

Annual Report & CG Report

MICROLINK SOLUTIONS BERHAD

Annual Report for Financial Year Ended 31 Mar 2024

Subject Annual Report & CG Report - 2024

Please refer attachment below.

Attachments

- [MSB - CG Report 2024.pdf](#)
537.2 kB
- [AGM Administrative Notes 2024.pdf](#)
127.7 kB
- [Microlink AR 2024 Vol 1 \(Part 1\).pdf](#)
1.1 MB
- [Microlink AR 2024 Vol 1 \(Part 2\).pdf](#)
1.9 MB
- [Microlink AR 2024 Vol 2.pdf](#)
768.5 kB

Announcement Info	
Company Name	MICROLINK SOLUTIONS BERHAD
Stock Name	MICROLN
Date Announced	30 Jul 2024
Category	Document Submission
Reference Number	DCS-26072024-00020

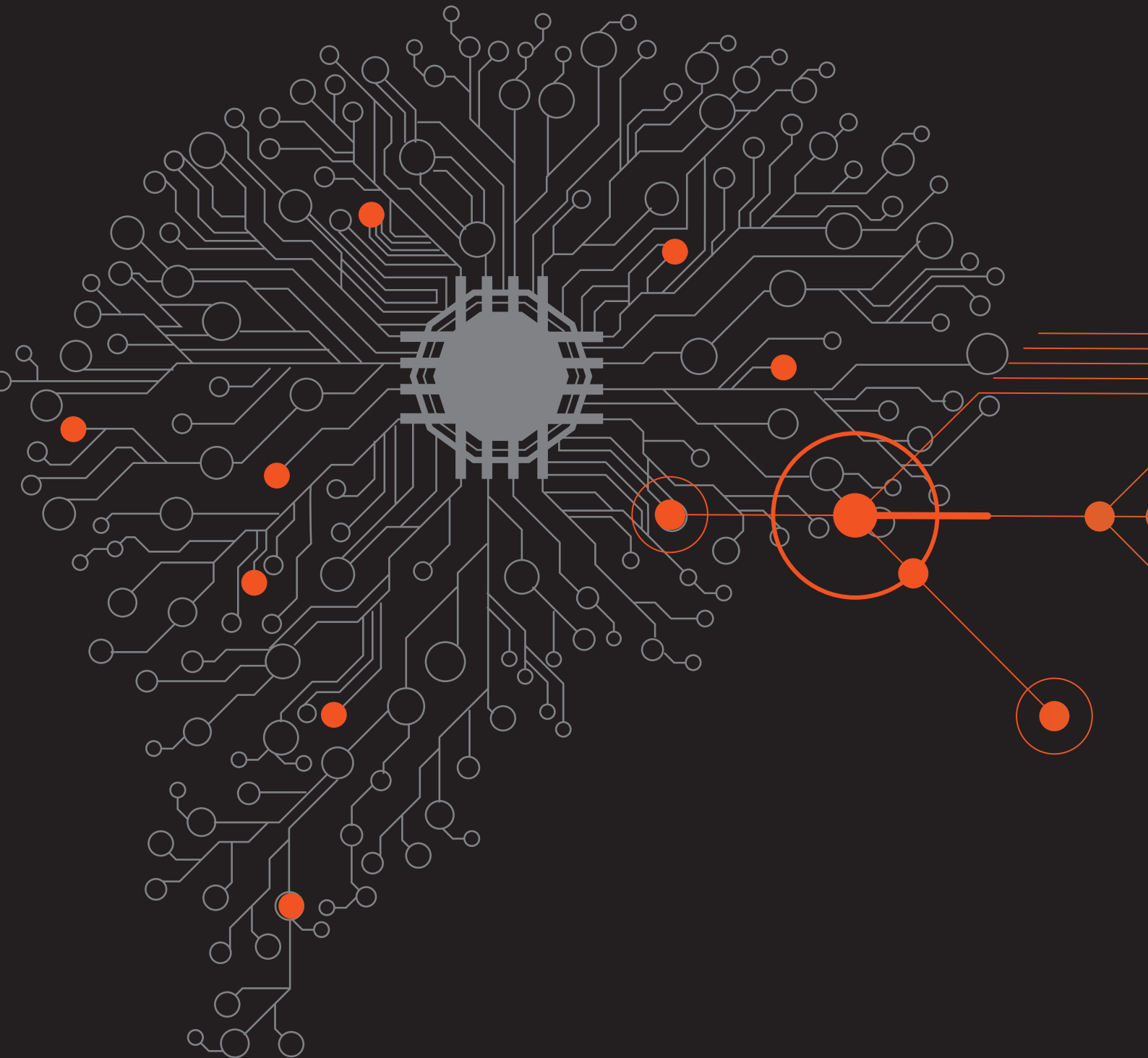
REVITALIZE AND THRIVE





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WHAT'S INSIDE

VOLUME 1

CORPORATE REPORT & COMPLIANCE STATEMENTS

1	Chairman's Statement
4	Management Discussion & Analysis
11	Sustainability Statement
28	Corporate Information
29	Profile of Group Chief Executive Officer
30	Profile of Directors
36	Key Management Personnel
38	Business Structure by Segment
39	Corporate Structure
40	5-Year Financial Highlights 2020-2024
41	Corporate Governance Overview Statement
50	Statement on Risk Management & Internal Control
53	Audit & Risk Management Committee Report
55	Statement on Directors' Responsibility for Preparing the Financial Statements
56	Analysis of Shareholdings
59	Other Compliance Information
61	Notice of 21 st Annual General Meeting
64	Statement Accompanying Notice of 21 st Annual General Meeting
65	Privacy Notice [PDPA]
67	Form of Proxy
69	Contact Details of Subsidiaries

CHAIRMAN'S STATEMENT

BACKGROUND

In 2023, Malaysia's economy normalised to a growth rate of 3.7%, following a strong 8.7% growth in the previous year. This deceleration was expected due to a challenging external environment, including a global tech downcycle and sluggish global trade. Nevertheless, Malaysia did see a positive growth, driven by strong domestic demand and a continued recovery in economic activities post pandemic.



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By addressing these challenges, we aim to fortify our strategic objectives and create sustainable value for our future.”

Reflecting the broader economic context, Microlink Solutions Berhad (Microlink/Microlink Group) has faced its own set of challenges. As the digital economy reshapes the global landscape, we have turned our focus to strengthening our offerings through innovation and client-centric solutions, enhancing our resilience and adaptability. This approach should help us navigate future challenges and establish a solid foundation for future growth. By addressing these challenges, we aim to fortify our strategic objectives and create sustainable value for our future.



CHAIRMAN'S STATEMENT (CONT'D.)

PERFORMANCE

In FY2024, the Group worked on delivering several large-scale projects in a range of areas, including enhanced core banking platforms, data analytics and data warehouse solutions, as well as enforcement and transport-related initiatives. We have added to our retinue of solutions by fostering valuable partnerships, expanded our offerings, and are focused on meeting the ever-changing needs of our clients. Our commitment to innovation and delivering comprehensive solutions has empowered our clients to adapt to the evolving digital landscape and thrive in the face of adversity.

The companies within the Microlink Group demonstrated unwavering commitment to driving performance amidst challenging circumstances. This resulted in achieving recognition from our industry partners, leading to the following prestigious awards being bestowed upon the Microlink Group during this period:

- The Edge Malaysia-Centurion Club Awards 2023: Highest Returns to Shareholders Over Three Years in the Technology Sector
- IBM Top Distributor (IBM Power Server)
- IBM Top Distributor (IBM Storage)
- Top HPE Greenlake Distributor

In summary, FY24 presented mixed results for Microlink Group. We achieved a 13.22% growth in revenue, registering RM281.29 million compared to RM248.45 million in the previous year. However, this was paired with a loss before tax of RM24.89 million, reflecting the challenging global environment. Despite these challenges, we remain dedicated to adapting to market changes, enhancing our services in core areas like Gen AI (generative artificial intelligence), cloud computing, advanced cybersecurity solutions, data analytics, and exploring new opportunities for growth. Our resilience and commitment to addressing market dynamics continue to drive our strategic direction towards sustainable development and value creation for our customers and stakeholders alike.

OUTLOOK

The Group remains optimistic about its position in the ICT industry, driven by the increasing need for businesses to undergo digital transformation and automate their operations. Over the past year, the Malaysian government has actively promoted rapid digital transformation, with a particular emphasis on AI adoption. Programs such as "AI Sandbox 2024" aim to develop AI startups and nurture new talents, while the "AI Untuk Rakyat" program enhances public understanding and awareness of AI, promoting AI as a whole. These initiatives demonstrate Malaysia's strategic use of technology to drive national competitiveness and ensure secure, responsible AI adoption overall.

The digital sector significantly contributes to Malaysia's GDP, with projections to reach 25.5% by 2025 and create up to 500,000 jobs. This optimistic outlook is further reinforced by the MyDIGITAL initiative, which is part of the Malaysia Digital Economy Blueprint. Recognizing these trends, Microlink is committed to investing time and resources in future-focused, strategic areas.

Reflecting this vision, the integration of AI-driven solutions is a cornerstone of Microlink's future strategy. The establishment of Microlink Labs Sdn Bhd underscores this commitment, focusing on developing new collaborations, innovations, and competencies. We are confident that our partnerships and investments in AI-related solutions, combined with our dedication to innovation, strategic partnerships, and talent development, will enable us to navigate future challenges and achieve sustainable growth.



This focus on providing cutting-edge solutions will ensure we continue to deliver exceptional value to our stakeholders and lead the way in digital transformation. By staying at the forefront of technological advancements, we are poised to maintain our leadership position in the ICT industry and contribute significantly to Malaysia's digital future.

APPRECIATION & ACKNOWLEDGEMENT

On behalf of the Board, I would like to extend our sincere appreciation to our management and staff for their diligent efforts in navigating the challenges of FY24. Their unwavering dedication and strategic decision-making have been crucial in helping us overcome obstacles despite the adversities we experienced this year.

This financial year, we have reached significant milestones, and we take pride in our achievements. However, our journey is far from over. We are committed to dynamically and sustainably evolving our business model to ensure ongoing success, and building our competency in strategic directions for the future.

As we enter a new phase of digital transformation in this ever-changing operating environment, we are confident in our capacity to thrive. Your continued support in the coming years will be invaluable as we forge a successful path forward.

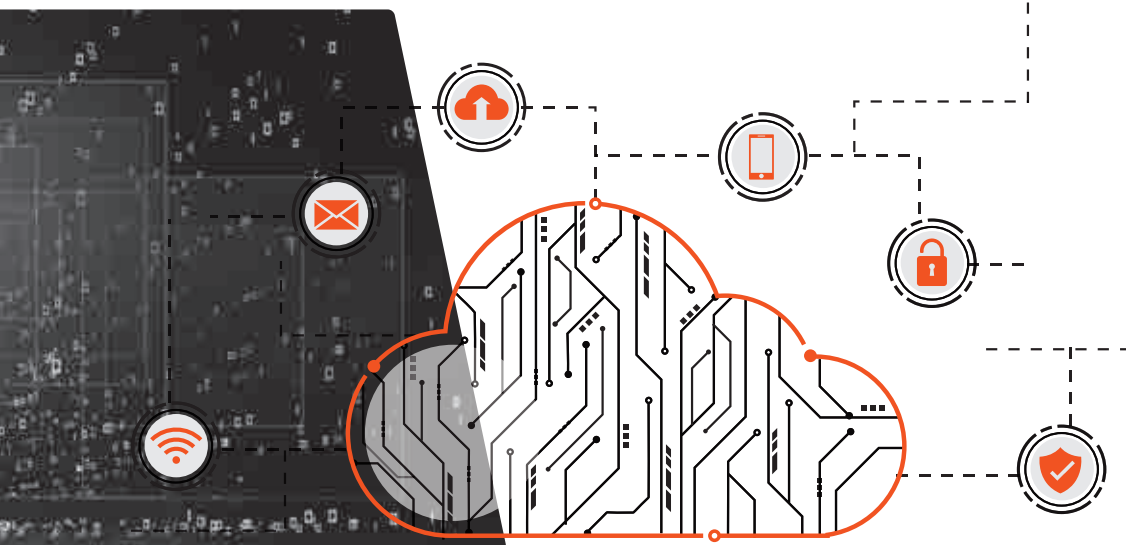
Once again, we express our heartfelt gratitude to everyone who has contributed to our journey. We remain steadfast in our commitment to achieving excellence and delivering exceptional value to all our stakeholders.

Thank you.

TUN ARIFIN BIN ZAKARIA
CHAIRMAN

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As we enter a new phase of digital transformation in this ever-changing operating environment, we are confident in our capacity to thrive.”



MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

Year of Growth

In FY2024, Microlink Group encountered challenges amidst a shifting economic and geopolitical landscape. In response to the evolving digital economy, our focus has been on bolstering our offerings through innovation and client-centric solutions to enhance resilience and adaptability. This strategic approach is aimed at navigating future obstacles and building a strong foundation for sustained growth. Despite facing headwinds such as a global tech downcycle and sluggish trade, Microlink Group remained steadfast by undertaking significant projects in core banking, data analytics and data warehouse solutions, as well as enforcement and transport-related initiatives. Through strategic partnerships and an expanded suite of solutions, we are committed to meeting the dynamic needs of our clients, enabling them to thrive in the rapidly changing digital environment.

REVIEW OF BUSINESS OPERATIONS

SOLUTION INTEGRATOR, INNOVATOR & SOFTWARE DEVELOPER



Microlink stands out as a proficient solution integrator, provider, and innovator with technology ingrained in its core. Serving as a bridge between business objectives and IT investments, Microlink acknowledges the importance of adaptability in the era of digital transformation. Committed to guiding clients through intricate IT initiatives, Microlink leverages its proficiency in conceptualising, constructing, implementing, and supervising projects to ensure that clients' digital transformations align with their expectations. This empowers clients to focus on their primary business pursuits and promptly address market dynamics.

Driving Innovation: A focus on Research and Development

Innovation matters to Microlink, which takes pride in its significant efforts to future-proof its offerings. The Group is dedicated to fortifying and keeping its products competitive and up-to-date. In FY24, the Group concentrated on enhancing its solutions, integrating AI competencies, incorporating advanced cybersecurity fortifications and establishing strategic partnerships. This commitment ensures that its solutions remain cutting-edge and secure in a rapidly evolving technological landscape.



Empowering Banks with Digital Innovation

Microlink's Shariah-compliant Enhanced Digital Core Banking solution stands as a testament to our capabilities and commitment to strengthening our core banking offerings. Developed in-house, Microlink's Enhanced Core Banking System has been widely adopted by local and regional financial institutions. To elevate this solution, we have continuously upgraded the platform, incorporating cloud capabilities, advanced Internet and mobile banking functionalities, incorporated advanced analytics, sentiment analysis, and fortified AI-driven cybersecurity which includes real-time fraud prevention and digital ID protection. These enhancements represent our unwavering commitment and investment in digital innovation.

Our latest cloud-native version of the Digital Core Banking Solution represents a significant step forward. This upgraded and fortified solution offers a comprehensive platform that combines a stable core banking back-office operating environment with a seamless, secure, and integrated digital front. This enables direct and borderless digital engagement with customers across multiple online channels, empowering banks with the essential digital edge to thrive in the rapidly evolving business landscape.

Furthermore, this fortified cloud-ready system provides flexibility and robustness to the banks' IT landscape and architecture while upholding the highest cybersecurity standards to safeguard the platform and ensure the overall business integrity.

Cybersecurity: Fortifying our offerings

Recognizing the critical role cybersecurity plays in today's digital landscape, we are committed to enhancing our capabilities by integrating advanced AI technologies into our security solutions. Through strategic partnerships with leading security providers, we have established a robust ecosystem that enables us to amplify our collective expertise and deliver comprehensive cybersecurity solutions to our clients.

By leveraging AI-driven security measures, our focus remains on ensuring the integrity, confidentiality, and availability of our clients' digital assets. This approach fosters a secure and trustworthy operational environment, enabling our clients to navigate the digital landscape with confidence and resilience.

Data driven: Actionable Insights

We are also focused on developing and providing AI-driven data analytics within our solutions which empower our clients with data driven actionable insights. By harnessing the power of advanced algorithms and machine learning, we analyse large volumes of data to uncover patterns, trends, and correlations. With our tailored solutions and expertise, we help clients unlock the full value of their data, driving meaningful outcomes.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D.)

FINANCIAL SERVICES INDUSTRY

- Next generation enhanced core banking solution



Microlink has demonstrated resilience and progress throughout FY24. Our anchor clients have continued to show confidence in our competencies, as evidenced by Microlink being chosen to be a part of Bank Islam Brunei Darussalam (BIBD)'s transformative journey. Microlink was awarded a contract for the implementation of its cutting-edge digital core banking platform. This contract includes providing the software license for Microlink's digital core banking solution, as well as professional services for seamless project implementation, 1 year, and system support and maintenance for a period of 5 years. Leveraging its team of seasoned professionals, Microlink is dedicated to the successful implementation of this project.

Aligned with BIBD's forward-thinking vision, Microlink's enhanced digital core banking system will revolutionise banking operations by introducing advanced functionalities tailored to modern banking needs. From Islamic deposits to retail and corporate financing, remittance, and trade finance services, the system will provide a comprehensive suite of solutions. The integration of Microlink's enhanced digital core banking solution with BIBD's extensive digital ecosystem, ranging from onboarding to regulatory reporting and AI, underscores a commitment to holistic digital transformation.

Our next-generation enhanced core banking platform continuously evolves, solidifying our position as a key player in the financial services industry. This innovative system empowers our clients with robust digital banking capabilities, facilitating an end-to-end digital customer journey. This core banking system provides an integrated, seamless, and adaptable platform, enabling quicker time-to-market and increased agility. By streamlining our clients' operations, we empower them to focus on customer value and engagement, eliminating unnecessary complexities.

Moving forward, our primary emphasis remains on fostering a robust digital banking partner ecosystem as key to long-term success. By making advancements in partnerships with regional industry players, we introduce these solutions into the market, thereby enhancing Microlink's core banking ecosystem. Continuously expanding our solution portfolio and capitalizing on the strengths of each partner, we aim to create a resilient, integrated, and agile digital banking landscape. With the rise of virtual and digital banking, AI and cybersecurity emerge as critical elements within the ecosystem. To bolster our solution portfolio, we engage in collaborations with industry leaders in this field.

ENTERPRISE SOLUTIONS

- Expanding presence in Telecommunications



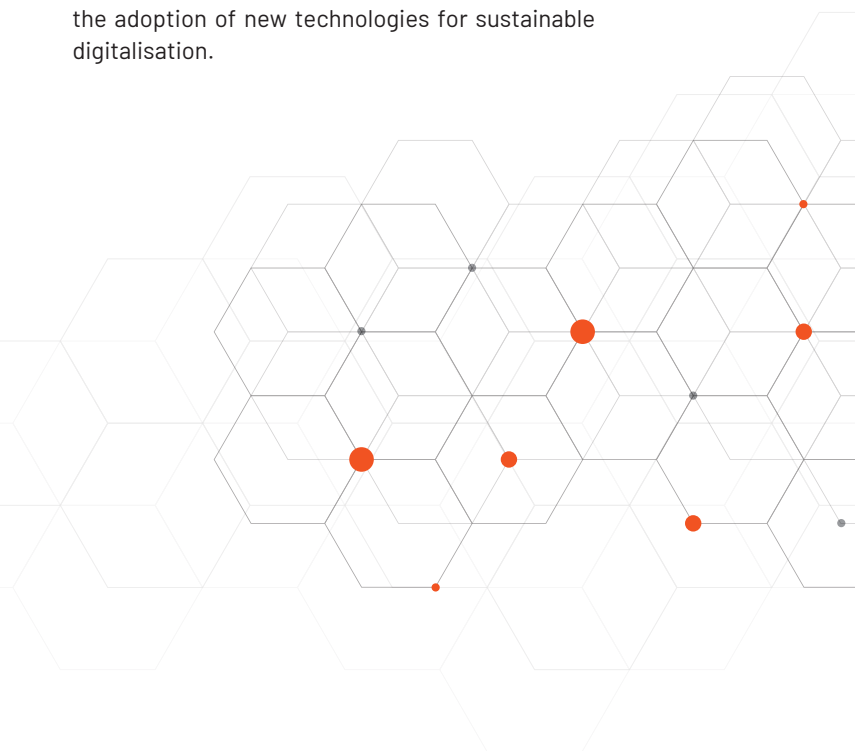
In FY24, Microlink strengthened its presence in Bahrain following the successful implementation of the IT Operation's (ITO) project for a prominent regional telecommunications service provider, thus establishing a solid reputation within the telecommunications industry. Leveraging this progress, Microlink has now positioned itself for further expansion into new ventures within the region. Looking ahead, our focus remains on building upon our reputable delivery track record and successful project implementations, which serve as key steps towards cultivating more business opportunities. Our objective is to leverage these achievements to unlock additional growth avenues in the telco segment, propelling our success in the years to come.

PUBLIC SECTOR

- Transformative Advancements



In FY24, Microlink secured a contract of significant national interest from the National Audit Department (Jabatan Audit Negara/JAN) to deliver a comprehensive data warehouse and audit analytics project. This project aims to generate high-impact results that will empower JAN to make well-informed decisions by leveraging big data analytics, integrated data management, and data sharing across agencies. The outcome of this project will play a crucial role in strengthening JAN's main systems, enhancing the delivery of auditing services, increasing fraud detection, and facilitating policy changes through the adoption of new technologies for sustainable digitalisation.



The Group has also continued to achieve significant milestones in the delivery of the Automated Awareness Safety System (AwAS), which is part of the National Road Safety Roadmap aimed at increasing road safety. This new Open System Architecture replaces the existing proprietary Back Office Automated Enforcement System (AES) for Road Transport Department (Jabatan Pengangkutan Jalan / JPJ). The development of AwAS has provided valuable experience for our solution delivery team, enhancing our internal capabilities in developing transport and enforcement-focused technologies, including Optical Character Recognition (OCR). This accomplishment has spurred Microlink to explore new projects related to enforcement-based solutions, not only within the Ministry of Transport (MOT) but also with other government agencies that require similar technologies.

The Malaysian Government is undergoing rapid transformation with a special focus on improving service delivery and productivity. The main objective is to advance the government's technological landscape and empower the rakyat and the nation as a whole by enhancing digital literacy and capabilities. This positive move opens up numerous opportunities in the public sector for Microlink to contribute and leverage its advanced expertise, positioning us to actively participate in building the government's digital landscape.



DISTRIBUTION

- Our Trading Services

In an era where digital transformation has become inevitable, the advancement of AI and the need for fortified solutions incorporating AI advancements has transformed the digital business landscape. Amidst these ever-changing trends, our trade services experienced consistent growth, showcasing our agility in adapting to evolving industry landscapes and delivering valuable trade solutions. This sustained growth further strengthened our position as a trusted market player, poised to meet the evolving needs of our clients in the years to come.

Moving forward from here, we are committed to adjusting our strategies to meet market demands and embracing AI enhanced products and fortified Cybersecurity solutions. By staying innovative and nurturing partnerships, we aim to maintain our position as a trusted facilitator of technology procurement while exploring new growth opportunities in this dynamic landscape.

Throughout this review period, the Trading Services business garnered the following awards:

- IBM Top Distributor (IBM Power Server)
- IBM Top Distributor (IBM Storage)
- Top HPE Greenlake Distributor



MANAGEMENT DISCUSSION & ANALYSIS (CONT'D.)

Extensive Product Portfolio

As the digital landscape evolves, we continuously adapt and focus on areas of change. We take pride in presenting an extensive product portfolio that covers a wide range of offerings. With the rapid advancements in AI and cybersecurity, we have enhanced our portfolio to strengthen our offerings. Our diverse portfolio includes enterprise-grade servers, storage systems, engineered solutions, and products sourced from reputable industry partners. In addition, we offer comprehensive technical and professional services to complement our product lineup.

To ensure widespread access and streamlined distribution, our services are extended through a network comprising more than 200 business partners across the nation. This channel ecosystem includes System Integrators (SI), Independent Solution Vendors (ISV), Managed Services Providers (MSP), and Cloud Service Providers, facilitating the varied client needs and the provisioning of comprehensive solutions.

Our partnerships with top-tier principals serves as the foundation for our diverse product portfolio. These partnerships enable us to access cutting-edge products and remain at the forefront of technological innovations within the industry.

Our diverse portfolio consists of products sourced from a wide range of industry-leading principals:



Applied Business Systems Sdn Bhd

ORACLE Suite	➤	Server, Storage & Software
Hillstone	➤	Cyber Security Solution



First Solution Sdn Bhd

IBM	➤	Server & Storage
Lenovo	➤	Server & Storage
Group-IB	➤	Cyber Security Solution



Formis Systems & Technology Sdn Bhd

HPE	➤	Server & Storage
Stratus Technologies	➤	Fault Tolerant Solution
Sangfor	➤	Network Security Solution

STRATEGY, RISKS & MITIGATION

STRATEGY



Enhance our presence as a leading Solution Integrator by successfully delivering complex projects for clients across various industries.



Emphasize the integration of AI solutions across industry verticals to equip organisations with cutting-edge digital solutions.



Broaden and diversify our digital solutions portfolio by forming strategic partnerships and developing customized, innovative offerings that align with individual client needs.



Strengthen collaborations for both solution development and delivery, boosting our market presence and localisation efforts.



In line with the pursuit of our objectives, we acknowledge the presence of potential risks and challenges. We maintain a proactive approach to continuously assess these risks and implement suitable mitigation measures.

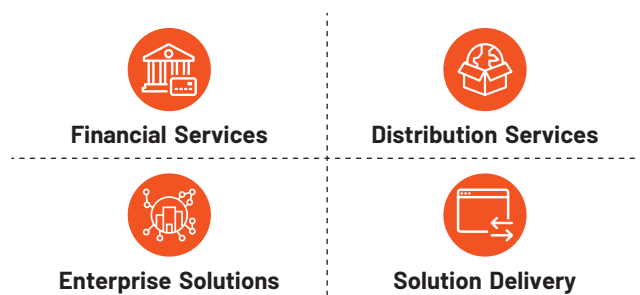
Risk	Mitigation
The potential loss of highly skilled and competent professionals, with a growing need for resources proficient in AI, advanced analytics, cloud, mobility, and security projects.	To focus on retaining talent and developing the technical skill sets of our existing internal resources. We are emphasizing development of technical skill sets of internal resources, equipping them for market-leading delivery.
The principal risk of engaging in multiple large-scale projects is the significant lead time required between initial engagement and revenue realization, potentially causing cash flow challenges.	To counter the lengthy lead times associated with securing large-scale projects, the Group is concentrating on smaller-scale, quick-win projects that can be quickly mobilized, deployed, and invoiced. Additionally, we are developing reusable or 'white label' solutions and investing consistently in new technologies to expedite time-to-market and reduce delivery risk. Commercial proposals now include smaller and more frequent payment milestones, alongside alternative financing options such as principal leasing programs and funding from financial institutions specializing in hardware and software projects. These measures aim to regularize cash flow through consistent partner payments.
A primary risk in the Trading Services business is the potential loss of distributorships, especially as principals expand their regional presence through acquisitions and global partnerships.	To mitigate this risk, we are increasing communication and engagement with our business partners. This enhanced interaction fosters the exchange of ideas and the creation of new revenue streams, which is particularly crucial in the rapidly transforming digital environment. Maintaining strong relationships and collaborating closely with partners helps us adapt to market changes and secure our market position.



MANAGEMENT DISCUSSION & ANALYSIS (CONT'D.)

REVIEW OF FINANCIAL PERFORMANCE

Microlink Solutions Berhad reports its financial performance along four business segments as follows:



A snapshot of the 5-Year Financial Highlights is provided on Page 40 of this Annual Report.

REVENUE

For FYE 31 March 2024, the Group registered a revenue of RM281.29 million, an increase of 13.22% from RM248.45 million registered a year ago.

Total revenue generated from the Financial Services segment decreased by 33.34% to RM53.42 million in FYE 31 March 2024 as compared to RM80.14 million in FYE 31 March 2023. This was due mainly to lower orders and project fulfilments.

The Enterprise Solutions segment recorded a decrease by 4.57% from RM59.80 million to RM57.07 million, mainly due to lower orders and project fulfilments.

The Distribution Services segment recorded an increase of 41.19% with total revenue registered at RM187.18 million, as compared to RM132.57 million recorded in the previous year. The increase was due to higher orders and project fulfilments.

The Solution Delivery segment recorded an increase of 77.58% with total revenue registered at RM3.96 million, as compared to RM2.23mil recorded in the previous year. The increase was due to higher project fulfilments.

PROFIT BEFORE TAX

The Group recorded loss before tax of RM24.89 million as compared to profit before tax of RM31.92 million in the preceding year. The Group recorded operation profit of RM2.90 million for the financial year as compared to RM45.52 million in the preceding year, a decrease of 93.63% a year ago mainly attributable to lower margins orders and project fulfilments

LIQUIDITY & CAPITAL RESOURCES

The Group's capital expenditure and working capital requirements have been financed by cash generated from operations as well as short-term and long-term borrowings provided by financial institutions.

Cash and bank balances decreased to RM13.46 million in FYE 31 March 2024, as compared to RM33.68 million in FYE 31 March 2023 mainly due to higher cash used in operating activities for funding working capital in the current financial year.

The Group has total borrowings of RM41.10 million in FYE 31 March 2024. The borrowings were utilised for funding working capital.

OUTLOOK

Looking to the future, Microlink Group remains optimistic about its position in the ICT industry, driven by the increasing need for businesses to undergo digital transformation and automate their operations. Malaysia's economy has demonstrated promising performance, with significant contributions from the digital sector poised to reach 25.5% of GDP by 2025 and create up to 500,000 jobs, backed by initiatives such as the MyDIGITAL initiative and the Malaysia Digital Economy Blueprint.

Over the past year, the Malaysian government has actively promoted rapid digital transformation with a strong emphasis on AI adoption. Programs through initiatives like "AI Sandbox 2024" and "AI Untuk Rakyat", highlight the strategic use of technology to drive national competitiveness and ensure secure, responsible AI adoption. Reflecting this vision, AI-driven solutions have become central to Microlink's strategy. The establishment of Microlink Labs Sdn Bhd highlights our commitment to fostering new collaborations, innovations, and competencies. We are confident that our strategic investments in AI-related solutions, coupled with our dedication to innovation and talent development, will enable us to navigate future challenges and achieve sustainable growth.

As we align with Malaysia's economic growth and the optimistic outlook of the ICT industry, Microlink is poised to capitalize on increased demand for digital transformation across public and private sectors. We are committed to delivering cutting-edge solutions, ensuring we continue to provide exceptional value to our stakeholders. Through strategic investments in AI and continuous innovation, Microlink is well-positioned to maintain its leadership in the ICT industry and significantly contribute to Malaysia's digital future.

SUSTAINABILITY STATEMENT

Microlink is committed to ensuring sustainability across all facets of its business activities and seamlessly integrating sustainable practices into its operations. The Company recognizes that sustainability is an ongoing process requiring continuous commitment and innovation. By embedding sustainability into its core strategy, Microlink aims to drive long-term growth, enhance corporate responsibility, and contribute positively to the environment and society.

This Sustainability Statement ("Statement") covers the financial year FY2024. All initiatives and performance data disclosed have been obtained from the Group's operations, including our subsidiary companies in Malaysia. This geographic focus enables us to provide a comprehensive and accurate reflection of our sustainability performance.

This Statement has been prepared in line with the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Sustainability Reporting Guide Third Edition and its Enhanced Sustainability Reporting Disclosures.

OUR APPROACH TO SUSTAINABILITY

GROUP SUSTAINABILITY GOVERNANCE

Microlink maintains a robust governance framework that guides its sustainability initiatives. This framework ensures strategic oversight of ESG matters, facilitates effective risk management and mitigation, and seamlessly integrates ESG elements into the business model and processes.

Microlink Group's Board of Directors has oversight responsibility for the delivery of sustainable value to stakeholders, and this is achieved through implementation of the principles, policies, objectives, and strategies of the Group and all its subsidiaries.

Sustainability at Microlink is governed through a three-tier structure that spans all levels of the Group, ensuring that all actual and potential sustainability issues are given full and fair consideration, and that appropriate action plans are developed and properly implemented.

GOVERNANCE IN SUSTAINABILITY PROCESSES

Board of Directors (Board)	<ul style="list-style-type: none"> – Ultimately responsible for sustainability practices and performances. – Reviews adequacy of sustainability initiatives and processes. – Reviews the Group's material sustainability matters and provide advice and direction where necessary.
Sustainability Management Team (SMT)	<ul style="list-style-type: none"> – Led by the Group CEO – Comprises of key senior representatives of the functional department. – Monitors and reviews the performance of the Group's sustainability initiatives in achieving key sustainability objectives.
Sustainability Management Working Team (SMWT)	<ul style="list-style-type: none"> – Comprises of key representatives of the functional departments. – Overseeing stakeholder engagements, coordinating the implementation of the materiality assessment process and the prioritisation of the Group's sustainability matters for management. – Responsible for the management and performance of sustainability related initiatives to address material matters. – Reports to the SMT on the performance of the sustainability related initiatives and tasks implemented.

The governance structure originates from the Board, the apex decision-making body in the Group, flows down to the SMT, which formulates the overall sustainability strategy, and further cascades down to the SMWT for implementation. The Group periodically reviews its sustainability governance structure and Terms of Reference ("TOR") for continued improvement.

SUSTAINABILITY STATEMENT (CONT'D.)

STAKEHOLDER ENGAGEMENT

GROUP SUSTAINABILITY GOVERNANCE

Microlink engages with its stakeholders on a frequent basis to understand their evolving needs and how the Company's business practices impact them. Through the insights gained, the Company is better positioned to identify material sustainability matters and develop strategies that serve both the needs of the stakeholders and the business.

Microlink Group's stakeholders are determined based on two factors

1







The degree to which they may be affected by or have the power to affect the Group's MSMs (material sustainability matters).

2

The degree to which they have the power to impact the Group's reputation in the markets that we serve, which may enhance or diminish our ability to make a positive ESG (environmental and social, governance) impact through our products and services.



Key Stakeholders

Key Stakeholders	Engagement Method	Frequency of Engagement	Key Focus Area
 Clients	<ul style="list-style-type: none"> - Meetings - Workshops - Customer Service - Events / Roadshows - Website updates - Social Media 	<ul style="list-style-type: none"> - Annually - Daily - Regularly - Adhoc 	<ul style="list-style-type: none"> - Brand Awareness - Product Quality - Service Quality - Product Scope - Brand Awareness
 Employees	<ul style="list-style-type: none"> - Internal Newsletters - Employee Surveys - Employee Engagement Activities such as Coffee Talk and Townhall Sessions - Employee Development Trainings - Workshops - Performance Appraisals 	<ul style="list-style-type: none"> - As and when deemed necessary - Annually - Regularly - Adhoc 	<ul style="list-style-type: none"> - Strategic direction and business growth - Human capital development - Employment benefits and welfare - Employee experience and engagement - Business ethics and governance, including anti-bribery and corruption awareness - Health and safety at work
 Shareholders and Investment Community	<ul style="list-style-type: none"> - Performance reports and disclosures - General Meetings - Bursa Announcements - Investor Relations engagements - Media Releases - Website Updates - Social Media 	<ul style="list-style-type: none"> - Annually - Quarterly - Regularly - Ad-hoc 	<ul style="list-style-type: none"> - Sustainable Financial Returns - Sustainable Performance
 Business Partners & Suppliers	<ul style="list-style-type: none"> - Formal Meetings / Virtual Meetings - Written Communications - Product Exhibitions - Transaction-Related Interactions 	<ul style="list-style-type: none"> - Annually - Regularly - Ad-hoc 	<ul style="list-style-type: none"> - Strategic direction and business growth - Regulatory compliance - Business ethics and governance - Product Innovation - High quality goods and services - Operational efficiency - Business resilience - Anti-Bribery and Corruption and Compliance
 Community	<ul style="list-style-type: none"> - Corporate Social Responsibility Activities - Sponsorships and donations - Social Media postings 	<ul style="list-style-type: none"> - Ad-hoc 	<ul style="list-style-type: none"> - Contributions to Community - Community Events - Responsible Corporate Citizen
 Authorities/ Regulators	<ul style="list-style-type: none"> - Formal Meetings/ Virtual Meetings - Performance reports and disclosures - Events 	<ul style="list-style-type: none"> - Regular - Ad-hoc 	<ul style="list-style-type: none"> - Regulatory Compliance - Monitoring and Reporting Processes - Business Ethics and Governance

SUSTAINABILITY STATEMENT (CONT'D.)

MATERIAL MATTERS

MATERIALITY

Microlink Group's materiality assessment process involves reviewing the Group's operating context including factors that can influence the Group's sustainability performance, identifying sustainability issues and matters i.e. the risks and opportunities relevant to its operations, and prioritising MSMs in terms of their materiality level for management. In determining the materiality of the sustainability matters, the significance of their sustainability impacts on the Group's business performance and value creation, and their respective influence on the Group's key stakeholders are considered. The Group has reviewed its practices to be aligned with Bursa Malaysia's Enhanced Sustainability Reporting Disclosures mandated to be disclosed in FY2024.

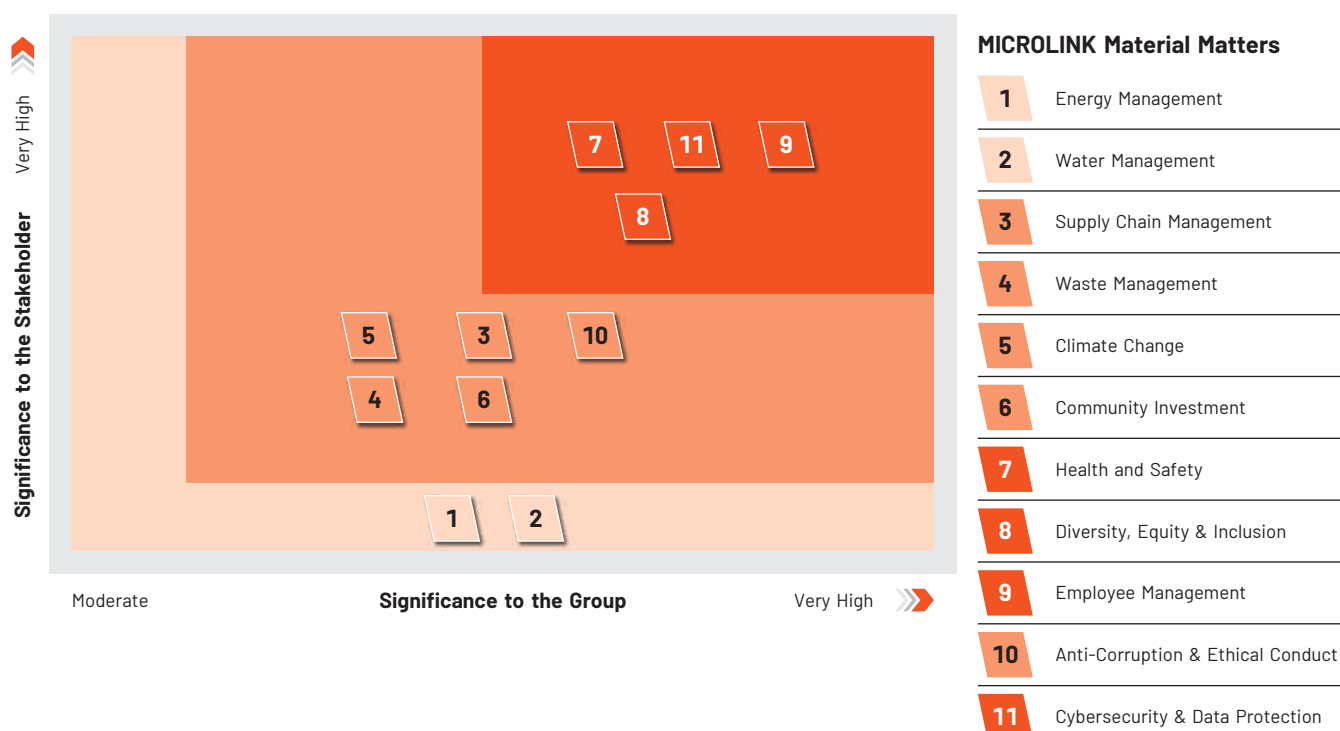
Materiality Assessment













Microlink Group's materiality assessment process involves reviewing the Group's operating context including factors that can influence the Group's sustainability performance, identifying sustainability issues and matters i.e. the risks and opportunities relevant to its operations, and prioritising MSMs in terms of their materiality level for management. In determining the materiality of the sustainability matters, the significance of their sustainability impacts on the Group's business performance and value creation, and their respective influence on the Group's key stakeholders are considered. The Group has reviewed its practices to be with aligned with Bursa Malaysia's Enhanced Sustainability Reporting Disclosures mandated to be disclosed in FY2024.

