



MICROLINK SOLUTIONS BERHAD (620782-P)
CONDENSED CONSOLIDATED INCOME STATEMENT
For The First Quarter Ended 31 March 2006
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To date	Corresponding
		Quarter	Quarter		Period
		31 Mar 2006	31 Mar 2005*	31 Mar 2006	31 Mar 2005*
		RM'000	RM'000	RM'000	RM'000
Revenue		3,678	N/A	3,678	N/A
Cost of sales		(1,265)	N/A	(1,265)	N/A
Gross profit		2,413	N/A	2,413	N/A
Other operating income		39	N/A	39	N/A
Selling and distribution expenses		(126)	N/A	(126)	N/A
Administrative expenses		(795)	N/A	(795)	N/A
Other operating expenses		(182)	N/A	(182)	N/A
Profit before taxation		1,349	N/A	1,349	N/A
Taxation	B5	(58)	N/A	(58)	N/A
Profit after taxation		1,291	N/A	1,291	N/A
Earnings per share (sen):					
Basic	B13	195.63	N/A	195.63	N/A
Diluted		106.29	N/A	106.29	N/A

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2006 and is to be read in conjunction with the Prospectus dated 2 June 2006. The annexed notes are an integral part of this statement.

* This is the first Interim Financial Statements on the consolidated results for the financial period ended 31 March 2006 announced by the Company in compliance with Bursa Malaysia Securities Berhad's ("Bursa Securities") requirements in conjunction with the admission of the Company to the MESDAQ market of Bursa Securities. As this is the first quarterly report being drawn up, there are no comparative figures for the preceding year's corresponding quarter.



MICROLINK SOLUTIONS BERHAD (620782-P)
CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 March 2006

(The figures have not been audited)

	Current year quarter 31 Mar 06 RM'000	Audited 31 Dec 05 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	703	689
Product Development	3,489	3,334
Goodwill on Consolidation	2,818	2,818
CURRENT ASSETS		
Trade receivables	4,918	3,603
Other Receivables, Deposits & Prepayments	1,173	1,054
Amount Due From Contract Customers	1,687	1,541
Cash and bank balances	7,372	7,521
	<u>15,150</u>	<u>13,719</u>
CURRENT LIABILITIES		
Trade payables	707	478
Other Payables, Provisions & Accruals	561	615
Deferred Maintenance Income	1,787	1,658
Taxation Liabilities	6	1
	<u>3,061</u>	<u>2,752</u>
NET CURRENT ASSETS	12,089	10,967
DEFERRED LIABILITY		
Deferred tax liabilities	(519)	(519)
NET ASSETS	<u>18,580</u>	<u>17,289</u>
REPRESENTED BY:		
Issued capital	1,100	1,100
Reserves	17,480	16,189
SHAREHOLDERS' EQUITY	<u>18,580</u>	<u>17,289</u>
Net Assets per share (RM)	<u>28.15</u>	<u>26.20</u>

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2005 and the Prospectus dated 2 June 2006.

Net Assets per share as at 31 March 2006 is arrived at based on the Net Assets of RM18.58 million over the number of ordinary shares of 660,000 shares of RM1.00 each. Net Assets per share as at 31 December 2005 was arrived at based on the Net Assets of RM17.29 million over the number of ordinary shares of 660,000 shares of RM1.00 each.



MICROLINK SOLUTIONS BERHAD (620782-P)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The First Quarter Ended 31 March 2006
(The figures have not been audited)

	Issued capital		Distributable reserve	Non-distributable reserve	
	Share Capital RM'000	Redeemable convertible preference shares RM'000	Retained profits RM'000	Share premium RM'000	Total RM'000
<u>12 months ended 31 December 2005</u>					
At 1 January 2005 (audited)	660	440	3,277	7,900	12,277
Profit for the financial year	-	-	5,012	-	5,012
At 31 December 2005 (audited)	<u>660</u>	<u>440</u>	<u>8,289</u>	<u>7,900</u>	<u>17,289</u>
<u>3 months ended 31 March 2006</u>					
At 1 January 2006 (audited)	660	440	8,289	7,900	17,289
Profit for the financial period	-	-	1,291	-	1,291
At 31 March 2006	<u>660</u>	<u>440</u>	<u>9,580</u>	<u>7,900</u>	<u>18,580</u>

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the the Group's audited financial statements for the financial year ended 31 December 2005 and the Prospectus dated 2 June 2006.



