

**SILVERLAKE AXIS LTD**

**Third Quarter Financial Statements And Dividend Announcement For The Financial Period Ended 31 March 2019**

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED INCOME STATEMENT**

For the nine months period and third quarter ended 31 March 2019

	Nine months period ended 31 March			Third quarter ended 31 March		
	2019 RM	2018 RM Restated	Change %	2019 RM	2018 RM Restated	Change %
Revenue	490,648,386	398,428,399	23	154,131,045	137,502,599	12
Cost of sales	(186,514,328)	(174,814,940)	7	(63,128,378)	(57,721,552)	9
<b>Gross profit</b>	<b>304,134,058</b>	<b>223,613,459</b>	36	<b>91,002,667</b>	<b>79,781,047</b>	14
<b>Other items of income</b>						
Finance income	2,009,919	2,339,578	(14)	924,156	(46,704)	2079
Other income	31,655,690	4,263,386	643	20,495,559	3,700,044	454
<b>Other items of expenses</b>						
Selling and distribution costs	(26,932,864)	(26,150,113)	3	(10,512,560)	(8,675,562)	21
Administrative expenses	(80,693,456)	(88,475,546)	(9)	(33,783,712)	(40,026,746)	(16)
Finance costs	(19,870,611)	(1,285,109)	1446	(7,142,230)	(428,550)	1567
Share of loss of a joint venture	(1,341,690)	(2,008,417)	(33)	(82,878)	(1,159,696)	(93)
<b>Profit before tax</b>	<b>208,961,046</b>	<b>112,297,238</b>	86	<b>60,901,002</b>	<b>33,143,833</b>	84
Income tax expense	(30,844,524)	(14,461,432)	113	(8,259,119)	(3,390,830)	144
<b>Profit for the period</b>	<b>178,116,522</b>	<b>97,835,806</b>	82	<b>52,641,883</b>	<b>29,753,003</b>	77
<b>Profit for the period attributable to:</b>						
Owners of the parent	178,125,491	97,843,167	82	52,646,286	29,756,175	77
Non-controlling interests	(8,969)	(7,361)	22	(4,403)	(3,172)	39
	<b>178,116,522</b>	<b>97,835,806</b>	82	<b>52,641,883</b>	<b>29,753,003</b>	77
<b>Earnings per share attributable to owners of the parent:</b>						
- Basic (sen)	<b>6.72</b>	<b>3.72</b>	81	<b>1.99</b>	<b>1.13</b>	76
- Diluted (sen)	<b>N/A</b>	<b>3.72</b>	N/M	<b>N/A</b>	<b>1.13</b>	N/M

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the nine months period and third quarter ended 31 March 2019

	Nine months period ended 31 March			Third quarter ended 31 March		
	2019 RM	2018 RM Restated	Change %	2019 RM	2018 RM Restated	Change %
<b>Profit for the period</b>	<b>178,116,522</b>	<b>97,835,806</b>	82	<b>52,641,883</b>	<b>29,753,003</b>	77
<b>Other comprehensive income/(loss):</b>						
Items that may be reclassified to profit or loss in subsequent periods:						
Fair value gain on available-for-sale financial assets						
- quoted equity shares	-	9,378,821	(100)	-	45,274,360	(100)
Deferred tax relating to fair value gain on available-for-sale financial assets - quoted equity shares	-	(2,890,207)	(100)	-	(5,760,054)	(100)
Foreign currency translation gain/(loss)*	1,690,997	(39,038,930)	104	(9,490,982)	(11,659,041)	(19)
Share of foreign currency translation gain of a joint venture	76,988	87,196	(12)	-	112,126	(100)
	1,767,985	(32,463,120)	105	(9,490,982)	27,967,391	134
Items that will not be reclassified to profit or loss in subsequent periods:						
Fair value gain on financial assets - quoted equity shares**	17,980,761	-	N/M	78,278,478	-	N/M
Deferred tax relating to fair value gain on financial assets - quoted equity shares**	(1,833,750)	-	N/M	(7,821,955)	-	N/M
	16,147,011	-	N/M	70,456,523	-	N/M
Other comprehensive income/(loss) for the period, net of tax	17,914,996	(32,463,120)	155	60,965,541	27,967,391	118
<b>Total comprehensive income for the period</b>	<b>196,031,518</b>	<b>65,372,686</b>	200	<b>113,607,424</b>	<b>57,720,394</b>	97
<b>Total comprehensive income for the period attributable to:</b>						
Owners of the parent	196,040,487	65,380,047	200	113,611,827	57,723,566	97
Non-controlling interests	(8,969)	(7,361)	22	(4,403)	(3,172)	39
	<b>196,031,518</b>	<b>65,372,686</b>	200	<b>113,607,424</b>	<b>57,720,394</b>	97

\* Foreign currency translation gain/(loss) represents the movement in exchange differences arising from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's reporting currency.

\*\* The Group continues to carry and measure its investment in quoted equity shares at fair value through other comprehensive income ("FVOCI"). Under IFRS 9 effective 1 July 2018, the amounts recognised in OCI are not reclassified to profit or loss under any circumstances.

N/A = Not Applicable

N/M = Not Meaningful

**1(a)(ii) Notes to the statement of comprehensive income:  
Profit before tax is arrived at after (charging)/crediting:**

	Nine months period ended 31 March			Third quarter ended 31 March		
	2019 RM	2018 RM Restated	Change %	2019 RM	2018 RM Restated	Change %
Amortisation of intangible assets	(13,913,859)	(12,555,809)	11	(5,301,745)	(4,156,136)	28
Write off of intangible assets	(177,751)	-	N/M	-	-	N/M
Depreciation of property, plant and equipment	(3,493,139)	(3,195,750)	9	(1,225,301)	(1,031,805)	19
Write off of property, plant and equipment	(282)	(6,818)	(96)	-	(328)	(100)
Net gain on disposal of property, plant and equipment**	9,038,142	159,304	5574	6,762	80,187	(92)
Gain on disposal of an associate**	1	-	N/M	1	-	N/M
Reversal of provision for foreseeable losses	245,424	1,821,284	(87)	6,312	2,503,994	(100)
Bad debts recovered**	22,000	-	N/M	-	-	N/M
Bad debts written off*	(4,329)	(206,965)	(98)	-	(206,965)	(100)
Impairment loss on financial assets - trade receivables*	-	(538,733)	(100)	-	(90,629)	(100)
Reversal of impairment loss on financial assets - trade receivables**	190,061	1,036,214	(82)	-	1,034,826	(100)
Reversal of impairment loss on financial assets - loan to an associate**	735,000	-	N/M	735,000	-	N/M
Write off of loan to an associate*	(599,790)	-	N/M	(599,790)	-	N/M
Loss on disposal of quoted equity investment*	-	(2,797,882)	(100)	-	(2,797,882)	(100)
Dividend income from quoted equity investment**	-	201,962	(100)	-	-	N/M
Reversal of value-added tax accrued for disposal of quoted equity investment**	18,228,798	-	N/M	18,228,798	-	N/M
Gain on redemption of financial assets - money market fund	256,599	403,992	(36)	81,215	159,256	(49)
Net foreign currency exchange gain**/(loss)*:						
- realised	974,910	(599,812)	263	(1,264,130)	1,878,842	167
- unrealised	1,109,031	(7,353,849)	115	935,312	(9,259,375)	110
Performance shares issued	(1,034,490)	(820,211)	26	(132,404)	1,341,847	110
Waiver of debts by previous owner of a subsidiary**	-	1,009,112	(100)	-	-	N/M
(Allowance)/Reversal of allowance for unutilised leave	(533,964)	(464,280)	15	316,751	(240,884)	231
Allowance for defined benefit liabilities	(914,644)	(1,016,291)	(10)	(300,573)	(370,325)	(19)
Adjustments for over provision of tax in respect of prior years	399,925	47,094	749	161,156	47,094	242