Materiality Matrix

Key MSMs (Material Sustainability Matters) that are of the greatest significance for Microlink Group can be defined in the matrix shown below which was generated as a result of our materiality determination process, detailing the significance of each MSM to the Group and to our stakeholders.



RISK MANAGEMENT

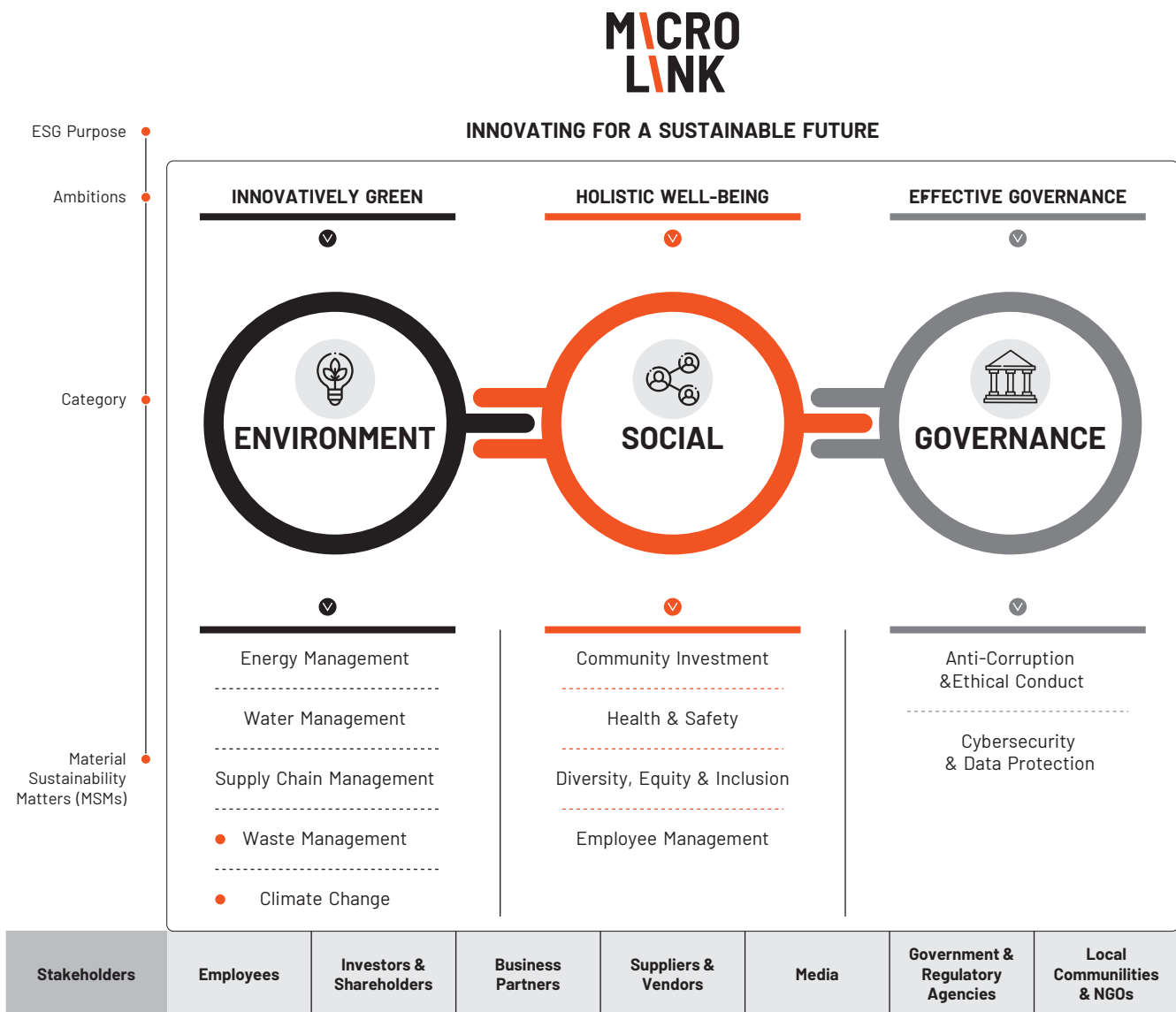
Material Matters	Risks	Opportunities/Mitigation
Energy Management  page 18	Unnecessary consumption due to personnel habits or ageing equipment.	Small energy saving fixes like proximity sensors for lights and advisories on aircon settings etc.
Water Management  page 18	Wasteful personnel habits and inefficient WC fixtures lead to excess consumption.	Water-saving WC fixtures and staff reminders on conservation for office and home.
Supply Chain Management  page 19	Suppliers' non-conformance to environmental requirements or non-sustainable business practices.	Increased sustainability communication to suppliers on policies and supplier assessment/segmentation based on ESG performance.
Waste Management  page 19	Lack of awareness and improper disposal of waste.	Employee awareness on single-use items and recycling and implementations of 'reuse, reduce, recycle' for better waste separation
Community Investment  page 20	Lack of engagement with communities adversely affecting company brand	Regular stakeholder engagement and targeted community/CSR programmes
Health & Safety  page 21	Workplace accidents leading to lost productivity and reputational damage	Safety awareness programs and basic responder training would support zero HSE incidents
Diversity, Equity & Inclusion  page 22	Discriminatory practices that affect company reputation or bring potential legal action	Providing DEI training and applying diversity considerations when hiring
Employee Management  page 21	Perceived disengagement and lack of career advancement, potentially leading to high turnover and impacting performance.	Increase employee engagement, offer holistic talent development programs, and promote a performance-driven culture.
Anti-Corruption & Ethical Conduct  page 24	Poor governance, communications and monitoring/consequence management leading to ABC breaches	Regular communications on what constitutes as breaches, promoting internal awareness and ethical practices and bolstering company's reputation
Cybersecurity & Data Protection  page 25	Non-compliance to cybersecurity standards can lead to data breaches or non-compliance with client requirements, affecting business performance	Updated internal policies, awareness training and updated hardware/software ensures data security and company reputation and performance

SUSTAINABILITY STATEMENT (CONT'D.)

SUSTAINABILITY FRAMEWORK




MICROLINK'S SUSTAINABILITY FRAMEWORK

The culmination of the materiality determination process led to the development of the Microlink Sustainability Framework. This framework effectively aligns our identified material issues with our long-term aspirations across three core sustainability themes.



● Mandatory reporting in FY2025

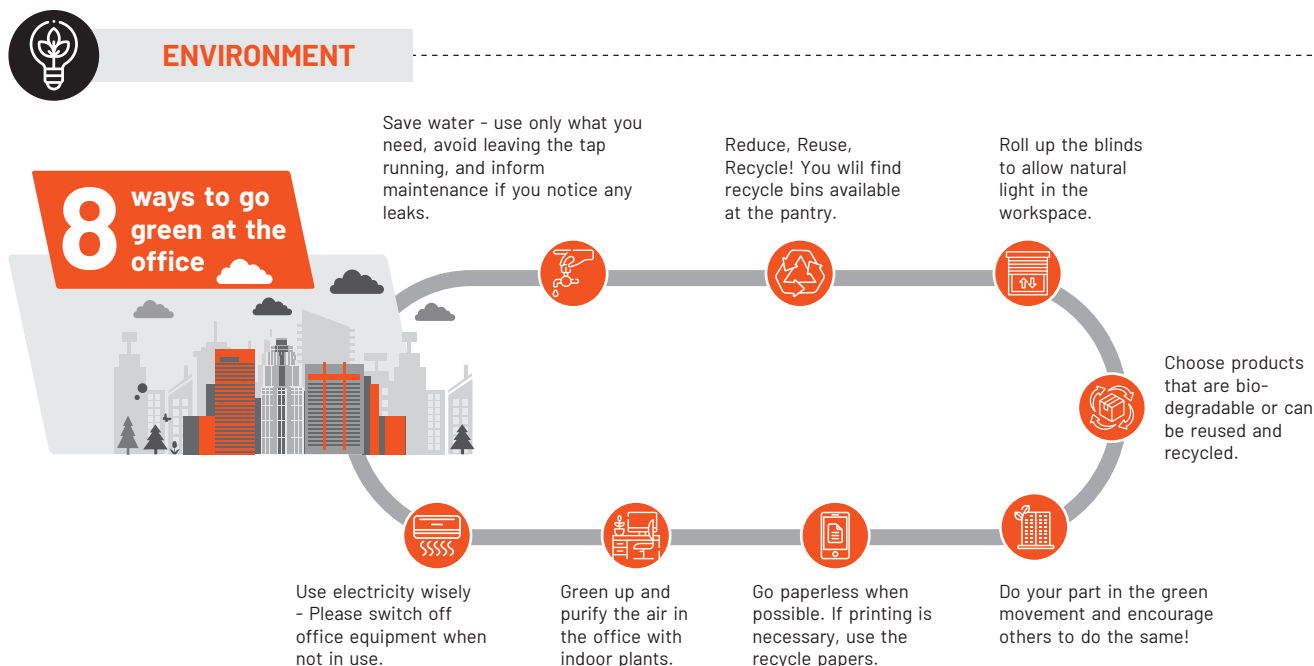
PERFORMANCE SCORECARD

	AREA		MEASURE	TARGET	ACHIEVEMENT
 Environment	Energy Management	➤	Electricity Consumption (Measurement in Megawatts – electricity consumption)	Zero Increase	4.8% reduction in consumption per employee
	Water Management	➤	Water Consumption (Measurement in Megalitres – volume of water consumed)	Zero Increase	6.6% reduction in total consumption
 Social	Health & Safety	➤	Work-related fatalities (Number of fatalities)	Zero fatalities	Zero fatalities
	Diversity, Equity & Inclusion	➤	Women working in organisation (Percentage)	Maintain above industry average for women working in IT industry (¹ Industry average 35% in 2021)	Microlink current percentage is 41%
 Governance	Anti -Corruption & Ethical Conduct	➤	Confirmed incidents of corruption (Percentage)	Zero Incidents	Zero Incidents
	Cybersecurity & Data Protection	➤	Number of substantiated complaints concerning breaches of customer privacy or losses of customer information (Number of incidents)	Zero Incidents	Zero Incidents

¹ Data source- Malaysian Digital Economy Corporation (MDEC),

SUSTAINABILITY STATEMENT (CONT'D.)

MANAGEMENT APPROACH FOR MATERIAL MATTERS



As a conscientious and responsible organisation, we understand the significance of cultivating a sustainable future for all stakeholders. It is our commitment to act with accountability, carefully balancing the requirements of society and the environment, both in the present and for future generations. In pursuit of this commitment, we aim to optimize the utilization of natural resources while actively mitigating any potential adverse environmental effects stemming from our business operations, which include waste discharge, energy consumption, and water usage. Whenever viable, we will adopt green technology and environmentally friendly practices.

ENERGY MANAGEMENT

Microlink is dedicated to maintaining low energy consumption through responsible and sustainable practices. In FY2024, the Company achieved lower energy usage per headcount, showcasing its commitment to energy efficiency.

The consolidation of Klang Valley employees into one building at Aurora Place in Bukit Jalil, along with the implementation of measures such as an automated shut-off for air conditioning systems at the end of the workday, contributed to low energy consumption thereby reducing costs associated with energy consumption. Despite the return of all staff to the office in FY2024, Microlink successfully managed to keep energy usage at an efficient level.

Environmental Policy: <https://www.microlink.com.my/investor-relations/board-governance/>

These results underscore Microlink's ongoing commitment to energy efficiency and sustainable practices, ensuring that the Company continues to operate responsibly and support its growth sustainably.

Energy consumption table – Microlink premises in Malaysia

Item	FY2022	FY2023	FY2024
Total energy consumption (Megawatts)	260.27	328.64	360.89
Total energy consumption (Megawatts) per headcount	0.986	0.969	0.923

WATER MANAGEMENT

As a corporate office, Microlink's water consumption is relatively low; however, the Group is keenly aware of the importance of monitoring water usage as part of its commitment to sustainability. Recognising the critical role of water as a vital resource and in alignment with Bursa Malaysia's Mandatory Common Sustainability Matters disclosure requirements, calculations on water consumption have been included in this year's report. Microlink Environmental Policy - <https://www.microlink.com.my/investor-relations/board-governance/>

Item	FY2022	FY2023	FY2024
Total volume of water used (Megalitres)	0.29	0.61	0.57

From the installation of water-efficient fixtures to notifications on efficient water usage, the commitment to responsible water use reflects its broader sustainability agenda. Microlink understands the importance of this resource, not only for its operations but also for the communities and ecosystems it is a part of. Microlink remains dedicated to ensuring the efficient and sustainable use of water, safeguarding its availability for future generations.

Environmental Policy: <https://www.microlink.com.my/investor-relations/board-governance/>

SUPPLY CHAIN MANAGEMENT

Microlink is committed to reducing its environmental impact by actively minimizing its carbon footprint. Whenever feasible, the Group prioritizes sourcing materials, supplies, and equipment from local suppliers and from locations that have the least negative effect on the environment. By focusing on local procurement, Microlink achieves shorter supply chains, which lead to reduced transportation needs, lower energy use, and a smaller environmental footprint.

Item	FY2022	FY2023	FY2024
Proportion of spending on local suppliers	97%	94%	91%

Opting for local procurement not only benefits the environment but also supports local economic growth. By fuelling employment and entrepreneurship opportunities, this approach provides jobs, enhances skills, and encourages innovation. It helps build robust local supply chains and enables cascading benefits to local communities.

WASTE MANAGEMENT AND RECYCLING

Microlink remains keenly aware of the waste generated by its corporate office and operations. Adopting the 3R (Reduce, Reuse, and Recycle) approach, the Group's waste management strategy emphasizes the recycling of materials, particularly electronic waste (e-waste) resulting from the use and disposal of IT equipment due to general wear and tear. The Group ensures that e-waste generated is first evaluated, repaired, and reused where possible. When items are no longer reusable, they are disposed of in compliance with regulations set by the Ministry of

Environment, through a company registered with E-waste Management under the Department of Environment Malaysia.

In light of waste management reporting becoming a mandated material matter for FY2025, the Group is actively raising awareness about ways to 'Go Green.' In alignment with Microlink's commitment to the 3R (Reduce, Reuse, Recycle) principles, this includes the segregation and proper disposal of all waste categories, such as organic, glass, paper, and metal. Employees have already been informed about the standard operating procedures (SOPs) established for proper waste preparation and disposal, which will be fully implemented in FY2025.

Microlink's phased approach to achieving our environmental targets:

SHORT-TERM

Communicate with our workforce to drive awareness on what our targets are and encourage them to participate in green efforts.

MID-TERM

Implement a waste management programme to increase our office recycling rate, reduce water usage, save on energy consumption.

LONG TERM

Develop a comprehensive framework to drive environmental action plans, which will include the following: Infrastructure, Logistics, Materials, Operations, Products.

Environmental Policy: <https://www.microlink.com.my/investor-relations/board-governance/>

SUSTAINABILITY STATEMENT (CONT'D.)



SOCIAL

HOLISTIC WELL-BEING

COMMUNITY INVESTMENT

In line with Microlink's ambitions for holistic well-being, the Group aspires to incorporate an inclusive outlook in its contributions to the community. This encompasses youth development through the sharing of knowledge, supporting team members in championing causes, and sharing festive cheer during the holidays.

Microlink Group is dedicated to promoting educational and mentorship opportunities for aspiring Malaysian talent in the tech industry. The Group actively participates in events that provide educational experiences and mentorship opportunities, exposing youths to diverse perspectives and new ideas. In November, Microlink proudly supported Multimedia University's IT Society's BarCamp 2023 as a platinum sponsor. This student-driven initiative, attended by 121 participants, aligns with Microlink's aspirations to inspire growth and foster innovation and technology among the youth.

Microlink is proud to support its own champion and employee, Koh Lee Lee, a cervical cancer survivor who tirelessly advocates for cancer screening and early detection. In July 2023, she participated in a 6-day, 700km cycling event organized by the Malaysian Medical Association (MMA) in Sarawak, supporting the Rose Foundation's mission to eliminate cervical cancer among Malaysian women. Microlink stands fully behind Koh Lee Lee's efforts and supported the MMA in this endeavor.

Additionally, the Group makes it a priority to organize corporate social responsibility (CSR) activities around festive seasons, enabling the less privileged to partake in the joyous spirit of these occasions.



During the MMU IT Society's BarCamp 2023 event, Group CTO, Hong Wye Kean, shared his journey in tech with an engaged audience, providing valuable insights and inspiration.



Koh Lee Lee extending Microlink's contribution of RM3,000 towards Malaysian Medical Association (MMA), in support of the Rose Foundation



Koh Lee Lee during her participation in the 700km Sepeda Amal Borneo ride where she cycled from Kuching to Bintulu, Sarawak.

HEALTH & SAFETY

ENSURING SAFER WORKING ENVIRONMENTS

The Group takes the safety and well-being of its employees seriously, placing the highest priority on their welfare. This involves ensuring strict adherence to safety standards outlined in the Group's Safety Policy, accessible at <https://www.microlink.com.my/investor-relations/board-governance/>. This policy includes risk assessments and the implementation of necessary safety protocols. Continuous monitoring and evaluation of safety practices are conducted to identify areas for improvement and maintain necessary precautions to prevent accidents, fostering a culture of safety throughout the organisation. This approach aims to create a healthy and secure work environment while instilling a culture of health and safety that encompasses the workplace. Not only does this strategy serve to mitigate risks and liabilities, but it also fosters increased employee satisfaction and productivity, ultimately contributing to the long-term sustainability of the Group.

Microlink's processes for ensuring safe and healthy work environments:

- 1 Conduct proactive risk assessment and risk control at the workplace to ensure all hazards and safety risks are within controlled levels.
- 2 Provide supervision, information and continual awareness to all employees on safe work practices.
- 3 Drive improvements to the safety and health of work environments through ongoing hazard identification, and risk assessment.
- 4 Minimise negative impacts from the work environment by continually seeking practicable improvement in office HSE.

As part of its commitment to health and safety, Microlink monitors all workplace accidents and injuries, using this data as a gauge of safety risk management within the organisation. In the most recent fiscal year covered in this report, no injuries or fatalities were reported at Microlink's workplaces. To ensure employee safety in the event of a fire emergency, the Company's offices are equipped with relevant fire protection systems, and emergency response plans and contact information are strategically placed and communicated to all employees.

EMPLOYEE MANAGEMENT

Microlink highly values the contributions of its employees and recognises their essential role in driving the organisation's success. It firmly believes that a motivated and engaged workforce not only enhances its own value but also has a positive impact on its stakeholders. This emphasis underscores the objective of nurturing a positive mindset among employees, fostering open idea-sharing and exploration of new concepts to expand their perspectives.

Item	FY2022	FY2023	FY2024
Total number of employees	264	339	391

The Group has fostered a safe and supportive work culture with the goal of empowering talented individuals to reach their full potential. Given the diverse range of activities within the organisation, employees have ample opportunities to expand their skill set and gain valuable experience. The organisational structure promotes agility and openness, allowing employees to interact freely with colleagues across all levels of the Group.

Microlink prioritizes providing relevant training and development opportunities to enhance both professional and technical skills. These initiatives are integrated into the employees' annual key performance metrics. Regardless of their division or discipline, employees receive training specific to their roles and technical requirements. The Group also ensures ongoing training on updated legal and regulatory requirements, the Malaysian Code on Corporate Governance, Anti-Corruption Practices, and taxation laws. Additionally, leadership and coaching programs are periodically offered to strengthen management skills.

Furthermore, Microlink fosters employee engagement through social events and activities. In FY2024, the Group organized numerous events for its staff, including celebrations of cultural festivals prevalent in Malaysia. Town Hall sessions, Coffee Talk sessions, free health tests, and other engagement activities were also organised to encourage openness, togetherness, and a nurturing environment.

SUSTAINABILITY STATEMENT (CONT'D.)



SOCIAL

UPHOLDING LABOUR PRACTICES & EMPLOYEE RIGHTS

Microlink is committed to treating its employees fairly, with dignity and respect. The Group complies with all applicable labour laws, rules, and regulations in its operating regions, including the Malaysian Employment Act 1955, Industrial Relations Act, and regulations addressing critical issues like child and forced labour. Additionally, all employees have access to a grievance mechanism to raise concerns related to workplace practices.

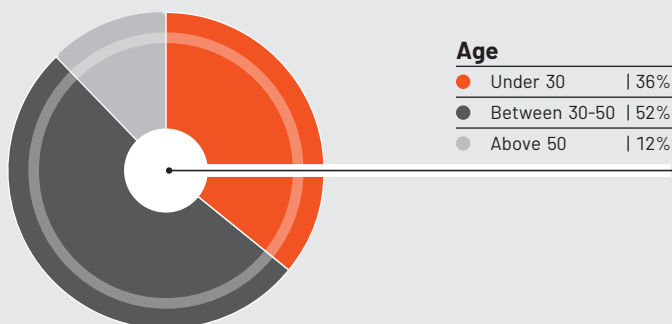
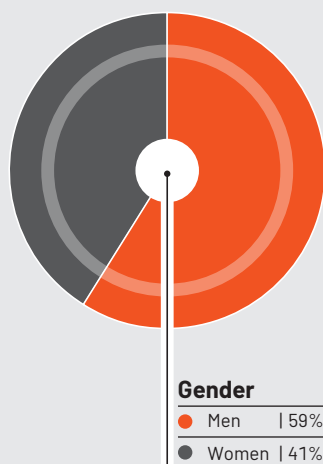
Microlink's Human Rights Policy: <https://www.microlink.com.my/investor-relations/board-governance/>

Our workforce numbers 391 employees, comprising 59% men and 41% women. In terms of age, 36% are under 30 years old, while 52% are aged 30 to 50. Some 12% are over 50 years old. In terms of ethnic mix, a person's racial background is of no significance to us, and we are therefore color-blind when recruiting employees.

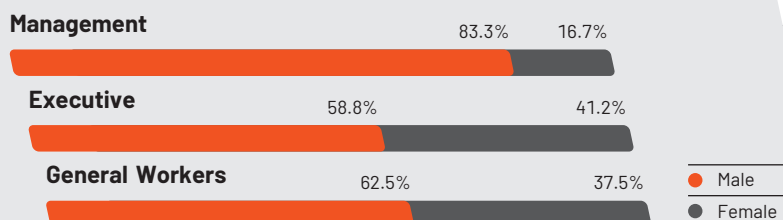
DIVERSITY, EQUITY & INCLUSION (DEI)

Microlink Group adheres to a policy of complete inclusion and diversity, ensuring that these principles apply at all levels of the organisation, including the Board. This policy is designed to provide the organisation with access to the widest possible range of perspectives and experiences. Appointments, promotions, and other decisions relating to employees are made solely based on the suitability of their skills, experience, and performance.

FY24 Workforce Diversity



Employment Category



Microlink is deeply committed to celebrating and enhancing diversity within its workforce, recognising the rich tapestry of cultures, demographics, skills, experiences, and backgrounds as core strengths of the organisation. This multifaceted diversity is not only a cornerstone of Microlink's high-performance culture but also a key driver of innovation and creative thinking. By valuing competence, excellence, and merit above all, Microlink has cultivated an environment where the diverse attributes of its workforce – encompassing gender, ethnicity, age, and more – contribute significantly to fostering a dynamic, innovative, and inclusive workplace.

Our team comprises a diverse group of individuals with a wide range of technical and professional skills, dedicated to achieving results and maintaining the highest standards of excellence.

Microlink Group has a zero-tolerance policy against discrimination in any form and all employees have access to a grievance mechanism to raise concerns related to workplace practices. The Group is committed to treating its employees fairly and with dignity and respect.

Microlink's Human Rights Policy: <https://www.microlink.com.my/investor-relations/board-governance/>



In celebration of Diversity, Equity, and Inclusion (DEI), Microlink organized a Women's Day recognition wall, balloon bouquets, and a special announcement to honor the women at Microlink.

SUSTAINABILITY STATEMENT (CONT'D.)



GOVERNANCE

GOOD CORPORATE GOVERNANCE

The Board is continuously reinforcing Microlink's governance framework to align with evolving regulatory requirements and the growing emphasis on ethical business practices. The Board's steadfast commitment to championing robust governance, risk management, and sustainability practices goes a long way in helping strengthen stakeholder trust, safeguarding the Group's business sustainability and reputation, and ensuring long-term shareholder value.

ANTI-BRIBERY & CORRUPTION

The Group firmly believes in operating its businesses with the highest standards of integrity, transparency, ethics, and accountability, and is against all forms of corruption. Our Code of Ethics and Conduct sets out the Group's business values and practices by which all our Directors and employees are required to abide.

Microlink maintains a steadfast zero-tolerance stance on all forms of corruption, including bribery, unfair advantage, and illicit contract dealings, in strict adherence to Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009. This commitment was solidified with the implementation of the Anti-Bribery and Corruption (ABC) Policy in November 2015. Microlink's ABC Policy meticulously outlines and prohibits corrupt practices within the Group and in its interactions with business partners, agents, and vendors. It encompasses a wide range of activities including commissions and incentives, unofficial payments, gifts and entertainment, political contributions and donations, gratifications, charitable support, and other behaviours constituting bribery and corruption, detailing punitive measures for violations. Where no specific rules are stated, Microlink also stipulates mandatory principles in its ABC Policy to ensure its people conduct themselves within allowable parameters in ambiguous situations. To reinforce these principles, Microlink has integrated an Anti-Bribery & Corruption provision into its Code of Ethics and Conduct.

Microlink Code of Ethics and Conduct Policy:

<https://www.microlink.com.my/investor-relations/board-governance/>

Microlink Anti-Bribery and Corruption Policy:

<https://www.microlink.com.my/investor-relations/board-governance/>

In addition to internal anti-bribery and corruption measures, and to reinforce its zero-tolerance approach to all forms of bribery and corruption, Microlink also ensures that third parties that it deals with align with its values and principles regarding anti-bribery and anti-corruption practices. This commitment is reiterated through the Anti-Corruption Policy for Third Parties that provides guidance on detecting and preventing corrupt activities.

Microlink Anti-Corruption Policy for Third Parties:

<https://www.microlink.com.my/investor-relations/board-governance/>

Anti-Corruption Risk Assessments

In its ongoing commitment to bolster anti-corruption measures and identify risk areas, Microlink has recognised that certain segments, especially those related to Procurement and Contracts, are more susceptible to corruption. Plans are in place to implement additional safeguards, starting with the recently revised group/project risk framework, with specific risk sub-categories pertaining to Anti-Corruption Risks identified for use in Corruption Risk Assessments (CRA), with additional descriptors, quantifiers and probing questions meant for use in the CRA. To better mitigate corruption risks across the organization, the Group has also strengthened its internal control systems and procedures including yearly reminders for staff to attend **Anti-Bribery and Corruption** training in order to better recognise corrupt practices, expanded auditing, improved checks and balances, decentralization of significant commercial decision-making to involve multiple approvers, and enhanced oversight.

Anti-Corruption Education and Awareness

Microlink consistently conducts anti-corruption training for its employees. The goal is to continuously emphasize Microlink's strict policy against corruption and the expectation for all internal and external stakeholders to adhere to this policy.

Mandatory training sessions are conducted with the management and employees at all levels of the Group. The following key elements are rigorously emphasised:

- The need for all functional departments and project teams within the Group to abide by the Anti-Bribery and Corruption Policy;
- The requirement to report audit results and reviews directly to the Board;
- The necessity of conducting regular performance reviews to assess and strengthen Anti-Bribery and Corruption measures; and
- The assurance of vigorous enforcement and sanctions for non-compliance.

The Group also has in place a Group-wide whistleblowing policy with mechanisms to enable employees and external parties to confidentially report any breach or suspected breach of any law or of our policies and practices.

Cybersecurity & Data Protections

As a digital business, Microlink Group operates in an increasingly complex operating environment, managing cyber risk across organizational, technical, and geographic boundaries. Threats can occur from various points within the ecosystem in which Microlink Group operates. The organization is committed to adopting the best practices in maintaining the security, integrity, and availability of information across all operational facets.



Microlink Group implements a robust suite of IT security measures to ensure the resilience of its systems and equipment against potential risks, including unauthorized access and data compromise. Notably, there were no substantiated complaints regarding breaches of customer privacy or data losses reported in FY2024.

Item	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

Continuous efforts are made to assess and bolster security measures, underscoring Microlink's dedication to upholding a secure operational environment for stakeholders and customers.

SUSTAINABILITY STATEMENT (CONT'D.)

STATEMENT OF ASSURANCE

Our internal processes are utilised to verify the accuracy of the Environmental, Social, and Governance (ESG) performance data and information presented in this statement. At present, we do not employ independent auditors to review the contents of this statement, however we may consider doing so in the future.

PERFORMANCE DATA TABLE

Indicator	Unit	FY2024
Anti-corruption		
Bursa C1(a) Percentage of employees who have received training on anti- corruption by employee category		
Management	Percentage	50%
Executive	Percentage	52%
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0%
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Health & Safety		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost Time Incident Rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	0
Cybersecurity & Data Protection		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0
Energy Management		
Bursa C4(a) Total energy consumption	Megawatts	360.891
Employee Management		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	0
Executive	Hours	1368
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	41
Diversity, Equity & Inclusion		
Bursa C3(a) Percentage of employees by gender and age group by employee category		
Gender group by employee category		
Management - Male	Percentage	1.28%
Management - Female	Percentage	0.26%
Executive - Male	Percentage	55.50%
Executive - Female	Percentage	38.87%
Non-executive/Technical Staff - Male	Percentage	0.00%
Non-executive/Technical Staff - Female	Percentage	0.00%
General Workers - Male	Percentage	2.56%
General Workers - Female	Percentage	1.53%

Indicator	Unit	FY2024
Diversity, Equity & Inclusion (Cont'd.)		
Age group by employee category		
Management - Under 30	Percentage	0.00%
Management - Between 30-50	Percentage	0.77%
Management - Above 50	Percentage	0.77%
Executive - Under 30	Percentage	34.78%
Executive Between 30-50	Percentage	48.59%
Executive Above 50	Percentage	11.00%
General Workers - Under 30	Percentage	1.02%
General Workers - Between 30-50	Percentage	2.81%
General Workers - Above 50	Percentage	0.26%
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	90%
Female	Percentage	10%
Under 30	Percentage	0%
Between 30-50	Percentage	30%
Above 50	Percentage	70%
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0
Human Rights		
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Supply Chain Management		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	91%
Community Investment		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	4,500.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2.00
Water Management		
Bursa C9(a) Total volume of water used	Megalitres	0.57

CORPORATE INFORMATION

BOARD OF DIRECTORS

INDEPENDENT NON-EXECUTIVE CHAIRMAN

Tun Arifin bin Zakaria

NON-INDEPENDENT NON-EXECUTIVE DEPUTY CHAIRMAN

Tan Sri Jaganath Derek Steven
Sabapathy
(Resigned on 12 January 2024)

EXECUTIVE DIRECTORS

Thong Weng Sheng
(Appointed on 1 November 2023)

Wong Kwang Chwen
(Appointed on 15 March 2024)

Monteiro Gerard Clair
(Resigned on 10 June 2024)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Martin Chu Leong Meng

Noor Zaliza Yati binti Yahya

Narayanasamy A/L N
Chithambaram
(Appointed on 1 March 2024)

Tai Keat Chai
(Resigned on 29 May 2024)

Wan Mai Gan
(Resigned on 10 November 2023)

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

Dato' Ahmad Najmi bin Abdul
Razak

Dato' Sri Chee Hong Leong

Tan Wee Hoong
(Appointed on 5 April 2024)

Danny Hoe Kam Thong
(Appointed on 5 April 2024)

GROUP CHIEF EXECUTIVE OFFICER

Ramlee bin Abdullah

BOARD COMMITTEES

Executive Committee

Dato' Sri Chee Hong Leong (Chairman)
(Appointed as Chairman on 5 April 2024)

Thong Weng Sheng
(Appointed on 27 November 2023)

Wong Kwang Chwen
(Appointed on 5 April 2024)

Tan Wee Hoong
(Appointed on 5 April 2024)

Danny Hoe Kam Thong
(Appointed on 5 April 2024)

Monteiro Gerard Clair
(Resigned on 5 April 2024)

Tan Sri Jaganath Derek Steven
Sabapathy
(Ceased as Chairman on 12 January
2024)

Audit & Risk Management Committee

Tai Keat Chai (Chairman)
(Ceased on 29 May 2024)

Martin Chu Leong Meng
Noor Zaliza Yati binti Yahya
(Appointed on 6 February 2024)

Wan Mai Gan
(Ceased on 10 November 2023)

Nominating, Remuneration and Long- Term Incentive Plan Committee

Martin Chu Leong Meng (Chairman)
Narayanasamy A/L N Chithambaram
(Appointed on 5 April 2024)

Danny Hoe Kam Thong
(Appointed on 5 April 2024)

Wan Mai Gan
(Ceased on 10 November 2023)

Tan Sri Jaganath Derek Steven
Sabapathy
(Ceased on 12 January 2024)

COMPANY SECRETARY

Lim Shook Nyee
[MAICSA No. 7007640]
[SSM PC No. 201908003593]

REGISTERED OFFICE

Ho Hup Tower - Aurora Place
2-07-01 - Level 7
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Bandar Bukit Jalil
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HEAD OFFICE

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F +603 9779 1702

AUDITORS

BDO PLT
Level 8
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50100 Kuala Lumpur
T +603 2616 2888
F +603 2616 3190/3191

PRINCIPAL BANKERS

Al Rajhi Banking & Investment
Corporation (M) Berhad
Ambank (M) Berhad
CIMB Bank Berhad
Malayan Banking Berhad

SHARE REGISTRAR

Bina Management (M) Sdn Bhd
Lot 10 The Highway Centre
Jalan 51/205
46050 Petaling Jaya
Selangor Darul Ehsan
T +603 7784 3922
F +603 7784 1988
E binawin@binamg168.com

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Code: 0126
Stock Name: MICROLN
Sector: Technology

WEBSITE

www.microlink.com.my

PROFILE OF GROUP CHIEF EXECUTIVE OFFICER

GROUP CHIEF EXECUTIVE OFFICER

 Age 59  Male  Malaysian

 Appointed as Group Chief Executive Officer on 5 September 2022

Ramlee originally joined the Microlink Group in February 2022 as Chief Executive Officer of the Public Sector, during this time he was instrumental in establishing a significant presence and raising the Group's profile with organisations in that sector. Following his appointment as Group Chief Executive Officer, Ramlee has been focussed on expanding that presence across all business segments and leading the Microlink business into the future.

Ramlee holds a track record of more than 22 years in the Banking & Financial Services sector in Asia, Middle East and Africa regions. He has held senior positions with top tier organisations that include Oracle Corporation, Sunline International, HSBC Bank Malaysia, Silverlake Systems and Temenos.

He holds 640,200 (0.06%) ordinary shares in the Company.

Ramlee holds a Diploma in Training & Development from University of Leicester, United Kingdom.

He has no family relationship with any Directors and/or other major shareholders of the Company and has no conflict of interest with the Company. He has not been convicted of any offence within the past five years and has no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

**RAMLEE
BIN
ABDULLAH**



PROFILE OF DIRECTORS

TUN ARIFIN BIN ZAKARIA

INDEPENDENT NON-EXECUTIVE CHAIRMAN



Age 73



Male



Malaysian



Appointed to the Board on 6 June 2017

Tun Arifin graduated with LLB (Hons) from the University of Sheffield, UK in 1974 and LLM from the University College, London in 1979. He was called to the English Bar at Lincoln's Inn in 1979. Upon graduation, his distinguished legal career began when he joined the Malaysian Judicial and Legal Service before being posted as Federal Counsel in the Advisory Division of the Attorney General's Chambers and later as Magistrate, Sessions Court Judge and Senior Assistant Registrar.

He served in various capacities in the Government of Malaysia, both in the Judicial and Legal Departments before being appointed as a Judicial Commissioner on 1 March 1992, and Judge of the High Court of Malaya in 1994. In 2002, he was elevated as Judge of the Court of Appeal, in 2005 as Judge of the Federal Court and then in October 2008 as Chief Judge of the High Court of Malaya. On 14 September 2011, Tun Arifin was appointed as the 13th Chief Justice of Malaysia, where he served until his retirement on 31 March 2017. In 2013, he was made an Honorary Bencher of Lincoln's Inn.

In June 2012, he also served as Co-Chair of the United Nations Environment Programme (UNEP) World Congress on Justice, Governance and Law for Environmental Sustainability as part of his efforts to improve the status of environmental law in the region.

Tun Arifin is currently the Chairman of the Asian International Arbitration Centre (AIAC) Advisory Council and President of the Inns of Court Malaysia.

THONG WENG SHENG

EXECUTIVE DIRECTOR



Age 34



Male



Malaysian



Appointed to the Board on 1 November 2023



Member of Executive Committee

Mr Thong Weng Sheng embarked on his professional journey in 2012, stepping into the media industry as a Senior Writer and Sub-Editor at The Peak Malaysia. During his tenure, he took charge of the lifestyle and business pages, as well as the management of the company's social media platforms.

In 2016, Mr Thong ventured into the logistics sector, joining Insas Pacific-Rent-A-Car Sdn Bhd, a company specialising in car leasing and limousine services. Here he streamlined the company's integrated fleet management system and also successfully introduced a cold-chain logistics division.

Mr Thong currently serves as a Director at Insas Pacific Rent-A-Car Sdn Bhd and PRAC Transport Sdn Bhd.

