

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statement of Comprehensive Income
For the second quarter ended 30 June 2025

	2025	2024	2025	2024
	CURRENT	Comparative	6 Months	6 Months
	Qtr ended	Qtr ended	Cumulative	Cumulative
	30-Jun	30-Jun	to-date	to-date
	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Revenue	38,555	45,259	92,475	98,318
Operating expenses	(42,119)	(47,229)	(94,257)	(101,874)
Depreciation	(359)	(360)	(756)	(720)
Other operating income	81	90	335	4,912
(Loss)/profit from operations	(3,842)	(2,240)	(2,203)	636
Finance costs	(160)	(153)	(323)	(274)
Finance income	240	131	518	350
(Loss)/profit before tax	(3,762)	(2,262)	(2,008)	712
Taxation and Zakat	(57)	(36)	(120)	(66)
(Loss)/profit after tax	(3,819)	(2,298)	(2,128)	646
Other Comprehensive gain/(loss)	-	-	-	-
Total Comprehensive (loss)/income	(3,819)	(2,298)	(2,128)	646
(Loss)/profit attributable to:				
- Equity holders of the Company	(3,819)	(2,226)	(2,128)	783
- Non-controlling interest	-	(72)	-	(137)
	(3,819)	(2,298)	(2,128)	646
Total comprehensive (loss)/income for the financial year attributable to:				
- Equity holders of the Company	(3,819)	(2,226)	(2,128)	783
- Non-controlling interest	-	(72)	-	(137)
	(3,819)	(2,298)	(2,128)	646
(Loss)/profit per share for (loss)/profit attributable to the equity holders of the Company during the period				
(Loss)/profit Per Share - Basic	(6.32)	(3.69)	(3.52)	1.30

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 2024)

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statement of Financial Position
As at 30 June 2025

	<u>As at 30.6.2025</u> (RM '000)	Audited <u>As at 31.12.2024</u> (RM '000)
ASSETS		
Non-current assets		
Property, plant and equipment	34,924	35,205
Finance lease receivable	2,282	1,912
Deferred tax assets	3,600	3,600
	<u>40,806</u>	<u>40,717</u>
Current assets		
Inventories	1,411	1,289
Contract assets	51,856	39,326
Finance lease receivable	1,233	1,156
Receivables	23,995	31,970
Tax recoverable	268	284
Prepayments	16,062	17,001
Deposits with licensed financial institutions	27,227	38,371
Cash and bank balances	10,278	9,966
	<u>132,330</u>	<u>139,363</u>
TOTAL ASSETS	<u><u>173,136</u></u>	<u><u>180,080</u></u>
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital	64,528	64,528
Reserves	42,923	44,690
	<u>107,451</u>	<u>109,218</u>
Non-controlling interest	-	1,762
Total equity	<u>107,451</u>	<u>110,980</u>
Non-current liabilities		
Other deferred liabilities	2,143	2,556
	<u>2,143</u>	<u>2,556</u>
Current liabilities		
Trade and other payables	35,484	42,522
Contract liabilities	14,510	10,596
Tax payable	98	-
Borrowing	13,450	13,426
	<u>63,542</u>	<u>66,544</u>
Total liabilities	65,685	69,100
TOTAL EQUITY AND LIABILITIES	<u><u>173,136</u></u>	<u><u>180,080</u></u>
Net asset per share attributable to ordinary equity holders of the parent (RM)	1.7789	1.8082

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2024)

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statement of Cash Flow
For the second quarter ended 30 June 2025

