Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statement of Comprehensive Income
For the first quarter ended 31 March 2026

	2026	2025	2026	2025
	CURRENT Qtr ended 31-Mar (RM '000)	Comparative Qtr ended 31-Mar (RM '000)	3 Months Cumulative to-date (RM '000)	3 Months Cumulative to-date (RM '000)
Revenue	59,913	53,920	59,913	53,920
Operating expenses	(61,143)	(52,138)	(61,143)	(52,138)
Depreciation	(380)	(397)	(380)	(397)
Other operating income	121	254	121	254
(Loss)/Profit from operations	(1,489)	1,639	(1,489)	1,639
Finance costs	(857)	(163)	(857)	(163)
Finance income	609	278	609	278
(Loss)/Profit before tax	(1,737)	1,754	(1,737)	1,754
Taxation and Zakat	(143)	(63)	(143)	(63)
(Loss)/Profit after tax	(1,880)	1,691	(1,880)	1,691
Other Comprehensive income/(loss)	-	-	-	-
Total Comprehensive (loss)/income	(1,880)	1,691	(1,880)	1,691
(Loss)/Profit attributable to:				
- Equity holders of the Company	(1,880)	1,678	(1,880)	1,678
- Non-controlling interest	-	13	-	13
	(1,880)	1,691	(1,880)	1,691
Total comprehensive (loss)/income for the financial year attributable to:				
- Equity holders of the Company	(1,880)	1,678	(1,880)	1,678
- Non-controlling interest	-	13	-	13
	(1,880)	1,691	(1,880)	1,691
(Loss)/Profit per share for (loss)/profit attributable to the equity holders of the Company during the period				
Basic/Diluted (loss)/earnings per share (sen)	(3.11)	2.78	(3.11)	2.78

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 2025)

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statement of Financial Position
As at 31 March 2026

	As at 31.3.2026 (RM '000)	Audited As at 31.12.2025 (RM '000)
ASSETS		
Non-current assets		
Property, plant and equipment	34,786	34,828
Concession asset	6,382	-
Finance lease receivable	1,180	1,719
Deferred tax assets	8,687	8,687
	51,035	45,234
Current assets		
Inventories	722	327
Contract assets	61,332	50,392
Finance lease receivable	1,342	1,420
Receivables	28,752	29,541
Tax recoverable	92	92
Prepayments	46,846	50,443
Deposits with licensed financial institutions	33,576	64,953
Cash and bank balances	27,890	10,825
	200,552	207,993
TOTAL ASSETS	251,587	253,227
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital	64,528	64,528
Reserves	54,873	56,753
Total equity	119,401	121,281
Non-current liabilities		
Other deferred liabilities	1,694	1,940
	1,694	1,940
Current liabilities		
Trade and other payables	47,148	44,564
Contract liabilities	20,492	21,459
Tax payable	359	217
Provision	700	1,105
Borrowing	61,793	62,661
	130,492	130,006
Total liabilities	132,186	131,946
TOTAL EQUITY AND LIABILITIES	251,587	253,227
Net asset per share attributable to ordinary equity holders of the parent (RM)	1.9768	2.0079

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2025)

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statement of Cash Flow
For the first quarter ended 31 March 2026