Mr Thong joined Omesti Berhad in 2017, where he was initially involved in the groups digital core registry solution and later managing the healthcare portfolio. He then transitioned into Microlink Solutions Berhad, here his responsibilities encompass overseeing business development and strategic management for large-scale IT projects, with a specific emphasis on nurturing Microlink's Financial Service Industry (FSI) and Telco portfolios, both in local and international markets.

Within the Telco sector, Mr Thong played an active role in delivering the Business Support System (BSS) for a local telecommunications organisation. He also played a pivotal role in expanding and overseeing Microlink's telco services into the Middle East. In the realm of FSI, his focus has revolved around expanding Microlink's service offerings through collaborations with partners and the development of proprietary solutions.

In addition to his corporate achievements, Mr Thong is an accomplished athlete, securing 2nd Place in the Under 61kg Category at the Singapore National Open 2019 in Olympic Weightlifting and achieving a top-tier finish in the Penang Bridge Marathon 2014. He has also reached the summit of Mount Kinabalu and holds a 2nd Degree Black belt in Taekwondo.

WONG KWANG CHWEN

EXECUTIVE DIRECTOR



Age 49



Male



Malaysian



Appointed to the Board on 15 March 2024



Member of Executive Committee

Mr. Kwang Chwen previously held the position of Group Chief Operating Officer at Microlink Solutions Berhad and his responsibilities include optimising the cost of delivery, resources, quality of service, and compliance to ensure a healthy P&L. In addition to this, he is responsible for defining career paths for program management, quality assurance, solution architecture, and development. As part of the overall Microlink business expansion plan, Kwang Chwen also oversees the strategic execution of a new range of products and solutions, as well as building an extensive partner channel. Kwang Chwen was previously Group Chief Commercial Officer before appointed as Group COO with the core focus of not only in growing the business top and bottom line, but driving digital transformation across the Microlink range of products, especially in the core banking and fintech arena.

Prior to joining Microlink, Kwang Chwen was Country Manager for Avanade Malaysia, before pioneering Fusionex as Senior Vice President to become a regionally recognised Big Data Analytics player. After leaving Fusionex, Kwang Chwen led the transformation journey at IFCA MSC Berhad, joining as Executive Vice President and serving as Chief Executive Officer for one of its business divisions.

DATO' SRI CHEE HONG LEONG

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR



Age 60



Male



Malaysian



- Appointed to the Board on 15 February 2021 as Independent Non-Executive Director
- Re-Designated as Executive Director on 3 April 2023
- Re-Designated as Non-Independent and Non-Executive Director on 1 November 2023



Chairman of Executive Committee

Dato' Sri Chee graduated with a Bachelor of Engineering (Computer) in 1987 and a Master of Business Administration in 1989, both from McMaster University, Hamilton, Ontario, Canada. He began his career in 1990, coordinating the development in corporate and annual strategic plans for Leisure Holidays Group of Companies.

From 1992 to 1998, Dato' Sri Chee ventured into the property development sector, serving as Chief Executive Officer at Canary Homes Sdn Bhd and Canary Infoport Sdn Bhd. He subsequently joined Tanco Resort Berhad where, from 1998 to 2002, he held various positions from General Manager rising to Executive Director and Chief Operating Officer.

In March 2003, he joined M & A Equity Holdings Berhad (formerly known as SYF Resources Bhd), a furniture, boards and property development firm, initially as a member of the Board of Directors and was subsequently appointed as Executive Director in 2011. He also currently sits on the Board of Hextar Industries Berhad as Independent Non-Executive Director and an Chief Executive Officer of Ho Hup Construction Company Berhad.

Dato' Sri Chee has served as Independent Director on the Boards of various organisations in the Palm Oil, Timber and Building Materials business, as well as the Education and Healthcare sectors.

PROFILE OF DIRECTORS (CONT'D.)

DATO' AHMAD NAJMI BIN ABDUL RAZAK

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR



Age 52



Male



Malaysian



Appointed to the Board on 20 December 2022

With a dynamic career spanning over 27 years in the corporate sector, Dato' Najmi stands as a seasoned leader at the helm of Gading Sari Holdings Sdn Bhd. As Chief Executive Officer, he orchestrates a diverse portfolio of investments across multiple sectors, including mining, automobiles, property development, agriculture, telecommunications, real estate, hospitality, and services.

In addition to his role at Gading Sari Holdings, Dato' Najmi serves as a Director of Microlink Solutions Berhad, a prominent public-listed tech-solutions provider, where he contributes his strategic insights and industry acumen to drive growth and innovation.

A graduate of Indiana University in the United States of America, Dato' Najmi holds a Bachelor of Science in Business with a concentration in Marketing. Throughout his illustrious career, he has occupied various senior management positions and directorships in leading private organizations, harnessing a wealth of experience and expertise across diverse industries.

Beyond his corporate endeavours, Dato' Najmi is deeply engaged in community and sporting leadership roles. He holds positions of prominence within the Asian Hockey Federation as an Executive Board member, while also serving as the Deputy President of the Malaysia Hockey Confederation (MHC). Notably, he chairs the National Team Management Committee for MHC and assumes leadership roles within the Pahang Hockey Association and the Kuantan Hockey Association.

Driven by a profound commitment to philanthropy, Dato' Najmi actively supports charitable initiatives, including his involvement with Yayasan Al-Sultan Abdullah and various corporate social responsibility (CSR) programs. His dedication to driving positive change extends beyond boardrooms and sports arenas, reflecting a holistic approach to leadership that prioritizes both business excellence and social impact.

With a blend of strategic vision, industry insight, and a heart for community service, Dato' Najmi exemplifies leadership excellence, leaving an indelible mark on both the corporate landscape and the wider community.

TAN WEE HOONG

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR



Age 63



Male



Malaysian



Appointed to the Board on 5 April 2024



Member of Executive Committee

Mr Tan has more than 25 years experience in capital markets, corporate advisory and finance, particularly in Malaysia and Singapore. He has worked for renowned Malaysian as well as regional securities houses including RHB Bank Berhad and Kay Hian HSBC (now known as UOB Kay Hian).

In the 1990s, during his stint as Director of Research at various securities houses, Mr Tan was consistently recognised as being among the top equity analysts in Malaysia by respected financial journals such as Asiamoney. He has also been active, via his private consultancy practice in corporate advisory for public listed companies, including a number of reverse take-over transactions and general corporate strategies.


He is currently an Executive Director of Landmarks Berhad, a hospitality and resort developer listed on Main Market of Bursa Malaysia Securities Berhad. He holds a Bachelor of Business (Accounting) degree from Deakin University, Victoria, Australia.

DANNY HOE KAM THONG

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

 Age 57  Malaysian

 Appointed to the Board on 5 April 2024

 Member of Executive Committee and Nominating, Remuneration and Long-Term Incentive Plan Committee

Mr Hoe began his career with Ernst & Young, where he worked for a period of 14 years in a number of positions, including a secondment to the firm's New York office, as well as rising to Principal for Audit & Advisory Services. In 2001, he joined Kellogg Asia Sdn Bhd as Financial & Reporting Manager, and was closely involved in the merger of Kellogg South East Asia and its Greater China business.

A year later, he began a long association with the Interflour Group, one of the largest flour milling conglomerates in the Asia Pacific region, serving as Group Chief Financial Officer. In August 2011, he relocated to Vietnam as Chief Executive Officer and Country Head of Interflour Vietnam Ltd. From 2015 to 2018, he was appointed as Executive Director - Asean at Pilmico Foods Corporation, Philippines.

After a short stint back in Malaysia with Tradewinds Plantations Berhad as lead senior consultant on a proposed national grain purchasing, storage and management project for the Government of Malaysia, he rejoined the Interflour Group, this time as Chief Executive Officer & Country Head of its Turkey operations.


Returning to Malaysia in September 2020, he has served as Independent Non-Executive Director of Kumpulan Fima Berhad since December 2021. Mr Hoe was also appointed as Independent Non-Executive Director of Ho Hup Construction Company Berhad in August 2022. Mr Hoe also sits in the Board of Omesti Berhad where he was appointed as an Independent Non-Executive Director on 16 March 2022. He is a Member of Malaysian Institute of Accountants (MIA) and Member of Malaysian Institute of Certified Public Accountants (MICPA). He also completed the Advanced Management Program at INSEAD, France.

MARTIN CHU LEONG MENG

INDEPENDENT NON-EXECUTIVE DIRECTOR

 Age 68  Male  Malaysian

 Appointed to the Board on 6 January 2014

 Member of Audit & Risk Management Committee and Chairman of Nominating, Remuneration and Long-Term Incentive Plan Committee

Martin Chu graduated with a BSc (Hons) in Mechanical Engineering and an MSc in Management Science from Imperial College, University of London. His early career was spent with Schlumberger Offshore Services Ltd, in the Netherlands and the UK, as a Senior Field Engineer in wireline logging and production services for offshore oil & gas exploration.

He later moved into banking where he obtained more than 25 years of experience in Financial Services, spanning multiple disciplines. Initially with Mitsubishi Bank Ltd in London, specialising in Corporate Finance, Treasury, Property Finance and Corporate Restructuring, he then joined EON Bank Bhd in Kuala Lumpur for 15 years, eventually rising to the position of Deputy Chief Executive Officer, Group Management Services.

During this time, he led various corporate exercises, including the acquisition of Oriental Bank and Malaysian International Merchant Bank Bhd. In 2000, he was appointed as Executive Director/Acting Chief Executive Officer of Oriental Bank, subsequently leading the merger integration of these two organisations into EON Bank.

From 2008 to 2011, he was Chief Operating Officer of ECM Libra Investment Bank. In 2011, he was reassigned to oversee Treasury & Wealth Management and in 2012, was appointed as Chief Risk Officer. While at ECM Libra, he also sat on the board of Asiasons WFG Ltd, Singapore, as Non-Independent Non-Executive Director from 2009 to 2011.

PROFILE OF DIRECTORS (CONT'D.)

NOOR ZALIZA YATI BINTI YAHYA

INDEPENDENT NON-EXECUTIVE DIRECTOR



Age 46



Female



Malaysian



Appointed to the Board on 20 December 2022



Member of Audit & Risk Management Committee

Puan Noor Zaliza graduated with a Bachelor of Accountancy from Universiti Putra Malaysia in 2000. She is a Member of the Malaysian Institute of Certified Public Accountants (MICPA) since 2003 and a Chartered Accountant of the Malaysian Institute of Accountants (MIA) since 2018.

Puan Noor Zaliza is a Chartered Accountant with more than 24 years of professional experience with established organisations in various industries. She began her career in 1999 at KPMG as a financial auditor, and later Arthur Andersen & Co in 2000 and Ernst & Young in 2002. She has since held various roles in finance, statutory reporting, corporate services, treasury and corporate taxation with a variety of companies involved in upstream oil and gas, financial services and marine construction.

In 2010, she joined Petroliaam Nasional Berhad, and was seconded to Petronas Carigali Sdn Bhd, initially as Cost Accountant, moving on in 2012 to become Head, Assets and Cost Allocation Management, Financial Reporting, Upstream Malaysia Finance with responsibility for overall Assets Reporting and Assets Management.

From 2016 to 2017, she served as Chief Financial Officer of Sapura Kencana GE Oil & Gas Services Sdn Bhd, with responsibility for overall finance functions including statutory and management reporting, internal controls, treasury and corporate taxation.

Since then, she has been promoting life insurance and takaful services under Prudential Assurance (Malaysia) Berhad and unit trust fund investments under Public Mutual Berhad. In 2019, she incorporated Zanoor Synergy Services, a sole proprietorship to undertake life insurance, takaful and unit trust investment business activities.

In January 2020, she joined Firmus Consulting Sdn Bhd as Security Consultant where she provided advisory services, including reviewing and providing recommendations on issues relating to information technology security policies and practices. In July 2020, she left Firmus Consulting Sdn Bhd to focus on Zanoor Synergy Services.

Puan Noor Zaliza is currently an Independent Non-Executive Director of Flexidynamic Holdings Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad, being a directorship she has held since 2020.



NARAYANASAMY A/L N CHITHAMBARAM

INDEPENDENT NON-EXECUTIVE DIRECTOR



Age 65



Male



Malaysian



Appointed to the Board on 1 March 2024



Member of Nominating, Remuneration and Long-Term Incentive Plan Committee

Mr. Narayanasamy A/L Chithambaram, is a legal professional with a career spanning over three decades. Graduating with a B.A. (Hon) in Law, Sociology, and Social Anthropology from the University of Keele, United Kingdom, in 1990, he brings a wealth of expertise in corporate law and Information Technology Law.

His career journey includes essential roles in various organisations, such as serving as the Group Legal Advisor -General Counsel at Haisan Resources Berhad, General Counsel at YFG Berhad, Legal Advisor at Lityan Holdings Berhad, Chief Operating Officer at Bheesma Logistics (M) Sdn Bhd, Head of Corporate Division/Assistant of Managing Director of Pembinaan Nadzri Sdn Bhd and Law Lecturer at Stamford College. A results-driven professional, he boasts extensive experience in corporate transactions, including takeover bids, mergers and acquisitions (M&A), joint ventures, and restructuring.

With a focus on legal, regulatory, and compliance matters, he is also proficient in intellectual property and various legal domains. From Corporate Law to Information Technology Law, he excels in drafting contracts for significant commercial transactions, arbitration management, and overseeing liquidation. Additionally, his expertise extends to conducting comprehensive legal due diligence for M&A, encompassing thorough research into target companies histories, intellectual property, and share data.

Save where disclosed above, none of the Directors has:

- any family relationship with any Director and/or major shareholder of the Company;
- any conflict of interest with the Company;
- any conviction for offences within the past 5 years; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY MANAGEMENT PERSONNEL

The following section provides details on the senior executives who hold responsibility for management of the principal operations of the businesses within the Microlink Group.

EDDIE THOO W'Y-KIT

Group Chief Financial Officer – Microlink Solutions Berhad



Age 51



Male



Malaysian



Appointed on 1 January 2022

Qualifications

CIMA, MBA from University of Strathclyde, Scotland

Working Experience

28 years

Profile

Eddie is an experienced CFO, having helmed the finance and treasury divisions in several listed companies over the past 28 years across multiple business environments that combines strategic and tactical financial expertise. He possesses strong qualifications and experience in strategic planning, investor relations, corporate governance, general operations, and profit & loss management.

At Microlink Group, Eddie is responsible for ensuring timely and accurate financial reporting in compliance with regulatory requirements. He supports the Directors and Management team in achieving financial and non-financial targets, leveraging his strategic insights and meticulous approach.

HONG WYE KEAN

Group Chief Technology Officer



Age 46



Male



Malaysian



Appointed on 1 April 2023

Qualifications

BSc (Hons) Information Technology, (Major in Management) University of Malaya

Working Experience

22 years

Profile

Wye Kean, Group Chief Technology Officer at Microlink, leads the Solution Delivery development team, focusing on building and optimising the team's capability and capacity in supporting the business, aligning technology-related decisions with our organisational goals.

With 22 years of experience in the technology industry, Wye Kean has held various leadership positions. He previously served as the CRM Service Line Lead for Avanade Malaysia and Head of Solutions and Delivery in Fusionex. In 2017, he founded Kinexure, a business technology firm specializing in CRM.

Wye Kean is a certified Solution Architect for Microsoft Business Application platforms.

NAVRITA KAUR

Group Chief Legal Officer



Age 41



Female



Malaysian



Appointed on 1 August 2022

Qualifications

LLB, University of London; Certificate in Legal Practice (CLP)

Working Experience

16 years

Profile

Navrita has been serving as Group Chief Legal Officer (GCLLO) since 2022, providing expert and strategic legal advice to senior management on a wide range of matters with a view of minimising legal risks. She is heavily involved in corporate exercises undertaken by the Group, responsible for the negotiation of commercial contracts as well as drafting key policies.

Navrita was first admitted to the Malaysian Bar in 2007 and was a practising Advocate & Solicitor before moving to an in-house legal role. Prior to joining Microlink, Navrita was the Group General Counsel and then subsequently GCLLO of the Omesti Group. Her work has earned numerous honors, including Finalist in the Asian Legal Business (ALB) South East Asia Law Awards 2023 in both the Young Lawyer of the Year (In-house) and Woman Lawyer of the Year (In-house) categories as well as a Finalist in the Legal 500 Southeast Asia Awards 2023 for In-house lawyer of the Year. Navrita was also included in the Legal 500 GC Powerlist Southeast Asia 2022 and the inaugural Legal 500 GC Powerlist Malaysia 2023

Save where disclosed above, none of the Key Senior Management has:






- Any directorship in public companies and listed issuers;
- Any family relationship with any director and/or major shareholder of the Company;
- Any conflict of interests with the Company;
- Other than traffic offences, any convictions for offences within the past 5 years; and
- Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

BUSINESS STRUCTURE BY SEGMENT

As at 30 June 2024

**MICRO
LINK**

**Microlink
Solutions
Berhad**

				
FINANCIAL SERVICES	PUBLIC SECTOR	ENTERPRISE SOLUTIONS	TELE-COMMUNICATIONS	DISTRIBUTION
Microlink Systems Sdn Bhd				Applied Business Systems Sdn Bhd
Microlink Labs Sdn Bhd				First Solution Sdn Bhd
Omesti Innovation Lab (Malaysia) Sdn Bhd				Formis Systems & Technology Sdn Bhd
Microlink Kinexure Sdn Bhd				CSA Servis (M) Sdn Bhd
Formis Computer Services Sdn Bhd			Microlink Solutions W.L.L	
Microlink Innovation Sdn Bhd	ML Tridimas Sdn Bhd	CA IT Infrastructure Solutions Sdn Bhd		
Microlink Software Sdn Bhd	Dhanalynk Sdn Bhd	Formis Advanced Systems Sdn Bhd		
PT Microlink International Maju				
Microlink Solutions Pte Ltd				

CORPORATE STRUCTURE

Microlink Solutions Berhad

CA IT Infrastructure
Solutions Sdn Bhd

CSA Servis (M)
Sdn Bhd

Dhanalynk
Sdn Bhd

Microlink Solutions
Pte Ltd

Microlink Innovation
Sdn Bhd

51% Microlink Kinexure
Sdn Bhd

51% Microlink Software
Sdn Bhd

Microlink Solutions
W.L.L.

ML Tridimas
Sdn Bhd

Omesti Innovation Lab (M)
Sdn Bhd

Microlink Labs
Sdn Bhd

Microlink Solutions
Vietnam Company Limited

Microlink Systems
Sdn Bhd

80% PT Microlink
Indonesia

Applied Business
Systems Sdn Bhd

First Solution
Sdn Bhd

Formis Computer
Services Sdn Bhd

Formis Systems &
Technology Sdn Bhd

Formis Advanced
Systems Sdn Bhd

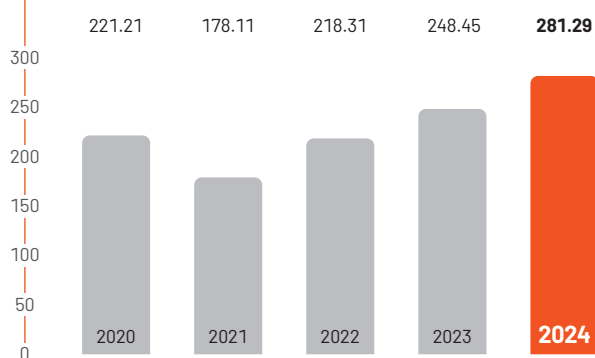
65% PT Microlink
International Maju

20%

Shareholding is 100% unless otherwise stated

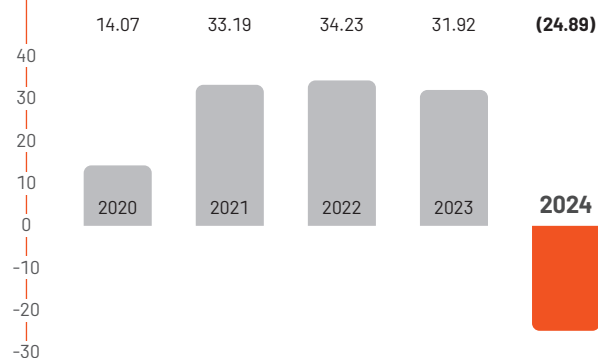
REVENUE

(RM million)



PROFIT/(LOSS) BEFORE TAX

(RM million)

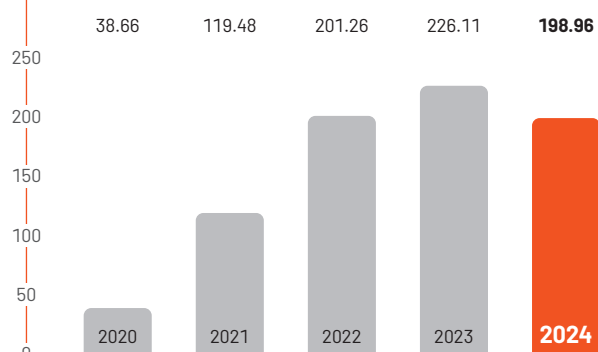


5-YEAR FINANCIAL HIGHLIGHTS

2020-2024

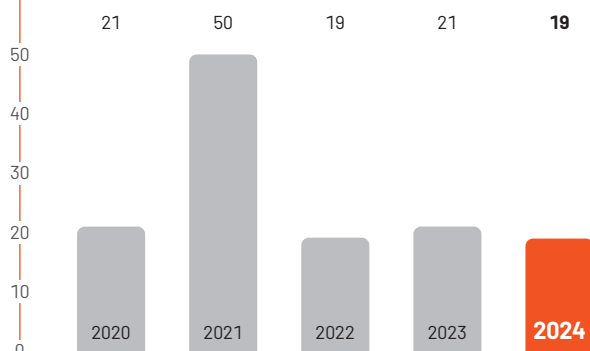
SHAREHOLDERS' EQUITY

(RM million)



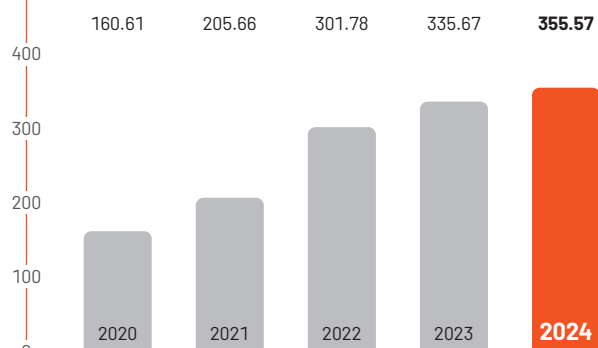
NET ASSET/SHARE

(Sen)



TOTAL ASSETS

(RM million)



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (Board) of Microlink Solutions Berhad (Company) is pleased to provide an overview of the corporate governance practices of the Company. The Board strongly believes in the importance of having and adhering to a sound corporate governance framework in order to deliver sustainable value, enhance shareholders' confidence and achieve the corporate objectives and vision of the Company and its subsidiaries (Group).

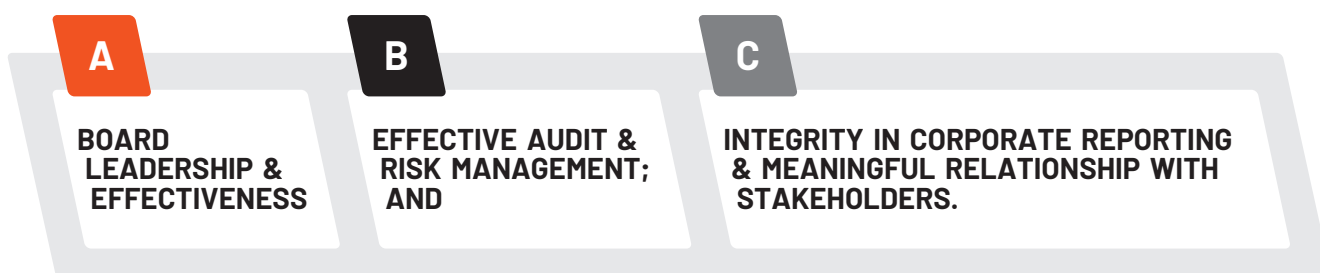
The Board of Directors (Board) of Microlink Solutions Berhad (Company) is pleased to provide an overview of the corporate governance practices of the Company. The Board strongly believes in the importance of having and adhering to a sound corporate governance framework in order to deliver sustainable value, enhance shareholders' confidence and achieve the corporate objectives and vision of the Company and its subsidiaries (Group).

This Corporate Governance Overview Statement (CG Overview Statement) seeks to provide investors with key insights into the corporate governance practices of the Company. In this Statement, the Board reports on the way in which the Group has, throughout the financial year ended (FYE) 31 March 2024, adopted and applied the statutory requirements, principles and best practices as set out in the Main Market Listing Requirements (Main LR)

of Bursa Malaysia Securities Berhad (Bursa Securities), Companies Act 2016 (CA 2016) and the Malaysian Code on Corporate Governance 2021 (MCCG 2021). It also addresses future priorities of the Company.

The Company has generally complied with the MCCG 2021 for the period under review. The status of the Company's application of the MCCG 2021 is disclosed in our Corporate Governance Report 2024 (CG Report) which is accessible to the public at the Company's website <https://www.microlink.com.my/investor-relations/board-governance/>. The CG Report provides details on how the Company has applied each Practice during FYE 31 March 2024, including details of any departures and alternative measures put in place within the Company. It also demonstrates the commitment of the Board and Management of the Group in applying and embracing the highest standards of Corporate Governance across the organisation.

This CG Overview Statement serves to show how our measures are aligned with the principles of good governance in accordance with the MCCG 2021. References are made to the following three (3) key Corporate Governance principles as contained in the MCCG 2021:



This CG Overview Statement is to be read together with the CG Report, which was approved by the Board on even date.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

PRINCIPLE A

PRINCIPLE B

PRINCIPLE C

BOARD LEADERSHIP & EFFECTIVENESS

A) BOARD RESPONSIBILITIES

Board Leadership

The Board has overall responsibility for corporate governance, strategic direction, corporate planning and overseeing the investment and business of the Group, the ultimate aim being to create and deliver sustainable value and long-term success.

Separation of Positions of Chairman & Executive Directors

The positions of Chairman and Executive Directors are held by separate individuals and their roles and responsibilities are distinct, as stated in the Board Charter.

Access to Information, Advice & Company Secretary

In carrying out its duties, the Board has full and unrestricted access to all information within the Company and the Group, as well as the advice and services of Senior Management and the Company Secretary. The roles and responsibilities of the Company Secretary are clearly specified in the Board Charter.

Board Charter

In discharging its duties and responsibilities effectively, the Board is guided by the Board Charter, which clearly defines its roles and responsibilities. The Board Charter is periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

Board Committees

The Board has established the following Board Committees:

- Audit & Risk Management Committee (ARMC);
- Nominating, Remuneration and Long-Term Incentive Plan Committee (NRLTIPC); and
- Executive Committee (EXCO).

These Committees are each entrusted with specific oversight responsibilities for the Group's affairs and are granted the authority to act on the Board's behalf in accordance with their respective Terms of Reference (TOR). Nevertheless, the Board is ultimately accountable and responsible for the affairs and business of the Group.

The Board Charter and the respective TOR of the ARMC and NRLTIPC are available for reference at the Company's website: <https://www.microlink.com.my/investor-relations/board-governance/>.

Board Meetings & Attendance

The Board holds at least four (4) scheduled quarterly meetings, with additional meetings being convened as and when necessary. Prior to each meeting, every Director is provided with the complete agenda and a set of Board papers well in advance in order to provide ample time to review matters to be deliberated at the meeting and so facilitate informed decision-making.

Senior Management members are also invited to attend these meetings, as and when required, to provide the Board with the necessary information and clarification on issues deliberated during the meetings.

A formal schedule of matters is adopted which includes strategy and policy issues, major investments, financial decisions and the annual business plan.

During FYE 31 March 2024, the Board met seven (7) times during which it reviewed and approved various issues. These included the quarterly financial results of the Group for announcement to Bursa Securities, a fund-raising exercise, corporate exercise and strategic decisions, change in Board's composition as well as the financial and operational performance of the Group. The Board also reviewed the adequacy of the Group's internal control system.

The Board has leveraged on technology to convene the Board and Board Committee meetings. During FYE 31 March 2024, all these meetings were held as hybrid sessions.

The attendance record of the Directors at the Board meetings during the period under review is provided below:

Director	Total Meetings Attended
Tun Arifin bin Zakaria	7/7
Dato' Sri Chee Hong Leong	7/7
Dato' Ahmad Najmi bin Abdul Razak	6/7
Martin Chu Leong Meng	7/7
Noor Zaliza Yati binti Yahya	7/7
Thong Weng Sheng (Appointed on 1 November 2023)	3/4
Narayanasamy A/L N Chithambaram (Appointed on 1 March 2024)	2/2
Wong Kwang Chwen (Appointed on 15 March 2024)	0/0
Tan Wee Hoong (Appointed on 5 April 2024)	0/0
Danny Hoe Kam Thong (Appointed on 5 April 2024)	0/0
Monteiro Gerard Clair (Resigned on 10 June 2024)	7/7
Tai Keat Chai (Resigned on 29 May 2024)	7/7
Tan Sri Jaganath Derek Steven Sabapathy (Resigned on 12 January 2024)	3/4
Wan Mai Gan (Resigned on 10 November 2023)	3/3
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim (Resigned on 6 June 2023)	1/1

During FYE 31 March 2024, all Directors have complied with the minimum 50 percent attendance requirement at Board meetings as stipulated by the Main LR. As such, the Board is satisfied with the level of time commitment given by the Directors of the Company towards fulfilling their duties and responsibilities.

Code of Ethics & Conduct

The Board has formulated and adopted a Code of Ethics & Conduct (Code of Ethics) which applies to all employees and Directors of the Group. The Code, together with other related policies, procedures and guidelines, sets out the principles to guide standards of behaviour and business conduct when employees and Directors deal with third-party individuals or external organisations. These principles are integrated into company-wide management practices. The Directors also observe the Company Directors' Code of Ethics, as established by the Companies Commission of Malaysia.

Whistleblowing Policy

The Group's Whistleblowing Policy (WP) provides a transparent mechanism and avenue for all stakeholders to report or raise genuine concerns on any suspected misconduct, without fear of retribution or intimidation. Confidentiality and anonymity are assured to stakeholders who disclose their concerns in good faith and, in doing so, have followed the appropriate disclosure procedures. The WP sets out a clear procedural guide for stakeholders to follow in raising their concerns to ensure that issues are addressed in respect of the appropriate personnel and definitive action can be taken.

Anti-Bribery & Corruption Policy

In line with the Guidelines on Adequate Procedures pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Company has developed and adopted an Anti-Bribery & Corruption Policy (ABC). This policy sets out the proper practices to be adhered to in relation to improper solicitation, bribery and other corrupt activities and/or issues that may arise in the course of business. The policy is applicable to every employee and Director of the Group.

In addition, the Board has also formulated an Anti-Corruption Policy for Third Parties (ABC - Third Parties) which sets out guidelines to be complied with by third parties engaging with the Group.

The Code of Ethics, WP, ABC and ABC - Third Parties are available for reference at the Company's website <https://www.microlink.com.my/investor-relations/board-governance/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

PRINCIPLE A

PRINCIPLE B

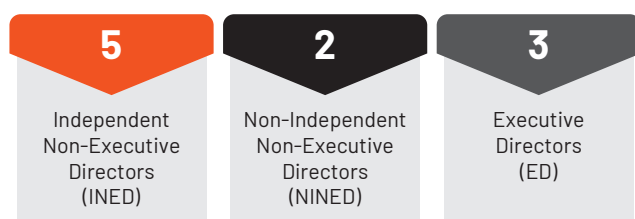
PRINCIPLE C

BOARD LEADERSHIP & EFFECTIVENESS (CONT'D.)

B) BOARD COMPOSITION

Board Balance & Composition

As at 31 March 2024, the Board comprised ten (10) members:



During the year under review, the Board saw changes to its composition as follows:

- redesignation of Dato' Sri Chee Hong Leong from ED to NINED on 1 November 2023
- appointment of Mr Thong Weng Sheng as ED on 1 November 2023
- resignation of Ms Wan Mai Gan as INED on 10 November 2023
- resignation of Tan Sri Jaganath Derek Steven Sabapathy as NINED and Deputy Chairman of the Board on 12 January 2024
- appointment of Mr Narayanasamy A/L N Chithambaram as an INED on 1 March 2024
- appointment of Mr Wong Kwang Chwen as an ED on 15 March 2024

Mr Tan Wee Hoong and Mr Danny Hoe Kam Thong were appointed as NINED on 5 April 2024. Subsequently on 29 May 2024, Mr Tai Keat Chai resigned as INED and on 10 June 2024, Mr Monteiro Gerard Clair resigned as an ED.

The Board's composition complies with the requirements mandated by the Main LR of Bursa Securities. In light of the annual review conducted by the NRLTIPC, the Board is of the view that the current Board composition is appropriate in terms of its membership and size.

The Board is well-represented by individuals with diverse professional backgrounds and experience in the areas of finance, accounting, economics, law, business, systems implementation and software products. The diversity of skill, experience and knowledge of its members in these various disciplines and professions allows the Board to address and/or to resolve any related issues in an effective and efficient manner.

There is also a balance in the Board composition with the presence of INEDs of the necessary calibre and experience to carry sufficient weight in Board discussions and decisions. These individuals, together with the NINEDs, are highly experienced. Their willingness to challenge the Management without apprehension with pertinent questions, and to debate constructively during Board meetings, helps to reinforce the checks and balances of the Board's decision-making process.

While all the Directors hold equal responsibility for the Group's operations, the role of the INED is particularly important in providing an independent view, advice and judgment that take into account the interests of the Group, shareholders, employees and communities in which the Group operates.

The Profiles of the Directors are presented on pages 30 to 35 of Volume 1 of this Annual Report.

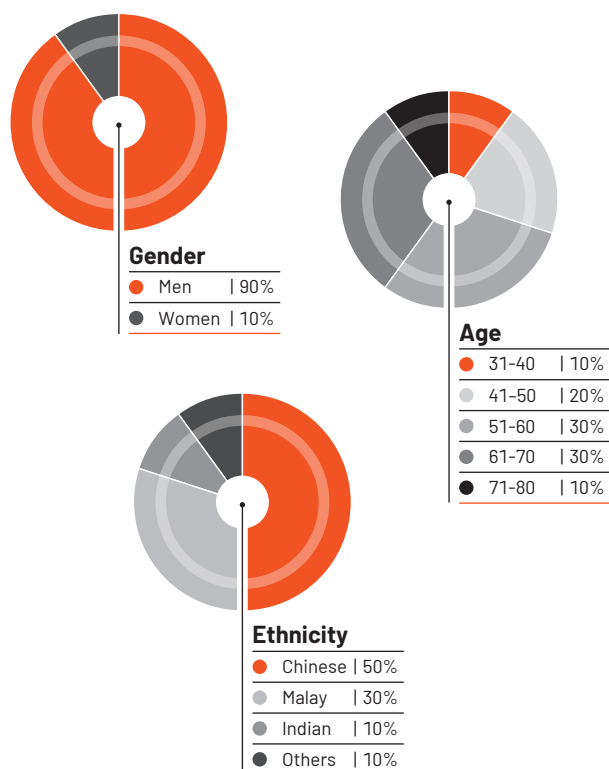
Reinforce Independence

The NRLTIPC is responsible for assessing the independence of the INED annually. This assessment is based on the independent and constructive views, deliberations and contributions put forward by the INED during the Board meetings. This process is conducted through the Assessment of Independence of INED as part of the annual Board Evaluation. The criteria for assessing independence, as developed by the NRLTIPC, are applied upon admission, annually and when any new interest or relationship develops.

The NRLTIPC and the Board have, upon their assessment, concluded that the INEDs continue to demonstrate conduct and behaviour that are essential indicators of independence and their ability to act in the best interests of the Company. It has determined that they continue to fulfil the definition of independence, as set out in the Main LR.

The Board acknowledges the vital need for diversity to ensure good governance practice and to enhance the efficient functioning of the Board. The Board believes the appointment of new members is guided by the skills, experience, competency and knowledge of the individual candidate(s). Any potential Board candidate will be assessed, wherever reasonably possible, in line with the Board Diversity Policy and Board of Directors' Fit and Proper Policy of the Company.

The Board's diversity breakdown as at FYE 31 March 2024 is depicted in the following matrix:



Nominating, Remuneration and Long-Term Incentive Plan Committee ("NRLTIPC") Report

The Board had on 3 April 2023 approved the merging of Nominating Committee, Remuneration Committee and Long-Term Incentive Plan Committee into a single committee known as "Nominating, Remuneration and Long-Term Incentive Plan Committee".

The NRLTIPC is responsible for screening, evaluating and recommending suitable candidates to the Board for appointment as Directors, as well as filling the vacant seats of the Board Committees as when they may arise. The NRLTIPC also assists the Board, amongst others, in annual review of salaries, incentive arrangements and other employment conditions of the Executive Directors and Senior Management.

The NRLTIPC is comprised exclusively of Non-Executive Directors, in the majority, of INEDs with the Chairman being independent and able to contribute effectively to the NRLTIPC. Meetings of the NRLTIPC are held as and when required, and at least once a year.

The current composition of the NRLTIPC is as set out on page 28 of Volume 1 of this Annual Report.

The TOR of the NRLTIPC are available for reference at the Company's website: www.microlink.com.my/investor-information/.

During FYE 31 March 2024, four (4) meetings were held. The NRLTIPC carried out the following activities:

- Assessed the size, composition and effectiveness of the Board Committees and each of its members;
- Reviewed the overall composition of the Board in terms of appropriate size, required mix of skills, experience, core competencies and effectiveness, as well as adequacy of balance between Executive Director and INEDs;
- Evaluated each Director's performance and ensured no conflict of interest;
- Assessed and confirmed the independence of the INEDs;
- Reviewed the term of office and performance of the ARMC and each of its members;
- Reviewed and made recommendations to the Board with regard to Directors seeking re-election at the Company's 20th Annual General Meeting (AGM);
- Evaluated the training needs of the Board;
- Discussed the nomination and appointment of new candidate as Director of the Company.
- Reviewed and recommended the Group Annual Increment and Bonus Performance for FYE 31 March 2023;
- Reviewed and recommended the payment of Directors' Fees and benefits for the period from 5 September 2023 until the next AGM of the Company; and
- Reviewed remuneration package for the Executive Directors of the Company.

Details on the criteria used in the selection and election process of Directors, as well as the assessment undertaken by the NRLTIPC, together with the criteria used for such assessment, are set out in the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

PRINCIPLE A

PRINCIPLE B

PRINCIPLE C

BOARD LEADERSHIP & EFFECTIVENESS (CONT'D.)