	2025 6 months ended 30-Jun (RM '000)	2024 6 months ended 30-Jun (RM '000)
Cash Flows From Operating Activities		
Net (loss)/profit attributable to shareholders	(2,128)	646
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	756	720
Taxation	120	66
Interest expense	323	274
Interest income	(518)	(350)
Retirement benefits	77	200
Reversal of allowance for doubtful debts	(604)	-
Unrealised foreign exchange Gain	620	397
Write down of property, plant and equipment	477	-
Reversal for inventory obsolescence	(119)	-
	<u>(996)</u>	<u>1,953</u>
Changes in working capital:		
Inventories	(3)	3,989
Receivables	(4,047)	7,854
Payables	(2,813)	(39,178)
Net cash used in operations	<u>(7,859)</u>	<u>(25,382)</u>
Net taxation paid	-	(51)
Retirement benefits paid	-	(310)
Net cash used in operating activities	<u><u>(7,859)</u></u>	<u><u>(25,743)</u></u>
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(952)	(351)
Acquisition of further interest of a subsidiary	(1,400)	-
Interest received	497	270
Increase in net restricted cash	167	89
	<u>(1,688)</u>	<u>8</u>
Cash Flows From Financing Activities		
Dividends paid to non-controlling interest in a subsidiary	-	(4,900)
Interest paid	(305)	(168)
Repayment of lease liabilities	(855)	(869)
Repayment of term loan	(165)	(165)
Net drawdown of short term borrowing	189	(2,180)
	<u>(1,136)</u>	<u>(8,282)</u>
Net decrease in cash and cash equivalents	(10,683)	(34,017)
Effect of foreign exchange translation	(316)	236
Cash and cash equivalents b/f	42,874	58,917
Cash and cash equivalents c/f	<u><u>31,875</u></u>	<u><u>25,136</u></u>
Cash and cash equivalents comprise :		
Deposits with licensed financial institutions	27,227	23,163
Cash and bank balances	10,278	7,411
Total deposits, cash and bank balances	<u>37,505</u>	<u>30,574</u>
Less: restricted cash	(5,453)	(5,273)
Less: deposits maturing more than three months	(177)	(165)
Cash and cash equivalents	<u><u>31,875</u></u>	<u><u>25,136</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 2024)

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statements of Changes in Equity
For the second quarter ended 30 June 2025

	<u>Share Capital</u>	<u>Retirement</u>	<u>Retained</u>	<u>Total</u>	<u>Non-controlling</u>	<u>Total</u>
	(RM '000)	<u>benefit reserves</u>	<u>Earnings</u>	(RM '000)	<u>Interest</u>	(RM '000)
			(RM '000)		(RM '000)	
<u>6 months quarter ended 30 June 2025</u>						
Balance at beginning of year	64,528	179	44,511	109,218	1,762	110,980
Total comprehensive income for the period	-	-	(2,128)	(2,128)	-	(2,128)
Acquisition of further interest of a subsidiary			361	361	(1,762)	(1,401)
Balance at end of period	<u>64,528</u>	<u>179</u>	<u>42,744</u>	<u>107,451</u>	<u>-</u>	<u>107,451</u>

6 months quarter ended 30 June 2024

Balance at beginning of year	64,528	(3,520)	49,399	110,407	7,238	117,645
Total comprehensive income for the period	-	-	783	783	(137)	646
Dividend	-	-	(1,510)	(1,510)	(4,900)	(6,410)
Balance at end of period	<u>64,528</u>	<u>(3,520)</u>	<u>48,672</u>	<u>109,680</u>	<u>2,201</u>	<u>111,881</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 2024)

MESINIAGA BERHAD

Registration number: 198101013112 (79244V)

**UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE
SECOND QUARTER ENDED 30 JUNE 2025**

**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: Paragraph 9.22 of the *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) 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 2024. The audited financial statements of the Group for the year ended 31 December 2024 were prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act 2016. 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 2024.

On 1 January 2025, the Group adopted the amended MFRS Accounting Standard (“MFRS”) for financial periods beginning on or after 1 January 2025.

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

The adoption of the above amended Standard has no material impact on the Group and Company in the current financial year or any prior period and not likely to affect future periods.

Standards and amendments to published standards and interpretations that have been issued but not yet effective:

MFRS, Amendments to MFRS and IC Interpretations	Applicable for annual periods beginning on or after:
Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7, <i>Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11 Amendments to MFRS 1, <i>First Time Adoption of Malaysian Financial Reporting Standards</i> Amendments to MFRS 7, <i>Financial Instruments: Disclosures</i> Amendments to MFRS 9, <i>Financial Instruments</i> Amendments to 10, <i>Consolidated Financial Statements</i> Amendments to MFRS 107, <i>Statements of Cash Flows</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7, <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 19, <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
MFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Sales or Contribution of Assets between the Investor and its Associate of Joint Venture</i>	To be determined

The Group anticipates that the impact from the adoption of the MFRSs and amendments to the MFRSs as and when they become effective will be immaterial upon initial application.

A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The Audit Report of the Group's Annual Financial Statements for the year ended 31 December 2024 was not subject to any qualification.

A3. SEASONALITY OR CYCLICALITY OPERATIONS

The Group's operations were 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 in 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

On 10 June 2025, the Company had completed the acquisition of 49% ordinary shares of VA Dynamics Sdn. Bhd. from TE International (S) Pte Ltd for a total purchase consideration of RM1,400,000. Following this acquisition, VA Dynamics becomes a wholly owned subsidiary of the Company.

