

MICROLINK SOLUTIONS BERHAD (“MICROLINK” OR THE “COMPANY”)

PROPOSED RESTRICTED ISSUE

*(This announcement should be read in conjunction with the earlier announcement dated 26 June 2020 in relation to the Proposed Restricted Issue (“**Initial Announcement**”). The terms used herein, unless the context otherwise stated, bear the same meaning as those in the Initial Announcement.*

1. INTRODUCTION

On 26 June 2020, AmlInvestment Bank, on behalf of the Board, announced that the Company proposes to undertake the proposed restricted issue of up to 56,731,470 Restricted Shares at the Issue Price of RM0.70 per Restricted Share (“**Initial Issue Price**”).

Further to the Initial Announcement, the Board has on 28 August 2020 resolved to revise the Initial Issue Price to RM0.90 per Restricted Share (“**Revised Issue Price**”) (“**Proposed Revision**”) taking into consideration the basis as set out in Section 2.1.3 of this Announcement.

2. ADDITIONAL / REVISED INFORMATION IN RELATION TO THE PROPOSED RESTRICTED ISSUE ARISING FROM THE PROPOSED REVISION

Further to the above, the Company wishes to announce the following additional / revised information which are required to be disclosed according to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”) following the Proposed Revision.

Save for the revision and/or amendments to the disclosures in the Initial Announcement and any additional information as set out below, the remaining disclosures in the Initial Announcement remain unchanged.

2.1 DETAILS OF THE PROPOSED RESTRICTED ISSUE

2.1.1 Placement Size

As at 14 August 2020, being the latest practicable date preceding the date of this announcement (“**LPD**”), the issued share capital of Microlink is approximately RM54,553,057 comprising 185,104,900 Microlink Shares.

As at the LPD, the Company estimates that it may grant up to 4,000,000 new shares under the ESGP pursuant to the LTIP, over the next 6 months.

For illustrative purposes, assuming all 4,000,000 new shares under the ESGP pursuant to the LTIP are granted, vested and allotted, on or prior to the implementation of the Proposed Restricted Issue, a maximum number of up to 56,731,470 Restricted Shares, representing approximately 30.00% of the total issued share capital of the Company, shall be issued under the Proposed Restricted Issue.

In respect of the above, where applicable throughout the announcement, the proforma effects of the Proposed Restricted Issue shall be based on the following scenarios:-

Minimum Scenario	:	Up to 55,531,470 Restricted Shares being issued, assuming the Company does not grant any new shares under the ESGP/ ESOS Options until the completion of the Proposed Restricted Issue
Maximum Scenario	:	Up to 56,731,470 Restricted Shares being issued, assuming 4,000,000 new shares under the ESGP are granted, vested and allotted, on or prior to the implementation of the Proposed Restricted Issue

2.1.2 Placement Arrangement for the Proposed Restricted Issue

Further to the Initial Announcement, the Company had on 29 June 2020 received a letter of intent from Dato' Seri Mohd Khairi bin Mat Jahya ("**Dato' Seri Khairi**") to subscribe for up to 56,731,470 Restricted Shares at the Initial Issue Price ("**Letter of Intent**").

The Board (save for the interested Directors, namely Monteiro Gerard Clair and Mah Xian-Zhen) has on 28 August 2020 proposed to allocate up to 50,000,000 Restricted Shares to Dato' Seri Khairi and/or person(s) connected to him (as defined in the Listing Requirements) (collectively, referred as "**Dato' Seri Khairi Group**") at the Revised Issue Price of RM0.90 per Restricted Share, subject, inter-alia, to the Company reserving the right to determine the final allocation of Restricted Shares under the Proposed Restricted Issue and approval of the shareholders of the Company at the forthcoming EGM of the Company.

For information purposes, Dato' Seri Khairi is a major shareholder of Prima Arenaniaga Sdn Bhd ("**Prima Arenaniaga**") (via his 30% shareholdings in Prima Arenaniaga), a 60.00% owned subsidiary of Omesti Holdings Berhad ("**Omesti Holdings**"), which in turn is the holding company of Microlink. Omesti Holdings is ultimately owned by Omesti.

