



# Investors Presentation

14 September 2009



*Experience The Result • Professional Partnership With Integrity*

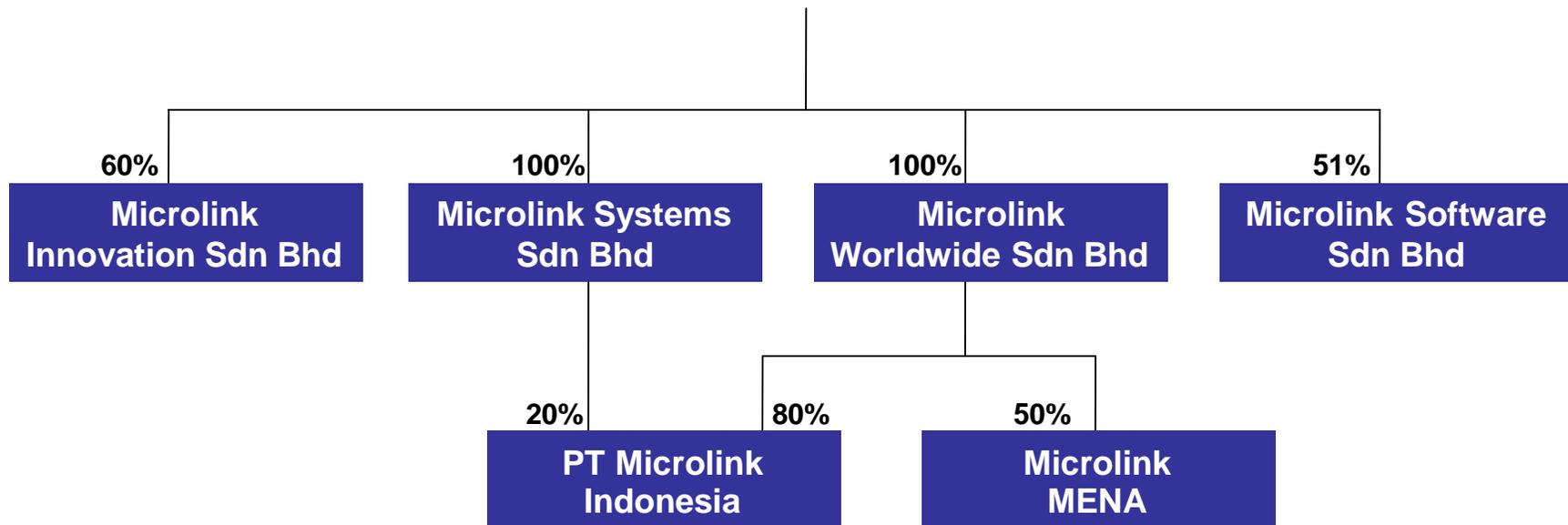
- **Organization Background**
- **Financial Highlights**
- **Growth Prospects**
- **Conclusion**
- **Appendix – Competitive Strengths**

- **Listed on ACE Market Malaysia since June 2006**
- **Entrenched position as a leading Malaysian Islamic financial solutions provider**
  - With clients in Malaysia, South East Asia, Middle East and North Africa (“MENA region”)
- **End-to-end banking solutions, focused on the development and promotion of core banking and Islamic banking**
  - Offering wide range of Islamic, AAOIFI <sup>1</sup> and IFSB <sup>2</sup> compliant solutions covering the back-office and front-office of core banking, investment banking, corporative banking, treasury, trade finance and e-channels

<sup>1</sup> *Accounting and Auditing Organization for Islamic Financial Institutions*