\* Included in other operating expenses

\*\* Included in other operating income

N/M = Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	As at 31-Mar-19		As at 30-Jun-18	
	Group RM	Company RM	Group RM Restated	Company RM
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	15,676,483	3,928	20,415,445	4,128
Intangible assets	282,842,975	-	206,719,656	-
Investments in subsidiaries	-	2,296,629,954	-	2,218,334,773
Interest in a joint venture	8,839,545	23,545,094	9,667,993	23,108,840
Deferred tax assets	18,629,370	-	16,375,321	-
	<b>325,988,373</b>	<b>2,320,178,976</b>	<b>253,178,415</b>	<b>2,241,447,741</b>
<b>Current assets</b>				
Inventories	954,864	-	-	-
Trade and other receivables	165,104,529	222,946	138,714,664	144,727
Contract assets	42,733,413	-	58,285,090	-
Prepayments	4,431,579	180,668	4,351,692	197,833
Amounts due from subsidiaries	-	89,050	-	15,486
Amounts due from related parties	15,342,996	-	50,027,486	-
Loan to a subsidiary	-	1,000,000	-	-
Tax recoverable	4,868,040	-	4,317,961	-
Financial assets at fair value through other comprehensive income				
- quoted equity shares*	209,284,417	-	189,780,204	-
- money market fund*	9,845,468	-	4,559,997	-
Cash and bank balances	430,609,557	93,085,499	304,042,436	88,902,117
	<b>883,174,863</b>	<b>94,578,163</b>	<b>754,079,530</b>	<b>89,260,163</b>
<b>Total assets</b>	<b>1,209,163,236</b>	<b>2,414,757,139</b>	<b>1,007,257,945</b>	<b>2,330,707,904</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	191,040,654	191,040,654	191,040,654	191,040,654
Share premium	236,820,722	1,704,482,883	234,417,308	1,702,079,469
Treasury shares	(81,725,730)	(81,725,730)	(68,558,076)	(68,558,076)
Foreign currency translation reserve	13,313,227	-	11,545,242	-
Capital reserve	466,828	-	466,828	-
Statutory reserve	21,819	-	21,819	-
Performance share plan reserve	-	-	6,056,474	6,056,474
Fair value reserve of financial assets at FVOCI*	(96,666,207)	-	(112,813,218)	-
Merger deficit	(476,280,829)	-	(476,280,829)	-
Retained profits	795,784,994	259,081,481	737,212,629	243,058,068
<b>Equity attributable to owners of the parent</b>	<b>582,775,478</b>	<b>2,072,879,288</b>	<b>523,108,831</b>	<b>2,073,676,589</b>
Non-controlling interests	65,952	-	74,921	-
<b>Total equity</b>	<b>582,841,430</b>	<b>2,072,879,288</b>	<b>523,183,752</b>	<b>2,073,676,589</b>
<b>Non-current liabilities</b>				
Loans and borrowings	72,950,401	69,480,319	2,925,844	-
Deferred tax liabilities	35,475,093	-	31,828,657	-
Other payables	270,260,277	270,260,277	233,743,461	233,743,461
Provision for defined benefit liabilities	7,500,230	-	6,906,254	-
	<b>386,186,001</b>	<b>339,740,596</b>	<b>275,404,216</b>	<b>233,743,461</b>
<b>Current liabilities</b>				
Trade and other payables	64,906,631	1,377,342	65,809,779	1,944,126
Contract liabilities	143,219,499	-	101,321,257	-
Provision for defined benefit liabilities	825,580	-	258,271	-
Loans and borrowings	9,174,823	-	25,363,768	20,720,000
Amount due to holding company	-	-	213,120	-
Amounts due to subsidiaries	-	759,913	-	623,728
Amounts due to related parties	2,124,464	-	2,510,141	-
Tax payable	19,884,808	-	13,193,641	-
	<b>240,135,805</b>	<b>2,137,255</b>	<b>208,669,977</b>	<b>23,287,854</b>
<b>Total liabilities</b>	<b>626,321,806</b>	<b>341,877,851</b>	<b>484,074,193</b>	<b>257,031,315</b>
<b>Net current assets</b>	<b>643,039,058</b>	<b>92,440,908</b>	<b>545,409,553</b>	<b>65,972,309</b>
<b>Total equity and liabilities</b>	<b>1,209,163,236</b>	<b>2,414,757,139</b>	<b>1,007,257,945</b>	<b>2,330,707,904</b>

\* These investments were classified as available-for-sale ("AFS") financial assets in FY2018 and the cumulative fair value changes were recognised in AFS reserve. Under IFRS 9 effective 1 July 2018, the Group continues to carry and measure its investments at fair value through other comprehensive income ("FVOCI") and the amounts recognised in OCI are not reclassified to profit or loss under any circumstances.

## Restatement of comparatives

### (i) Acquisition of Silverlake Investment Ltd. and its subsidiaries

On 20 October 2017, the Company entered into a share sale and purchase agreement with Group Executive Chairman, Mr. Goh Peng Ooi and other minority shareholders to acquire the entire issued share capital of Silverlake Investment Ltd. and its subsidiaries ("SIL Group"). The SIL Group comprising wholly-owned subsidiaries, Silverlake Digital Economy Sdn. Bhd. ("SDE"), Silverlake Digitale Sdn. Bhd. ("SDS") and Silverlake One Paradigm Sdn. Bhd. ("SOP") variously provide the front and middle layers to enhance the Company's digital capabilities. These layers are connected into core banking systems to deliver customer digital engagement and digital experience capabilities to banks and financial institutions.

The acquisition was completed on 18 April 2018 and SIL Group became a subsidiary of the Company. As this acquisition is a combination of entities under common control whereby the Company and SIL Group are under the common control of a major shareholder, the Group's financial statements were prepared based on the pooling of interest method of accounting. Accordingly, the comparative figures for the Group's financial statements were presented as if the Group structure immediately after the acquisition had been in existence since the earliest financial year presented.

The results of the subsidiaries that were accounted in the consolidated income statement under the pooling of interest method are as follows:

	SIL Group			
	Nine months period ended		Third quarter ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	RM	RM	RM	RM
Revenue	72,469,852	38,126,039	19,691,779	13,799,290
Profit before tax	33,382,412	12,746,389	6,878,857	5,722,777
Profit for the period	26,452,515	8,602,928	4,395,112	4,994,171
Total assets	97,730,679	48,984,227	97,730,679	48,984,227
Total liabilities	53,387,158	11,181,292	53,387,158	11,181,292

### (ii) Initial application of IFRS 15 Revenue from Contracts with Customers

The Group adopted IFRS 15 using modified retrospective method effective 1 July 2018 where the cumulative effect arising from the initial application of the standard was recognised as an adjustment to the opening retained profits as at 1 July 2018, without restatement of comparative amounts. To conform with current year's presentation, the following comparative figures have been reclassified as follows:

	As at 30-Jun-18		
	As previously reported	Re-classifications (Effect from (ii))	As restated, after re-classifications
	RM	RM	RM
<b>Statement of financial position</b>			
<b>Current assets</b>			
Amounts due from customers for contract work-in-progress*	55,829,157	(55,829,157)	-
Trade and other receivables	139,101,599	(386,935)	138,714,664
Contract assets	-	58,285,090	58,285,090
Prepayments	4,537,993	(186,301)	4,351,692
Advance maintenance costs*	1,882,697	(1,882,697)	-
<b>Current liabilities</b>			
Amounts due to customers for contract work-in-progress*	43,282,889	(43,282,889)	-
Trade and other payables	67,960,485	(2,150,706)	65,809,779
Contract liabilities	-	101,321,257	101,321,257
Advance maintenance fees*	55,887,662	(55,887,662)	-

\* Amounts due from/to customers for contract work-in-progress and advance maintenance costs/fees are reclassified and presented in total as contract assets and contract liabilities respectively.

	Nine months period ended			Third quarter ended		
	31-Mar-18			31-Mar-18		
	As restated	Re-classifications (Effect from (ii))	As restated, after re-classifications	As restated	Re-classifications (Effect from (ii))	As restated, after re-classifications
	RM	RM	RM	RM	RM	RM
<b>Consolidated statement of cash flows</b>						
<b>Operating activities</b>						
<b>Changes in working capital:</b>						
Trade and other receivables	(3,987,445)	(1,025,077)	(5,012,522)	(10,607,919)	(1,025,077)	(11,632,996)
Amounts due from/to customers for contract work-in-progress	(5,783,699)	5,783,699	-	5,804,657	(5,804,657)	-
Contract assets/liabilities	-	8,164,988	8,164,988	-	19,753,344	19,753,344
Trade and other payables	10,121,856	(12,923,610)	(2,801,754)	18,612,111	(12,923,610)	5,688,501

1(b)(ii) Aggregate amount of the group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Amount repayable in one year or less, or on demand

As at 31-Mar-19		As at 30-Jun-18	
Secured Group	Unsecured Group	Secured Group	Unsecured Group
RM	RM	RM	RM
1,285,991	7,888,832	4,643,768	20,720,000

Amount repayable after one year

As at 31-Mar-19		As at 30-Jun-18	
Secured Group	Unsecured Group	Secured Group	Unsecured Group
RM	RM	RM	RM
3,470,082	69,480,319	2,925,844	-

Details of any collaterals

The secured facilities of the Group comprise hire purchases and leasing which are secured by certain property, plant and equipment and intangible assets of subsidiaries with a total net carrying value of RM3,774,921 and RM94,399 respectively as at 31 March 2019 (RM4,115,380 and RM115,834 respectively as at 30 June 2018).

