



## **MMIS BERHAD**

(Registration No.: 201901006068 (1315395-W))  
(Incorporated in Malaysia under the Companies Act, 2016)

### **UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 2<sup>ND</sup> HALF-YEAR ENDED 30 JUNE 2021**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LEAP MARKET”)**

**THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET AND MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY US. SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN US AND SHOULD MAKE THEIR DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.**

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## Unaudited Consolidated Statement of Financial Position as at 30 June 2021

	Unaudited as at 30.06.2021 RM	Audited as at 30.06.2020 RM
<b>Assets</b>		
Property, plant and equipment	15,835,127	12,783,235
Investment property	1,072,937	1,086,678
<b>Total non-current assets</b>	<u>16,908,064</u>	<u>13,869,913</u>
Inventories	4,543,185	3,104,678
Contract assets	1,386,493	2,548,116
Trade receivables	8,384,558	3,301,302
Other receivables, deposits and prepayments	1,307,970	136,828
Current tax assets	1,869,421	1,369,746
Fixed deposits with a licensed bank	104,758	33,916
Cash and cash equivalents	2,330,310	4,774,955
<b>Total current assets</b>	<u>19,926,695</u>	<u>15,269,541</u>
<b>Total assets</b>	<u>36,834,759</u>	<u>29,139,454</u>
<b>Equity</b>		
Share capital	14,768,002	14,768,002
Merger deficit	(8,850,000)	(8,850,000)
Retained earnings	14,989,793	9,988,903
<b>Total equity</b>	<u>20,907,795</u>	<u>15,906,905</u>
<b>Liabilities</b>		
Lease liabilities	1,237,380	2,077,771
Loan and borrowings	6,259,492	4,257,795
Deferred income	180,000	210,000
Deferred tax liabilities	972,000	461,000
<b>Total non-current liabilities</b>	<u>8,648,872</u>	<u>7,006,566</u>
Lease liabilities	834,145	616,653
Loan and borrowings	2,975,339	831,646
Trade payables	2,541,485	577,250
Other payables and accruals	927,123	2,200,434
Amounts due to Directors	-	2,000,000
<b>Total current liabilities</b>	<u>7,278,092</u>	<u>6,225,983</u>
<b>Total liabilities</b>	<u>15,926,964</u>	<u>13,232,549</u>
<b>Total equity and liabilities</b>	<u>36,834,759</u>	<u>29,139,454</u>
<b>Net assets per share (sen)<sup>(1)</sup></b>	<u>3.48</u>	<u>3.18</u>

Note: -

(1) Net assets per share is calculated based on the Company's total issued shares of 600,000,000 ordinary shares as at 30 June 2021 and 500,000,000 ordinary shares as at 30 June 2020.

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## Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 2<sup>nd</sup> Half-Year Ended 30 June 2021

	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited 30.06.2021 RM	Unaudited 30.06.2020 RM	Unaudited 30.06.2021 RM	Audited 30.06.2020 RM
<b>Revenue</b>	14,241,775	5,879,464	23,757,262	11,693,187
Cost of sales	(9,723,978)	(2,859,923)	(15,062,685)	(5,781,044)
<b>Gross profit ("GP")</b>	<u>4,517,797</u>	<u>3,019,541</u>	<u>8,694,577</u>	<u>5,912,143</u>
<b>GP margin</b>	31.72%	51.36%	36.60%	50.56%
Other operating income	80,179	54,232	150,918	95,121
Administrative expenses	(1,331,034)	(1,257,742)	(2,369,787)	(2,409,905)
Selling and distribution costs	(148,069)	(109,570)	(283,506)	(192,780)
Other operating expenses	-	(2,945)	-	(2,945)
<b>Results from operating activities</b>	<u>3,118,873</u>	<u>1,703,516</u>	<u>6,192,202</u>	<u>3,401,634</u>
Finance costs	(201,257)	(146,434)	(332,200)	(337,821)
<b>Profit before tax ("PBT")</b>	<u>2,917,616</u>	<u>1,557,082</u>	<u>5,860,002</u>	<u>3,063,813</u>
<b>PBT margin</b>	20.49%	26.48%	24.67%	26.20%
Tax expense	(396,253)	(255,972)	(823,208)	(456,269)
Effective tax rate	<u>13.58%</u>	<u>16.44%</u>	<u>14.05%</u>	<u>14.89%</u>
<b>Profit for the period/year</b>	<u>2,521,363</u>	<u>1,301,110</u>	<u>5,036,794</u>	<u>2,607,544</u>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<u><u>2,521,363</u></u>	<u><u>1,301,110</u></u>	<u><u>5,036,794</u></u>	<u><u>2,607,544</u></u>
<b>Earnings per share ("EPS") (sen)</b>				
<b>Basic</b> <sup>(1)</sup>	0.42	0.22	0.84	0.44
<b>Diluted</b> <sup>(2)</sup>	N/A	N/A	N/A	N/A

