



Insas now largest shareholder in Microlink after RM76 mil rights subscription

BY JOHN LAI
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KUALA LUMPUR (July 28): Insas Bhd (KL:INSAS) has emerged as the largest shareholder in Microlink Solutions Bhd (KL:MICROLN) following its subscription of a 29.81% stake in the digital banking solutions provider.

Insas subscribed to 479.46 million rights shares at 16 sen per share, which values the block at RM76.72 million.

Notably, Insas took up 89% of the total 536.19 million rights shares offered by Microlink. The exercise was executed via three wholly owned subsidiaries of Insas, namely Montego Assets Ltd, Insas Plaza Sdn Bhd, and Media Lang Ltd.

Following the subscription, Insas now holds a 32.89% equity interest in Microlink. Its cash balance is projected to decline to RM110.19 million, down from RM186.9 million.

In its Bursa Malaysia filing, Insas stated that the investment aligns with its strategy to expand and diversify into listed companies with robust fundamentals, a focus on ICT businesses, and strong earnings growth potential. The objective is to generate recurring income and achieve long-term capital appreciation.

It also said Microlink is well-positioned to benefit from increasing demand for digital transformation and enterprise ICT solutions. National initiatives such as MyDigital are expected to further catalyse growth opportunities within Malaysia's digital economy.

Microlink's executive director, Thong

Weng Sheng — who is also a director of Insas Plaza — is the son of Datuk Sri Thong Kok Khoo, a major shareholder of Insas with a 25% stake.

Post-rights exercise, Omesti Bhd (KL:OMESTI), in which Insas holds a 9.96% stake, is the second-largest shareholder of Microlink with an estimated 19.5% interest. Other notable shareholders include Kenanga Islamic Absolute Return Fund (14.73%) and Sultan of Pahang, Al-Sultan Abdullah Sultan Ahmad Shah (6.6%).

For the twelve months ended March 31, 2025, Microlink recorded a net loss of RM92.17 million, compared to a loss of RM26.84 million in the previous year. Despite the wider loss, revenue rose 28.4% to RM361.15 million from RM281.29 million.

The loss was primarily attributed to software development expenditure written off and a specific provision made on goodwill, following changes in business performance.

Microlink's rights issue exercise is expected to raise RM85.79 million in total proceeds. Of this amount, RM44.09 million will be utilised for repayment of borrowings and RM19 million will fund its project expenses.

Another RM14.3 million has been earmarked to fund its working capital and RM5 million for research and development expenses. The remaining RM3.4 million is to defray estimated expenses relating to the proposed rights issue with warrants.

Microlink, which was transferred to the Main Market of Bursa Malaysia in 2023, closed at 13 sen on Monday, giving the group a market capitalisation of RM209 million. The stock experienced a sharp decline in March last year, falling below the 80 sen mark amid a significant sell-off.

Meanwhile, Insas shares remained unchanged at 86.5 sen, valuing the group at RM600 million.

Gan Kong Hiok emerges as substantial shareholder in Kinergy Advancement with 6.05% stake

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KUALA LUMPUR (July 28): Datuk Gan Kong Hiok has emerged as a substantial shareholder in Kinergy Advancement Bhd (KL:KAB) following the acquisition of a 6.05% stake in the company.

Gan, who is the largest shareholder of Nextgreen Global Bhd (KL:NGGB), acquired 63.33 million KAB shares via a direct business transaction on July 24, KAB's bourse filing on Monday showed.

The shares were purchased from Kington Tong Kum Loong, reducing his direct stake in the company to 4.39% or 93.39 million shares. Tong also holds an indirect stake of 1.48% or 31.49 million shares in the company, which is involved in electrical and mechanical engineering services as well as sustainable energy solutions.

The acquisition price was not disclosed, but based on KAB's closing price of 33 sen on the day of the transaction, the block of shares would have cost Gan about RM20.9 million.

Currently, the largest shareholder in KAB is its executive deputy chairman cum group managing director Datuk Lai Keng Onn, with an 18.89% stake. Lai also owns an 8.82% indirect stake in the company.

On the financial front, KAB's net profit rose 25.77% year-on-year (y-o-y) to RM6.25 million for the first quarter ended March 31, 2025, as revenue surged 63.12% y-o-y to RM68.57 million, driven primarily by its sustainable energy solutions segment.

At Monday's noon break, KAB's share price was unchanged at 33 sen, valuing it at RM701.99 million. The counter has fallen over 5% since the start of this year.



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