Due to the acquisition of SIL Group in previous financial year, the Group has additional overdraft facility secured by personal guarantee provided by a director. The personal guarantee has been discharged in December 2018 and this facility is now secured by guarantee provided by the Company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months period ended		Third quarter ended	
	31-Mar-19 RM	31-Mar-18 RM Restated	31-Mar-19 RM	31-Mar-18 RM Restated
<b>Operating activities:</b>				
Profit before tax	208,961,046	112,297,238	60,901,002	33,143,833
Adjustments for:				
Amortisation of intangible assets	13,913,859	12,555,809	5,301,745	4,156,136
Write off of intangible assets	177,751	-	-	-
Depreciation of property, plant and equipment	3,493,139	3,195,750	1,225,301	1,031,805
Write off of property, plant and equipment	282	6,818	-	328
Net gain on disposal of property, plant and equipment	(9,038,142)	(159,304)	(6,762)	(80,187)
Gain on disposal of an associate	(1)	-	(1)	-
Reversal of provision for foreseeable losses	(245,424)	(1,821,284)	(6,312)	(2,503,994)
Bad debts recovered	(22,000)	-	-	-
Bad debts written off	4,329	206,965	-	206,965
Impairment loss on financial assets - trade receivables	-	538,733	-	90,629
Reversal of impairment loss on financial assets - trade receivables	(190,061)	(1,036,214)	-	(1,034,826)
Reversal of impairment loss on financial assets - loan to an associate	(735,000)	-	(735,000)	-
Write off of loan to an associate	599,790	-	599,790	-
Loss on disposal of quoted equity investment	-	2,797,882	-	2,797,882
Dividend income from quoted equity investment	-	(201,962)	-	-
Gain on redemption of financial assets - money market fund	(256,599)	(403,992)	(81,215)	(159,256)
Unrealised foreign currency exchange (gain)/loss	(1,109,031)	7,353,849	(935,312)	9,259,375
Performance shares issued	1,034,490	820,211	132,404	(1,341,847)
Waiver of debts by previous owner of a subsidiary	-	(1,009,112)	-	-
Allowance/(Reversal of allowance) for unutilised leave	533,964	464,280	(316,751)	240,884
Allowance for defined benefit liabilities	914,644	1,016,291	300,573	370,325
Share of loss of a joint venture	1,341,690	2,008,417	82,878	1,159,696
Finance costs	19,870,611	1,285,109	7,142,230	428,550
Finance income	(2,009,919)	(2,339,578)	(924,156)	46,704
<b>Operating cash flows before changes in working capital</b>	<b>237,239,418</b>	<b>137,575,906</b>	<b>72,680,414</b>	<b>47,813,002</b>
<b>Changes in working capital:</b>				
Inventories	1,901,658	-	1,901,658	-
Trade and other receivables	(9,264,149)	(5,012,522)	(3,825,351)	(11,632,996)
Contract assets/liabilities	50,303,852	8,164,988	52,097,007	19,753,344
Amount due from/to holding company	-	(3,994,859)	-	(3,651,429)
Amounts due from/to related parties	34,285,040	5,534,804	27,949,655	(5,938,002)
Trade and other payables	(10,736,336)	(2,801,754)	(14,282,745)	5,688,501
<b>Cash flows from operations</b>	<b>303,729,483</b>	<b>139,466,563</b>	<b>136,520,638</b>	<b>52,032,420</b>
Net (placement)/uplift of deposit pledged	(769,958)	300,650	90,000	135,100
Defined benefits paid	(33,327)	(185,432)	-	-
Income tax paid	(26,696,657)	(15,790,047)	(13,514,257)	(5,156,262)
Interest paid	(1,255,668)	(1,285,109)	(658,788)	(428,550)
<b>Net cash flows from operating activities</b>	<b>274,973,873</b>	<b>122,506,625</b>	<b>122,437,593</b>	<b>46,582,708</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)**

	Nine months period ended		Third quarter ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	RM	RM Restated	RM	RM Restated
<b>Investing activities:</b>				
Purchases of property, plant and equipment	(3,927,558)	(2,571,902)	(1,470,263)	(1,263,079)
Payments for software development expenditure	(19,404,671)	(10,797,672)	(7,127,721)	(3,868,188)
Payments for other intangible assets	(4,966)	(5,332)	(4,966)	-
Acquisition of subsidiaries, net of cash acquired	(52,911,002)	-	(52,911,002)	-
Advances to a joint venture	(66,567)	(60,808)	(41,821)	(12,956)
Proceed from disposal of an associate	1	-	1	-
Proceeds from disposal of property, plant and equipment	16,223,370	161,330	7,311	80,189
Proceeds from disposal of quoted equity investment	-	14,969,548	-	14,969,548
Proceeds from repayment of loan by an associate	135,210	-	135,210	-
Capital gain tax paid relating to the disposal of shares	-	(1,500,916)	-	(1,500,916)
Proceeds from redemption of financial assets - money market fund	46,421,129	60,243,992	307,984	25,599,256
Purchases of financial assets - money market fund	(51,450,000)	(60,457,193)	(2,829,997)	(25,128,827)
Interest received	1,931,913	2,284,542	891,006	612,534
Dividend income received	-	201,962	-	-
Net uplift of short-term deposits	-	286,932,051	-	98,070,914
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(63,053,141)</b>	<b>289,399,602</b>	<b>(63,044,258)</b>	<b>107,558,475</b>
<b>Financing activities:</b>				
Dividends paid	(120,147,320)	(362,767,142)	(31,867,595)	(84,816,272)
Purchase of treasury shares	(17,855,204)	(77,888,150)	(8,912,454)	(22,115,781)
Proceeds from revolving credit	68,445,150	107,417,220	51,108,650	14,519,040
Repayment of revolving credit	(19,657,742)	(195,754,582)	(11,937,442)	(148,021,172)
Repayment of obligations under finance lease	(1,170,541)	(730,813)	(380,859)	(247,209)
<b>Net cash flows used in financing activities</b>	<b>(90,385,657)</b>	<b>(529,723,467)</b>	<b>(1,989,700)</b>	<b>(240,681,394)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>121,535,075</b>	<b>(117,817,240)</b>	<b>57,403,635</b>	<b>(86,540,211)</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(359,733)</b>	<b>(15,630,843)</b>	<b>(2,991,983)</b>	<b>(6,713,509)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>293,494,043</b>	<b>431,934,734</b>	<b>360,257,733</b>	<b>391,740,371</b>
<b>Cash and cash equivalents at end of the period</b>	<b>414,669,385</b>	<b>298,486,651</b>	<b>414,669,385</b>	<b>298,486,651</b>
	Nine months period ended		Third quarter ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	RM	RM Restated	RM	RM Restated
For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:				
Cash and bank balances per Statements of Financial Position	430,609,557	302,420,552	430,609,557	302,420,552
Less: Pledged deposits	(8,051,340)	(3,933,901)	(8,051,340)	(3,933,901)
Less: Bank overdraft	(7,888,832)	-	(7,888,832)	-
Cash and cash equivalents at end of the period	414,669,385	298,486,651	414,669,385	298,486,651

**1(d)(i) Statements (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Statement of Changes in Equity for the nine months period ended 31 March 2019**

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Group</b>													
<b>As at 1-Jul-2018</b>	191,040,654	234,417,308	(68,558,076)	11,545,242	466,828	21,819	6,056,474	(112,813,218)	(476,280,829)	737,212,629	523,108,831	74,921	523,183,752
Adjustment on initial application of IFRS 15	-	-	-	-	-	-	-	-	-	594,194	594,194	-	594,194
<b>Adjusted balance as at 1-Jul-2018</b>	191,040,654	234,417,308	(68,558,076)	11,545,242	466,828	21,819	6,056,474	(112,813,218)	(476,280,829)	737,806,823	523,703,025	74,921	523,777,946
Profit for the period	-	-	-	-	-	-	-	-	-	178,125,491	178,125,491	(8,969)	178,116,522
Other comprehensive income for the period	-	-	-	1,767,985	-	-	-	16,147,011	-	-	17,914,996	-	17,914,996
Purchase of treasury shares	-	-	(17,855,204)	-	-	-	-	-	-	-	(17,855,204)	-	(17,855,204)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,034,490	-	-	-	1,034,490	-	1,034,490
Release of shares under Performance Share Plan	-	2,403,414	4,687,550	-	-	-	(7,090,964)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(120,147,320)	(120,147,320)	-	(120,147,320)
<b>As at 31-Mar-2019</b>	191,040,654	236,820,722	(81,725,730)	13,313,227	466,828	21,819	-	(96,666,207)	(476,280,829)	795,784,994	582,775,478	65,952	582,841,430

