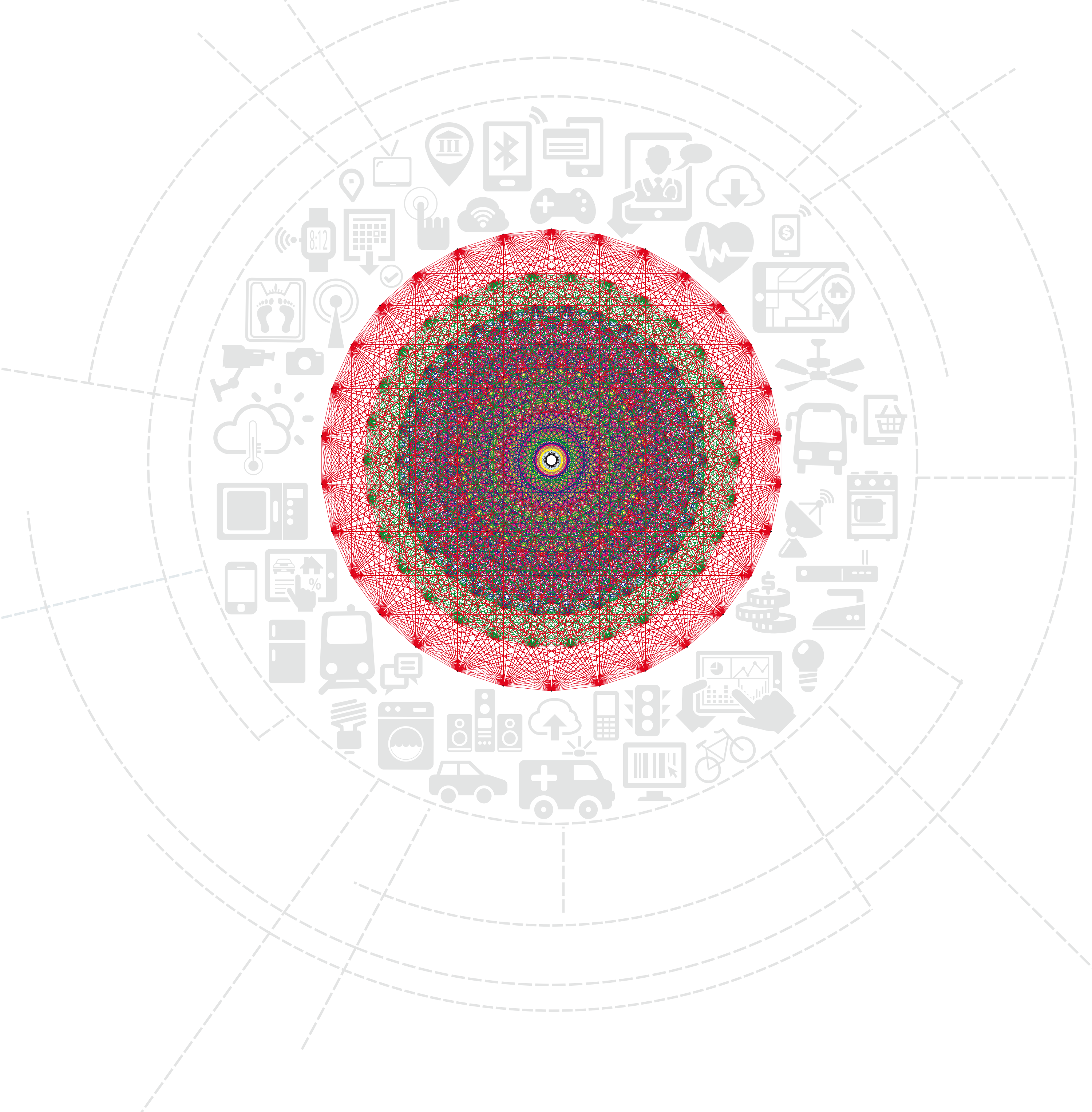
silverlake
SYMMETRY AT WORK

ANNUAL REPORT 2015
SILVERLAKE AXIS LTD



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CORPORATE INFORMATION

BOARD OF DIRECTORS

GOH PENG OOI
Group Executive Chairman

DR. KWONG YONG SIN
Group Managing Director

ONG KIAN MIN
Independent Non-Executive Director

YBHG. TAN SRI DATO' DR. LIN SEE-YAN
Independent Non-Executive Director

LIM KOK MIN
Independent Non-Executive Director

YBHG. DATUK SULAIMAN BIN DAUD
Non-Executive Director

TAN SRI DATO' DR. MOHD MUNIR BIN ABDUL MAJID
Independent Non-Executive Director

YAU AH LAN @ FARA YVONNE (A.K.A DATUK YVONNE CHIA)
Independent Non-Executive Director

GOH SHIOU LING
Non-Executive Director

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda
Tel : 013 1441 295 5950
Fax: 013 1441 292 4720

CORPORATE OFFICE

26-01/04
143 Cecil Street
GB Building
Singapore 069542

SHARE REGISTRAR

BERMUDA

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

SHARE TRANSFER AGENT

SINGAPORE

Boardroom Corporate &
Advisory Services Pte Ltd
50 Raffles Place
#32-01
Singapore Land Tower
Singapore 048623
Tel : 65 6536 5355
Fax: 65 6536 1360

JOINT COMPANY SECRETARIES

Tan Min-Li
Hoong Lai Ling

AUDITORS

Ernst & Young
Kuala Lumpur, Malaysia
Chartered Accountants
Audit Partner : Hoh Yoon Hoong
(with effect from financial year ended
30 June 2015)

SYNERGY OF SOFTWARE AND SERVICES

SOFTWARE LICENSING

Silverlake Axis offers innovative **Digital Economy Propositions** and **Enterprise Solutions** to its customers in **Banking, Insurance, Retail, Payment and E-Commerce Ecosystems.** The Group's solutions are delivering operational excellence and enabling business **transformations at over 150 organisations**. Today, Silverlake Axis has anchor customers in **ASEAN, Australia, China, Japan, Middle East, New Zealand and South Asia.** With its recent acquisition of Finzsoft Solutions, Silverlake Axis has expanded its digital economy offerings and geographic reach into the Australian and New Zealand markets.

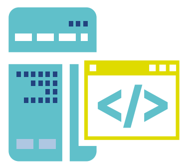
MAINTENANCE AND ENHANCEMENT SERVICES

Silverlake Axis works with our customers to ensure the smooth running of their daily business operations and to keep up with the dynamic industry changes. We perform **Maintenance Services** for the Silverlake Axis software solutions that we have implemented for our customers. Our professional and experienced teams also ensure that **Enhancements** are planned and deployed per the required software release schedule.

SOFTWARE PROJECT SERVICES

Silverlake Axis has a 100% success track record in **Project Implementation**. Our team are experienced professionals who have successfully delivered projects on time, budget and with quality.

SALE OF SOFTWARE AND HARDWARE PRODUCTS



For customers requiring third party hardware and system software to run the Silverlake Axis Integrated Banking Solution (SIBS) in their core banking implementations, Silverlake Axis includes the sale of **Hardware and Software Products** as a bundled offering with our software licensing and project implementation services.

CREDIT AND CARDS PROCESSING

Silverlake Japan, the Group's wholly owned subsidiary in Japan, provides **Outsourcing Services** for the processing of credit card, debit card, prepaid card, eMoney, hire purchase and unsecured loans. This service is offered to Japanese card issuers in Japan and banks providing remote service for Japan and Japanese card issuers in Asia.

INSURANCE PROCESSING

Silverlake Axis offers solutions and services for the Insurance and Takaful industry in Asia-Pacific, Middle-East and Africa. **Merimen**, a subsidiary of Silverlake Axis, provides a **Software as a Service (SaaS)** collaborative platform that connects different parties in the **Insurance Ecosystem** to ensure faster processing, improved efficiency and easier performance evaluation.

This year, we feature client success stories through our ecosystem partnerships

CHAIRMAN'S STATEMENT

Dear Fellow Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report of the Group for the financial year ended 30 June 2015.

FY2015: ANOTHER YEAR OF GROWTH

In the financial year under review, economic growth remained generally vibrant in Asia although pockets of uncertainty exist in the global economy. During this period, the Group continued to actively engage its customers in helping them to transform their businesses to exploit opportunities in a digital economy.

For FY2015, group revenue grew 3% to RM516.0 million and net profit attributable to shareholders rose 14% to RM282.7 million. With banking customers focusing their efforts on enhancing their software for greater productivity and cost management, maintenance and enhancement services revenue grew 35% to RM283.3 million. Project-related revenue comprising software licensing and software project services was affected by timing of project initiation and project milestone recognition, easing 13% to RM191.5 million.

The growth in maintenance and enhancement services underpinned the increase in net profit. Profit margin remained favourably high, benefiting from a change in the revenue mix with lower contribution from the sale of software and hardware products, an ancillary business with low profit margin.

We continued to pay quarterly dividends in FY2015, a trend we started since FY2011. Our dividend payout has averaged above 90% of net profit in the last three financial years. The one for five bonus shares issued in July 2015 are entitled for the fourth and final dividend of Singapore cents 1.2 per share. Subject to approval at the forthcoming Annual General Meeting on 26 October 2015, the final dividend will be paid on 17 November 2015.

CHAIRMAN'S STATEMENT (cont'd)

RESILIENT BUSINESS MODEL

Our net profit growth of 14% in FY2015 is within our long term growth target. This growth is supported by the Group's resilient business model which was principally created by two related party acquisitions, one in 2006 and the second in 2010. These acquisitions enabled the Group to own the entire core banking software, Silverlake Integrated Banking Solution (SIBS), as well as the supporting services of maintenance and enhancement. We continue to outsource some lower end installation services to focus on higher margin businesses.

By owning a suite of mission critical software and services, the Group is able to deliver end-to-end services to its customers to support their business transformation. In FY2015, about 55% of group revenue is derived from maintenance and enhancement services, highly recurrent in nature. Our existing customers also contribute a significant portion of our project-related revenue through software upgrade initiatives. The high recurrent nature of group revenue and our long relationship with customers provide the foundation for our steady, long term growth at favourable profit margin.

This resilient business model is clearly underpinning our financial performance and value creation for all shareholders, especially since 2010. With largely the same business profile throughout this period, our net profit has grown from RM63.5 million in FY2010 to RM282.7 million in FY2015. Over the same period, our earnings per share and dividend per share have grown at a CAGR of approximately 33% and 20% respectively. In spite of our high dividend payout, we have negligible bank borrowings and our cash and bank balances totaled RM320.5 million as at 30 June 2015.

CO-CREATING VALUE IN THE DIGITAL ECONOMY

Our customers remain at the forefront of our focus. Meeting the challenges of value-creation in this digital era requires new approaches to business. At Silverlake Axis, we are continuously innovating and identifying new business models, products and services within the connected digital economy to empower our customers to deliver business excellence. Leveraging on our digital solutions capabilities in Banking, Insurance, Retail, Payment and E-Commerce, we are creating new business models for our customers to help them achieve inclusive and sustainable growth. Software as a Service (SaaS) is a business model that has emerged and grown in the last few years. Merimen's SaaS business in Insurance Claims and Policy Processing will contribute additional recurring revenue to the Group.

Silverlake Axis has an ASEAN heritage. Within ASEAN, we continue to see ourselves as a catalyst to co-create value with our customers to drive their regional growth, as well as partnering businesses providing accessible financing products, lower-cost payments and supply chain services in facilitating trade as they leverage technology for success in the digital economy.

PROSPECTS

While market conditions are increasingly more challenging in Asia, we remain cautiously optimistic that our resilient business model will enable us to effectively address the business opportunities in our core markets. We have a comprehensive suite of mission critical software and services to deliver end-to-end solutions in facilitating transformational changes for our customers in banking and many other industries in a digital economy. In the near term, we will focus our resources on existing as well as potential new customers within ASEAN and adjacent markets to capitalise on our strong track record here. At the same time, we are developing newer markets with the potential to contribute significantly over the longer term, such as North Asia and the Australia and New Zealand markets.

In the medium to long term development of newer markets, we have established a presence in these markets to support our business expansion initiatives as well as our successful project execution capabilities. In China, our associate, Global InfoTech Co. Ltd. was successfully listed on ChiNext of the Shenzhen Stock Exchange in May 2015 and we expect to be working closely with them to significantly expand their operations in China. In Japan, we have a wholly-owned subsidiary with a credit and cards processing business. Earlier this year, our 51% owned joint venture, Silverlake HGH Limited acquired 87.89% of Finzsoft Solutions Limited, a New Zealand listed IT company serving banks and finance-related companies in Australia and New Zealand.

Earlier this month, the Group announced the conditional acquisition of 100% of SunGard Ambit (Singapore) Pte. Ltd. ("SAS") (previously known as System Access Limited) for US$12 million. SAS brings a complementary retail banking portfolio of software and service solutions to expand the Group's suite of software and services as well as deepen and broaden its customer relationships and geographical presence. The SAS's Retail Banking Product Portfolio positions the Group to offer a broad variety of tiered deployment options in open digital platforms to address the needs of customers from mid-tier to large enterprises. These benefits will empower our customers in the acceleration of their digital transformation. The acquisition will add more than 50 new customers to our current base of over 150 customers, and extend our geographical reach to Eastern Europe, Middle East and South Asia while enhancing our market leadership in South East Asia. We will continue to evaluate suitable opportunities for acquisition to expand our capabilities as well as deepen our market presence.

A WORD OF THANKS

FY2015 is another year of record performance. Together with my fellow directors, I would like to express my thanks and appreciation to our management and staff for their dedication and hard work in making this possible, as well as to encourage them as we work together to scale new heights. To my fellow directors, I remain grateful for their guidance and wise counsel throughout the year. At this juncture, I am honoured to welcome our recently appointed directors - Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Datuk Yvonne Chia and Ms. Goh Shiou Ling. I look forward to their contributions as we continue to expand our business. I conclude by thanking all our customers, shareholders, bankers and business associates for their continuing support.

Goh Peng Ooi
Group Executive Chairman
28 September 2015

FINANCIAL HIGHLIGHTS

↑3%
Revenue
RM516.0 million

↑10%
Gross Profit
RM337.1 million

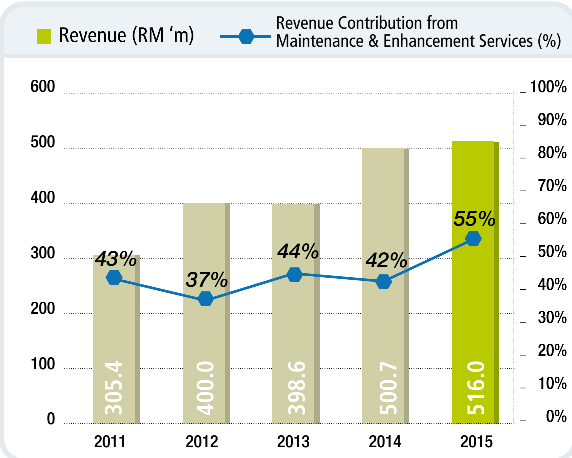
↑12%
Profit Before Tax
RM306.8 million

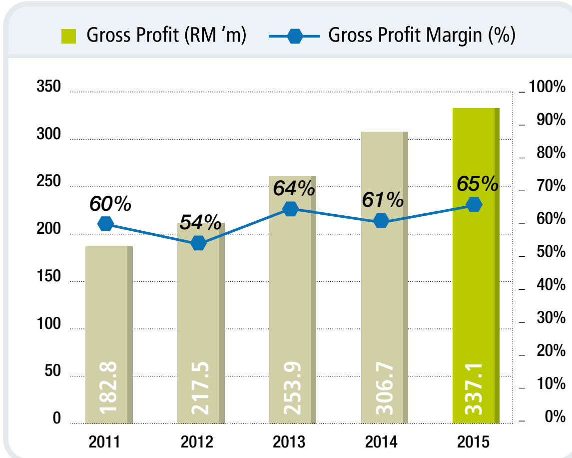
↑14%
Net Profit
RM282.7 million

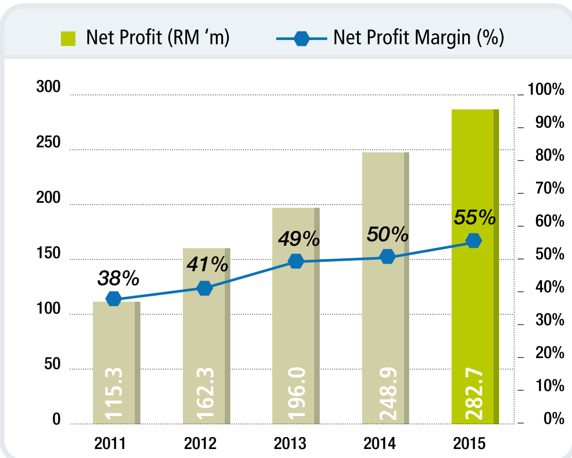
	Financial Year Ended 30 June	2011	2012	2013	2014	2015
1.	**Financial Results (RM million)**					
	Revenue	305.4	400.0	398.6	500.7	516.0
	Gross Profit	182.8	217.5	253.9	306.7	337.1
	EBITDA	145.0	190.7	222.9	290.9	321.9
	Profit Before Tax	131.8	179.8	213.0	274.1	306.8
	Net Profit	115.3	162.3	196.0	248.9	282.7
2.	**Financial Positions (RM million)**					
	Share Capital	151.3	151.3	157.5	157.5	157.5
	Shareholders' Fund	213.0	297.6	588.1	616.3	639.3
	Total Assets	319.6	400.4	743.9	766.7	779.0
3.	**Financial Ratio**					
	Gross Profit Margin (%)	60%	54%	64%	61%	65%
	Net Profit Margin (%)	38%	41%	49%	50%	55%
	Return on Equity (%)	54%	55%	33%	40%	44%
	Current Assets / Current Liabilities (Times)	2.1	3.1	5.2	4.5	4.0
4.	**Per Share (RM sen)**					
	Basic Earnings Per Share	5.50	7.72	9.25	11.09	12.59
	Net Assets Per Share	10.13	14.18	26.20	27.46	28.48
5.	**Dividends (SGD cents)**					
	Dividends Per Share	1.15	1.90	3.10	4.50	4.20*

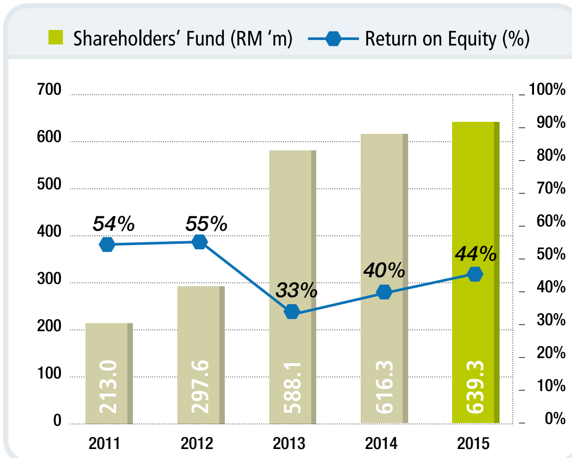
* The one for five bonus shares issued in July 2015 are entitled for the fourth and final dividend of Singapore cents 1.2 per share.

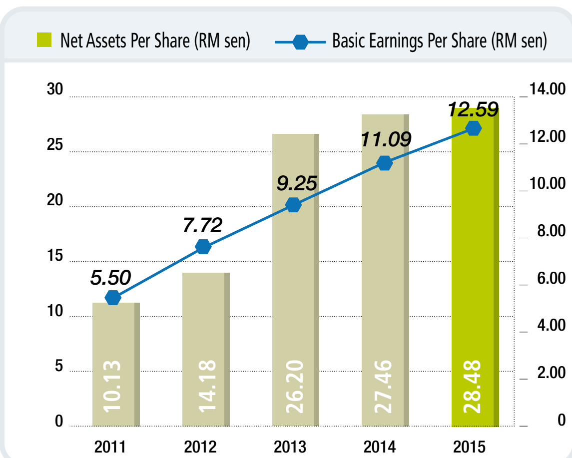
FINANCIAL HIGHLIGHTS (cont'd)

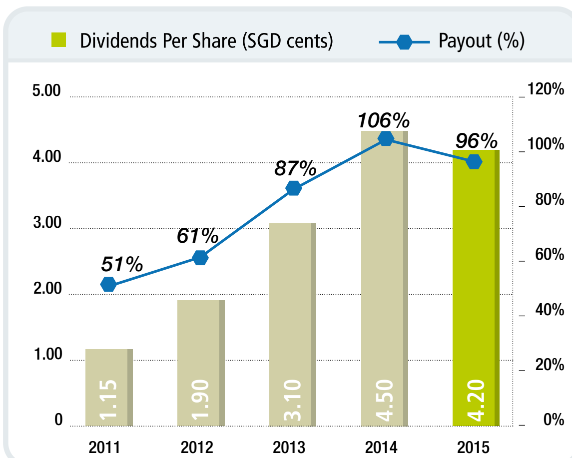













CIMB

FINANCIAL AND OPERATIONS REVIEW

> "Group's profit attributable to shareholders increased 14% to RM282.7 million. Our return on equity in FY2015 stood at 44%."

FINANCIAL PERFORMANCE REVIEW

OVERVIEW

The Group is in a dynamic growth phase of empowering its customers to compete effectively in the digital economy ecosystem. Its various acquisitions since FY2010 to broaden the suite of business enterprise software solutions and services offerings have contributed positively to its continual growth over the last five years.

In financial year 2015 ("FY2015"), the Group remained resilient under mixed economic conditions in Asia and recorded profit growth for the fifth consecutive year on the back of continued IT investments by Asian financial institutions and corporations to improve their competitive edge and meet regulatory compliances. Group revenue grew 3% to RM516.0 million and net profit attributable to shareholders rose by 14% to RM282.7 million.

During the year, Silverlake HGH Limited ("SHGH"), the Group's 51% owned joint venture, completed the takeover of 87.89% interest in Finzsoft Solutions Limited ("Finzsoft"). Finzsoft provides software and solutions to banks and financial institutions and is listed on the New Zealand Stock Exchange. The acquisition is in line with the Group's strategy to expand to new markets in Australia and New Zealand. In addition, Global InfoTech Co. Ltd. ("GIT"), the Group's associated company in China, was successfully listed on ChiNext of Shenzhen Stock Exchange.

REVENUE

The increase in group revenue to RM516.0 million was driven by higher contributions from maintenance and enhancement services as well as insurance processing. Maintenance and enhancement services recorded strong growth due to more maintenance and enhancement contracts secured in Malaysia following the completion of software implementation contracts and introduction of new regulatory compliance. The Group also delivered enhancement services to customers investing in software enhancements to improve the effectiveness of their software systems. The increase in revenue from insurance processing was boosted by the growth of motor vehicle claim insurance industry in Malaysia as well as the Group's expansion of insurance processing business into Thailand.

However, revenue from sale of non-core software and hardware products declined due to fewer large sales compared with the previous financial year. Revenue from software licensing and project services also fell with lower progressive revenue recognition on ongoing projects during the year in review. Revenue from credit and cards processing declined due to fewer enhancement contracts secured in FY2015.

PROFITABILITY

Driven by increased revenue, gross profit rose 10% to RM337.1 million. During the year, maintenance and enhancement services benefited from large enhancement contracts and recorded higher profit margin. With the change in revenue mix towards higher-margin maintenance and enhancement services, gross profit margin improved to 65%.