MICROLINK SOLUTIONS BERHAD (620782-P)
CONDENSED CONSOLIDATED CASHFLOW STATEMENT
For The First Quarter Ended 31 March 2006
(The figures have not been audited)

	Current Year Quarter	Preceding Year To date*
Note	31 Mar 2006 RM'000	31 Mar 2005 RM'000
CASHFLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Receipts from customers	2,911	N/A
Payment to suppliers and employees	(2,567)	N/A
Payment of income tax expense	(20)	N/A
Net cash from operating activities	325	N/A
CASHFLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(53)	N/A
Software development expenditure incurred	(460)	N/A
Interest received	39	N/A
Net cash used in investing activities	(474)	N/A
CASHFLOWS FROM / (USED IN) FINANCING ACTIVITIES		
	-	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	(149)	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER		
	7,521	N/A
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER		
A12	7,372	N/A

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2006 and is to be read in conjunction with the Prospectus dated 2 June 2006.

* This is the first Interim Financial Statements on the consolidated results for the financial period ended 31 March 2006 announced by the Company in compliance with Bursa Securities requirements in conjunction with the admission of the Company to the MESDAQ Market of Bursa Securities. As this is the first quarterly report being drawn up, there are no comparative figures for the preceding year's corresponding quarter.



MICROLINK SOLUTIONS BERHAD (620782-P)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 March 2006

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 reporting requirements outlined in the Financial Reporting Standards ("FRS") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2005 and the Prospectus dated 2 June 2006. 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 December 2005.

The MASB issued a total of 21 new and amended Financial Reporting Standards and other Interpretations (herein thereafter referred as FRSs) effective for financial statements commencing 1 January 2006 for 18 Financial Reporting Standards and 1 October 2006 for 2 more Financial Reporting Standards. Other than as explained in the foregoing paragraph, the same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the financial year ended 31 December 2005.

Up to 31 December 2005, the Group's consolidated financial statements were prepared in accordance with MASB standards with effective dates before 1 January 2006.

The adoption of the new FRSs has no material effect on the results and financial position of the current and prior periods.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2005 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.



MICROLINK SOLUTIONS BERHAD (620782-P)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 March 2006

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

A7 Segmental information

Segmental information for the Group by geographical segment is presented as follows:

	Current quarter/ year to date 31 Mar 2006 RM'000
<u>Segment Revenue</u>	
Malaysia	2,822
Overseas	856
	<hr/> 3,678 <hr/>
<u>Segment Gross profit</u>	
Malaysia	2,100
Overseas	312
Profit from operations	<hr/> 2,413 <hr/>

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

In conjunction with, and as an integral part of its listing on the MESDAQ Board of Bursa Malaysia Securities Berhad, the Company undertaken the following exercises:-

- (i) conversion of its 440,000 Redeemable Convertible Preference Shares into 440,000 ordinary shares of RM1.00 each on 13 April 2006, thus increasing its issued and paid-up share capital from 660,000 ordinary shares of RM1.00 each to 1,100,000 ordinary shares of RM1.00 each;
- (ii) implementation of a restricted issue of 114,800 new ordinary shares of RM1.00 each to certain Directors, key employees and Promoters of its Group and an investor, Oxfordtrax Sdn Bhd that raised a gross proceeds of approximately RM1.36 million on 27 April 2006;
- (iii) implementation of a share split exercise, involving the sub-division of every existing 1 ordinary share of RM1.00 each held after the restricted issue into 10 ordinary shares of RM0.10 each on 27 April 2006. Consequently, the number of the issued and paid-up shares increased from 1,214,800 ordinary shares of RM1.00 each to 12,148,000 ordinary shares of RM0.10 each;
- (iv) undertaken a bonus issue of 103,258,000 new Shares on the basis of 8.50 new Shares for every existing 1 Share held by our existing shareholders on 27 April 2006. The Bonus Issue was effected by capitalising the share premium and unappropriated profit after the Restricted Issue, amounted to RM10,325,800 in aggregate; and
- (v) issuance of a prospectus for its Initial Public Offering involving a public issue of 12,000,000 ordinary shares of RM0.10 each ("Shares") at an issue price of RM0.49 per ordinary share, payable in full on application on 2 June 2006.

The entire enlarged issued and paid-up share capital of the Company of 127,406,000 shares are expected to be listed on the MESDAQ Board of Bursa Malaysia Securities Berhad on 23 June 2006.

