

Quarterly rpt on consolidated results for the financial period ended 31 Mar 2023

MICROLINK SOLUTIONS BERHAD

Financial Year End 31 Mar 2023

Quarter 4 Qtr

Quarterly report for the financial period ended 31 Mar 2023

The figures have not been audited

Attachments

[MSB - FY23Q4 announcement.pdf](#)
296.6 kB

Default Currency

Other Currency

Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 31 Mar 2023

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	65,275	51,913	248,305	218,310
2 Profit/(loss) before tax	6,425	7,349	30,556	34,231
3 Profit/(loss) for the period	5,131	5,043	26,500	25,459
4 Profit/(loss) attributable to ordinary equity holders of the parent	4,831	5,001	26,326	25,470
5 Basic earnings/(loss) per share (Subunit)	0.45	2.69	2.46	3.66
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	0.2100		0.2900	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	MICROLINK SOLUTIONS BERHAD
Stock Name	MICROLN
Date Announced	29 May 2023
Category	Financial Results
Reference Number	FRA-29052023-00052



MICROLINK SOLUTIONS BERHAD

Company no. 200301018362 (620782 - P)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2023

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2023

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH		CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH	
	2023 RM'000 Unaudited	2022 RM'000 Unaudited	2023 RM'000 Unaudited	2022 RM'000 Audited
Revenue	65,275	51,913	248,305	218,310
Cost of sales	(47,907)	(32,665)	(179,599)	(153,139)
Gross profit	17,368	19,248	68,706	65,171
Other operating income	1,614	1,280	8,184	3,292
Selling and distribution expenses	(355)	(344)	(1,782)	(1,151)
Administrative expenses	(10,021)	(9,621)	(36,022)	(25,271)
Other operating expenses	(1,705)	(2,771)	(6,989)	(6,563)
Net (gain)/loss on impairment on financial assets	(280)	(95)	(280)	207
Finance costs	(480)	(348)	(1,545)	(1,454)
Share of result of joint venture, net of tax	284	-	284	-
Profit before taxation	6,425	7,349	30,556	34,231
Taxation	(1,294)	(2,306)	(4,056)	(8,772)
Profit for the period	5,131	5,043	26,500	25,459
Other comprehensive loss, net of tax - item that may be reclassified subsequently to profit or loss:				
Foreign currency translations for foreign operations, net of tax	(60)	-	(249)	-
Other comprehensive loss for the period, net of tax	(60)	-	(249)	-
Total comprehensive income for the period	5,071	5,043	26,251	25,459
Profit/(Loss) attributable to:				
Owners of the parent	4,831	5,001	26,326	25,470
Non-controlling interests	300	42	174	(11)
	5,131	5,043	26,500	25,459
Total comprehensive income/(loss) attributable to:				
Owners of the parent	4,768	5,001	26,074	25,466
Non-controlling interests	303	42	177	(7)
	5,071	5,043	26,251	25,459
Earnings per share (sen):				
Basic	0.45	2.69	2.46	3.66
Diluted	0.45	2.69	2.46	3.66