<sup>2</sup> *Islamic Financial Services Board*

## Microlink Solutions Berhad



# Products & Services



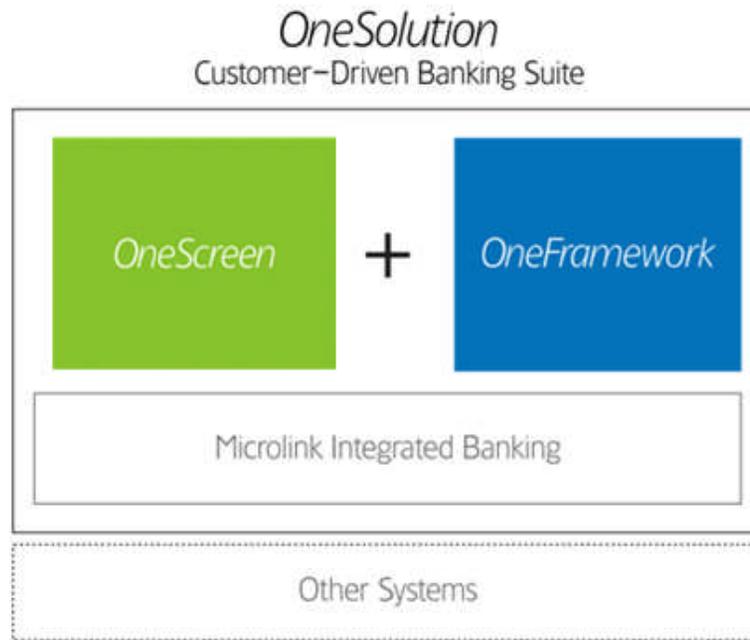
<b>MiBS, Microlink Banking Solutions</b>	Flagship product, providing complete suite of integrated banking solutions for both conventional and Islamic Banking.
<b>Islamic Core-Banking</b>	Robust, proven Syariah compliant Islamic Core-Banking solution.
<b>Conventional Core-Banking</b>	Robust, proven Conventional Banking solution that has been powering many banks and financial institutions.
<b>OneScreen</b>	World's first enterprise-level Rich Internet Application (RIA) specifically developed to deliver retail core bank and finance applications.
<b>OneFramework</b>	Specialised banking services platform facilitating product innovation. OneScreen and OneFramework form Microlink's revolutionary Customer-Driven Banking Suite – MiBS OneSolution.
<b>ServicesInOne</b>	Easy and unlimited access to MICROLINK support centre.

- **A next generation revolutionary banking system**
  - Built on open advanced Service Oriented Architecture(SOA) framework and Rich Internet Application(RIA) user interface
    - Features to greatly enhance efficiencies and reduce operational costs for banking institutions
- **OneScreen enables a complete customer-centric view of customer and product data, as well as auxiliary finance services**
  - Increases productivity, cross selling opportunity and customer service capabilities
- **OneFramework is a specialised banking services platform facilitating product innovation**
  - Provides an end-to-end solution for the rapid development of banking services

# MiBS OneSolution Enabling Customer-Driven Banking



- Flexible for integration with MiBS or other banking suites
- Good response and positive feedback from customers during pre-release roadshows



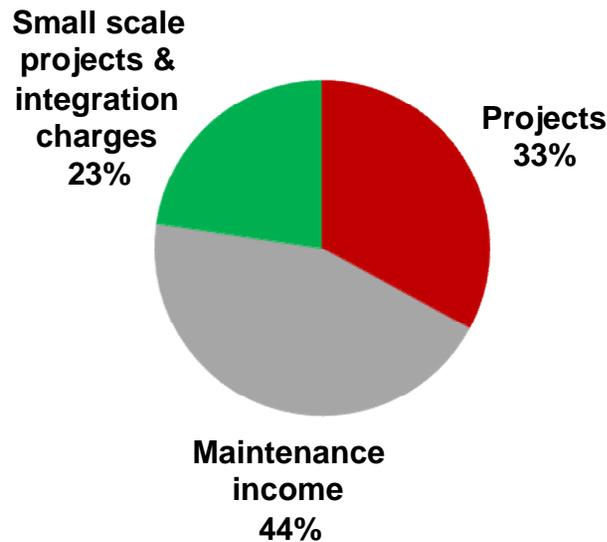


# Financial Highlights

# Segmental Breakdown by Services



## Segmental Turnover Breakdown (FY08)



### Revenue model

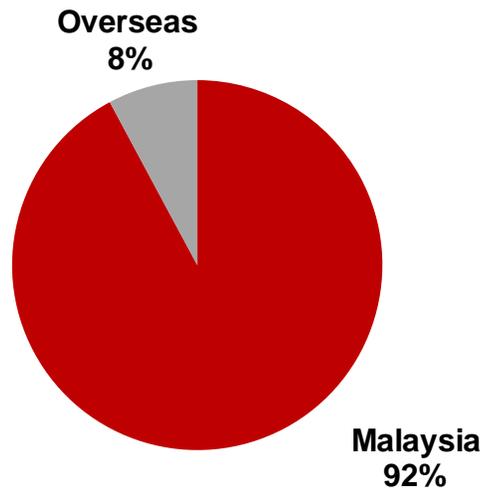
- One-time implementation fee from turnkey projects
- Recurring fee from maintenance and support services
- License fee

### Steady and recurring contribution from maintenance services

- Focusing on increasing outsourcing and managed services contracts

FYE Dec (RMm)	FY06	FY07	FY08	1HFY09
Projects	14.55	7.60	4.87	2.80
Maintenance income	5.86	5.85	6.59	3.61
Small scale projects & integration charges	1.58	2.30	3.36	1.86
<b>Total</b>	<b>21.98</b>	<b>15.75</b>	<b>14.81</b>	<b>8.27</b>