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Company</b>													
<b>As at 1-Jul-2018</b>	191,040,654	1,702,079,469	(68,558,076)	-	-	-	6,056,474	-	-	243,058,068	2,073,676,589	-	2,073,676,589
Profit for the period	-	-	-	-	-	-	-	-	-	136,170,733	136,170,733	-	136,170,733
Purchase of treasury shares	-	-	(17,855,204)	-	-	-	-	-	-	-	(17,855,204)	-	(17,855,204)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,034,490	-	-	-	1,034,490	-	1,034,490
Release of shares under Performance Share Plan	-	2,403,414	4,687,550	-	-	-	(7,090,964)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(120,147,320)	(120,147,320)	-	(120,147,320)
<b>As at 31-Mar-2019</b>	191,040,654	1,704,482,883	(81,725,730)	-	-	-	-	-	-	259,081,481	2,072,879,288	-	2,072,879,288

**Consolidated Statement of Changes in Equity for the nine months period ended 31 March 2018**

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Group</b>													
<b>As at 1-Jul-2017</b>													
As previously reported	191,040,654	232,217,438	(86,627,098)	61,959,697	466,828	21,819	10,163,890	(87,197,439)	(119,765,286)	955,660,890	1,157,941,393	85,198	1,158,026,591
Adjustments for acquisition of subsidiaries	-	-	-	9,508	-	-	-	-	1,039,232	33,268,643	34,317,383	-	34,317,383
<b>As at 1-Jul-2017, as restated</b>	191,040,654	232,217,438	(86,627,098)	61,969,205	466,828	21,819	10,163,890	(87,197,439)	(118,726,054)	988,929,533	1,192,258,776	85,198	1,192,343,974
Profit for the period	-	-	-	-	-	-	-	-	-	97,843,167	97,843,167	(7,361)	97,835,806
Other comprehensive loss for the period	-	-	-	(38,951,734)	-	-	-	6,488,614	-	-	(32,463,120)	-	(32,463,120)
Purchase of treasury shares	-	-	(77,888,150)	-	-	-	-	-	-	-	(77,888,150)	-	(77,888,150)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	820,211	-	-	-	820,211	-	820,211
Release of shares under Performance Share Plan	-	2,199,870	3,178,800	-	-	-	(5,378,670)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(362,767,142)	(362,767,142)	-	(362,767,142)
<b>As at 31-Mar-2018, as restated</b>	191,040,654	234,417,308	(161,336,448)	23,017,471	466,828	21,819	5,605,431	(80,708,825)	(118,726,054)	724,005,558	817,803,742	77,837	817,881,579

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Company</b>													
<b>As at 1-Jul-2017</b>													
As previously reported	191,040,654	1,668,775,194	(86,627,098)	-	-	-	10,163,890	-	-	228,794,009	2,012,146,649	-	2,012,146,649
Profit for the period	-	-	-	-	-	-	-	-	-	417,995,712	417,995,712	-	417,995,712
Purchase of treasury shares	-	-	(77,888,150)	-	-	-	-	-	-	-	(77,888,150)	-	(77,888,150)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	820,211	-	-	-	820,211	-	820,211
Release of shares under Performance Share Plan	-	2,199,870	3,178,800	-	-	-	(5,378,670)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(362,767,142)	(362,767,142)	-	(362,767,142)
<b>As at 31-Mar-2018</b>	191,040,654	1,670,975,064	(161,336,448)	-	-	-	5,605,431	-	-	284,022,579	1,990,307,280	-	1,990,307,280

**Consolidated Statement of Changes in Equity for the third quarter ended 31 March 2019**

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Group</b>													
<b>As at 1-Jan-2019</b>	191,040,654	234,417,308	(77,500,826)	22,804,209	466,828	21,819	6,958,560	(167,122,730)	(476,280,829)	775,006,303	509,811,296	70,355	509,881,651
Profit for the period	-	-	-	-	-	-	-	-	-	52,646,286	52,646,286	(4,403)	52,641,883
Other comprehensive income for the period	-	-	-	(9,490,982)	-	-	-	70,456,523	-	-	60,965,541	-	60,965,541
Purchase of treasury shares	-	-	(8,912,454)	-	-	-	-	-	-	-	(8,912,454)	-	(8,912,454)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	132,404	-	-	-	132,404	-	132,404
Release of shares under Performance Share Plan	-	2,403,414	4,687,550	-	-	-	(7,090,964)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(31,867,595)	(31,867,595)	-	(31,867,595)
<b>As at 31-Mar-2019</b>	191,040,654	236,820,722	(81,725,730)	13,313,227	466,828	21,819	-	(96,666,207)	(476,280,829)	795,784,994	582,775,478	65,952	582,841,430

  

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Company</b>													
<b>As at 1-Jan-2019</b>	191,040,654	1,702,079,469	(77,500,826)	-	-	-	6,958,560	-	-	240,399,394	2,062,977,251	-	2,062,977,251
Profit for the period	-	-	-	-	-	-	-	-	-	50,549,682	50,549,682	-	50,549,682
Purchase of treasury shares	-	-	(8,912,454)	-	-	-	-	-	-	-	(8,912,454)	-	(8,912,454)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	132,404	-	-	-	132,404	-	132,404
Release of shares under Performance Share Plan	-	2,403,414	4,687,550	-	-	-	(7,090,964)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(31,867,595)	(31,867,595)	-	(31,867,595)
<b>As at 31-Mar-2019</b>	191,040,654	1,704,482,883	(81,725,730)	-	-	-	-	-	-	259,081,481	2,072,879,288	-	2,072,879,288

**Consolidated Statement of Changes in Equity for the third quarter ended 31 March 2018**

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Group</b>													
<b>As at 1-Jan-2018</b>													
As previously reported	191,040,654	232,217,438	(142,399,467)	34,554,447	466,828	21,819	12,325,948	(120,223,131)	(119,765,286)	742,114,382	830,353,632	81,009	830,434,641
Adjustments for acquisition of subsidiaries	-	-	-	9,939	-	-	-	-	1,039,232	36,951,273	38,000,444	-	38,000,444
<b>As at 1-Jan-2018, as restated</b>	191,040,654	232,217,438	(142,399,467)	34,564,386	466,828	21,819	12,325,948	(120,223,131)	(118,726,054)	779,065,655	868,354,076	81,009	868,435,085
Profit for the period	-	-	-	-	-	-	-	-	-	29,756,175	29,756,175	(3,172)	29,753,003
Other comprehensive income for the period	-	-	-	(11,546,915)	-	-	-	39,514,306	-	-	27,967,391	-	27,967,391
Purchase of treasury shares	-	-	(22,115,781)	-	-	-	-	-	-	-	(22,115,781)	-	(22,115,781)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	(1,341,847)	-	-	-	(1,341,847)	-	(1,341,847)
Release of shares under Performance Share Plan	-	2,199,870	3,178,800	-	-	-	(5,378,670)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(84,816,272)	(84,816,272)	-	(84,816,272)
<b>As at 31-Mar-2018, as restated</b>	191,040,654	234,417,308	(161,336,448)	23,017,471	466,828	21,819	5,605,431	(80,708,825)	(118,726,054)	724,005,558	817,803,742	77,837	817,881,579

  

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Fair value reserve of financial assets at FVOCI	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Company</b>													
<b>As at 1-Jan-2018</b>	191,040,654	1,668,775,194	(142,399,467)	-	-	-	12,325,948	-	-	172,592,280	1,902,334,609	-	1,902,334,609
Profit for the period	-	-	-	-	-	-	-	-	-	196,246,571	196,246,571	-	196,246,571
Purchase of treasury shares	-	-	(22,115,781)	-	-	-	-	-	-	-	(22,115,781)	-	(22,115,781)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	(1,341,847)	-	-	-	(1,341,847)	-	(1,341,847)
Release of shares under Performance Share Plan	-	2,199,870	3,178,800	-	-	-	(5,378,670)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(84,816,272)	(84,816,272)	-	(84,816,272)
<b>As at 31-Mar-2018</b>	191,040,654	1,670,975,064	(161,336,448)	-	-	-	5,605,431	-	-	284,022,579	1,990,307,280	-	1,990,307,280



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

From 11 July 2018 to 14 January 2019, the Company purchased 13,938,000 shares pursuant to the share purchase mandate approved by shareholders on 26 October 2018. These shares were acquired by way of market acquisition for a total consideration of RM17,855,204 and are held as treasury shares by the Company.

During Q3 FY2019, the Company has reissued 150,000 treasury shares to a former Non-Executive Director, 1,800,000 treasury shares to its Managing Director, and 200,000 treasury shares each to five Non-Executive Directors pursuant to Silverlake Axis Ltd. Performance Share Plan.

The number of treasury shares has increased from 40,432,068 as at 30 June 2018 to 51,420,068 as at 31 March 2019.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31-Mar-19	As at 30-Jun-18	As at 31-Mar-18
Total number of issued shares	2,696,472,800	2,696,472,800	2,696,472,800
Less: Treasury shares	(51,420,068)	(40,432,068)	(91,374,600)
Total number of issued shares excluding treasury shares	2,645,052,732	2,656,040,732	2,605,098,200

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	As at 31-Mar-19	As at 30-Jun-18
Number of treasury shares at beginning of the year	40,432,068	49,855,200
Purchase of treasury shares	13,938,000	62,485,200
Release of treasury shares pursuant to Performance Share Plan	(2,950,000)	(1,800,000)
Reissuance of treasury shares for acquisition of subsidiaries	-	(70,108,332)
Number of treasury shares at end of the period/year	51,420,068	40,432,068

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group's audited annual financial statements for the financial year ended 30 June 2018 were prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements as at 30 June 2018 except that the Group has adopted the following new IFRS which became effective for the period beginning on or after 1 July 2018.