While interest income rose with more deposits with financial institutions at higher interest rates, other income increased significantly to RM28.7 million as a result of the accounting gain on dilution of interest in GIT upon its successful listing on Shenzhen Stock Exchange. As for expenses, higher selling and distribution expenses were incurred to support marketing and research activities. Administrative expenses increased by 35% to RM54.7 million mainly due to a RM12.2 million charge for share awards granted under the Performance Share Plan ("PSP") during the financial year. Finance costs decreased due to lower fair value adjustment on outstanding considerations payable for acquisitions. The Group's share of profits of associates and joint venture was lower at RM5.5 million due to lower contribution from GIT as well as share of losses and amortisation of intangibles of SHGH.

With the increase in gross profit and other income, moderated by the increase in selling and administrative expenses, net profit of the Group rose 14% to RM282.7 million with an improvement in net profit margin to 55% in FY2015.

FINANCIAL AND OPERATIONS REVIEW (cont'd)

FINANCIAL POSITION

The Group generated strong net cash inflow of RM305.5 million from operating activities in FY2015. The cash was mainly used to finance the tranche payment for the acquisitions of Merimen Group and Cyber Village as well as investment in Finzsoft via SHGH. In addition, the Group made payment of RM285.8 million for dividend and RM7.9 million for share buyback. As at 30 June 2015, cash and bank balances remained healthy at RM320.5 million with the Group maintaining a strong statement of financial position.

Total current assets declined to RM477.2 million as at 30 June 2015 from RM516.4 million a year earlier. Trade and related parties receivables decreased mainly due to improved collections and lower billings being raised toward the year end.

Total non-current assets increased to RM301.8 million mainly due to the investment in Finzsoft. The increase in carrying value of investment in associates resulted from the accounting gain on dilution of interest in GIT upon its successful listing on the Shenzhen Stock Exchange also contributed to the increase in non-current assets. As a result, total assets increased to RM779.0 million as at 30 June 2015 from RM766.7 million a year earlier.

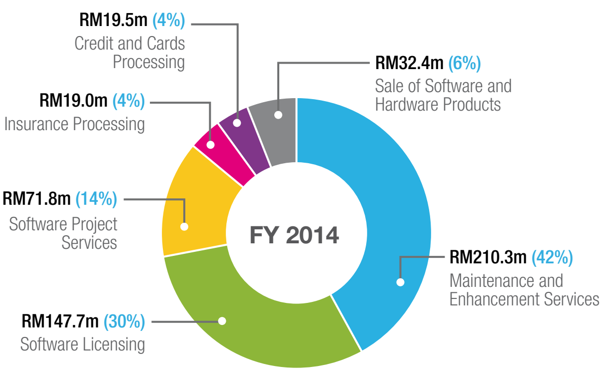
Total liabilities reduced to RM139.6 million as at 30 June 2015 from RM150.4 million a year earlier, a reduction of RM10.8 million mainly due to payments for the acquisitions of Merimen Group and Cyber Village. With the increase in total assets and decrease in total liabilities, net assets grew to RM639.3 million as at 30 June 2015 compared with RM616.3 million a year earlier.

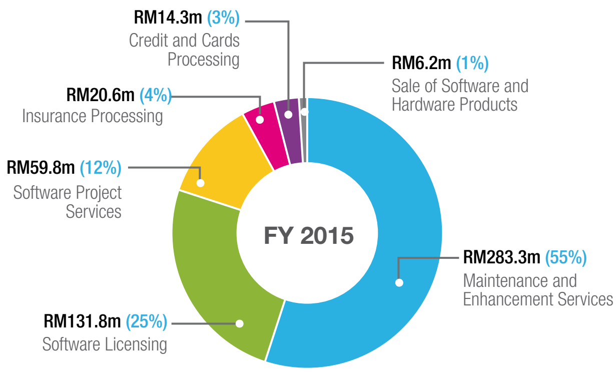
OPERATIONS REVIEW

The Group is a leading provider of digital economy solutions and services to the Banking, Insurance, Payment, Retail and Logistics industries. The Group's Silverlake Axis Software and Services Solutions deliver operational excellence and enable business transformations at over 150 organisations across Asia, including 40% of the largest banks in South East Asia.

The Group's revenue contribution, in the order of their percentage contribution to total revenue in FY2015, are (i) Maintenance and Enhancement Services, (ii) Software Licensing, (iii) Software Project Services, (iv) Insurance Processing, (v) Credit and Cards Processing and (vi) Sale of Software and Hardware Products.

REVENUE BY BUSINESS ACTIVITIES





MAINTENANCE AND ENHANCEMENT SERVICES

The maintenance and enhancement services business focuses on providing round-the-clock software support services and software enhancement services to customers to ensure the smooth running of their business operations and helping them to deliver new capabilities to achieve business excellence.

In FY2015, maintenance and enhancement services remained the key revenue contributor and provided the Group with a stable and steadily growing recurring revenue stream. Revenue from maintenance and enhancement services increased 35% to RM283.3 million and accounted for 55% of total revenue. The improvement was mainly attributed to new maintenance contracts secured following the completion of software implementation contracts and winning major enhancement contracts for compliance in response to new regulatory requirements.

Geographically, new maintenance contracts commenced in Malaysia, Indonesia and Sri Lanka following the completion of software implementation contracts. Enhancement contracts were secured from existing customers in Malaysia, Singapore, Thailand and Indonesia to improve the effectiveness of their system as well as to comply with new regulatory requirements.

FINANCIAL AND OPERATIONS REVIEW (cont'd)

SOFTWARE LICENSING

The software licensing business focuses on providing digital economy solutions to corporations in the banking and financial services, retail and logistics industries. The Group's main products include Silverlake Axis Integrated Banking Solution (SIBS), Silverlake Axis Integrated Islamic Banking Solution (SIIBS), Silverlake Axis Integrated Provident Fund System (SIPFS), Silverlake Axis Cards System (SCS), Silverlake Axis Retail Merchandising System (PROFIT), Silverlake Axis Enterprise Payment Platform and Cyber Village Converged Internet and Mobile Platform.

Revenue from the Group's second largest contributor, software licensing, accounted for 25% of total revenue in FY2015 and was 11% lower compared with the last financial year. The decrease in software licensing revenue was attributed to the completion of software licensing contracts secured in previous years and lower value software licensing contracts delivered in FY2015. Further revenue recognition is expected to take place in the next financial year with the progressive delivery of new and ongoing software licensing contracts secured from customers in Singapore, Brunei and Indonesia in FY2015.

SOFTWARE PROJECT SERVICES

The software project services business focuses on providing implementation services to deliver end-to-end core banking, payment and retail solutions to our customers.

Revenue from software project services declined 17% to RM59.8 million in FY2015. During the year, the Group was kept busy with go-lives of projects in Ghana, Africa, the final stage of CIMB 1Platform project and an Islamic banking software project in Malaysia.

In FY2015, the Group secured two new SIBS software implementation services contracts from CIMB Niaga and Maybank Singapore as well as a new SIPFS project in Brunei. Initial work has commenced on existing and new software implementation service contracts with some revenue recognised in FY2015. As work on these contracts continues, revenue will be progressively recognised in the current and subsequent financial year.

INSURANCE PROCESSING

The insurance processing business, undertaken by Merimen Group, focuses on providing cloud computing Software as a Service (SaaS) platform for policy origination and claim processing for the insurance industry.

In FY2015, Merimen recorded higher recurring revenue due to increased adoption of its SaaS solutions for both claim management and policy administration by South East Asian insurance companies. With an increase in the recurrent revenue base following expansion of business activities into Thailand, Merimen contributed RM20.6 million to Group revenue. Going forward, Merimen will grow its ASEAN presence by establishing new offices in Bangkok, Manila and Ho Chi Minh.

CREDIT AND CARDS PROCESSING

The credit and cards processing business, undertaken by Silverlake Japan, the Group's wholly-owned subsidiary in Japan, focuses on providing the full scale processing of a wide range of credit cards and other credit products on an outsourcing basis.

Revenue contribution from Silverlake Japan decreased from JPY597.4 million to JPY469.6 million due to lower enhancement contracts secured in FY2015. Silverlake Japan expects new revenues from cross-border outsourcing from Japanese card issuers as they expand into the ASEAN markets from FY2016.

SALE OF SOFTWARE AND HARDWARE PRODUCTS

The software and hardware products business focuses on providing integrated business solutions to customers who require bundled solutions to meet their software and hardware needs. The Group is an authorized reseller of IBM hardware in Malaysia.

The Group recorded five large sales of hardware products related to software implementation services contracts with banks in Malaysia and Sri Lanka in FY2014. As there was only a major sale of hardware product related to a newly secured software implementation service contract with a bank in Brunei for the period under review, revenue from sale of software and hardware products declined 81% to RM6.2 million in FY2015.

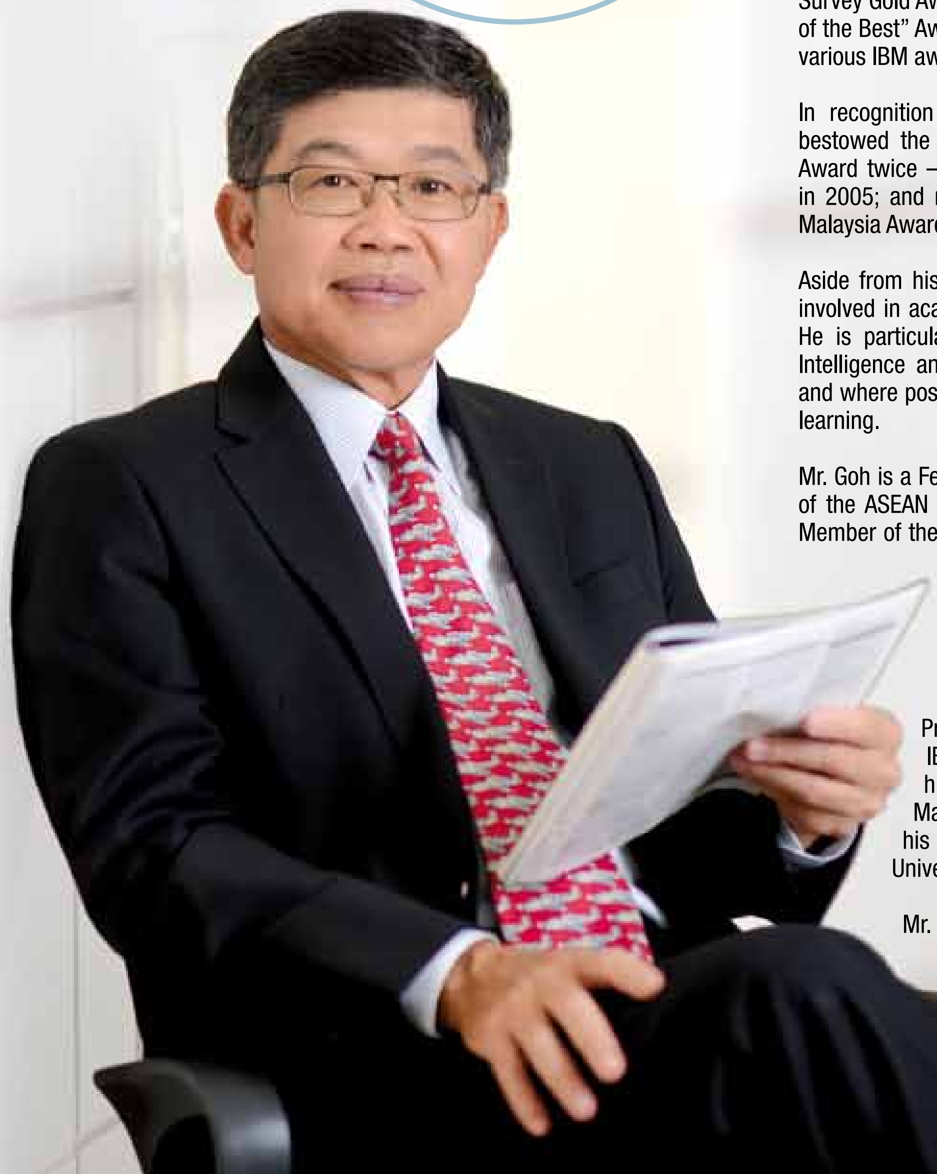
BOARD OF DIRECTORS

GOH PENG OOI

Group Executive Chairman

Member of Nominating Committee

First appointment as a director:
23 August 2002
Last re-election as a director:
25 October 2013



Mr. Goh was appointed Group Executive Chairman on 23 May 2006. Prior to that, he was Non-Executive Chairman since 2002.

Mr. Goh founded Silverlake in 1989, and through his foresight on the future of technology demands of the Banking industry, he has built Silverlake Group to be a leading provider of state-of-the-art universal banking solutions, with presence in over 20 countries across Asia Pacific, Middle East and Africa. Through Mr. Goh's vision, the Group has won various significant awards throughout the past 25 years including The Asian Banker Vendor Satisfaction Survey Gold Award 2014, Forbes Asia's "Best Under A Billion – Best of the Best" Award in 2013, and industry recognitions including the various IBM awards.

In recognition of his entrepreneurial excellence, Mr. Goh was bestowed the Ernst & Young Entrepreneur of the Year Malaysia Award twice – the Technology Entrepreneur of the Year Malaysia in 2005; and more recently the Master Entrepreneur of the Year Malaysia Award in 2014.

Aside from his professional achievements, Mr. Goh is very much involved in academics – particularly in Science and Mathematics. He is particularly interested in the research of the Science of Intelligence and its application to Human Actions and Economy, and where possible enjoys giving talks in various schools of higher learning.

Mr. Goh is a Fellow of the Academy of Sciences Malaysia, a Fellow of the ASEAN Academy of Engineering and Technology (AAET), a Member of the ASM Science and Technology and Industry Linkage Committee, an adviser of the ACCCIM Science, Technology and Innovations Committee, sits on the Board of Governors for IACT College Malaysia and is an Industry Advisor of the Faculty of Engineering and Science in Universiti Tunku Abdul Rahman.

Prior to forming Silverlake Group, Mr. Goh worked with IBM Malaysia. He held several senior positions over his 9 years career at IBM, his last being Marketing Manager for Banking and Finance Industry. He obtained his Bachelor of Engineering (Major in Electronics) at the University of Tokyo on a Mombusho Scholarship in 1980.

Mr. Goh currently holds directorships in a number of his private investment companies. He does not hold any directorships in other listed companies.

BOARD OF DIRECTORS (cont'd)

DR. KWONG YONG SIN

Chief Executive Officer &
Group Managing Director

First appointment as a director:
20 August 2004

Dr. Kwong was appointed Group Managing Director on 1 November 2005. Prior to that, he was the Non-Executive Director from 20 August 2004.

Dr. Kwong was the Managing Director of Silverlake Corporation and Connectif Commerce Sdn Bhd (both were under Silverlake Group) from 2001 to December 2003 and October 2005 respectively, where he led the successful implementation of several key SIBS customer transformation projects. Prior to joining the Silverlake Group, he was a Partner/Vice President of Ernst & Young Global Consulting and Cap Gemini Ernst & Young for 11 years from 1989 to 2000. He was the Senior Manager and Head of IT Consulting for Coopers & Lybrand (South East Asia) from 1984 to 1989. He started his professional career as a Senior Systems Analyst for Pacific Power (Australia) from 1979 to 1983.

Dr. Kwong has over 35 years of experience in Information Technology, Business Transformation and Solution Implementation in Financial Services, Utilities and Technology Industries. He has a Bachelor of Commerce (Honours) from the University of New South Wales (Australia) and Ph.D in Information Systems. He is a Certified Practicing Accountant (Australia).

He was appointed the Non-Executive Director of Global InfoTech Co. Ltd, an associate company of Silverlake Axis Ltd on 7 August 2008. He was also appointed the Non-Executive Director of Finzsoft Solutions Limited, a subsidiary of a joint venture of Silverlake Axis Ltd on 20 April 2015. Finzsoft Solutions Limited is listed on the New Zealand Stock Exchange and Global InfoTech Co. Ltd is listed on the ChiNext of the Shenzhen Stock Exchange.

BOARD OF DIRECTORS (cont'd)

ONG KIAN MIN

Independent Non-Executive Director
Chairman of Audit Committee
Chairman of Nominating Committee
Member of Remuneration Committee

First appointment as a director:
9 January 2003
Last re-election as a director:
27 October 2014

Mr. Ong was called to the Bar of England and Wales in 1988, and to the Singapore Bar the following year. In his more than 20 years of legal practice, he focused on corporate and commercial law, such as mergers and acquisitions, joint ventures, IPOs and corporate finance. Mr. Ong was awarded the President's Scholarship and Singapore Police Force Scholarship in 1979, and holds a Bachelor of Laws (Honours) external degree from the University of London and a Bachelor of Science (Honours) degree from the Imperial College of Science & Technology in England. Mr. Ong was an elected Member of the Singapore Parliament from 1997 to 2011.

In addition to practicing as consultant with Drew & Napier LLC, a Singapore law firm, Mr. Ong is also a senior advisor with Alpha Advisory Pte. Ltd., an independent financial and corporate advisory firm. He is also Non-Executive Chairman of Hupsteel Ltd and independent Non-Executive Director of BreadTalk Group Limited, Food Empire Holdings Limited, GMG Global Ltd, Jaya Holdings Limited, OUE Hospitality REIT Management Pte Ltd and Penguin International Ltd.

BOARD OF DIRECTORS (cont'd)

YBHG. TAN SRI
DATO' DR. LIN SEE-YAN

Independent Non-Executive Director

Chairman of Remuneration Committee
Member of Audit Committee
Member of Nominating Committee

First appointment as a director:
9 January 2003
Last re-election as a director:
25 October 2013
Due for re-election as a director:
26 October 2015

Tan Sri Dato' Dr. Lin is currently an independent strategic and financial consultant. Prior to 1998, he was Chairman and Chief Executive Officer of the Pacific Bank Group and for 14 years previously, Deputy Governor of Bank Negara Malaysia (Central Bank of Malaysia). Tan Sri Dato' Dr. Lin is a British Chartered Scientist and a UK Chartered Statistician. He holds 3 post-graduate degrees from Harvard University (including a Ph.D in Economics) where he was a Mason Fellow and Ford Scholar. He is an Eisenhower Fellow and Fellow of the IMF Institute in Washington D.C., the Royal Statistical Society in London, the Institute of Bankers Malaysia, the Malaysia Insurance Institute, the Malaysian Institute of Management, and the Malaysia Economic Association. He is also a Distinguished Fellow of the Institute of Strategic and International Studies in Malaysia. He was a former director of The Straits Trading Company Limited (now an Adviser), Great Eastern Holdings Ltd, Overseas Assurance Corporation Ltd and F&N Holding Ltd in the preceding three years.

Tan Sri Dato' Dr. Lin is currently a member of the Prime Minister's Economic Council Working Group, Member, Competition Appeal Tribunal and Governor of the Asian Institute of Management in Manila as well as Director of Monash University Malaysia Sdn Bhd and of Sunway University. He sits on the Boards of Ancom Berhad, Genting Berhad, Wah Seong Corporation Berhad, IGB REIT Management Sdn Bhd, Sunway Berhad and a number of private companies in Malaysia, Singapore and Indonesia. He is Chairman Emeritus of Harvard University's Graduate School Alumni Association Council in Cambridge (USA) and President of the Harvard Club of Malaysia. He is also Pro-Chancellor & Research Professor at Sunway University and Professor of Economics (Adjunct) at Universiti Utara.

BOARD OF DIRECTORS (cont'd)

LIM KOK MIN

Independent Non-Executive Director
Member of Audit Committee
Member of Remuneration Committee
Member of Nominating Committee

First appointment as a director:
15 June 2006
Last re-election as a director:
29 October 2012
Due for re-election as a director:
26 October 2015

Mr. Lim has more than 45 years of extensive senior management and over 30 years of board experience in the Asia-Pacific region. Mr. Lim is an Economics Honours graduate from University of Malaya. He is the immediate past Chairman of Gas Supply Pte Ltd, the Singapore Institute of Directors, Building and Construction Authority and Senoko Power Limited. He was the Executive Deputy Chairman of LMA International NV until end of December 2010, Deputy Chairman of NTUC FairPrice Cooperative until end of September 2011 and Vice Chairman of the Singapore Institute of Management until May 2012. He was previously Managing Director of Pan-United Corporation Limited, JC-MPH Ltd and Chief Executive Officer of Cold Storage Holding Limited. He was also a former member of the Securities Industry Council, the Corporate Governance Council, and a former director/Council Member of both the Singapore International Chamber of Commerce and the Singapore Confederation of Industries. He is the Past Chairman of the OECD Asian Network on Corporate Governance for State Owned Enterprises and was a member of the Singapore Companies Act Review Committee.

Mr. Lim is currently the Chairman and a member of its Audit Committee of IREIT Global Group Pte Ltd. He is also the Chairman of Boustead Projects Limited, Chairman of its Audit Committee and a member of its Nominations Committee and its Remuneration Committee. He is a board member of several private companies.

BOARD OF DIRECTORS (cont'd)

YBHG. DATUK SULAIMAN BIN DAUD

Non-Executive Director

Member of Nominating Committee

First appointment as a director:
9 January 2003
Last re-election as a director:
27 October 2014

Datuk Sulaiman started his career with Malaysian Tobacco Company Berhad (now British American Tobacco Company Berhad) in 1968 and was the Deputy Chief Executive/Executive Director when he left in 1992. He was a Director of the Agricultural Bank of Malaysia for 2 years and later became the Chairman for the bank for 8 years. Under his stewardship, the Bank was transformed into a corporatised entity, today known as AGRO Bank. He was the Chairman of Ranhill Power Berhad, Director of Pharmaniaga Berhad and Malaysia Nasional Insurance Berhad. He has served on the board of Universiti Putra Malaysia. He has also served as Director of Universiti Malaysia Sabah Link Holdings Berhad and Chairman of its Agro subsidiary. Datuk Sulaiman has a Diploma in Agriculture from Universiti Putra Malaysia and Master of Business Administration from IMC Buckingham, United Kingdom. He is also an Advanced Management Graduate of Stanford-Insead in Fontainebleau, France.

Datuk Sulaiman is currently the Chairman, member of Audit Committee and Chairman of Nomination Committee of Malaysia Packaging Industry Berhad. He is a Director, Chairman of Audit Committee as well as Chairman of Nomination and Remuneration Committee of Konsortium Transnasional Berhad. He is a Director, Chairman of Audit Committee and member of Nomination and ESOS Committee of Tadmax Resources Berhad. He is also Chairman and Director of a number of private companies in Malaysia and abroad in various industries. He now spends a considerable part of his time seeking and developing business prospects in Asean and the Middle East.