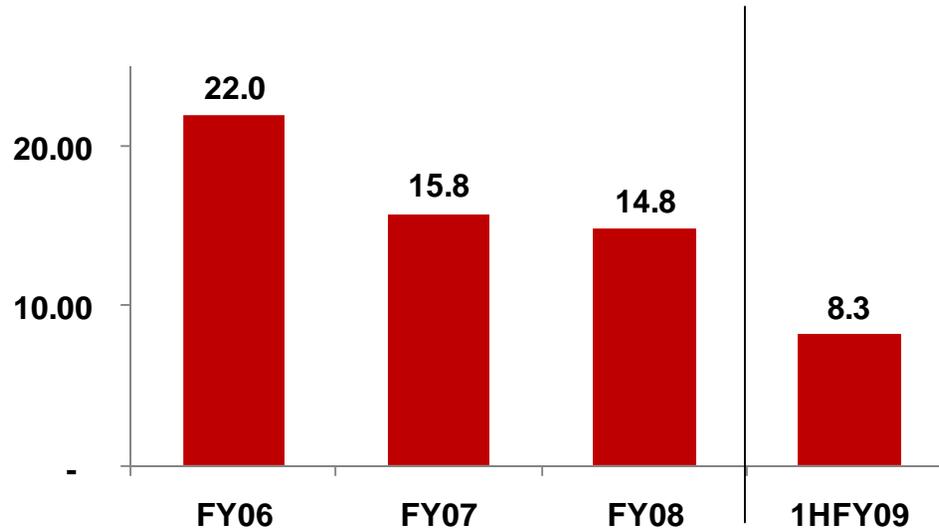
## Segmental Turnover Breakdown (FY08)



- **Strong potential to increase market share overseas**
  - Targeting Indonesia as new market
  - Further expand into the MENA region

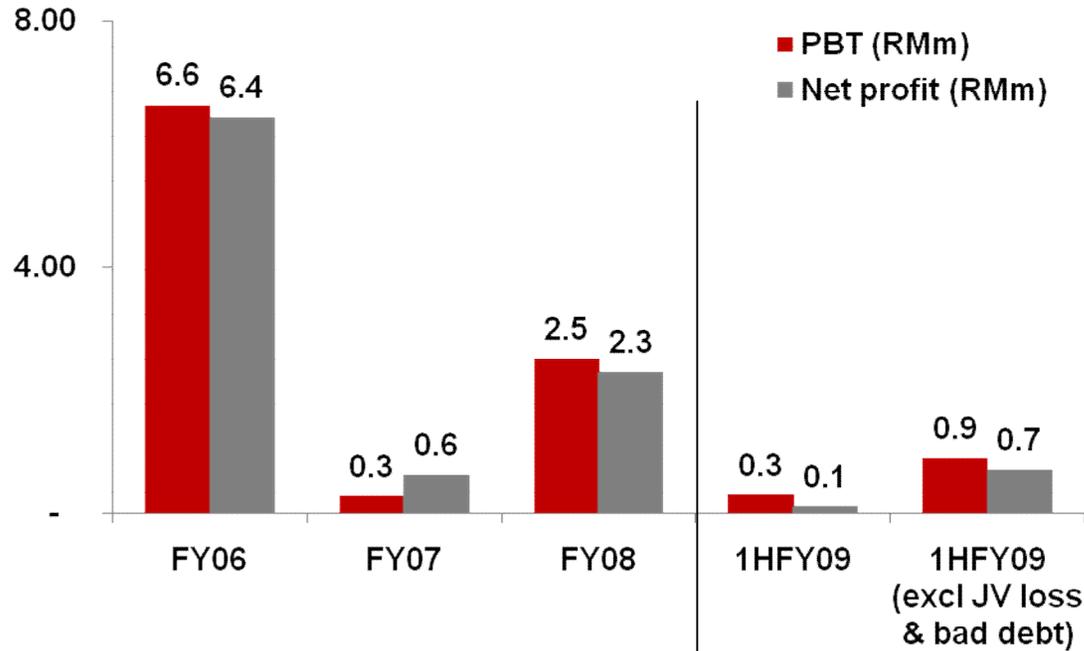
FYE Dec (RMm)	FY06	FY07	FY08	1HFY09
Malaysia	19.20	13.83	13.65	7.07
Overseas	2.78	1.93	1.16	1.21
<b>Total</b>	<b>21.98</b>	<b>15.75</b>	<b>14.81</b>	<b>8.27</b>