Notes: -

(1) Basic EPS is calculated based on the Company's weighted average number of ordinary shares. Please refer to note C3 for the computation.

(2) There are no equity instruments in issue that would give a dilutive effect to the basic EPS.

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## Unaudited Consolidated Statement of Changes in Equity for the 2<sup>nd</sup> Half-Year Ended 30 June 2021

	<---- Non-distributable ---->		Distributable	
	Share capital	Merger deficit	Retained earnings	Total equity
	RM	RM	RM	RM
<b>At 30 June 2019</b>	10,000,002	(8,850,000)	9,881,359	11,031,361
Issuance of shares pursuant to Initial Public Offering ("IPO")	5,000,000	-	-	5,000,000
Transaction costs related to issuance of shares	(232,000)	-	-	(232,000)
Total comprehensive income for the year	-	-	2,607,544	2,607,544
Dividends to owners of the Company	-	-	(2,500,000)	(2,500,000)
<b>At 30 June 2020 / 1 July 2020</b>	14,768,002	(8,850,000)	9,988,903	15,906,905
Transaction costs related to issuance of shares	-	-	(35,904)	(35,904)
Total comprehensive income for the year	-	-	5,036,794	5,036,794
<b>At 30 June 2021</b>	<u>14,768,002</u>	<u>(8,850,000)</u>	<u>14,989,793</u>	<u>20,907,795</u>

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## Unaudited Consolidated Statement of Cash Flows for the Financial Year Ended 30 June 2021

	Cumulative 12 months ended	
	Unaudited	Audited
	30.06.2021	30.06.2020
	RM	RM
<b>Cash flows from operating activities</b>		
PBT	5,860,002	3,063,813
Adjustments for:		
Amortisation of government grant	(30,000)	(30,000)
Depreciation of investment property	13,741	13,163
Depreciation of property, plant and equipment	771,498	586,983
Property, plant and equipment written off	-	6,622
Finance costs	332,200	337,821
Interest income	(36,562)	(20,437)
	<hr/>	<hr/>
<b>Operating profit before changes in working capital</b>	6,910,879	3,957,965
Changes in working capital:		
Inventories	(1,438,507)	(2,091,195)
Contract assets	1,161,623	(1,800,201)
Trade receivables	(5,083,256)	(1,218,401)
Other receivables, deposits and prepayments	(1,171,142)	68,608
Trade payables	1,964,235	68,559
Other payables and accruals	(1,273,311)	1,552,359
	<hr/>	<hr/>
<b>Cash generated from operations</b>	1,070,521	537,694
Interest received	36,562	20,437
Tax paid	(811,883)	(1,067,565)
	<hr/>	<hr/>
<b>Net cash generated from/ (used in) operating activities</b>	295,200	(509,434)
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<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(3,823,390)	(2,504,091)
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<b>Net cash used in investing activities</b>	(3,823,390)	(2,504,091)
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## Unaudited Consolidated Statement of Cash Flows for the Financial Year Ended 30 June 2021 (Cont'd)

	Cumulative 12 months ended	
	Unaudited	Audited
	30.06.2021	30.06.2020
	RM	RM
<b>Cash flows from financing activities</b>		
Repayment/(Advance) from directors	(2,000,000)	2,000,000
Drawdown of loan and borrowings	4,365,549	2,050,000
Proceeds from issuance of shares pursuant to IPO	-	5,000,000
Placement of fixed deposits with a licensed bank	(70,842)	(938)
Interest paid	(332,200)	(337,821)
Issuance of share expenses	(35,904)	(232,000)
Dividends paid to owners of the Group	-	(2,500,000)
Repayment of lease liabilities	(622,899)	(614,248)
Repayment of term loan	(220,159)	(2,084,684)
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<b>Net cash generated from financing activities</b>	<b>1,083,545</b>	<b>3,280,309</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,444,645)</b>	<b>266,784</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>4,774,955</b>	<b>4,508,171</b>
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<b>Cash and cash equivalents at end of year</b>	<b>2,330,310</b>	<b>4,774,955</b>
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## EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE 2<sup>ND</sup> HALF-YEAR ENDED 30 JUNE 2021

### A1 Basis of preparation

The unaudited interim financial statements of MMIS Berhad (“MMIS” or “the Company”) and its subsidiary (“the Group”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting.