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	As At 31 March 2023 RM'000 Unaudited	As At 31 March 2022 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	607	310
Right-of-use assets	3,189	4,170
Goodwill	22,664	18,409
Software development expenditure	111,908	102,425
Other investments	394	105
Deferred tax assets	2,707	2,707
	<u>141,469</u>	<u>128,126</u>
Current Assets		
Inventories	1,417	1,463
Contract costs	20,864	4,303
Other investments	3,295	4,475
Trade receivables	50,781	28,052
Other receivables, deposits and prepayments	24,802	20,681
Contract assets	36,307	17,286
Amount owing by ultimate holding company	-	28,075
Amount owing by immediate holding company	-	37
Current tax assets	12,806	6,157
Cash and bank balances	33,676	63,122
	<u>183,948</u>	<u>173,651</u>
TOTAL ASSETS	<u>325,417</u>	<u>301,777</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	166,259	161,896
Reserves	(214)	38
Retained Earnings	60,531	39,322
	<u>226,576</u>	<u>201,256</u>
Non-controlling interests	130	480
TOTAL EQUITY	<u>226,706</u>	<u>201,736</u>
Non-Current Liabilities		
Deferred tax liability	3,995	3,745
Provision for gratuity obligations	-	1,829
Other payables and accruals	183	157
Lease liabilities	2,913	4,120
	<u>7,091</u>	<u>9,851</u>
Current Liabilities		
Trade payables	13,375	23,768
Other payables and accruals	22,831	13,969
Contract liabilities	22,325	17,308
Amount owing to ultimate holding company	-	38
Amount owing to immediate holding company	-	794
Amount owing to related companies	-	1,379
Amount owing to joint venture	627	-
Borrowings	28,005	27,914
Provision for gratuity obligations	-	239
Lease liabilities	1,555	2,670
Current tax liabilities	2,902	2,111
	<u>91,620</u>	<u>90,190</u>
TOTAL LIABILITIES	<u>98,711</u>	<u>100,041</u>
TOTAL EQUITY AND LIABILITIES	<u>325,417</u>	<u>301,777</u>
Net assets per share (RM)	<u>0.21</u>	<u>0.29</u>

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2023**

	←----- Non-distributable -----→					
	Share capital RM'000	Exchange Translation reserve RM'000	Retained Earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
Unaudited						
12 months ended 31 March 2023						
At 1 April 2022 (audited)	161,896	38	39,322	201,256	480	201,736
Profit for the period	-	-	26,326	26,326	174	26,500
Foreign currency translation for foreign operations	-	(252)	-	(252)	3	(249)
Total comprehensive income for the period	-	(252)	26,326	26,074	177	26,251
Transaction with owners						
Arising from accretion of equity interest in subsidiary	-	-	227	227	(302)	(75)
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	4,363	-	-	4,363	-	4,363
Dividends paid	-	-	(5,344)	(5,344)	(225)	(5,569)
Total transactions with owners	4,363	-	(5,117)	(754)	(527)	(1,281)
At 31 March 2023	166,259	(214)	60,531	226,576	130	226,706
Audited						
12 months ended 31 March 2022						
At 1 April 2021	105,583	42	13,852	119,477	487	119,964
Profit for the period	-	-	25,470	25,470	(11)	25,459
Foreign currency translation for foreign operations	-	(4)	-	(4)	4	-
Total comprehensive income for the period	-	(4)	25,470	25,466	(7)	25,459
Transaction with owners						
Ordinary shares issued pursuant to private placement	53,370	-	-	53,370	-	53,370
Shares issued pursuant to ESGP	2,943	-	-	2,943	-	2,943
Total transactions with owners	56,313	-	-	56,313	-	56,313
At 31 March 2022	161,896	38	39,322	201,256	480	201,736

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FOURTH QUARTER ENDED 31 MARCH 2023

(The figures have not been audited)