	2026 3 months ended 31-Mar (RM '000)	2025 3 months ended 31-Mar (RM '000)
Cash Flows From Operating Activities		
Net (loss)/profit attributable to shareholders	(1,880)	1,691
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	380	397
Taxation	143	63
Interest expense	857	163
Interest income	(609)	(278)
Retirement benefits	-	39
Profit arising from IC Interpretation 12 service concession agreement	(864)	-
Unrealised foreign exchange gain	(428)	198
Net reversal for slow moving inventory	(22)	-
	(2,423)	2,273
Changes in working capital:		
Inventories	(373)	(4,321)
Receivables	(9,961)	4,810
Payables	1,484	4,628
Net cash (used in)/generated from operating activities	(11,273)	7,390
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(338)	(134)
Concession asset expenditure	(1,292)	-
Interest received	406	243
Increase in net restricted cash	298	68
	(926)	177
Cash Flows From Financing Activities		
Interest paid	(776)	(81)
Repayment of lease liabilities	(235)	(224)
Repayment of term loan	-	(83)
Net drawndown of short term borrowing	(868)	(4,636)
	(1,879)	(5,024)
Net (decrease)/increase in cash and cash equivalents	(14,078)	2,543
Effect of foreign exchange translation	64	(44)
Cash and cash equivalents b/f	68,306	42,874
Cash and cash equivalents c/f	54,292	45,373
Cash and cash equivalents comprise :		
Deposits with licensed financial institutions	33,576	40,671
Cash and bank balances	27,890	10,508
Total deposits, cash and bank balances	61,466	51,179
Less: restricted cash	(7,174)	(5,629)
Less: deposits maturing more than three months	-	(177)
Cash and cash equivalents	54,292	45,373

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited Annual Financial Statements for the year ended 31st December 2025)

Mesiniaga Berhad
Registration number: 198101013112 (79244V)
(Incorporated in Malaysia)
Condensed Consolidated Statements of Changes in Equity
For the first quarter ended 31 March 2026

	Share Capital (RM '000)	Retirement benefit reserves	Retained Earnings (RM '000)	Total (RM '000)	Non-controlling Interest (RM '000)	Total (RM '000)
3 months quarter ended 31 March 2026						
Balance at beginning of year	64,528	29	56,724	121,281	-	121,281
Total comprehensive loss for the period	-	-	(1,880)	(1,880)	-	(1,880)
Balance at end of period	64,528	29	54,844	119,401	-	119,401
3 months quarter ended 31 March 2025						
Balance at beginning of year	64,528	179	44,511	109,218	1,762	110,980
Total comprehensive loss for the period	-	-	1,678	1,678	13	1,691
Balance at end of period	64,528	179	46,189	110,896	1,775	112,671

(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 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: *Interim Financial Reporting* Paragraph 9.22 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 2025. The audited financial statements of the Group for the year ended 31 December 2025 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 2025. Commencing in 2026, the Group has applied International Financial Reporting Interpretations Committee: IFRIC 12 Service Concession Arrangements in relation to its concession activities.

The Group adopted the following amended MFRS Accounting Standard ("MFRS") with effect from 1 January 2026:

- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - *Amendments to the Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to MFRS Accounting Standards - Volume 11

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:

MFRS, Amendments to MFRS and IC Interpretations	Applicable for annual periods beginning on or after:
• MFRS 19, *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
• MFRS 18, *Presentation and Disclosure in Financial Statements*	1 January 2027
• MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sales or Contribution of Assets between the Investor and its Associate of Joint Venture*	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 2025 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 for the current quarter. The final dividend in respect of financial year ended 31 December 2025 has been recommended as per Note B12.

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 changes in composition of the Group during the interim period, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructurings, and discontinuing 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's revenue for the first quarter of 2026 was RM60.0 million, 11.3% higher compared to RM53.9 million recorded in the corresponding period in 2025. A loss before tax of RM1.7 million was recorded in the first quarter of 2026, compared to a profit before tax of RM1.7 million in the same period of 2025.

Quarterly profit is affected by both the amount of revenue as well as the type of revenue captured. Revenue from 3rd party products and services offers lower gross margins, whereas revenue from internal services produces higher gross margins. The cost of retaining the necessary skills is basically fixed in the short term. This can lead to large swings in the reported quarterly results despite similar levels of revenue. Apparent margin disparities can appear for the very same project simply because of the type of revenue captured in a particular quarter. The effect of this phenomenon is more exaggerated in note B2, which compares results between Q1 2026 and Q4 2025.