This unaudited interim financial report on the Group’s unaudited consolidated financial results for the 2<sup>nd</sup> half-year ended 30 June 2021 is announced by the Company in compliance with Paragraph 6.12 of the LEAP Market Listing Requirements of Bursa Securities (“Listing Requirements”).

The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to this unaudited interim financial report.

### A2 Significant accounting policies

The significant accounting policies and method of computation applied in the preparation of these unaudited interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 30 June 2020.

The following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021***

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

#### ***MFRS, interpretation and amendments effective for annual periods beginning on or after 1 April 2021***

- Amendments to MFRS 16, *Covid-19 – Related Rent Concessions beyond 30 June 2021*

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## EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE 2<sup>ND</sup> HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

### A2 Significant accounting policies (cont'd)

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, Insurance Contracts
- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current and prior financial statements of the Group and the Company.



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## EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE 2<sup>ND</sup> HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

### **A3 Audit report of preceding annual financial statements**

The auditors' report on the financial statements of MMIS for the financial year ended 30 June 2020 was not subject to any qualification.

### **A4 Seasonal or cyclical factors**

The Group's operations were not affected materially by seasonal or cyclical factors for the current financial period and the financial year-to-date under review.

### **A5 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial period and financial year-to-date.

### **A6 Material changes in estimates**

There were no material changes in accounting estimates in the current financial period and financial year-to-date.

### **A7 Debt and equity securities**

The Company issued 100,000,000 new ordinary shares pursuant to a bonus issue exercise on the basis of 1 bonus share for every 5 existing ordinary shares ("Bonus Issue"). The Bonus Issue was completed on 17 March 2021.

Save as disclosed above, there was no other issuance, cancellation, repurchase, resales and repayment of debt and equity securities for the current financial period and financial year-to-date.

### **A8 Dividend**

There were no dividends proposed by the Board of Directors of the Company for the current financial year under review.

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## EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE 2<sup>ND</sup> HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

### A9 Segment information

There were no products, services and geographical location segment information presented as the Group's business is viewed as a single reportable segment. The reportable segment is manufacturing of precision engineering parts.

### A10 Profit before taxation

PBT is arrived at after charging/(crediting) the following expenses/(income):

	Individual 6 months ended		Cumulative 12 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Depreciation of investment property	7	7	13	13
Depreciation of property, plant and equipment	396	156	772	587
Amortisation of government grant	(15)	(15)	(30)	(30)
Interest income	(15)	(11)	(37)	(20)
Rental income	(18)	(16)	(36)	(31)

### A11 Valuation of property, plant and equipment

There was no valuation on property, plant and equipment and investment property during the current financial period and financial year-to-date.

### A12 Contingent liabilities and contingent assets

There are no material contingent liabilities and contingent assets as at the date of this unaudited interim financial report.

### A13 Material events subsequent to the end of the financial year

There were no material events subsequent to the end of the financial year up to the date of this announcement.

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## EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE 2<sup>nd</sup> HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

### A14 Capital commitments

Save as disclosed below, there were no material capital commitments in respect of property, plant and equipment as at the end of the current financial year:

**As at 30.06.2021**  
**RM**

#### Capital expenditure commitment

##### Machinery

- Contracted but not provided for

583,320

### A15 Significant related party transaction

There were no significant related party transactions in the current financial period and financial year-to-date.

### A16 Financial liabilities

The Group has not entered into any derivatives instruments and does not have any other financial liabilities saved as disclosed in the Statement of Financial Position.

### A17 Changes in the composition of the Group

There were no material changes in the composition of the Group during the financial year ended 30 June 2021.