In view that Monteiro Gerard Clair is a major shareholder and Executive Director of Omesti as well as the Executive Director of Microlink, and Mah Xian-Zhen is a Non-Executive Director of Microlink and Executive Director of Omesti as well as a daughter of Dato' Mah Siew Kwok, who in turn is a major shareholder and Non-Executive Vice-Chairman of Omesti, Monteiro Gerard Clair and Mah Xian-Zhen have voluntarily abstained from the board deliberations and voting in relation to the proposed allocation of Restricted Shares to Dato' Seri Khairi Group.

In this respect, the proposed allocation of the Restricted Shares is as follows:-

Allocation to placee(s)	No of Restricted Shares to be allotted			
	Minimum Scenario	%	Maximum Scenario	%
(i) Dato' Seri Khairi Group ^(a)	50,000,000	90.04	50,000,000	88.13
(ii) Third party investor(s)	5,531,470	9.96	6,731,470	11.87

Note:-

(a) Any Restricted Shares not allocated to Dato' Seri Khairi Group will be placed out to third party investors.

(i) Allocation to Dato' Seri Khairi Group

Dato' Seri Khairi Group comprises Dato' Seri Khairi and/or person(s) connected to him.

Dato' Seri Khairi, a Malaysian aged 37, is currently a major shareholder of Prima Arenaniaga, a 60.00% owned subsidiary of Omesti Holdings, which in turn is the holding company of Microlink. Save for his shareholdings in Prima Arenaniaga, he does not hold any directorships or other substantial shareholding in the Company and the holding companies of Microlink.

Dato' Seri Khairi is an entrepreneur and a businessman in various industries including, amongst other, IT services, import and export and real estate development. Dato' Seri Khairi is also a dedicated philanthropist and the Founder and Chairman of Yayasan Mohd Khairi.

Dato' Seri Khairi had confirmed via a letter dated 28 August 2020 ("**Letter of Confirmation**") that Dato' Seri Khairi Group is agreeable to subscribe for up to 50,000,000 Restricted Shares at the Revised Issue Price and the subscription of the Restricted Shares by Dato' Seri Khairi Group will not give rise to any mandatory general offer obligation pursuant to the Rules on Take-overs, Mergers and Compulsory Acquisitions as well as the subscription of the Restricted Shares will be undertaken on the terms accorded to all investors as determined by the Company. In addition, Dato' Seri Khairi had via his Letter of Confirmation confirmed, on behalf of Dato' Seri Khairi Group, their sufficiency of financial resources in subscribing for up to 50,000,000 Restricted Shares at the Revised Issue Price of RM0.90 per Restricted Share.

In the event that the Company is unable to obtain shareholders' approval on the proposed allocation to Dato' Seri Khairi Group, the number of Restricted Shares proposed to be allocated to Dato' Seri Khairi Group shall be placed out to independent third party investor(s).

(ii) Allocation to third party investor(s)

The remaining portion of the Restricted Shares, at the Revised Issue Price of RM0.90 per Restricted Share, shall be placed out to third party investor(s) to be identified later. The placee(s) shall be person(s) or party(ies) who/which qualify under Schedules 6 and 7 of the CMSA.

In addition, such remaining Restricted Shares are not intended to be placed to the following persons in accordance to Rule 6.07(1) of the Listing Requirements:-

- (a) a director, major shareholder or chief executive of Microlink or a holding company of Microlink ("**Interested Person**"); and
- (b) a person connected with the Interested Person.

For information purposes, the Company intends to implement the Proposed Restricted Issue in a single tranche immediately upon obtaining all the necessary approvals for the Proposed Restricted Issue.