BOARD OF DIRECTORS (cont'd)

TAN SRI DATO' DR. MOHD MUNIR BIN ABDUL MAJID

Independent Non-Executive Director

Member of Audit Committee

Member of Nominating Committee

First appointment as a director:
1 June 2015

Due for re-election as a director:
26 October 2015

Tan Sri Dato' Dr. Mohd Munir returned from his studies and work experience in the UK as a university tutor and research analyst in the City of London at the end of 1978, and started work in Malaysia as leader writer for the New Straits Times. He progressed to the position of Group Editor before leaving in 1986 to become Chief Executive Officer of a small merchant bank - Pertanian Baring Sanwa, whose name changed to Commerce International Merchant Bankers (CIMB), which was then transformed into one of Malaysia's leading merchant banks. In 1993, he was invited by the Government of Malaysia to establish the Securities Commission, where he served as founding Executive Chairman for two terms until 1999. He was instrumental in shaping the legal and regulatory framework of the capital markets in Malaysia, particularly in establishing disclosure-based regulation. He was also responsible for drafting the country's first code of corporate governance in the aftermath of the Asian Financial Crisis of 1997-98. He was the Chairman of the Emerging Markets Committee of the International Organisation of Securities Commissions during his term at Malaysia's Securities Commission. After leaving the Securities Commission, he became Independent Non-Executive Director of Telekom Malaysia Berhad, Chairman of Celcom (Malaysia) Berhad and Non-Executive Chairman of Malaysian Airline System Berhad.

He was Founder President of the Kuala Lumpur Business Club, established in 2003 and is a member of the Court of Fellows of the Malaysian Institute of Management. He is currently Chairman of Bank Muamalat Malaysia Berhad, CIMB Asean Research Institute and the Asean Business Advisory Council, as well as President of the Asean Business Club. He also sits on the board of the Institute of Strategic and International Studies (ISIS) Malaysia and on the Financial Services Talent Council of Bank Negara Malaysia.

Tan Sri Dato' Dr. Mohd Munir obtained a B.Sc (Econ) and Ph.D in international relations from the London School of Economic and Political Science (LSE) in 1971 and 1978. He is an Honorary Fellow of LSE and continues the long association with his alma mater as Visiting Senior Fellow at the Centre of International affairs, Diplomacy and Strategy.

BOARD OF DIRECTORS (cont'd)

YAU AH LAN @ FARA YVONNE (A.K.A DATUK YVONNE CHIA)

Independent Non-Executive Director
Member of Remuneration Committee
Member of Nominating Committee

First appointment as a director:
1 June 2015
Due for re-election as a director:
26 October 2015

Datuk Yvonne Chia has over 30 years' experience in the financial services industry, having held leading positions in both foreign and local banks in the region. She started her career in Bank of America and has held various management roles in Asia. Until June 2013, she was the Group Managing Director/ Chief Executive of Hong Leong Bank Berhad (2003-2013) with offices in China, Vietnam, Hong Kong and Singapore as well as Chief Executive of RHB Bank Berhad (1996-2002). She holds a Bachelor of Economics (Honours) from University Malaya. She is also a Certified Risk Professional (CRP) and a Fellow of Asian Institute of Chartered Bankers (formerly known as Institute Banks Malaysia).

Datuk Yvonne Chia is currently a Non-Executive Independent Director of Astro Malaysia Holdings Berhad and Shell Refining Company (Federation of Malaya) Berhad (listed on Bursa Malaysia Berhad). In addition, she is on the Board of Trustees for Pemandu Corporation, Prime Minister's Office and a Trustee for Teach for Malaysia. She is also Director of a number of private companies in Malaysia.

BOARD OF DIRECTORS (cont'd)

GOH SHIOU LING

Non-Executive Director

Member of Nominating Committee

First appointment as a director:
1 June 2015
Due for re-election as a director:
26 October 2015

Ms. Goh spent 12 years in the United States and returned to joined Silverlake Group in 2014.

In her current role, Ms. Goh participates in the evaluation of investment opportunities as well as in a wide range of corporate initiatives. Over the past 12 months, she has contributed to the strategic new acquisitions to enhance the Group's Digital Economy offerings. She is also spearheading several corporate initiatives focusing on growth and value creation.

Prior to Silverlake, Ms. Goh worked at Cornerstone Research, a leading U.S. based economic consulting firm which provides analytical support and expert testimony in complex litigation and regulatory proceedings. As an economic consultant, she analysed litigation cases involving market manipulation in the Financial Services, Energy and Commodities sectors. She also conducted investment decisions analysis involving complex foreign tax, auction rate securities and mortgage backed securities. The analysis produced were used to backup testifying experts' reports for large litigation cases involving class-action lawsuits, U.S. Futures Commodity Trading Commission, Securities Exchange Commission and Department of Justice.

Ms. Goh graduated from Duke University in 2010 and holds a Bachelor Degree in Economics and Mathematics (Dean's List).


VALUED CUSTOMER
BIRD OF PARADI
Sub-Total
Rounding
Total
GET
RM
5
AEON
FRENCH BRANDED COOKWARE
Creamer
Krimer Manis
AEON
VISA
AEON

QRRA, a subsidiary of Silverlake Axis Limited, implements PROFIT for Aeon Co. (M) Bhd, transforming the way they manage their day-to-day retail operation needs

Find out more at www.silverlakeaxis.com

"We value our partnership with QRRA since 2003 and acknowledge QRRA's excellent contribution and support through the sharing of their experiences, good practices and expertise to transform AEON's business operations process."

Kenji Hiramatsu
GM of IT & SCM (AEON Malaysia)

MANAGEMENT TEAM

From left to right:

- Mary Yau Siew Moi
- Wong Yok Koon
- Lee Cheen Siong
- Shieh Yee Bing
- Hidetoshi Neda
- Jean Aw Peng Mei
- Sua Shii Huey
- Fabian Lum Wai Kit
- Goh Peng Ooi
- Trevor Lok Theng Hey
- Dr. Kwong Yong Sin
- Yew Yee Ming
- Hoong Lai Ling
- Lau Siow Ling
- Tok Meng Geok
- Andrew Ooi Su Jin

MANAGEMENT TEAM (cont'd)

WONG YOK KOON

Senior EVP, SIBS Core Solutions

Ms. Wong is one of the pioneer employees and was instrumental in driving the Group's core banking solution portfolio growth. She has over 26 years of experience in core banking development and deployment at major regional and local financial institutions. Today, she continues to be responsible for core product development of Silverlake Axis Integrated Banking Solution (SIBS) particularly in cards and payments, and works with customers in their digital economy transformation.

MARY YAU SIEW MOI

Senior EVP, SIBS Core Solutions

Ms. Yau has been a key driver in the Group's growth over the past 26 years and is one of the pioneer employees. Under her leadership, she has grown and enriched the capabilities of the core banking solution portfolio particularly in lending solutions. She is currently responsible for core product development of Silverlake Axis Integrated Banking Solution (SIBS) and works collaboratively with other entities within the Group to offer digital transformation propositions to customers.

LAU SIOW LING

Senior EVP, Structured Services

Ms. Lau has 29 years of IT industry experience in sales, marketing and operations, spending 16 years in IBM Malaysia before joining the Group. She was previously the IBM iSeries Country Manager. She is currently responsible for the Silverlake Axis Integrated Banking Solution (SIBS) Application Maintenance and Enhancement business, whereby she engages with our clients in ensuring the smooth running of their daily business operations and keeping up with the dynamic industry changes. She holds a degree in Computer Science from the University of Louisiana, USA.

MANAGEMENT TEAM (cont'd)

HOONG LAI LING

Senior EVP, Administration and Finance

Ms. Hoong is responsible for overseeing the Group's financial and administrative functions. She has 24 years of experience in auditing and financial managerial positions. She is a qualified accountant from the Malaysian Institute of Certified Public Accountants and was trained in Pricewaterhouse Malaysia. Prior to her current role, she was an accountant at Silverlake System from 1996 to 2002. She is also a member of the Malaysian Institute of Accountants.

JEAN AW PENG MEI

Senior EVP, Digital Enterprise Solutions

Ms. Aw is responsible for driving the Group's digital enterprise strategy by combining and creating digital solution propositions from our core and acquired businesses. She joined the Group in 2014 and brings 26 years of experience in business and technology transformation of a number of global, regional and local banks. Prior to her current role, she was Vice President at OCBC Bank and was previously Director at Ernst & Young Advisory Services. She is a Computer Science graduate from the Royal Melbourne Institute of Technology, Australia.

FABIAN LUM WAI KIT

Senior EVP, Digital Financial Services

Mr. Lum joins the Group in 2015 with 18 years of banking experience spanning wealth management products, delivery, digital marketing and core banking user leadership roles. In Silverlake Axis, he will drive digital financial services in insurance, banking and payments, and chart collaborations harnessing new platforms and digital disruptions. Mr. Lum joins us after 18 years running different leadership roles in OCBC Bank Singapore, and he started his career in marketing with Procter & Gamble. He has a Master of Business Administration and a Bachelor's Degree in Economics and Mass Communication from the National University of Singapore.

MANAGEMENT TEAM (cont'd)

LEE CHEEN SIONG
EVP, SIBS Channel Solutions

Mr. Lee has been with the Group since 1995 focusing on the development and implementation of Branch Delivery and Channels Solutions at major regional and local financial institutions. Today, his focus is on product development to empower mobility in the SIBS channel solutions. He was appointed EVP in June 2012. Prior to his current role, he was the country manager for Silverlake Axis in Beijing, China. Mr. Lee has 19 years of experience in the banking software industry. He graduated with an Information Systems degree from Campbell University, Malaysia.

HIDETOSHI NEDA
Managing Director, Silverlake Japan Ltd

Mr. Neda is responsible for the growth and expansion of Silverlake Axis Group's business in Japan and joined the Group in 2009. In his 24 years of experience in the Credit Card and Retail Banking industries, he played a lead role in the Japan credit card market by developing new credit card products, payment products and services. These business products were successfully implemented in MasterCard, Citibank N.A., Shinsei Bank, Tokyo Star Bank and SBI Group. He holds a Law degree from Hokkaido University, Japan.

YEW YEE MING
Senior EVP, QR Retail Automation (Asia) Sdn Bhd

Mr. Yew has 25 years of work experience in the retail industry covering software development, implementation, retail industry application consulting, project management and account management. Since joining QR in 1995, he has contributed to the growth of the business by driving the implementation of the QR Retail Automation solution "PROFIT" across China, Taiwan, Singapore, Vietnam, Cambodia, Indonesia and Philippines. Currently, he is the senior executive in charge of projects and consulting as well as business development with large ASEAN retail groups. With his qualification in Computer Studies, he began his career in the retail industry as an analyst programmer in Parkson Corporation, Malaysia.

MANAGEMENT TEAM (cont'd)

TOK MENG GEOK
Senior EVP, Isis Group

Ms. Tok started her career at Isis and today, she is the key person in charge of design and development of all Isis integration and payment solutions. She is also responsible for project services operations to deliver new systems as well as to maintain and enhance the installed systems at customer sites. She has over 26 years of experience in banking technologies, system integration and project management. She graduated with a Bachelor of Science (Computer Science) degree from the National University of Singapore.

TREVOR LOK THENG HEY
Chief Executive Officer, Merimen Group

Mr. Lok is one of the pioneer employees of Merimen since 2002 and played an instrumental role in its early success. He is currently responsible for the overall strategy and operations of Merimen's business and leading Merimen's business development and expansion. Before assuming his current role in 2013, he actively led the development of Merimen's insurance policy solutions. He has over 13 years of experience in insurance solutions and services industry. He holds the Highest Honors Degree in Physics and Mathematics from the University of Texas at Austin, USA. He was a Research Fellow at Princeton University, USA and a Physics Doctoral Candidate and Research Fellow at Caltech, USA.

ANDREW OOI SU JIN
Chief Technology Officer, Merimen Group

Mr. Ooi is responsible for the technical framework in which all Merimen solutions are built upon since the founding years. He assumed the role of Chief Technology Officer in 2013. Prior to Merimen, he worked as a Software Engineer in Sunway Workflow Automation (SWA), and was involved in the design and development of insurance automation systems. He has over 16 years of experience in insurance claim solution and services industry. He graduated from Cambridge University, United Kingdom with a Bachelor Degree in Computing.

MANAGEMENT TEAM (cont'd)

SUA SHII HUEY

Director, Cyber Village Sdn Bhd

Ms. Sua joined Cyber Village in its founding years. She has more than 19 years business development and project management experience, specialising in e-commerce implementations and managing small to large enterprise scale e-business projects. Prior to Cyber Village, she was part of the team which set up the first image bank/ stock photo company in Malaysia – Ultra Dimension and successfully signed up stock photo agencies in Singapore, Hong Kong and China. She has a Bachelor Degree in Information Technology from Charles Sturt University, Australia.

SHIEH YEE BING

Director, Cyber Village Sdn Bhd

Ms. Shieh is one of the pioneer employees of Cyber Village since 2000. She focuses on Cyber Village's large enterprise scale projects and development of key banking accounts. Today, besides overseeing Cyber Village's day to day operations, she also leads product development with special focus on portal and internet mobile financial self-service solutions. She has over 19 years of experience in e-business projects across financial services, logistics, and education industries. She holds a Bachelor of Arts (Hons) from the National University of Singapore.


HARTA

merimen

Merimen, a subsidiary of Silverlake Axis Limited, delivers eSourcing for PT Asuransi Harta Aman Pratama Tbk, enabling them to successfully implement Direct Parts Procurement in Indonesia

Find out more at www.silverlakeaxis.com

"Use of Merimen's eClaims and eSourcing were game-changers for us. The technology helped boost efficiency and productivity but also reduced our costs, enabling us to stay competitive in this rapidly changing economy"

Sutjianta
Director / Corporate Secretary

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Silverlake Axis Ltd (the "Board") recognises the importance of good corporate governance in ensuring greater transparency, protecting the interests of its shareholders as well as strengthening investors' confidence in its management and financial reporting and is committed to maintaining a high standard of corporate governance within the Group. Processes and procedures have been instituted and are being constantly reviewed and revised to ensure effective corporate governance.

This report outlines the Company's corporate governance practices that were in place during the financial year ended 30 June 2015. The Board is pleased to report that the Company has complied with the principles and guidelines as set out in the Code of Corporate Governance 2012 (the "Code") and Mainboard Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") (the "Listing Manual") except where otherwise stated.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

The primary function of the Board is to protect and enhance long-term shareholders' value. It provides entrepreneurial leadership and sets overall directions, strategies, values and standards for the Group to ensure the Group's strategies and affairs are in the interests of the Company and its stakeholders.

The Board's approval is required for matters such as strategic plans and performance reviews, financial plans, major investments and funding proposals, major corporate policies on key areas of operations, share issuance, dividends and other returns to shareholders and approval of interested person transactions. The Board also approves financial results for release to the SGX-ST and approval of the annual report and audited financial statements. In addition, the Board's approval is required for transactions exceeding the threshold limits delegated to Management.

To facilitate the Board in the execution of its duties and to enhance the effectiveness of the Board, the Board delegates authority to the Audit Committee ("AC"), Remuneration Committee ("RC") and Nominating Committee ("NC"), without abdicating its responsibility. Each Board Committee has written terms of reference, which clearly set out its respective authority and duties.

The Board meets regularly throughout the year on a quarterly basis and additional meetings are convened as and when necessary. In lieu of physical meetings, written resolutions are circulated for approval by the Directors. The Company's Articles of Association allow Board meetings to be conducted by way of teleconferencing. The number of Board meetings held in the financial year and the attendance of Directors at the meetings are as follows:

	Board of Directors		Audit Committee		Remuneration Committee		Nominating Committee	
Name	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Goh Peng Ooi	4	4	-	-	-	-	2	2
Dr. Kwong Yong Sin	4	4	-	-	-	-	-	-
Ong Kian Min	4	4	4	4	2	2	2	2
YBhg. Tan Sri Dato' Dr. Lin See-Yan	4	4	4	4	2	2	2	2
Lim Kok Min	4	4	4	4	2	2	2	2

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 1: The Board's Conduct of Affairs (cont'd)

The number of Board meetings held in the financial year and the attendance of Directors at the meetings are as follows: (cont'd)

Name	Board of Directors		Audit Committee		Remuneration Committee		Nominating Committee	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
YBhg. Datuk Sulaiman bin Daud	4	4	-	-	-	-	2	2
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid[(1)]	4	0	4	0	-	-	2	0
Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia)[(2)]	4	0	-	-	2	0	2	0
Goh Shiou Ling[(3)]	4	0	-	-	-	-	2	0

(1) Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid was appointed as an Independent Non-Executive Director with effect from 1 June 2015 and was appointed on the same day as a member of the Audit Committee and Nominating Committee.

(2) Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) was appointed as an Independent Non-Executive Director with effect from 1 June 2015 and was appointed on the same day as a member of the Remuneration Committee and Nominating Committee.

(3) Ms. Goh Shiou Ling was appointed as a Non-Executive and Non-Independent Director with effect from 1 June 2015 and was appointed on the same day as a member of the Nominating Committee.

All Directors objectively discharge their duties and responsibilities at all times and take decisions in the interests of the Company. Newly appointed directors are provided with formal letter setting out the director's duties and obligations and are briefed on the Group's business, strategic direction and policies and governance practices.

All Directors are updated regularly on changes in relevant regulations and updates on industry trends and issues. In addition, Directors are updated regularly on trainings available in areas such as legal and governance. The Company is responsible for the funding of these trainings. During the financial year, the Company has arranged and funded appropriate trainings organised by the Singapore Institute of Directors.

Principle 2: Board Composition and Guidance

There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board comprises nine members, of which two are Executive Directors, two Non-Executive Directors and five Independent Non-Executive Directors. Key information regarding the Directors are set out under the Board of Directors' profile section of this annual report.

The NC regularly reviews the size and composition of the Board and Board Committees and the skills and core competencies of its members to ensure an appropriate balance of skills, experience, gender and knowledge of the Company. With effect from 1 June 2015, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) and Ms. Goh Shiou Ling were appointed as Directors of the Company. The Board considers that its current Directors represent a mix of industry knowledge, business network, extensive business and management experience, and collectively possess the necessary core competencies for effective functioning and decision making.

The Board is of the view that taking into account the nature and scope of the Company's operations, the current board size of nine Directors is appropriate. The Board believes that the current composition and size provides sufficient diversity without interfering with efficient decision making.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 2: Board Composition and Guidance (cont'd)

The NC reviews the independence of each Independent Director annually and as and when circumstances require, based on the criteria for independence as defined in the Code and any other factors which would deem a director to be not independent. No NC member is involved in the deliberation in respect of his independence. The NC is of the view that the Board has a strong independent element, with Independent Directors making up half of the Board.

The Board also recognises that Independent Directors may over time develop significant insights in the Group's business, and can continue to provide significant and valuable contribution objectively to the Board. When there are such directors, the Board rigorously reviews their continuing contribution and independence of character and judgement in discharging their duties objectively. Based on the above, the NC and Board have reviewed and determined that three Directors, Mr. Ong Kian Min, YBhg. Tan Sri Dato' Dr. Lin See-Yan and Mr. Lim Kok Min, who have served as Independent Non-Executive Directors of the Company for more than nine years from their respective date of first appointment to the Board, continue to be considered independent directors.

To-date, none of the Independent Directors of the Company has been appointed as a Director of the Company's principal subsidiaries. The Board is of the view that the current Board structure in the principal subsidiaries is well organised and constituted. The Board and the Management will from time to time review the Board structure of the principal subsidiaries and will make appropriate changes when required, including the appointment of Independent Directors to the board of such principal subsidiaries.

Principle 3: Role of Chairman and Managing Director

There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

Mr. Goh Peng Ooi is the Group's Executive Chairman and Dr. Kwong Yong Sin is the Group's Managing Director. The respective roles of Chairman and Group Managing Director are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The Chairman assumes responsibility for the management of the Board while the Managing Director takes responsibility for the implementation of board decisions and for all operational matters in the Group. The Chairman leads the Board and is responsible for ensuring effectiveness of the Board and its governance processes and relations with the Management. The Chairman sets the agenda and ensures Directors are provided with accurate and timely information for effective deliberations and decision making. Mr. Goh and Dr. Kwong are not related.

The Board is of the view that the separation of the role of the Chairman and that of the Managing Director and the chairing of the AC, NC and RC by Independent Directors ensures sufficient balance of power and authority in the Board. The Board is therefore of the view that, although the Chairman and the Managing Director are both part of management, it is not necessary at present to appoint a lead independent director as the independent directors, who form half of the Board, are able to ensure objectivity and independence in the Board's deliberations and decisions.

Principle 4: Board Membership

There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The NC comprises Mr. Ong Kian Min, Mr. Goh Peng Ooi, YBhg. Datuk Sulaiman bin Daud, YBhg. Tan Sri Dato' Dr. Lin See-Yan, Mr. Lim Kok Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) and Ms. Goh Shiou Ling with Mr. Ong Kian Min as the Chairman. Mr. Ong Kian Min, YBhg. Tan Sri Dato' Dr. Lin See-Yan, Mr. Lim Kok Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) are Independent Directors. Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) and Ms Goh Shiou Ling were appointed on 1 June 2015.

The responsibilities of the NC are to (i) review the nomination for appointments and re-appointments of members of the Board and the various Board Committees for the purpose of proposing such nomination to the Board for approval having regard to the individual's experience, contributions and performance, (ii) review the Board's structure, size and composition including the review of board succession plans for Directors, in particular the Chairman and the Managing Director, (iii) determine annually whether or not a Director is independent, (iv) assess on whether or not a Director is able to and has been adequately carrying out his duties as a Director, (v) oversee the appointment and induction process of new Directors, (vi) assess the effectiveness of the Board as a whole and the Board Committees, as well as the contributions of the Chairman and individual Directors and (vii) review the training and professional development programs for the Board.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 4: Board Membership (cont'd)

The Company believes that board renewal should be an ongoing process to ensure the Board collectively has the required skills, diversity and experience to meet the changing needs of the Company and its businesses. The Company's Bye-Laws require one-third of Directors (excluding the Managing Director) to retire and be subjected to re-election by the shareholders at every Annual General Meeting ("AGM"). Accordingly, no Director shall stay in office for more than 3 years without being re-elected by the shareholders except for the Managing Director who is not required to submit himself for retirement and re-election.

New directors are normally appointed by way of a Board Resolution, after the NC has approved their nomination. The NC will consider the Company's current Board in term of its size, composition, collective skills, experience and diversity. Potential candidates are selected through internal resources, referrals from existing Directors and/or external search. Candidates should possess relevant experience and have the calibre to contribute to the Group and its businesses, and will complement the skills and competencies and attributes of the existing Board and the requirements of the Group. The candidate must be a person of integrity and must be able to commit sufficient time and attention to the affairs of the Company, especially if he is serving on multiple Boards.

Despite some of the Directors having other Board representations, the NC is satisfied that these Directors are able to and have adequately performed their duties as Directors of the Company. Currently, the Board has not determined the maximum number of listed Board representations which any Director may hold. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems fit.

The NC has nominated and recommended that YBhg. Tan Sri Dato' Dr. Lin See-Yan and Mr. Lim Kok Min will retire by rotation pursuant to Bye-Law 86(1) and Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) and Ms. Goh Shiou Ling will retire pursuant to Bye-Law 85(6) of the Company's Bye-Laws at the forthcoming AGM. Taking into consideration their commitment and performance, the NC has recommended that the Directors retiring by rotation be nominated for re-election. The Board has accepted the recommendation and they, being eligible for re-election, have offered themselves for re-election.

Ms. Goh Shiou Ling is the daughter of Mr. Goh Peng Ooi, the Group Executive Chairman and the substantial shareholder of the Company. Save as disclosed herein, Ms. Goh Shiou Ling does not have any relationships including immediate family relationships between herself and other Directors and the Company.