	Current Year 12 months ended 31 March 2023 RM'000 Unaudited	Preceding Year 12 months ended 31 March 2022 RM'000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	30,556	34,231
Adjustments for non-cash items:		
Amortisation of software development expenditure	12,882	7,816
Bad debts written off	-	2
Depreciation of property, plant and equipment	150	152
Depreciation of right-of-use assets	1,328	1,298
Employee share grant plan expenses	4,363	2,944
Fair Value Loss / (Gain) on Investment	1,991	(240)
Impairment losses on amount owing by ultimate holding company	-	100
Impairment losses on trade receivables	338	270
Impairment losses on contract assets	-	17
Interest expense	1,545	1,716
Interest income	(479)	(312)
Gain on disposal of quoted investment	(5,090)	(1,711)
Reversal of impairment loss on trade receivables	-	(561)
Reversal of impairment loss on other receivables	(1)	-
Reversal of impairment loss on amount due from ultimate holding company	-	(19)
Reversal of impairment loss on amount due from immediate holding company	-	(14)
Net unrealised loss/(gain) on foreign exchange	10	(27)
Provision for gratuity obligation	(2,960)	(67)
Lease modification	(17)	13
Other payables and accruals written back	-	(1,182)
Dividend income	-	(51)
Operating profit before working capital changes	<u>44,616</u>	<u>44,375</u>
Net changes in assets	(44,662)	(10,546)
Net changes in liabilities	10,345	5,868
Net cash from operations	<u>10,299</u>	<u>39,697</u>
Interest received	10	9
Tax paid	(10,173)	(6,084)
Tax refunded	510	-
Net cash from operating activities	<u>646</u>	<u>33,622</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary, net of cash acquired	39	-
Acquisition of additional interest in subsidiary	(75)	-
Addition of software development expenditure	(24,464)	(46,928)
Repayment to ultimate holding company	-	(4,651)
Repayment from immediate holding company	-	16,166
Dividend received	-	51
Interest received	468	303
Placement of deposits pledged to licensed banks	(967)	(448)
Net disposal/(purchase) of other investments	4,278	(2,424)
Purchase of property, plant and equipment	(447)	(174)
Net cash used in investing activities	<u>(21,168)</u>	<u>(38,105)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(5,569)	-
Interest paid	(1,136)	(1,124)
Net drawdowns of borrowings	93	7,896
Net repayment of lease liabilities	(3,061)	(3,666)
Proceeds from ordinary shares issued pursuant to private placement	-	53,370
Net cash (used in) / from financing activities	<u>(9,673)</u>	<u>56,476</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	<u>(30,195)</u>	<u>51,993</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	56,152	4,121
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(215)	38
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>25,742</u>	<u>56,152</u>

* Cash and cash equivalents at the beginning and end of the financial period are net of deposits pledged to banks.

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards ("MFRSs") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements ("ACE Listing Requirements") and should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the financial year ended 31 March 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2022.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2022 except for the newly-issued accounting framework - MFRS and IC Interpretations ("IC Int.") to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2022:

- Annual Improvements to MFRS Standards 2018 - 2020
- Amendments to MFRS 3 Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract
- Amendments to MFRS 101 Classification of Liabilities as Current or Non-current
- MFRS 17 Insurance Contract
- Amendments to MFRS 17 Insurance Contract
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)
- Initial Application of MFRS 17 and MFRS 9 Comparative Information (Amendments to MFRS 17 Insurance Contracts)

The adoption of the above did not have any significant effects on the interim financial statements upon their initial application.

A2 Audit report of preceding annual financial statements

The preceding audited financial statements for the financial year 31 March 2022 were not subjected to any qualification.

A3 Seasonal or cyclical factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

A5 Material changes in estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

A6 Dividend paid

No dividend has been paid in the current quarter under review.

A7 Segmental information

The Group's reportable segments were identified 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

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)
A7 Segmental information (Cont'd)

Business Segments						Consolidation RM'000
	Financial Services RM'000	Enterprise Solutions RM'000	Distribution Services RM'000	Solution Delivery RM'000	Elimination RM'000	
12 months ended 31 March 2023						
External sales	59,809	63,957	122,739	1,800	-	248,305
Inter-segment sales	11,888	475	9,833	432	(22,628)	-
Total	<u>71,697</u>	<u>64,432</u>	<u>132,572</u>	<u>2,232</u>	<u>(22,628)</u>	<u>248,305</u>
Results						
Segment results	14,441	14,728	2,984	(725)	194	31,622
Interest expense	(661)	(66)	(816)	(2)	-	(1,545)
Interest income	216	92	167	4	-	479
Taxation	(3,063)	(19)	(573)	(401)	-	(4,056)
Profit / (Loss) for the financial period	<u>10,933</u>	<u>14,735</u>	<u>1,762</u>	<u>(1,124)</u>	<u>194</u>	<u>26,500</u>
12 months ended 31 March 2022						
External sales	21,207	54,762	139,341	3,000	-	218,310
Inter-segment sales	7,062	659	5,498	535	(13,754)	-
Total	<u>28,269</u>	<u>55,421</u>	<u>144,839</u>	<u>3,535</u>	<u>(13,754)</u>	<u>218,310</u>
Results						
Segment results	(10,069)	28,717	15,436	4,285	(2,734)	35,635
Interest expense	(713)	(272)	(729)	(2)	-	(1,716)
Interest income	170	46	95	1	-	312
Taxation	(125)	(6,797)	(1,089)	(761)	-	(8,772)
Profit / (Loss) for the financial period	<u>(10,737)</u>	<u>21,694</u>	<u>13,713</u>	<u>3,523</u>	<u>(2,734)</u>	<u>25,459</u>

A8 Valuation of property, plant and equipment

The Group did not carry out any valuation of its property, plant and equipment.