Directors' Remuneration

The remuneration of the Executive and Non-Executive Directors paid/payable by the Group for the financial year under review is as set out in the accompanying table:

Category	Directors' Fees (RM)	Salaries (RM)	Defined contribution plan (RM)	Benefits-In-Kind (RM)	Equity compensation benefits (RM)	Other emoluments (RM)	Total (RM)
Executive Directors							
Monteiro Gerard Clair	-	362,000 ⁽⁴⁾	43,440	-	-	-	405,440
Thong Weng Sheng (Appointed on 1 November 2023)	-	150,000 ⁽⁴⁾	18,000	-	-	-	168,000
Wong Kwang Chwen (Appointed on 15 March 2024)	-	-	-	-	-	-	-
Non-Executive Directors							
Tun Arifin bin Zakaria	191,100 ⁽¹⁾	-	-	10,625 ⁽⁶⁾	-	9,580 ⁽⁵⁾	211,305
Dato' Sri Chee Hong Leong	26,521 ⁽³⁾	-	-	21,250	-	4,000 ⁽⁵⁾	51,771
Dato' Ahmad Najmi bin Abdul Razak	60,000 ⁽³⁾	-	-	-	-	8,000 ⁽⁵⁾	68,000
Tai Keat Chai	84,008 ⁽³⁾	-	-	-	-	15,000 ⁽⁵⁾	99,008
Martin Chu Leong Meng	73,408 ⁽³⁾	-	-	-	-	18,000 ⁽⁵⁾	91,408
Noor Zaliza Yati binti Yahya	61,828 ⁽³⁾	-	-	-	-	10,000 ⁽⁵⁾	71,828
Narayanasamy A/L N Chithambaram (Appointed on 1 March 2024)	5,000 ⁽³⁾	-	-	-	-	2,000 ⁽⁵⁾	7,000
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim (Resigned on 6 June 2023)	11,283 ⁽³⁾	-	-	-	-	1,000 ⁽⁵⁾	12,283
Wan Mai Gan (Resigned on 10 November 2023)	44,611 ⁽³⁾	-	-	-	-	12,000 ⁽⁵⁾	56,611
Tan Sri Jaganath Derek Steven Sabapathy (Resigned on 12 January 2024)	102,457 ⁽²⁾	-	-	21,250	-	11,660 ⁽⁵⁾	135,367

⁽¹⁾ Fees paid/payable by the Company for acting as the Chairman of the Board

⁽²⁾ Fees paid/payable by the Company for acting as a Non-Independent Non-Executive Deputy Chairman

⁽³⁾ Fees paid/payable by the Company for acting as Independent Non-Executive Director/Non-Independent Non-Executive Director

⁽⁴⁾ Salaries and other emoluments paid by the Company for acting as Executive Director

⁽⁵⁾ Meeting Allowances paid by the Company

⁽⁶⁾ Benefits-In-Kind paid by the Company for acting as the Chairman of the Board

Directors' Training

The Directors are mindful of the need for continuous training to keep abreast of new developments in the technology sector and regulatory environment. As such, they are encouraged to attend forums, seminars, workshops and conferences facilitated by external professionals in accordance with their respective needs in discharging their duties as Directors.

During the year under review, the NRTLTPC reviewed and evaluated the training needs of the Directors and encouraged the individual Directors to identify and pursue their respective training needs. The Company Secretary has also periodically informed the Directors of the availability of appropriate courses, conferences and seminars. The Directors have been encouraged to attend such training at the Company's expense.

All the Directors of the Company have attended and successfully completed the MAP prescribed under the Main LR. The training/courses attended by the Directors during FYE 31 March 2024 are as follows:

Director	Training/Courses Attended	Date
Tun Arifin Bin Zakaria	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II 	25 & 26 October 2023
Noor Zaliza Yati binti Yahya	<ul style="list-style-type: none"> MIA Webinar Series: Financial Reporting on Impact of Climate Change Effects 	5 April 2023
	<ul style="list-style-type: none"> MIA International Accountants Conference 2023 	13 & 14 June 2023
	<ul style="list-style-type: none"> Management of Cyber Risk 	3 October 2023
Tan Wee Hoong	<ul style="list-style-type: none"> Bursa Malaysia – Advocacy Sessions for Directors and CEO of Main Market Listed Issuers 	22 August 2023
	<ul style="list-style-type: none"> Future-Proofing Malaysian Businesses: Navigating Cyber-Threats in the Age of AI & Thriving in a High-Risk Landscape 	11 March 2024
Danny Hoe Kam Thong	<ul style="list-style-type: none"> The Audit Committee – How to navigate financial reporting oversight amidst potential landmines of misreporting (organised by MICG) 	29 May 2023
	<ul style="list-style-type: none"> Audit Committee Conference 2023 (organised by Malaysian Institute of Accountant) 	14 September 2023
	<ul style="list-style-type: none"> Fima's 2nd Virtual Summit Series 1 2023: Improving Workplace Dynamics: Achieving Harmony through Compliance & Competencies (in-house) 	13 October 2023
	<ul style="list-style-type: none"> Fima's 2nd Virtual Summit Series 4 2023: Improving Workplace Dynamics: Achieving Harmony through Compliance & Competencies (in-house) 	14 November 2023
	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II : Leading for Impact (LIP) 	13 & 14 December 2023
Dato Sri Chee Hong Leong	<ul style="list-style-type: none"> Digital Transformation 	30 December 2023
	<ul style="list-style-type: none"> New Business Models and Strategies for Internet Economy 	30 December 2023
Narayanasamy A/L N Chithambaram	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part I 	13 & 14 March 2024
Thong Weng Sheng	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part I 	30 & 31 January 2024

Saved as disclosed above, other Directors of the Company were not able to attend any suitable training programmes during the financial year under review due to their respective work schedule. Nevertheless, these Directors continue to devote sufficient time to update their knowledge and enhance their skills through other channels, in line with the ever-changing commercial challenges and risks.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D.)

PRINCIPLE A

PRINCIPLE B

PRINCIPLE C

BOARD LEADERSHIP & EFFECTIVENESS (CONT'D.)

During the Board Committee and Board meetings, the Directors continuously receive briefings and updates from the Management, External Auditors, Company Secretary and Internal Auditors on a variety of topics. These include, but are not limited to, the Group's businesses and operations, risk management activities, corporate governance, finance, new developments in the business environment, new regulations and statutory requirements.

The Board will continue to evaluate and determine the training needs of its Directors to enhance their skills and knowledge.

Re-election of Directors

In accordance with the Company's Constitution, one third (1/3) of the Directors for the time being shall retire from office and be eligible for re-election at each AGM. This is provided always that all Directors shall retire from office once every three (3) years but shall be eligible for re-election. The Directors to retire every year shall be those who have been longest in office since their last election.

The Constitution of the Company further provides that Directors who are appointed by the Board to fill a casual vacancy, or as an addition to the existing Board, are subject to re-election by the shareholders at the next AGM following their appointment.

PRINCIPLE A

PRINCIPLE B

PRINCIPLE C

EFFECTIVE AUDIT & RISK MANAGEMENT

A) AUDIT & RISK MANAGEMENT COMMITTEE (ARMC)

As at FYE 31 March 2024, the ARMC comprises three (3) members, all of whom are INEDs. The current composition of the ARMC is as set out on page 53 of Volume 1 of this Annual Report.

The ARMC undertakes an annual assessment of the suitability and independence of the External Auditors in accordance with the External Auditor Independence Policy. Having satisfied itself with their performance and fulfilment of criteria as set out in the policy, the ARMC will recommend their re-appointment to the Board, after which the shareholders' approval will be sought at the subsequent AGM.

Assurance is sought from the External Auditors throughout the conduct of the audit engagement in confirming their independence in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC Report is presented on pages 53 to 54 of Volume 1 of this Annual Report.

B) RISK MANAGEMENT FRAMEWORK

Details on the key features of the risk management framework are set out in the Statement on Risk Management & Internal Control on pages 50 to 52 of Volume 1 of this Annual Report.

C) INTERNAL AUDIT FUNCTION

Details of the Group's internal control systems and the state of internal controls are further elaborated under the Statement on Risk Management & Internal Control. This Statement has been reviewed by the Company's External Auditors, and is provided separately on pages 50 to 52 of Volume 1 of this Annual Report.

PRINCIPLE A

PRINCIPLE B

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING & MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

A) COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of communication and proper dissemination of information to its shareholders and investors. Through extensive disclosures of appropriate and relevant information, the Company aims to effectively provide shareholders and investors with information to maintain transparency and accountability. In this respect, the Company keeps shareholders informed via announcements and timely release of quarterly financial reports, press releases, annual reports and circulars to shareholders.

Shareholders and members of the public may obtain information on the Group's operations and activities, as well as press releases, announcements and financial information, etc. from the Company's website: www.microlink.com.my.

In line with this, a Shareholders' Communication Policy has been adopted by the Company which sets out the framework that it has put in place to promote effective communication with the shareholders. This enables the shareholders to engage actively with the Company and exercise their rights as shareholders in an informed manner. The Shareholders' Communication Policy is available for reference at the Company's website: <https://www.microlink.com.my/investor-relations/board-governance/>.

B) CONDUCT OF GENERAL MEETINGS

The Annual General Meeting (AGM) and other meetings of the shareholders, including any Extraordinary General Meeting (EGM) of the Company, are the principal forums for dialogue and interaction with shareholders. At such meetings, individual shareholders may raise questions or concerns with regard to the Company as a whole. Shareholders are also encouraged to participate in question and answer sessions. The Board, Senior Management and relevant advisors are on hand to answer questions raised and provide clarifications as required.

Following the outbreak of the COVID-19 pandemic in 2020, the Company leveraged on technology by conducting its 20th AGM as virtual session. This was conducted via a secure digital platform. All Directors including the Chairman were in attendance at the designated broadcast venue.

The notice for the 20th AGM was provided more than 28 days in advance to enable shareholders to make adequate preparation. Shareholders attending the 20th AGM were able to participate, speak (in the form of real-time submission of typed texts) and cast their votes in real time via the electronic voting facilities provided by the virtual meeting platform. The remote poll voting results were validated by an independent scrutineer and made available immediately following the broadcast.

COMPLIANCE STATEMENT

This Statement on the Company's corporate governance practices is made in compliance with the Main LR. Having reviewed and deliberated this Statement, the Board is satisfied that, to the best of its knowledge, for the financial year under review the Company is substantially in compliance with the principles and practices set out in the MCCG 2021, as well as the relevant paragraphs under the Main LR. This statement has been presented and approved by the Board at its meeting held on 18 July 2024.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Microlink Solutions Berhad (Board) acknowledges its stewardship responsibility for the risk management and internal control system throughout Microlink Solutions Berhad and its subsidiaries (the Group) as well as for reviewing its adequacy and effectiveness.

This Statement on Risk Management & Internal Control is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (MMLR) and Guidance Note 9 of Bursa Malaysia Securities Berhad (Bursa Securities).

BOARD RESPONSIBILITIES

The Board recognises that a sound system of risk management and internal control is an integral part of good corporate governance. The Board is committed and affirms its overall responsibility to maintain both a sound system of risk management and internal control and the proper management of risks throughout the operations of the Group to ensure that shareholders' interests and the Group's assets are safeguarded.

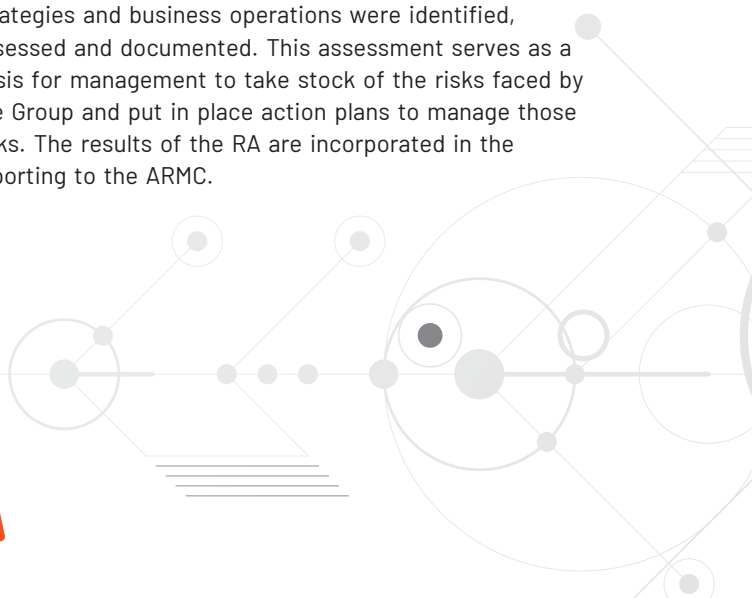
Due to limitations inherent in any system of internal control and risk management, such system put in place by management is only designed to manage rather than eliminate risks of failure in the course of achieving business and corporate objectives. Accordingly, the system can only provide reasonable but not absolute assurance against material misstatements, losses or fraud. Due to the ever-changing business environment and conditions, the effectiveness of an internal control and risk management system may vary over time.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Board acknowledges that all areas of the Group's activities involve a certain degree of risk and recognises that effective risk management is part of good business management practice for the successful achievement of the Group's business objectives. The oversight of this critical area is carried out by the Audit & Risk Management Committee (ARMC) comprising the Board Members.

The Group has in place a Risk Management Framework to proactively identify, assess, evaluate and manage key risks to an optimal level. The Group has updated the risk register with key potential risks identified, along with the implementation of appropriate risk response strategies and controls in managing these risks.

As part of the risk assessment (RA) process, focus group sessions were conducted to gain an understanding of changes in business models, strategies, and business operations, to evaluate the current key risks and controls in place as well as to note management concerns or issues. The RA has been conducted as part of a continued activity to create awareness of, understand and evaluate the current key risks vis-a-vis the enterprise risks. Risk implications due to any changes in business models, strategies and business operations were identified, assessed and documented. This assessment serves as a basis for management to take stock of the risks faced by the Group and put in place action plans to manage those risks. The results of the RA are incorporated in the reporting to the ARMC.



The Board's primary objective and direction in managing the Group's risks are focused on the achievement of the Group's business objectives. From time to time, the framework is reviewed to ensure that risks and controls are updated to reflect current situations and to ensure relevance at any given time.

Internal audits are carried out to ensure mitigating measures are continuously implemented.

INTERNAL AUDIT

The internal audit (IA) function of the Group was outsourced to Quadrant Biz Solutions Sdn Bhd, an independent professional firm for FYE 31 March 2024. The cost incurred by the Group on the internal audit function in carrying out its duties in respect of FYE 31 March 2024 amounted to RM118,720.

The Group's internal control systems are continually being reviewed and enhanced to ensure changes in the Group's business and operating environment are adequately managed. The Board, through the ARMC, currently obtains regular assurance on the adequacy and effectiveness of the internal control system through independent reviews performed by an outsourced professional internal audit function services firm. The Internal Auditors report directly to the ARMC with the principal responsibility of performing regular and systematic reviews of the internal control system.

During the year under review, the internal audit function conducted reviews in accordance with the risk-based internal audit plan approved by the ARMC. Based on the internal audit reviews carried out, the results, including findings of the internal audit and recommended corrective actions, were presented to the ARMC at the scheduled meetings. In addition, follow-up reviews were conducted to ensure recommendations for improvement on the internal control system are being satisfactorily implemented.

Based on the internal audit review conducted, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.



STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL (CONT'D.)

COMMENTARY ON ADEQUACY & EFFECTIVENESS

The Board is of the view that the systems of risk management and internal controls described above have been in place for the year under review and up to the approval of this statement for inclusion in the Annual Report.

In making this statement, the Board has received assurance from the Group Chief Executive Officer and Chief Financial Officer that the risk management and internal control systems are operating adequately and effectively in all material aspects for reporting.

The Board is committed towards operating a sound system of internal control with effective risk management practices implemented throughout the Group and is of the view that there were no significant weaknesses in the risk management and internal control systems of the Group which had resulted in material losses, contingencies or uncertainties requiring disclosure in the Annual Report.

Nevertheless, the Board is cognisant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, develop appropriate action plans to further enhance the Group's system of internal control and risk management.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management & Internal Control, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management & Internal Control intended to be included in the Annual Report for the financial year ended 31 March 2024 has not been prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement on Risk Management & Internal Control factually inaccurate.

The limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagement, ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and AAPG3 Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Audited Report issued by the Malaysian Institute of Accountants which does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION

There was no major internal control weakness identified that may result in any material loss or uncertainty that requires disclosure in the Annual Report. The Group continually evaluates and takes measures to strengthen the internal control and risk management environment.

This statement is made in accordance with approval from the Board of Directors dated 18 July 2024.



AUDIT & RISK MANAGEMENT COMMITTEE REPORT

As at 31 March 2024, the Audit & Risk Management Committee (ARMC) comprises the following three (3) Directors:

Tai Keat Chai (*Chairman*)

- Independent Non-Executive Director

Martin Chu Leong Meng

- Independent Non-Executive Director

Noor Zaliza Yati binti Yahya

- Independent Non-Executive Director

During the year under review, the ARMC saw changes to its composition with the resignation of Wan Mai Gan as a member of ARMC on 10 November 2023 and appointment of Noor Zaliza Yati binti Yahya as a member of ARMC on 6 February 2024. Subsequently on 29 May 2024, Tai Keat Chai resigned as the Chairman of ARMC.

TERMS OF REFERENCE

In performing its duties and discharging its responsibilities, the ARMC is guided by its Terms of Reference, which are available to view at the Company's website www.microlink.com.my.

MEETINGS AND ATTENDANCE

The ARMC held a total of five (5) meetings and one (1) adjourned meeting during the financial year ended (FYE) 31 March 2024. The attendance record of the respective members is as follows:

Committee Member	Total Meetings Attended
Tai Keat Chai (<i>Resigned on 29 May 2024</i>)	6/6
Martin Chu Leong Meng	6/6
Wan Mai Gan (<i>Resigned on 10 November 2023</i>)	4/4
Noor Zaliza Yati Binti Yahya (<i>Appointed on 6 February 2024</i>)	1/1

SUMMARY OF ACTIVITIES

During FYE 31 March 2024, the ARMC carried out the following activities:



Financial Results

- Reviewed the quarterly financial results and the annual audited financial statements of the Company and the Group and recommended to the Board for their consideration and approval prior to release to Bursa Malaysia Securities Berhad (Bursa Securities).



Related Party Transactions and Conflict of Interest

- Reviewed related party transactions within the Company and/or the Group, including any transaction, mandate, procedure or course of conduct that raises questions of Management integrity; and
- Reviewed conflict of interest situation that arose or may arise within the Group.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT (CONT'D.)



Internal Audit

- Reviewed the updates on the Internal Audit for FYE 31 March 2024; and
- Reviewed the proposed Internal Audit Plan for financial year ending 2025 and 2026.



External Audit

- Reviewed the Audit completion of the Group for FYE 31 March 2023;
- Reviewed the Company's Audited Financial Statements for FYE 31 March 2023 and recommended to the Board for their approval and release to Bursa Securities;
- Reviewed and recommended to the Board on the re-appointment of the External Auditors;
- Reviewed and assessed the performance and independence of the External Auditors;
- Reviewed the Audit Planning Memorandum for FYE 31 March 2024 of the Company;
- Discussed any pertinent points/reservations on issues arising from the audit of the Company's accounts which the External Auditors may have to raise to the ARMC, in the absence of the executive Board members and Management; and
- Reviewed with the External Auditors any issues affecting the operations of the Group, as well as the necessary remedial actions, and thereafter reported the same to the Board.



Risk Management and Internal Controls

- Reviewed the adequacy and effectiveness of the Group's risk management framework to key risk areas including financial, legal & regulatory, operations and strategic risks.



Other Matters

- Reviewed and approved the Statement by the ARMC for inclusion into the Circular to Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature; and
- Reviewed the Statement on Risk Management & Internal Control and the ARMC Report for inclusion in the Company's Annual Report.

INTERNAL AUDIT FUNCTION

The Board recognises the importance of a sound system of internal control to safeguard shareholders' investments and the Company's assets. The Internal Audit (IA) function in the Company is outsourced to an independent professional firm of internal auditors to assist in identifying, evaluating, monitoring and managing the significant risks. This ensures proper risk management, adequacy and integrity of the internal control systems in line with the requirements of the Statement on Internal Control - Guidance for Directors of Public Listed Companies. The Internal Auditors report directly to the ARMC.

A summary of work of the IA function during FYE 31 March 2024 is as follows:

- Conducted scheduled IA engagements, focusing primarily on the effectiveness of internal controls and recommended improvements where necessary;
- Reviewed the system of internal controls and business processes based on the approved Group IA Plan by adopting a risk-based approach, and recommended improvements to the existing system of controls;
- Presented the IA Report, which included audit findings, audit recommendations and management's response and also recommended corrective measures proposed by the Internal Auditors to the ARMC; and
- Conducted follow-up reviews to assess if appropriate action had been taken to address issues highlighted in previous audit reports.

The total cost incurred in respect of the Company's internal audit function for FYE 31 March 2024 was RM118,720 (FYE 2023: RM80,000).

STATEMENT ON DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the annual audited financial statements of the Group and of the Company are drawn up in accordance with the provisions of the Companies Act 2016, the Main Market Listing Requirements (Main LR) and the requirements of the applicable approved Financial Reporting Standards issued by the Malaysian Accounting Standards Board (MASB).

The Directors are also responsible for ensuring that the annual audited financial statements of the Group and the Company present a true and fair view of the state of affairs of the Group and the Company as at the financial year end and their financial performance and cash flows for the financial year then ended.

In preparing the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024, the Directors have ensured that appropriate and relevant accounting policies have been adopted and consistently applied, reasonable and prudent judgments and estimates have been exercised and going concern basis adopted.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2016, the Main LR and the requirements of the applicable approved Financial Reporting Standards issued by the MASB.

The Directors have overall responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

ANALYSIS OF SHAREHOLDINGS

As at 28 June 2024

ORDINARY SHARES

Total number of issued shares	: 1,072,396,160 ordinary shares
Class of Shares	: Ordinary Shares
Voting Rights	: One (1) vote per ordinary share on a poll
Number of Shareholders	: 5,783

DISTRIBUTION OF ORDINARY SHAREHOLDERS

according to statistical summary of the Record of Depositors as at 28 June 2024

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
Less than 100 issued shares	2,905	50.23	49,094	0.00
100 to 1,000 issued shares	690	11.93	279,266	0.03
1,001 to 10,000 issued shares	1,005	17.38	5,596,408	0.53
10,001 to 100,000 issued shares	934	16.15	34,511,284	3.21
100,001 to less than 5% of issued shares	246	4.25	444,886,208	41.49
5% and above of issued shares	3	0.05	587,073,900	54.74
Total	5,783	100.00	1,072,396,160	100.00

LIST OF THIRTY LARGEST ORDINARY SHAREHOLDERS

according to the Record of Depositors as at 28 June 2024

	Name	No. of Shares Held	%
1.	RHB Nominees (Tempatan) Sdn Bhd OSK Capital Sdn Bhd for Omesti Holdings Berhad	243,887,900	22.74
2.	Cartaban Nominees (Tempatan) Sdn Bhd RHB Trustees Berhad for Kenanga Islamic Absolute Return Fund	236,936,000	22.09
3.	Citigroup Nominees (Tempatan) Sdn Bhd Kenanga Investors Berhad for Gading Sari Ventures Sdn Bhd	106,250,000	9.91
4.	Pertubuhan Keselamatan Sosial Bahagian Pelaburan	48,000,000	4.48
5.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – AmBank (M) Berhad for Omesti Holdings Berhad (SMART)	37,510,000	3.50
6.	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn Bhd	34,752,700	3.24
7.	M & A Nominee (Tempatan) Sdn Bhd Insas Credit & Leasing Sdn Bhd for Omesti Holdings Berhad	33,000,000	3.08
8.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Siew Kwok	23,185,300	2.16
9.	Citigroup Nominees (Tempatan) Sdn Bhd Exempt an for Kenanga Investors Bhd	21,600,000	2.01
10.	Citigroup Nominees (Asing) Sdn Bhd Exempt an for Citibank New York (Norges Bank 14)	18,584,400	1.73

	Name	No. of Shares Held	%
11.	Citigroup Nominees (Tempatan) Sdn Bhd Kenanga Investors Berhad for Amanah Jaya Berhad (Trusteeconmfd)	11,681,000	1.09
12.	Mohamed Nizam Bin Abdul Razak	10,267,500	0.96
13.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Private Wealth Management for Mohamed Nazim bin Abdul Razak (PW-M00363) (408782)	9,200,000	0.86
14.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Siew Kwok	8,040,000	0.75
15.	Chor Wan Yoke	7,554,000	0.70
16.	Newfields Capital Sdn Bhd	6,650,000	0.62
17.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tang Vee Mun (Datuk)	6,596,700	0.62
18.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chan Kong Yew	6,310,200	0.59
19.	Yee Kok Leong	5,700,000	0.53
20.	Minat Megah Sdn Bhd	5,475,000	0.51
21.	Maybank Nominees (Tempatan) Sdn Bhd	5,000,000	0.47
22.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (MYBK AM SC E)	4,829,400	0.45
23.	Jacqueline A/P Earthayanathan	4,200,000	0.39
24.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Rickoh Corporation Sdn Bhd (MY0507)	4,000,000	0.37
25.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad for Hooi Jia Hao (Smart)	3,387,400	0.32
26.	Philip Nominees (Tempatan) Sdn Bhd Pledged Securities Account for RYRT Holdings Sdn Bhd	3,125,000	0.29
27.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohd Khairi Bin Mat Jahya (MX3607)	2,940,000	0.27
28.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Private Wealth Management for Foong Kuok Jian	2,928,200	0.27
29.	Arifin Bin Zakaria	2,898,900	0.27
30.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Toh Eng Keat	2,875,000	0.27
	Total	917,364,600	85.54

ANALYSIS OF SHAREHOLDINGS (CONT'D.)

As at 28 June 2024

SUBSTANTIAL ORDINARY SHAREHOLDERS

according to the Register of Substantial Shareholders as at 28 June 2024

Name	No. of Shares Held			
	Direct Interest	%	Deemed Interest	%
1. Omesti Holdings Berhad (OHB)	314,547,900	29.33	-	-
2. Omesti Berhad (Omesti)	-	-	314,547,900 ⁽¹⁾	29.33
3. RHB Trustees Berhad – Kenanga Islamic Absolute Return Fund	236,936,000	22.09	-	-
4. Gading Sari Ventures Sdn Bhd	106,250,000	9.91		
5. Gading Sari Holdings Sdn Bhd	-	-	106,250,000 ⁽²⁾	9.91
6. KBYMM Al-Sultan Abdullah Ibni Sultan Haji Ahmad Shah	-	-	106,250,000 ⁽³⁾	9.91

DIRECTORS' INTERESTS IN ORDINARY SHARES IN THE COMPANY

according to the Register of Directors' Shareholdings as at 28 June 2024

MICROLINK SOLUTIONS BERHAD		No. of Shares Held			
		Direct Interest	%	Deemed Interest	%
Director					
1.	Tun Arifin bin Zakaria	2,898,900	0.27	-	-
2.	Dato’ Sri Chee Hong Leong	-	-	-	-
3.	Dato’ Ahmad Najmi bin Abdul Razak	-	-	-	-
4.	Martin Chu Leong Meng	-	-	-	-
5.	Noor Zaliza Yati binti Yahya	-	-	-	-
6.	Narayanasamy A/L Chithambaram	-	-	-	-
7.	Thong Weng Sheng	700	0.00	-	-
8.	Wong Kwang Chwen	168,800	0.02	-	-
9.	Tan Wee Hoong	-	-	-	-
10.	Danny Hoe Kam Thong				
Group Chief Executive Officer					
1.	Ramlee bin Abdullah	640,200	0.06	-	-

Notes:⁽¹⁾ Deemed interest by virtue of OHB being a wholly-owned subsidiary of Omesti pursuant to Section 8(4) of the Companies Act 2016 (the Act).⁽²⁾ Deemed interest by virtue of Gading Sari Ventures Sdn Bhd being a wholly-owned subsidiary of Gading Sari Holdings Sdn Bhd pursuant to Section 8(4) of the Act.⁽³⁾ Deemed interest by virtue of his substantial interest in Gading Sari Holdings Sdn Bhd pursuant to Section 8(4) of the Act.

OTHER COMPLIANCE INFORMATION

LONG-TERM INCENTIVE PLAN

During the financial year ended (FYE) 31 March 2024, no new ordinary shares were issued under the Employees' Share Grant Plan (ESGP) and Employee Share Option Scheme (ESOS) pursuant to the Long-Term Incentive Plan (LTIP). The LTIP is the only scheme that is in existence during FYE 31 March 2024.

Further information on the LTIP is set out in the Directors' Report and Note 37 of Volume 2 of this Annual Report.

Since the commencement of the LTIP, the actual percentage of ESOS (which had lapsed) granted to the Directors and Senior Management of the Group was 100% of the total ESOS. No ESOS was granted to the Executive Directors, the Senior Management of the Group or the Non-Executive Directors of the Company during FYE 31 March 2024.

Since the commencement of the LTIP, the actual percentage of ESGP granted to the Executive Director and Senior Management of the Group was 28.62% and no ESGP was granted to the Executive Directors and Senior Management of the Group during FYE 31 March 2024.

AUDIT & NON-STATUTORY AUDIT FEES

The amounts of audit and non-audit fees paid or payable by the Company and the Group to the External Auditors for the FYE 31 March 2024 are as follows:

	Company (RM)	Group (RM)
Audit fees	59,500	248,757
Non-audit fees	5,000	5,000

MATERIAL CONTRACTS

Save as disclosed below, the Group have not entered into any material contracts (not being contracts entered into in the ordinary course of business) involving the interest of its Directors, Chief Executive Officer, who is not a director, or Major Shareholders of the Group and of the Company which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year:

- A) Sale and purchase agreement dated 20 March 2024 entered into between Ho Hup Jaya Sdn Bhd (as vendor), a wholly-owned subsidiary of Ho Hup Construction Company Berhad ("Ho Hup") and the Company (as purchaser) for the purchase of a property distinguished as Unit No. B-08-01, within Level 08 of Tower B, measuring approximately 10,027.14 square feet in area, constructed on a piece of freehold land held under Geran 78076, Lot 101462, Tempat Bandar Bukit Jalil, Mukim of Petaling, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur, and bearing the postal address of Suite 8.01, Ho Hup Tower, Tower 2, Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur, for a total cash consideration of RM8,350,000.

Dato' Sri Chee Hong Leong, a Non-Executive Director of the Company, is also a then Executive Director of Ho Hup and Omesti Holdings Berhad and Omesti Berhad are the common major shareholders of both the Company and Ho Hup.

RECURRENT RELATED PARTY TRANSACTIONS

At the Annual General Meeting (AGM) and Adjourned AGM of MSB held on 4 September 2023 and 26 September 2023 respectively, the Company had obtained the approval of the shareholders for the shareholders' mandate to allow the Company and its subsidiaries (MSB Group) to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for its day-to-day operations and in the ordinary course of its business, with related parties (Recurrent Transactions).

The said mandate is effective from 5 September 2023 until the conclusion of the forthcoming AGM of the Company.

OTHER COMPLIANCE INFORMATION (CONT'D.)

In accordance with Paragraph 3.1.5 of the Practice Note 12 of the Main Market Listing Requirements, details of the Recurrent Transactions conducted during FYE 31 March 2024 pursuant to the said shareholders' mandate are as follows:

Companies within MSB Group transacting with Related Parties	Nature of Transactions	Related Party	Interested Directors/ Major Shareholders	Aggregate Value of Transactions during FYE 31 March 2024 (RM)
MSB Group	Supply of network and software solutions, licenses, network infrastructure, computer hardware and software and maintenance services by Omesti Group to MSB Group	Omesti and its subsidiary companies (Omesti Group) ⁽³⁾	Interested Director – Monteiro Gerard Clair (MGC) ⁽⁵⁾ Interested Major Shareholders – Omesti Holdings Berhad (OHB) ⁽¹⁾ – Omesti ⁽³⁾	225,703
	Supply of network infrastructure and related services, computer hardware and software, provision of hardware and software related services, maintenance services and application related services by MSB Group to Omesti Group			14,636,490
MSB Group	Provision of administrative and management support, training and other related services by Omesti Group to MSB Group	Omesti and Omesti Group		334,988
	Provision of administrative and management support, training and other related services by MSB Group to Omesti Group			223,565
MSB Group	Supply of software solutions, computer hardware and services in relation to human capital management by MIHCM Asia to MSB Group	MIHCM Asia Sdn Bhd (MIHCM Asia) ⁽²⁾		152,430
MSB Group	Renting of office spaces and procurement of other related services such as general maintenance services from Ho Hup Group	Ho Hup Group ⁽⁴⁾		Interested Major Shareholders – OHB ⁽¹⁾ – Omesti ⁽³⁾

Notes:

- ⁽¹⁾ OHB is a wholly-owned subsidiary of Omesti.
- ⁽²⁾ MIHCM Asia is a 33.33% associated company of Continuous Network Advisers Sdn Bhd, which in turn is an indirect 33.33% associated company of Omesti. MIHCM Asia is principally engaged in the distribution, marketing, implementation and maintenance of human capital management software solutions and services in Asia.
- ⁽³⁾ Omesti is the holding company of OHB as at 31 March 2024. Omesti is principally engaged in investment holding activities, the provision of management services and the provision of information technology services in terms of hardware, software, consultancy and maintenance to the telecommunication, oil and gas and government sectors.

- ⁽⁴⁾ Ho Hup Group is a related party to MSB Group through a common ultimate Major Shareholder, Omesti. As at 31 March 2024, Ho Hup is a 10.89% associated company of OHB. Ho Hup is principally engaged in investment holding, foundation engineering, civil engineering, building contracting works and provision of management services for subsidiary companies, while its subsidiaries are principally involved in property investment, property development, construction and retail.
- ⁽⁵⁾ MGC is an Executive Director of Omesti and MSB respectively. His direct and indirect interests in Omesti and MSB as at 31 March 2024 are as set out below:

Name of Company	% of Interest	
	Direct	Indirect
Omesti	7.24	12.27
MSB	1.99	0.003

NOTICE OF 21ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 21st Annual General Meeting of the Company will be held as a virtual meeting via live streaming broadcast from Redwood Meeting Room, Ho Hup Tower – Aurora Place, 2-09-01 – Level 9, Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur, on Wednesday, 4 September 2024 at 10.30 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS:

- | | | |
|----|--|------------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon. | [Please refer to Explanatory Note] |
| 2. | To approve the payment of Directors' fees and benefits to Non-Executive Directors of up to an amount of RM959,400 for the period from 5 September 2024 until the conclusion of the next Annual General Meeting (AGM) of the Company. | Resolution 1 |
| 3. | To re-elect the following Directors retiring by rotation in accordance with Clause 95 of the Company's Constitution and being eligible, have offered themselves for re-election: | |
| | (a) Martin Chu Leong Meng | Resolution 2 |
| | (b) Dato' Sri Chee Hong Leong | Resolution 3 |
| 4. | To re-elect the following Directors retiring in accordance with Clause 100 of the Company's Constitution and being eligible, have offered themselves for re-election: | |
| | (a) Thong Weng Sheng | Resolution 4 |
| | (b) Narayanasamy A/L N Chithambaram | Resolution 5 |
| | (c) Wong Kwang Chwen | Resolution 6 |
| | (d) Tan Wee Hoong | Resolution 7 |
| | (e) Danny Hoe Kam Thong | Resolution 8 |
| 5. | To re-appoint BDO PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. | Resolution 9 |

AS SPECIAL BUSINESS:

To consider, and if thought fit, to pass the following resolutions:

6. ORDINARY RESOLUTION:

CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT approval be and is hereby given to Martin Chu Leong Meng, a Director who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

Resolution 10

NOTICE OF 21ST ANNUAL GENERAL MEETING (CONT'D.)**7. ORDINARY RESOLUTION:****AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Resolution 11

"THAT subject always to the Companies Act 2016 and the approvals of the relevant authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."

8. ORDINARY RESOLUTION:**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

Resolution 12

"THAT the Company and/or its subsidiaries be and is/are hereby authorised to enter into recurrent related party transactions from time to time with Related Parties who may be a Director, a major shareholder of the Company and/or its subsidiaries or a person connected with such a Director or major shareholder, as specified in Section 2.3 of the Circular to Shareholders dated 30 July 2024, subject to the following:

- (i) the transactions are of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries and are transacted on terms consistent or comparable with market or normal trade practices and/or based on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the shareholders' mandate in accordance with the Main Market Listing Requirements of Bursa Securities;

THAT the mandate given by the shareholders of the Company shall only continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (the Act) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever is the earlier;

AND THAT the Directors of the Company be authorised to complete and carry out such acts and actions as they may consider expedient or necessary to give effect to the shareholders' mandate."

By Order of the Board

LIM SHOOK NYEE

MAICSA No. 7007640

SSM PC No. 201908003593

Company Secretary

Kuala Lumpur

30 July 2024

EXPLANATORY NOTES:

Agenda 1

Audited Financial Statements for the financial year ended 31 March 2024

The audited financial statements are for discussion only under Agenda 1, as they do not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, they will not be put for voting.

Resolution 1

Directors' Fees & Benefits

Section 230 of the Companies Act 2016 provides amongst others, that the fee of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Resolution 1, if passed, will authorise the payment of Directors' fees and benefits (being meeting attendance allowance) payable to the Non-Executive Directors for the period from 5 September 2024 until the conclusion of the next AGM of the Company. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company.

The total estimated amount of benefits payable is calculated based on the assumption of the projected number of Board and Board Committee meetings and the appointment of additional Non-Executive Directors.

Resolutions 2, 3, 4, 5, 6, 7 & 8

Re-election of Directors

Clause 95 of the Company's Constitution provides that at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. Each Director shall retire from office at least once in every three years but shall be eligible for re-election. Martin Chu Leong Meng and Dato' Sri Chee Hong Leong who are retiring by rotation in accordance with Clause 95 of the Company's Constitution and being eligible, have offered themselves for re-election at the 21st AGM.

Clause 100 of the Company's Constitution provides that any Directors appointed either to fill a casual vacancy or as an addition to the existing Board, shall hold office only until the next AGM and shall be eligible for re-election. Thong Weng Sheng, Narayanasamy A/L N Chithambaram, Wong Kwang Chwen, Tan Wee Hoong and Danny Hoe Kam Thong who were appointed during the period under review are standing for re-election as Directors and being eligible, have offered themselves for re-election at the 21st AGM.

Their profiles are presented on Pages 30 to 35 of Volume 1 of the Annual Report 2024. These seven (7) retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and Nomination, Remuneration and Long-Term Incentive Plan Committee (NRLTIPC) Meetings and will continue to abstain from deliberations and decisions on their own eligibility to stand for re-election at this 21st AGM. The Board has endorsed the NRLTIPC's recommendation subject to the shareholders' approval at the 21st AGM.

Resolution 9

Re-appointment of BDO PLT as Auditors of the Company for the ensuing year

Based on the results of the External Auditors Evaluation for the financial year ended 31 March 2024, the Audit & Risk Management Committee and Board are satisfied with the quality of service, adequacy of resources provided, communication, independence, objectivity and professionalism demonstrated by the External Auditors, BDO PLT, in carrying out their duties. Being satisfied with BDO PLT's performance, the Board recommends their re-appointment for

shareholders' approval at the 21st AGM of the Company and who have expressed their willingness to continue in office, to hold office as Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting at a fee to be determined by the Board of Directors of the Company.

Resolution 10

Continuation in office as Independent Non-Executive Director

The proposed resolution, if passed, will allow Martin Chu Leong Meng (Mr Martin) to be retained and to continue in office as Independent Non-Executive Director of the Company, via a two-tier voting process as recommended under the Malaysian Code on Corporate Governance 2021.