As for YBhg. Tan Sri Dato' Dr. Lin See-Yan, Mr. Lim Kok Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia), there are no relationships including immediate family relationships between themselves and the other Directors, the Company and its 10% shareholders (as defined in the Code).

The date of Directors' initial appointment, last re-election and their directorships and other principal commitments are set out under the Board of Directors' profile section of this annual report.

Principle 5: Board Performance

There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

The Board has a formal process, which is overseen by the NC, for assessing the effectiveness of the Board as a whole and the Board Committees, as well as the contributions of the Chairman and individual Directors. The evaluation exercise is carried out annually by way of questionnaire for self and peer assessments as well as for Board and Board Committees as a whole.

The assessment criterias include contributions at Board meetings and discussions, strategic thinking, exercise of judgement, time commitment and board dynamics. In assessing Board performance as a whole, the assessment criteria includes quantitative criteria such as performance against key financial indicators. The NC reviews the consolidated assessment compiled by the Company Secretary and in consultation with the Board, determines appropriate improvement actions.

The NC has assessed the current Board's performance to-date, as well as the performance of each individual Director and is of the view that the performance of the Board as a whole, its Board Committees and each individual Director were satisfactory.

Principle 6: Access to information

In order to fulfill their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

To assist the Board in fulfilling its responsibilities, Management provides complete and adequate information to the Board in a timely manner on affairs and issues that require the Board's decision as well as ongoing reports relating to the operational and financial performance of the Company and the Group.

All Directors have separate and independent access to the Senior Management and Company Secretary at all times. Should Directors, whether as a group or individually, require independent professional advice, a professional advisor will be appointed upon direction by the Board and approved by the Managing Director, to render the advice. The cost of such professional advice will be borne by the Company.

The Company Secretary attends all Board and Board Committees' meetings and is responsible for the compliance of board procedures and all rules and regulations that are applicable to the Company.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC is responsible for ensuring a formal and transparent procedure for developing policies on remuneration, and for fixing the remuneration packages of individual directors and key management personnel.

The RC is chaired by YBhg. Tan Sri Dato' Dr. Lin See-Yan and comprises Mr. Ong Kian Min, Mr. Lim Kok Min and Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) as members. Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) was appointed on 1 June 2015. All four are Independent Non-Executive Directors.

The RC reviews and recommends to the Board a framework of remuneration for the Directors and key management personnel, and determines specific remuneration packages for the Directors, the Chairman, the Managing Director and the key management personnel. The recommendations of the RC are submitted for endorsement by the entire Board. No Director will be involved in deciding his own remuneration. All aspects of remuneration, including but not limited to Directors' fees, salaries, short term incentives, options, share-based incentives and awards, and benefits-in-kind are covered by the RC. The RC has access to expert professional advice on remuneration matters whenever there is a need to consult externally.

Principle 8: Level and Mix of Remuneration

The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

In recommending the level and mix of remuneration, the RC seeks to establish a framework for attracting, retaining and motivating directors and employees. The Group aims to link remuneration to individual and corporate performance, and the long term interest and risk policies of the Group. The Group's compensation framework comprises fixed pay, short term and long term incentives. Long term incentive scheme comprises performance shares award to eligible directors and employees in accordance with the Silverlake Axis Ltd. Performance Share Plan.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 9: Disclosure on Remuneration

Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration and the procedure for setting remuneration in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

Directors' Remuneration

The Executive Directors have entered into service agreements with the Company. The service agreements cover the terms of employment, specifically salary and other benefits-in-kind.

The remuneration of Non-Executive Directors is determined by their contribution and responsibilities on the Board. Both Executive and Non-Executive Directors receive fixed fees which comprise base fee and additional fees for appointment and responsibilities at Board Committees. Directors' fees are subject to shareholders' approval at the AGM.

For competitive and confidentiality reasons, remuneration of directors for the current financial year are individually disclosed in bands and by mix of remuneration as follows:

Name	Base/Fixed Salary (%)	Bonus (%)	Directors' Fees (%)	Fair Value of Share Plan[1] (%)	Other Benefits[2] (%)	Total (%)
S$3,250,000 to below S$3,500,000						
Dr. Kwong Yong Sin	20	-	1	78	1	100
Below S$250,000						
Goh Peng Ooi	48	-	47	-	5	100
Ong Kian Min	-	-	62	38	-	100
YBhg. Tan Sri Dato' Dr. Lin See-Yan	-	-	58	42	-	100
Lim Kok Min	-	-	55	45	-	100
YBhg. Datuk Sulaiman bin Daud	-	-	43	57	-	100

Note:

(1) The Share Plan was in relation to the shares released during the financial year pursuant to the Silverlake Axis Ltd. Performance Share Plan ("PSP") granted to Non-Executive Directors in FY2013 and Group Managing Director in the current financial year, in accordance with the respective Release Schedules. Details of the PSP are disclosed below and in Note 22(d) to the financial statements.

(2) Other benefits are inclusive of benefits-in-kind.

The annual aggregate remuneration paid to all the above directors in FY2015 amounted to RM10,932,576.

Remuneration of Key Management Personnel

The remuneration of key management personnel comprises basic salary and variable components. The RC seeks to ensure that the level and mix of remuneration is competitive and relevant in finding a balance between current versus long-term objectives. The RC takes into consideration industry norms, corporate performance and individual annual performance appraisal, when determining annual remuneration packages. Short-term and long-term incentives payments, if any, are paid only upon the achievement of individual and Group performance targets.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 9: Disclosure on Remuneration (cont'd)

Remuneration of Key Management Personnel (cont'd)

There are fourteen key management personnel (who are not Directors of the Company) in the Group. For confidentiality reason, the band of remuneration and mix of remuneration by percentage (%) paid to the five top-earning key management personnel for the current financial year are presented as follows:

	Percentage of Fixed Remuneration (consists of salary, allowance, benefits-in-kind and contributions to provident fund)	Percentage of Variable Remuneration (consists of incentives and share-based incentives award)
S$250,001 to S$500,000		
Jean Aw Peng Mei	100%	-
Lau Siow Ling	100%	-
Sanjeev Dhar	78%	22%
Yau Siew Moi	100%	-
Wong Yok Koon	100%	-

The annual aggregate remuneration paid to all the above mentioned key management personnel of the Group in FY2015 amounted to RM4,439,981.

The RC has reviewed the level and mix of remuneration for the directors and key management personnel of the Company for FY2015 to ensure that the remuneration commensurate with their performance whilst taking into account the industry norm and corporate performance of the Group as a whole during the year.

There are no terminations, retirement and post-employment benefits granted to Directors or the key management personnel. There is no employee in the Group who is an immediate family member of the CEO or any other Directors of the Company.

Performance Share Plan

The Silverlake Axis Ltd. Performance Share Plan ("PSP") was approved by the Company's shareholders at the Special General Meeting held on 28 October 2010 under which awards ("Awards") of fully-paid shares will be issued free of charge to eligible employees and Non-Executive Directors of the Company and its subsidiaries, provided certain prescribed performance targets are met.

The aggregate number of shares which may be available for Awards under the PSP, when aggregated with the aggregate number of shares available under any other share-based schemes of the Company, will not exceed 5% of the total issued shares of the Company (excluding treasury shares) from time to time. The PSP shall continue to be in force at the discretion of the PSP Committee, subject to the maximum period of 10 years commencing on 28 October 2010. The PSP Committee comprises Mr. Goh Peng Ooi, YBhg. Tan Sri Dato' Dr. Lin See-Yan, Mr. Ong Kian Min and Mr. Lim Kok Min.

(i) FY2013 Grant

In FY2013, 2,000,000 PSP shares were awarded and granted to Non-Executive Directors at 500,000 shares each to Mr. Ong Kian Min, YBhg. Datuk Sulaiman bin Daud, YBhg. Tan Sri Dato' Dr. Lin See-Yan and Mr. Lim Kok Min. The Awards were based on the service and contributions made by each Non-Executive Directors to the success of the Company and released to each of the Non-Executive Directors in accordance with the following Release Schedule:

Release date	Number of shares
3 January 2013	200,000
3 January 2014	150,000
5 January 2015	150,000

On 5 January 2015, 600,000 (2014: 600,000) shares were released to Non-Executive Directors at 150,000 (2014: 150,000) shares each. The shares awarded were subject to restrictions against any disposal or sale and/or other dealings in the shares for a period of one year from the applicable release date.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 9: Disclosure on Remuneration (cont'd)

Performance Share Plan (cont'd)

(ii) FY2015 Grant

During the financial year, a maximum 10,000,000 PSP shares were awarded and granted to Group Managing Director, Dr. Kwong Yong Sin. 2,000,000 shares, with a fair value of RM6,776,600 have been released to Dr. Kwong Yong Sin on 5 January 2015 in recognition of his contribution to the Group for financial year ended 30 June 2014. The actual number of remaining shares shall vest subject to the achievement of pre-determined targets set over a four-financial year performance period (financial year 2015 to 2018).

Save as disclosed below, no Directors or employees of the Group have received 5% or more of the total number of shares available under the PSP:

Name of participant	PSP granted during the financial year	Aggregate PSP granted since commencement of PSP to the end of the financial year	Aggregate PSP released since commencement of PSP to the end of the financial year	Aggregate PSP outstanding as at the end of the financial year
Dr. Kwong Yong Sin	10,000,000	16,250,000	8,250,000	8,000,000

Details of the PSP are disclosed in Note 22(d) to the financial statements.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board provides the shareholders with timely and balanced assessment of the Group's performance, position and prospects in the annual financial statements and quarterly financial result announcements and other material information, in compliance with statutory reporting requirements and the SGX-ST Listing Manual. The Management provides the Board with timely and accurate information of the Company's performance, position and prospects on a quarterly basis and when deemed appropriate under particular circumstances.

Principle 11: Risk Management and Internal Controls

The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board has overall responsibility for the governance of risk. The Board believes in the importance of maintaining a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets. The Board has adopted a Group Risk Management Framework ("Framework") for the identification, assessment and management of risks within the Group. Management and business units are responsible for the day-to-day identification, management and monitoring of risks. Significant business risks are regularly reviewed, addressed and reported to the AC and the Board.

The Board regularly reviews the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls. The Board has received assurance from the Group Managing Director and the Group Head of Finance:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
(b) regarding the effectiveness of the Company's risk management and internal control systems.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 11: Risk Management and Internal Controls (cont'd)

Based on the internal controls established and maintained by the Group, work performed by the internal auditors and external auditors (in the course of their annual statutory audit), and reviews performed by the Management and the Board, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational and compliance risks, including information technology risks, which the Group considers relevant and material to its operations, were adequate and effective for the financial year ended 30 June 2015.

The system of internal control and risk management provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. However, the Board notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human error, losses, fraud or other irregularities.

Principle 12: Audit Committee

The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The AC comprises four Independent Non-Executive Directors, all of whom have the appropriate accounting experience or related financial management expertise. Mr. Ong Kian Min chairs the AC. The other three members are YBhg. Tan Sri Dato' Dr. Lin See-Yan, Mr. Lim Kok Min and Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid.

The main responsibilities of the AC are to assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management. The AC holds periodic meetings and reviews primarily the following, where relevant, with the Executive Directors and external auditors:

- the scope and evaluation of the internal audit functions and the adequacy of the Group's system of internal controls, including financial, operational and compliance controls and risk management;
- the audit plan and results of the external auditors and the assistance given by the Management to the external auditors;
- the Group's significant financial reporting issues and judgements;
- the periodic results announcements and full year financial statements of the Company and the Group prior to their submission to the Board of Directors for approval;
- the compliance with such functions and duties as may be required under the relevant statutes or the SGX-ST's Listing Manual and such amendments made thereto from time to time;
- make recommendations for the appointment of the external auditors; and
- interested person transactions.

In addition to the above, the AC will meet with the external and internal auditors, in the absence of the Management at least once a year. The AC has the power to conduct or authorise investigations into any matters within its terms of reference. The AC also has full access to and the co-operation of the Management. The external auditors have unrestricted access to the AC.

The AC is kept abreast by the Management of changes to accounting standards, Listing Rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

The AC has incorporated a whistle-blowing policy into the Company's internal control procedures to provide a channel for staff to report in good faith and in confidence, without fear of reprisals, concerns about suspected fraud, corruption, dishonest practices or other similar matters. The objective of the policy is to ensure an independent investigation of such matters and for appropriate follow-up actions. There was no reported incident pertaining to whistle-blowing for FY2015.

The Company's external auditors consider, in the course of their annual statutory audit, the Company's internal controls relevant to the Company's preparation of consolidated financial statements to design audit procedures. Material non-compliance and internal control weaknesses identified during the audit and the auditors' recommendations to address such non-compliance and weaknesses are reported to the AC. Thereafter, the recommendations by the external auditors are followed up by the Management.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 12: Audit Committee (cont'd)

The aggregate amount of fees paid to the external auditors of the Company and subsidiaries for audit services in FY2015 was RM990,211. The non-audit services provided by the external auditors of the Company and subsidiaries for the financial year ended 30 June 2015 mainly relates to tax services, and fees paid amounted to RM177,235. The AC has reviewed the independence of the Company's external auditors, taking into account all non-audit services provided, and is satisfied with the independence and objectivity of the external auditors.

Both the AC and the Board have reviewed the appointment of different auditors for its subsidiaries and/or significant associates and joint venture, and are satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Company. The Company is in compliance with Rule 712 and Rule 715 of the Listing Rules in relation to the appointment of its auditor and in compliance with Rule 716 of the Listing Rules in relation to its independent auditors.

The AC has recommended to the Board the re-appointment of Messrs Ernst & Young as auditors of the Company.

Principle 13: Internal Audit

The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Group's internal audit function is responsible for reviewing, monitoring and assessing the system of internal control and is independent of activities it audits. The internal audit function reports directly to the AC. The AC reviews the internal audit plan, the scope and findings of internal audit procedures. The internal audit function has unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC.

The internal audit function is staffed with suitably qualified and experienced professionals and adopts the standard set by internationally recognised professional bodies. The AC approves the hiring, evaluation and compensation of the Head of Internal Audit.

The AC reviews the adequacy and effectiveness of the internal audit function on an on-going basis. The AC ensures that the internal audit function is adequately resourced, has appropriate standing within the Group and is able to perform its functions effectively and objectively.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder Rights

Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Company recognises the shareholders' rights to be sufficiently informed of changes in the Company or its business that would materially affect the price or value of its shares. The Company keeps shareholders fully informed of information that may have a material effect on the price or value of the Company's securities by timely disclosure of information through SGXNet.

The Company ensures that shareholders have the opportunity to participate effectively and vote at general meetings. Shareholders are also duly informed of the rules including voting procedures that govern the general meetings.

Shareholders may appoint up to two proxies to attend and vote on their behalf. Shareholders who hold shares in the Company through corporations which provide nominee or custodial services and who provide satisfactory evidence of their shares ownership are allowed to attend and observe the general meetings.

Principle 15: Communication with Shareholders

Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Company actively engages the shareholders and has put in place an investor relations policy to promote regular, effective and fair communication with shareholders. All material information and financial results are released through SGXNet in a clear, detailed and timely manner.

CORPORATE GOVERNANCE STATEMENT (cont'd)

Principle 15: Communication with Shareholders (cont'd)

The Company does not practice selective disclosure. Price-sensitive information is first publicly released via SGXNet, either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Regular meetings are held with investors, analysts and fund managers to keep the market updated on the Group's corporate developments and financial performance. The Company also maintain up-to-date corporate information in the Company's website. At general meetings, shareholders are given the opportunity to communicate their views on various matters affecting the Company.

The Company has a policy on the payment of dividends. Barring any unforeseen circumstances, the Company expects to pay out not less than 40% of the Group's net profit as dividends, taking into consideration various factors including expansion plans and funding requirements of the Company.

Principle 16: Conduct of Shareholder Meetings

Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company encourages shareholders to participate at general meetings of the Company and to communicate their views on matters affecting the Company. Notice of the general meeting is dispatched to shareholders, together with explanatory notes or a circular on items of special business, on a timely basis. Separate resolutions are proposed on each substantially separate issue.

All Directors, in particular the Chairman and Chairmen of Board Committees will be present and available to address the queries/questions from shareholders. Minutes of general meetings include substantial and relevant queries or comments from shareholders relating to the agenda of the meeting and responses from the Board. These minutes would be available to shareholders upon their request.

The Company will conduct voting by poll at the AGM to enhance transparency of the voting process and encourage greater shareholder participation. However, as the authentication of shareholder identity and other related security issues still remain a concern, the Company does not practice voting in absentia by mail, email or fax.

DEALINGS IN SECURITIES

The Company has adopted practices in relation to dealings in the Company's securities pursuant to the SGX-ST's Listing Manual that are applicable to all its officers. Under the code of conduct, the Group and its officers are not allowed to deal in the Company's shares during the period commencing two weeks before the announcement of the Group's quarterly results and one month before the announcement of the Group's full year results and ending on the date of the announcement of the results or when they are in possession of unpublished material price-sensitive information of the Group.

Directors and executives are also expected to observe insider trading laws at all times even when dealing with securities within the permitted trading period and are discouraged from dealing in the Company's securities on short-term considerations.

CORPORATE SOCIAL RESPONSIBILITY

The Group recognises Corporate Social Responsibility ("CSR") as an important aspect of our business. With our presence around Asia, we believe we are in a good position to create positive impact on the environment and in the society we live in.

For many years, the Group has been actively involved in various charitable initiatives. We have also supported the initiatives that help reach out to society and strives to rebuild lives such as the Singapore Children's Society in which the Group contributed financial support. This is part of our values to be constantly attentive in supporting the society in times of need.

As we further develop our business, we will continue to embrace positive socially responsible and sustainable practices in all aspects of our business.

OTHER INFORMATION

1. RECURRENT INTERESTED PERSON TRANSACTIONS OF A REVENUE OR TRADING NATURE

In compliance with Rule 920 of the SGX-ST's Listing Manual, the aggregate value of recurrent Interested Person Transactions ("IPT") of revenue or trading nature conducted during the financial year ended 30 June 2015 by the Group in accordance with the shareholders' mandates were as follows:

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)
	01-07-2014 to 30-06-2015 RM	01-07-2014 to 30-06-2015 RM
Companies associated to Mr. Goh Peng Ooi ("Silverlake Entities")		
- **New IPT Mandate** (1)		
- Revenue from Silverlake Entities	-	145,216,841
- Service fees to Silverlake Entities	-	(46,415,071)
- **Ancillary Transactions** (2)		
- Revenue from Silverlake Entities	-	4,304,162
- **Non-Mandate Transactions** (3)		
- Revenue from Silverlake Entities	738,558	-

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

(2) Ancillary Transactions were approved by shareholders at Special General Meeting on 28 January 2010 for transactions pursuant to Restructuring Agreements where Silverlake Entities shall be bare trustees for the Group, pending novation and/or assignment of applicable contracts to the Group.

(3) The Non-Mandate revenue was revenue from the sale of software and hardware products between Cyber Village Sdn. Bhd. and Silverlake Entities, and the sale of software licensing between QR Group and Silverlake Entities.

2. MATERIAL CONTRACTS

Except as disclosed above, there were no material contracts, including contracts relating to loans, entered into by the Company and its subsidiaries involving the interests of any Director or controlling shareholder during FY2015.

OTHER INFORMATION (cont'd)

3. DISCLOSURES IN RELATION TO THE COMPANY'S UNDERTAKINGS TO THE SGX-ST

In accordance with its terms of reference and undertakings given to the SGX-ST, the Audit Committee has reviewed all Interested Person Transactions between the Company and Silverlake Entities and is satisfied that the Interested Person Transactions comply with the shareholders' mandates granted by the shareholders at the Annual General Meeting of the Company held on 27 October 2014.

The ageing of amounts owing from the Silverlake Entities as at 30 June 2015 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
Transactions conducted under the New IPT Mandate:						
Silverlake Entities [1]	30,137,938	29,956,070	181,868	-	-	-
Non-Trade Transactions						
Silverlake Entities	48,925	48,925	-	-	-	-
Grand Total	**30,186,863**	**30,004,995**	**181,868**	**-**	**-**	**-**

(1) The Audit Committee confirms that collections from the Silverlake Entities were within the mandated terms.

4. USE OF PROCEEDS FROM ISSUANCE OF 100,000,000 SHARES

On 11 June 2013, the Company allotted and issued 100,000,000 ordinary shares at an issue price of SGD0.75 per share. Out of the total net proceeds of RM180.3 million, RM40.5 million and RM23.2 million have been utilised towards the first and second payment for the acquisition of Cyber Village Sdn. Bhd., and the second and third tranches payment for the acquisition of 80% equity interest in Merimen Group respectively. From 2 March to 15 May 2015, RM31.6 million including cost related to takeover offer of Finzsoft, has been further disbursed and utilised.

The use of the net proceeds is in accordance with that previously disclosed in the Company's announcement dated 29 May 2013. The remaining proceeds from the placement of RM85.0 million is currently being placed as fixed deposits with financial institutions. The Company will continue to make periodic announcements on the utilisation of the proceeds as and when the proceeds are materially disbursed.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors are pleased to present their report together with the audited consolidated financial statements of Silverlake Axis Ltd. (the Company) and its subsidiaries (collectively, the Group) and the statement of financial position of the Company for the financial year ended 30 June 2015.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Goh Peng Ooi	
Dr. Kwong Yong Sin	
Ong Kian Min	
YBhg. Tan Sri Dato' Dr. Lin See-Yan	
Lim Kok Min	
YBhg. Datuk Sulaiman bin Daud	
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	(appointed on 1 June 2015)
Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia)	(appointed on 1 June 2015)
Goh Shiou Ling	(appointed on 1 June 2015)

2. ARRANGEMENT TO ENABLE DIRECTORS TO ACQUIRE SHARES

Except as disclosed in the financial statements, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares of the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES

The following directors, who held office at the end of the financial year, had an interest in shares of the Company and its related corporations as stated below:

	Direct interest		Deemed interest	
Name of director	At the beginning of financial year/ Date of appointment	At the end of financial year	At the beginning of financial year/ Date of appointment	At the end of financial year
Ordinary shares of the Company				
Goh Peng Ooi	-	-	1,517,893,488	1,490,236,347
Dr. Kwong Yong Sin	6,810,000	8,810,000	300,000	500,000
Ong Kian Min	350,000	500,000	-	-
YBhg. Tan Sri Dato' Dr. Lin See-Yan	350,000	500,000	-	-
Lim Kok Min	350,000	500,000	-	-
YBhg. Datuk Sulaiman bin Daud	350,000	500,000	-	-
Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia)	100,000	200,000	-	50,000
Ordinary shares of the holding company (Intelligentsia Holding Ltd.)				
Goh Peng Ooi	3,882,254	3,882,254	-	-

DIRECTORS' REPORT (cont'd)

3. DIRECTORS' INTERESTS IN SHARES (cont'd)

On 8 July 2015, the Company issued bonus shares in the capital of the Company on the basis of one (1) new ordinary share for every five (5) existing shares held by the shareholders of the Company. As a results, there was a change in the interest of the directors in shares of the Company as shown below:

	Direct interest		Deemed interest	
Name of director	At the end of financial year	At 8 July 2015	At the end of financial year	At 8 July 2015
Ordinary shares of the Company				
Goh Peng Ooi	-	-	1,490,236,347	1,788,283,615
Dr. Kwong Yong Sin	8,810,000	10,572,000	500,000	600,000
Ong Kian Min	500,000	600,000	-	-
YBhg. Tan Sri Dato' Dr. Lin See-Yan	500,000	600,000	-	-
Lim Kok Min	500,000	600,000	-	-
YBhg. Datuk Sulaiman bin Daud	500,000	600,000	-	-
Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia)	200,000	240,000	50,000	60,000

Except as disclosed above, there was no change in any of the abovementioned interests between the end of the financial year and 21 July 2015.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

4. DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

5. PERFORMANCE SHARE PLAN

The Silverlake Axis Ltd. Performance Share Plan ("PSP") was approved by the Company's shareholders at the Special General Meeting held on 28 October 2010 under which awards ("Awards") of fully-paid shares will be issued free of charge to eligible employees and non-executive directors of the Company and its subsidiaries, provided certain prescribed performance targets are met.