Annual Improvements to IFRSs 2014 - 2016 Cycle

- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards
- Amendments to IAS 28 Investment in Associates and Joint Ventures

Amendments to IFRS 2 Classification and Measurement of Share-Based Payment Transactions

Amendments to IAS 40 Transfers of Investment Property

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration

IFRS 15 Revenue from Contracts with Customers

IFRS 9 Financial Instruments

The adoption of the above standards do not have significant impact on the financial performance or position of the Group, except for those described below.

**(i) IFRS 15 Revenue from Contracts with Customers**

IFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers effective for annual period beginning on or after 1 January 2018. It replaced the previous revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations.

The Group adopted IFRS 15 using modified retrospective method effective 1 July 2018. The cumulative impact of RM594,194 arising from the initial application of the standard was recognised as an adjustment to the opening retained profits as at 1 July 2018.

The following tables summarise the impact of adopting IFRS 15 on the Group's statement of financial position as at 31 March 2019, and the consolidated income statement and consolidated statement of cash flows for the nine months period and third quarter ended 31 March 2019 for each of the line items affected.

**CONSOLIDATED INCOME STATEMENT**

	Note	Nine months period ended 31-Mar-19			Third quarter ended 31-Mar-19		
		As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)	As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)
		RM	RM	RM	RM	RM	RM
Revenue	(a)	490,648,386	492,540,106	(1,891,720)	154,131,045	152,967,811	1,163,234
Cost of sales		(186,514,328)	(187,125,995)	(611,667)	(63,128,378)	(63,167,034)	(38,656)
Gross profit		304,134,058	305,414,111	(1,280,053)	91,002,667	89,800,777	1,201,890
Profit before tax		208,961,046	210,241,099	(1,280,053)	60,901,002	59,699,112	1,201,890
Income tax expense		(30,844,524)	(30,962,275)	(117,751)	(8,259,119)	(8,240,228)	18,891
Profit after tax		178,116,522	179,278,824	(1,162,302)	52,641,883	51,458,884	1,182,999

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019**

	Note	As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)
		RM	RM	RM
<b>Current assets</b>				
Amounts due from customers for contract work-in-progress		-	38,234,787	(38,234,787)
Trade and other receivables		165,104,529	166,301,215	(1,196,686)
Contract assets	(b)	42,733,413	-	42,733,413
Advance maintenance costs		-	3,062,419	(3,062,419)
Tax recoverable		4,868,040	4,819,892	48,148
<b>Net impact to current assets</b>				287,669
<b>Equity</b>				
Foreign currency translation reserve		13,313,227	13,342,579	(29,352)
Retained profits		795,784,994	796,353,102	(568,108)
<b>Net impact to equity</b>				(597,460)
<b>Current liabilities</b>				
Amounts due to customers for contract work-in-progress		-	56,775,871	(56,775,871)
Trade and other payables		64,906,631	66,432,012	(1,525,381)
Contract liabilities	(b)	143,219,499	-	143,219,499
Advance maintenance fees		-	83,963,594	(83,963,594)
Tax payable		19,884,808	19,954,332	(69,524)
<b>Net impact to current liabilities</b>				885,129

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Nine months period ended 31-Mar-19			Third quarter ended 31-Mar-19		
	As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)	As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)
	RM	RM	RM	RM	RM	RM
<b>Operating activities</b>						
Profit before tax	208,961,046	210,241,099	(1,280,053)	60,901,002	59,699,112	1,201,890
<b>Adjustments for:</b>						
Reversal of provision for foreseeable losses	(245,424)	(265,126)	19,702	(6,312)	(66,604)	60,292
<b>Changes in working capital:</b>						
Trade and other receivables	(9,264,149)	(10,835,170)	1,571,021	(3,825,351)	(4,542,513)	717,162
Amounts due from/to customers for contract work-in-progress	-	27,347,167	(27,347,167)	-	15,447,187	(15,447,187)
Contract assets/liabilities	50,303,852	-	50,303,852	52,097,007	-	52,097,007
Trade and other payables	(10,736,336)	12,450,725	(23,187,061)	(14,282,745)	24,224,943	(38,507,688)
Effects of exchange rate changes on cash and cash equivalents	(359,733)	(279,439)	(80,294)	(2,991,983)	(2,870,507)	(121,476)

As the net impact to consolidated income statement of RM1,162,302 and RM1,182,999 are less than 5% of the profit after tax for the nine months period and third quarter ended 31 March 2019 respectively, the financial performance review under Section 8 is prepared based on 9M FY2019 and Q3 FY2019 IFRS 15 compliant results as compared with 9M FY2018 and Q3 FY2018 results before the adoption of IFRS 15.

**Notes:****(a) Revenue**

	Nine months period ended			Third quarter ended		
	31-Mar-19			31-Mar-19		
	As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)	As reported with adoption of IFRS 15	Amounts without adoption of IFRS 15	Increase/ (Decrease)
	RM	RM	RM	RM	RM	RM
Software licensing	66,652,477	64,851,400	1,801,077	21,426,501	20,290,270	1,136,231
Software project services	67,618,905	69,411,447	(1,792,542)	19,035,568	19,887,593	(852,025)
Maintenance and enhancement services	316,710,037	317,979,379	(1,269,342)	98,898,932	97,935,268	963,664
Sale of software and hardware products	5,483,670	6,114,583	(630,913)	4,653,591	4,738,227	(84,636)
Credit and cards processing	9,483,893	9,483,893	-	1,429,872	1,429,872	-
Software-as-a-Service						
- Insurance	24,699,404	24,699,404	-	8,686,581	8,686,581	-
	490,648,386	492,540,106	(1,891,720)	154,131,045	152,967,811	1,163,234

Software licensing and software project services revenue accounted for under the percentage of completion method as reported for the nine months period and third quarter ended 31 March 2019 amounted to RM124,853,468 and RM34,819,503 respectively.

Revenue from maintenance and enhancement services comprise two separate performance obligations, amounted to RM144,611,868 and RM172,098,169 respectively for the nine months period ended 31 March 2019; and RM50,775,714 and RM48,123,218 respectively for the third quarter ended 31 March 2019.

**(b) Contract assets/liabilities**

IFRS 15 does not distinguish between different types of contracts with customers and requires the presentation of a contract asset or contract liability when either party to the contract has performed as well as requires any accrued or deferred income, or payments received in advance or on account, to the extent that payment is received before or after performance of services to be presented as contract assets or contract liabilities. Hence, the amounts presented as amount due from/(to) customers for contract work-in-progress, advance maintenance costs/fees and prepaid costs/deferred revenue are now reclassified and presented as contract assets and contract liabilities respectively in compliance with the standard.

**(ii) IFRS 9 Financial Instruments**

IFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting effective for annual period beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The new impairment model under IFRS 9 requires the recognition of impairment based on expected credit losses, replaced the incurred credit loss model under IAS 39.

The Group adopted IFRS 9 effective 1 July 2018 without restating prior periods' information and any difference between the previous carrying amount and the carrying amount at the date of initial application shall be adjusted in the opening retained profits. Based on the historical credit loss experience as well as assessment undertaken on financial assets classified at amortised cost, loans and receivables, no additional impairment loss adjustments being made to the opening retained profits. The classification and measurement of the Group's financial assets are appropriate.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
IFRS 16 Leases	1 January 2019
IFRIC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to IFRS 9 Prepayment Features with Negative Compensation	1 January 2019
Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to IAS 19 Plan Amendment, Curtailment or Settlement	1 January 2019
Annual Improvements to IFRSs 2015 - 2017 Cycle	
- Amendments to IFRS 3 Business Combinations	1 January 2019
- Amendments to IFRS 11 Joint Arrangements	1 January 2019
- Amendments to IAS 12 Income Taxes	1 January 2019
- Amendments to IAS 23 Borrowing Costs	1 January 2019
Revised Conceptual Framework for Financial Reporting (The Conceptual Framework)	1 January 2020
Amendments to IFRS 3 Definition of a Business	1 January 2020
Amendments to IAS 1 and IAS 8 Definition of Material	1 January 2020
IFRS 17 Insurance Contracts	1 January 2021
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group is currently assessing the impact of the adoption of the above standards and interpretations on the Group's financial position and performance.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Refer to Note 4.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group		Group	
	Nine months period ended		Third quarter ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Sen	Sen Restated	Sen	Sen Restated
Based on the weighted average number of ordinary shares on issue <sup>(1)</sup>	6.72	3.72	1.99	1.13
Based on a fully diluted basis <sup>(2)</sup>	N/A	3.72	N/A	1.13

<sup>(1)</sup> The weighted average number of ordinary shares on issue has taken into account the weighted average effect of changes in ordinary shares and treasury shares transactions during the financial period ended 31 March 2019 of 2,649,522,485 (31 March 2018 of 2,629,645,485) of USD0.02 each.