Mr Martin who was appointed as an Independent Non-Executive Director of the Company on 6 January 2014, has exceeded a cumulative term of more than nine (9) years.

The NRLTIPC and Board of Directors of the Company, have assessed the independence of Mr Martin and recommended that he continues to act as Independent Non-Executive Director of the Company based on the following justifications:

- He fulfills the criteria of the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and had expressed his willingness to continue in office as an Independent Non-Executive Director of the Company;
- His vast experience would enable him to provide the Board with a diverse range of knowledge, expertise and independent judgment to better manage and run the Group..
- Notwithstanding that he has served the Company as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, during which he had at all times acted in good faith and in the best interests of the Company, exercising his independent judgment during deliberations and decision-making during the Company's Board Meetings and Board Committee Meetings and were familiar with the Company's business operations.
- Mr Martin had proven to be a reliable Independent Non-Executive Director with his professional attitude and outlook of business perspective, had devoted sufficient time and attention to his professional obligations for informed and balanced decision-making and had also exercised due care during his tenure in the best interests of the Company and the shareholders.

Resolution 11

Authority to Allot Shares

Further information in relation to the general mandate for issue of securities is set out in the Statement Accompanying Notice of 21st AGM.

Resolution 12

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Further information on the Recurrent Related Party Transactions is set out in the Circular to Shareholders dated 30 July 2024 which is dispatched together with the Company's Annual Report 2024

NOTES:

The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be physically present at the main venue of the meeting.

Shareholders/proxies **WILL NOT BE ALLOWED** to attend this 21st AGM in person at the broadcast venue on the day of the 21st AGM. Therefore, shareholders are strongly advised to participate and vote remotely at the 21st AGM through live streaming and online remote voting via digital ballot form (DBF). Shareholders can register online at <https://vps.megacorp.com.my/0qz5yE>.

NOTICE OF 21ST ANNUAL GENERAL MEETING (CONT'D.)

Please read the Administrative Guide for the 21st AGM in order to participate remotely.

- (i) A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead via DBF. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak (in the form of real time submission of typed texts) at the General Meeting via DBF.
- (ii) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (Omnibus Account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 (SICDA) which is exempted from compliance with provisions of subsection 25A(1) of SICDA.
- (iii) A member may appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the member shall specify the proportion of his shareholding to be represented by each proxy.
- (iv) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (v) Only members whose names appear in the Record of Depositors on 28 August 2024 shall be entitled to attend, speak (in the form of real time submission of typed texts) and vote at the 21st AGM or appoint proxy/proxies to attend and/or vote on his/her behalf via DBF.
- (vi) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited in the following manner, not less than twenty-four (24) hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid:
 - (a) In hard copy form
Deposit at the office of the Poll Administrator at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur.
 - (b) By electronic form
Email to AGM-support.Microlink@megacorp.com.my
- (vii) The resolutions set out in the Notice of the 21st AGM will be put to vote by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities.

STATEMENT ACCOMPANYING NOTICE OF 21ST ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

A

DETAILS OF THE INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS (EXCLUDING DIRECTORS STANDING FOR RE-ELECTION)

No individual is standing for election as a Director (excluding Directors standing for re-election) at the 21st Annual General Meeting (AGM) of the Company.

B

STATEMENT RELATING TO GENERAL MANDATE FOR ISSUE OF SECURITIES IN ACCORDANCE WITH PARAGRAPH 6.03(3) OF THE MAIN MARKET LISTING REQUIREMENTS

The resolution in relation to the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016, is a renewal of the general mandate for the issue of new ordinary shares in the Company which was approved at the last 20th AGM and Adjourned 20th AGM of the Company held on 4 September 2023 and 26 September 2023 respectively.

As at the date of the Notice of the 21st AGM, no new shares were issued pursuant to the mandate granted to the Directors at the 20th AGM and Adjourned 20th AGM held on 4 September 2023 and 26 September 2023 respectively and which will lapse at the conclusion of the 21st AGM.

The resolution, if passed, would provide flexibility to the Directors to undertake fund-raising activities, including but not limited to placement of shares for the funding of the Company's future investment projects, working capital and/or acquisitions, by the issuance of shares in the Company to such persons at any time, as the Directors consider it to be in the best interests of the Company. Any delay arising from and cost involved in convening a general meeting to approve such issuance of shares should be eliminated.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.



PRIVACY NOTICE

DEAR SIR/MADAMS,

This privacy notice for personal data ("**Privacy Notice**") is issued to all shareholders of Microlink Solutions Berhad ("**Company**", "**we**", "**us**" or "**our**"), pursuant to the statutory requirements of the Personal Data Protection Act 2010 ("**PDPA**").

During the course of your dealings with us, we will collect and process your personal data (including any personal data previously collected from you) for purposes, including, to communicate with you, provide administrative assistance to you in the course of you being our shareholder, respond to your enquiries or input, invite you to meetings and events, provide you with notices, documents, information and/or updates relating to us and any matters relating to your involvement in the Board of Directors, for publication and dissemination of your personal data in any circulars, reports, minutes, websites, newsletters, bulletins, brochures, pamphlets or any other materials which may be published and circulated internally or to the general public, to comply with our legal and regulatory obligations (including monitor and where necessary make disclosure of matters relating to your involvement in any shares, debentures, participatory interests, rights, options, transactions and contracts) and other purposes required to operate and maintain our business as set out in our Privacy Policy (collectively referred to as "**Purposes**").

We will not disclose any of your personal data to any third party without your consent except to the Company's group of companies (including the Company's subsidiaries, related and/or associated companies), our professional advisers, vendors, suppliers, agents, contractors, service providers, business partners, insurance companies, banks and financial institutions, any governmental agencies, regulatory authorities and/or statutory bodies, within or outside Malaysia, where necessary, for the Purposes mentioned above, to any party who undertakes to keep your personal data confidential, to any person as set out in our Privacy Policy, or to whom we are compelled or required under the law to disclose to. A copy of our Privacy Policy is available on our website at <http://www.microlink.com.my/privacy-policy/>.

It is necessary for us to collect and process your personal data. If you do not provide us with your personal data, or do not consent to this Privacy Notice, we will not be able to effectively provide services to you in connection with or incidental to your role as our shareholder or process your personal data for any of the Purposes, if at all.

We are committed to ensuring that your personal data is stored securely. You have the right to request for access to, request for a copy of and request to update or correct, your personal data held by us. You also have the right at any time to request us to limit the processing and use of your personal data, subject to our right to rely on any statutory exemptions and/or exceptions to collect, use and disclose your personal data.

Your written requests or queries should be addressed to:

Personal Data Protection Officer

Address: Ho Hup Tower – Aurora Place, 2-07-01 – Level 7, Plaza Bukit Jalil, No. 1 Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur

Tel : +603 9779 1700

Fax : +603 9779 1701

Email : pdpa@omesti.com

By providing your personal data to us, you consent to us processing your personal data in accordance with this Privacy Notice, and you confirm that all personal data provided by you is accurate and complete, and that none of it is misleading or out of date. You will promptly update us in the event of any change to your personal data.

To the extent that you have provided (or will provide) personal data about your family members, spouse, other dependents (if you are an individual), directors, shareholders, employees, representatives, agents (if you are a corporate entity/an organisation) and/or other individuals, you confirm that you have explained (or will explain) to them that their personal data will be provided to, and processed by, us and you represent and warrant that you have obtained their consent to the processing (including disclosure and transfer) of their personal data in accordance with this Privacy Notice.

In respect of minors (i.e. individuals under 18 years of age) or individuals not legally competent to give consent, you confirm that you are the parent or guardian or person who has parental responsibility over them or the person appointed by court to manage their affairs or that they have appointed you to act for them, to consent on their behalf to the processing (including disclosure and transfer) of their personal data in accordance with this Privacy Notice.

We reserve the right to update and amend this Privacy Notice or our Privacy Policy from time to time. We will notify you of any amendments to this Privacy Notice or our Privacy Policy via announcements on our website or other appropriate means. If we amend this Privacy Notice or our Privacy Policy, the amendment will only apply to personal data collected after we have posted the revised Privacy Notice or Privacy Policy.

In accordance with Section 7(3) of the PDPA, this Privacy Notice is issued in both English and Bahasa Malaysia. In the event of any inconsistencies or discrepancies between the English version and the Bahasa Malaysia version, the English version shall prevail.

NOTIS PRIVASI

KEPADA TUAN-TUAN DAN PUAN-PUAN,

Notis privasi untuk data peribadi ini ("**Notis Privasi**") diberikan kepada semua pemegang saham Microlink Solutions Berhad ("**Syarikat**", "**kita**" atau "**kami**"), selaras dengan obligasi statutori di bawah Akta Perlindungan Data Peribadi 2010 ("**PDPA**").

Sepanjang masa urusan anda dengan kami, kami akan mengumpul dan memproses data peribadi anda (termasuk data peribadi yang telah dikumpulkan sebelum ini) untuk tujuan berkomunikasi dengan anda, memberi bantuan pentadbiran kepada anda, memberi maklum balas terhadap pertanyaan atau input anda, menjemput anda ke mesyuarat dan acara kami, memberi anda notis, dokumen, maklumat dan/atau isu-isu terkini berkaitan dengan kami dan perkara-perkara berhubungan dengan penglibatan anda di Lembaga Pengarah, untuk penerbitan dan pendedahan data peribadi anda di pekililing, laporan, minit, laman web, surat berita, buletin, brosur, risalah atau media lain yang mungkin diterbitkan dan diedarkan di dalam organisasi kami atau kepada orang awam, untuk memenuhi kewajiban kami dalam mematuhi undang-undang dan peraturan-peraturan (termasuk memantau dan membuat pendedahan tentang perkara-perkara yang berkaitan dengan penglibatan anda dalam apa-apa saham, debentur, kepentingan penyertaan, hak, opsyen, urus niaga dan kontrak), serta tujuan-tujuan lain yang kami perlukan untuk mengendalikan dan mengekalkan perniagaan kami sepertimana yang tertera dalam Polisi Privasi kami (secara kolektifnya dirujuk sebagai "**Tujuan-Tujuan**").

Kami tidak akan mendedahkan apa-apa data peribadi anda kepada mana-mana pihak ketiga tanpa kebenaran anda kecuali kepada syarikat-syarikat di dalam kumpulan Syarikat (termasuk subsidiari, syarikat berkaitan dan/atau syarikat bersekutu kami), penasihat profesional, ejen, vendor, pembekal, kontraktor, pembekal perkhidmatan, rakan kongsi perniagaan, syarikat insurans, bank dan institusi kewangan, agensi kerajaan, pihak berkuasa dan/atau badan berkanun, di dalam atau di luar Malaysia, jikalau perlu, bagi Tujuan-Tujuan yang disebut di atas, kepada mana-mana pihak yang berjanji untuk menyimpan data peribadi anda secara sulit, kepada mana-mana pihak sepertimana yang tertera dalam Polisi Privasi kami, atau sekiranya diperlukan di bawah undang-undang. Sesalinan Polisi Privasi kami boleh didapati di laman web kami di <https://www.microlink.com.my/privacy-policy/>.

Kami perlu mengumpul dan menyimpan data peribadi anda. Sekiranya anda tidak memberikan data peribadi anda kepada kami, atau tidak bersetuju dengan Notis Privasi ini, kami mungkin tidak dapat memberikan perkhidmatan secara efektif kepada anda berkaitan atau bersampingan dengan peranan anda sebagai pemegang saham kami atau memproses data peribadi anda bagi Tujuan-Tujuan yang disebut di atas.

Kami akan memastikan data peribadi anda disimpan dengan selamat. Anda mempunyai hak untuk meminta akses kepada, mendapat salinan, mengemaskini atau memperbetulkan data peribadi anda yang disimpan oleh kami. Anda juga mempunyai hak untuk meminta kami menghadkan pemrosesan dan penggunaan data peribadi anda pada bila-bila masa. Walaubagaimana pun, kami mempunyai hak untuk bergantung kepada mana-mana pengecualian dalam mengumpul, mengguna dan mendedah data peribadi anda.

Permintaan atau pertanyaan bertulis anda perlu disampaikan ke alamat di bawah:

Pegawai Perlindungan Data Peribadi

Alamat: Ho Hup Tower – Aurora Place, 2-07-01 – Level 7, Plaza Bukit Jalil, No. 1 Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur

No. Telefon : +603 9779 1700

No. Faks : +603 9779 1701

Emel : pdpa@omesti.com

Dengan memberikan data peribadi anda kepada kami, anda bersetuju untuk kami memproses data peribadi anda sepertimana yang tertera dalam Notis Privasi ini, dan anda mengesahkan bahawa semua data peribadi yang diberikan oleh anda adalah betul dan lengkap, dan tiada data peribadi yang mengelirukan atau yang belum dikemaskinikan. Anda mesti, dengan segera, mengemaskini data peribadi anda sekiranya terdapat apa-apa perubahan kepada data peribadi yang anda beri kepada kami.

Setakat mana yang anda telah memberikan (atau akan memberikan) data peribadi tentang ahli keluarga, pasangan, tanggungan anda (jikalau anda ialah seorang individu), pengarah, pemegang saham, wakil, ejen (jikalau anda ialah sebuah entiti korporat/organisasi) dan/atau individu lain, anda mengesahkan bahawa anda telah menjelaskan (atau akan menjelaskan) kepada mereka bahawa data peribadi mereka akan didedahkan kepada, dan akan diproses oleh, kami dan anda menyata dan menjamin bahawa anda telah diberi kuasa untuk mendedahkan data peribadi mereka kepada kami dan anda telah memperolehi persetujuan daripada mereka berkenaan dengan pemrosesan (termasuk pendedahan dan pemindahan) data peribadi mereka sepertimana yang tertera dalam Notis Privasi ini.

Berkenaan dengan individu yang belum mencapai usia dewasa (iaitu individu di bawah umur 18 tahun) atau individu yang tidak mempunyai kompeten untuk memberi persetujuan, anda mengesahkan bahawa anda ialah ibu bapa atau penjaga atau orang yang mempunyai kewajiban terhadap mereka atau orang yang dilantik oleh mahkamah untuk menguruskan urusan mereka atau mereka telah melantik anda untuk mewakili mereka, untuk memberi persetujuan bagi pihak mereka berkenaan dengan pemrosesan (termasuk pendedahan dan pemindahan) data peribadi mereka sepertimana yang tertera dalam Notis Privasi ini.

Kami berhak untuk mengemaskini dan meminda Notis Privasi ini atau Polisi Privasi kami dari semasa ke semasa. Sebarang perubahan atau pemindahan kepada Notis Privasi ini atau Polisi Privasi kami akan dimaklumkan melalui pengumuman di laman web kami atau melalui cara yang bersesuaian. Jika kami meminda Notis Privasi ini atau Polisi Privasi kami, pindaan itu hanya akan berkuat-kuasa untuk data peribadi yang dikumpul selepas kami memaparkan Notis Privasi atau Polisi Privasi kami yang terpinda.

Mengikut Seksyen 7(3) PDPA, Notis Privasi ini diterbitkan dalam Bahasa Inggeris dan Bahasa Malaysia. Sekiranya terdapat sebarang ketidakseragaman atau percanggahan di antara versi Bahasa Inggeris dan Bahasa Malaysia, versi Bahasa Inggeris akan digunapakai.

FORM OF PROXY

MICROLINK SOLUTIONS BERHAD

[Registration No. 200301018362 (620782-P)]

(Incorporated in Malaysia)

MICROLINK

CDS Account No.

No. of Shares Held

[Full name in block, and as per NRIC/Passport/Company No.]

I/We	Tel:
Of	Email:

being member(s) of Microlink Solutions Berhad, hereby appoint:

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email			

and

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email			

or failing him/her, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the 21st Annual General Meeting of our Company held on Wednesday, 4 September 2024 at 10.30 a.m. as a virtual meeting via live streaming broadcast from Redwood Meeting Room, Ho Hup Tower – Aurora Place, 2-09-01 – Level 9, Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur and at any adjournment thereof in the manner as indicated below:

No.	Resolutions	FOR	AGAINST
1	To approve the payment of Directors' fees and benefits to Non-Executive Directors of up to an amount of RM959,400 for the period from 5 September 2024 until the conclusion of the next Annual General Meeting (AGM) of the Company.		
2	To re-elect Martin Chu Leong Meng who retires by rotation in accordance with Clause 95 of the Company's Constitution.		
3	To re-elect Dato' Sri Chee Hong Leong who retires by rotation in accordance with Clause 95 of the Company's Constitution.		
4	To re-elect Thong Weng Sheng who retires in accordance with Clause 100 of the Company's Constitution.		
5	To re-elect Narayanasamy A/L N Chithambaram who retires in accordance with Clause 100 of the Company's Constitution.		
6	To re-elect Wong Kwang Chwen who retires in accordance with Clause 100 of the Company's Constitution.		
7	To re-elect Tan Wee Hoong who retires in accordance with Clause 100 of the Company's Constitution.		
8	To re-elect Danny Hoe Kam Thong who retires in accordance with Clause 100 of the Company's Constitution.		
9	To re-appoint BDO PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
10	Continuation of Martin Chu Leong Meng as Independent Non-Executive Director.		
11	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		
12	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Signed this _____ day of _____, 2024

Signature*
Member

NOTES:

The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be physically present at the main venue of the meeting.

Shareholders/proxies **WILL NOT BE ALLOWED** to attend this 21st AGM in person at the broadcast venue on the day of the 21st AGM. Therefore, shareholders are strongly advised to participate and vote remotely at the 21st AGM through live streaming and online remote voting via digital ballot form (DBF). Shareholders can register online at <https://vps.megacorp.com.my/0qz5yE>.

Please read the Administrative Guide for the 21st AGM in order to participate remotely.

- (i) A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead via DBF. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak (in the form of real time submission of typed texts) at the General Meeting via digital ballot form (DBF).
- (ii) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (Omnibus Account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 (SICDA) which is exempted from compliance with provisions of subsection 25A(1) of SICDA.
- (iii) A member may appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the member shall specify the proportion of his shareholding to be represented by each proxy.
- (iv) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (v) Only members whose names appear in the Record of Depositors on 28 August 2024 shall be entitled to attend, speak (in the form of real time submission of typed texts) and vote at the 21st AGM or appoint proxy/proxies to attend and/or vote on his/her behalf via DBF.

Fold this flap for sealing



To: The Poll Administrator

MICROLINK SOLUTIONS BERHAD

[Registration No. 200301018362 (620782-P)]

c/o **Mega Corporate Services Sdn Bhd**

Level 15-2, Bangunan Faber Imperial Court

Jalan Sultan Ismail

50250 Kuala Lumpur

Fold this flap for sealing

- (vi) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited in the following manner, not less than twenty-four (24) hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid:
 - (a) In hard copy form
Deposit at the office of the Poll Administrator at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur.
 - (b) By electronic form
Email to AGM-support.Microlink@megacorp.com.my
- (vii) The resolutions set out in the Notice of 21st AGM will be put to vote by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities.

CONTACT DETAILS OF SUBSIDIARIES

APPLIED BUSINESS SYSTEMS SDN BHD

[Reg. No. 198901010967 (188269-D)]

CA IT INFRASTRUCTURE SOLUTIONS SDN BHD

[Reg. No. 201101043921 (972041-X)]

CSA SERVIS (M) SDN BHD

[Reg. No. 199201001228 (232732-T)]

DHANALYNK SDN BHD

[Reg. No. 202101015160 (1415460-M)]

FIRST SOLUTION SDN BHD

[Reg. No. 199601025665 (398017-P)]

FORMIS COMPUTER SERVICES SDN BHD

[Reg. No. 198301016935 (112344-P)]

FORMIS SYSTEMS & TECHNOLOGY SDN BHD

[Reg. No. 199401026577 (312258-W)]

MICROLINK INNOVATION SDN BHD

[Reg. No. 200801038491 (839837-A)]

MICROLINK KINEXURE SDN BHD

[Reg. No. 202201047186 (1492883X)]

MICROLINK SOFTWARE SDN BHD

[Reg. No. 200801023058 (824378-V)]

MICROLINK SYSTEMS SDN BHD

[Reg. No. 199401023450 (309131-H)]

ML TRIDIMAS SDN BHD

[Reg. No. 202001042912 (1399233-X)]

OMESTI INNOVATION LAB (MALAYSIA) SDN BHD

[Reg. No. 199901011709 (486609-V)]

MICROLINK LABS SDN BHD

[Reg. No. 202401016786 (1562636-M)]

Ho Hup Tower - Aurora Place
2-08-01 - Level 8
Plaza Bukit Jalil
No 1, Persiaran Jalil 1
Bandar Bukit Jalil
57000 Kuala Lumpur
T +603 9779 1700
F +603 9779 1702

FORMIS ADVANCED SYSTEMS SDN BHD

[Reg. No. 199501019393 (348596-K)]

No. 20-2, Jalan Molek 1/31
Taman Molek
81100 Johor Bharu
Johor
T +607 3517786

MICROLINK SOLUTIONS BERHAD

[Reg. No. 200301018362 (620782-P)]

Ho Hup Tower - Aurora Place
2-08-01 - Level 8
Plaza Bukit Jalil
No 1, Persiaran Jalil 1
Bandar Bukit Jalil
57000 Kuala Lumpur
T +603 9779 1700
F +603 9779 1702

Branch Office:

No 12, Pusat Pedada, Jalan Pedada
96000 Sibul, Sarawak, Malaysia
T +6084 344 801/333 921/333 929
F +6084 333 950

PT MICROLINK INDONESIA

The City Tower, Level 12 Unit 1-N
JL. M H Thamrin No. 81
Jakarta Pusat 10310, Indonesia
T +6221 3049 9589
F +6221 3049 9590

MICROLINK SOLUTIONS W.L.L

Regus Almoayyed Tower, 20 & 21 Floor
Building 2504, Road 2832, Block 428
Al Seef District
Kingdom of Bahrain
T +973 17 567976







MICROLINK SOLUTIONS BERHAD
[Registration No. 200301018362 (620782-P)]

Ho Hup Tower – Aurora Place, 2-08-01 – Level 8, Plaza Bukit Jalil,
No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.



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+603 9779 1702



www.microlink.com.my

REVITALIZE AND THRIVE



WHAT'S INSIDE

VOLUME 2

FINANCIAL STATEMENTS

- 1 Directors' Report
- 6 Statement by Directors
- 6 Statutory Declaration
- 7 Independent Auditors' Report
- 12 Statements of Financial Position
- 14 Statements of Profit or Loss and other Comprehensive Income
- 15 Consolidated Statement of Changes in Equity
- 16 Statement of Changes in Equity
- 17 Statements of Cash Flows
- 20 Notes to the Financial Statements



DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of research and development on information technology solutions to the financial services industry.

The principal activities of the subsidiaries are engaged in provision of information technology solutions, research and development for information technology solutions, deployment services, consultancy services in information technology services, system integration services, distribution and maintenance of computer hardware and software. Other information relating to the respective subsidiaries are disclosed in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year

RESULTS

	Group	Company
	RM	RM
Loss for the financial year	27,805,556	1,119,510
Attributable to:		
Owners of the parent	26,835,852	1,119,510
Non-controlling interests	969,704	-
	27,805,556	1,119,510

DIVIDENDS

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year.

The Directors do not recommend any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS' REPORT (CONT'D.)

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Microlink Solutions Berhad

Tun Arifin bin Zakaria	
Martin Chu Leong Meng [^]	
Dato' Sri Chee Hong Leong	
Dato' Ahmad Najmi bin Abdul Razak	
Noor Zaliza Yati binti Yahya	
Thong Weng Sheng [^]	(Appointed on 1 November 2023)
Narayanasamy A/L N Chithambaram	(Appointed on 1 March 2024)
Wong Kwang Chwen [^]	(Appointed on 15 March 2024)
Tan Wee Hoong	(Appointed on 5 April 2024)
Danny Hoe Kam Thong	(Appointed on 5 April 2024)
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	(Resigned on 6 June 2023)
Wan Mai Gan	(Resigned on 10 November 2023)
Tan Sri Jaganath Derek Steven Sabapathy	(Resigned on 12 January 2024)
Tai Keat Chai	(Resigned on 29 May 2024)
Monteiro Gerard Clair	(Resigned on 10 June 2024)

[^] Director of the Company and certain subsidiaries.

Subsidiaries of Microlink Solutions Berhad

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows:

Ch'ng Kai Fen	
Gan Khong Kiat	
Nazri bin Ismail	
Ku Azhar bin Ku Abdul Razak	
Ryan John Fernandez	
Ahmad Faiz bin Besah @ Sitam	
Trazender Anak Gunting	
Dato' Seri Mohd Khairi bin Dato' Mat Jahya	
Hong Wye Kean	
Monteiro Gerard Clair	
Ajis	
Nguyen Nhat Binh	
Thong Mei Chuen	
Choo Kok Hua	(Appointed on 19 June 2024)
Ramlee bin Abdullah	(Appointed on 3 July 2023)
Datin Sri Yasmin Hanim Arbee binti Mohammed Isa Arbee	(Appointed on 17 July 2023)
See Kar Fai	(Resigned on 3 July 2023)
Tai Keat Chai	(Resigned on 19 June 2024)
Martin Chu Leong Meng	(Resigned on 19 June 2024)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 31 March 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

Shares in the Company	Number of Ordinary Shares			Balance as at 31.3.2024
	Balance as at 1.4.2023/ date of appointment	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	37,205,296	-	(15,895,272)	21,310,024
Tun Arifin bin Zakaria	1,600,000	1,600,000	(1,100)	3,198,900
Wong Kwang Chwen	168,800	-	-	168,800
Thong Weng Sheng	700	-	-	700
<u>Indirect interest</u>				
Monteiro Gerard Clair [#]	31,464	-	-	31,464

[#] Deemed interest by virtue of his substantial interest in H2O Holdings Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors has received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than those as disclosed in Note 38 to the financial statements.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The Directors' remuneration paid to or receivable by the Directors of the Company from the Company and its subsidiaries are as follows:

	Group	Company
	RM	RM
Fees	822,635	660,216
Salaries and other short term employee benefits	664,680	664,680
Benefits-in-kind	60,625	53,125
	1,547,940	1,378,021

DIRECTORS' REPORT (CONT'D.)

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the Directors, officers and auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 April 2024, the Company had incorporated and subscribed for a total of one (1) ordinary share representing 100% of the entire issued and paid-up share capital of Microlink Labs Sdn. Bhd., a company incorporated in Malaysia that is engaged in investment holding activity for total cash consideration of RM1.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2024 were as follows:

	Group	Company
	RM	RM
Statutory audit	248,757	59,500
Other services	5,000	5,000
	253,757	64,500

Signed on behalf of the Board in accordance with a resolution of the Directors.

Thong Weng Sheng
Director

Kuala Lumpur
29 July 2024

Wong Kwang Chwen
Director

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements as set out on pages 12 to 78 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Thong Weng Sheng

Director

Wong Kwang Chwen

Director

Kuala Lumpur

29 July 2024

STATUTORY DECLARATION

I, Thoo W'y-Kit (CA 31394), being the Officer primarily responsible for the financial management of Microlink Solutions Berhad, do solemnly and sincerely declare that the financial statements as set out on pages 12 to 78 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)

declared by the abovenamed at)

Kuala Lumpur this)

29 July 2024)

Thoo W'y-Kit

Before me:

INDEPENDENT AUDITORS' REPORT

To the members of Microlink Solutions Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Microlink Solutions Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 12 to 78.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Impairment assessment of goodwill

The carrying amount of goodwill on consolidation as at 31 March 2024 amounted to RM25,990,417 as disclosed in Note 6 to the financial statements.

We determined this to be a key audit matter as the process of assessing impairment based on the value-in-use method is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the cash generating units ("CGUs") in determining the recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU.

Audit response

Our audit procedures included the following:

- (i) compared prior period projections to actual outcomes to assess reliability of management's forecasting process and controls;
- (ii) assessed and evaluated the assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Microlink Solutions Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

Key Audit Matters (Cont'd.)

(b) *Impairment assessment of software development expenditure*

As at 31 March 2024, the carrying amount of software development expenditure of the Group with impairment indicators was RM64,948,601 as disclosed in Note 7(d) to the financial statements.

We determined this to be a key audit matter as the process of assessing impairment based on the value-in-use method is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the cash generating units ("CGUs") in determining the recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU.

Audit response

Our audit procedures included the following:

- (i) compared prior period projections to actual outcomes to assess reliability of management's forecasting process and controls;
- (ii) assessed and evaluated the assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

(c) *Impairment assessment of trade receivables*

Gross trade receivables of the Group as at 31 March 2024, including amounts due from related parties, amounted to RM120,817,793 as disclosed in Note 14 to the financial statements. The Group has further impaired trade receivables amounted to RM11,333,689 during the financial year.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information to assess the expected credit loss allowances.

Audit response

Our audit procedures performed include the following:

- (i) recomputed the probability of default using historical data and forward-looking information adjustment, applied by the Group;
- (ii) recomputed the correlation coefficient between the macroeconomics indicators set by the Group and historical losses to determine the appropriateness of the forward-looking information used by the Group;
- (iii) inquired of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses; and
- (iv) evaluated management's assessment and explanation on the individually significant trade receivables that were past due as at 31 March 2024 with reference to supporting evidences.

(d) Impairment assessment of the carrying amount of investments in subsidiaries

As at 31 March 2024, the net carrying amount of investments in subsidiaries with impairment indicators amounted to RM7,406,214 as disclosed in Note 8(f) to the financial statements.

We determined this to be a key audit matter as the process of assessing impairment based on the value-in-use method is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the affected subsidiaries in determining the recoverable amounts which were based on the value-in-use model. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each subsidiary.

Audit response

Our audit procedures included the following:

- (i) compared prior period projections to actual outcomes to assess reliability of management's forecasting process;
- (ii) assessed and evaluated the key assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management by comparing to the market data, weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

(e) Impairment assessment of the amounts owing by subsidiaries

As at 31 March 2024, the gross amounts owing by subsidiaries of the Company were RM143,852,381 and the impairment losses were RM72,713,907 as disclosed in Note 17 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by subsidiaries, appropriate forward-looking information and significant increase in credit risk.

Audit response

Our audit procedures included the following:

- (i) recomputed probability of default using historical data and forward-looking adjustment applied by the Company;
- (ii) assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages;
- (iii) challenged management on the basis for determining cash flows recoverable, where applicable; and
- (iv) assessed actual loss events subsequent to the end of reporting period for its relationship with the indicators of significant increase in credit risk applied by management.

INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Microlink Solutions Berhad (Incorporated in Malaysia)

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
29 July 2024

Brendan Francis Lim Jern Zhen
03591/09/2025 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	5,160,154	4,596,042	2,583,823	2,095,263
Goodwill	6	25,990,417	22,663,983	–	–
Software development expenditure	7	100,723,374	111,907,526	951,747	2,055,099
Investments in subsidiaries	8	–	–	35,423,620	35,418,519
Investment in a joint venture	9	–	289,241	–	5,100
Other investments	10	105,000	105,000	–	–
Finance lease receivable	11	770,556	914,536	905,010	1,134,346
Deferred tax assets	12	2,576,303	1,846,954	266,640	266,640
		135,325,804	142,323,282	40,130,840	40,974,967
Current assets					
Inventories and contract costs	13	39,326,402	22,275,262	–	–
Other investments	10	88,996	3,388,221	88,996	702,531
Trade receivables	14	99,539,033	55,040,773	21,720,836	31,966,696
Other receivables, deposits and prepayments	15	23,679,920	31,285,078	746,328	1,903,584
Contract assets	16	32,375,704	36,306,599	–	–
Finance lease receivable	11	195,264	212,395	229,336	212,395
Amounts owing by subsidiaries	17	–	–	71,138,474	43,093,081
Amount owing by a former jointly-controlled entity	18	–	543,526	–	542,653
Current tax assets		11,577,192	10,617,468	700,642	1,594,903
Cash and bank balances	19	13,463,840	33,676,241	12,941	254,296
		220,246,351	193,345,563	94,637,553	80,270,139
TOTAL ASSETS		355,572,155	335,668,845	134,768,393	121,245,106

		Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Note					
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	20	166,259,528	166,259,528	166,259,528	166,259,528
Reserves	21	(527,544)	(214,324)	-	-
Retained earnings/(Accumulated losses)		33,228,066	60,063,918	(52,733,922)	(51,614,412)
		198,960,050	226,109,122	113,525,606	114,645,116
Non-controlling interests	8(d)	(560,709)	130,457	-	-
TOTAL EQUITY		198,399,341	226,239,579	113,525,606	114,645,116
LIABILITIES					
Non-current liabilities					
Provision for gratuity obligations	35	-	-	-	-
Trade payable	26	423,092	-	-	-
Other payables and provision	24	197,365	183,084	197,365	183,084
Lease liabilities	25	3,267,421	4,572,634	2,520,417	3,126,373
Deferred tax liabilities	12	4,923,609	5,448,450	-	-
		8,811,487	10,204,168	2,717,782	3,309,457
Current liabilities					
Trade payables	26	55,238,492	17,353,809	-	-
Other payables and provision	24	29,986,426	24,560,412	2,542,683	1,551,478
Contract liabilities	27	19,403,747	26,038,579	2,998,445	140,857
Amounts owing to subsidiaries	17	-	-	12,328,393	254,177
Amount owing to a former jointly-controlled entity	18	-	1,170,000	-	-
Borrowings	22	41,102,123	28,004,653	-	-
Lease liabilities	25	1,098,551	1,723,113	655,484	1,344,021
Provision for gratuity obligations	35	-	-	-	-
Current tax liabilities		1,531,988	374,532	-	-
		148,361,327	99,225,098	18,525,005	3,290,533
TOTAL LIABILITIES		157,172,814	109,429,266	21,242,787	6,599,990
TOTAL EQUITY AND LIABILITIES		355,572,155	335,668,845	134,768,393	121,245,106

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	30	281,286,892	248,448,515	7,204,107	7,859,796
Cost of sales		(249,845,851)	(177,184,757)	(454,499)	(474,733)
Gross profit		31,441,041	71,263,758	6,749,608	7,385,063
Other operating income		2,620,243	7,652,367	968,809	7,284,902
Distribution costs		(1,218,698)	(1,781,547)	(44,640)	(51,855)
Administrative expenses		(37,659,078)	(37,117,808)	(8,179,317)	(8,081,455)
Other operating expenses		(7,324,952)	(7,035,844)	(1,702,893)	(1,675,526)
Net (losses)/gains on impairment of financial assets		(9,620,795)	338,999	1,485,005	(3,892,959)
Finance costs	32	(3,125,504)	(1,680,552)	(304,868)	(381,695)
Share of profit of a jointly-controlled entity, net of tax	9	-	284,141	-	-
(Loss)/Profit before taxation		(24,887,743)	31,923,514	(1,028,296)	586,475
Taxation	33	(2,917,813)	(5,890,092)	(91,214)	(301,203)
(Loss)/Profit for the financial year		(27,805,556)	26,033,422	(1,119,510)	285,272
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translations for foreign operations, net of tax	33(c)	(312,581)	(249,435)	-	-
Total comprehensive (loss)/income		(28,118,137)	25,783,987	(1,119,510)	285,272
(Loss)/Profit attributable to:					
Owners of the parent		(26,835,852)	25,858,677	(1,119,510)	285,272
Non-controlling interests	8(d)	(969,704)	174,745	-	-
		(27,805,556)	26,033,422	(1,119,510)	285,272
Total comprehensive (loss)/ income attributable to:					
Owners of the parent		(27,149,072)	25,606,193	(1,119,510)	285,272
Non-controlling interests	8(d)	(969,065)	177,794	-	-
		(28,118,137)	25,783,987	(1,119,510)	285,272
(Loss)/Earnings per ordinary share attributable to equity holders of the Company:					
Basic (sen)	34	(2.50)	2.42		
Diluted (sen)	34	(2.50)	2.42		

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

Group	Note	Non-distributable		Total			Total equity RM
		Share capital RM	Exchange translation reserve RM	Retained earnings RM	attributable to owners of the parent RM	Non-controlling interests RM	
Balance as at 1 April 2023		166,259,528	(214,324)	60,063,918	226,109,122	130,457	226,239,579
Loss for the financial year		-	-	(26,835,852)	(26,835,852)	(969,704)	(27,805,556)
Foreign currency translation for foreign operations, net of tax		-	(313,220)	-	(313,220)	639	(312,581)
Total comprehensive loss		-	(313,220)	(26,835,852)	(27,149,072)	(969,065)	(28,118,137)
Transactions with owners							
Arising from acquisition of control over a subsidiary	8(c)(iv)	-	-	-	-	277,899	277,899
Balance as at 31 March 2024		166,259,528	(527,544)	33,228,066	198,960,050	(560,709)	198,399,341
Balance as at 1 April 2022							
Balance as at 1 April 2022		161,896,279	38,160	39,321,872	201,256,311	480,482	201,736,793
Profit for the financial year		-	-	25,858,677	25,858,677	174,745	26,033,422
Foreign currency translation for foreign operations, net of tax		-	(252,484)	-	(252,484)	3,049	(249,435)
Total comprehensive income		-	(252,484)	25,858,677	25,606,193	177,794	25,783,987
Transactions with owners							
Shares issued pursuant to Employee Share Grant Plan	20	4,363,249	-	-	4,363,249	-	4,363,249
Arising from accretion of equity interests in subsidiary		-	-	227,419	227,419	(302,419)	(75,000)
Dividends paid	36	-	-	(5,344,050)	(5,344,050)	-	(5,344,050)
Dividends paid to non-controlling interest		-	-	-	-	(225,400)	(225,400)
Total transactions with owners		4,363,249	-	(5,116,631)	(753,382)	(527,819)	(1,281,201)
Balance as at 31 March 2023		166,259,528	(214,324)	60,063,918	226,109,122	130,457	226,239,579

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

Company	Note	Non-distributable	Accumulated losses RM	Total equity RM
		Share capital RM		
Balance as at 1 April 2023		166,259,528	(51,614,412)	114,645,116
Loss for the financial year		-	(1,119,510)	(1,119,510)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(1,119,510)	(1,119,510)
Balance as at 31 March 2024		166,259,528	(52,733,922)	113,525,606
Balance as at 1 April 2022		161,896,279	(46,555,634)	115,340,645
Profit for the financial year		-	285,272	285,272
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	285,272	285,272
Transactions with owners				
Shares issued pursuant to Employee Share Grant Plan	20	4,363,249	-	4,363,249
Dividends paid	36	-	(5,344,050)	(5,344,050)
Total transactions with owners		4,363,249	(5,344,050)	(980,801)
Balance as at 31 March 2023		166,259,528	(51,614,412)	114,645,116

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 March 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before taxation		(24,887,743)	31,923,514	(1,028,296)	586,475
Adjustments for:					
Amortisation of software development expenditure	7	14,171,534	12,882,057	1,103,352	1,017,639
Impairment losses on:					
– trade receivables	14	11,333,689	389,178	–	395,985
– amounts owing by subsidiaries	17(e)	–	–	3,808,575	4,030,116
– other receivables	15(f)	–	3,450	–	–
Interest expense	32	3,125,504	1,680,552	304,868	381,695
Depreciation of property, plant and equipment	5	1,183,810	1,486,160	425,686	585,904
Inventories written off		378,030	–	–	–
Loss on disposal of property, plant and equipment		918	–	–	–
Share options granted under Employee Share Grant Plan		–	4,363,249	–	87,217
Lease concession		–	(5,232)	–	–
Gain on termination of lease contract		(19,433)	(69,823)	–	(33,344)
Other payables and accruals written back		–	(183,451)	–	–
Share of profit of jointly-controlled entity, net of tax	9	–	(284,141)	–	–
Provision for gratuity obligations	35	–	(2,067,883)	–	–
Reversal of impairment losses on:					
– trade receivables	14	(796,653)	(592,397)	(5,293,580)	–
– other receivables	15(f)	(3,450)	–	–	–
– amounts owing by subsidiaries	17(e)	–	–	–	(533,142)
– amount owing by former ultimate holding company		–	(139,230)	–	–
– contract assets	16	(96,021)	–	–	–
Dividend income	30	(4,980)	(86,937)	(4,980)	(6,524,770)
Net unrealised fair value (gain)/loss on other investment		(34,000)	1,905,782	(34,000)	34,000
Loss/(Gain) on lease modification		30,459	(2,699)	–	–
Interest income		(467,321)	(539,868)	(102,095)	(84,198)
Net unrealised (gain)/loss on foreign exchange		(36,121)	9,849	–	–
(Gain)/Loss on disposal of other investment		(975,932)	(5,151,045)	6,465	(634,416)
Operating profit/(loss) before changes in working capital		2,902,290	45,521,085	(814,005)	(690,839)

STATEMENTS OF CASH FLOWS (CONT'D.)