A9 Material events subsequent to the end of the quarter

On 12 July 2022, the Group proposed to transfer the listing of and quotation for the entire issued share capital of Microlink from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad ("Proposed Transfer"). Approval of the Proposed Transfer had been obtained from Securities Commission and Bursa Securities on 19 January 2023 and 22 February 2023 respectively.

On 27 February 2023, the listing of and quotation for the entire issued share capital of Microlink has been transferred from the ACE Market to the Main Market of Bursa Securities, marking the completion of the Transfer.

Saved as disclosed above, there were no material events announced subsequent to the end of the current financial period under review up to the date of this announcement.

A10 Changes in the composition of the Group

On 4 July 2022, the Group has acquired Microlink Solutions Pte Ltd (formerly known as Formis Lab Singapore Pte Ltd) from Continuous Network Advisers Sdn Bhd.

Effective from 18 July 2022, Omesti no longer controls the board of directors of Microlink following the changes to the board compositions of both Omesti and Microlink and the re-designation of a director in Omesti.

A11 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 22 May 2023 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

A12 Cash and bank balances

	Current year as at 31 March 2023 RM'000
Cash and bank balances	28,220
Fixed deposits with licensed financial institutions	5,456
	<u>33,676</u>
Less: Fixed deposits pledged with licensed banks	(5,456)
Bank overdraft	(2,478)
	<u>25,742</u>

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE LISTING REQUIREMENTS

B1 Review of performance

The summary breakdown of revenue by business segments of the Group is as follows:-

	Individual Quarter			Cumulative Period		
	3 months ended 31 March			12 months ended 31 March		
	2023	2022	Variance	2023	2022	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Financial Services	19,337	(5,423)	457%	71,697	28,269	154%
Enterprise Solutions	20,801	20,073	4%	64,432	55,421	16%
Distribution Services	31,806	38,993	-18%	132,572	144,839	-8%
Solution Delivery	1,934	1,100	76%	2,232	3,535	-37%
	<u>73,878</u>	<u>54,743</u>	35%	<u>270,933</u>	<u>232,064</u>	17%
Less : Inter Segment Revenue	<u>(8,603)</u>	<u>(2,830)</u>		<u>(22,628)</u>	<u>(13,754)</u>	
Total Group Revenue	<u>65,275</u>	<u>51,913</u>	26%	<u>248,305</u>	<u>218,310</u>	14%

The Group's revenue has increased in the current quarter under review by RM13.36 million as compared to the revenue achieved in the corresponding quarter of preceding year. The higher revenue was mainly attributable to higher order fulfilments and progress billings particularly in Financial Services segment.

The summary breakdown of profit before taxation by business segments of the Group is as follows:-

	Individual Quarter			Cumulative Period		
	3 months ended 31 March			12 months ended 31 March		
	2023	2022	Variance	2023	2022	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Financial Services	2,557	(12,517)	120%	13,996	(10,612)	232%
Enterprise Solutions	229	17,856	-99%	14,754	28,753	-49%
Distribution Services	(91)	14,203	-101%	2,335	14,802	-84%
Solution Delivery	1,703	347	391%	(723)	4,284	-117%
	<u>4,398</u>	<u>19,889</u>	-78%	<u>30,362</u>	<u>37,227</u>	-18%
Add : Elimination	<u>2,027</u>	<u>(12,540)</u>		<u>194</u>	<u>(2,996)</u>	
Profit before taxation ("PBT")	<u>6,425</u>	<u>7,349</u>	-13%	<u>30,556</u>	<u>34,231</u>	-11%

The Group recorded a PBT of RM6.42 million in the current quarter under review as compared to RM7.35 million in the previous corresponding quarter in tandem with lower order fulfilments and progress billings from Enterprise Solutions and Distribution Services.