<sup>(2)</sup> Based on weighted average number of ordinary shares on issue, after adjusting for dilution shares under Silverlake Axis Ltd. Performance Share Plan.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

	As at 31-Mar-19		As at 30-Jun-18	
	Group Sen	Company Sen	Group Sen	Company Sen
Net asset value per ordinary share <sup>(1)</sup>	22.03	78.37	19.70	78.07

<sup>(1)</sup> Based on the issued share capital excluding treasury shares as at the end of the current financial period and the immediately preceding financial year.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**(a)(i) INCOME STATEMENT REVIEW – Third quarter ended 31 March 2019 ("Q3 FY2019") vs Third quarter ended 31 March 2018 ("Q3 FY2018")**

**Overview**

Silverlake Axis Ltd (SAL) provides digital economy solutions to the Banking, Insurance, Retail, Government, Payment and Logistics industries. Founded in 1989, SAL has an impeccable track record of successful delivery of innovative and transformative solutions to its enterprise customers and their ecosystems. The Group has more than 380 enterprise customers in over 80 countries across Asia, Middle East, Europe, Africa, Latin America, Australia and New Zealand.

From FY2011 to FY2019, the Group has successfully undertaken seven acquisitions to broaden the suite of business enterprise software solutions and services offerings and strengthen its market position in new markets in New Zealand, Australia, South Asia, Europe, Africa and Latin America. With expanded capabilities, the Group is well positioned to empower its customers to compete effectively in the digital economy ecosystem. Buoyed by continual investments in Information Technology ("IT") by Asian financial institutions and corporations to improve their competitive edge, the Group continues to achieve steady growth in market share.

In Q3 FY2019, the Group achieved a revenue increase of 12% compared with the previous corresponding period and recorded a net profit attributable to shareholders of RM52.6 million, 77% higher than the RM29.8 million achieved in Q3 FY2018.

**Revenue**

**By Business Activities**

	1-1-19 to 31-3-19	1-1-18 to 31-3-18	Change
	Group RM	Group RM Restated	
<b>Revenue</b>			%
Software licensing*	21,426,501	12,388,251	73
Software project services*	19,035,568	15,773,957	21
Maintenance and enhancement services**	98,898,932	91,624,733	8
Sale of software and hardware products	4,653,591	4,330,929	7
Credit and cards processing	1,429,872	5,744,862	(75)
Software-as-a-Service			
- Insurance**	8,686,581	7,639,867	14
	154,131,045	137,502,599	12

\* Project related revenue

\*\* Recurrent revenue

Q3 FY2019 group revenue of RM154.1 million was 12% higher compared with Q3 FY2018. Both key business segments, project related and recurrent revenue segments, contributed higher revenue in Q3 FY2019.

Project related revenue totalling RM40.5 million in Q3 FY2019 was 44% higher compared with RM28.2 million recorded in the previous corresponding period. Software licensing revenue increased 73% from RM12.4 million in Q3 FY2018 to RM21.4 million in Q3 FY2019 whereas revenue from software project services recorded a 21% growth to RM19.0 million in Q3 FY2019 compared with RM15.8 million in Q3 FY2018. The increase was mainly due to higher revenue recorded from the progressive delivery of two new bigger Malaysian core banking projects and new retail automation contracts secured in Vietnam and Hong Kong in Q3 FY2019 as compared with the progressive revenue contribution from the ongoing Thailand and Sri Lanka projects in both Q3 FY2018 and Q3 FY2019. SIA X Infotech Group ("XIT Group"), a newly acquired subsidiary in January 2019, has also contributed to the overall increase in project related revenue in Q3 FY2019.

Revenue from maintenance and enhancement services improved from RM91.6 million in Q3 FY2018 to RM98.9 million in Q3 FY2019, with the increase mainly due to the recognition of progressive revenue from new enhancement contracts secured during 1H FY2019 to support the digital banking and payments transformation initiatives of two established financial institutions in Singapore, more enhancement requests in Malaysia in Q3 FY2019, as well as the consolidation of XIT Group's contracts on hand in Q3 FY2019.

Following the termination of an outsourcing contract in Q2 FY2019, revenue contribution from credit and cards processing decreased from RM5.7 million in Q3 FY2018 to RM1.4 million in Q3 FY2019.

Revenue from Software-as-a-Service for insurance processing of RM8.7 million in Q3 FY2019 was 14% higher than the RM7.6 million achieved in Q3 FY2018 and the growth is mainly due to the expansion of business activities into Thailand, Hong Kong and Vietnam as well as new customers secured in Malaysia and Indonesia in Q3 FY2019.

#### **Profitability**

The Group recorded a gross profit of RM91.0 million in Q3 FY2019, 14% higher than the RM79.8 million recorded in Q3 FY2018 and achieved a gross profit margin of 59% in Q3 FY2019 as compared with 58% in Q3 FY2018. The increase in gross profit margin was mainly due to better margin achieved from maintenance and enhancement services in Q3 FY2019 as well as the change in revenue mix with higher proportion of revenue recorded from higher margin software licensing segment in Q3 FY2019 as compared with Q3 FY2018.

Higher finance income was recorded in Q3 FY2019 due to higher deposits placed with financial institutions in Q3 FY2019 as compared with Q3 FY2018. Q3 FY2018 recorded a reversal of interest over accrued on deposit placed in prior period.

Other income was markedly higher in Q3 FY2019 compared with Q3 FY2018 mainly due to the reversal of RM18.2 million value-added tax ("VAT") accrued for the disposal of Global InfoTech Co. Ltd. ("GIT") shares in FY2017 and FY2018 as Silver Team Technology Limited ("STTL"), a subsidiary of SAL, obtained VAT exemption for the disposals.

With the consolidation of XIT Group's results for Q3 FY2019, selling and distribution expenses increased by 21% from RM8.7 million in Q3 FY2018 to RM10.5 million in Q3 FY2019.

Compared with Q3 FY2018, administrative expenses decreased by 16% from RM40.0 million to RM33.8 million in Q3 FY2019 mainly due to lower realised and unrealised foreign currency exchange loss in Q3 FY2019 and the recognition of a loss of RM2.8 million from the disposal of GIT shares in Q3 FY2018. This was partially offset by an increase in professional fees in relation to the application for VAT exemption for the disposal of GIT shares in Q3 FY2019.

The significant increase in finance costs from RM0.4 million in Q3 FY2018 to RM7.1 million in Q3 FY2019 was mainly due to the quarterly fair value adjustment on the contingent consideration payable for the acquisition of SIL Group and XIT Group as required by IFRS.

With higher revenue, higher other income and lower operating expenses, partially offset by higher finance costs, the Group recorded a profit before tax of RM60.9 million in Q3 FY2019 compared with RM33.1 million in Q3 FY2018.

Income tax expense increased from RM3.4 million in Q3 FY2018 to RM8.3 million in Q3 FY2019 mainly due to higher taxable income from certain subsidiaries and the expiry of pioneer status of two Malaysian subsidiaries.

The Group reported a growth of 77% in profit after tax attributable to shareholders of RM52.6 million in Q3 FY2019 from RM29.8 million recorded in Q3 FY2018 and achieved a net profit margin of 34% in Q3 FY2019, 12% higher compared with the 22% achieved in Q3 FY2018.

#### **(a)(ii) INCOME STATEMENT REVIEW – Nine months period ended 31 March 2019 ("9M FY2019") vs Nine months period ended 31 March 2018 ("9M FY2018")**

##### **Overview**

In 9M FY2019, group revenue increased by 23% compared with the previous corresponding financial period and the Group recorded a net profit attributable to shareholders of RM178.1 million, 82% higher than the RM97.8 million achieved in 9M FY2018.

##### **Revenue**

##### **By Business Activities**

	1-7-18 to 31-3-19	1-7-17 to 31-3-18	Change
	Group	Group	
	RM	RM Restated	%
<b>Revenue</b>			
Software licensing	66,652,477	25,690,178	159
Software project services	67,618,905	42,184,976	60
Maintenance and enhancement services	316,710,037	287,571,782	10
Sale of software and hardware products	5,483,670	5,611,824	(2)
Credit and cards processing	9,483,893	14,769,670	(36)
Software-as-a-Service			
- Insurance	24,699,404	22,599,969	9
	490,648,386	398,428,399	23

For 9M FY2019, the Group achieved a revenue of RM490.6 million, 23% higher compared with RM398.4 million recorded in 9M FY2018. Both key business segments, project related and recurrent revenue segments, contributed higher revenue in 9M FY2019.