The aggregate number of shares which may be available for Awards under the PSP, when aggregated with the aggregate number of shares available under any other share-based schemes of the Company, will not exceed 5% of the total issued shares of the Company (excluding treasury shares) from time to time. The PSP shall continue in force at the discretion of the PSP Committee, subject to the maximum period of 10 years commencing on 28 October 2010. The PSP Committee comprises Mr. Goh Peng Ooi, YBhg. Tan Sri Dato' Dr. Lin See-Yan, Mr. Ong Kian Min and Mr. Lim Kok Min.

DIRECTORS' REPORT (cont'd)

5. PERFORMANCE SHARE PLAN (cont'd)

(i) PSP shares granted to non-executive directors

In financial year 2013, 2,000,000 PSP shares were awarded and granted to non-executive directors at 500,000 shares each to Mr. Ong Kian Min, YBhg. Datuk Sulaiman bin Daud, YBhg. Tan Sri Dato' Dr. Lin See-Yan and Mr. Lim Kok Min. The Awards were based on the service and contributions made by each non-executive directors to the success of the Company and shall be released in accordance with the following Release Schedule:

Release date	Number of shares per director
3 January 2013	200,000
3 January 2014	150,000
5 January 2015	150,000

The shares awarded were subject to restrictions against any disposal or sale and/or other dealings in the shares for a period of one year from the applicable release date.

On 5 January 2015, 600,000 (2014: 600,000) shares have been released to the non-executive directors at 150,000 (2014: 150,000) shares each according to the Release Schedule.

As at 30 June 2015, 2,000,000 (2014: 1,400,000) shares had been released from the Company's existing treasury shares at RM2,561,800 (2014: RM1,793,260), which reflected the fair value of shares at award date, to the non-executive directors.

(ii) PSP shares granted to managing director

During the financial year, a maximum 10,000,000 PSP shares were awarded and granted to the Group Managing Director, Dr. Kwong Yong Sin. 2,000,000 shares, with a fair value of RM6,776,600 have been awarded and released to Dr. Kwong Yong Sin on 5 January 2015 in recognition of his contribution to the Group for the financial year ended 30 June 2014. The actual number of remaining shares shall vest subject to the achievement of pre-determined targets set over a four-financial year performance period (financial year 2015 to 2018).

The shares awarded were subject to restrictions against any disposal or sale and/or other dealings in the shares for a period of one year from the applicable release date.

Save as disclosed below, no Directors or employees of the Group have received 5% or more of the total number of shares available under the PSP:

Name of participant	PSP granted during the financial year	Aggregate PSP granted since commencement of PSP to the end of the financial year	Aggregate PSP released since commencement of PSP to the end of the financial year	Aggregate PSP outstanding as at the end of the financial year
Dr. Kwong Yong Sin	10,000,000	16,250,000	8,250,000	8,000,000

Details of the PSP are disclosed in Note 22(d) to the financial statements.

6. TREASURY SHARES

On 5 January 2015, 600,000 and 2,000,000 treasury shares were released at the price of SGD0.505 and SGD1.265 each respectively, which reflected the fair values of shares at award dates, for the purposes of award of shares to non-executive directors and managing director under the PSP.

DIRECTORS' REPORT (cont'd)

6. TREASURY SHARES (cont'd)

On 3 June 2015 and 4 June 2015, the Company purchased 1,600,000 and 1,100,000 shares respectively pursuant to the share purchase mandate approved by shareholders on 27 October 2014. These shares were acquired by way of market acquisition for a total consideration of RM7,871,979 and are held as treasury shares by the Company.

Further details of the treasury shares are disclosed in Note 22(c) to the financial statements.

7. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Details of significant events during the financial year are disclosed in Note 36 to the financial statements.

8. SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

Details of significant events after the financial year are disclosed in Note 37 to the financial statements.

9. BOARD OPINION ON THE ADEQUACY OF INTERNAL CONTROLS ADDRESSING FINANCIAL, OPERATIONAL AND COMPLIANCE RISKS (INCLUDING INFORMATION TECHNOLOGY RISKS)

Based on the internal controls established and maintained by the Group, work performed by the internal auditors and external auditors (in the course of their annual statutory audit), and reviews performed by the Management and the Board, the Board with the concurrence of the Audit Committee, is of the opinion that the Group's internal controls, addressing financial, operational and compliance risks, including information technology risks, which the Group considers relevant and material to its operations, were adequate for the financial year ended 30 June 2015.

10. AUDIT COMMITTEE ("AC")

Information on the functions and activities of the AC are disclosed in the Corporate Governance Statement.

11. AUDITOR

Ernst & Young, have expressed their willingness to continue in office.

On behalf of the board of directors:

GOH PENG OOI
DIRECTOR

DR. KWONG YONG SIN
DIRECTOR

28 September 2015

STATEMENT BY DIRECTORS

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the statement of financial position of the Company together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and the Company as at 30 June 2015 and the results of the business, changes in equity and cash flows of the Group for the year then ended, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors:

GOH PENG OOI
DIRECTOR

DR. KWONG YONG SIN
DIRECTOR

28 September 2015

INDEPENDENT AUDITORS' REPORT

TO MEMBERS OF SILVERLAKE AXIS LTD.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Silverlake Axis Ltd. and its subsidiaries (collectively, the Group), set out on pages 52 to 155, which comprise the statements of financial position of the Group and the Company as at 30 June 2015, the consolidated statement of changes in equity, consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair consolidated income statement and statements of financial position to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the International Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2015 and the results, changes in equity and cash flows of the Group for the year ended on that date.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia
28 September 2015

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	Note	Group 2015 RM	Group 2014 RM Restated (Note 38)
Revenue	3	516,043,152	500,727,515
Cost of sales		(178,934,973)	(194,013,450)
Gross profit		337,108,179	306,714,065
Other items of income			
Finance income	4	3,343,275	2,816,469
Other income	5	28,655,763	8,413,831
Other items of expenses			
Selling and distribution costs		(11,256,776)	(7,411,506)
Administrative expenses		(54,681,596)	(40,561,385)
Finance costs	6	(1,866,922)	(3,288,906)
Share of profit of associates and a joint venture		5,527,279	7,449,383
Profit before tax	7	306,829,202	274,131,951
Income tax expense	9	(24,166,413)	(25,201,987)
Profit for the year		282,662,789	248,929,964
Profit for the year attributable to:			
Owners of the parent		282,653,024	248,897,571
Non-controlling interests		9,765	32,393
		282,662,789	248,929,964
Earnings per share attributable to the owners of the parent:			
- Basic (sen)	10	12.59	11.09
- Diluted (sen)	10	12.58	11.09

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	Note	Group 2015 RM	Group 2014 RM
Profit for the year		282,662,789	248,929,964
Other comprehensive income:			
Item that can be reclassified subsequently to profit or loss:			
- Foreign currency translation gain		22,153,072	2,543,925
Item that cannot be reclassified to profit or loss:			
- Actuarial loss on defined benefit plans	29	(335,161)	(353,013)
Other comprehensive income for the year, net of tax		21,817,911	2,190,912
Total comprehensive income for the year		304,480,700	251,120,876
Total comprehensive income for the year attributable to:			
Owners of the parent		304,470,935	251,088,483
Non-controlling interests		9,765	32,393
		304,480,700	251,120,876

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	Group 2015 RM	Group 2014 RM Restated (Note 38)	Company 2015 RM	Company 2014 RM
Assets					
Non-current assets					
Property, plant and equipment	11	12,868,571	13,101,765	764	4,185
Intangible assets	12	156,367,645	161,510,047	-	-
Investments in subsidiaries	13	-	-	1,827,788,044	1,827,788,044
Investments in associates	14	102,095,635	74,121,788	1,230,000	1,230,000
Interest in a joint venture	15	28,359,311	-	29,791,431	-
Deferred tax assets	27	2,099,569	1,652,150	-	-
		301,790,731	250,385,750	1,858,810,239	1,829,022,229
Current assets					
Amounts due from customers for contract work-in-progress	16	24,374,841	22,224,485	-	-
Trade and other receivables	17	85,481,398	102,616,154	246,869	64,588
Advance maintenance costs		2,415,363	1,171,516	-	-
Prepayments		2,043,035	1,336,466	93,608	78,979
Dividend receivable		-	-	-	4,150,798
Amounts due from related parties	18	30,186,863	38,611,873	-	-
Loan to subsidiaries	19	-	-	12,014,683	14,436,317
Tax recoverable		1,837,700	591,349	-	-
Available-for-sale financial assets - money market fund	20	10,390,000	6,800,000	-	-
Cash and bank balances	21	320,514,200	343,004,185	91,043,416	153,072,247
		477,243,400	516,356,028	103,398,576	171,802,929
Total assets		779,034,131	766,741,778	1,962,208,815	2,000,825,158

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2015 (cont'd)

		Group		Company	
	Note	2015 RM	2014 RM Restated (Note 38)	2015 RM	2014 RM
Equity and liabilities					
Equity					
Share capital	22(a)	157,483,159	157,483,159	157,483,159	157,483,159
Share premium	22(b)	259,269,373	252,437,933	1,695,827,129	1,688,995,689
Treasury shares	22(c)	(7,926,631)	(768,352)	(7,926,631)	(768,352)
Foreign currency translation reserve	23(a)	16,489,219	(5,663,853)	-	-
Capital reserve	23(b)	466,828	466,828	-	-
Statutory reserve	23(c)	21,819	21,819	-	-
Performance share plan reserve	23(d)	5,212,658	576,405	5,212,658	576,405
Merger deficit	24	(119,765,286)	(119,765,286)	-	-
Retained profits		328,095,192	331,527,685	94,323,242	124,202,110
Equity attributable to owners of the parent		639,346,331	616,316,338	1,944,919,557	1,970,489,011
Non-controlling interests		71,377	61,612	-	-
Total equity		639,417,708	616,377,950	1,944,919,557	1,970,489,011
Non-current liabilities					
Loans and borrowings	25	1,626,409	2,560,515	-	-
Deferred tax liabilities	27	15,475,135	12,352,540	-	-
Other payables	28	-	17,272,430	-	17,272,430
Provision for defined benefit liabilities	29	4,467,313	3,167,894	-	-
		21,568,857	35,353,379	-	17,272,430
Current liabilities					
Amounts due to customers for contract work-in-progress	16	4,902,810	7,084,909	-	-
Trade and other payables	28	58,365,641	63,116,777	17,162,718	12,949,789
Provision for defined benefit liabilities	29	360,953	337,478	-	-
Advance maintenance fees		30,749,393	27,833,012	-	-
Loans and borrowings	25	784,516	1,293,379	-	-
Amounts due to subsidiaries	18	-	-	20,010	109,165
Amounts due to related parties	18	11,362,515	2,119,573	-	-
Income tax payable		11,521,738	13,225,321	106,530	4,763
		118,047,566	115,010,449	17,289,258	13,063,717
Total liabilities		139,616,423	150,363,828	17,289,258	30,336,147
Net current assets		359,195,834	401,345,579	86,109,318	158,739,212
Total equity and liabilities		779,034,131	766,741,778	1,962,208,815	2,000,825,158

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2015		Attributable to owners of the parent											
				<------ Non-distributable				------>					
Group	Note	Share capital (Note 22(a)) RM	Share premium (Note 22(b)) RM	Treasury shares (Note 22(c)) RM	Foreign currency translation reserve (Note 23(a)) RM	Capital reserve (Note 23(b)) RM	Statutory reserve (Note 23(c)) RM	Performance share plan reserve (Note 23(d)) RM	Merger deficit (Note 24) RM	Distributable retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
At 1 July 2014		157,483,159	252,437,933	(768,352)	(5,663,853)	466,828	21,819	576,405	(119,765,286)	331,527,685	616,316,338	61,612	616,377,950
Profit for the year		-	-	-	-	-	-	-	-	282,653,024	282,653,024	9,765	282,662,789
Other comprehensive income/(loss) for the year		-	-	-	22,153,072	-	-	-	-	(335,161)	21,817,911	-	21,817,911
Total comprehensive income for the year		-	-	-	22,153,072	-	-	-	-	282,317,863	304,470,935	9,765	304,480,700
<u>Contributions by and distributions to owners</u>													
Purchase of treasury shares	22(c)	-	-	(7,871,979)	-	-	-	-	-	-	(7,871,979)	-	(7,871,979)
Grant of shares under Performance Share Plan	22(d)	-	-	-	-	-	-	12,181,393	-	-	12,181,393	-	12,181,393
Release of shares under Performance Share Plan	22(d)	-	6,831,440	713,700	-	-	-	(7,545,140)	-	-	-	-	-
Dividends on ordinary shares	30	-	-	-	-	-	-	-	-	(285,750,356)	(285,750,356)	-	(285,750,356)
Total contributions by and distributions to owners		-	6,831,440	(7,158,279)	-	-	-	4,636,253	-	(285,750,356)	(281,440,942)	-	(281,440,942)
Total transactions with owners in their capacity as owners		-	6,831,440	(7,158,279)	-	-	-	4,636,253	-	(285,750,356)	(281,440,942)	-	(281,440,942)
At 30 June 2015		157,483,159	259,269,373	(7,926,631)	16,489,219	466,828	21,819	5,212,658	(119,765,286)	328,095,192	639,346,331	71,377	639,417,708

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2014 Group	Note	Share capital (Note 22(a)) RM	Share premium (Note 22(b)) RM	Treasury shares (Note 22(c)) RM	Foreign currency translation reserve (Note 23(a)) RM	Capital reserve (Note 23(b)) RM	Statutory reserve (Note 23(c)) RM	Performance share plan reserve (Note 23(d)) RM	Merger deficit (Note 24) RM	Distributable retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
		Attributable to owners of the parent											
					<---- Non-distributable ---->								
At 1 July 2013		157,483,159	251,834,093	(933,052)	(8,207,778)	466,828	-	576,405	(119,765,286)	306,621,855	588,076,224	29,219	588,105,443
Profit for the year		-	-	-	-	-	-	-	-	248,897,571	248,897,571	32,393	248,929,964
Other comprehensive income/(loss) for the year		-	-	-	2,543,925	-	-	-	-	(353,013)	2,190,912	-	2,190,912
Total comprehensive income for the year		-	-	-	2,543,925	-	-	-	-	248,544,558	251,088,483	32,393	251,120,876
Contributions by and distributions to owners													
Transfer to statutory reserve fund		-	-	-	-	-	21,819	-	-	(21,819)	-	-	-
Grant of shares under Performance Share Plan	22(d)	-	-	-	-	-	-	768,540	-	-	768,540	-	768,540
Release of shares under Performance Share Plan	22(d)	-	603,840	164,700	-	-	-	(768,540)	-	-	-	-	-
Dividends on ordinary shares	30	-	-	-	-	-	-	-	-	(223,616,909)	(223,616,909)	-	(223,616,909)
Total contributions by and distributions to owners		-	603,840	164,700	-	-	21,819	-	-	(223,638,728)	(222,848,369)	-	(222,848,369)
Total transactions with owners in their capacity as owners		-	603,840	164,700	-	-	21,819	-	-	(223,638,728)	(222,848,369)	-	(222,848,369)
At 30 June 2014		157,483,159	252,437,933	(768,352)	(5,663,853)	466,828	21,819	576,405	(119,765,286)	331,527,685	616,316,338	61,612	616,377,950

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

		Group	
	Note	2015 RM	2014 RM Restated (Note 38)
Operating activities			
Profit before tax		306,829,202	274,131,951
Adjustments for:			
Amortisation of intangible assets	7, 12	11,163,035	11,876,993
Depreciation of property, plant and equipment	7, 11	2,001,592	1,634,026
Write off of property, plant and equipment	7	4,044	-
Net loss/(gain) on disposal of property, plant and equipment	7, 5	12,810	(1,216,817)
Gain on redemption of available-for-sale financial assets - money market fund	5	(1,668,429)	(283,495)
Impairment loss on financial assets - trade receivables	7	-	110,721
Bad debts written off	7	19,928	154,415
Reversal of impairment loss on trade receivables	5	(87,933)	(7,167)
Impairment loss on financial assets - loan to an associate	7	-	735,000
Unrealised foreign currency exchange gain	5	(2,384,388)	(2,679,838)
Allowance for unutilised leave	8	575,460	382,732
Allowance for defined benefit liabilities	8, 29	690,167	291,183
Fair value adjustment arising from subsequent measurement of contingent consideration for business combination	5	(947,423)	(1,519,367)
Share of profit of associates and a joint venture		(5,527,279)	(7,449,383)
Gain on dilution of interest in an associate arising from Initial Public Offering	5, 14	(19,189,670)	-
Performance shares issued	8	12,181,393	768,540
Finance costs	6	1,866,922	3,288,906
Finance income	4	(3,343,275)	(2,816,469)
Total adjustments		(4,633,046)	3,269,980
Operating cash flows before changes in working capital		302,196,156	277,401,931
Changes in working capital:			
Decrease in trade and other receivables		20,651,241	1,674,721
Net movement in amounts due from/to customers for contract work-in-progress		(4,318,897)	19,082,532
Net movement in amounts due from/to related parties		22,170,716	(19,546,970)
(Decrease)/Increase in trade and other payables		(9,360,811)	24,930,477
Total changes in working capital		29,142,249	26,140,760
Cash flows from operations		331,338,405	303,542,691
Income tax paid		(25,745,162)	(22,606,981)
Interest paid		(119,777)	(578,428)
Net cash flows from operating activities		305,473,466	280,357,282

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	Note	Group 2015 RM	Group 2014 RM Restated (Note 38)
Investing activities			
Purchases of property, plant and equipment	(a)	(2,123,498)	(1,861,999)
Payments for software development expenditure	12	-	(2,016,861)
Payments for other intangible assets	12	(882,409)	(2,030,496)
Acquisition of subsidiaries, net of cash acquired	(b)	(13,226,240)	(45,545,453)
Advances to a joint venture	15	(31,551,197)	-
Purchases of available-for-sale financial assets - money market fund		(290,650,000)	(47,440,000)
Proceeds from disposal of property, plant and equipment		634,967	1,422,983
Proceeds from redemption of available-for-sale financial assets - money market fund		288,728,429	40,923,495
Capital contribution to an associate	14	(1,824,778)	-
Interest received		2,893,977	2,430,180
Net uplift/(placement) of short-term deposits		117,450,887	(64,491,197)
Net cash flows from/(used in) investing activities		69,450,138	(118,609,348)
Financing activities			
Dividends paid	30	(285,750,356)	(223,616,909)
Purchase of treasury shares	22(c)	(7,871,979)	-
Repayment of finance lease liabilities		(1,284,779)	(631,040)
Repayment of term loan and revolving credit		(335,394)	(23,049,734)
Net cash flows used in financing activities		(295,242,508)	(247,297,683)
Net increase/(decrease) in cash and cash equivalents		79,681,096	(85,549,749)
Effects of exchange rate changes on cash and cash equivalents		14,969,511	524,860
Cash and cash equivalents at beginning of year		220,922,306	305,947,195
Cash and cash equivalents at end of year	21	315,572,913	220,922,306

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

(a) Additions of property, plant and equipment during the financial year were by way of:

	Group	
	2015 RM	2014 RM
Cash	2,123,498	1,861,999
Hire purchase	200,065	2,681,032
	2,323,563	4,543,031

(b) Acquisition of subsidiaries, net of cash acquired:

		Group	
	Note	2015 RM	2014 RM
Cyber Village Sdn. Bhd. ("CVSB")	13(a)	1,200,000	34,345,453
Merimen Ventures Sdn. Bhd. ("Merimen")	13(b)	12,026,240	11,200,000
		13,226,240	45,545,453

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

1. Corporate information

Silverlake Axis Ltd. (the Company) is an exempt company with limited liability and incorporated in Bermuda. The holding corporation is Intelligentsia Holding Ltd., a corporation incorporated in Bermuda.

The Company is listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business of the Company is located at Lot 5.04, 5th Floor, Menara 1, Faber Towers, Jalan Desa Bahagia, Taman Desa, 58100 Kuala Lumpur, Malaysia.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 13. There have been no significant changes in the nature of these activities during the financial year other than as disclosed in Note 36(i).

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis, except as disclosed in the summary of significant accounting policies below. The financial statements are presented in Ringgit Malaysia ("RM").

The preparation of financial statements in conformity with IFRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.5.

2.2 New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS effective as of 1 July 2014:

- Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities
- Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities
- Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC 21 Levies
- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions
- Annual Improvements to IFRSs 2010 - 2012 Cycle
- Annual Improvements to IFRSs 2011 - 2013 Cycle

The adoption of the above standards did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets
The amendments reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique. The amendments affect only the disclosure and there is no impact on the Group's financial position or performance.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.3 Standards issued but not yet effective

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**
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to IAS 27	Equity Method in Separate Financial Statements	1 January 2016
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants	1 January 2016
Amendments to IFRS 11	Accounting for Acquisitions of Interest in Joint Operations	1 January 2016
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to IAS 1	Disclosure Initiative	1 January 2016
Improvements to IFRSs 2012 - 2014 Cycle		1 January 2016
IFRS 14	Regulatory Deferral Accounts	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRS 9	Financial Instruments	1 January 2018

The Group intends to adopt these standards when they become effective. The directors of the Company do not anticipate that the application of these standards and interpretations will have a significant impact on the Group's financial statements, except for those described below.

IFRS 15 Revenue from Contracts with Customers
IFRS 15 establishes a five-step model that will apply to revenue from a contract with a customer (with limited exception), regardless of the type of revenue transaction or the industry.

<u>The five-step model</u>
Step 1: Identify the contract(s) with a customer
Step 2: Identify the separate performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the separate performance obligations
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The standard's requirements will also apply to the recognition and measurement of gains and losses on the sales of some non-financial assets that are not an output of the entity's ordinary activities (e.g. sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgements and estimates.

The Group is currently assessing the impact that IFRS 15 will have on the Group's financial position and performance.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.3 Standards issued but not yet effective (cont'd)

IFRS 9 Financial Instruments
IASB issued the final version of IFRS 9 incorporating a new expected loss impairment model and introducing limited amendments to the classification and measurement requirements for financial asset. This version supersedes all previous versions and is mandatorily effective for periods beginning on or after 1 January 2018 with early adoption permitted (subject to local endorsement requirements). For a limited period, previous versions of IFRS 9 may be adopted early if not already done so provided the relevant date of initial application is before 1 February 2015.