For the financial year ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES (Cont'd.)					
Increase in inventories and contract costs		(17,429,170)	(16,509,201)	-	-
(Increase)/decrease in trade and other other receivables		(45,122,541)	(3,729,366)	17,239,349	(409,977)
Decrease/(Increase) in contract assets		4,026,916	(19,020,779)	-	-
Decrease in finance lease receivable		158,612	131,307	212,395	132,804
Increase/(Decrease) in trade and other payables		37,842,955	(507,737)	1,445,586	(2,203,692)
(Decrease)/Increase in contract liabilities		(6,634,832)	8,730,787	2,857,588	(288,075)
Cash (used in)/generated from operations		(24,255,770)	14,616,096	20,940,913	(3,459,779)
Interest received		80,323	71,494	94,339	71,684
Tax paid		(5,908,044)	(10,033,355)	(219,164)	(369,655)
Tax refunded		2,127,733	44,687	1,022,211	-
Net cash (used in)/from operating activities activities		(27,955,758)	4,698,922	21,838,299	(3,757,750)
CASH FLOWS FROM INVESTING ACTIVITIES					
Addition of software development expenditure	7	(2,987,382)	(22,364,216)	-	(55,650)
(Advances to)/Repayments from subsidiaries		-	-	(20,234,133)	7,472,672
Dividend received		4,980	86,937	4,980	321,537
Interest received		386,998	467,254	7,756	12,514
Placement of deposits pledged to licensed banks		(2,330,466)	(966,772)	-	-
Net disposal of other investments		4,309,157	4,332,824	641,070	3,093,514
Acquisition of additional interests in a subsidiary		-	(75,000)	-	-
Purchase of property, plant and equipment	5(b)	(1,783,141)	(446,721)	(799,383)	(27,671)
Proceeds from disposal of property, plant and equipment		1,900	-	-	-
Subscription of newly issued shares in subsidiaries	8	-	-	-	(171,589)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	8	13,304	38,664	(1)	-
Downpayment made for acquisition of investment property		-	(6,000,000)	-	-
Acquisition of interests in a former jointly controlled-entity	9	-	(5,100)	-	(5,100)
Advances to a former jointly-controlled-entity		-	(1,000)	-	(1,000)
Net cash (used in)/from investing activities		(2,384,650)	(24,933,130)	(20,379,711)	10,639,227

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Net drawdowns of borrowings		13,225,909	93,402	–	–
Payments of lease liabilities		(2,309,000)	(3,374,487)	(1,699,943)	(2,445,939)
Interest paid		(2,707,980)	(1,111,040)	–	–
Dividends paid	36	–	(5,344,050)	–	(5,344,050)
Dividends paid to non-controlling interest		–	(225,400)	–	–
Net cash from/(used in) financing activities		8,208,929	(9,961,575)	(1,699,943)	(7,789,989)
Net decrease in cash and cash equivalents		(22,131,479)	(30,195,783)	(241,355)	(908,512)
Cash and cash equivalents at beginning of financial year		25,742,172	56,151,670	254,296	1,162,808
Effect of changes in exchange rates		(282,949)	(213,715)	–	–
Cash and cash equivalents at end of financial year	19(d)	3,327,744	25,742,172	12,941	254,296

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
(i) Borrowings*					
As at 1 April 2023/2022		25,527,019	25,433,617	-	-
Cash flows		13,225,909	93,402	-	-
As at 31 March 2024/2023	22	38,752,928	25,527,019	-	-
(ii) Lease liabilities					
As at 1 April 2023/2022		6,295,747	6,790,404	4,470,394	4,653,316
Cash flows		(2,309,000)	(3,374,487)	(1,699,943)	(2,445,939)
Non-cash flows					
- Addition of leases		158,568	2,869,895	114,863	2,029,374
- Unwinding of interest		403,243	543,976	290,587	356,159
- Lease modification		27,765	141,456	-	-
- Lease concessions		-	(5,232)	-	-
- Lease termination		(210,351)	(670,265)	-	(122,516)
As at 31 March 2024/2023	25	4,365,972	6,295,747	3,175,901	4,470,394
Total liabilities from financing activities		43,118,900	31,822,766	3,175,901	4,470,394

* For reconciliation of liabilities arising from financing activities purpose, the bank overdraft has been excluded from the borrowings as cash and cash equivalents include bank overdraft.

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

1. CORPORATE INFORMATION

Microlink Solutions Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia.

On 27 February 2023, the listing of and quotation for the entire issued share capital of the Company has been officially transferred from the ACE Market to the Main Market of Bursa Securities. The Company is also a Multimedia Super Corridor ("MSC") status company.

The registered office of the Company is located at Ho Hup Tower - Aurora Place 02-07-01 - Level 7, Plaza Bukit Jalil, No 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The principal place of business of the Company is located at Ho Hup Tower - Aurora Place 02-08-01, Level 8, Plaza Bukit Jalil, No 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The consolidated financial statements for the financial year ended 31 March 2024 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 29 July 2024.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of research and development on information technology solutions to the financial services industry. The principal activities and the details of the subsidiaries are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 41.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

4. OPERATING SEGMENTS

The Company and its subsidiaries in Malaysia are principally engaged in financial services, enterprise solutions, distribution services and solution delivery for computer software solutions whilst its subsidiaries in Singapore, Indonesia, Vietnam and Bahrain are principally engaged in financial services and enterprise solutions.

(a) Business segments

The Group has arrived at four (4) reportable segments that are organised and managed separately according to the nature of products and services, which require different business and marketing strategies. The reportable segments are summarised as follows:

(i) Financial Services

Provision of business and technical services for financial institutions.

(ii) Enterprise Solutions

Provision of emerging technologies for enterprise.

(iii) Distribution Services

Distribution and maintenance of computer equipment and software.

(iv) Solution Delivery

Provision of project and software solutions delivery services.

The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the financial year.

The inter-segments assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position.

The inter-segment liabilities are adjusted against the segment liabilities to arrive at total liabilities reported in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

4. OPERATING SEGMENTS (CONT'D.)

(a) Business segments (Cont'd.)

2024	Financial Services RM	Enterprise Solutions RM	Distribution Services RM	Solution Delivery RM	Elimination RM	Consolidation RM
Revenue						
External sales	40,217,565	56,635,753	180,765,972	3,667,602	-	281,286,892
Inter-segment sales	13,198,684	430,125	6,409,780	290,063	(20,328,652)	-
Total revenue	53,416,249	57,065,878	187,175,752	3,957,665	(20,328,652)	281,286,892
Results						
Interest income	305,438	2,308	178,465	317	(19,207)	467,321
Reversal of impairment losses on:						
- trade receivables	5,740,233	350,000	-	-	(5,293,580)	796,653
- amount owing by immediate holding company	-	-	632,188	-	(632,188)	-
- amounts owing by related companies	965,752	106,000	394,248	11,436	(1,477,436)	-
- other receivables	-	-	-	3,450	-	3,450
- contract assets	-	-	-	96,021	-	96,021
Amortisation of software development expenditure	(6,925,309)	(7,329,366)	-	(758,160)	841,301	(14,171,534)
Depreciation of property, plant and equipment	(937,849)	(60,278)	(169,972)	(48,513)	32,802	(1,183,810)
Impairment losses on:						
- trade receivables	(3,493,801)	(7,839,888)	-	-	-	(11,333,689)
- amounts owing by subsidiaries	(3,808,575)	-	-	-	3,808,575	-
- amounts owing by related companies	(4,961,413)	-	-	(1,449,026)	6,410,439	-
Interest expense	(1,397,137)	(199,760)	(1,549,177)	(914)	21,484	(3,125,504)
Taxation	(738,741)	1,456,271	(2,267,465)	(126,518)	(1,241,360)	(2,917,813)
Segment (loss)/profit before tax	(13,210,642)	(22,353,392)	8,998,600	(809,002)	2,486,693	(24,887,743)
Capital expenditure (exclude right-of-use assets)	1,137,006	469,943	176,192	-	-	1,783,141
Software development expenditure	1,187,999	1,829,383	-	-	(30,000)	2,987,382
Segment assets	273,128,236	112,020,590	126,148,798	26,530,059	(182,255,528)	355,572,155
Segment liabilities	178,179,632	105,704,505	143,200,616	18,418,763	(288,330,702)	157,172,814

4. OPERATING SEGMENTS (CONT'D.)

(a) Business segments (Cont'd.)

2023	Financial Services RM	Enterprise Solutions RM	Distribution Services RM	Solution Delivery RM	Elimination RM	Consolidation RM
Revenue						
External sales	64,954,195	58,954,931	122,739,389	1,800,000	-	248,448,515
Inter-segment sales	15,187,966	849,618	9,832,797	431,747	(26,302,128)	-
Total revenue	80,142,161	59,804,549	132,572,186	2,231,747	(26,302,128)	248,448,515
Results						
Interest income	238,361	141,067	167,382	3,708	(10,650)	539,868
Dividend income	6,524,770	-	-	-	(6,437,833)	86,937
Reversal of impairment losses on:						
- amounts owing by former ultimate holding company	-	38,436	794	100,000	-	139,230
- trade receivables	6,615,333	505,989	581	72,507	(6,602,013)	592,397
- amounts owing by subsidiaries	533,142	-	-	-	(533,142)	-
Realised gain on disposal of other investment	5,151,045	-	-	-	-	5,151,045
Net unrealised fair value loss on other investment	(1,905,782)	-	-	-	-	(1,905,782)
Amortisation of software development expenditure	(6,584,444)	(6,433,410)	-	(653,076)	788,873	(12,882,057)
Depreciation of property, plant and equipment	(1,021,511)	(33,530)	(415,756)	(36,076)	20,713	(1,486,160)
Impairment losses on:						
- amounts owing by subsidiaries	(4,426,101)	-	-	-	4,426,101	-
- trade receivables	-	(389,178)	-	-	-	(389,178)
- other receivables	-	-	-	(3,450)	-	(3,450)
- amounts owing by related parties	(1,099,052)	(242,526)	(682,691)	(138,365)	2,162,634	-
Interest expense	(759,041)	(71,372)	(858,694)	(2,095)	10,650	(1,680,552)
Taxation	(3,143,578)	(2,260,142)	(633,087)	146,715	-	(5,890,092)
Segment profit/(loss) before tax	24,983,724	12,826,792	1,195,484	(964,082)	(6,118,404)	31,923,514
Capital expenditure (exclude right-of-use assets)	258,299	71,973	112,050	124,260	(119,861)	446,721
Software development expenditure	9,392,542	12,512,080	-	512,094	(52,500)	22,364,216
Segment assets	221,781,680	128,294,044	99,412,764	25,812,254	(139,631,897)	335,668,845
Segment liabilities	118,605,066	95,295,836	123,195,718	16,765,438	(244,432,792)	109,429,266

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

4. OPERATING SEGMENTS (CONT'D.)

(b) Geographical segments

	Revenue RM	Segment assets RM	Segment liabilities RM	Capital and software development expenditure RM	Depreciation and amortisation RM
2024					
Malaysia	264,264,130	350,990,870	151,495,314	4,770,523	15,311,472
Overseas	17,022,762	4,581,285	5,677,500	-	43,872
	281,286,892	355,572,155	157,172,814	4,770,523	15,355,344
2023					
Malaysia	237,009,131	332,036,336	108,083,459	22,810,937	14,368,217
Overseas	11,439,384	3,632,509	1,345,807	-	-
	248,448,515	335,668,845	109,429,266	22,810,937	14,368,217

Geographical segments of the Group are presented based on the physical geographical locations of customers of subsidiaries of the Group.

(c) Major customers

The following are major customers with revenue equal to or more than ten per centum (10%) of the group revenue:

	Group			
	2024		2023	
	RM	%	RM	%
Customer A				
- Enterprise solutions	-	-	26,513,909	11
Customer B				
- Distribution services	31,336,426	11	-	-
	31,336,426	11	26,513,909	11

5. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.4.2023 RM	Lease modification RM	Lease termination RM	Additions RM	Disposal RM	Depreciation charge for the financial year RM	Exchange adjustments RM	Balance as at 31.3.2024 RM
Carrying amount								
Buildings	2,560,342	(195)	-	114,863	-	(584,964)	-	2,090,046
- Right-of-use assets	2,505	-	-	9,247	-	(1,639)	-	10,113
Furniture and fittings	10,239	-	-	203,910	-	(15,061)	-	199,088
Office equipment	579,241	-	-	804,017	(2,818)	(212,651)	-	1,167,789
Computer software and hardware	59,246	-	-	43,705	-	(63,012)	-	39,939
- Owned	14,924	-	-	-	-	(358)	144	14,710
- Right-of-use assets	1,369,545	-	(190,918)	-	-	(306,125)	-	872,502
Renovations	-	-	-	765,967	-	-	-	765,967
Motor vehicles								
- Right-of-use assets								
Capital work-in-progress	4,596,042	(195)	(190,918)	1,941,709	(2,818)	(1,183,810)	144	5,160,154

Group	As at 31.3.2024		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings	4,288,685	(2,198,639)	2,090,046
- Right-of-use assets	185,832	(175,719)	10,113
Furniture and fittings	269,160	(70,072)	199,088
Office equipment	4,285,830	(3,118,041)	1,167,789
Computer software and hardware	503,027	(463,088)	39,939
- Owned	191,991	(177,281)	14,710
- Right-of-use assets	20,800	(20,800)	-
Renovations	2,255,154	(1,382,652)	872,502
Motor vehicles	765,967	-	765,967
- Owned			
- Right-of-use assets			
Capital work-in-progress	12,766,446	(7,606,292)	5,160,154

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group	Balance as at 1.4.2022 RM	Lease modification RM	Lease termination RM	Additions RM	Written off RM	Depreciation charge for the financial year RM	Exchange adjustments RM	Balance as at 31.3.2023 RM
Carrying amount								
Buildings								
- Right-of-use assets	2,152,158	144,155	-	771,136	*	(507,107)	-	2,560,342
Furniture and fittings	3,609	-	-	-	-	(1,104)	-	2,505
Office equipment	8,877	-	-	6,000	-	(4,638)	-	10,239
Computer software and hardware								
- Owned	282,192	-	-	440,721	-	(143,672)	-	579,241
- Right-of-use assets	202,148	-	-	-	-	(142,902)	-	59,246
Renovations	15,186	-	-	-	-	(358)	96	14,924
Motor vehicles								
- Right-of-use assets	1,815,845	-	(600,442)	840,521	-	(686,379)	-	1,369,545
	4,480,015	144,155	(600,442)	2,058,378	*	(1,486,160)	96	4,596,042

* Refers to the expiration of lease contract.

Group	As at 31.3.2023		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	4,199,381	(1,639,039)	2,560,342
Furniture and fittings	176,585	(174,080)	2,505
Office equipment	67,340	(57,101)	10,239
Computer software and hardware			
- Owned	3,485,489	(2,906,248)	579,241
- Right-of-use assets	459,322	(400,076)	59,246
Renovations	191,847	(176,923)	14,924
Motor vehicles			
- Owned	20,800	(20,800)	-
- Right-of-use assets	2,713,358	(1,343,813)	1,369,545
	11,314,122	(6,718,080)	4,596,042

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Company	Balance as at 1.4.2023 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2024 RM
Carrying amount				
Buildings				
- Right-of-use assets	2,038,581	114,863	(409,190)	1,744,254
Furniture and fittings	4	9,247	(534)	8,717
Office equipment	6	-	-	6
Computer software and hardware	56,672	24,169	(15,962)	64,879
Capital work-in-progress	-	765,967	-	765,967
	2,095,263	914,246	(425,686)	2,583,823

Company	As at 31.3.2024		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	3,379,051	(1,634,797)	1,744,254
Furniture and fittings	36,894	(28,177)	8,717
Office equipment	31,368	(31,362)	6
Computer software and hardware	302,050	(237,171)	64,879
Motor vehicles			
- Right-of-use assets	460,000	(460,000)	-
Capital work-in-progress	765,967	-	765,967
	4,975,330	(2,391,507)	2,583,823

Company	Balance as at 1.4.2022 RM	Additions RM	Lease termination RM	Written off RM	Depreciation charge for the financial year RM	Balance as at 31.3.2023 RM
Carrying amount						
Buildings						
- Right-of-use assets	1,865,651	549,829	-	*	(376,899)	2,038,581
Furniture and fittings	4	-	-	-	-	4
Office equipment	6	-	-	-	-	6
Computer software and hardware	39,937	27,671	-	-	(10,936)	56,672
Motor vehicles						
- Right-of-use assets	287,241	-	(89,172)	-	(198,069)	-
	2,192,839	577,500	(89,172)	*	(585,904)	2,095,263

* Refers to the expiration of lease contract.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Company	As at 31.3.2023		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	3,264,188	(1,225,607)	2,038,581
Furniture and fittings	27,647	(27,643)	4
Office equipment	31,368	(31,362)	6
Computer software and hardware	277,881	(221,209)	56,672
Motor vehicles			
- Right-of-use assets	460,000	(460,000)	-
	4,061,084	(1,965,821)	2,095,263

(a) Property, plant and equipment excluding right-of-use assets

All items of property, plant and equipment excluding right-of-use assets are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

After initial recognition, property, plant and equipment excluding right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates. The principal annual depreciation rates of property, plant and equipment, except for right-of-use assets are as follows:

Furniture and fittings	15% - 20%
Office equipment	15% - 20%
Computer software and hardware	20% - 25%
Renovations	10% - 20%
Motor vehicles	20%

Capital work-in-progress represents computer software and hardware in progress not depreciated until the assets are ready for their intended use.

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write-down is made if the carrying amount exceeds the recoverable amount.

Right-of-use assets under property, plant and equipment

Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Buildings	2 - 10 years
Computer software and hardware	2 - 5 years
Motor vehicles	2 - 4 years

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

- (b) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Purchase of property, plant and equipment	1,941,709	2,058,378	914,246	577,500
Financed by lease liabilities	(158,568)	(1,611,657)	(114,863)	(549,829)
Cash payments on purchase of property, plant and equipment	1,783,141	446,721	799,383	27,671

6. GOODWILL

	Group	
	2024 RM	2023 RM
Cost		
At beginning of financial year	22,727,894	18,473,370
Acquisition of a subsidiary	3,326,434	4,254,524
At end of financial year	26,054,328	22,727,894
Accumulated impairment losses		
At beginning/end of financial year	(63,911)	(63,911)
Net carrying amount	25,990,417	22,663,983

- (a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.
- (b) Goodwill has been allocated to the cash generating units ("CGUs") of the Group based on the following reportable segments:

	Group	
	2024 RM	2023 RM
Financial Services	10,398,810	7,072,376
Enterprise Solutions	3,449,874	3,449,874
Distribution Services	8,672,340	8,672,340
Solution Delivery	3,469,393	3,469,393
	25,990,417	22,663,983

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

6. GOODWILL (CONT'D.)

- (c) Impairment assessment on the carrying amount of goodwill is performed at least on an annual basis. The Directors have made significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the CGUs in determining its recoverable amount.

Recoverable amounts of goodwill for both financial years have been determined based on the value-in-use of the CGU, using the following assumptions:

- (i) Cash flow forecasts based on approved financial budgets covering a five (5) year period;
- (ii) Pre-tax discount rate of the Group of 9.72% (2023: 11.0%) per annum;
- (iii) Forecasted growth rate of 5.0% (2023: 5.0% to 6.0%) based on past performance of the segment;
- (iv) Terminal value based on the fifth year cash flow without incorporating any growth rate; and
- (v) Projected profit margins based on historical profit margins achieved.

Management believes that there is no reasonably possible change in the key assumptions on which management has based its determination of the CGUs' recoverable amounts, which would cause the CGUs' carrying amounts to materially exceed their recoverable amounts.

7. SOFTWARE DEVELOPMENT EXPENDITURE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At cost				
As at 1 April 2023/2022	159,798,087	137,433,871	32,303,188	32,247,538
Additions	2,987,382	22,364,216	–	55,650
As at 31 March 2024/2023	162,785,469	159,798,087	32,303,188	32,303,188
Accumulated amortisation				
As at 1 April 2023/2022	(47,477,838)	(34,595,781)	(29,808,367)	(28,790,728)
Amortisation during the financial year	(14,171,534)	(12,882,057)	(1,103,352)	(1,017,639)
As at 31 March 2024/2023	(61,649,372)	(47,477,838)	(30,911,719)	(29,808,367)
Accumulated impairment losses				
As at 31 March 2024/2023	(412,723)	(412,723)	(439,722)	(439,722)
Carrying amount	100,723,374	111,907,526	951,747	2,055,099

- (a) Software development expenditure are intangible assets with finite useful lives that are measured after initial recognition at cost less any accumulated amortisation and any accumulated impairment losses.
- (b) Software development expenditure comprises purchase software, salaries of personnel involved in development projects and related overheads incurred directly in the development of software. Software development expenditure are charged to profit or loss in the financial year in which it is incurred except for that relating to specific projects intended for commercial exploitation where it is expected to generate future economic benefits and can reasonably be recovered from related future revenue. Such development expenditure is amortised on a straight-line method over a period of five (5) to ten (10) years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

7. SOFTWARE DEVELOPMENT EXPENDITURE (CONT'D.)

- (c) During the financial year, the Group and the Company made cash payments of RM2,987,382 (2023: RM22,364,216) and RMNil (2023:RM55,650) respectively for the addition of software development expenditure.

- (d) Impairment assessment

The Group assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environment and performance of the cash generating units ("CGUs"). The carrying amount of the software development expenditure in the Group with indications of impairment amounted to RM64,948,601 as at 31 March 2024.

Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining their recoverable amounts using the value-in-use model. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rate. The Group has determined that the recoverable amounts are in excess of the carrying amounts of the software development expenditure and no further impairment has been recorded in the current financial year.

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Unquoted shares, at cost	35,784,071	35,778,970
Less: Accumulated impairment losses	(360,451)	(360,451)
	35,423,620	35,418,519

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' shares of subsequent changes in equity.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(b) Details of the subsidiaries are as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries				
Microlink Systems Sdn. Bhd. (“MSSB”)	Malaysia	100	100	Provision of information technology solutions to the financial services industry and dealing in related products
CA IT Infrastructure Solutions Sdn. Bhd. (“CAIT”)	Malaysia	100	100	Trading and marketing of computer software programs and products
Microlink Innovation Sdn. Bhd. (“MISB”)	Malaysia	100	100	Provision of research and development for information technology solutions to the financial services industry
CSA Servis (M) Sdn. Bhd. (“CSAS”)	Malaysia	100	100	Investment holding and provision of computer repair and maintenance service, supply of computer parts, accessories, computers and peripherals
Omesti Innovation Lab (Malaysia) Sdn. Bhd. (“OIL”)	Malaysia	100	100	Development of information and multimedia technology and provision of deployment services
PT Microlink Indonesia (“PTMI”)®	Republic of Indonesia	100	100	Provision of information technology solutions to the financial services industry and dealing in related products
Microlink Software Sdn. Bhd. (“MSB”)	Malaysia	51	51	Provision of consultancy services in supporting and modifying banking software
ML Tridimas Sdn. Bhd. (“MLTSB”)	Malaysia	100	100	Development of application software, system integration services and the provision of hardware and software maintenance services.
Dhanalynk Sdn. Bhd.	Malaysia	100	100	Development of application software, system integration services and the provision of hardware and software maintenance services.
Microlink Solution WLL	Kingdom of Bahrain	100	100	Provision of computer programming, computer consultancy and computer facilities management and management consultancy services.

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(b) Details of the subsidiaries are as follows: (Cont'd.)

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries (Cont'd.)				
Microlink Solutions Pte. Ltd. ("MSPL") (Formerly known as Formis Labs Singapore Pte. Ltd.) [@]	Singapore	100	100	Distributing and marketing online video surveillance and analytics services.
Microlink Solutions Vietnam Limited ("MSVL") (Formerly known as Omesti Vietnam Company Limited) [@]	Vietnam	100	–	Consulting services, software implementation services, data processing services, database services and maintenance services.
Microlink Kinexure Sdn. Bhd. ("MKSB")	Malaysia	51	–	Provision of information technology management and consultancy services
Subsidiary of MSSB				
PT Microlink International Maju ("PTMIM") [@]	Republic of Indonesia	65	65	Provision of information technology solutions to the financial services industry and dealing in related products
Subsidiaries of CSAS				
Formis Systems & Technology Sdn. Bhd. ("FST")	Malaysia	100	100	Distribution and maintenance of computer hardware and software
First Solution Sdn. Bhd. ("FIRST")	Malaysia	100	100	Distribution and maintenance of computer hardware and software
Applied Business Systems Sdn. Bhd. ("ABS")	Malaysia	100	100	Distribution and maintenance of computer hardware and software
Formis Computer Services Sdn. Bhd. ("FCS")	Malaysia	100	100	Provision of computer technology and maintenance of computer hardware and software
Formis Advanced Systems Sdn. Bhd. ("FAS")	Malaysia	100	100	Provision of information technology services in terms of hardware, software, consultancy and maintenance

[®] Subsidiaries not audited by BDO PLT or BDO PLT member firms.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Other details of investments in subsidiaries:

(i) Incorporation of a subsidiary

In the previous financial year, the Company had incorporated and subscribed for a total of one (1) ordinary share representing 100% of the entire issued and paid-up share capital of Microlink Solutions WLL., a company incorporated in Kingdom of Bahrain that is engaged in the provision of computer programming, computer consultancy and computer facilities management and management consultancy services for RM171,589.

(ii) Increase in investment in subsidiaries

(1) Acquisition of MSPL

In the previous financial year, the Company had acquired 100 ordinary shares, representing 100% of the entire issued and paid-up share capital of MSPL, a company incorporated in Singapore that is engaged in distributing and marketing online video surveillance and analytics services, for a total cash consideration of RM1.

Following the transaction, goodwill amounting RM4,254,524 was recognised based on provisional fair value of identifiable assets and liabilities on the acquisition of MSPL. There were no changes in the fair value of identifiable assets and liabilities of MSPL during the financial year.

Fair values of the identifiable assets and liabilities acquired were as follows:

	Net carrying amount RM
Assets	
Cash and bank balances	38,665
Liabilities	
Other payables and accruals	41,067
Amount owing to former ultimate holding company	3,562,140
Amount owing to former immediate holding company	6,832
Amounts owing to related parties	683,149
	4,293,188
Total identifiable net liabilities at provisional fair value	(4,254,523)
Provisional goodwill arising on acquisition	4,254,524
Total consideration	1

The effect on the acquisition of MSPL on cash flows is as follows:

	RM
Total cash consideration	1
Less: Cash and cash equivalents of a subsidiary acquired	(38,665)
Net cash inflow on acquisition	(38,664)

The revenue and profit or loss of MSPL for financial year ended 31 March 2023 or since the date of acquisition did not have any material effect on the financial results of the Group.

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Other details of investments in subsidiaries: (Cont'd.)

(ii) Increase in investment in subsidiaries (Cont'd.)

(2) Acquisition of MSVL

During the financial year, the Company had acquired 421,879 ordinary shares, representing 100% of the entire issued and paid-up share capital of MSVL, a company incorporated in Vietnam that is engaged in consulting services, software implementation services, data processing services, databases services and maintenance services, for a total cash consideration of RM1.

Following the transaction, goodwill amounting RM3,326,434 was recognised based on fair values of identifiable assets and liabilities on the acquisition of MSVL.

Fair values of the identifiable assets and liabilities acquired were as follows:

	Net carrying value RM
Assets	
Other receivables, deposits and prepayments	285,098
Cash and bank balances	2,323
	287,421
Liabilities	
Other payables and accruals	266,445
Amount owing to former ultimate holding company	6,311
Amount owing to former immediate holding company	3,341,098
	3,613,854
Total identifiable net liabilities at provisional fair value	(3,326,433)
Provisional goodwill arising on acquisition	3,326,434
Total consideration	1

The effect on the acquisition of MSVL on cash flows is as follows:

	RM
Total cash consideration	1
Less: Cash and cash equivalents of a subsidiary acquired	(2,323)
Net cash inflow on acquisition	(2,322)

The revenue and profit or loss of MSVL for financial year ended 31 March 2024 or since the date of acquisition did not have any material effect on the financial results of the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Other details of investments in subsidiaries: (Cont'd.)

(iii) Accretion of equity interest in a subsidiary

In the previous financial year, CSAS, a wholly owned subsidiary of the Company acquired 75,000 ordinary shares, representing 15% of the total issued and paid-up share capital of FAS for a total cash consideration of RM75,000. Following the acquisition, FAS became a wholly-owned subsidiary of CSAS.

(iv) Acquisition of control over a subsidiary

During the financial year, the Company acquired control over a joint venture, MKSB, as the Company obtained control over the Board of Directors and the power to govern the relevant activities of MKSB despite the Company's effective interest in MKSB remained at 51%.

The gain on deemed disposal of joint venture upon obtaining control over MKSB is as follows:

	RM
Gain on deemed disposal of joint venture	
Fair value of previously held interest	289,241
Less: Carrying amount of joint venture	(289,241)
	-

Goodwill on acquisition of control over a subsidiary is as follows:

	RM
Goodwill	
Fair value of previously held interest	289,241
Add: Fair value of non-controlling interest	277,899
	567,140
Less: Fair value of net assets of MKSB	(567,140)
	-

The effect on the acquisition of control over MKSB on cash flows is as follows:

	RM
Total cash consideration	-
Less: Cash and cash equivalents of a subsidiary acquired	(10,982)
Net cash inflow on acquisition of control	(10,982)

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

	MSB RM	MKSB RM	PTMIM RM	Total RM
2024				
NCI percentage of ownership interest and voting interest	49%	49%	35%	
Carrying amount of NCI	62,744	(686,834)	63,381	(560,709)
Loss allocated to NCI	(4,932)	(964,733)	(39)	(969,704)
Total comprehensive (loss)/ income allocated to NCI	(4,932)	(964,733)	600	(969,065)

	MSB RM	FAS RM	PTMIM RM	Total RM
2023				
NCI percentage of ownership interest and voting interest	49%	0%	35%	
Carrying amount of NCI	67,676	-	62,781	130,457
(Loss)/Profit allocated to NCI	(5,293)	302,276	(122,238)	174,745
Total comprehensive (loss)/ income allocated to NCI	(5,293)	302,276	(119,189)	177,794

(e) Summarised financial information of the subsidiaries that have material NCI as at the end of each reporting period prior to intra-group elimination are as follows:

	MSB RM	MKSB RM	PTMIM RM	Total RM
2024				
Assets and liabilities				
Non-current assets	2	11,642	14,304	25,948
Current assets	132,597	4,027,402	427,039	3,612,182
Current liabilities	(4,550)	(5,440,746)	(260,253)	(5,297,833)
Net assets	128,049	(1,401,702)	181,090	(1,659,703)

	MSB RM	PTMIM RM	Total RM
2023			
Assets and liabilities			
Non-current assets	2	14,160	14,162
Current assets	142,413	422,850	565,263
Current liabilities	(4,300)	(257,633)	(261,933)
Net assets	138,115	179,377	317,492

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

- (e) Summarised financial information of the subsidiaries that have material NCI as at the end of each reporting period prior to intra-group elimination are as follows: (Cont'd.)

	MSB RM	MKSB RM	PTMIM RM	Total RM
2024				
Results				
Revenue	-	1,800,000	-	1,800,000
Loss for the financial year	(10,066)	(1,968,842)	(113)	(1,979,021)
Total comprehensive (loss)/income	(10,066)	(1,968,842)	1,713	(1,977,195)
Cash flow (used in)/from:				
- operating activities	(14,028)	(1,715,098)	-	(1,729,126)
- investing activities	1,337	1,717,205	(21)	1,718,521
- financing activities	-	-	-	-
Net (decrease)/increase in cash and cash equivalents	(12,691)	2,107	(21)	(10,605)

	MSB RM	PTMIM RM	Total RM
2023			
Results			
Revenue	2,500	-	2,500
Loss for the financial year	(10,802)	(349,252)	(360,054)
Total comprehensive loss	(10,802)	(340,538)	(351,340)
Cash flow from/(used in):			
- operating activities	21,316	(58)	21,258
- investing activities	-	-	-
- financing activities	(460,000)	-	(460,000)
Net decrease in cash and cash equivalents	(438,684)	(58)	(438,742)

- (f) The Company assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environments and performance of the subsidiaries. Management has considered the shareholders' deficit as at financial year end in certain subsidiaries as an impairment indicators. The carrying amount of these subsidiaries was RM7,406,214 (2023: RM7,401,113).

The Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the affected subsidiaries in determining their recoverable amounts using the value-in-use model. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each subsidiary. Management has determined that the recoverable amounts are in excess of the carrying amounts of the investments in subsidiaries and no further impairment has been recorded in the current financial year.

9. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unquoted equity shares, at cost	-	5,100	-	5,100
Share of post-acquisition reserves	-	284,141	-	-
	-	289,241	-	5,100

(a) In the previous financial year, the Group recognised its interest in a joint venture as an investment and accounted for that investment using the equity method.

(b) Details of the joint venture were as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Joint venture with Kinexure Sdn. Bhd.				
Microlink Kinexure Sdn. Bhd. [#]	Malaysia	-	51	Provision of information technology management and consultancy services

[#] Incorporated on 27 December 2022.

(c) During the financial year, the joint venture has become a subsidiary as disclosed in Note 8(c) (iv) to the financial statements.

10. OTHER INVESTMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current				
Transferable club memberships	105,000	105,000	-	-
Current				
Equity securities:				
- Quoted income funds in Malaysia	88,996	86,031	88,996	86,031
- Quoted shares in Malaysia	-	3,302,190	-	616,500
	88,996	3,388,221	88,996	702,531
	193,996	3,493,221	88,996	702,531

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

10. OTHER INVESTMENTS (CONT'D.)

- (a) The equity securities and transferable club memberships are classified as financial assets at fair value through profit or loss.
- (b) The fair values of transferable club memberships are estimated based on references to current available counter party quotations of the same investments.
- (c) The fair values of quoted income funds in Malaysia are determined by reference to the exchange quoted market bid prices at the end of each reporting period.
- (d) The table below analyses the Group's and the Company's financial instruments at the end of the reporting period which are measured at fair value by the various levels within a fair value hierarchy:

Group	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
2024						
Equity securities						
- Quoted income funds	88,996	-	-	88,996	88,996	88,996
Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000
2023						
Equity securities						
- Quoted income funds	86,031	-	-	86,031	86,031	86,031
- Quoted shares	3,302,190	-	-	3,302,190	3,302,190	3,302,190
Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000

Company	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
2024						
Equity securities						
- Quoted income funds	88,996	-	-	88,996	88,996	88,996
2023						
Equity securities						
- Quoted income funds	86,031	-	-	86,031	86,031	86,031
- Quoted shares	616,500	-	-	616,500	616,500	616,500

10. OTHER INVESTMENTS (CONT'D.)

- (e) Sensitivity analysis of quoted shares against stock indices are not disclosed as it is immaterial for the Group and the Company.

As the Group and the Company neither have the intention, nor historical trend of active trading in transferable golf club memberships and quoted income funds, the Directors are of the opinion that the Group and the Company are not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

- (d) There is no transfer between levels in the hierarchy during the financial year.
- (f) The valuation technique and significant unobservable input used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below:

Financial asset	Valuation technique used	Significant unobservable input	Inter-relationship between key unobservable inputs and fair value
Transferable golf club memberships	Market comparison method	Counter party quotation	The higher the quotation, the higher the fair value of the other investment

11. FINANCE LEASE RECEIVABLE

- (a) Finance lease receivable is classified as financial asset measured at amortised cost.
- (b) The Group is an intermediate lessor in the sublease of building. The subleases are classified as finance leases with reference to the right-of-use assets arising from the head leases. The Group derecognises the underlying assets and recognises receivables at an amount equal to net investments in finance leases. Net investments in the finance leases are measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset.
- (c) Interest income from lease receivable is recognised in the profit or loss using the effective interest rate method. Finance lease receivables bear interest of 7.70% (2023: 7.70%) per annum.
- (d) All finance lease receivable of the Group is denominated in RM.
- (e) The finance lease receivable is subject to a fixed weighted average effective interest rate of 7.70% (2023: 7.70%) per annum. Sensitivity analysis for fixed rate receivables as at the end of the reporting period is not presented as fixed rate instruments as it is not affected by changes in interest rate.
- (f) No expected credit loss is recognised arising from finance lease receivable of the Group and of the Company as it is negligible.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

11. FINANCE LEASE RECEIVABLE (CONT'D.)

(g) The maturity profile of finance lease receivable at the end of each reporting period is summarised as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Present value of finance lease receivable:				
Non-current	770,556	914,536	905,010	1,134,346
Current	195,264	212,395	229,336	212,395
	965,820	1,126,931	1,134,346	1,346,741
Maturity:				
Within one year	261,162	307,038	306,732	307,038
One to five years	870,540	988,533	1,022,440	1,228,153
More than five years	-	102,346	-	102,346
	1,131,702	1,397,917	1,329,172	1,637,537
Less: Unearned interest income	(165,882)	(270,986)	(194,826)	(290,796)
	965,820	1,126,931	1,134,346	1,346,741

12. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
As at 1 April 2023/2022	(3,601,496)	(1,037,906)	266,640	266,640
Recognised in profit or loss (Note 33)	1,254,190	(2,563,590)	-	-
As at 31 March 2024/2023	(2,347,306)	(3,601,496)	266,640	266,640
Presented after appropriate offsetting:				
Deferred tax assets, net	2,576,303	1,846,954	266,640	266,640
Deferred tax liabilities, net	(4,923,609)	(5,448,450)	-	-
	(2,347,306)	(3,601,496)	266,640	266,640

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D.)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group	Unused tax losses RM	Unabsorbed capital allowances RM	Other temporary differences RM	Total RM
Balance as at 1 April 2023	3,139,875	2,576,318	5,315,318	11,031,511
Recognised in profit or loss	1,951,102	1,793,031	(2,007,834)	1,736,299
Balance as at 31 March 2024, prior to offsetting	5,090,977	4,369,349	3,307,484	12,767,810
Set-off				(10,191,507)
Balance as at 31 March 2024				2,576,303
Balance as at 1 April 2022	2,494,381	-	3,502,460	5,996,841
Recognised in profit or loss	645,494	2,576,318	1,812,858	5,034,670
Balance as at 31 March 2023, prior to offsetting	3,139,875	2,576,318	5,315,318	11,031,511
Set-off				(9,184,557)
Balance as at 31 March 2023				1,846,954

Deferred tax liabilities of the Group	Property, plant and equipment RM	Software development expenditure RM	Other temporary differences RM	Total RM
Balance as at 1 April 2023	(794,760)	(9,248,270)	(4,589,977)	(14,633,007)
Recognised in profit or loss	(1,728,213)	(370,370)	1,616,474	(482,109)
Balance as at 31 March 2024, prior to offsetting	(2,522,973)	(9,618,640)	(2,973,503)	(15,115,116)
Set-off				10,191,507
Balance as at 31 March 2024				(4,923,609)
Balance as at 1 April 2022	(334,354)	(3,442,899)	(3,257,494)	(7,034,747)
Recognised in profit or loss	(460,406)	(5,805,371)	(1,332,483)	(7,598,260)
Balance as at 31 March 2023, prior to offsetting	(794,760)	(9,248,270)	(4,589,977)	(14,633,007)
Set-off				9,184,557
Balance as at 31 March 2023				(5,448,450)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D.)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (Cont'd.)