Project related revenue recorded 98% growth to RM134.3 million in 9M FY2019 from RM67.9 million in 9M FY2018. Revenue from software licensing rose significantly to RM66.7 million in 9M FY2019 mainly due to the recognition of a core banking licensing contract fully delivered in Malaysia in 9M FY2019, as well as the progressive delivery of another new larger core banking contract in Malaysia and new retail automation contracts in Vietnam and Hong Kong in Q3 FY2019. The higher progressive revenue recognised from the delivery of ongoing contracts in Thailand and Sri Lanka in 9M FY2019 as compared with 9M FY2018 has also contributed to the overall increase in software licensing revenue.

Software project services revenue of RM67.6 million in 9M FY2019 was 60% higher compared with the previous corresponding period due to higher progressive revenue recognised in 9M FY2019 from the delivery of two new Malaysian core banking projects secured in late FY2018, new Hong Kong retail based projects secured in 1H FY2019 and a few ongoing implementation contracts secured in Thailand, Malaysia, Sri Lanka and Singapore. XIT Group has also contributed additional project related revenue, from its contracts on hand, to the Group following the completion of acquisition in Q3 FY2019.

Revenue from maintenance and enhancement services increased by 10% from RM287.6 million in 9M FY2018 to RM316.7 million in 9M FY2019. A few new enhancement contracts were secured in 9M FY2019 in response to the requests for support in the digital banking and payments transformation initiatives by two established financial institutions in Singapore in addition to revenue contribution from ongoing enhancement contracts delivered for Malaysian and Indonesian financial institutions in 9M FY2019. New or additional maintenance contracts from Sri Lanka, Malaysia and Brunei have also contributed to the overall increase in recurring revenue in 9M FY2019.

The decrease in credit and cards processing revenue by 36% from RM14.8 million in 9M FY2018 to RM9.5 million in 9M FY2019 was mainly due to the termination of outsourcing contract in Q2 FY2019, partially offset by higher processing revenue from an existing customer with a new tier-pricing fee arrangement signed since Q3 FY2018.

Revenue from Software-as-a-Service for insurance processing recorded a growth of 9% in 9M FY2019 as compared with 9M FY2018. More customers win in Thailand, Hong Kong and Vietnam as of 9M FY2019 compared to previous year where Merimen had just started venturing into these countries. There was also one-off integration contract implemented in Thailand and more processing activities from Philippines and Indonesia in 9M FY2019 as compared with the previous corresponding period.

### **Profitability**

Due to the improvement in revenue, the Group recorded a gross profit of RM304.1 million in 9M FY2019, 36% higher compared with RM223.6 million in 9M FY2018. The Group's gross profit margin of 62% in 9M FY2019 was higher compared with 56% in 9M FY2018 mainly due to a change in revenue mix with a higher proportion of revenue recorded from higher margin software licensing segment and software project services in 9M FY2019 as compared with the previous corresponding period.

Other income increased significantly to RM31.7 million in 9M FY2019 from RM4.3 million in 9M FY2018 mainly due to the reversal of RM18.2 million VAT accrued for the disposal of GIT shares in FY2017 and FY2018 as STTL had obtained VAT exemption for the disposals in 9M FY2019. In addition, there was a pre-tax gain of RM8.8 million from the disposal of freehold land in 9M FY2019.

Administrative expenses decreased by 9% from RM88.5 million in 9M FY2018 to RM80.7 million in 9M FY2019. Foreign currencies strengthened against Ringgit Malaysia ("RM") in 9M FY2019 and whereas they weakened in 9M FY2018. As such, the Group recorded realised and unrealised foreign currency exchange gain of RM2.1 million in 9M FY2019 as compared with a loss of RM8.0 million in 9M FY2018 from the translation of bank balances denominated in United States Dollar ("USD") and Singapore Dollar ("SGD"), as well as the translation of advances to a joint venture denominated in New Zealand Dollar. The Group has also recorded a non-recurring loss from disposal of GIT shares in 9M FY2018. The decrease was partially offset by higher salaries and its related costs as well as additional expenses from the consolidation of XIT Group in 9M FY2019.

Finance costs increased significantly to RM19.9 million in 9M FY2019 from RM1.3 million in 9M FY2018 mainly due to the quarterly fair value adjustment on the contingent consideration payable for the acquisition of SIL Group and XIT Group as required by IFRS.

With higher revenue and other income coupled with lower operating expenses, partially offset by higher finance costs, the Group recorded a profit before tax of RM209.0 million in 9M FY2019 compared with RM112.3 million in 9M FY2018, a growth of 86%.

Income tax expense of RM30.8 million in 9M FY2019 was significantly higher compared with RM14.5 million in 9M FY2018 and the effective tax rate of 15% in 9M FY2019 was 2% higher than the 13% reported in 9M FY2018. Higher tax expense recorded in 9M FY2019 was mainly due to higher taxable income from certain subsidiaries in addition to the expiry of pioneer status of two Malaysian subsidiaries.

The Group reported a growth of 82% in profit after tax attributable to shareholders of RM178.1 million in 9M FY2019 compared with RM97.8 million in 9M FY2018 and achieved net profit margin of 36% in 9M FY2019, 11% higher than the 25% achieved in 9M FY2018.

## **(b) STATEMENTS OF FINANCIAL POSITION REVIEW**

### **Property, plant and equipment**

Property, plant and equipment ("PPE") decreased from RM20.4 million as at 30 June 2018 to RM15.7 million as at 31 March 2019 mainly due to the disposal of freehold land during 9M FY2019 and the depreciation charge for 9M FY2019. The decrease was partially offset by office renovation cost capitalised and purchase of office equipment during 9M FY2019 as well as higher foreign currency translation on PPE attributable to the appreciation of USD and SGD against RM in Q3 FY2019 compared with Q4 FY2018.

### **Intangible assets**

The increase in intangible assets from RM206.7 million as at 30 June 2018 to RM282.8 million as at 31 March 2019 was mainly due to the recognition of provisional goodwill and other intangibles assets arising from the acquisition of XIT Group, and the capitalisation of software development expenditure incurred for the development of enhanced core banking and Fintech solutions during 9M FY2019. Higher foreign currency translation on intangibles attributable to the appreciation of USD and SGD against RM in Q3 FY2019 compared with Q4 FY2018 has also contributed to the overall increase intangible assets. The increase was partially offset by the amortisation of intangible assets in 9M FY2019.

### **Inventories**

Inventories of RM1.0 million as at 31 March 2019 comprise consumables, purchased hardware and parts for re-sale and to support the provision of software solutions for the issuance and verification of digital identity documents and financial smart cards.

### **Trade and other receivables**

Trade and other receivables increased from RM138.7 million as at 30 June 2018 to RM165.1 million as at 31 March 2019 mainly due to the consolidation of XIT Group's receivables of approximately RM17.7 million and higher revenue billings during FY2019.

### **Contract assets/(liabilities)**

The net contract liabilities increased from RM43.0 million as at 30 June 2018 to RM100.5 million as at 31 March 2019. The components of contract assets and contract liabilities are presented as follows:

	As at 31-Mar-19	As at 30-Jun-18	Change
	RM	RM Restated	%
<b>Contract assets</b>			
Amounts due from customers for contract work-in-progress (Note (i))	38,832,887	55,829,157	(30)
Advance maintenance costs	3,062,419	1,882,697	63
Prepaid license and hardware costs	838,107	573,236	46
<b>Total contract assets recognised under current assets</b>	<b>42,733,413</b>	<b>58,285,090</b>	(27)
<b>Contract liabilities</b>			
Amounts due to customers for contract work-in-progress (Note (i))	57,699,242	43,282,889	33
Advance maintenance fees (Note (ii))	80,869,444	55,887,662	45
Deferred revenue (Note (iii))	4,650,813	2,150,706	116
<b>Total contract liabilities recognised under current liabilities</b>	<b>143,219,499</b>	<b>101,321,257</b>	41
<b>Net contract liabilities</b>	<b>(100,486,086)</b>	<b>(43,036,167)</b>	133

- (i) The amounts due from/(to) customers for contract work-in-progress represent timing differences between revenue recognition on contract and billing to customers. Revenue recognition on contract is based on percentage of completion method, while billings to customers are in accordance with contracted payment milestones.

The net amount due to customers for contract work-in-progress as at 31 March 2019 was RM18.9 million compared with net amount due from customer for contract work-in-progress of RM12.5 million as at 30 June 2018 and this was mainly due to the timing of billings and revenue recognition for the contracts on hand.

