

Mesiniaga Berhad

Registration number: 198101013112 (79244V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income

For the third quarter ended 30 September 2025

	2025	2024	2025	2024
	Current Qtr ended 30-Sep (RM '000)	Comparative Qtr ended 30-Sep (RM '000)	9 Months Cumulative to-date (RM '000)	9 Months Cumulative to-date (RM '000)
Revenue	62,918	41,729	155,393	140,047
Operating expenses	(61,589)	(44,266)	(155,846)	(146,140)
Depreciation	(373)	(411)	(1,129)	(1,131)
Other operating income	113	269	448	5,181
Profit/(Loss) from operations	1,069	(2,679)	(1,134)	(2,043)
Finance costs	(159)	(171)	(482)	(445)
Finance income	263	374	781	724
Profit/(Loss) before tax	1,173	(2,476)	(835)	(1,764)
Taxation and Zakat	(56)	(85)	(176)	(151)
Profit/(Loss) after tax	1,117	(2,561)	(1,011)	(1,915)
Other Comprehensive gain/(loss)	-	-	-	-
Total Comprehensive income/(loss)	1,117	(2,561)	(1,011)	(1,915)
Profit/(loss) attributable to:				
- Equity holders of the Company	1,117	(2,457)	(1,011)	(1,674)
- Non-controlling interest	-	(104)	-	(241)
	1,117	(2,561)	(1,011)	(1,915)
Total comprehensive income/(loss) for the financial year attributable to:				
- Equity holders of the Company	1,117	(2,457)	(1,011)	(1,674)
- Non-controlling interest	-	(104)	-	(241)
	1,117	(2,561)	(1,011)	(1,915)
Profit/(Loss) per share for profit/(loss) attributable to the equity holders of the Company during the period				
Profit/(Loss) Per Share - Basic	1.85	(4.07)	(1.67)	(2.77)

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 September 2025

	As at 30.9.2025 (RM '000)	As at 31.12.2024 (RM '000)	Audited
ASSETS			
Non-current assets			
Property, plant and equipment	34,663	35,205	
Finance lease receivable	2,000	1,912	
Deferred tax assets	3,600	3,600	
	<u>40,263</u>	<u>40,717</u>	
Current assets			
Inventories	1,619	1,289	
Contract assets	50,122	39,326	
Finance lease receivable	1,600	1,156	
Receivables	30,950	31,970	
Tax recoverable	268	284	
Prepayments	13,644	17,001	
Deposits with licensed financial institutions	28,031	38,371	
Cash and bank balances	25,012	9,966	
	<u>151,246</u>	<u>139,363</u>	
TOTAL ASSETS	<u>191,509</u>	<u>180,080</u>	
EQUITY AND LIABILITIES			
Equity attributable to the equity holders of the parent			
Share capital	64,528	64,528	
Reserves	44,040	44,690	
	<u>108,568</u>	<u>109,218</u>	
Non-controlling interest	-	1,762	
Total equity	<u>108,568</u>	<u>110,980</u>	
Non-current liabilities			
Other deferred liabilities	1,928	2,556	
	<u>1,928</u>	<u>2,556</u>	
Current liabilities			
Trade and other payables	47,333	42,522	
Contract liabilities	19,167	10,596	
Tax payable	154	-	
Borrowing	14,359	13,426	
	<u>81,013</u>	<u>66,544</u>	
Total liabilities	<u>82,941</u>	<u>69,100</u>	
TOTAL EQUITY AND LIABILITIES	<u>191,509</u>	<u>180,080</u>	
Net asset per share attributable to ordinary equity holders of the parent (RM)	1.7974	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 third quarter ended 30 September 2025

	<u>2025</u> 9 months ended 30-Sep (RM '000)	<u>2024</u> 9 months ended 30-Sep (RM '000)
Cash Flows From Operating Activities		
Net loss attributable to shareholders	(1,011)	(1,915)
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	1,129	1,131
Taxation	176	151
Interest expense	482	445
Interest income	(781)	(724)
Retirement benefits	116	300
Reversal of allowance for doubtful debts	(326)	-
Unrealised foreign exchange Gain	589	244
Write down of property, plant and equipment	477	-
Net reversal for slow moving inventory	(905)	-
	<u>(54)</u>	<u>(368)</u>
Changes in working capital:		
Inventories	575	2,567
Receivables	(7,261)	8,201
Payables	11,902	(47,786)
Net cash generated from/(used in) operations	<u>5,162</u>	<u>(37,386)</u>
Net taxation paid	-	(79)
Retirement benefits paid	-	(310)
Net cash generated from/(used in) operating activities	<u>5,162</u>	<u>(37,775)</u>
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(1,064)	(1,242)
Proceeds from disposal of property, plant and equipment	-	-
Purchase of remaining shares in subsidiary	(1,400)	-
Interest received	761	720
Increase in net restricted cash	803	(75)
	<u>(900)</u>	<u>(597)</u>
Cash Flows From Financing Activities		
Dividends paid to non-controlling interest in a subsidiary	-	(4,900)
Dividends paid	-	(1,510)
Interest paid	(389)	(333)
Repayment of lease liabilities	(681)	(873)
Repayment of term loan	(247)	(247)
Net drawdown of short term borrowing	1,181	5,002
	<u>(136)</u>	<u>(2,861)</u>
Net increase/(decrease) in cash and cash equivalents	4,126	(41,233)
Effect of foreign exchange translation	(223)	(447)
Cash and cash equivalents b/f	42,874	58,917
Cash and cash equivalents c/f	<u>46,777</u>	<u>17,237</u>
Cash and cash equivalents comprise :		
Deposits with licensed financial institutions	28,031	14,625
Cash and bank balances	25,012	8,214
Total deposits, cash and bank balances	<u>53,043</u>	<u>22,839</u>
Less: restricted cash	(6,211)	(5,437)
Less: deposits maturing more than three months	(55)	(165)
Cash and cash equivalents	<u>46,777</u>	<u>17,237</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 third quarter ended 30 September 2025

