.

Higher project deliveries resulting from the progressive easing of movement controls contributed to better performance.

**B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS**

For the current quarter ended 31 December 2021, the Group recorded a revenue of RM86.6 million, which was 25.3% higher than the preceding quarter's revenue of RM69.1 million. The current quarter's profit before tax was RM4.9 million which was 113% higher compared to a profit before tax of RM2.3 million for the preceding quarter.

The Group successfully delivered several significant projects in the fourth quarter.

**B3. PROSPECTS**

The Group secured several sizeable projects over the last three months of 2021, to be delivered in 2022. With the progressive lifting of MCO measures and the resultant resumption of business activities and improvement in business sentiment, the Group expects 2022 to be a profitable year, save for impact arising from unforeseen circumstances and global supply shortages of computer chips and equipment.

**B4. VARIANCES FROM PROFIT FORECAST AND PROFIT GUARANTEE**

Not applicable as there were no profits forecast and profit guarantee published.



B5. TAXATION

Income tax expenses

	Quarter Ended 31.12.2021 RM'000	12 months Cumulative to 31.12.2021 RM'000
<b><u>Major components of tax expenses:</u></b>		
Current year tax	192	228
Deferred tax asset	545	545
Tax expense	737	773
Zakat	10	10
	747	783

Deferred tax assets have not been recognised in respect of tax losses and deductible temporary differences of a subsidiary due to uncertainty of its recoverability.

B6. SALES OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and properties for the current quarter and financial year to date.

B7. PARTICULARS OF PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no purchases or disposal of quoted securities for the current quarter and financial year to date.

B8. THE STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but not completed at the latest practicable date.

## B9. BORROWINGS AND DEBT SECURITIES

Details of the Company's borrowings as at 31 December 2021 are as follows:

	As at 31.12.2021 RM '000
<b>Short term borrowings</b>	
<i>Unsecured</i>	
Loan denominated in USD	0
Short term borrowings in RM	8,328
	8,328
Term loan in RM	
<i>Secured</i>	330
	8,658
<b>Long term loan</b>	
<i>Secured</i>	
Term loan in RM	908
	9,566

## B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no financial instruments with off balance sheet risk as at the date of this report.

## B11. MATERIAL LITIGATION

There is no material litigation initiated by or against the Company during the quarter.

As announced on 3 March 2017, Amanah Raya Berhad had on 27 February 2017 filed a claim of RM8.2 million against the Company disputing the obligations of a contract that was awarded to the Company in 2014.

Subsequent to the service of the Writ of Summons and Statement of Claim, the Company had on 17 April 2017 filed its defence and counterclaim for damages of RM18.7 million for unlawful termination and/or repudiation of the agreement between the parties under the law.

The next trial dates are scheduled for 20th to 23rd June 2022 and 22nd to 25th August 2022.

## B12. PROPOSED DIVIDEND

There was no dividend proposed for the financial period under review.

B13. EARNINGS PER SHARE

	Quarter Ended 31.12.2021	12 months Cumulative 31.12.2021
<b>Basic and Diluted Earnings</b>		
	RM'000	RM'000
Profit attributable to the ordinary equity holders of the Company	4,189	5,469
Weighted average number of ordinary shares in issue ('000)	60,402	60,402
Basic/diluted earnings per share (sen)	6.94	9.05

B14. RELATED PARTY TRANSACTIONS

Listed below are the significant related party transactions. The related party transactions were carried out on the same terms and conditions as transactions with unrelated parties.

The significant related party transactions are as follows:

	Quarter Ended 31.12.2021 RM'000	12 months Cumulative 31.12.2021 RM'000
<b><u>Related party</u></b>		
Subsidiary companies		
- Purchase of goods	10	53
- Purchase of services	5,654	23,381
- Sales of goods	0	14
- Sales of services	72	288

B15. CAPITAL COMMITMENT

Capital commitments for the Group in respect of property, plant and equipment not provided for as of 31 December 2021 are as follows:

	RM'000
Approved and not contracted for	NIL
Approved and contracted for	NIL

B16. ADDITIONAL DISCLOSURES

RM'000	Quarter ended		12 months Cumulative	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
<b>Profit/(loss) for the period is arrived at after charging:</b>				
Interest expense	141	222	377	543
Depreciation	470	743	2,013	3,694
Foreign exchange gain/(loss)	425	1,132	1,119	1,832
<b>and after crediting:</b>				
Interest income	203	286	542	1,071

By Order of the Board  
Jasni Abdul Jalil (MACS 01359)  
Company Secretary  
25 February 2022