Beyond this, additional costs were incurred to complete the delivery of certain delayed projects. In line with the Group's longer-term growth plans, investments were also made during the quarter to strengthen organisational capabilities.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS

The Group's current quarter revenue of RM60.0 million was 21.8% lower than the RM76.7 million recorded in the preceding quarter. The current quarter's loss before tax was RM1.7 million, compared to a profit before tax of RM7.9 million recorded in the prior quarter.

Revenues in the final quarter of financial years tend to be higher because project closures are often planned for this period, with customers looking to draw down on budgets allocated for the year.

Besides this, the same phenomenon explained in B1 also applies to the comparison of Q1 2026 results against that of Q4 2025. The 21.8% lower revenue seems to yield a far more dramatic swing in profit. This is not the result of a deteriorating business.

B3. PROSPECTS

The Group secured several substantial multi-year contracts during the second half of 2025. These coupled with a healthy sales pipeline provided greater earnings visibility for the current year and the years ahead. Demand for AI-driven solutions is expected to remain resilient, underpinned by ongoing digital transformation initiatives across industries, although competitive intensity and pricing pressures are likely to persist.

The Group is monitoring the impact arising from the Middle East conflict, and anticipates that there will be significant inflationary pressure on costs and operating expenses and potential logistical disruptions which may affect timely delivery of projects.

The Group will continue to focus on strengthening its portfolio of advanced digital and AI-enabled offerings, maintain disciplined project execution and improve operational efficiency, and expand its non-government customer base.

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 31.03.2026 RM'000	3 months Cumulative 31.03.2026 RM'000
Major components of tax expenses:		
Current year tax	(228)	(228)
Deferred tax	371	371
Tax expense	143	143
Zakat	0	0
	143	143

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 31 March 2026 are as follows:

		As at 31.03.2026 RM'000
	Short term borrowings	
	Banker acceptance	61,793
	Unsecured	
		61,793
	All borrowings are denominated in Ringgit Malaysia	

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

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").

The 1st to 3rd Defendants have filed an application to strike out the Company's claim**s** and have also commenced Third Party proceedings against the Company and certain members of the Company's senior management. These matters are pending hearing and/or further directions from the Court. There has been no significant development during the quarter. The Company is of the view that the Third-Party proceedings are without merit, and accordingly, no provision has been made in respect thereof.

B12. PROPOSED DIVIDEND

For the financial year ended 31 December 2025, the Board of Directors has recommended a final single-tier cash dividend of 5.0 sen per share (2024: Nil), amounting to RM3,020,100 subject to the shareholders' approval at the forthcoming Annual General Meeting.

Upon approval, the final dividend will be paid on 7 July 2026 to shareholders whose names appear in the Record of Depositors on 8 June 2026.

B13. EARNINGS PER SHARE

	Quarter Ended 31.03.2026		3 months Cumulative 31.03.2026
Basic and Diluted Earnings			
	RM'000		RM'000
Loss attributable to the ordinary equity holders of the Company	(1,880)		(1,880)
Weighted average number of ordinary shares in issue ('000)	60,402		60,402
Basic/diluted loss per share (sen)	(3.11)		(3.11)

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 31.03.2026 RM'000	3 months Cumulative 31.03.2026 RM'000
Related party		
Subsidiary companies		
- Purchase of goods	1	1
- Purchase of services	7,620	7,620
- Sales of services	48	48

B15. CAPITAL COMMITMENT

Capital commitments for the Group in respect of property, plant and equipment not provided for as of 31 March 2026 are as follows:

		RM'000
	Approved and not contracted for	NIL
	Approved and contracted for	59

B16. ADDITIONAL DISCLOSURES

	Quarter ended		3 months Cumulative	
RM'000	31.03.2026	31.03.2025	31.03.2026	32.03.2025
Profit for the period is arrived at after charging:				
Interest expense	857	163	857	163
Depreciation	380	397	380	397
and after crediting:				
Interest income	609	278	609	278
Foreign exchange gain	905	137	905	137

By Order of the Board
Deborah Sharmini Benjamin (MAICSA 7077164)
Company Secretary
21 May 2026