2.1.3 Basis and justification of the issue price

The Initial Issue Price of RM0.70 per Restricted Share was determined by the Board, after taking into consideration the following:-

- (i) the funding requirements of the Group to raise a minimum of RM38.66 million for the purposes set out in Section 2.4 of the Initial Announcement;

In this respect, the Proposed Restricted Issue is a critical fund-raising initiative to enable Microlink to finance its immediate working capital requirement, specifically for its undertaking of the professional services required for the implementation of the letter of award from TM to Omesti for the design, development, customisation, configuration, delivery, installation, integration, conversion, migration, testing, commissioning and training for TM's BSS with a total contract sum of RM95.6 million ("**Omesti Project**").

Accordingly, in order to enable Microlink to proceed to negotiate and secure potential interests from the investing public for the Proposed Restricted Issue, the Board had resolved to fix the issue price of the Restricted Shares up front to provide certainty of funding as well as to secure commitment from investors. In this respect, Microlink had, following the Initial Announcement, proceeded to discuss and source for potential placees for purposes of the Proposed Restricted Issue and as at 29 June 2020 had managed to secure placement commitment from Dato' Seri Khairi for an amount of approximately RM39.71 million.

- (ii) the recent financial performance of the Group up to the Initial Announcement whereby the Group had only recently achieved a profit after taxation of RM6.88 million for the unaudited 9 months period ended 31 December 2019. Prior to the aforesaid period, the Group had only managed to record a PAT of RM1.0 million and RM0.8 million for its FYE 31 March 2019 and 2017 respectively and had recorded a loss after taxation of RM50.6 million for its FYE 31 March 2018. As such, in providing certainty in pricing for the Restricted Shares, it enables investors to better evaluate any potential investments in Microlink, taking into consideration, inter-alia, the current and past financial position of the Group; and

- (iii) the prevailing market conditions and historical market price of Microlink Shares and a discount to the traded market price of Microlink, after taking into consideration the following:-

	Price (RM)	Discount (%)
5 day volume weighted average price up to 25 June 2020	0.7445	5.98%
1 year average market price up to 25 June 2020	0.7188	2.62%
1 year VWAP up to 25 June 2020	0.7804	10.30%

While considering the rationale in determining the Initial Issue Price and the ready placee on hand via the Letter of Intent from Dato' Seri Khairi, the Board is also cognisant of the recent share price movement and after much deliberation, the Board has decided to revise the issue price of the Proposed Restricted Issue to RM0.90 per Restricted Share. In addition to the basis set out above, the Board also considered the following factors in arriving at the Revised Issue Price:-

- (a) there are no material developments / contracts that have been secured following the Initial Announcement which is expected to materially influence the share price performance of Microlink;