The Group is currently assessing the impact that IFRS 9 will have on the Group's financial position and performance.

2.4 Summary of significant accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2015.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting and similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at the fair value at the acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to OCI. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(b) Business combinations and goodwill (cont'd)

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

Expenditure incurred in relation to a common control combination is recognised as an expense in the period in which it is incurred. Such expenditure includes professional fees, registration fees and all other incidental expenses.

(c) Associates and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The income statement reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the income statement outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(c) Associates and joint venture (cont'd)

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'Share of profit of associates and a joint venture' in the income statement.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(d) Investments in subsidiaries, associates and joint venture

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses in the Company's statement of financial position. Where an indication of impairment exists, the carrying amounts of the investments are assessed and written down immediately to its recoverable amount. The policy for recognition and measurement of impairment losses is in accordance with Note 2.4(o).

On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in the Company's income statement.

(e) Transaction with non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the income statement of the Group and within equity in the consolidated statements of financial position, separately from parent shareholders' equity.

Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Foreign currency translation

The Group's consolidated financial statements are presented in Ringgit Malaysia, which is also the parent company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

(ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their income statements are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates at the dates of the transactions). The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in income statement.

Any goodwill arising on the acquisition of a foreign operation subsequent to 1 July 2010 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Prior to 1 July 2010, the Group treated goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition, as assets and liabilities of the parent. Therefore, those assets and liabilities are already expressed in the functional currency or are non-monetary items and no further translation differences occur.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition cirteria described below must also be met before revenue is recognised.

(i) Software licensing
Revenue from software licensing is recognised when there are no remaining obligations in accordance with the substance of the agreement. When there are no obligations subsequent to the delivery of the software source codes and the risks and rewards of ownership have been transferred, license fees are recognised upon transfer of title to the customer, which takes place after delivery and customer acceptance.

(ii) Software project services
Revenue relating to rendering of software project services is accounted for under the percentage of completion method. The stage of completion is measured by reference to the actual cost for work performed to date to the estimated total costs for each contract as disclosed in Note 2.4(h).

(iii) Maintenance and enhancement services
Revenue on maintenance and enhancement services is recognised over the contractual period or performance of services.

(iv) Sale of software and hardware products
Revenue relating to sale of software and hardware products is recognised upon delivery of products and customer acceptance, net of discounts.

(v) Credit and cards processing
Revenue on credit and cards processing is recognised upon the rendering of services to customers.

(vi) Insurance processing
Revenue on insurance processing is recognised upon the rendering of claim processing services.

(vii) Interest income
Interest income is recognised using the effective interest method.

(viii) Dividend income
Dividend income is recognised when the right to receive payment is established.

(ix) Commission income
Commission income is recognised as earned when the right to receive the commission is established.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(h) Income recognition on contracts

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date, when the outcome of a contract can be estimated reliably. When the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable and contract costs are recognised as expense in the period in which they are incurred. An expected loss on the contract is recognised as an expense immediately when it is probable that total contract costs will exceed total revenue.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The stage of completion is determined by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Contract costs include staff costs, allowances and other directly attributable costs.

(i) Borrowing costs

Borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(j) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(j) Taxes (cont'd)

Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in profit or loss.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

- when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(k) Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is:

- expected to be realised or intended to sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(l) Property, plant and equipment

(i) Measurement

Land
Land is initially recognised at cost. Freehold land is subsequently carried at cost less accumulated impairment losses.

Other property, plant and equipment
All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Components of costs
The cost of an item of property, plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(l) Property, plant and equipment (cont'd)

(ii) Depreciation

Freehold land has unlimited useful life and therefore is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The principal annual depreciation rates are as follows:

Office premises	4%
Furniture and fittings	10% - 20%
Motor vehicles	15%
Office equipment	10% - 25%

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

(iii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expense is recognised in the income statement when incurred.

(iv) Disposal

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

(m) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Group as a lessee

Finance leases that transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(m) Leases (cont'd)

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(n) Intangible assets

(i) Software development expenditure

Software development expenditure comprises purchased software, manpower and related overhead incurred directly in the development of computer software. Software development expenditures are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset;
- the ability to measure reliably the expenditure during development; and
- the ability to use the intangible asset generated.

Following initial recognition of the software development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit (to the maximum of 10 years), at the principal annual amortisation rate of 10% to 20%. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

Software development expenditures which are not or have ceased to be commercially viable are written off. The policy for recognition and measurement of impairment losses is in accordance with Note 2.4(o).

(ii) Other intangible assets

Other intangible assets of the Group comprise purchased software, proprietary software, customer relationship and customer contracts.

Other intangible assets acquired separately are measured on initial recognition at cost. The costs of intangible assets acquired in a business combination are their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding software development expenditures, are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(n) Intangible assets (cont'd)

(ii) Other intangible assets (cont'd)

Other intangible assets with finite lives are amortised over the economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible assets.

Other intangible assets of the Group are amortised on a straight-line basis over their estimated economic useful lives, as follows:

Purchased software	10 years
Proprietary software	10 years
Customer relationship	2 - 12 years
Customer contracts	2 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

(o) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The value in use calculation is based on a Discounted Cash Flows ("DCF") model. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis (Note 2.5).

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(o) Impairment of non-financial assets (cont'd)

For assets excluding goodwill, an assessment is made at each reporting date whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGUs' recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

The following assets have specific characteristics for impairment testing:

Goodwill

Goodwill is tested for impairment annually (as at 30 June) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(p) Financial instruments – Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include loans and receivables financial assets, which include cash and short-term deposits, trade and other receivables and loans; and available-for-sale financial assets.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(p) Financial instruments – Initial recognition and subsequent measurement (cont'd)

(i) Financial assets (cont'd)

Subsequent measurement

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs for loans and in cost of sales or other operating expenses for receivables.

- **Available-for-sale ("AFS") financial investments**

AFS financial investments are those that are neither classified as held for trading nor designated at fair value through profit or loss.

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the income statement in finance costs. Interest earned whilst holding AFS financial investments is reported as interest income using the EIR method.

The Group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(p) Financial instruments – Initial recognition and subsequent measurement (cont'd)

(i) Financial assets (cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(ii) Impairment of financial assets

The Group assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(p) Financial instruments – Initial recognition and subsequent measurement (cont'd)

(ii) Impairment of financial assets (cont'd)

Financial assets carried at amortised cost (cont'd)

If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the income statement.

AFS financial investments

For AFS financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from OCI and recognised in the income statement. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised in OCI.

In the case of debt instruments classified as AFS, the impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(p) Financial instruments – Initial recognition and subsequent measurement (cont'd)

(ii) Impairment of financial assets (cont'd)

Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities are loans and borrowings financial liabilities, which include trade and other payables and loans and borrowings.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the income statement.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if:

- there is a currently enforceable legal right to offset the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(q) Fair value measurement

The Group measures financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The methods and assumptions used to estimate the fair values of the Group's and the Company's financial instruments are disclosed in Note 33(e).

(r) Cash and bank balances

Cash and bank balances in the statement of financial position comprise cash at banks and on hand and short-term deposits.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits with a maturity of three months or less, net of pledged deposits and outstanding bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(s) Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against the share capital.

(t) Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity.

No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in share premium. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

(u) Share-based payment transactions

Equity-settled transactions - Performance share plan ("PSP")

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is measured by reference to the fair value of shares at the date when the award is granted using an appropriate valuation model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in the PSP reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transaction for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the performance shares are released on the release date, the PSP reserve is transferred to share capital if new shares are issued, or to treasury shares if the performance shares are satisfied by the reissuance of treasury shares.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of performance shares awarded but not yet vested is reflected as additional share dilution in the computation of diluted earnings per share.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(v) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of:

- the amount that would be recognised in accordance with the general requirements for provisions above; or
- the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

(w) Employee benefits

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Employees' Provident Fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense in the period in which the related service is performed, unless they can be capitalised as an asset.

(ii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

(x) Defined benefit plans

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(x) Defined benefit plans (cont'd)

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss.

Remeasurements, comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability), are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognised as a separate asset at fair value when and only when reimbursement is virtually certain.

(y) Related parties

A related party is defined as follows:

(i) A person or a close member or that person's family is related to the Group and the Company if that person:

(1) Has control or joint control over the Company;
(2) Has significant influence over the Company; or
(3) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(y) Related parties (cont'd)

A related party is defined as follows: (cont'd)

(ii) An entity is related to the Group and the Company if any of the following condition applies:

(1) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(3) Both entities are joint ventures of the same third party.
(4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(5) The entity is a post-employment benefit plan for the benefit of employees of either the Company or any entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
(6) The entity is controlled or jointly controlled by a person identified in (i).
(7) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(z) Contingencies

A contingent liability is:

(i) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(ii) A present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statement of financial positions of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

(aa) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Percentage of completion for software project services

The Group uses the percentage of completion method in accounting for its contract revenue for rendering of software project services where it is probable that contract costs are recoverable. The stage of completion is measured by reference to the contract costs incurred to date bear to the estimated total costs for the contract.

Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred and the estimated total contract costs, as well as the recoverability of the contract costs. In making the judgement, the Group evaluates based on its past experience of similar types of contracts.

<u>Sensitivity analysis on the estimated remaining contract costs</u>
If the estimated remaining contract costs (excluding sub-contractor fees) for material contracts vary by 10%, the net profit of the Group will decrease by approximately RM554,000 (2014: RM154,000).

(b) Capitalisation and amortisation of software development expenditure

The Group capitalised costs relating to the development and enhancement of its new and existing products respectively, upon meeting all the criteria for capitalisation as disclosed in Note 2.4(n)(i). Amortisation, which commences upon commercialisation or sale of products, is recognised in the income statement based on a straight-line basis over the products' estimated economic lives of 5 to 10 years. The Group reviews the amortisation period and amortisation method at least once a year.

However, if there are indications that the products are unable to meet expected future cash flow, immediate impairment loss would be recognised.

<u>Sensitivity analysis on economic lives of software development expenditure</u>
If the economic lives of these intangible assets vary by 1 year from management's estimates, the Group's amortisation will vary as follows:

	Group	
	2015 RM	2014 RM
If economic lives increase by 1 year: Decrease in amortisation	114,006	110,632
If economic lives decrease by 1 year: Increase in amortisation	(139,341)	(135,217)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(c) Impairment of intangible assets and goodwill

An impairment exist when the carrying value of an asset or cash-generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested.

<u>Sensitivity analysis on discount rate and growth rate used</u>
The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are further explained in Note 12.

(d) Impairment of investments in subsidiaries and loan to subsidiaries

The Company assesses, at each reporting date, whether there is an indication that the investments in subsidiaries and loan to subsidiaries may be impaired. Where an indication of impairment exists, recoverable value is assessed based on an estimate of the value in use of the subsidiaries. Estimating the value in use requires the Company to make an estimate of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Company's investments in subsidiaries and loan to subsidiaries at 30 June 2015 are RM1,827,788,044 and RM12,014,683 (2014: RM1,827,788,044 and RM14,436,317) respectively.

The carrying value of Company's investment in subsidiaries and loan to subsidiaries have been tested by discounting the total estimated future cash flows of the subsidiaries' business using discount rate ranging from 15% to 21.5% (2014: 15% to 21.5%) and growth rate from 0% to 5% (2014: 0% to 5%) varying in accordance to country and industry. In the current financial year, an impairment loss of RM6,739,000 (Note 19) has been recognised on loan to subsidiaries. No impairment loss has been recognised on investment in subsidiaries in the current and previous financial year.

<u>Sensitivity analysis on discount rate and growth rate used</u>
On the basis that all other assumptions in calculation remain constant, an increase of 1% in discount rate and decrease of 1% in growth rate would result in potential impairment in the Company's statement of financial position, as follows:

	Potential impairment			
	Discount rate increase by 1%		Growth rate decrease by 1%	
	2015 RM	2014 RM	2015 RM	2014 RM
QR Technology Sdn. Bhd.	7,597,000	9,345,000	4,030,000	5,795,000
Silverlake Japan Ltd	8,783,000	-	-	-
	16,380,000	9,345,000	4,030,000	5,795,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(e) Fair value adjustment arising from subsequent measurement of contingent consideration for business combination

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the consideration transferred for business combination. The determination of the fair value is based on the discounted cash flows. The key assumptions take into consideration the probability of meeting the performance target and discount factor. As part of the accounting for the acquisition of Merimen Ventures Sdn. Bhd., contingent consideration with an estimated fair value of RM36,112,762 was recognised at the acquisition date as disclosed in Note 13(b). The carrying amount of the contingent consideration payable at the end of reporting date is disclosed in Note 28 to the financial statements.

Sensitivity analysis on discount rate used to estimate the fair value of contingent consideration
If the discount rate used in estimation of the fair value of the contingent consideration vary by 1% from management's estimates, the Group's and the Company's contingent consideration for business combination will vary as follows:

	Group and Company	
	2015 RM	2014 RM
If discount rate increase by 1%: Decrease in contingent consideration	33,965	182,744
If discount rate decrease by 1%: Increase in contingent consideration	(34,360)	(186,403)

(f) Impairment of loans and receivables

The Group assesses, at each reporting date, whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

If trade receivables past due over 5 months are estimated to be not recoverable, there will be an impairment loss of RM3,826,006 (2014: RM3,087,610).

The Company's loan to a subsidiary has been tested by discounting the total estimated future cash flows of the subsidiary's business using a discount rate of 20%. During the financial year, an impairment loss of RM6,739,000 (Note 19) has been recognised on loan to subsidiaries in the Company's statement of financial position. The sensitivity analysis on the discount rate and growth rate used are disclosed in Note 2.5(d).

The carrying amount of the Group's and the Company's loans and receivables at the reporting date is disclosed in Note 17 and the assessment of credit risk is disclosed in Note 33(c).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(g) Impairment of investment in an associate

Management has assessed the carrying value of investment in an associate for potential impairment. The carrying value is supported through a valuation determined by discounting the total estimated future cash flows of the business at 15% (2014: 15%). Based on the assessment, no impairment loss was recognised during the financial year. In the previous financial year, an impairment loss of RM4,744,000 was recognised on investments in associates in the Company's statement of financial position.

<u>Sensitivity analysis on discount rate used</u>
On the basis that all other assumptions in the calculation remain constant, an increase of 1% in discount rate would result in a change to the total estimated future cash flows of the business of the associate which would then result in a potential impairment of RM20,000 (2014: RM90,000) against the Company's carrying value of investments in associates.

(h) Income and deferred tax

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has RM684,661 (2014: RM519,225) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, do not expire and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have no taxable temporary differences nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Group was able to recognise these unrecognised deferred tax assets, profit and equity would have increased by RM149,807 (2014: RM117,337). Further details on taxes are disclosed in Note 9 and Note 27.

(i) Defined benefits plans

The cost of defined benefit pension plans as well as the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(i) Defined benefits plans (cont'd)

In determining the appropriate discount rate, management considers the interest rates of high quality corporate bonds in the respective currencies with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population of bonds on which the discount rate is based, on the basis that they do not represent high quality bonds.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Further details about the assumptions used are disclosed in Note 29.

Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, which have significant effect on the amounts recognised in the consolidated financial statements.

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the environment in which the entities operate and the entities' process of determining sales prices.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

3. Revenue

	Group	
	2015 RM	2014 RM
Sale of goods		
Sale of software and hardware products	6,216,172	32,358,689
Software licensing	131,754,872	147,685,409
	137,971,044	180,044,098
Rendering of services		
Software project services	59,779,121	71,778,927
Maintenance and enhancement services	283,316,190	210,330,551
Credit and cards processing	14,322,063	19,535,360
Insurance processing	20,654,734	19,038,579
	378,072,108	320,683,417
Total revenue	516,043,152	500,727,515

4. Finance income

	Group	
	2015 RM	2014 RM Restated (Note 38)
Interest income from deposits with licensed banks	3,080,479	2,378,765
Interest income on receivables	-	51,025
Interest income - others	-	1,030
	3,080,479	2,430,820
Unwinding of discount on amount due from customers (receivables)*	262,796	385,649
Total finance income	3,343,275	2,816,469

* This represents unwinding of discount on software project contracts with deferred billing arrangements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

5. Other income

	Group	
	2015 RM	2014 RM Restated (Note 38)
Net foreign currency exchange gain:		
- realised	3,858,953	2,196,456
- unrealised	2,384,388	2,679,838
Net gain on disposal of property, plant and equipment	-	1,216,817
Commission income and other incentives	84,253	411,511
Rental income of office premise	115,532	17,657
Fair value adjustment arising from subsequent measurement of contingent consideration for business combination (Note 13(b))	947,423	1,519,367
Reversal of impairment loss on trade receivables (Note 33(c))	87,933	7,167
Gain on redemption of available-for-sale financial assets - money market fund	1,668,429	283,495
Gain on dilution of interest in an associate arising from Initial Public Offering (Note 14)	19,189,670	-
Miscellaneous income	319,182	81,523
Total other income	28,655,763	8,413,831

6. Finance costs

	Group	
	2015 RM	2014 RM
Interest expense on:		
- term loan	9,034	41,192
- revolving credit	-	397,208
- obligations under finance leases	110,743	84,068
	119,777	522,468
Unwinding of discount on other payable (non-current):		
- Deferred consideration payable	107,190	140,132
- Contingent consideration for business combination	1,324,921	2,203,607
Unwinding of discount on amount due to customers (payables)*	315,034	422,699
Total finance costs	1,866,922	3,288,906

* This represents unwinding of discount on sub-contracted software projects with deferred billing arrangements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

7. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2015 RM	2014 RM
Amortisation of intangible assets (Note 12)	11,163,035	11,876,993
Depreciation of property, plant and equipment (Note 11)	2,001,592	1,634,026
Write off of property, plant and equipment	4,044	-
Net loss on disposal of property, plant and equipment	12,810	-
Impairment loss on financial assets - trade receivables (Note 33(c))	-	110,721
Bad debts written off	19,928	154,415
Impairment loss on financial assets - loan to an associate (Note 19)	-	735,000
Directors' fees	1,338,513	1,199,948
Employee benefits expense (Note 8)	116,093,566	88,812,264
Audit fees:		
- Auditors of the Company	757,321	530,559
- Other auditors	232,890	341,220
Non-audit fees:		
- Auditors of the Company	138,117	287,093
- Other auditors	39,118	60,873
Operating lease expenses (Note 32(b))	3,329,690	3,071,244

Total software project costs (including employee benefits expense) amounted to RM43,995,648 (2014: RM53,069,643).

8. Employee benefits expense (including directors' remuneration)

	Group	
	2015 RM	2014 RM
Wages and salaries	93,570,479	80,574,116
Defined contribution plans	8,057,739	7,400,933
Defined benefit obligation (Note 29)	690,167	291,183
Performance shares issued (Note 22(d))	12,181,393	768,540
Allowance for unutilised leave	575,460	382,732
Other employee benefits	1,103,908	1,080,436
	116,179,146	90,497,940
Less: Capitalised under intangible assets (Note 12)	-	(1,535,862)
Less: Capitalised under contract work-in-progress (Note 16)	(85,580)	(149,814)
	116,093,566	88,812,264

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

9. Income tax expense

	Group	
	2015 RM	2014 RM
Current income tax:		
- Malaysia	5,949,976	6,444,762
- Singapore	4,058,354	7,233,394
- Thailand	535,749	703,424
- Brunei	1,202,888	564,811
- Indonesia	1,103,333	914,491
- Philippines	510,153	757,313
- Others	8,845	9,483
	13,369,298	16,627,678
Deferred tax (Note 27)		
- origination and reversal of temporary differences	2,383,924	(1,314,226)
(Over)/Under provision in prior financial years:		
- income tax	95,701	1,388,129
- deferred tax (Note 27)	(109,496)	3,198
	(13,795)	1,391,327
Income tax expense for the year	15,739,427	16,704,779
Foreign and withholding tax	8,426,986	8,497,208
	24,166,413	25,201,987

The corporate income tax rates applicable to companies within the Group are as follows:

	2015	2014
Malaysia	25%	25%
Singapore	17%	17%
Thailand	20%	20%
Brunei	19%	20%
Indonesia	25%	25%
Philippines	30%	30%
China	25%	25%
Hong Kong	17%	17%
New Zealand	28%	-

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

9. Income tax expense (cont'd)

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rates for the financial years ended 30 June 2015 and 2014 are as follows:

	Group	
	2015 RM	2014 RM
Profit before tax	306,829,202	274,131,951
Tax calculated at a tax rate of:		
- Malaysia 25% (2014: 25%)	37,037,762	28,282,379
- Singapore 17% (2014: 17%)	2,146,694	7,257,939
- Thailand 20% (2014: 20%)	1,459,011	2,025,265
- Brunei 19% (2014: 20%)	1,273,085	639,048
- Indonesia 25% (2014: 25%)	896,976	887,473
- Philippines 30% (2014: 30%)	569,240	1,042,358
- China 25% (2014: 25%)	6,537,267	2,057,741
- Hong Kong 17% (2014: 17%)	(1,602)	(4,247)
- New Zealand 28% (2014: Nil)	(400,994)	-
Tax effect of:		
- Share of profit of associates and a joint venture	(1,338,856)	(1,862,346)
- Partial exemption and tax relief	(841,469)	(1,097,972)
- Exempted income under pioneer status[1]	(31,770,829)	(26,620,895)
- Exempted income under promotional privileges[2]	(952,630)	(1,371,587)
- Exempted income under increase in value of export incentive[3]	(59,453)	(95,452)
- Expenses not deductible for tax purposes	4,282,937	2,457,972
- Income not subject to tax	(7,115,447)	(1,776,024)
- Tax rebates	(58,280)	(196,498)
- Enhanced capital allowances	(16,701)	(9,742)
- Change in tax rate	19,617	-
Deferred tax assets unrecognised	48,740	3,765,932
Deferred tax liability on undistributed profits of an associate (Note 27)	4,158,566	-
Utilisation of bilateral tax credit	(120,412)	(67,892)
Under provision of income tax in prior financial years	95,701	1,388,129
(Over)/Under provision of deferred tax in prior financial years	(109,496)	3,198
Income tax expense for the year	15,739,427	16,704,779
Foreign and withholding tax	8,426,986	8,497,208
	24,166,413	25,201,987

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction and eliminating intra-group transactions.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

9. Income tax expense (cont'd)

Two Bermuda subsidiaries of the Group, Silverlake Adaptive Applications & Continuous Improvement Services Ltd. ("SAACIS") and Silverlake Solutions Ltd. ("SSL"), have obtained exemption from the Ministry of Finance, Bermuda, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, thus no taxes shall be applicable on all income derived by SAACIS and SSL.

1. Three Malaysian subsidiaries of the Group, Silverlake Axis MSC Sdn. Bhd. ("SAMSC"), Silverlake Structured Services Sdn. Bhd. ("SSSVC") and Merimen Online Sdn. Bhd. ("MOSB"), are Multimedia Super Corridor Status Companies and enjoy the incentives, rights and privileges provided for under the Bill of Guarantees.

   The pioneer status of SAMSC, MOSB and SSSVC was extended for a period of five years effective from 1 November 2012, 29 June 2013 and 13 August 2014 respectively.

2. A Thailand subsidiary of the Group, Silverlake Structured Services Ltd., was granted promotional privileges approved by the Board of Investment under Thai Investment Promotion Act B.E. 2520, for Enterprise software and Digital content, under Certificate No. 2010(7)/2552 dated 23 December 2009 for a period of 8 years.