Material change in profit before taxation for the quarter reported as compared with the immediate preceding quarter

	Current	Immediate	Change
	Quarter	Preceding	
	RM'000	RM'000	
Revenue	65,275	73,167	-11%
Profit before taxation	6,425	8,246	-22%

The Group recorded decrease in revenue by RM7.89 million in the current quarter as compared to the immediate preceding quarter mainly attributable to lower order fulfilments and progress billings.

The group posted a decrease in PBT by RM1.82 million in the current quarter as compared to the immediate preceding quarter. The lower profit recorded in tandem with lower revenue posted.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE LISTING REQUIREMENTS (Cont'd)
B2 Prospects

The reopening of the economy and borders has revitalized Malaysia's economic activities, signaling a stable recovery that led to an encouraged Gross Domestic Product ("GDP") growth of 8.9% recorded for 2022. Although Malaysia's economy is gradually recovering, the challenging global environment, other internal and external risks such as the political environment, rising inflationary pressure and manpower resources among others will continue to affect the overall market sentiments.

Amid the continuously challenging 2023 economic landscape, the Group remains agile and will continue to build its internal capabilities and expand its revenue stream. It remains committed to its pillars of growth strategies which include geographical, segmental and product diversification. The recent regional expansion initiatives have gained a significant strong foothold in its telco service offerings in the Middle East as it continues to deliver on its ongoing projects while seeking out other opportunities in this market.

Barring any unforeseen circumstances, as efforts are continuously made to improve the Group's operations, the Board of Directors is optimistic about the future business outlook and financial performance for the next financial year.

B3 Profit forecast or guarantee

There were no profit forecast or profit guarantee issued by the Group and the Company.

B4 Income tax expense

	Current quarter 31 March 2023 RM'000	Cumulative 31 March 2023 RM'000
Taxation - current year	(1,294)	(3,310)
Taxation - prior year	-	(496)
Deferred tax	-	(250)
Total	<u>(1,294)</u>	<u>(4,056)</u>

B5 Unquoted investments and properties

There were no purchase or disposal of unquoted investments and properties during the financial period under review.

B6 Quoted securities

There were no acquisitions or disposals of quoted securities during the financial period under review.

B7 Corporate exercise and utilisation of proceeds

On 12 July 2022, the Group proposed to transfer the listing of and quotation for the entire issued share capital of Microlink from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad. Approval of the Proposed Transfer had been obtained from Securities Commission and Bursa Securities on 19 January 2023 and 22 February 2023 respectively.

On 27 February 2023, the listing of and quotation for the entire issued share capital of Microlink has been transferred from the ACE Market to the Main Market of Bursa Securities, marking the completion of the Transfer.

Saved as disclosed above, there is no corporate exercise announced but not completed during the period under review.

B8 Group's borrowings and debt securities

The Group's bank borrowings are as follows:

	As at 31 March 2023 RM'000	As at 31 March 2022 RM'000
Short term bank borrowings - secured	28,005	27,914
Long term bank borrowings - secured	-	-
Total borrowings	<u>28,005</u>	<u>27,914</u>

B9 Off balance sheet financial instruments

Bank guarantees amounting to RM3.07 million have been issued.

B10 Material litigation

The Group is not engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies as at the date of this announcement.

B11 Dividends

No dividend has been declared in respect of the current quarter under review.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE LISTING REQUIREMENTS (Cont'd)

B12 Earnings per share

Basic earnings per share

The calculation of the basic earnings per share is based on the net profit for the financial quarter and period under review divided by the weighted average number of ordinary shares in issue during the quarter.

	Individual Quarter 31 March 2023	Cumulative Quarter 31 March 2023
Profit attributable to owners of the parent (RM)	4,831,000	26,326,000
Weighted average number of ordinary shares in issue	1,069,684,149	1,069,683,734
Basic earnings per share (sen)	0.45	2.46

B13 Authorisation for issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the directors dated 29 May 2023.

**MICROLINK SOLUTIONS BERHAD 200301018362 (620782 - P)
29 May 2023**