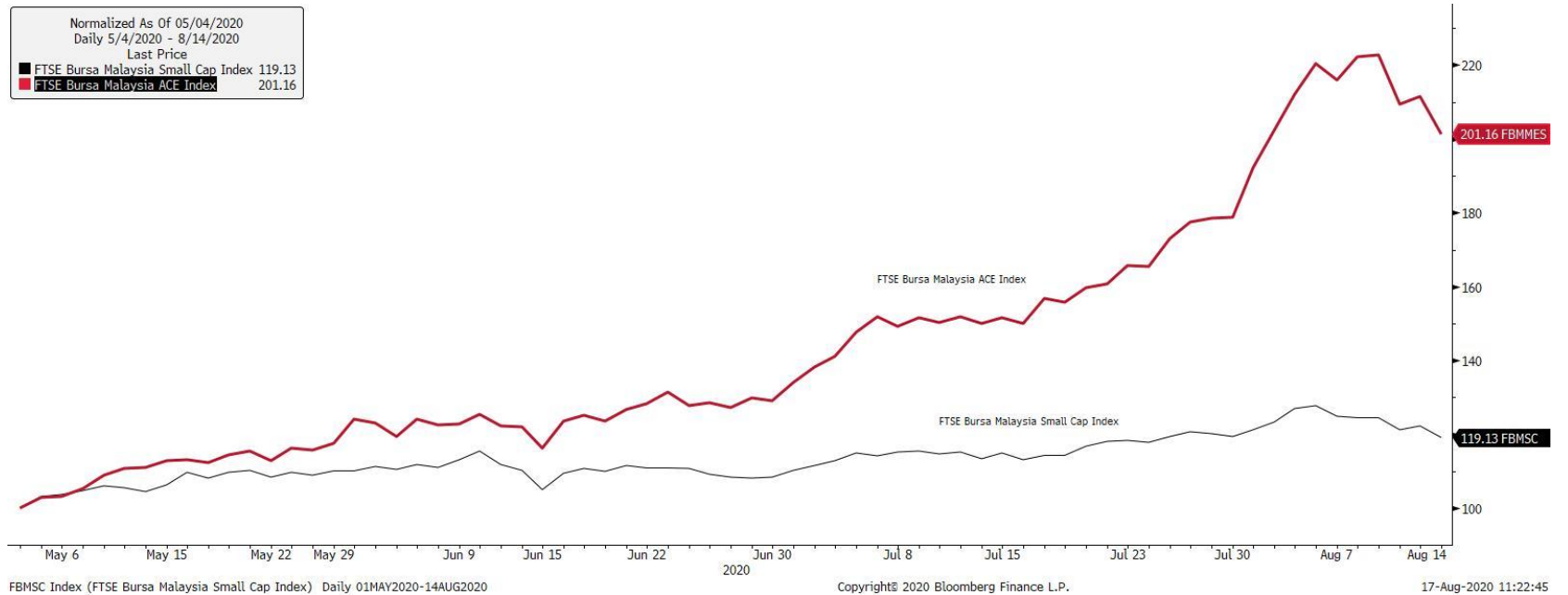
Following the Initial Announcement, Microlink had on 22 July 2020 entered into a Joint Venture and Shareholders' Agreement with Scicom (MSC) Berhad ("**Scicom**") for the purpose of regulating the conditions for and of a joint venture company, namely, Asian Contact Solutions Sdn Bhd (*formerly known as Asian Contact Centres Sdn Bhd*) ("**Proposed JV**"). The purpose of the Proposed JV is to formalise a collaboration between the Parties and to draw upon the skills, expertise, experience and capabilities of each other for the benefit of the joint venture company, to collectively bid for tenders with regard to eGovernment solutions and services in Malaysia. The Proposed JV involves the transfer of 5,000 ordinary shares in the joint venture company by SCICOM to Microlink at a price of RM1.00 per ordinary share for a total acquisition price of RM5,000 only.

Notwithstanding the above, no awards have been secured and the quantum of the contracts arising therefrom have yet to be determined at this juncture.