The Company also established the Employee Share Option Scheme ("ESOS") which entails the granting of ESOS Options to the eligible Directors and employees of the Group to subscribe for new Shares up to a maximum of 10% of the issued and paid up share capital at any point in time during the tenure of the ESOS, subject to the terms and conditions of the By-Laws on 27 April 2006.



MICROLINK SOLUTIONS BERHAD (620782-P)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 March 2006

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

A10 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

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 20 June 2006 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

A12 Cash and cash equivalents

	Current year to-date 31 Mar 2006 RM'000
Cash on hand and at banks	2,815
Fixed deposits with licensed financial institutions	4,557
	<hr/> <u>7,372</u>

Included in fixed deposits with licensed financial institutions is an amount of RM2.53 million pledged to a licensed bank as security for banking facilities totalling RM2.50 million.

B EXPLANATORY NOTES PURSUANT TO APPENDIX B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET

B1 Review of performance

For the current quarter ended 31 March 2006, the Group recorded a revenue of RM3.68 million, contributed mainly from on going projects undertaken (63%) and maintenance (34%). In line with the revenue recorded, the Group recorded a profit before taxation of RM1.35 million and a profit after taxation of RM1.29 million.

B2 Comparison with immediate preceding quarter

There were no comparative figures in the immediate preceding quarter as this is the Group's first quarterly announcement in conjunction with the listing and quotation of the Company on the MESDAQ market of Bursa Malaysia Securities Berhad scheduled on 23 June 2006.

B3 Prospects

Barring unforeseen circumstances, the Group is expected to continue to operate profitably in the ensuing year.

B4 Profit forecast or guarantee

Not applicable as this is not the final quarter's results for the Group. Disclosure on explanatory for the variance between actual and forecasted results would only be required in the final quarter results for the Group.



MICROLINK SOLUTIONS BERHAD (620782-P)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 March 2006

B EXPLANATORY NOTES PURSUANT TO APPENDIX B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET (Cont'd)

B5 Taxation

	Current quarter/ year to date 31 Mar 2006 RM'000
Income tax	58
	58

The effective tax rate for the period under review is lower than the statutory income tax rate due to tax exempt income of the Company pursuant to its pioneer status granted under the Promotion of Investments Act, 1986 (Amendments) pursuant to its MSC status entitlement under the MSC Bill of Guarantees.

B6 Unquoted investments and properties

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

B7 Quoted securities

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

B8 Corporate proposals

Pursuant to the Prospectus dated 2 June 2006, the entire enlarged share capital of the Company of 12,740,600 shares is expected to be listed on the MESDAQ Market of Bursa Malaysia Securities Berhad on 23 June 2006.

No utilisation of IPO proceeds status is available yet as the Company is expected to be listed on 23 June 2006.

B9 Group's borrowings and debt securities

The Group has unutilised secured banking facilities totalling RM2.50 million, denominated in Ringgit Malaysia as at the end of the reporting period.

B10 Off balance sheet financial instruments

The Group has not entered into any contract involving off balance sheet financial instruments as at the date of this announcement.

B11 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.

B12 Dividends

No dividends have been declared in respect of the current quarter under review.



MICROLINK SOLUTIONS BERHAD (620782-P)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 March 2006

B EXPLANATORY NOTES PURSUANT TO APPENDIX B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET (Cont'd)

B13 Earnings per share

**Current
Quarter/Year
To date
31 Mar 2006**

Basic earnings per share

The calculation of the basic earnings per share is based on the net profit for the financial period under review divided by the weighted average number of ordinary shares of RM1.00 in issue.

Profit attributable to ordinary shareholders (RM'000)	<u>1,291</u>
Weighted average number of shares in issue	660
Basic earnings per share (sen)	<u>195.63</u>

Diluted earnings per share

The calculation of the diluted earnings per share is based on the net profit for the financial period under review divided by the adjusted weighted average number of ordinary shares of RM1.00 each in issue and issuable under the conversion of the redeemable convertible preference shares and the exercised of share options granted under the restricted issue.

Weighted average number of shares in issue	660
Redeemable Convertible Preference Shares	440
Restricted Issue	<u>115</u>
Adjusted weighted average number of ordinary shares in issue or issuable	<u><u>1,215</u></u>
Diluted earnings per share (sen)	<u>106.29</u>

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 2 June 2006.

MICROLINK SOLUTIONS BERHAD (620782-P)
20 June 2006