3. A Malaysian subsidiary of the Group, QR Retail Automation (Asia) Sdn. Bhd., qualifies for exemption on income for value of increased export of services under Income Tax Act, 1967 (Exemption) (No. 2) 2001 - P.U. (A) 154 and No. 9 (2002), P.U. (A) 57 and (Amendment) 2006 - P.U. (A) 275, for services rendered to foreign customers.

10. Earnings per share

Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the Group's net profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the Group's net profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Group	
	2015	2014
Profit net of tax attributable to owners of the parent (RM)	282,653,024	248,897,571
Weighted average number of ordinary shares for basic earnings per share computation *	2,245,806,094	2,244,441,710
Basic earnings per share (RM sen)	12.59	11.09
Weighted average number of ordinary shares for diluted earnings per share computation #	2,246,770,478	2,244,734,313
Diluted earnings per share (RM sen)	12.58	11.09

* The weighted average number of shares has taken into account the weighted average effect of changes in ordinary shares and treasury shares transactions during the financial year.

\# The weighted average number of shares has taken into account the weighted average effect of dilution shares under Silverlake Axis Ltd. Performance Share Plan ("PSP") of 964,384 (2014: 292,603) shares.

On 8 July 2015, 448,929,692 bonus shares have been issued (Note 37(i)). Save as disclosed above, there have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

11. Property, plant and equipment

Group	Freehold land RM	Office premises RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Total RM
At 30 June 2015						
Cost						
At 1 July 2014	7,153,765	-	3,863,914	3,978,971	8,448,675	23,445,325
Additions	-	-	1,469,554	249,394	604,615	2,323,563
Disposals	-	-	(38,430)	(796,679)	(2,436,829)	(3,271,938)
Written off	-	-	-	-	(233,678)	(233,678)
Currency translation differences	-	-	(16,380)	103,630	(36,521)	50,729
At 30 June 2015	7,153,765	-	5,278,658	3,535,316	6,346,262	22,314,001
Accumulated depreciation						
At 1 July 2014	-	-	3,413,522	1,599,593	5,330,445	10,343,560
Charge for the year (Note 7)	-	-	276,491	561,274	1,163,827	2,001,592
Disposals	-	-	(25,620)	(172,614)	(2,425,927)	(2,624,161)
Written off	-	-	-	-	(229,634)	(229,634)
Currency translation differences	-	-	(40,839)	37,024	(42,112)	(45,927)
At 30 June 2015	-	-	3,623,554	2,025,277	3,796,599	9,445,430
Net carrying amount	7,153,765	-	1,655,104	1,510,039	2,549,663	12,868,571

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

11. Property, plant and equipment (cont'd)

Group	Freehold land RM	Office premises RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Total RM
At 30 June 2014						
Cost						
At 1 July 2013	7,153,765	762,851	3,220,165	3,025,111	5,519,837	19,681,729
Acquisition of a subsidiary (Note 13(a))	-	-	-	-	344,791	344,791
Additions	-	-	712,886	1,095,214	2,734,931	4,543,031
Disposals	-	(766,021)	-	(152,092)	(41,329)	(959,442)
Currency translation differences	-	3,170	(69,137)	10,738	(109,555)	(164,784)
At 30 June 2014	7,153,765	-	3,863,914	3,978,971	8,448,675	23,445,325
Accumulated depreciation						
At 1 July 2013	-	537,785	3,217,299	1,256,487	4,548,030	9,559,601
Charge for the year (Note 7)	-	27,267	245,798	491,255	869,706	1,634,026
Disposals	-	(563,768)	-	(152,092)	(37,416)	(753,276)
Currency translation differences	-	(1,284)	(49,575)	3,943	(49,875)	(96,791)
At 30 June 2014	-	-	3,413,522	1,599,593	5,330,445	10,343,560
Net carrying amount	7,153,765	-	450,392	2,379,378	3,118,230	13,101,765

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

11. Property, plant and equipment (cont'd)

Company	Office equipment RM
At 30 June 2015	
Cost	
At 1 July 2014/30 June 2015	32,363
Accumulated depreciation	
At 1 July 2014	28,178
Charge for the year	3,421
At 30 June 2015	31,599
Net carrying amount	764
At 30 June 2014	
Cost	
At 1 July 2013/30 June 2014	32,363
Accumulated depreciation	
At 1 July 2013	24,596
Charge for the year	3,582
At 30 June 2014	28,178
Net carrying amount	4,185

Assets held under finance leases
During the financial year, the Group acquired motor vehicles and office equipment with an aggregate cost of RM200,065 (2014: RM2,681,032) by means of finance leases.

The carrying amount of property, plant and equipment of the Group held under finance leases as at the reporting date were RM2,738,266 (2014: RM4,097,290).

Leased assets are pledged as security for the related finance lease liabilities.

Assets pledged as security for borrowings
In addition to assets held under finance leases, freehold land of a subsidiary with a carrying amount of RM7,153,765 (2014: RM7,153,765) is pledged to secure term loan and overdraft facilities of a subsidiary (Note 25). During the financial year, the term loan had been fully settled.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

12. Intangible assets

Group	Software development expenditure RM	Purchased software RM	Proprietary software RM	Customer relationship RM	Customer contracts RM	Goodwill RM	Total RM
At 30 June 2015							
Cost							
At 1 July 2014	54,687,328	32,062,398	51,803,923	13,404,000	2,016,000	87,534,065	241,507,714
Additions							
- purchased	-	882,409	-	-	-	-	882,409
Currency translation differences	5,109,244	2,237,858	2,392,099	-	-	2,406,368	12,145,569
At 30 June 2015	59,796,572	35,182,665	54,196,022	13,404,000	2,016,000	89,940,433	254,535,692
Accumulated amortisation							
At 1 July 2014	43,360,256	20,992,224	10,754,978	1,746,225	1,008,000	-	77,861,683
Charge for the year (Note 7)	1,254,065	2,268,798	5,222,447	1,409,725	1,008,000	-	11,163,035
Currency translation differences	5,109,244	983,316	914,785	-	-	-	7,007,345
At 30 June 2015	49,723,565	24,244,338	16,892,210	3,155,950	2,016,000	-	96,032,063
Accumulated impairment loss							
At 1 July 2014/ 30 June 2015	2,135,984	-	-	-	-	-	2,135,984
Net carrying amount	7,937,023	10,938,327	37,303,812	10,248,050	-	89,940,433	156,367,645

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

12. Intangible assets (cont'd)

Group	Software development expenditure RM	Purchased software RM	Proprietary software RM	Customer relationship RM	Customer contracts RM	Goodwill RM	Total RM
At 30 June 2014							
Cost							
At 1 July 2013	52,358,656	30,151,988	37,180,597	11,023,000	-	63,844,499	194,558,740
Additions							
- internal development	2,016,861	-	-	-	-	-	2,016,861
- purchased	-	2,030,496	-	-	-	-	2,030,496
Acquisition of a subsidiary (Note 13(a))	-	-	13,970,000	2,381,000	2,016,000	23,032,343	41,399,343
Currency translation differences	311,811	(120,086)	653,326	-	-	657,223	1,502,274
At 30 June 2014	54,687,328	32,062,398	51,803,923	13,404,000	2,016,000	87,534,065	241,507,714
Accumulated amortisation							
At 1 July 2013	41,831,495	18,199,647	5,436,588	301,625	-	-	65,769,355
Charge for the year (Note 7)	1,216,950	2,999,631	5,207,812	1,444,600	1,008,000	-	11,876,993
Currency translation differences	311,811	(207,054)	110,578	-	-	-	215,335
At 30 June 2014	43,360,256	20,992,224	10,754,978	1,746,225	1,008,000	-	77,861,683
Accumulated impairment loss							
At 1 July 2013/ 30 June 2014	2,135,984	-	-	-	-	-	2,135,984
Net carrying amount	9,191,088	11,070,174	41,048,945	11,657,775	1,008,000	87,534,065	161,510,047

Software development expenditure
Included in software development expenditure capitalised in the previous financial year was employee benefits expense amounted to RM1,535,862 (Note 8).

Purchased software
Purchased software represents mainly software acquired from third parties for enhancing front-end customer interaction software components and expansion of the capabilities of the Group's existing software solutions.

Proprietary software
Proprietary software represents software acquired through the acquisition of Cyber Village Sdn. Bhd. ("CVSB") (Note 13(a)), Merimen Group (Note 13(b)) and Isis International Pte. Ltd. ("IIPL") Group in prior years.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

12. Intangible assets (cont'd)

Customer relationship
Customer relationship acquired through:
(i) the acquisition of CVSB in the previous financial year (Note 13(a)) represents the relationships exist between CVSB and its major recurring banking customers in Malaysia as at the acquisition date; and
(ii) the acquisition of Merimen Group in financial year 2013 (Note 13(b)) represents the relationships exist between Merimen Group and its major recurring customers in Malaysia, Singapore and Indonesia as at the acquisition date.

Customer contracts
Customer contracts acquired through the acquisition of CVSB in the previous financial year (Note 13(a)) represents software licensing and software project services contracts entered by CVSB with its major banking customers.

Goodwill
Goodwill represents the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed arising from the acquisition of CVSB (Note 13(a)), Merimen Group (Note 13(b)) and IIPL Group.

Goodwill acquired through business combinations has been allocated to three cash-generating units ("CGUs"), as follows:

	2015 RM	2014 RM
Payments and integration solution	29,014,078	26,607,710
Insurance processing solution	37,894,012	37,894,012
Mobile and internet solution	23,032,343	23,032,343
	89,940,433	87,534,065

Amortisation expense
The amortisation of intangible assets (other than goodwill) of RM11,163,035 (2014: RM11,876,993) (Note 7) is included in the cost of sales line item in the consolidated income statement.

Impairment testing
The carrying value of intangible assets (other than goodwill) is expected to be recovered from the probable future economic benefits that are expected to be generated from the commercial exploitation of these intangible assets. The remaining amortisation period at financial year end is less than 9 years (2014: less than 9 years).

Impairment testing for goodwill
The recoverable amounts of the CGUs have been determined based on value in use calculations using projected cash flows from financial budgets approved by management covering a five-year period. The discount rate applied to the cash flow projections and the forecast growth rate used to extrapolate the cash flows beyond the five-year period are as follows:

	Payments and integration solution		Insurance processing solution		Mobile and internet solution	
	2015	2014	2015	2014	2015	2014
Discount rate	21.5%	21.5%	15.0%	15.0%	15.0%	15.0%
Growth rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

12. Intangible assets (cont'd)

Impairment testing for goodwill (cont'd)
Discount rate - Discount rate represents the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both cost of debt and cost of equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Growth rate - Rate is based on management expectation of the long-term average growth rate of the industry.

The Group tests goodwill, proprietary software, customer relationship and customer contracts for impairment by assessing the underlying cash-generating units. Based on this, no impairment loss was recognised during the financial year.

Sensitivity to changes in assumptions
Management believes that no reasonable possible change in any of the above key assumptions would cause the recoverable amount to be materially lower than its carrying value.

13. Investments in subsidiaries

	Company	
	2015 RM	2014 RM
Shares at cost, unquoted		
At beginning of the year	1,827,788,044	1,785,778,028
Acquisition of a subsidiary by way of cash (Note a)	-	42,010,016
At end of the year	1,827,788,044	1,827,788,044

Details of the subsidiaries are as follows:

			Proportion of ownership interest held	
Name of companies	Principal activities	Country of incorporation	2015 %	2014 %
Held by the Company:				
Silverlake Axis Sdn. Bhd.*	Rendering of software project services and maintenance services	Malaysia	100	100
Silverlake Adaptive Applications & Continuous Improvement Services Ltd. ("SAACIS")*	Software licensing and the rendering of enhancement services	Bermuda	100	100
Silverlake Japan Ltd^	Provision of credit and debit cards payment processing services	Japan	100	100
QR Technology Sdn. Bhd. ("QRT")*	Investment holding	Malaysia	100	100

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

Name of companies	Principal activities	Country of incorporation	Proportion of ownership interest held 2015 %	Proportion of ownership interest held 2014 %
Held by the Company (cont'd):				
Silverlake Solutions Ltd. ("SSL") *	Investment holding	Bermuda	100	100
Silver Team Technology Limited ("STTL") ^^^^^	Investment holding	Hong Kong	100	100
Isis International Pte. Ltd. ("IIPL") **	Investment holding, sales of computer software and support services	Singapore	100	100
Merimen Ventures Sdn. Bhd. ("Merimen") (Note b) #	Investment holding and provision of electronic insurance claim solution services	Malaysia	100	100
Cyber Village Sdn. Bhd. ("CVSB") (Note a) *	Provision of internet and mobile services, portal, customer loyalty and e-commerce solutions and services	Malaysia	100	100
Held by SAACIS:				
Silverlake Holdings Sdn. Bhd.*	Trading of IBM products in Malaysia and the rendering of enhancement services	Malaysia	100	100
Silverlake Axis MSC Sdn. Bhd.*	Rendering of software project services and provision of enhancement services	Malaysia	100	100
Held by QRT:				
QR Retail Automation (Asia) Sdn. Bhd.*	Software trading, development and maintenance services	Malaysia	100	100
QR Retail Automation (S) Pte. Ltd. ^^	Software trading, development and maintenance services	Singapore	100	100
Held by SSL:				
Silverlake Structured Services Sdn. Bhd.*	Services and maintenance of Silverlake customised software	Malaysia	100	100
Silverlakegroup Pte. Ltd.**	Services and maintenance of Silverlake customised software	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

Name of companies	Principal activities	Country of incorporation	Proportion of ownership interest held 2015 %	2014 %
Held by SSL (cont'd):				
Silverlakegroup Pte. Ltd. (Philippines branch) ****	Services and maintenance of Silverlake customised software	Philippines	100	100
Silverlake Structured Services Ltd. ***	Services and maintenance of Silverlake customised software	Thailand	100	100
PT Structured Services ^^^	Services and maintenance of Silverlake customised software	Indonesia	100	100
Silverlake Sistem Sdn. Bhd.^^^^	Services and maintenance of Silverlake customised software	Brunei	100	100
Held by IIPL:				
Isis Computer Systems Pte. Ltd. **	Sales of computer software and provision of technical support services	Singapore	100	100
Isis Computer Systems (M) Sdn. Bhd. *	Sales of computer software and provision of technical support services	Malaysia	100	100
Held by Merimen:				
Merimen Online Sdn. Bhd. #	Provision of electronic insurance claim solution services	Malaysia	100	100
Merimen Technologies (Singapore) Pte. Ltd. ##	Provision of electronic insurance claim solution services	Singapore	100	100
P.T. Merimen Technologies Indonesia ###	Provision of electronic insurance claim solution services	Indonesia	100	100
Merimen Technologies Philippines Inc. ####	Provision of electronic insurance claim solution services	Philippines	100	100
Motobiznes Online Sdn. Bhd. #	Provision of electronic insurance claim solution services	Malaysia	51	51

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

*	Audited by Ernst & Young, Malaysia
**	Audited by Ernst & Young, Singapore
***	Audited by Ernst & Young, Thailand
****	Audited by SyCip Gorres Velayo & Co. (Ernst & Young, Philippines)
^	Audited by Miyako & Co., Japan
^^	Audited by SS Lee PAC, Singapore
^^^	Audited by Kosasih, Nurdiyaman, Tjahjo & Rekan, Indonesia
^^^^	Audited by Lee Corporatehouse Associates, Brunei
^^^^^	Audited by Union Alpha C.P.A Limited, Hong Kong
#	Audited by Crowe Horwath, Malaysia
##	Audited by Crowe Horwath, Singapore
###	Audited by Crowe Horwath, Indonesia
####	Audited by Ramon F. Garcia and Company CPA, Philippines

Acquisition of subsidiaries

Previous financial year

(a) Cyber Village Sdn. Bhd. ("CVSB")

On 3 July 2013, the Group acquired 100% equity interest in Cyber Village Sdn. Bhd. ("CVSB"), a company incorporated in Malaysia, for a total cash consideration of RM42,296,000, of which RM39,296,000 was paid upon completion with the remaining consideration of RM1,200,000 and RM1,800,000 to be paid within 21 days from 31 December 2014 and 31 December 2015 respectively. The fair value of the total purchase consideration was RM42,010,016.

CVSB provides e-business consulting services, including web design, web application development and internet marketing services.

The fair values of the identifiable assets and liabilities of CVSB as at the date of acquisition were:

	Fair value recognised on date of acquisition RM
Assets	
Property, plant and equipment (Note 11)	344,791
Intangible assets (Note 12)	18,367,000
Trade and other receivables	2,446,906
Cash and bank balances	4,950,547
	26,109,244
Liabilities	
Trade and other payables	(1,781,041)
Income tax payable	(810,764)
Deferred tax liabilities (Note 27)	(4,539,766)
	(7,131,571)
Total identifiable net assets at fair value	18,977,673
Goodwill arising on acquisition (Note 12)	23,032,343
Purchase consideration	42,010,016

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

Acquisition of subsidiaries (cont'd)

Previous financial year (cont'd)

(a) Cyber Village Sdn. Bhd. ("CVSB") (cont'd)

Consideration for the acquisition of CVSB	RM
Initial cash consideration paid	39,296,000
Fair value of deferred consideration payable recognised at acquisition date	2,714,016
Fair value of total purchase consideration	42,010,016

Effect of the acquisition of CVSB on cash flows

	2015 RM	2014 RM
Purchase consideration paid:		
- Initial cash consideration	-	39,296,000
- First deferred cash consideration	1,200,000	-
	1,200,000	39,296,000
Less: Cash and cash equivalents of subsidiary acquired	-	(4,950,547)
Net cash outflow on acquisition	1,200,000	34,345,453

Fair value of assets acquired and liabilities assumed
The fair value of acquired identifiable intangible assets of RM18,367,000, consist of proprietary software, customer relationship and customer contracts, were valued by using Relief from Royalty method and Multi Period Excess Earnings method respectively. The related deferred tax liability was provided accordingly (Note 27).

Goodwill of RM23,032,343 comprised the value of expected synergies arising from the acquisition which are not separately recognised. Goodwill was allocated entirely to the mobile and internet solution CGU. None of the goodwill recognised was expected to be deductible for income tax purposes.

Impact of acquisition on consolidated income statement
From the date of acquisition, CVSB had contributed RM21,873,170 and RM4,365,729 to the Group's revenue and profit net of tax respectively for financial year ended 30 June 2014.

Acquisition-related costs of RM127,229 (2013: RM241,086) were recognised in the "Administrative expenses" line item in the consolidated income statement for the financial year ended 30 June 2014.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

Acquisition of subsidiaries (cont'd)

Financial year ended 30 June 2013

(b) Merimen Ventures Sdn. Bhd. ("Merimen")

On 10 April 2013, the Company acquired 80% equity interest with a call and put options on the remaining 20% equity interest in Merimen Ventures Sdn. Bhd. ("Merimen"), a private limited liability company incorporated in Malaysia. The combination of the call option and put option with same exercise period and same pricing was considered as a forward contract to acquire the remaining 20% equity interest in Merimen and therefore present ownership interest in the remaining 20% equity interest had been granted. The Company had therefore effectively acquired 100% equity interest in Merimen at a total purchase consideration, at fair value of RM61,906,742, and the Group had consolidated 100% of the Merimen's results.

Merimen with its subsidiaries, Merimen Online Sdn. Bhd., Merimen Technologies (Singapore) Pte. Ltd., P.T. Merimen Technologies Indonesia, Merimen Technologies Philippines Inc. and Motobiznes Online Sdn. Bhd. (collectively, the "Merimen Group"), are principally engaged in the provision of a cloud computing Software as a Service ("SaaS") platform for insurance companies to interact and transact with their customers and partner communities to effectively and efficiently process and administer policy origination and claims processing.

The fair values of the identifiable assets and liabilities of Merimen Group as at the date of acquisition were:

	Fair value recognised on date of acquisition RM
Assets	
Property, plant and equipment	547,359
Intangible assets	22,407,000
Trade and other receivables	2,633,092
Cash and bank balances	3,800,581
	29,388,032
Liabilities	
Trade and other payables	(1,769,870)
Income tax payable	(301,743)
Deferred tax liabilities	(3,283,906)
Non-controlling interests of a subsidiary	(19,783)
	(5,375,302)
Total identifiable net assets at fair value	24,012,730
Goodwill arising on acquisition	37,894,012
Purchase consideration	61,906,742

Consideration for the acquisition of Merimen

	RM
Initial cash consideration paid	25,793,980
Contingent consideration payable recognised at acquisition date	36,112,762
Total purchase consideration	61,906,742

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

Acquisition of subsidiaries (cont'd)

Financial year ended 30 June 2013 (cont'd)

(b) Merimen Ventures Sdn. Bhd. ("Merimen") (cont'd)

Effect of the acquisition of Merimen on cash flows

	2015 RM	2014 RM	2013 RM
Purchase consideration paid:			
- Initial cash consideration, tranche 1	-	-	25,793,980
- Initial cash consideration, tranche 2	-	11,200,000	-
- Initial cash consideration, tranche 3	12,026,240	-	-
	12,026,240	11,200,000	25,793,980
Less: Cash and cash equivalents of subsidiary acquired	-	-	(3,800,581)
Net cash outflow on acquisition	12,026,240	11,200,000	21,993,399

Contingent consideration arrangement
The purchase consideration is made up of initial 80% equity interest acquisition from a minimum of RM15,000,000 up to RM52,400,000 ("Initial Consideration"), and call and put options on the remaining 20% equity interest in Merimen for an aggregate exercise price of up to RM19,200,000 ("Option Consideration").

(i) Initial Consideration for the acquisition of 80% equity interest

The Initial Consideration is based on a multiple of eight times of the average audited net consolidated profit after tax ("AVNPAT") of Merimen Group for the financial years ended 30 June 2012, 30 June 2013 ("FY2013") and 30 June 2014 ("FY2014"), together with bonus considerations, as follows:

(a) first bonus consideration based on a multiple of four times of AVNPAT, if Merimen Group achieves AVNPAT in excess of RM7,000,000 but does not exceed RM8,500,000; and

(b) second bonus consideration of equivalent to one time of AVNPAT in addition to the first bonus consideration, if Merimen Group achieves AVNPAT in excess of RM8,500,000 but does not exceed RM12,000,000.

Where the AVNPAT is at a loss position, the Initial Consideration shall be a fixed sum of RM15,000,000 only.

The Initial Consideration is payable in 3 tranches, with a first payment of RM25,793,980 made on the completion date, a second payment of RM11,200,000 made in FY2014 and a final payment of RM12,026,240 (being the total amount payable less any earlier payments) made in FY2015.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

13. Investments in subsidiaries (cont'd)

Acquisition of subsidiaries (cont'd)

Financial year ended 30 June 2013 (cont'd)

(b) Merimen Ventures Sdn. Bhd. ("Merimen") (cont'd)

Contingent consideration arrangement (cont'd)

(ii) Option Consideration for the remaining 20% equity interest

The Company has the option to require any of the Vendors to sell all but not part of the remaining shareholdings in Merimen ("Call Option") and each of the Vendors has the option to require the Company to purchase all but not part of the remaining shareholdings in Merimen ("Put Option"). Each of the Call Option and Put Option shall be exercisable within a period of three months commencing from the date of completion of the audited accounts of Merimen Group for financial year ending 30 June 2015 ("FY2015"). The aggregate exercise price will be determined based on a multiple of eight times of the AVNPAT of Merimen Group for FY2013, FY2014 and FY2015 (subject to a maximum AVNPAT of RM12,000,000).