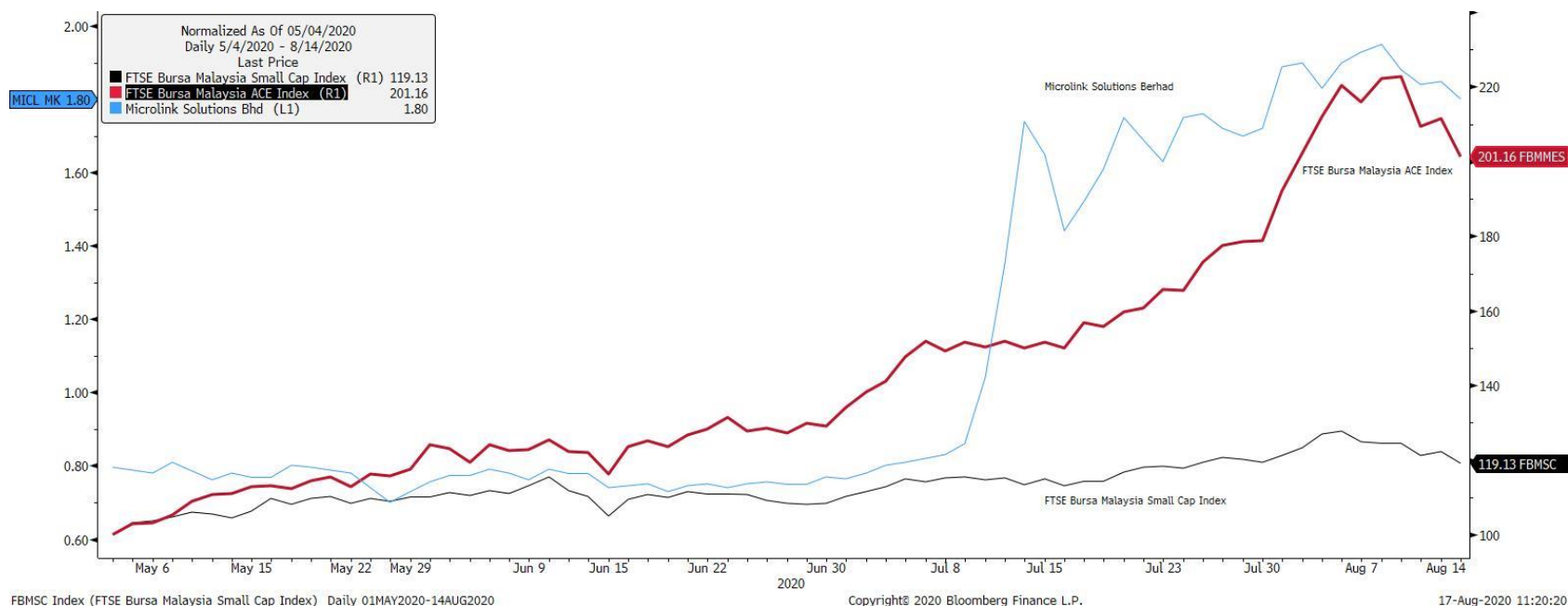
Subsequently, Microlink had on 7 August 2020 received a letter of award from Pos Malaysia Berhad ("**Pos Malaysia**") for the provision of services in relation to the development of a digital solution platform and innovation channel for the operational improvement and commercial benefit for Pos Malaysia for an initial duration of 9 months ("**Term**") ("**Pos Malaysia Award**"). The contract sum will be on a revenue sharing basis for the last 6 months of the Term, whereby the Company and Pos Malaysia have agreed that the revenue entitlement shall be 12% of Pos Malaysia's nett revenue generated from the usage of the software. Taking into consideration that the Pos Malaysia Award is on a revenue sharing basis, the contract sum cannot be determined at this juncture.

- (b) recent volatility and interests in Bursa Malaysia Small Cap Index (“**FBMSC**”) and Bursa Malaysia ACE Index (“**FBMACE**”);

The Board further noted that since July 2020, the FBMSC has been volatile and bullish. For illustration purposes, the chart below shows the movement of the FBMSC and FBMACE for the past 3 months up to LPD:-



In line with the upward trajectory of the FBMSC and FBMAE, Microlink Shares have also recorded a similar upward trend. The price movement of Microlink Shares for the past 1 year is as follows:-



(Source: Bloomberg)

The Company is of the view that the current upward share price trend of Microlink may be largely due to price momentum observed under FBMSC and FBMAE in general and potential investors may defer in investing in the Proposed Restricted Issue at current market price levels of Microlink thus delaying the ability for Microlink to raise the proceeds required in an expeditious manner.

(c) Relative valuation of Microlink Shares vis-à-vis comparable peers

Further, the Board has also considered certain valuation parameters, i.e. price to earnings ("**P/E**") ratio, enterprise value ("**EV**") / earnings before interest, taxes, depreciation and amortisation ("**EBITDA**") ratio and price to book ("**P/B**") ratio of selected comparable companies as at 25 August 2020 as follows:-

Selected comparable companies⁽¹⁾	Principal activities	P/E ratio (x)⁽²⁾	EV/EBITDA ratio⁽²⁾	P/B ratio (x)⁽³⁾	% change in share price⁽⁴⁾	Beta⁽⁴⁾⁽⁵⁾
Rexit Berhad	Provision of information technology solutions and related services which includes hardware sales and software-based activities	16.50	2.04	3.39	22.22	0.85
Radiant Globaltech Berhad	Provision of retail technology solutions and investment holding	32.71	15.15	2.86	16.95	0.44
Willowglen MSC Berhad	Research, development and supply of computer-based control systems	15.36	6.41	1.43	(1.06)	0.66
Average		15.93⁽⁶⁾	4.22⁽⁶⁾	2.56	12.70	0.65
Microlink (based on the closing price of RM1.74 as at 25 August 2020)		28.16	19.58	7.63	139.74	1.05
Microlink (based on the Revised Issue Price)		14.56	9.92	3.95	-(7)	-(7)