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## B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS FOR THE LEAP MARKET

### B1 Review of performance

	Individual 6 months ended		Cumulative 12 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	14,242	5,879	23,757	11,693
GP	4,518	3,020	8,695	5,912
PBT	2,918	1,557	5,860	3,064
Profit after tax ("PAT")	2,521	1,301	5,037	2,608

#### Review of 2<sup>nd</sup> half year ended 30 June 2021 vs 2<sup>nd</sup> half year ended 30 June 2020

For the 2<sup>nd</sup> half year ended 30 June 2021, the Group's revenue increased by approximately RM8.362 million or 142.23% as compared to the 2<sup>nd</sup> half year ended 30 June 2020. The increase in revenue was mainly due to the ability of the Group to secure more orders from customers during the 2<sup>nd</sup> half year ended 30 June 2021. In addition, the Group expanded its production capacity and also outsourced manufacturing to third party suppliers to cope with the increased orders and to mitigate disruptions as a result of the various phases of Movement Control Orders imposed by the Malaysian Government to combat the Covid-19 pandemic. The Movement Control Orders was included in the National Recovery Plan ("Pelan Pemulihan Negara or PPN") that launched its Phase 1 on 1 June 2021 in Perak in which the Group is situated and which resulted in the Group only operating at 60% capacity.

In tandem with the higher revenue recorded, the Group's GP increased to RM1.498 million or 49.62% for the 2<sup>nd</sup> half year ended 30 June 2021 as compared to the 2<sup>nd</sup> half year ended 30 June 2020. However, the Group's GP margin for the 2<sup>nd</sup> half year ended 30 June 2021 decreased to 31.72% as compared to 51.36% in the 2<sup>nd</sup> half year ended 30 June 2020. The decrease in the Group's GP margin was mainly due to higher cost of sales arising from an increase in the price of raw materials, and higher cost due to the engagement of outsourcing services for small precision engineering parts which enabled the Group to meet customers' delivery schedules during the 2<sup>nd</sup> half year ended 30 June 2021.

For the 2<sup>nd</sup> half year ended 30 June 2021 the Group's PBT increased by RM1.361 million or 87.38% and the Group's PAT increased by RM1.220 million or 93.79% as compared to the 2<sup>nd</sup> half year ended 30 June 2020. The significant increase in PBT and PAT was mainly due to the increase in revenue and GP.

#### Review of results for the financial year ended 30 June 2021 ("FYE 2021") vs the financial year ended 30 June 2020 ("FYE 2020")

In the FYE 2021, the Group recorded a revenue of RM23.757 million, an increase by approximately RM12.064 million or 103.17% as compared to the FYE 2020. The increase in revenue was mainly due the Group received more orders from customers and delivery of more completed orders.

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## B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS FOR THE LEAP MARKET (CONT'D)

### B1 Review of performance (cont'd)

#### Review of results for FYE 2021 vs FYE 2020 (cont'd)

In tandem with the higher revenue recorded in the FYE 2021, the Group's GP increased by RM2.782 million or 47.06% as compared to the FYE 2020. However, GP margin for the FYE 2021 decreased to 36.60% as compared to 50.56% achieved in the FYE 2020. The decrease in the Group's GP margin was mainly due to higher cost of sales arising from an increase in the price of raw materials due to the Covid-19 pandemic that impacted the global supply chain and higher cost due to the engagement of outsourcing services for small precision engineering parts which enabled the Group to meet customers' delivery schedules during the FYE 2021.

The Group recorded a PBT of RM5.860 million for the FYE 2021, as compared to RM3.064 million in the FYE 2020 representing an increase of RM2.796 million or 91.27% and recorded a PAT of RM5.037 million for the FYE 2021, as compared to RM2.608 million in the FYE 2020 representing an increase of RM2.429 million or 93.16%. The significant increase in PBT and PAT was mainly due to the increase in revenue and GP.

### B2 Variance from profit forecast and profit guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee in any public document or announcement.

### B3 Income tax expense

	Individual 6 months ended		Cumulative 12 month ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Current year	(66)	(53)	221	147
- Prior year	91	85	91	85
	25	32	312	232
Deferred taxation				
- Current year	345	231	485	231
- Prior year	26	(7)	26	(7)
	371	224	511	224
Total tax expense	396	256	823	456

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## **B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS FOR THE LEAP MARKET (CONT'D)**

### **B4 Plans & Strategies**

The Group's plans and strategies to grow its business remain as follows: -

1. Expansion of production capacity via:
  - i. Increase production floor space and machines' automation; and
  - ii. Recruitment of additional manpower to cater to the Group's expanded production facilities.
2. Enlarge the Group's customers base, by leveraging on its capabilities and technological know-how by:
  - i. Expanding the Group's range of offerings to its existing customers; and
  - ii. Acquiring new customers (especially those in the semiconductor industry), via targeted sales and marketing activities.