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's revenue was RM92.5 million for the first half of 2025, 5.9% lower than the RM98.3 million for the corresponding period in 2024. A loss before tax of RM2.0 million was recorded for the first half of 2025, compared to a profit before tax of RM0.7 million for the same period of 2024.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS

The Group's current quarter revenue of RM38.6 million was 28.4% lower than the RM53.9 million recorded in the preceding quarter. The current quarter's loss before tax was RM3.8 million, compared to a profit before tax of RM1.8 million recorded in the prior quarter.

B3. PROSPECTS

The Company experienced a challenging first half in 2025; however, its outlook has improved following the recently announced award of two significant multi-year contracts, for which revenue and expenses will accrue over an extended period.

The first is a RM251.9 million contract to provide maintenance and support services for the Accountant General's Integrated Government Financial Management and Accounting System through 2030. The second is a RM148 million contract from Kumpulan Wang Persaraan to implement a new pension system, which includes an optional RM64.5 million support and maintenance package that extends the project to 2033.

These contract wins have improved the Company's order book. The Company has also initiated steps to expand into new sectors, diversifying its customer base and enhancing business resilience.

B4. VARIANCES FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not previously disclosed any financial estimate, internal targets, forecasts, profit guarantee, or made any announcement or disclosure in respect thereof.

B5. TAXATION

Income tax expenses

	Quarter Ended 30.06.2025 RM'000	6 months Cumulative 30.06.2025 RM'000
<u>Major components of tax expenses:</u>		
Current year tax	(779)	(361)
Deferred tax	836	481
Tax expense	57	120
Zakat	0	0
	57	120

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

The Group does not own quoted securities. There was no purchase 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 of 30 June 2025 are as follows:

	As at 30.06.2025 RM'000
Short term borrowings	
Banker acceptance	13,368
<i>Unsecured</i>	
Term loan	82
<i>Secured</i>	
	13,450

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

B11. MATERIAL LITIGATION

The Company had, on 23 July 2025 filed a Writ of Summons together with a Statement of Claim in the Kuala Lumpur High Court (“Court”) against the following parties:

- 1) Ahmad Shazwan bin Harun;
- 2) Mohd Izwan bin Ismail;
- 3) Faizal bin Ishak; and
- 4) Laman7 Sdn. Bhd.

(collectively referred to as the “Defendants”), seeking for the followings:

- 1) That a sum of RM2,986,676.92 in relation to unauthorised payments to Laman7 Sdn. Bhd, be returned to the Company;
- 2) Damages as assessed by the Court;
- 3) Interest on the amount of RM2,986,676.92 and/or on the damages and/or on the equitable compensation at the rate of 5% per annum from the date of judgement until full settlement;
- 4) Cost of the action; and
- 5) Further order or relief deemed just and appropriate by the Court.

The legal proceeding is not expected to have any material effect on the Company’s financial and operational position.

B12. PROPOSED DIVIDEND

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

B13. EARNINGS PER SHARE

	Quarter Ended 30.06.2025	6 months Cumulative 30.06.2025
Basic and Diluted Earnings		
	RM’000	RM’000
Profit attributable to the ordinary equity holders of the Company	(3,819)	(2,128)
Weighted average number of ordinary shares in issue (‘000)	60,402	60,402
Basic/diluted earnings per share (sen)	(6.32)	(3.52)

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 30.06.2025 RM'000	6 months Cumulative 30.6.2025 RM'000
<u>Related party</u>		
Subsidiary companies		
- Purchase of goods	2	2
- Purchase of services	7,593	14,056
- Sales of services	72	144

B15. CAPITAL COMMITMENT

Capital commitments for the Group in respect of property, plant and equipment not provided for as of 30 June 2025 are as follows:

	RM'000
Approved and not contracted for	100
Approved and contracted for	NIL

B16. ADDITIONAL DISCLOSURES

	Quarter ended		6 months Cumulative	
RM'000	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Profit for the period is arrived at after charging:				
Interest expense	160	153	323	274
Depreciation	359	360	756	720
and after crediting:				
Interest income	240	131	518	350
Foreign exchange (loss)/gain	(2)	193	135	215

By Order of the Board
Deborah Sharmini Benjamin (MAICSA 7077164)
Company Secretary
28 August 2025