- (ii) Advance maintenance costs/fees represent maintenance fees billed in advance, for which costs/revenue will be recognised over the contractual period, typically twelve months. The net increase in advance maintenance fees from RM54.0 million as at 30 June 2018 to RM77.8 million as at 31 March 2019 was due higher maintenance fee billings in Q3 FY2019 as most of the maintenance contractual period commence from January to December.
- (iii) Deferred revenue increased from RM2.2 million as at 30 June 2018 to RM4.7 million as at 31 March 2019 following the increase in advance maintenance fees as explained in Note (ii) above as a portion of the advance maintenance fees have been reallocated to the unutilised free man-days, recognised as deferred revenue. This is in compliance with the requirement of IFRS 15 where maintenance contracts which contain free man-days are required to be accounted for as separate performance obligations ("PO") and revenue to be allocated to each PO accordingly. The revenue allocated to the free man-days and options for the customers to acquire additional goods or services at discounts will be deferred until they are either utilised, exercised, expired or lapsed, and presented as contract liabilities when the consideration is received.

### **Amounts due from/(to) related parties**

The amounts due from/(to) related parties are transactions between the Group and Interested Persons ("Silverlake Entities") under the approved General Mandate for Interested Person Transactions and the Ancillary Transactions Mandate (collectively "Mandates"). These amounts fluctuate from quarter to quarter mainly due to the timing of billings and payments received.

### **Financial assets at fair value through other comprehensive income - quoted equity shares**

This financial asset represents the retained equity interest in Global InfoTech Co. Ltd. ("GIT"). The 37.1 million shares were valued at RM189.8 million as at 30 June 2018 and re-measured at RM209.3 million as at 31 March 2019, with RM18.0 million unrealised fair value gain recognised in Other Comprehensive Income.

### **Cash and bank balances**

Cash and bank balances increased from RM304.0 million as at 30 June 2018 to RM430.6 million as at 31 March 2019 mainly due to net cash inflow from operating activities of RM275.0 million and net proceeds from revolving credit of RM48.8 million, partially offset by cash outflow from financing activities of RM120.1 million and RM17.9 million for payment of dividends to shareholders and share buyback respectively. The Group had settled part of the initial upfront purchase consideration (EUR12.6 million), reflected as RM52.9 million cash outflow from investing activities, for the acquisition of 80% equity interest in XIT Group in Q3 FY2019.

### **Non-current other payables**

The non-current other payables of RM270.3 million as at 31 March 2019 represent the fair value of contingent consideration payable for the acquisition of subsidiaries, SIL Group and XIT Group.

The non-current other payables of RM233.7 million recorded as at 30 June 2018 represent the contingent consideration payable to the vendors in FY2021 in relation to the acquisition of the entire equity interest in SIL Group. This amount payable has increased to RM252.1 million as at 31 March 2019 after taking into account the effect of time value of money and the discounting effect is recognised as Finance Costs in 9M FY2019.

Contingent consideration of RM18.2 million have been recognised for the acquisition of 80% equity interest with a call and put option on the remaining 20% equity interest in XIT Group as at 31 March 2019. This amount is payable in tranches in FY2021 and FY2023.

### **Deferred tax**

The increase in deferred tax from a net liability position of RM15.5 million as at 30 June 2018 to RM16.8 million as at 31 March 2019 was mainly due to the accruals of withholding tax for financial assets attributable to the changes in fair value of GIT shares quoted on ChiNext of the Shenzhen Stock Exchange. The deferred tax relating to fair value gain on financial assets of RM1.8 million was recognised in Other Comprehensive Income.

### **Total current and non-current loans and borrowings**

Loans and borrowings increased from RM28.3 million as at 30 June 2018 to RM82.1 million as at 31 March 2019 mainly due to drawdown of revolving credit and the utilisation of bank overdraft facility by a subsidiary for working capital purposes.

### **Amount due to holding company**

The amount due to holding company, Intelligentsia Holding Ltd., represents advances given to SIL Group prior to the acquisition of SIL Group. This balance had been fully settled in 9M FY2019.

### **Current income tax**

Current income tax assets and liabilities represent the amount expected to be recovered from or paid to the taxation authorities. The increase in net tax payable from RM8.9 million as at 30 June 2018 to RM15.0 million as at 31 March 2019 was mainly due to higher taxable income from certain subsidiaries and the expiry of pioneer status of two Malaysian subsidiaries.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The ongoing trade dispute between the two major economies has contributed to the general uncertainties in global business conditions. In spite of this, the economies of Asia are still expanding and the Group continues to respond to new business enquiries and requests for proposals from existing and potential customers.

The acquisition of SIA X Infotech Group in January 2019 has further strengthened the Group's suite of digital banking solutions and the Group remains active in cross selling these capabilities to existing core banking customers. The Group will continue to seek opportunities for business expansion and will consider suitable companies for acquisition to further expand its portfolio.

### **11. If a decision regarding dividend has been made:**

#### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	First Interim	Second Interim	Third Interim
Dividend Type	Cash	Cash	Cash
Dividend Rate	Singapore 0.3 cents per ordinary share	Singapore 0.4 cents per ordinary share	Singapore 0.4 cents per ordinary share
Par Value of Shares	USD0.02	USD0.02	USD0.02
Tax Rate	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier

#### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	First Interim and Special	Second Interim and Special	Third Interim
Dividend Type	Cash	Cash	Cash
Dividend Rate	Singapore 0.3 cents and Singapore 0.5 cents per ordinary share	Singapore cents 0.3 and Singapore cents 0.8 per ordinary share	Singapore 0.3 cents per ordinary share
Par Value of Shares	USD0.02	USD0.02	USD0.02
Tax Rate	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier

#### **(c) Date payable**

The Directors have proposed a tax exempt (one-tier) interim dividend of Singapore 0.4 cents per ordinary share. The interim dividend will be payable on 7 June 2019.

#### **(d) Books closure date**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 27 May 2019 for the purpose of determining shareholders' entitlements to the proposed interim dividend. Duly completed transfers received by the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to 5.00 p.m., on 24 May 2019 will be registered before entitlements to the dividend are determined.

Shareholders (being depositors) whose securities accounts with the Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 24 May 2019 will be entitled to the proposed interim dividend.

### **12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

Not applicable.

## **PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

### **13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.



**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

**15. A breakdown of sales**

Not applicable.

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**17. Recurrent Interested Person Transactions of A Revenue or Trading Nature**

The aggregate value of recurrent Interested Person Transactions ("IPT") of revenue or trading nature conducted during the financial period ended 31 March 2019 by the Group in accordance with the shareholders' mandates were as follow:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	1-7-18 to 31-3-19	1-7-18 to 31-3-19
	<b>RM</b>	<b>RM</b>
Companies associated to Mr. Goh Peng Ooi ("Silverlake Entities")		
<b>- New IPT Mandate <sup>(1)</sup></b>		
Revenue from Silverlake Entities	-	87,898,408
Service fees to Silverlake Entities	-	(15,191,460)
<b>- Non-Mandate Transactions <sup>(2)</sup></b>		
Revenue from Silverlake Entities	1,786,443	-
Service fees to Silverlake Entities	(679,830)	-

<sup>(1)</sup> The New IPT Mandate was approved by shareholders on 24 October 2008 for transactions pursuant to Master License Agreement ("MLA") and Master Services Agreement ("MSA"). The New IPT Mandate is subject to annual renewal.

<sup>(2)</sup> The Non-Mandate transactions were mainly derived from provision of software licensing by Silverlake Adaptive Applications & Continuous Improvement Services Ltd. and provision of enhancement services and hardware products by Cyber Village Sdn. Bhd. to Silverlake Entities; and maintenance services contracted between SIL Group and Silverlake Entities before the completion of acquisition of SIL Group in prior year.

**18. Ageing for amounts owing from related parties**

The ageing for amounts owing from related parties as at 31 March 2019 was as follows:

Name of related parties	Total Due RM	0-30 days RM	31-60 days RM	61-90 days RM	91-180 days RM	> 180 days RM
<u>Transactions conducted under the New IPT Mandate: -</u>						
Silverlake Entities <sup>(1)</sup>	14,054,238	4,855,144	6,508,433	2,690,661	-	-
<u>Non-Mandate Transactions</u>						
Silverlake Entities	1,199,308	677,022	268,992	253,294	-	-
<u>Non-Trade Transactions</u>						
Silverlake Entities	89,450	88,855	595	-	-	-
<b>Grand Total</b>	<b>15,342,996</b>	<b>5,621,021</b>	<b>6,778,020</b>	<b>2,943,955</b>	-	-

(Note 2)

<sup>(1)</sup> The Audit and Risk Committee confirms that collections from the Silverlake Entities were within the mandated terms.

<sup>(2)</sup> As at 14 May 2019, the amounts due from Silverlake Entities between 61-90 days have been fully collected.

**19. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the unaudited financial statements for the financial period ended 31 March 2019 to be false or misleading in any material aspect.

**20. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

KWONG YONG SIN  
Group Managing Director

14 May 2019