(Source: Bloomberg)

Notes:-

- (1) The comparable companies set out above are not exhaustive and may not necessarily be directly comparable to Microlink in terms of the composition of business activities, geographical area, scale of operations, track record, financial performance, risk profile, future prospects and other criteria.
- (2) Based on the latest audited financial statement and/or latest unaudited 12-months financial results, whichever is the latest.
- (3) Based on the latest unaudited quarterly results.
- (4) Calculated based on 2-months period up to 25 August 2020.
- (5) Beta is a measure of the volatility of a security compared to the FBM KLCI as a whole.
- (6) Excluding Radiant Globaltech Berhad which is deemed as outlier.
- (7) Unable to be determined.

At current market price, the valuation parameters for Microlink as compared to its peers appears to be on the higher range. Further, the share price increase for Microlink over the same period of the last 1 month has been unusually higher compared to its peers as well as FBMSC and FBMAE. In addition, the higher Beta signifies that Microlink shares, at current level, has also been more volatile as compared to its peers.

As illustrated above, the Revised Issue Price appears to be more reasonable and reflective of the current status of the Company when compared to its peers.

2.1.4 Utilisation of proceeds

The proceeds to be raised from the Proposed Restricted Issue will be utilised in accordance with the utilisation of proceeds as disclosed under the Initial Announcement. In this respect, with the Proposed Revision, the total proceeds raised would now amount to up to RM49.98 million under the Minimum Scenario and up to RM51.06 million under the Maximum Scenario, to be utilised in the following manner:-

Proposed utilisation of proceeds	Note	Minimum Scenario		Maximum Scenario		Expected timeframe for utilisation (from the date of listing of the Restricted Shares)
		(RM'000)	(%)	(RM'000)	(%)	
Working capital	(i)	49,578	99.20	50,658	99.22	Within 18 months
Estimated expenses in relation the Proposed Restricted Issue		400	0.80	400	0.78	Within 1 month
Total		49,978	100.00	51,058	100.00	

Note:-

- (i) The additional proceeds will be allocated toward the external experts' costs on software localisation and delivery, from RM35.93 million (per the Initial Announcement) to RM47.25 million under the Minimum Scenario and RM48.33 million under the Maximum Scenario. Further details are set out in the Initial Announcement.

2.2 EFFECTS OF THE PROPOSED RESTRICTED ISSUE

- Minimum Scenario** : Up to 55,531,470 Restricted Shares being issued, assuming the Company does not grant any new shares under the ESGP/ ESOS Options until the completion of the Proposed Restricted Issue
- Maximum Scenario** : Up to 56,731,470 Restricted Shares being issued, assuming 4,000,000 new shares under the ESGP are granted, vested and allotted at no consideration, on or prior to the implementation of the Proposed Restricted Issue

2.2.1 Share Capital

The proforma effects of the Proposed Restricted Issue on the issued share capital of Microlink are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of Microlink Shares ('000)	RM ('000)	No. of Microlink Shares ('000)	RM ('000)
Issued share capital as at the LPD	185,105	54,553	185,105	54,553
Assuming all 4,000,000 new shares under the ESGP are granted, vested and allotted	-	-	4,000	7,200 ⁽ⁱ⁾
To be issued pursuant to the Proposed Restricted Issue (up to)	55,531	49,978 ⁽ⁱⁱ⁾	56,731	51,058 ⁽ⁱⁱ⁾
After completion of the Proposed Restricted Issue (up to)	240,636	104,531	245,836	112,811

Notes:-

- (i) Assuming all 4,000,000 shares under the ESGP are granted, vested and allotted at the illustrative issue price of RM1.80 on or prior to the implementation of the Proposed Restricted Issue. The illustrative issue price of RM1.80 is based on the closing price as at the LPD. For information purposes, the shares under the ESGP are to be allotted at no consideration.
- (ii) Computed based on the Revised Issue Price of RM0.90 per Restricted Share.