	<u>Share Capital</u> (RM '000)	<u>Retirement benefit reserves</u> (RM '000)	<u>Retained Earnings</u> (RM '000)	<u>Total</u> (RM '000)	<u>Non-controlling Interest</u> (RM '000)	<u>Total</u> (RM '000)
<u>9 months quarter ended 30 September 2025</u>						
Balance at beginning of year	64,528	179	44,511	109,218	1,762	110,980
Total comprehensive loss for the period	-	-	(1,011)	(1,011)	-	(1,011)
Aquisition of further interest of a subsidiary	-	-	361	361	(1,762)	(1,401)
Balance at end of period	64,528	179	43,861	108,568	-	108,568
<u>9 months quarter ended 30 September 2024</u>						
Balance at beginning of year	64,528	(3,520)	49,399	110,407	7,238	117,645
Total comprehensive loss for the period	-	-	(1,674)	(1,674)	(241)	(1,915)
Dividend	-	-	(1,510)	(1,510)	(4,900)	(6,410)
Balance at end of period	64,528	(3,520)	46,215	107,223	2,097	109,320

(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
THIRD QUARTER ENDED 30 SEPTEMBER 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 is not likely to affect future periods.

The following are standards and amendments to published standards and interpretations that have been issued but not yet effective:

<u>MFRS, Amendments to MFRS and IC Interpretations</u>	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	1 January 2026
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>	
• 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 or 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 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 RM155.4 million for the nine months of 2025, 11.0% higher than the revenue of RM140.0 million for the corresponding period in 2024. A loss before tax of RM0.8 million was recorded for the nine months of 2025, compared to a loss before tax of RM1.8 million for the same period of 2024.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS

The Group's third quarter revenue of RM62.9 million was 63.0% higher than the revenue of RM38.6 million recorded in the preceding quarter. The third quarter's profit before tax was RM1.2 million compared to a loss before tax of RM3.8 million recorded in the prior quarter.

B3. PROSPECTS

Having weathered a challenging first half of 2025, the Company's outlook improved significantly with the award of three substantial multi-year contracts during the second and third quarters. These contracts restore the order book to healthy levels and will generate recurring revenue over their contract periods, allowing the Company to begin the coming years from a significantly better position.

The first contract is for RM251.9 million 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. The third is RM135.8 million from the Royal Malaysian Customs Department for the Provision of System Development Services and Comprehensive Hardware to supply Digital Marking Technology.

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 30.09.2025 RM'000	9 months Cumulative 30.09.2025 RM'000
<u>Major components of tax expenses:</u>		
Current year tax	163	(198)
Deferred tax	(107)	374
Tax expense	56	176
Zakat	0	0
	56	176

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 September 2025 are as follows:

	As at 30.09.2025 RM'000
Short term borrowings	
Banker acceptance	14,359
<i>Unsecured</i>	
	14,359
All borrowings are denominated in Ringgit Malaysia	

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

As previously reported, the Company has initiated legal proceedings in the Kuala Lumpur High Court (**GUAMAN SIVIL NO.: WA-22NCvC-432-07/2025**) against Ahmad Shazwan bin Harun, Mohd Izwan bin Ismail, Faizal bin Ishak, and Laman7 Sdn. Bhd. (collectively referred to as “the Defendants”).

At this juncture, the matter remains at the pleadings stage. The 1st to 3rd Defendants have filed an application to strike out the Company’s claim, and the matter is currently pending the Court’s directions.

The legal proceeding is not expected to have any material effect on the Company’s financials’ position or operations.

B12. PROPOSED DIVIDEND

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

B13. EARNINGS PER SHARE

	Quarter Ended 30.09.2025	9 months Cumulative 30.09.2025
Basic and Diluted Earnings	RM’000	RM’000
Profit attributable to the ordinary equity holders of the Company	1,117	(1,011)
Weighted average number of ordinary shares in issue (‘000)	60,402	60,402
Basic/diluted earnings per share (sen)	1.85	(1.67)

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 30.09.2025 RM'000	9 months Cumulative 30.9.2025 RM'000
	<u>Related party</u>		
	Subsidiary companies		
	- Purchase of goods	0	2
	- Purchase of services	8,600	22,656
	- Sales of services	72	216

B15. CAPITAL COMMITMENT

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

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

B16. ADDITIONAL DISCLOSURES

RM'000	30.09.2025	30.09.2024	9 months	
			Quarter ended	Cumulative
Profit for the period is arrived at after charging:				
Interest expense	159	171	482	445
Depreciation	373	411	1,129	1,131
and after crediting:				
Interest income	263	374	781	724
Foreign exchange gain	200	643	335	858

By Order of the Board
 Deborah Sharmini Benjamin (MAICSA 7077164)
 Company Secretary
 26 November 2025