# Historical Turnover Performance



- **FY08 performance affected by**
  - Lower project sales arising more difficult operating environment
    - Banking institutions more cautious in business spending
- **Recovery in FY09**
  - Additional licence and hardware sales, enhancement projects

# Historical Profit Performance



- Improved profit margins in FY08 due to our successful aligning of cost
- Profit performance in 1HFY09 affected by
  - Bad debt provisioning
  - Recognised losses incurred by the JV company in Kuwait
- Operational profits comparable to FY08



# Growth Prospects

- **Comprehensive suite of modules for both conventional & Islamic banking solutions**
  - New MiBS OneSolution product suite breakthrough solutions for existing and new customers
  
- **Established customer base in Malaysia, with growing overseas presence**
  
- **Capabilities and expertise defined by**
  - Strong commitment to R&D
    - JV with Iteration Partners to further drive upgrades and new products
  - Strong team of management and technical staff, including Syariah advisers to customise Islamic products and services for clients
  - Strategic alliances with suppliers
  - Strategic alliances with regional partners in Brunei, Vietnam, Indonesia, MENA region
  - Established track record

## ■ Profit margin enhancement

- Focus more on projects versus mere hardware sales
- Focus on development of applications and solutions
  - Rely on strategic partners for marketing and customer support
  - More efficient use of resources

## ■ Existing clients

- Growth from organic branch expansion by clients
- Providing existing clients with further value-added services
  - New add-ons
  - Module upgrades
  - Managed services

## ■ New clients

### ➤ Local

- Increase market share of Shared Services & Outsourcing (SSO) activities within the banking and Islamic banking industry

### ➤ Overseas

- Main focus on Indonesia and its large number of foreign and local banking institutions in the domestic market
- Further penetration of MENA markets
- Continue to build up alliances with strategic banking partners to strengthen our presence in overseas markets

- **Entrenched position as a leading Islamic financial solutions provider**
  
- **Confident of resuming growth trend**
  - MiBS OneSolution enhancing comprehensive suite of banking solution modules
  - Margin improvements
  - Target domestic and overseas markets
    - Drive project sales
    - Increase recurring maintenance income
  
- **Aim to continuously enhance shareholders' value**
  - On track for profit growth
  - Strong balance sheet
  - Consistent dividend payout



## Appendix – Competitive Strengths

- **Intellectual property ownership for MiBS and MiBS OneSolution software**
- **Comprehensive suite of modules for both conventional & Islamic banking solutions**
- **Domain knowledge of banking industry**
- **More than 20 reference sites**
  - 70% in Malaysia and 30% overseas (Brunei & MENA)
- **Offering synergistic value and better support capabilities**

## ■ **Dedicated team of 16 for R&D**

- Directors have more than 12 years experience in the software solutions for Financial Services Industry
- Supported by team of competent staff with technical experience in their fields

## ■ **Committing RM2m to RM3m p.a. for R&D**

- RM3.1m spent on R&D in FY08
- Continuous improvement of MiBS banking suite
- Development on new product MiBS OneSolution

## ■ **R&D projects**

- Continuous improvement of MiBS banking suite
- Development of new product MiBS OneSolution

## ■ **Microlink Innovation's lab set up in June 08 in Melbourne**

- JV with Iteration Partners
  - An Australian based strategic team of technology and design innovators
- Jointly developed MiBS OneSolution
- JV company owns IP of MiBS OneSolution product suite

# Strategic Alliances with Suppliers



- **Enhances ability to market and distribute products**

- Particularly in Islamic banking solutions



# Awards For Achievements



**2008 Ministry of International Trade and Industry, Malaysia (MITI)**  
➔ Industry Excellence Award 2007

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**2007 Ministry of International Trade and Industry, Malaysia (MITI)**  
➔ Export Excellence Award (Services) 2006

**Nanyang Siang Pau**

➔ Outstanding SMEs Winner Award 2007

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**2006 Islamic Finance News**  
➔ Best Islamic Finance Technology Provider, 2nd place

**Deloitte**

➔ Deloitte Technology Fast 500 Asia Pacific 2006 Winner

**Halal Journal**

➔ Best Islamic Financial Service or Product

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**2005 Deloitte and International Institute of Islamic Finance Inc**  
➔ Special Recognition for Outstanding Contribution to Islamic Finance Industry for IT Solutions

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**2004 Sun Microsystems**  
➔ Premier System Integrator Malaysia  
➔ Best System Integrator  
➔ Best Application – Islamic Banking System

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## Q&A Session



*Thank You*

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<http://www.microlink.com.my>