2.2.2 NA and Gearing

Based on the latest audited consolidated financial statements of the Microlink Group for the FYE 31 March 2020, the proforma effects of the Proposed Restricted Issue on the NA and gearing of the Microlink Group are as follows:-

Minimum Scenario

	Audited as at FYE 31 March 2020	(I) Adjusted for subsequent event⁽ⁱ⁾	(II) After (I) and Proposed Restricted Issue
	(RM'000)	(RM'000)	(RM'000)
Share capital	52,833	54,553 ⁽ⁱ⁾	104,531 ⁽ⁱⁱ⁾
(Accumulated losses)	(14,215)	(14,215)	(14,615) ⁽ⁱⁱⁱ⁾
Equity compensation reserves	45	45	45
NA attributable to owners of the Company	38,663	40,383	89,961
Number of ordinary shares ('000)	184,105	185,105 ⁽ⁱ⁾	240,636
NA attributable to owners of the Company per share (RM)	0.21	0.22	0.37
Net borrowings	13,058	13,058	13,058
Net gearing ratio (times)	0.34	0.32	0.15

Notes:-

- (i) After adjusting for the issuance of 1,000,000 new Microlink Shares under the ESGP pursuant to the LTIP at an issue price of RM1.72
- (ii) Assuming the Restricted Shares are issued at the Revised Issue Price of RM0.90 per Restricted Share.
- (iii) After deducting the estimated expenses incidental to the Proposed Restricted Issue of RM0.40 million.

Maximum Scenario

	Audited as at 31 March 2020	(I) Adjusted for subsequent event⁽ⁱ⁾	(II) Assuming all 4,000,000 new shares under the ESGP are granted, vested and allotted	(III) After (I), (II) and Proposed Restricted Issue
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital (Accumulated losses)	52,833 (14,215)	54,553 ⁽ⁱ⁾ (14,215)	61,753 ⁽ⁱⁱ⁾ (14,215)	112,811 ⁽ⁱⁱⁱ⁾ (14,615) ^(iv)
Equity compensation reserves	45	45	45	45
NA attributable to owners of the Company	38,663	40,383	47,583	98,241
Number of ordinary shares ('000)	184,105	185,105 ⁽ⁱ⁾	189,105 ⁽ⁱⁱ⁾	245,836
NA attributable to owners of the Company per share (RM)	0.21	0.22	0.25	0.40
Net borrowings	13,058	13,058	13,058	13,058
Net gearing ratio (times)	0.34	0.32	0.27	0.13

Notes:-

- (i) After adjusting for the issuance of 1,000,000 new Microlink Shares under the ESGP pursuant to LTIP at an issue price of RM1.72.
- (ii) Assuming granting and allotment of 4,000,000 new shares under the ESGP at the illustrative issue price of RM1.80 on or prior to the implementation of the Proposed Restricted Issue. The illustrative issue price of RM1.80 is based on the closing price as at the LPD. For information purposes, the shares under the ESGP are to be allotted at no consideration.
- (iii) Assuming the Restricted Shares are issued at the Revised Issue Price of RM0.90 per Restricted Share.
- (iv) After deducting the estimated expenses incidental to the Proposed Restricted Issue of RM0.40 million.

2.2.3 Substantial Shareholders' shareholdings

The proforma effects of the Proposed Restricted Issue on Microlink's substantial shareholders' shareholdings are as follows:-

Minimum Scenario

Name	As at the LPD				Proforma I After the Proposed Restricted Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Microlink Shares	%	No. of Microlink Shares	%	No. of Microlink Shares	%	No. of Microlink Shares	%
Omesti Holdings Berhad	119,512,593	64.57	-	-	119,512,593	49.68	-	-
Omesti	-	-	119,512,593 ⁽ⁱ⁾	64.57	-	-	119,512,593 ⁽ⁱ⁾	49.68
Dato' Seri Khairi Group	-	-	-	-	50,000,000	20.78	-	-
Other placee(s)	-	-	-	-	5,531,470	2.30	-	-

Note:-

(i) Deemed interest through Omesti Holdings Berhad, being a wholly-owned subsidiary of Omesti pursuant to Section 8 of the Act.