Deferred tax assets of the Company	Unabsorbed capital allowances RM	Lease liabilities RM	Other temporary differences RM	Total RM
Balance as at 1 April 2023	399,475	260,417	77,746	737,638
Recognised in profit or loss	(278,333)	(130,578)	212,088	(196,823)
Balance as at 31 March 2024, prior to offsetting	121,142	129,839	289,834	540,815
Set-off				(274,175)
Balance as at 31 March 2024				266,640
Balance as at 1 April 2022	-	138,308	131,594	269,902
Recognised in profit or loss	399,475	122,109	(53,848)	467,736
Balance as at 31 March 2023, prior to offsetting	399,475	260,417	77,746	737,638
Set-off				(470,998)
Balance as at 31 March 2023				266,640

Deferred tax liabilities of the Company	Property, plant and equipment RM	Software development expenditure RM	Total RM
Balance as at 1 April 2023	(10,398)	(460,600)	(470,998)
Recognised in profit or loss	424	196,399	196,823
Balance as at 31 March 2024, prior to offsetting	(9,974)	(264,201)	(274,175)
Set-off			274,175
Balance as at 31 March 2024			-
Balance as at 1 April 2022	(3,262)	-	(3,262)
Recognised in profit or loss	(7,136)	(460,600)	(467,736)
Balance as at 31 March 2023, prior to offsetting	(10,398)	(460,600)	(470,998)
Set-off			(470,998)
Balance as at 31 March 2023			-

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D.)

- (c) The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unused tax losses				
- Expires by 31 March 2029	163,449	163,449	-	-
- Expires by 31 March 2032	21,165	21,165	-	-
- Expires by 31 March 2033	11,719	4,036,439	-	-
- Expires by 31 March 2034	4,490,540	-	-	-
Unabsorbed capital allowances	2,463,226	1,051,865	831,000	1,031,147
Other deductible temporary differences	16,767,912	1,306,906	2,878,818	1,312,969
	23,918,011	6,579,824	3,709,818	2,344,116

Deferred tax assets of the Company and its subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the Company and its subsidiaries would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities. Unutilised tax losses of the subsidiaries incorporated in Malaysia can be carried forward up to 10 consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

13. INVENTORIES & CONTRACT COSTS

	Note	Group	
		2024 RM	2023 RM
Inventories			
At cost			
Hardware maintenance parts and spares	(a)	1,156,313	721,500
Contract costs	(b)	38,170,089	21,553,762
		39,326,402	22,275,262

(a) Inventories

- Inventories are determined on the first-in, first-out basis and stated at the lower of cost and net realisable value.
- Cost of inventories of the Group recognised as an expense during the financial year amounted to RM68,447,558 (2023: RM100,256,017).
- The Group writes down its obsolete or slow moving inventories based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses sales trend and current economic trends when evaluating the adequacy of the write down for obsolete or slow moving inventories. Where actual results differ from the original estimates, the differences would impact the carrying amount of inventories. The Group has written off inventories amounting to RM378,030 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

13. INVENTORIES & CONTRACT COSTS (CONT'D.)

(b) Contract costs

- (i) Contract costs represent directly attributable costs incurred in fulfilling a contract that are expected to be recovered in satisfying future performance obligations. Costs incurred by the Group to fulfil a contract prior to the commencement of its performance are mostly general and administrative expenses that are expensed profit or loss as incurred.
- (ii) Contract costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The basis of amortisation is reviewed at the end of the year to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.
- (iii) An impairment loss is recognised in profit or loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration expected to be received in exchange for goods or services to which the asset relates, net of remaining directly attributable costs yet to be expensed.
- (iv) Movement of contract costs is as follows:

	Group	
	2024 RM	2023 RM
Balance as at 1 April 2023/2022	21,553,762	4,303,223
Capitalised during the financial year	50,799,823	41,075,337
	72,353,585	45,378,560
Recognised in profit or loss	(34,183,496)	(23,824,798)
Balance as at 31 March 2024/2023	38,170,089	21,553,762

No provision for impairment losses were required on contract costs as at 31 March 2024 and 31 March 2023.

14. TRADE RECEIVABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Third parties		120,817,793	65,782,497	-	-
Amounts owing from subsidiaries		-	-	23,148,434	38,687,874
		120,817,793	65,782,497	23,148,434	38,687,874
Less: Impairment losses					
- Third parties	(f)	(21,278,760)	(10,741,724)	-	-
- Amounts owing from subsidiaries	(h)	-	-	(1,427,598)	(6,721,178)
		(21,278,760)	(10,741,724)	(1,427,598)	(6,721,178)
		99,539,033	55,040,773	21,720,836	31,966,696

14. TRADE RECEIVABLES (CONT'D.)

- (a) Trade receivables are classified as financial assets measured at amortised cost.
- (b) The normal trade credit terms of trade receivables granted by the Group and the Company range from 30 to 90 days (2023: 30 to 90 days) from date of invoice. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) The currency exposure profile of trade receivables is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	96,437,180	51,701,583	21,720,836	31,966,696
United States Dollar	9,960	1,325,100	-	-
Brunei Dollar	848,321	582,028	-	-
Bahraini Dinar	2,243,572	1,432,062	-	-
	99,539,033	55,040,773	21,720,836	31,966,696

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, is as follows:

	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
Effects of 10% changes to RM against foreign currencies				
Group				
United States Dollar	757	-	100,708	-
Brunei Dollar	64,472	-	44,234	-
Bahraini Dinar	170,511	-	108,837	-

- (e) Third party receivables
- (i) Impairment for third party receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the roll rate method separately for exposures in different segments based on the following common credit risk characteristic which is age of customer relationship.

The expected loss rates are based on the historical credit losses experienced by the Group over the three (3) year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the customers of the Group. The Group has identified the IT service gross domestic product, labor force participation, and consumer price index as the key macroeconomic factors.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

14. TRADE RECEIVABLES (CONT'D.)

(e) Third party receivables (Cont'd.)

- (i) Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

During the financial year, the Group identified changes in key macroeconomic factors for the purpose of determining forward-looking information affecting the measurement of expected credit losses.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Management exercised judgements in determining the probability of default by trade receivables and appropriate forward-looking information.

- (ii) Lifetime expected loss provision for third party receivables of the Group is as follows:

Group	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
2024			
Not past due	47,184,828	(169)	47,184,659
Past due:			
1 to 30 days	10,195,629	—*	10,195,629
31 to 60 days	663,076	(43)	663,033
More than 60 days	62,774,260	(21,278,548)	41,495,712
	73,632,965	(21,278,591)	52,354,374
	120,817,793	(21,278,760)	99,539,033
2023			
Not past due	34,682,525	(386,986)	34,295,539
Past due:			
1 to 30 days	7,623,846	—*	7,623,846
31 to 60 days	3,559,108	—*	3,559,108
More than 60 days	19,917,018	(10,354,738)	9,562,280
	31,099,972	(10,354,738)	20,745,234
	65,782,497	(10,741,724)	55,040,773

* The expected credit loss is negligible.

14. TRADE RECEIVABLES (CONT'D.)

(f) Amounts owing from subsidiaries

Impairment for amounts owing from subsidiaries that do not contain a significant financing component were recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis were recognised.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment delays and past due information.

Evidence that a financial asset is credit impaired includes the following observable data:

- (i) Significant financial difficulties of the debtor;
- (ii) It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- (iii) The disappearance of an active market for a security because of financial difficulties.

The probability of non-payment by the related parties is adjusted by forward-looking information as stated in Note 14(e)(i) and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the related parties.

It requires management to exercise judgement in determining the probability of default by related parties, appropriate forward looking information and significant increase in credit risk.

Movements in the lifetime expected credit loss for third party receivables are as follows:

	Group	
	2024 RM	2023 RM
At 1 April 2023/2022	10,741,724	11,016,551
Charge for the financial year	11,333,689	389,178
Reversal of impairment losses	(796,653)	(519,148)
Written off	-	(144,857)
At 31 March 2024/2023	21,278,760	10,741,724

(g) Movements in the impairment allowance for related party receivables are as follows:

Group	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
At 1 April 2022	69,799	-	3,450	73,249
Reversal of impairment losses	(69,799)	-	(3,450)	(73,249)
At 31 March/1 April 2023	-	-	-	-
Reversal of impairment losses	-	-	-	-
At 31 March 2024	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

14. TRADE RECEIVABLES (CONT'D.)

(h) Movements in the impairment allowance for amounts owing from subsidiaries are as follows:

Company	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
At 1 April 2022	660,541	4,372,720	1,291,932	6,325,193
Charge for the financial year	-	-	395,985	395,985
Transfer to lifetime ECL - not credit impaired	-	(3,670,659)	3,670,659	-
Transfer to 12-month ECL	702,061	(702,061)	-	-
At 31 March/1 April 2023	1,362,602	-	5,358,576	6,721,178
Charge for the financial year	-	-	-	-
Transfer to lifetime ECL - credit impaired	-	-	-	-
Transfer to 12-month ECL	-	-	-	-
Reversal of impairment losses	-	-	(5,293,580)	(5,293,580)
At 31 March 2024	1,362,602	-	64,996	1,427,598

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

- (i) As at the end of reporting period, trade receivables are not secured by any collateral, cash. Thus, the maximum credit risk exposure is represented by to the gross carrying amount of trade receivables of the Group.
- (j) The credit risk concentration profile of the trade receivables at the end of the reporting period are as follows:

Group	2024		2023	
	RM	% of total	RM	% of total
By country				
Malaysia	96,437,180	96.88%	51,701,583	93.93%
Brunei	848,321	0.85%	582,028	1.06%
Bahrain	2,243,572	2.26%	1,432,062	2.60%
United States	9,960	0.01%	1,325,100	2.41%
	99,539,033	100.00%	55,040,773	100.00%

Company	2024		2023	
	RM	% of total	RM	% of total
By country				
Malaysia	21,720,836	100.0%	31,966,696	100.00%

At the end of the reporting period, approximately 52% (2023: 59%) of the trade receivables of the Group were due from three (3) customers (2023: three (3) customers). At the end of the reporting period, the Company does not have significant concentration of credit risk other than related parties of RM21,720,836 (2023: RM31,966,696), which contributes 100% (2023: 100%) of total receivables of the Company.

- (k) Included in trade receivables of the Group, is an amount of RM37,620,026 (2023: RM26,180,576) that are due from related parties. Management has assessed the probability of default by the related parties to be negligible based on the settlement plan agreed with the related parties.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	5,364,963	7,739,233	251,049	884,518
Deposits	533,179	802,563	153,414	119,138
Less: Accumulated impairment losses	–	(3,450)	–	–
	5,898,142	8,538,346	404,463	1,003,656
Prepayments	17,781,778	22,746,732	341,865	899,928
	23,679,920	31,285,078	746,328	1,903,584

- (a) Other receivables and deposits are classified as financial assets measured at amortised cost.
- (b) Included in prepayments, is an amount of RM6,000,000 being the downpayment made for the purchase of property plant and equipment.
- (c) The currency exposure profile of other receivables and deposits is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	5,409,831	8,527,119	404,463	1,003,656
Indonesian Rupiah	3,721	–	–	–
Bahraini Dinar	411,203	11,227	–	–
Vietnam Dong	73,387	–	–	–
	5,898,142	8,538,346	404,463	1,003,656

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, is as follows:

	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
Effects of 10% changes to RM against foreign currencies				
Group				
Indonesian Rupiah	–	283	–	–
Bahraini Dinar	–	31,251	–	853
Vietnam Dong	–	5,577	–	–

- (e) Impairment for other receivables and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(f) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D.)

- (f) The reconciliation of movement in allowance for impairment accounts in other receivables of the Group is as follows:

Group	Lifetime expected credit loss
	Credit-impaired RM
At 1 April 2022	-
Charge for the financial year	3,450
At 31 March 2023	3,450
Reversal of impairment losses	(3,450)
At 31 March 2024	-

- (g) Included in other receivables of the Group and of the Company, are an amount of RM784,934 and RM99,656 (2023: RM61,148 and RM15,731) that are due from related parties.

16. CONTRACT ASSETS

	Note	Group	
		2024 RM	2023 RM
Aggregate contract costs incurred to date		29,255,956	31,247,440
Add: Attributable profits		93,938,797	55,348,118
		123,194,753	86,595,558
Less: Progress billings		(95,997,709)	(50,192,938)
Less: Impairment losses		-	(96,021)
		27,197,044	36,306,599
Represented by:			
Contract assets			
Projects		32,375,704	36,306,599
Contract liabilities			
Projects	27	(5,178,660)	-
		27,197,044	36,306,599

- (a) Projects

Projects represent the timing differences in revenue recognition and milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligations are satisfied.

16. CONTRACT ASSETS (CONT'D.)

- (b) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 14(e)(i) to the financial statements.
- (c) Movements in the lifetime expected credit loss for contract asset are as follows:

	Group	
	2024 RM	2023 RM
At 1 April 2023/2022	96,021	96,021
Reversal of impairment losses	(96,021)	-
At 31 March 2024/2023	-	96,021

17. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Amounts owing by subsidiaries	143,852,381	111,998,413
Less: Impairment losses	(72,713,907)	(68,905,332)
	71,138,474	43,093,081
Amounts owing to subsidiaries	12,328,393	254,177

- (a) Amounts owing by/(to) subsidiaries are classified as financial assets/(liabilities) measured at amortised cost.
- (b) Amounts owing by/(to) subsidiaries represent management fees, advances and payments made on behalf, which are unsecured, interest-free and collectible/payable within twelve (12) months in cash and cash equivalents.
- (c) All amounts owing by/(to) subsidiaries are denominated in RM.
- (d) Impairment for amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(f) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

17. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONT'D.)

- (e) The reconciliation of movements in allowance for impairment is as follows:

Company	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
At 1 April 2022	882,340	64,457,304	68,714	65,408,358
Charge for the financial year	26,070	-	4,004,046	4,030,116
Transfer to 12-month ECL	937,135	(937,135)	-	-
Reversal of impairment losses	(533,142)	-	-	(533,142)
At 31 March 2023	1,312,403	63,520,169	4,072,760	68,905,332
Charge for the financial year	50,086	3,560,438	198,051	3,808,575
At 31 March 2024	1,362,489	67,080,607	4,270,811	72,713,907

- (f) The maturity profile of amounts owing to subsidiaries of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one (1) year.

18. AMOUNT OWING BY/(TO) A FORMER JOINTLY-CONTROLLED ENTITY

- (a) In the previous financial year, amount owing by/(to) a former jointly-controlled entity were classified as financial asset/(liability) measured at amortised cost.
- (b) In the previous financial year, amount owing by/(to) a former jointly-controlled entity represented management fees, advances and payments made on behalf, which were unsecured, interest-free and collectible/payable within twelve (12) months in cash and cash equivalents.
- (c) In the previous financial year, all amount owing by/(to) a former jointly-controlled entity were denominated in RM.
- (d) In the previous financial year, impairment for amount owing by a former jointly-controlled entity were recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(f) to the financial statements.

No expected credit loss was recognised arising from amount owing by a former jointly-controlled entity as it was negligible.

- (e) In the previous financial year, the maturity profile of amount owing to a former jointly-controlled entity of the Group at the end of the reporting period based on contractual undiscounted repayment obligation was repayable within one (1) year.

19. CASH AND BANK BALANCES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	5,676,939	28,219,806	12,941	254,296
Deposits with licensed banks	7,786,901	5,456,435	-	-
	13,463,840	33,676,241	12,941	254,296

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) Included in deposits with licensed banks of the Group are amounts of RM7,786,901 (2023: RM5,456,435) pledged to licensed banks for credit facilities granted to the Group as disclosed in Note 23 to the financial statements.
- (c) The interest rate profile and weighted average effective interest rates ("WAEIR") per annum of deposits placed with licensed banks are as follows:

	Group			
	2024		2023	
	WAEIR %	RM	WAEIR %	RM
Fixed rates				
Deposits placed with licensed banks	2.85	7,786,901	3.10	5,456,435

Sensitivity analysis for fixed rate deposits placed with licensed banks at the end of the reporting period is not presented as it is not affected by changes in interest rates.

- (d) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	5,676,939	28,219,806	12,941	254,296
Deposits with licensed banks	7,786,901	5,456,435	-	-
	13,463,840	33,676,241	12,941	254,296
Less: Deposits pledged to licensed banks	(7,786,901)	(5,456,435)	-	-
Bank overdraft (Note 22)	(2,349,195)	(2,477,634)	-	-
	3,327,744	25,742,172	12,941	254,296

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

19. CASH AND BANK BALANCES (CONT'D.)

(e) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	12,892,849	33,416,906	12,941	254,296
Indonesian Rupiah	17,693	17,746	-	-
Singapore Dollar	4,373	4,467	-	-
Bahraini Dinar	455,750	161,974	-	-
United States Dollar	6,951	75,148	-	-
Vietnam Dong	86,224	-	-	-
	13,463,840	33,676,241	12,941	254,296

(f) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
Effects of 10% changes to RM against foreign currencies				
United States Dollar	529	-	5,712	-
Indonesian Rupiah	-	1,345	-	1,349
Singapore Dollar	-	333	-	340
Bahraini Dinar	-	34,637	-	12,311
Vietnam Dong	-	6,554	-	-

(g) No expected credit losses were recognised arising from the cash and bank balances because the probability of default by these financial institutions were negligible.

20. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of shares	RM	Number of shares	RM
Issued and fully paid				
As at 1 April 2023/2022	1,072,396,160	166,259,528	1,067,397,460	161,896,279
Ordinary shares issued under Employee Share Grant Plan	-	-	4,998,700	4,363,249
As at 31 March 2024/2023	1,072,396,160	166,259,528	1,072,396,160	166,259,528

20. SHARE CAPITAL (CONT'D.)

- (a) In the previous financial year, the issued and fully paid-up ordinary shares of the Company were increased from 1,067,397,460 to 1,072,396,160 ordinary shares by way of issuance of 4,998,700 new ordinary shares under Employee Share Grant Plan at exercise prices ranging from RM0.54 to RM1.0182 per ordinary share at no consideration.
- (b) Owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

21. RESERVES

	Group	
	2024 RM	2023 RM
Non-distributable:		
Exchange translation reserve	(527,544)	(214,324)

Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment in foreign operations of the Group, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

22. BORROWINGS

	Group	
	2024 RM	2023 RM
Current liabilities		
Bank overdraft	2,349,195	2,477,634
Trust receipts (Note 23)	38,752,928	25,527,019
	41,102,123	28,004,653

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) All borrowings are denominated in RM.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

22. BORROWINGS (CONT'D.)

- (c) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the borrowings of the Group that are exposed to interest rate risk:

Group	Weighted average effective interest rate per annum %	Within 1 year RM	One to five years RM	Total RM
2024				
Floating rates				
Bank overdraft	8.35	2,349,195	–	2,349,195
Trust receipts	7.96	38,752,928	–	38,752,928
		41,102,123	–	41,102,123
2023				
Floating rates				
Bank overdraft	7.30	2,477,634	–	2,477,634
Trust receipts	7.42	25,527,019	–	25,527,019
		28,004,653	–	28,004,653

- (d) The bank overdraft of the Group is guaranteed by way of a corporate guarantee given by the Company.
- (e) Sensitivity analysis of interest rates risk for the floating rates instruments at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
Effects of 50bp changes to interest rate				
Floating instruments	156,188	–	106,418	–

- (f) The table below summarises the maturity profile of the borrowings at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	One to five years RM	Total RM
31 March 2024			
Bank overdraft	2,349,195	–	2,349,195
Trust receipts	39,536,499	–	39,536,499
Total undiscounted financial liabilities	41,885,694	–	41,885,694
31 March 2023			
Bank overdraft	2,477,634	–	2,477,634
Trust receipts	26,091,563	–	26,091,563
Total undiscounted financial liabilities	28,569,197	–	28,569,197

23. TRUST RECEIPTS

The trust receipts are secured by the following:

- (a) Pledge of deposits as disclosed in Note 19 to the financial statements; and
- (b) Corporate guarantee from the Company and a subsidiary.

24. OTHER PAYABLES AND PROVISION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current				
Provision for restoration cost	197,365	183,084	197,365	183,084
Current				
Other payables and accruals	29,953,833	24,558,412	2,542,683	1,551,478
Refundable deposits	32,593	2,000	-	-
	29,986,426	24,560,412	2,542,683	1,551,478
	30,183,791	24,743,496	2,740,048	1,734,562

- (a) Other payables, refundable deposits and accruals are classified as financial liabilities measured at amortised cost.
- (b) A reconciliation of the provision for restoration cost is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 April 2023/2022	183,084	157,548	183,084	157,548
Unwinding of discount	14,281	25,536	14,281	25,536
At 31 March 2024/2023	197,365	183,084	197,365	183,084

Under the provision of lease agreements, the Group and the Company have obligations to dismantle and remove refurbishments on the demised premise and restore it at the end of the lease term to an acceptable condition. The liabilities for restoration are recognised at present value of the compounded future expenditure estimated using current price and discounted using a discount rate of 7.8% (2023: 7.8%) per annum.

- (c) The currency exposure profile of other payables and accruals (excluding provision) is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	25,430,461	23,756,906	2,542,683	1,551,478
Indonesia Rupiah	3,235	3,202	-	-
United Arab Emirates Dirham	-	14,707	-	-
Bahraini Dinar	292,950	4,687	-	-
Singapore Dollar	827,839	780,910	-	-
Vietnam Dong	3,431,941	-	-	-
	29,986,426	24,560,412	2,542,683	1,551,478

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

24. OTHER PAYABLES AND PROVISION (CONT'D.)

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
Effects of 10% changes to RM against foreign currencies				
Indonesia Rupiah	-	246	-	243
United Arab Emirates Dirham	-	-	-	1,118
Bahraini Dinar	-	22,264	356	-
Singapore Dollar	-	62,916	59,349	-
Vietnam Dong	-	260,828	-	-

- (e) The table below summarises the maturity profile of the other payables and provision at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	More than five years RM	Total RM
31 March 2024			
Other payables	29,986,426	-	29,986,426
Provision	-	259,135	259,135
	29,986,426	259,135	30,245,561
31 March 2023			
Other payables	24,560,412	-	24,560,412
Provision	-	236,480	236,480
	24,560,412	236,480	24,796,892
Company	On demand or within one year RM	More than five years RM	Total RM
31 March 2024			
Other payables	2,542,683	-	2,542,683
Provision	-	259,135	259,135
	2,542,683	259,135	2,801,818
31 March 2023			
Other payables	1,551,478	-	1,551,478
Provision	-	236,480	236,480
	1,551,478	236,480	1,787,958

- (f) Included in other payables of the Group and of the Company, are an amount of RM5,593,456 and RM1,206,005 (2023: RM1,333,766 and RM246,544) that are amounts owing to related parties.

25. LEASE LIABILITIES

Group	Balance as at 1.4.2023 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2024 RM
Carrying amount							
Buildings	3,954,236	27,765	114,863	-	(1,028,693)	290,347	3,358,518
Computer software and hardware	882,028	-	43,705	-	(894,467)	15,742	47,008
Motor vehicles	1,459,483	-	-	(210,351)	(385,840)	97,154	960,446
	6,295,747	27,765	158,568	(210,351)	(2,309,000)	403,243	4,365,972

Company	Balance as at 1.4.2023 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2024 RM
Carrying amount							
Buildings	3,657,365	-	114,863	-	(873,360)	277,033	3,175,901
Computer software and hardware	813,029	-	-	-	(826,583)	13,554	-
	4,470,394	-	114,863	-	(1,699,943)	290,587	3,175,901

Group	Balance as at 1.4.2022 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Lease concession RM	Balance as at 31.3.2023 RM
Carrying amount								
Buildings	2,405,223	141,456	2,029,374	-	(899,813)	277,996	-	3,954,236
Computer software and hardware	2,459,711	-	-	-	(1,670,745)	93,062	-	882,028
Motor vehicles	1,925,470	-	840,521	(670,265)	(803,929)	172,918	(5,232)	1,459,483
	6,790,404	141,456	2,869,895	(670,265)	(3,374,487)	543,976	(5,232)	6,295,747

Company	Balance as at 1.4.2022 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Interest expense RM	Balance as at 31.3.2023 RM
Carrying amount								
Buildings	2,102,756	-	2,029,374	-	(738,340)	263,575	-	3,657,365
Computer software and hardware	2,245,094	-	-	-	(1,515,404)	83,339	-	813,029
Motor vehicles	305,466	-	-	(122,516)	(192,195)	9,245	-	-
	4,653,316	-	2,029,374	(122,516)	(2,445,939)	356,159	-	4,470,394

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

25. LEASE LIABILITIES (CONT'D.)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Represented by:				
Current liabilities	1,098,551	1,723,113	655,484	1,344,021
Non-current liabilities	3,267,421	4,572,634	2,520,417	3,126,373
	4,365,972	6,295,747	3,175,901	4,470,394
Lease liabilities owing to financial institutions	989,158	2,062,636	–	813,029
Lease liabilities owing to non-financial institutions	3,376,814	4,233,111	3,175,901	3,657,365
	4,365,972	6,295,747	3,175,901	4,470,394

- (a) Lease liabilities are classified as financial liabilities measured at amortised cost.
- (b) All lease liabilities are denominated in RM.
- (c) The table below summarises the maturity profile of the lease liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
31 March 2024					
Lease liabilities	2.66 – 8.58	1,497,193	3,864,150	–	5,361,343
31 March 2023					
Lease liabilities	3.00 – 8.58	2,489,505	5,032,840	448,482	7,970,827
Company	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
31 March 2024					
Lease liabilities	7.70 – 8.58	883,860	2,862,200	–	3,746,060
31 March 2023					
Lease liabilities	3.00 – 8.58	1,668,443	3,367,440	280,620	5,316,503

- (d) The Group has certain leases of buildings, office equipment, computer software and hardware with lease term of 12 months or less, and low value leases of office equipment and computer software and hardware of RM10,000 and below. The Group applies the “short-term lease” and “lease of low-value assets” exemptions for these leases.

25. LEASE LIABILITIES (CONT'D.)

(e) The following are the amounts recognised in profit or loss:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Depreciation charge of right-of-use assets (included in other operating expenses)	954,101	1,336,388	409,190	574,968
Interest expense on lease liabilities (included in finance cost)	403,243	543,976	290,587	356,159
Gain on termination of lease contract (included in other operating income)	(19,433)	(69,823)	-	(33,344)
Lease concession (included in other operating income)	-	(5,232)	-	-
Gain on lease modification (included in other operating income)	30,459	-	-	-
Loss on lease modification (included in other operating expenses)	-	(2,699)	-	-
Expense relating to short-term leases (included in administrative expenses)	632,668	711,084	152,338	24,608
Expense relating to leases of low-value assets (included in administrative expenses)	6,600	8,415	720	-
	2,007,638	2,522,109	852,835	922,391

(f) The following are total cash outflows for leases as lessee:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Included in net cash of operating activities:				
Payment relating to short term leases	632,668	711,084	152,338	24,608
Payment relating to leases of low-value assets	6,600	8,415	720	-
Included in net cash of financing activities:				
Payment of lease liabilities	1,905,757	2,830,511	1,409,356	2,089,780
Payment of lease interest	403,243	543,976	290,587	356,159
	2,948,268	4,093,986	1,853,001	2,470,547

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

26. TRADE PAYABLES

	Group	
	2024 RM	2023 RM
Non-current		
Trade payable	423,092	-
Current		
Trade payables	55,238,492	17,353,809
	55,661,584	17,353,809

- (a) Trade payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 days to 90 days (2023: 30 days to 90 days) from date of invoice except an amount of RM7,206,765, which bears interest rate ranging from 5.80% to 6.16%.
- (c) The currency exposure profile of trade payables is as follows:

	Group	
	2024 RM	2023 RM
Ringgit Malaysia	54,540,049	16,811,510
United States Dollar	228,840	542,299
Bahraini Dinar	457,420	-
Singapore Dollar	260,263	-
Australian Dollar	76,222	-
Vietnam Dong	98,790	-
	55,661,584	17,353,809

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
Effects of 10% changes to RM against foreign currencies				
United States Dollar	17,392	-	41,215	-
Bahraini Dinar	7,713	27,051	-	-
Singapore Dollar	19,780	-	-	-
Australian Dollar	5,793	-	-	-
Vietnam Dong	-	7,508	-	-

26. TRADE PAYABLES (CONT'D.)

- (e) Included in trade payables of the Group, is an amount of RM2,541,417 (2023: RM3,627,730) that are due to related parties.
- (f) The table below summarises the maturity profile of the trade payables of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	One to five years RM	Total RM
31 March 2024			
Trade payables	55,495,232	426,708	55,921,940
31 March 2023			
Trade payables	17,353,809	–	17,353,809

27. CONTRACT LIABILITIES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Contract liabilities in relation to:					
Projects	16	5,178,660	–	–	–
Deferred income:					
– maintenance income		14,225,087	26,038,579	2,998,445	140,857
		19,403,747	26,038,579	2,998,445	140,857

- (a) Contract liabilities are the obligations to transfer goods or services to customers for which the Group and the Company have received the consideration, the fair values at initial recognition, or has billed the customers. For projects, contract liabilities are excess of the progress billings to customers over the project costs incurred plus profit accrued. Deferred maintenance income and software licensing fees are billings have been made to the customers before the services are provided to the customers.
- (b) The amounts of RM26,038,579 (2023: RM16,417,131) of the Group and RM140,857 (2023: RM428,932) of the Company recognised in contract liabilities at the beginning of the financial year have been recognised as revenue for current financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

27. CONTRACT LIABILITIES (CONT'D.)

- (c) Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
2024				
Within 1 year	9,591,150	23,434,390	2,998,445	140,587
Between 1 and 4 years	9,812,597	2,604,189	–	–
	19,403,747	26,038,579	2,998,445	140,587

28. FINANCIAL GUARANTEES

The Company has financial guarantee contracts of RM41,102,123 (2023: RM28,004,653) in respect of financial guarantees given to financial institutions for banking facilities granted to subsidiaries. The Company monitors the ability of the subsidiaries to service their loans regularly.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of the amount of the loss allowance; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contract with Customers*.

The Company assumes that there is significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiaries are unlikely to repay its credit obligation to the bank in full or the subsidiaries are continuously loss making and are having a deficit shareholders' fund. The Company determines the probability of default of the guaranteed loans individually using internal information available.

Financial guarantees have not been recognised since the fair value was not material on initial recognition. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

29. CAPITAL COMMITMENTS

	Company	
	2024 RM	2023 RM
Capital expenditure:		
Approved and contracted for property, plant and equipment and investment properties	2,350,000	24,000,100

30. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from contracts with customers:				
Projects	59,280,021	91,132,112	-	-
Maintenance income	47,934,547	42,273,022	360,702	1,892,660
Sales of hardware equipment and software	162,441,142	114,803,860	-	-
Management fees	-	239,521	5,510,400	5,367,120
Software licensing fees	310,078	-	922,734	100,000
Integration charges	11,321,104	-	410,271	500,016
	281,286,892	248,448,515	7,204,107	7,859,796
Other revenue				
Dividend income	4,980	86,937	4,980	6,524,770
	281,291,872	248,535,452	7,209,087	14,384,566
Timing of revenue recognition				
Transferred over time	107,524,646	133,405,134	1,693,707	1,992,660
Transferred at a point in time	173,762,246	115,043,381	5,510,400	5,867,136
	281,286,892	248,448,515	7,204,107	7,859,796

Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on geographical location from which the sale transactions originated.

(a) Projects

Projects may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from projects is measured at the fixed transaction price agreed under the agreement.

The Group determines the transaction price of a contract after considering the effect of variable consideration, constraining estimates of variable consideration, effect of significant financing component, non-cash consideration and consideration payable to customer.

When the fair value of variable consideration is uncertain, the Group estimates the amount of consideration by using the most likely amount method and only recognises to the extent that is highly probable that a significant reversal in cumulative revenue will not occur.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group recognises revenue over time using an input method by reference to the labour hours expended relative to the total expected labour hours for satisfaction of that performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

30. REVENUE (CONT'D.)

(a) Projects (Cont'd.)

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations. The Group also estimates total performance period in applying the input method to recognise revenue over time. In estimating total performance period to complete, the Group considers the completeness and accuracy of its performance period estimation, including performance period for contract variations.

(b) Maintenance income

Revenue from sale of maintenance and software support services rendered is recognised over time throughout the period of contracts using an input method. Income for the expired period is recognised in the profit or loss on accrual basis and income relating to the unexpired period is carried forward as deferred maintenance income.

(c) Sales of hardware equipment and software

Revenue from sales of hardware equipment and software is recognised at a point in time when the hardware and software has been transferred to the customer and coincides with the delivery of products and acceptance by customers.

Some contracts include multiple deliverables, such as the installation of hardware and/or software. In most cases, the installation is simple, does not include an integration service and could be performed by another party. Therefore, it is accounted for as a separate performance obligation. The transaction price will be allocated to each performance obligation based on stand-alone selling prices. Where these are not directly observable, they are estimated based on cost plus expected margin. If contracts include the installation of hardware and software, the revenue for installation services are recognised at a point in time when the customer has accepted the installation of the hardware or software.

There is no significant financing component in the revenue arising from sales of hardware and software as the sales are made on the normal credit terms not exceeding twelve (12) months.

(d) Management fees

Management fees are recognised at a point in time when management services is rendered and acceptance by customers.

(e) Software licensing fees

Revenue from sale of internally developed software licensing is recognised over the period of the contract when the customers activate or upon acceptance of delivery of the access code to customers. Such performance obligation is met over time as customer simultaneously receives and consumes benefits of services as and when the Group and the Company grants the right to access of the software license as well as keeps possession of the software.

(f) Integration charges

Revenue from sale of integration charges is recognised at a point in time when the services has been rendered to the customers and coincides with the delivery of services and acceptance by customers.

There is no significant financing component in the revenue arising from services rendered as the services are made on the normal credit terms not exceeding twelve (12) months.

(g) Dividend income

Dividend income is recognised when the right of the Group and the Company to receive payment is established.

31. EMPLOYEE BENEFITS

Total employee benefits recognised in profit or loss are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, wages, bonuses and allowances	34,746,865	27,579,891	4,667,796	5,383,313
Defined contribution plan	4,803,091	3,508,186	616,451	612,740
Share options granted under Employee Share Grant Plan:				
- Directors	-	126,694	-	12,388
- Other employees	-	765,322	-	74,829
Provision for gratuity obligations	-	1,403,351	-	-
Other employee benefits	7,663,357	2,652,051	750,568	229,231
	47,213,313	36,035,495	6,034,815	6,312,501

Remuneration of Directors and other key management personnel during the financial year are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors' fees	822,635	872,686	660,216	752,686
Salaries and other short term employee benefits:				
- Directors	664,680	1,176,395	664,680	854,000
- Other key management personnel	3,394,634	3,344,709	1,788,299	1,833,185
	4,059,314	4,521,104	2,452,979	2,687,185

Estimated monetary value of benefits-in-kind provided to the Directors and key management personnel are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors	60,625	125,663	53,125	125,663
Other key management personnel	45,000	9,275	45,000	9,275
	105,625	134,938	98,125	134,938

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

32. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense on:				
- trust receipts	1,930,758	930,266	-	-
- lease liabilities	403,243	543,976	290,587	356,159
- bank overdraft	174,596	180,774	-	-
- term loan	37,815	-	-	-
- trade payable and others	564,811	-	-	-
Unwinding of interest on provision for restoration cost	14,281	25,536	14,281	25,536
	3,125,504	1,680,552	304,868	381,695

33. TAXATION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense based on profit for the financial year	3,466,245	2,992,967	-	-
Under provision in prior years	705,758	333,535	91,214	301,203
	4,172,003	3,326,502	91,214	301,203
Deferred tax (Note 12)				
Relating to origination on and reversal of temporary differences	(2,727,848)	2,357,390	-	-
Under provision in prior years	1,473,658	206,200	-	-
	(1,254,190)	2,563,590	-	-
	2,917,813	5,890,092	91,214	301,203

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profit for the fiscal year.

33. TAXATION (CONT'D.)

- (b) Numerical reconciliation between the taxation and the product of accounting (loss)/profit multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before tax	(24,887,743)	31,923,514	(1,028,296)	586,475
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	(5,973,058)	7,661,644	(246,791)	140,754
Tax effects in respect of:				
Non-deductible expenses	5,184,602	5,651,548	1,296,310	2,566,085
Income not subject to tax	(2,634,312)	(5,972,329)	(1,377,287)	(2,500,791)
Deferred tax assets not recognised during the year	4,569,158	2,723	327,768	-
Utilisation of deferred tax assets previously not recognised	(407,993)	(1,993,229)	-	(206,048)
	738,397	5,350,357	-	-
Under provision of tax expenses in prior years	705,758	333,535	91,214	301,203
Under provision of deferred tax in prior years	1,473,658	206,200	-	-
	2,179,416	539,735	91,214	301,203
	2,917,813	5,890,092	91,214	301,203

- (c) Tax on each component of other comprehensive income is as follows:

	Group		
	Before tax RM	Tax effect RM	After tax RM
Items that may be reclassified subsequently to profit or loss			
2024			
Foreign currency translations	(312,581)	-	(312,581)
2023			
Foreign currency translations	(249,435)	-	(249,435)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

34. (LOSS)/EARNINGS PER ORDINARY SHARE

(a) Basic (loss)/earnings per ordinary share

Basic (loss)/earnings per ordinary share of the Group is calculated by dividing the (loss)/profit attributable for the financial year to equity holders of the parent for the year by the weighted average number of ordinary shares in issued during the financial year.