There has been no change in the business direction of the Group during the FYE 2021 which may have an impact on the business of the Group.

### **B5 Prospects**

World Semiconductor Trade Statistics (WSTS) forecasts the worldwide semiconductor market to grow by 19.7 % in 2021, and thereafter, continue growing by 8.8 % in 2022 (*Source: Semiconductor Market Forecast Spring 2021, 8 June 2021*). The Malaysian technology sector is expecting earnings to grow by 29.7%, 17% and 14% in 2021, 2022 and 2023 respectively. Meanwhile, from 2014 to 2020, the global semiconductor sales grew by a compounded annual growth rate (CAGR) of 8.6% per annum. The semiconductor industry's market outlook is expected to be positive moving forward given the strong upcycle in semiconductor demand which would expect to continue in the next decade driven by rapid digitalisation and adoption of new technologies such as cloud computing and 5G (*Source: The Malaysian Reserve 11 April 2021*).

The Malaysian technology sector are highly correlated to global demand for semiconductors as its supply chain involves many different steps and procedures which starts at higher-end Integrated Circuit (IC) Design, IC Manufacturing, IC Assembly & Test, before getting placed into electronics and electrical products, through electronics manufacturing services (EMS). These semiconductor companies are typically at the mid-to-lower end of the semiconductor value chain, providing outsourced services and testing for multi-national corporations or providing equipment or parts for other semiconductor companies or are involved in EMS.

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## **B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS FOR THE LEAP MARKET (CONT'D)**

### **B4 Plans & Strategies (cont'd)**

In view of the above, the Board foresees the Group's customers which are primarily in the "Electrical and Electronic" sector under the semiconductor industry which are considered providers of essential goods for the global market. The pandemic has a positive impact on the semiconductor industry in the long run, with the inadvertent push towards digitalisation and the adoption of new information technologies which supports the increase in demand for chips. In addition, businesses have sped up their digital transformation efforts, accelerating the adoption of digital solutions, such as cloud computing, e-commerce and digital marketing, not only as a response to the Covid-19 pandemic but also as a way to remain competitive in an increasingly digitalised world. The envisaged mass adoption of 5G will see the increasing demand for hardware such as smartphones and other telecommunication equipment that is expected to continue for the foreseeable future.

Nevertheless, the Board will remain vigilant, focused and adaptable when implementing its plans and strategies to further improve the Group's financial performance. Barring any unforeseen circumstances, the Group's financial performance for the financial year ending 30 June 2022 is expected to remain positive.

## **C OTHER INFORMATION**

### **C1 Status of Corporate Proposal**

There were no corporate proposals announced but pending completion as at the date of this report.

### **C2 Material litigation**

There was no material litigation as at the date of this unaudited interim financial report.

# MMIS BERHAD

Registration No.: 201901006068 (1315395-W)  
(Incorporated in Malaysia under the Companies Act, 2016)

## C OTHER INFORMATION (CONT'D)

### C3 Earnings per share

#### Basic EPS

Basic EPS was calculated by dividing the profit attributable to owners of the Company for the current financial period and financial year-to-date by the weighted average number of ordinary shares in issue:

	Individual 6 months ended		Cumulative 12 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Profit attributable to owners of the Company (RM)	2,521,363	1,301,110	5,036,794	2,607,544
Weighted average number of ordinary shares	600,000,000	600,000,000	600,000,000	590,821,918
Basic EPS (sen) <sup>(1)</sup>	0.42	0.22	0.84	0.44
Diluted EPS (sen) <sup>(2)</sup>	N/A	N/A	N/A	N/A

Notes: -

- (1) Basic EPS is calculated based on the Company's weighted average number of ordinary shares of 600,000,000 ordinary shares for the FYE 2021 and 590,821,918 ordinary shares for the FYE 2020 and 600,000,000 ordinary shares for the 6-month financial period ended 30 June 2021 and 30 June 2020.
- (2) There are no equity instruments in issue that would give a potential dilutive effect to the basic EPS.