Maximum Scenario

Name	As at the LPD				Proforma I Assuming all 4,000,000 new shares under the ESGP are granted, vested and allotted				Proforma II After Proforma I and the Proposed Restricted Issue			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Microlink Shares	%	No. of Microlink Shares	%	No. of Microlink Shares	%	No. of Microlink Shares	%	No. of Microlink Shares	%	No. of Microlink Shares	%
Omesti Holdings Berhad	119,512,593	64.57	-	-	119,512,593	63.20	-	-	119,512,593	48.62	-	-
Omesti	-	-	119,512,593 ⁽ⁱ⁾	64.57	-	-	119,512,593 ⁽ⁱ⁾	63.20	-	-	119,512,593 ⁽ⁱ⁾	48.62
Dato' Seri Khairi Group	-	-	-	-	-	-	-	-	50,000,000	20.34	-	-
Other placee(s)	-	-	-	-	-	-	-	-	6,731,470	2.74	-	-

Note:-

(i) Deemed interest through Omesti Holdings, being a wholly-owned subsidiary of Omesti pursuant to Section 8 of the Act.

2.2.4 Public Spread Requirement

As at the LPD, the public shareholding spread of Microlink is approximately 30.13%. Upon the completion of the Proposed Restricted Issue, the public shareholding spread of the Company will decrease to approximately 25.48% and 27.05% under the Minimum Scenario and Maximum Scenario respectively, which is in compliance with Rule 8.02(1) of the Listing Requirements, where it requires the Company to ensure that at least 25% of its total listed shares are in the hands of public shareholders.

2.3 DIRECTORS', MAJOR SHAREHOLDERS' AND CHIEF EXECUTIVE CONCERNED'S INTEREST

None of the Directors and/or major shareholders and/or chief executive concerned and/or persons connected with them have any interest, directly or indirectly, in the Proposed Restricted Issue.

For information purposes, Dato' Seri Khairi is a major shareholder of Prima Arenaniaga (via his 30% shareholdings in Prima Arenaniaga), a 60.00% owned subsidiary of Omesti Holdings, which in turn is the holding company of Microlink. Omesti Holdings is ultimately owned by Omesti.

In view that Monteiro Gerard Clair is a major shareholder and Executive Director of Omesti as well as the Executive Director of Microlink, and Mah Xian-Zhen is a Non-Executive Director of Microlink and Executive Director of Omesti as well as a daughter of Dato' Mah Siew Kwok, who in turn is a major shareholder and Non-Executive Vice-Chairman of Omesti, Monteiro Gerard Clair and Mah Xian-Zhen have voluntarily abstained from the board deliberations and voting in relation to the proposed allocation of Restricted Shares to Dato' Seri Khairi Group.

Further, Omesti, Omesti Holdings, Monteiro Gerard Clair and Mah Xian-Zhen will also voluntarily abstain from voting and undertake to ensure that persons connected with them, if any, abstain from voting in respect of their direct and/or indirect shareholdings in Microlink, if any, on the resolution pertaining to the proposed allocation of the Restricted Shares to Dato' Seri Khairi Group, to be tabled at the forthcoming EGM.

2.4 APPLICATION TO THE RELEVANT AUTHORITIES AND THE COMPLETION OF THE PROPOSED RESTRICTED ISSUE

Barring any unforeseen circumstances, the application(s) to the relevant authorities in relation to the Proposed Restricted Issue is expected to be submitted within one (1) month from the date of this announcement.

Barring any unforeseen circumstances, the Proposed Restricted Issue is expected to be completed by the 4th quarter of calendar year 2020.

This announcement is dated 28 August 2020.