	Group	
	2024	2023
(Loss)/Profit attributable to equity holders of the parent (RM)	(26,835,852)	25,858,677
Weighted average number of ordinary shares in issue (unit)	1,072,396,160	1,069,398,488
Basic (loss)/earnings per ordinary share (sen)	(2.50)	2.42

(b) Diluted (loss)/earnings per ordinary share

The diluted (loss)/earnings per ordinary share equal basic (loss)/earnings per ordinary share because there were no potential dilutive ordinary shares as at the end of the reporting period.

35. PROVISION FOR GRATUITY OBLIGATIONS

- (a) In the previous financial year, the Group operated an unfunded defined Retirement Benefit Scheme ("the Scheme") for the eligible employees. Under the Scheme, eligible employees were entitled to post-employment benefits calculated by reference to their length of service and earnings.
- (b) In the previous financial year, movements in the amount recognised in the statements of financial position in respect of the Scheme were as follows:

	Group	
	2024 RM	2023 RM
Balance as at 1 April 2023/2022	-	2,067,883
Current service cost recognised in profit or loss	-	1,403,351
Payment made via issuance of shares	-	(3,471,234)
Balance as at 31 March 2024/2023	-	-

36. DIVIDENDS

	Group and Company		Group and Company	
	2024		2023	
	Dividend per share sen	Amount of dividend RM	Dividend per share sen	Amount of dividend RM
First interim cash dividend paid	–	–	0.50	5,344,050

The Directors do not recommend any payment of final dividend in respect of the current financial year.

37. LONG-TERM INCENTIVE PLAN ("LTIP")

At an Extraordinary General Meeting held on 17 October 2014, the Directors were authorised to proceed with the establishment and administration of the Long Term Incentive Plan ("LTIP" or "Scheme"), which comprises an Employee Share Option Scheme ("ESOS") and an Employee Share Grant Plan ("ESGP") and is administered by the LTIP Committee which is appointed by the Board of Directors, in accordance with the By-Laws of the LTIP. The LTIP should be in force for a period of 5 years from 27 October 2014, unless extended further.

On 11 October 2019, in pursuant to the By-Laws 26.3 of the Company's LTIP By-Laws and upon the recommendation by the LTIP Committee, the Board of Directors resolved to extend its existing LTIP for a period of five (5) years commencing from 27 October 2019 on the same terms and conditions as stipulated in the said By-Laws.

The main features of the LTIP are as follows:

- Eligible Directors and employees are those who are confirmed employees of the Company and/or its eligible subsidiaries and has attained the age of 18 years before the date of offer;
- The maximum number of options to be issued under the LTIP should not exceed in aggregate 20% of the issued and paid-up ordinary share capital of the Company at any point of time during the tenure of the LTIP. In addition, any individual Director or employee's maximum entitlement should not exceed 10% of the ordinary shares of the Company;
- Options granted may be exercised at any time within the option period of 18 months or 3 years from the date of offer;
- In the case of the ESGP, the shares will be vested with the grantee at no consideration on the vesting date: while in the case of the ESOS, the option price of a new ordinary share should be the 5-day weighted average market prices of the shares as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad immediately preceding the date of offer or at RM0.10, whichever is higher; and
- Options granted are not entitled to dividends or voting rights. Upon exercise of the options, the ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.
- The options over the ordinary shares of the Company under ESOS was lapsed in the financial year ended 31 March 2020.
- The ESGP was fully exercised in the financial year ended 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

38. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

The Company has controlling related party relationship with its direct and indirect subsidiaries as disclosed in Note 8 to the financial statements.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 8 to the financial statements;
 - (ii) Companies in which certain Directors have financial interests; and
 - (iii) Key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of the senior management of the Group.
- (b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group	
	2024 RM	2023 RM
Related parties		
Management fee income	–	239,521
Management fee expense	–	416,100
Sales	18,842,679	27,769,311
Purchases of goods & services	63,861	3,521,508
Office rental expense	946,260	842,740
Secretarial fee	403,985	295,291
Human resource services rendered	334,673	278,070
Interest income	–	61,034

38. RELATED PARTY DISCLOSURES (CONT'D.)

- (b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (Cont'd.)

	Company	
	2024 RM	2023 RM
Subsidiaries		
Management fee income	5,510,400	5,127,600
Maintenance income	360,702	1,892,660
Integration income	410,271	500,016
Software licensing fee income	922,734	100,000
Software licensing fee expense	22,351	19,429
Integration charges	-	1,500
Dividend income	-	6,437,833
Interest income	-	10,650
Related parties		
Management fee income	-	239,521
Management fee expense	-	416,100
Purchases	39,616	13,526
Interest income	-	61,034
Office rental expense	841,860	738,340
Human resource services rendered	32,835	32,880
Secretarial fee expense	330,586	228,615

Related parties transactions described above were carried out on terms and conditions mutually agreed with the respective related parties.

Information regarding outstanding balance arising from related party transactions as at 31 March 2024 are disclosed in Notes 14, 15, 17, 18, 24 and 26 to the financial statements

- (c) The remuneration of the Directors and other members of key management are disclosed in the Note 31 to the financial statements.

39. CAPITAL AND FINANCIAL RISK MANAGEMENT

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as a going concern whilst maximising return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2024 and 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

39. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D.)

(a) Capital management

The Group monitors capital using a gearing ratio, which is total debts divided by total equity. The gearing ratios as at 31 March 2024 and 31 March 2023 are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Borrowings (Note 22)	41,102,123	28,004,653	–	–
Lease liabilities (Note 25)	4,365,972	6,295,747	3,175,901	4,470,394
Total debts	45,468,095	34,300,400	3,175,901	4,470,394
Total equity attributable to owners of the parent	198,960,050	226,109,122	113,525,606	114,645,116
Gearing ratio	22.85%	15.17%	2.80%	3.90%

Pursuant to the requirement of Bursa Malaysia Guidance Note No. 3/2006, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up share capital of the Group. The Group has complied with this requirement for the financial year ended 31 March 2024.

(b) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk. Information on the management of the related exposures is detailed below.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rate.

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the functional currencies of the operating entities.

The Group also hold cash and cash equivalents denominated in foreign currencies to pay its foreign purchases as a natural hedge against fluctuations in foreign currency risk.

The sensitivity analysis for foreign currency risk has been disclosed in Notes 14, 15, 19, 24 and 26 to the financial statements respectively.

39. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D.)

(b) Financial risk management (Cont'd.)

(ii) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group is actively managing its operating cash flows to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 11, 17, 18, 22, 24, 25, 26 and 27 to the financial statements respectively.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group relates to interest-earning deposits and interest-bearing borrowings from financial institutions. The fixed-rate deposit and borrowings of the Group are not exposed to a risk of changes in their fair values due to changes in interest rates. The floating rate borrowings of the Group are exposed to a risk of change in cash flows due to changes in interest rates. The Group does not use derivative financial instruments to hedge its risk. The Group borrows in the desired currencies at both fixed and floating rates of interest.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 11, 19, 22 and 26 to the financial statements respectively.

(iv) Credit risk

Cash deposits and trade receivables could give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are reputable institutions and organisations. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with its customers are mainly on credit, except for new customers, where deposits in advance are normally required. The credit period is generally for a period of one (1) month to three (3) months.

The credit risk profiles have been disclosed in Note 14 to the financial statements.

(v) Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted income funds and quoted shares held by the Group. These instruments are classified as financial assets designated at fair value through profit or loss.

The sensitivity analysis of market risk has been disclosed in Note 10 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

40. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 April 2024, the Company had incorporated and subscribed for a total of one (1) ordinary share representing 100% of the entire issued and paid-up share capital of Microlink Labs Sdn. Bhd., a company incorporated in Malaysia that is engaged in investment holding activity for total cash consideration of RM1.

41. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs**41.1 New MFRSs adopted during the financial year**

The Group and the Company adopted the following Standards and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 - Comparative Information)</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112

The adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

41.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2024

Title	Effective Date
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS7 <i>Amendments to the Classification and Measurement of Financial Statements</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.



MICROLINK SOLUTIONS BERHAD
[Registration No. 200301018362 (620782-P)]

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CORPORATE GOVERNANCE REPORT

STOCK CODE : 0126
COMPANY NAME : MICROLINK SOLUTIONS BERHAD
FINANCIAL YEAR : March 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors of Microlink Solutions Berhad (MSB and/or the Company) (Board) recognises its responsibilities in leading, monitoring and governing the entire performance of the Company. There is a clear separation of responsibilities between the Board and the Management. Except for matters reserved for shareholders, the Board is ultimate decision-maker of the Company and is responsible for the oversight of Management's performance.</p> <p>The Board has overall responsibility for corporate governance, strategic direction of and retains full and effective control over the Company of, amongst others, the following responsibilities:</p> <ul style="list-style-type: none">• Oversee the conduct of the Company's business and to evaluate whether the business is being properly managed;• Board will direct and supervise the Management in the business and affairs of the Company;• Identify principal risks and ensure the implementation of appropriate systems to manage these risks;• Review the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;• Establish an internal audit function;• Ensure succession planning, including appointing, training, fixing the compensation of and where appropriate replacing senior management; and• Delegating powers to committees consisting of such members of their body as they think fit, any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. <p>The Board's other primary duties are to conduct regular reviews of the Group's business operations and performance and to ensure that</p>

	<p>effective controls and systems exist to measure and manage the principal risks.</p> <p>The Board has delegated some of its responsibilities to the Board Committees, namely Executive Committee (EXCO), Audit and Risk Management Committee (ARMC), Nominating, Remuneration and Long-Term Incentive Plan Committee (NRLTIPC). The roles and responsibilities of the Board Committees which had been delegated by the Board are set out in respective Board Committees' Terms of Reference (TOR).</p> <p>The Board recognises the importance of attracting and retaining key management personnel and as such has made concerted efforts to identify and groom middle management in all key areas as an integral part of the management succession plan. The plan also includes offering a competitive remuneration package and providing training and career development opportunities for employees in all key functions of the Group operations.</p> <p>The duties and responsibilities of the Board have been clearly specified in the Board Charter, which is available on the Company's website at www.microlink.com.my.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of MSB, Tun Arifin bin Zakaria, is an Independent Non-Executive Chairman who provides leadership and guidance to the Board and is responsible for ensuring effectiveness of the Board's performance. The roles and responsibilities of the Chairman of the Board have been clearly specified in the Board Charter, which is available in the Company's website at www.microlink.com.my.</p> <p>The Chairman presides over meetings of Directors and provide leadership to the Board in the effective discharge of its fiduciary duties. He is also responsible in ensuring that proper and good corporate governance is undertaken by the Company and the Group and comply with all relevant regulations and legislation.</p> <p>The Chairman is also responsible in ensuring the Board's full control of the Company's affair and to discuss all relevant issues at meetings.</p> <p>In addition, the Chairman must ensure that all Directors, more particularly the Non-Executive Directors receives timely relevant information on financial and non-financial matters to enable them to participate actively in Board decisions and ensuring that the Executive Directors looks beyond their executive duties and accept their full share of responsibilities of governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of the Independent Non-Executive Chairman and the Group Chief Executive Officer (Group CEO) are held by two (2) individuals. The Independent Non-Executive Chairman, Tun Arifin bin Zakaria leads and manages the Board by focusing on strategy, governance and compliance. The Group CEO, Mr Ramlee bin Abdullah liaises with the Executive Directors, Thong Weng Sheng, Wong Kwang Chwen and Mr Monteiro Gerard Clair, in managing the business and operations of the Group and implements the Board's decision.</p> <p>The roles of Chairman, Executive Directors and the Group CEO are separate and their roles and responsibilities are provided in the Board Charter, which is available on the Company's website at www.microlink.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	MSB is in compliance with Practice 1.4 of the Malaysian Code on Corporate Governance (MCCG) whereby the Chairman of the Board, Tun Arifin bin Zakaria is not a member of the ARMC, NRLTIPC of the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company Secretary plays an advisory role to the Board on matters pertaining to compliance of procedures, rules and regulatory requirements. The Directors have access to independent professional advice whenever such services are needed to assist them in carrying out their duties, at the Company’s expense.</p> <p>The Company Secretary of MSB is qualified to act as company secretary pursuant to Section 235(2) of the Companies Act 2016. She is an Associate member of Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). The roles and responsibilities of the Company Secretary are provided in the Board Charter.</p> <p>The Company Secretary keep herself abreast of the evolving statutory and regulatory requirements through continuous training.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>The annual meeting calendar is prepared and circulated to the Board in advance. The meeting calendar include scheduled dates for Board, Board Committee and Annual General meeting, as well as the closed periods for dealings in securities by Board members based on the targeted dates of announcements of the Group's quarterly results.</p> <p>Notice of Board meetings are sent to the Board and the Management via email at least seven (7) days prior to the meeting. The Company Secretary ensures that the meeting papers are circulated via email to the Board Members as soon as practicable upon receipt the meeting papers from the Management, internal and external auditors. This is to ensure that the Board have sufficient preparation time and information to make an informed decision at each meeting.</p> <p>The deliberations and decisions at Board and Board Committee meetings are recorded in the minutes, including matters where Directors abstained from voting and deliberation.</p> <p>The draft minutes would be circulated to the Management, Board and Board Committees' members for review and comments, and the Minutes would be confirmed and signed by the respective Chairmen at the next Board and Board Committee Meetings. The signed minutes are properly filed in the Minutes Books of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter serves as a prime reference for the Board members of their fiduciary duties as directors of the Company. It provides guidance and clarity regarding the roles and responsibilities of the Board and Board Committees, the requirements of Directors in carrying out their roles and discharging their duties towards the Company as well as the Board's operating practices.</p> <p>The Board Charter is periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.</p> <p>The Board Charter is available for reference at the Company's website at www.microlink.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board had formulated and adopted a code of ethics and conduct symbiotically with the Corporate Values of the Company of <i>Caring, Creative and Competent</i>.</p> <p>By living the Corporate Values of the Company through the Code of Ethics and Conduct, the Company creates a culture in which people act as a team, working together toward common goals of the Company.</p> <p>The Code of Ethics and Conduct is applicable to all Directors and employees (including full time, probationary, contract, part time and temporary staff) of the Group.</p> <p>The Code of Ethics and Conduct is available for reference at the Company's website at www.microlink.com.my.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>In line with good governance and with the introduction of the Whistleblower Protection Act 2010, a Whistleblowing Policy has been adopted by the Company which sets out the principle and grievance procedures for employees to raise genuine concerns of possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, in an appropriate manner without fear of retaliation.</p> <p>The Whistleblowing Policy provides guidelines for the reporting and the investigation of any wrongdoings. Such misconducts may be reported in writing directly to a dedicated e-mail addresses, namely, ChairmanARMC@microlink.com and/or ChairmanBOD@microlink.com</p> <p>The Whistleblowing Policy is available for reference at the Company's website at www.microlink.com.my. The Board together with the Management reviews the Whistleblowing Policy periodically or as and when the need arises to ensure it is kept contemporaneous.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>MSB Group aspires to ensure sustainability for all areas of its business activities and the integration of sustainability into all our operations is a continuous process.</p> <p>Our three sustainability guiding principles are Environment, Social, Economic:</p> <p><u>Environment</u></p> <ul style="list-style-type: none">• Energy & Resource Utilisation• Procurement & Supply Chain Management <p><u>Social</u></p> <ul style="list-style-type: none">• Talent Attraction & Retention• Employee Health & Wellbeing• Diversity & Inclusion• Community Investment <p><u>Economic</u></p> <ul style="list-style-type: none">• Ethical Conduct• Legal & Regulatory Compliance• Product Development & Innovation• Brand & Reputation• Client Satisfaction & Engagement <p>The Sustainability Policy is available for reference at the Company's website at www.microlink.com.my.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	The Company’s Sustainability Statement is incorporated in the Volume 1 of the Company’s Annual Report 2024, published on the Company’s website at www.microlink.com.my .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The Board are encouraged to attend continuous training, including on the sustainability issues relevant to the Company and its business.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The performance evaluation of the Board and senior management relating to Environmental, Social and Governance (ESG) in addressing the Group's material sustainability risks and opportunities was evaluated through the annual Board's effectiveness evaluation for the financial year ended 31 March 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The Group CEO leads Sustainability related matters and heads the Sustainability Management Team (SMT) which is responsible for overseeing the Group's sustainability matters and managing the performance of sustainability-related initiatives. The Group CEO's leadership ensures that sustainability is strategically managed and integrated into the company's operations.

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	The Nominating, Remuneration and Long-Term Incentive Plan Committee (NRLTIPC) conducts an annual review of the composition of the Board in terms of appropriate size, required mix of skills, experience and core competencies and adequacy of balance between Executive Director, Non-Executive Directors and Independent Non-Executive Directors.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	As at 31 March 2024, the Board comprised ten (10) members: <ul style="list-style-type: none">• Five (5) Independent Non-Executive Directors (INED)• Two (2) Non-Independent Non-Executive Directors (NINED)• Three (3) Executive Directors (ED) The five (5) INEDs made up half of the total number of the Board members.	
Explanation for departure	:	Please provide an explanation for the departure.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	<p>Mr Tai Keat Chai and Mr Martin Chu Leong Meng were appointed as an INED of MSB on 28 August 2013 and 6 January 2014 respectively and have exceeded a cumulative term of more than nine (9) years.</p> <p>The shareholders of MSB had at its 20th AGM held on 26 September 2023 approved the continuation of Mr Tai Keat Chai and Mr Martin Chu Leong Meng in office as INEDs of MSB through a two-tier voting process.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: The tenure of Independent Directors has clearly specified in the Board Charter, which is available on the Company's website at www.microlink.com.my .

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of diversity in terms of skills, experience and competence, age, gender, cultural background and ethnicity, integrity and recognises the benefits of diversity at leadership and employee level.</p> <p>The NRLTIPC is responsible for the assessment of existing Directors or candidates for nomination or appointment or re-election as a Director of the Group and making necessary recommendations whilst the Board is primarily responsible to ensure that all Directors fulfil fit and proper criteria and conducting assessments of the fitness and propriety of all Directors.</p> <p>In this respect, the role of the NRLTIPC and the Board are detailed in its TOR and Board of Directors' Fit and Proper Policy which are accessible for reference on the Company's website, www.microlink.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	In searching for suitable candidates, the NRLTIPC may receive suggestions from existing Board Members, Management, and major shareholders. The NC is also open to referrals from external sources available, such as industry and professional associations, as well as independent search firms. The NRLTIPC will ensure that the recommended candidates are suitable and of sufficient calibre before recommending their appointment to the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>The NRLTIPC carried out an annual evaluation and assessment on each Director, including the Directors subject to retirement by rotation at the 20th AGM and their re-election was noted and supported by the Board.</p> <p>The details of their interest, position or any relationship that might influence, or reasonably be perceived to influence, in a material respect of their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the Company as a whole are disclosed in various parts of the Annual Report.</p> <p>The profiles of Directors are published in the Annual Report and on the Company website. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interests as well as their shareholdings in the Company, if any.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of MSB had on 3 April 2023 approved the merging of NC, RC and LTIPC into a single committee known as “Nominating, Remuneration and Long-Term Incentive Plan Committee” (NRLTIPC) with effect from 3 April 2023.</p> <p>The TOR of the NRLTIPC specifies that the Chairman must be an Independent Director or Senior Independent Director. The present Chairman of NRLTIPC is Martin Chu Leong Meng, an Independent Non-Executive Director of MSB.</p> <p>The TOR of the NRLTIPC is available for reference at the Company’s website at www.microlink.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, the Board comprises one (1) women director, namely Puan Noor Zaliza Yati binti Yahya, representing 10% of the total Board members.	
		The Board is putting its effort in getting suitable women director who could meet the objective criteria, merit and with due regard for diversity in skills, experience, age and cultural background to join the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges the vital need for diversity to ensure good governance practice and to enhance the efficient functioning of the Board. The Board believes the appointment of new members is guided by the skills, experience, competency and knowledge of the individual candidate(s). Any potential Board candidate will be assessed, wherever reasonably possible, in line with the Board Diversity Policy of the Company.</p> <p>The Board Diversity Policy is available for reference at the Company's website at www.microlink.com.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	<p>Based on the annual review carried out through the Directors/Key Officers Evaluation Form, Board and Board Committees Evaluation Forms, Individual Directors Self-Assessment and Independent Director Self-Assessment Checklist undertaken internally with the assistance of the Company Secretary, the NRTLIPC is satisfied that:</p> <ul style="list-style-type: none">• the Board Committees have carried out their functions in accordance with their respective TOR and overall, the members of the committees have attended to their responsibilities effectively• the size and composition of the Board was optimum with a good balance of Executive Directors and Independent Non-Executive Directors• the current Board has the right mix of skills and experience which are relevant for the Board to carry out its responsibilities in an effective and competent manner as well as independently and objectively in the interest of the investors and shareholders of the Company• the Directors understand their roles, powers, duties and responsibilities and the activities carried out by the Company• the Independent Directors are independent <p>The results and recommendations from the evaluation of the Board and Board Committees were reported to the Board for full consideration and action. The Board noted and satisfied with the outcome of evaluation.</p>
Explanation for departure	:

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The objective of the Company's policy on Directors' remuneration is to attract and retain Directors of the calibre needed to lead the Group successfully.</p> <p>The remuneration of the ED is structured so as to link rewards to corporate and individual performance. In the case of the Non-Executive Directors, the level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the particular Non-Executive Director concerned.</p> <p>The NRLTIPC reviews and recommends to the Board the remuneration package of the ED. It is the responsibility of the entire Board to approve the remuneration of Non-Executive Directors who abstain from deliberation and decision making in respect of their individual remuneration. The Executive and Non-Executive Directors play no part in decisions on their own remuneration.</p> <p>When determining the structure of ED's remuneration, the NRLTIPC takes into account the following criteria:</p> <ul style="list-style-type: none">• individual performance• skills and knowledge• involvement in the Group's affairs• achievement of Group's internal targets• performance and profitability of the Group <p>The NRLTIPC also considers other factors such as time commitment, duties and responsibilities.</p> <p>The Directors' Fees and benefits (comprising mainly Meeting Attendance Allowance) have been reviewed by the NRLTIPC and the</p>

	<p>Board as a whole recommend the Directors' Fees and benefits for the Non-Executive Directors with the individual directors concerned abstaining from deliberation for approval of the shareholders at the forthcoming Annual General Meeting.</p> <p>The Director Remuneration Policy is available for reference at the Company's website at www.microlink.com.my.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of MSB had on 3 April 2023 approved the merging of NC, RC and LTIPC into a single committee known as "Nominating, Remuneration and Long-Term Incentive Plan Committee" (NRLTIPC) with effect from 3 April 2023.</p> <p>Currently the NRLTIPC consists of three (3) members entirely of Non-Executive Directors with a majority of them being Independent Directors.</p> <p>The duties and responsibilities of the NRLTIPC are clearly specified in the TOR of NRLTIPC, which is available on the Company's website at www.microlink.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure on named basis for the remuneration of individual directors, including fees, salary, bonus, benefits in-kind and other emoluments is in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tun Arifin bin Zakaria	Independent Director	191	-	-	-	10	10	211	191	-	-	-	10	10	211
2	Dato' Sri Chee Hong Leong	Non-Executive Non-Independent Director	27	-	-	-	21	4	52	27	-	-	-	21	4	52
3	Dato' Ahmad Najmi bin Abdul Razak	Non-Executive Non-Independent Director	60	-	-	-	-	8	68	60	-	-	-	-	8	68
4	Tai Keat Chai	Independent Director	84	-	-	-	-	15	99	84	-	-	-	-	15	99
5	Martin Chu Leong Meng	Independent Director	73	-	-	-	-	18	91	73	-	-	-	-	18	91
6	Noor Zaliza Yati binti Yahya	Independent Director	62	-	-	-	-	10	72	62	-	-	-	-	10	72
7	Narayanasamy A/L N Chithambaram (Appointed on 1 March 2024)	Independent Director	5	-	-	-	-	2	7	5	-	-	-	-	2	7
8	Monteiro Gerard Clair	Executive Director	-	-	362	-	-	43	405	362	-	-	-	-	43	405
9	Thong Weng Sheng (Appointed on 1 November 2023)	Executive Director	-	-	150	-	-	18	168	-	-	150	-	-	18	168
10	Wong Kwang Chwen (Appointed on 15 March 2024)	Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Tan Sri Datuk Seri (Dr) Mazlan bin Lazim (Resigned on 6 June 2023)	Independent Director	11	-	-	-	-	1	12	11	-	-	-	-	1	12

12	Wan Mai Gan (Resigned on 10 November 2023)	Independent Director	45	-	-	-	-	12	57	45	-	-	-	-	12	57
13	Tan Sri Jaganath Derek Steven Sabapathy (Resigned on 12 January 2024)	Non-Executive Non-Independent Director	102	-	-	-	-	12	114	102	-	-	-	-	12	114
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is of the view that the disclosure on a named basis for the remuneration of top five (5) senior management personnel is not in the best interest of the Group given the competitive human resource environment for personnel with requisite knowledge, expertise and experience in the Company's business activities, where poaching by recruitment service provider has become common now.</p> <p>The Board believes that the non-disclosure of remuneration of top 5 senior management personnel who are not Directors of the Company will not prejudice the interest of its shareholders.</p> <p>The profiles of Key Senior Management are set out on pages 36 to 37 of Volume 1 of the Annual Report 2024.</p> <p>The Board will ensure that the remuneration of the senior management of the Company and the Group commensurate with their level of duties and responsibilities.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	As at 31 March 2024, the positions of the Chairman of the Board and ARMC are held by separate individuals. The Chairman of the ARMC is Mr Tai Keat Chai, an Independent Non-Executive Director. He is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	<p>None of the members of ARMC were former key audit partners of any external audit firms within the cooling off period of at least three (3) years before appointed as a member of ARMC.</p> <p>The TOR of ARMC is available for reference at the Company’s website at www.microlink.com.my.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board, through the ARMC has maintained an appropriate, formal and transparent relationship with the external auditors and has adopted an External Auditors Independence Policy which is also available on the Company’s website at www.microlink.com.my.</p> <p>In May 2023, the ARMC:</p> <p>(i) reviewed and assessed the performance and independence of the External Auditors, Messrs BDO PLT (BDO) in accordance with the Policy of the Company;</p> <p>(ii) noted the non-audit services provided by BDO; and</p> <p>(iii) considered its suitability for re-appointment as external auditors of the MSB Group for the next financial year end.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	As at 31 March 2024, the ARMC comprises three (3) members, all of whom are INEDs. The current composition of the ARMC is as set out on page 53 of Volume 1 of the Annual Report 2024.

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied	
Explanation on application of the practice	:	<p>The members of ARMC possesses a wide range of necessary skills and expertise in relevant accounting, financial service industry and legal to discharge their duties and provide an effective level of challenge to the Management.</p> <p>The Chairman for ARMC, Mr Tai Keat Chai is a qualified accountant and a member of the Malaysian Institute of Accountant (MIA) thus fulfilling the requirements under Rule 15.09(1)(c)(i) of the Listing Requirements which requires at least one (1) of the Audit Committee members to be a member of MIA.</p> <p>Based on the outcome of the performance assessment on the ARMC, both the NRLTIPC and the Board are satisfied with the performance of the ARMC.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>Risk Management is regarded as an important aspect of the Group's operation. The Management has an on-going process for identifying, evaluating and managing principal risks.</p> <p>As for Internal Control framework, the Management has in place the necessary framework and our outsourced Internal Auditor provides the necessary assurance on the adequacy and effectiveness of the framework.</p> <p>The Statement on Risk Management & Internal Control (SORMIC) which has been reviewed by the external auditors as set out in pages 50 to 52 of Volume 1 of the Annual Report 2024 and it provides an overview of the state of risk management and internal control within MSB Group as governed by the Risk Management Framework.</p> <p>The risk management and internal control framework and policies are overseen by the ARMC.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>There is an on-going assessment and enhancement on the enterprise risk management framework.</p> <p>The risk management and internal control framework and policies are overseen by the ARMC.</p> <p>The Company has outsourced its internal audit function to Quadrant Biz Solutions Sdn Bhd (QBS). QBS reports directly to the ARMC at least four times a year on the adequacy and effectiveness of the internal control framework.</p> <p>Further details are contained in the SORMIC in the Company's Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	The risk management framework and policies are overseen by the ARMC.

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied	
Explanation on application of the practice	:	<p>QBS performed its functions with impartiality, proficiency and due professional care. Both ARMC & IA undertake regular monitoring of the Group's key controls and procedures, which is an integral part of the Group's system of internal control.</p> <p>The internal audit reports are presented to the ARMC for review and deliberation. The ARMC is briefed on the progress made in respect of each recommendation, and of each corrective measure taken as recommended by the audit findings. The Internal Auditors report directly to the ARMC to ensure independence.</p> <p>QBS reports directly to the ARMC at least four times a year on the adequacy and effectiveness of the internal control framework.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose—

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The ARMC is supported by the Internal Audit team, which has been outsourced to QBS. The person responsible for the internal audit during the FYE 31 March 2024 was Ms Chew Bee Suan, an Associate Member of The Institute of Internal Auditors Malaysia and a Certified Internal Auditor. She is also a Fellow of the Association of Chartered Certified Accountants (ACCA) and holds a BA (Hons) in Accounting & Finance from Middlesex University, London. She has more than 10 years' experience in the field of internal audit.</p> <p>The Internal Auditors are free from any relationships or conflict of interest or undue influence of others to override professional and business judgment, which could impair their objectivity and independence. The independence of the Internal Audit function is derived from its direct reporting and unencumbered access to the ARMC. The Internal Auditors have adequate resources to carry out their audit activities.</p> <p>The internal audit functions is guided by the International Professional Practices Framework, issued by IIA Inc.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of communication and proper dissemination of information to its shareholders and investors. Through extensive disclosures of appropriate and relevant information, the Company aims to effectively provide shareholders and investors with information to fulfil transparency and accountability. In this respect, the Company keeps shareholders informed via announcements and timely release of quarterly financial reports, press releases, annual reports and circulars to shareholders.</p> <p>The Annual General Meeting (AGM) is the main forum of dialogue with shareholders as it provides an opportunity for the shareholders to seek and clarify any issues pertaining to the Group and to have a better understanding of the Group's activities and performance.</p> <p>Shareholders and members of the public may also obtain information on the Group's operations and activities, as well as press releases, announcements and financial information, etc. from the corporate website at www.microlink.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary, by the order of the Board served a notice of AGM to all shareholders of the Company at least 28 days prior to its AGM to provide shareholder sufficient time to consider the proposed resolutions.</p> <p>The last 20th AGM was held on 4 September 2023 (subsequently adjourned to 26 September 2024) and the Notice convening the 20th AGM was sent to the shareholders on 27 July 2023 which was more than 28 days ahead of the 20th AGM.</p> <p>The forthcoming 21st AGM of the Company will be convened on 4 September 2024. The Notice of 21st AGM will be sent to the shareholders on 30 July 2024 which is more than 28 days prior to the 21st AGM.</p> <p>The notes to the Notice of AGM also provide detailed explanation for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	<p>All Directors participated in the 20th AGM and Adjourned 20th AGM of the Company held on 4 September 2023 and 26 September 2023 respectively via live streaming from the broadcast venue.</p> <p>During the 20th AGM, the Chairman also invited shareholders to raise any questions pertaining to the Company's financial statements and other agenda items (in the form of real-time submission of typed texts), before putting the resolutions to vote.</p> <p>The Directors including Chairman of the Board Committees and senior management present at the 20th AGM had responded to the queries raised by the shareholders. External Auditors of the Company, BDO PLT and Advisors were also present at the 20th AGM to answer shareholders' queries, if any.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate—

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Applied
Explanation on application of the practice	:	<p>The 20th AGM and Adjourned 20th AGM of the Company held on 4 September 2023 and 26 September 2023 respectively, were conducted as a virtual meeting via live streaming broadcast using the Remote Participation and Electronic Voting (RPEV) facilities.</p> <p>Red Ape Solutions Sdn Bhd was appointed to act as the Poll Administrator and Quantegic Services Sdn Bhd was appointed to act as the Independent Scrutineer to verify the results of the poll voting of the 20th AGM.</p> <p>The Chairman announced the poll voting results after the same has been verified by the appointed Independent Scrutineer to the shareholders in the meeting at the end of the voting process. Poll results were announced to Bursa Malaysia Securities Berhad on the same day.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	At the 20 th AGM and Adjourned 20 th AGM held on 4 September 2023 and 26 September 2023 respectively, the shareholders were given opportunities to pose any questions pertaining to the Company's financial and non-financial matters as well as long term strategies of the Group in the form of real-time submission of typed texts via the online platform.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The 20th AGM and Adjourned 20th AGM were conducted as a virtual meeting via live streaming broadcast using the RPEV facilities on 4 September 2023 and 26 September 2023 respectively.</p> <p>The Company has considered stability and capacity of the meeting platform and ensured that there was dedicated and sufficient internet bandwidth to support smooth live streaming and participation by Directors, shareholders and proxies remotely.</p> <p>The Company also worked with its service provider to ensure that there was adequate back-up plan to mitigate risk of inability to access the meeting platform which was hosted using RPEV facilities. During the proceedings of the 20th AGM and Adjourned 20th AGM, participants were given opportunity to pose questions in the form of real-time submission of typed texts. The Management attended to the live questions received during the meeting proceedings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	Minutes of the 20 th AGM and Adjourned 20 th AGM held on 4 September 2023 and 26 September 2023 respectively were published on the Company's website at www.microlink.com.my .
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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MICROLINK SOLUTIONS BERHAD
Registration No.: 200301018362 (620782-P)
(Incorporated in Malaysia)



ADMINISTRATIVE NOTES
FOR THE 21st ANNUAL GENERAL MEETING (“21st AGM” or “the Meeting”)

Date : **Wednesday, 4 September, 2024**
AGM Time : **10.00 a.m.**
Broadcast Venue : **Redwood Meeting Room, Ho Hup Tower – Aurora Place, 2-09-01 – Level 9, Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur**

Virtual AGM

The 21st Annual General Meeting (“**AGM**”) of Microlink Solutions Berhad (“**The Company**”) will be conducted on a virtual basis through remote participation and electronic voting from the Broadcast Venue (“**Virtual AGM**”).

The Broadcast Venue is the main venue in Malaysia where the Chairman of the meeting will be physically present in accordance with Section 327(2) of the Companies Act 2016.

SHAREHOLDERS/PROXIES/CORPORATE REPRESENTATIVES/ATTORNEYS from the public are **NOT PERMITTED** to be physically present at the Broadcast Venue on the day of the AGM.

Please note that the quality of the live webcast and remote participation and electronic voting throughout the AGM are dependent on your internet bandwidth and stability of your internet connection.

Voting via Digital Ballot Form at a Virtual AGM

1. Shareholders who wish to participate at the AGM will therefore have to do so remotely. Pre-registration of attendance is required via the link <https://vps.megacorp.com.my/0qz5yE> (please refer to paragraph 4 for further details). After the registration is validated and accepted, shareholders will receive an email for the Meeting link to grant access to the **Digital Ballot Form (“DBF”)**.
2. With the DBF and meeting link, you may exercise your right as a shareholder of the Company to participate and vote remotely during the AGM, at the comfort of your home or from any location.

3. Shareholders may use the *Questions' Pane* facility (located at the top right corner of the screen) to submit questions in real time during the meeting via the Live-Streaming solution. Shareholders may also submit questions before the meeting via email to the following e-mail address in relation to the agenda of the AGM:
AGM-support.Microlink@megacorp.com.my

Registration Procedure

4. Kindly follow the steps below to ensure that you are able to obtain your DBF and meeting link to log in to the Live-Streaming session to participate and vote remotely at the AGM:
- a. Open this link <https://vps.megacorp.com.my/0qz5yE> or scan the QR code at the top right corner of this document, and submit all requisite details at least twenty-four (24) hours before the date of AGM.
 - b. Only shareholders are allowed to register their details online. Shareholders can also appoint proxies or Chairman of the meeting as proxy via online, as in step (a) above. Please ensure that your details are accurate as non-compliance would result in you not being able to participate in the AGM.
 - c. Alternatively, you may deposit your Proxy Form, duly completed with the proxy's email address and mobile phone number, at the office of the Poll Administrator at least 24 hours before the date of the AGM at:

Mega Corporate Services Sdn. Bhd.
Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail, 50250 Kuala Lumpur,
Wilayah Persekutuan
or;
Submit via e-mail to:
AGM-support.Microlink@megacorp.com.my
 - d. For corporate shareholders / nominee accounts, please execute Form of Proxy as per step (c) above.
 - e. Upon verification on your registration, the Poll Administrator, Mega Corporate Services Sdn. Bhd., will send the following via email:
 - i. **Meeting Link** – for the Live-Streaming Session
 - ii. **DBF** – for Voting Purposes

Revocation of Proxy

If you have submitted your Proxy Form and subsequently decide to appoint another person or wish to participate in the AGM yourself, please email AGM-support.Microlink@megacorp.com.my to revoke the earlier appointed proxy(ies) at least 24 hours before the AGM. On revocation, your proxy(ies) will not be allowed to participate in the AGM. In such event, you should advise your proxy(ies) accordingly.

Record of Depositors (“ROD”) for the AGM

5. The date of ROD for the AGM is Wednesday, 28 August, 2024. As such, only shareholders whose name appear in the ROD shall be entitled to participate, speak and vote at the AGM, or appoint proxy(ies) / corporate representative(s) to participate, speak and vote on his / her behalf.

Poll Voting

6. The voting of the AGM will be conducted by poll. The Company has appointed Mega Corporate Services Sdn. Bhd. as the Poll Administrator to conduct the polling process by way of e-voting, and Cygnus Technology Solutions Sdn. Bhd. as Scrutineers to verify the poll results.
7. Shareholders can proceed to vote on the resolutions and submit your votes during the voting period as stipulated in the DBF. Upon completion of the voting session for the AGM, the Scrutineers will verify the poll results after which the Chairman will announce the poll results of the resolutions.

Enquiry

If you have any enquiry relating to the AGM, please contact the following persons during office hours (8.30 a.m. to 5.30 p.m.) on Mondays to Fridays (except public holidays):

- (i) Enquiries relating to Online registration/Login/DBF

Mega Corporate Services Sdn. Bhd.

Email	:	AGM-support.Microlink@megacorp.com.my
Tel	:	+60 (3) 2694 8984
Vinoo	:	+60 (16) 969 9220
Ben	:	+60 (17) 611 9665

- (ii) Enquiries relating to the Annual Report 2024 and/or Circular to Shareholders dated 30 July 2024 and other documents

Tel : +603 9779 1700
Email : osem@quadrantbiz.co
Contact persons : Ms Lim Shook Nyee / Ms Irence Tan / Cik Nur
Amirah Aina

PERSONAL DATA PRIVACY

By registering for the Virtual AGM and/or submitting the instrument appointing proxy(ies) and/or representative(s), the shareholder of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents) in accordance with the Company's privacy policy located at <https://www.microlink.com.my/privacy-policy/> and to comply with any laws, listing rules, regulations and/or guidelines. The shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.