As at the acquisition date, the fair value of the contingent consideration was estimated as follows:

	RM
Initial Consideration	22,513,220
Option Consideration	13,599,542
	36,112,762

The fair value of the contingent consideration was calculated using the "probability-weighted average of payouts" method and at a discount rate of 8%.

Subsequent measurement of contingent consideration
The average audited net consolidated profit after tax of Merimen Group for FY2015 was lower than that estimated at the acquisition date mainly due to lower revenue growth compared to the forecast. Accordingly, the AVNPAT has been reduced and the fair value of the contingent consideration has been adjusted. The fair value of the contingent consideration has decreased by RM947,423 (Note 5) with the fair value adjustment recognised in the "Other income" line item in the consolidated income statement for the financial year ended 30 June 2015.

The average audited net consolidated profit after tax of Merimen Group for FY2014 was lower than that estimated at the acquisition date due to a probable additional tax liability. Accordingly, the AVNPAT has been reduced and the fair value of the contingent consideration has been adjusted. The fair value of the contingent consideration has decreased by RM1,519,367 (Note 5) with the fair value adjustment recognised in the "Other income" line item in the consolidated income statement for the financial year ended 30 June 2014.

Fair value of assets acquired and liabilities assumed
The fair value of the trade and other receivables of RM2,633,092 included trade receivables with a fair value of RM2,436,319. The gross contractual amount of these trade receivables was RM2,462,669, of which RM26,350 were impaired as they were not expected to be collected.

The fair value of acquired identifiable intangible assets of RM22,407,000, consisted of proprietary software and customer relationship, were valued by using Relief from Royalty method and Multi Period Excess Earnings method respectively. The related deferred tax liability was provided accordingly.

Goodwill of RM37,894,012 comprised the value of expected synergies arising from the acquisition which were not separately recognised. Goodwill was allocated entirely to the insurance processing solution. None of the goodwill recognised was expected to be deductible for income tax purposes.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

14. Investments in associates

	Group	
	2015 RM	2014 RM
At beginning of the year	74,121,788	66,672,405
Gain on dilution of interest in an associate arising from Initial Public Offering ("IPO") (Note 5)	19,189,670	-
Capital contribution	1,824,778	-
Share of profit for the year	6,959,399	7,449,383
At end of the year	102,095,635	74,121,788
Comprise:		
Shares, at cost	90,507,538	88,682,760
Share of post acquisition reserves	11,588,097	(14,560,972)
	102,095,635	74,121,788
Fair value of investment in Global InfoTech Co. Ltd. ("GIT")	1,490,152,950	-

	Company	
	2015 RM	2014 RM
Shares, at cost	21,000,000	21,000,000
Accumulated impairment	(19,770,000)	(19,770,000)
	1,230,000	1,230,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

14. Investments in associates (cont'd)

	Group 2015 RM	Group 2014 RM
Share of the associates' statement of financial position:		
Assets	120,363,267	143,759,088
Liabilities	(18,267,632)	(69,637,300)
Equity	102,095,635	74,121,788
Share of the associates' revenue and profit:		
Revenue	134,021,308	139,981,597
Profit after tax and total comprehensive income	6,959,399	7,449,383

The Group's investments in associates are accounted for using the equity method in the consolidated financial statements.

Details of the associates are as follows:

Name of companies	Principal activities	Country of incorporation	Proportion of ownership interest held 2015 %	Proportion of ownership interest held 2014 %
Held by STTL:				
Global InfoTech Co. Ltd. ("GIT") ^	Provision of Information Technology services focusing on the financial services sector in the People's Republic of China ("PRC")	PRC	20.25	27.00
Held by the Company:				
ePetrol Silverswitch Sdn. Bhd. ("ePetrol") ^^	Provision of payment transaction technology infrastructure solutions and to manage services for the centralised interchange in Malaysia	Malaysia	24.50	24.50

^ Audited by Ruihua Certified Public Accountants (LLP), China
^^ Audited by BDO Binder, Malaysia

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

14. Investments in associates (cont'd)

The Group's material investments in associates and financial information are summarised below:

	2015 RM	2014 RM
GIT	102,095,635	74,121,788

(a) The summarised financial information represents the amounts in the financial statements of the associate and not the Group's share of those amounts.

(i) Summarised statement of financial position

	GIT	
	2015 RM	2014 RM
Current assets	499,091,016	408,300,480
Non-current assets excluding goodwill	70,107,736	62,673,088
Goodwill	5,100,520	8,732,147
Total assets	574,299,272	479,705,715
Non-current liabilities	29,314,991	30,399,441
Current liabilities	60,895,538	198,390,272
Total liabilities	90,210,529	228,789,713
Net assets	484,088,743	250,916,002
Net assets excluding goodwill	478,988,223	242,183,855
Proportion of the Group's ownership	20.25%	27.00%
Group's share of net assets	96,995,115	65,389,641
Goodwill on acquisition	5,100,520	8,732,147
Carrying amount of the investment	102,095,635	74,121,788

(ii) Summarised statement of comprehensive income

	GIT	
	2015 RM	2014 RM
Revenue	517,354,819	513,984,910
Profit for the year from operations	27,363,103	30,485,053
Other comprehensive income	-	-
Total comprehensive income	27,363,103	30,485,053

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

14. Investments in associates (cont'd)

(b) The Group has not recognised losses relating to ePetrol where its share of losses exceeds the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the end of the reporting period was RM1,510,788 (2014: RM339,153), of which RM1,171,635 (2014: RM339,153) was the share of current year's losses. The Group has no obligation in respect of these losses.

Gain on dilution of interest in an associate arising from IPO
On 8 May 2015, GIT had obtained the official approval document from the China Securities Regulatory Commission ("CSRC") for the issuance of up to 33,340,000 new shares for IPO in China.

On 20 May 2015, 33,340,000 new shares of GIT of RMB1.00 each at an IPO price of RMB11.26 have been fully subscribed. The shares of GIT have been listed, quoted and traded on ChiNext of the Shenzhen Stock Exchange at 9.30 a.m. on 28 May 2015. Following the listing, 33,340,000 new shares were fully alloted and issued. Consequently, the Company's interest in GIT was diluted from 27.00% to 20.25%, resulting in an accounting gain on dilution of interest of RM19,189,670 (Note 5) recognised under "Other income" in the consolidated income statement for the financial year ended 30 June 2015.

Capital contribution
On 21 May 2015, STTL has contributed RMB3,240,000 (equivalent to RM1,824,778) to GIT in accordance with the undertaking letter signed by GIT's shareholders on 20 March 2015, with the consent to contribute RMB12,000,000 to GIT in proportion to its shareholdings.

Impairment testing of investments in associates
During the financial year, management performed an impairment test for the investment in ePetrol as this associate has previously made losses. Based on the assessment, no impairment loss was recognised during the financial year. An impairment loss of RM4,744,000 was recognised for the financial year ended 30 June 2014 to write down the carrying amount of this investment to its recoverable amount in the Company's statement of financial position.

15. Interest in a joint venture

On 18 December 2014, the Company entered into a joint venture with Holliday Group Holdings (ICT Investments No. 2) Limited ("HGH2") to form Silverlake HGH Limited ("SHGH") with shareholding of 51%, for the purpose to make a full takeover offer of the ordinary shares of Finzsoft Solutions Limited ("Finzsoft"). Finzsoft is a public company incorporated in New Zealand and listed on the New Zealand Stock Exchange, which principally engaged in computer software development, sales and support with hosting and SaaS Bureau service.

SHGH is incorporated in New Zealand and is a strategic venture for the Group to expand its existing portfolio of software solutions. The Group jointly controls SHGH with HGH2 under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

On the same day, the Company and HGH2 entered into a funding agreement to provide funding or advances to SHGH in proportion of their shareholdings in SHGH for the takeover offer of Finzsoft. The advances provided to SHGH are non-interest bearing, and no demand for repayment will be made unless SHGH has sufficient funds to make repayment and both the Company and HGH2 agree to the demand being made. As at 30 June 2015, the advances given by the Company to SHGH amounted to NZD11,571,681 which is equivalent to RM29,791,292.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

15. Interest in a joint venture (cont'd)

	Group 2015 RM
At beginning of the year	-
Acquisition of interest in a joint venture	139
Advances to a joint venture	31,551,197
Share of loss for the year	(1,432,120)
Currency translation differences	(1,759,905)
At end of the year	28,359,311
Comprise:	
Shares, at cost	139
Advances to a joint venture (Note 17)	29,791,292
Share of post acquisition reserves	(1,432,120)
	28,359,311

	Company 2015 RM
Shares, at cost	139
Advances to a joint venture (Note 17)	29,791,292
	29,791,431

	Group 2015 RM
Share of the joint venture's statement of financial position:	
Assets	41,953,109
Liabilities	(13,593,798)
Equity	28,359,311
Share of the joint venture's revenue and loss:	
Revenue	7,854,333
Net loss after tax and total comprehensive loss	(1,432,120)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

15. Interest in a joint venture (cont'd)

The Group's interest in a joint venture is accounted for using the equity method in the consolidated financial statements.

Details of the joint venture are as follow:

Name of companies	Principal activities	Country of incorporation	Proportion of ownership interest held 2015 %
Held by the Company:			
Silverlake HGH Limited ("SHGH") ^	Investment holding	New Zealand	51.00
Held by SHGH:			
Finzsoft Solutions Limited ("Finzsoft") ^	Computer software development, sales and support with hosting and SaaS Bureau Service	New Zealand	87.89

^ Audited by Staples Rodway, Chartered Accountants, Auckland, New Zealand

Summarised financial information in respect of the Group's joint venture is set out below. The summarised financial information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

(i) Summarised statement of financial position

	SHGH 2015 RM
Cash and cash equivalents	456,622
Trade and other receivables	6,578,250
Current assets	7,034,872
Non-current assets excluding goodwill	39,454,213
Goodwill	37,182,708
Non-current assets	76,636,921
Total assets	83,671,793
Current liabilities representing total liabilities	(71,089,341)
Non-controlling interests	(7,695,129)
Net assets	4,887,323
Net liabilities excluding non-controlling interests	(2,807,806)
Proportion of the Group's ownership	51%
Group's share of net liabilities	(1,431,981)
Advances to a joint venture	29,791,292
Carrying amount of the investment	28,359,311

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

15. Interest in a joint venture (cont'd)

Summarised financial information in respect of the Group's joint venture is set out below. The summarised financial information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts. (cont'd)

(ii) Summarised statement of comprehensive income

	SHGH
	2015 RM
Revenue	15,400,653
Depreciation and amortisation	(2,065,203)
Interest income	300,158
Interest expense	(282,859)
Loss before tax	(3,379,192)
Income tax income	571,113
Loss after tax	(2,808,079)
Other comprehensive loss	(145,806)
Total comprehensive loss	(2,953,885)

16. Amounts due from/(to) customers for contract work-in-progress

	Group	
	2015 RM	2014 RM
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	194,109,895	244,740,611
Progress billings	(174,637,864)	(229,601,035)
	19,472,031	15,139,576
Presented as:		
Amounts due from customers for contract work-in-progress	24,374,841	22,224,485
Amounts due to customers for contract work-in-progress	(4,902,810)	(7,084,909)
	19,472,031	15,139,576

Included in contract work-in-progress capitalised during the financial year is employee benefits expense amounted to RM85,580 (2014: RM149,814) (Note 8).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

17. Trade and other receivables

	Group		Company	
	2015 RM	2014 RM Restated (Note 38)	2015 RM	2014 RM
Trade receivables				
Third parties	76,857,509	94,764,435	-	-
Less: Allowance for impairment (Note 33(c))	(1,154,790)	(1,236,601)	-	-
Net trade receivables (Note 33(c))	75,702,719	93,527,834	-	-
Other receivables				
Sundry receivables	8,137,675	7,584,944	246,869	64,588
Deposits	1,641,004	1,503,376	-	-
	9,778,679	9,088,320	246,869	64,588
Total trade and other receivables	85,481,398	102,616,154	246,869	64,588
Trade and other receivables	85,481,398	102,616,154	246,869	64,588
Dividend receivable	-	-	-	4,150,798
Advances to a joint venture (Note 15)	29,791,292	-	29,791,292	-
Amounts due from related parties (Note 18)	30,186,863	38,611,873	-	-
Loan to subsidiaries (Note 19)	-	-	12,014,683	14,436,317
Cash and bank balances (Note 21)	320,514,200	343,004,185	91,043,416	153,072,247
Total loans and receivables	465,973,753	484,232,212	133,096,260	171,723,950

Trade receivables
Trade receivables are non-interest bearing and are generally on 30 days (2014: 30 days) term. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

As at 30 June 2015, the Group's significant concentration of credit risk is as disclosed in Note 33(c).

Receivables that are impaired
Trade receivables that are impaired at the reporting date relate to debtors that are slow in payments. These receivables are not secured by any collateral or credit enhancements.

Information regarding financial assets that are neither past due nor impaired and past due and/or impaired is disclosed in Note 33(c).

Other receivables
Other receivables are unsecured, non-interest bearing and repayable on demand.

Included in sundry receivables of the Group is account receivable of RM3,936,469 (2014: RM5,478,696) distributed from Unifisoft Holdings Ltd. upon liquidation in year 2012. This receivable is unsecured, non-interest bearing and is repayable within two years from the date of disbursement, or upon mutual consent by all parties in writing, whichever is earlier. During the financial year, the debtor has repaid 35% (2014: 10%) of the total loan given by the Group and the repayment arrangement of the remaining receivable has been extended to 30 June 2016.

Other information on financial risks of trade and other receivables are disclosed in Note 33.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

18. Amounts due from/(to) subsidiaries and related parties

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Amounts due to subsidiaries (Note 28)	-	-	(20,010)	(109,165)
Amounts due from related parties (Note 17)				
- trade (Note 33(c))	30,137,938	38,502,838	-	-
- non-trade	48,925	109,035	-	-
	30,186,863	38,611,873	-	-
Amounts due to related parties (Note 28)				
- trade	(11,007,367)	(2,107,704)	-	-
- non-trade	(355,148)	(11,869)	-	-
	(11,362,515)	(2,119,573)	-	-

Amounts due to subsidiaries
The amounts due to subsidiaries are non-trade, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Amounts due from related parties
The amounts due from related parties are unsecured and non-interest bearing except for amounts owing by related parties to certain subsidiaries amounted to RM25,181,909 (2014: RM33,638,090) which carry interest at 1.0% (2014: 1.0%) per month for debts past due credit terms. The trade amounts due from related parties have a credit term of 30 days (2014: 30 days). The amounts due from related parties are to be settled in cash.

Amounts due to related parties
The amounts due to related parties are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Further details on related party transactions are disclosed in Note 31.

Other information on financial risks of amounts due from/(to) subsidiaries and related parties are disclosed in Note 33.

19. Loans to subsidiaries and an associate

The balances are unsecured, non-interest bearing and repayable on demand.

The Company recognised an impairment loss on loan to a subsidiary, Silverlake Japan Ltd ("SJL"), of RM6,739,000 during the financial year as the discounted estimated future cash flows of SJL's business is lower than the carrying amount of the loan.

In the previous financial year, loan to an associate, ePetrol, of RM735,000 was impaired and fully provided (Note 7).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

20. Available-for-sale financial assets - money market fund

	Group	
	2015 RM	2014 RM Restated (Note 38)
Available-for-sale financial assets	10,390,000	6,800,000

Available-for-sale financial assets at the fair value through other comprehensive income of the Group represent investment in money market fund with financial institution. Fair value of this investment is determined by reference to the net asset value of the fund.

21. Cash and bank balances

	Group		Company	
	2015 RM	2014 RM Restated (Note 38)	2015 RM	2014 RM
Cash at banks and on hand	120,322,129	117,082,480	1,989,443	1,302,390
Short-term deposits with licensed banks	200,192,071	225,921,705	89,053,973	151,769,857
Cash and bank balances (Note 17)	320,514,200	343,004,185	91,043,416	153,072,247

Cash at banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and twelve months (2014: one day and twelve months) depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates. As at 30 June 2015, the effective interest rates of short-term deposits of the Group and of the Company range from 0.20% to 7.25% (2014: 0.10% to 8.25%) and 0.20% to 3.80% (2014: 0.15% to 2.40%) per annum respectively.

As at 30 June 2015, short-term deposits with licensed banks of the Group amounting to RM1,226,914 (2014: RM1,224,682) are pledged by certain subsidiaries for bank guarantee facilities in relation to project tenders.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:

	Group	
	2015 RM	2014 RM Restated (Note 38)
Cash and bank balances	320,514,200	343,004,185
Less: Short-term deposits with licensed banks with maturity more than 3 months	(3,714,373)	(120,857,197)
Less: Pledged deposits	(1,226,914)	(1,224,682)
Cash and cash equivalents	315,572,913	220,922,306

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

22. Share capital, share premium, treasury shares and performance share plan

(a) Ordinary share capital

(i) Authorised

	Group and Company Number of ordinary shares of USD0.02 each	
	2015	2014
At beginning and end of the year	3,000,000,000	3,000,000,000

(ii) Issued and fully paid

	Group and Company			
	Number of ordinary shares of USD0.02 each		Amount	
	2015	2014	2015 RM	2014 RM
At beginning and end of the year	2,247,543,108	2,247,543,108	157,483,159	157,483,159

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

(b) Share premium

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
At beginning of the year	252,437,933	251,834,093	1,688,995,689	1,688,391,849
Arising from:				
- release of treasury shares pursuant to Performance Share Plan (Note d)	6,831,440	603,840	6,831,440	603,840
At end of the year	259,269,373	252,437,933	1,695,827,129	1,688,995,689

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

22. Share capital, share premium, treasury shares and performance share plan (cont'd)

(c) Treasury shares

	Group and Company	
	Number of treasury shares	RM
At 1 July 2013	3,394,000	933,052
Release of treasury shares pursuant to Performance Share Plan (Note d)	(600,000)	(164,700)
At 30 June 2014	2,794,000	768,352
At 1 July 2014	2,794,000	768,352
Release of treasury shares pursuant to Performance Share Plan (Note d)	(2,600,000)	(713,700)
Purchase of treasury shares	2,700,000	7,871,979
At 30 June 2015	2,894,000	7,926,631

Treasury shares relate to ordinary shares of the Company that are held by the Company.

On 3 June 2015 and 4 June 2015, the Company purchased 1,600,000 and 1,100,000 shares respectively pursuant to the share purchase mandate approved by shareholders on 27 October 2014. These shares were acquired by way of market acquisition for a total consideration of RM7,871,979 and are held as treasury shares by the Company.

The percentage of treasury shares over total ordinary shares net treasury shares amounts to 0.1% (2014: 0.1%).

(d) Performance share plan ("PSP")

	Group and Company		
	Non-Executive Directors RM	Managing Director RM	Total RM
At 1 July 2013	576,405	-	576,405
Grant of PSP	768,540	-	768,540
Release of PSP	(768,540)	-	(768,540)
At 30 June 2014	576,405	-	576,405
At 1 July 2014	576,405	-	576,405
Grant of PSP	192,135	11,989,258	12,181,393
Release of PSP	(768,540)	(6,776,600)	(7,545,140)
At 30 June 2015	-	5,212,658	5,212,658

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

22. Share capital, share premium, treasury shares and performance share plan (cont'd)

(d) Performance share plan ("PSP") (cont'd)

(i) PSP shares granted to non-executive directors

On 3 January 2013, the Company granted 2,000,000 shares awards to its non-executive directors at 500,000 shares each pursuant to the Silverlake Axis Ltd. Performance Share Plan. The shares awards are based on the service and contributions made by each non-executive directors to the success of the Company and shall be released in accordance with the following Release Schedule:

Release date	Number of shares per director
3 January 2013	200,000
3 January 2014	150,000
5 January 2015	150,000

The shares awarded are subject to restrictions against any disposal or sale and/or other dealings in the shares for a period of one year from the applicable release date.

On 5 January 2015, 600,000 (2014: 600,000) (Note c) shares were released from the Company's existing treasury shares at the price of SGD0.505 per share at grant date, amounted to RM192,135 (2014: RM768,540) (Note 8), of which, gain on reissuance of treasury shares of RM603,840 (2014: RM603,840) was recognised in the share premium account (Note b).

(ii) PSP shares granted to managing director

During the financial year, a maximum 10,000,000 PSP shares were awarded and granted to the Group Managing Director, Dr. Kwong Yong Sin. 2,000,000 shares, at the price of SGD1.265 per share at grant date, amounted to RM6,776,600 (Note 8) have been awarded and released to Dr. Kwong Yong Sin on 5 January 2015 in recognition of his contribution to the Group for financial year ended 30 June 2014. The 2,000,000 (Note c) shares were released from the Company's existing treasury shares, of which, gain on reissuance of treasury shares of RM6,227,600 was recognised in the share premium account (Note b).

The shares awarded were subject to restrictions against any disposal or sale and/or other dealings in the shares for a period of one year from the applicable release date.

The actual number of remaining shares shall vest subject to the achievement of pre-determined targets set over a four-financial year performance period (financial year 2015 to 2018). The expense on the remaining 8,000,000 shares recognised in the profit or loss and performance share plan reserve account during the financial year was RM5,212,658 (Note 8).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

22. Share capital, share premium, treasury shares and performance share plan (cont'd)

(d) Performance share plan ("PSP") (cont'd)

The fair value of PSP awarded was estimated using Forward Pricing Formulae, taking into account the terms and conditions upon which the PSP were awarded. The fair value of PSP measured at grant date and the assumptions were as follows:

	PSP granted to	
	Non-Executive Directors	Group Managing Director
Fair value of PSP:		
Weighted average fair value of PSP (RM)	1.23	3.26
Share price at grant date (RM)	1.28	3.39
Average risk free rate (%)	0.25	1.32
Expected dividend yield (%)	4.27	4.32

The share price at grant date used was the closing price of the Company's shares on that date. Expected yield rate used was based on historical data and future estimates, which may not necessarily be the actual outcome. No other features of the share award were incorporated into the measurement of fair value.

23. Foreign currency translation reserve, capital reserve, statutory reserve and performance share plan reserve

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Capital reserve

This represents non-distributable capital reserve of a subsidiary arising from the issuance of bonus shares in prior years.

(c) Statutory reserve

This represents non-distributable reserve of a subsidiary incorporated in Thailand. As required by Thailand Civil and Commercial Code, an entity shall allocate at least 5% of its annual net profit to a reserve, when dividend is declared, until the reserve reaches an amount not less than 10% of the entity's authorised capital.

(d) Performance share plan reserve

This represents non-distributable reserve arising from performance shares granted to non-executive directors and managing director (Note 22(d)). The reserve is made up of the cumulative value of service received from non-executive directors and managing director over the vesting period commencing from the grant date of the performance shares and will be reduced by the release of the performance shares on the release date.

The above reserves are not available for dividend distribution to shareholders.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

24. Merger deficit

	Group	
	2015 RM	2014 RM
At beginning and end of the year	119,765,286	119,765,286

The merger deficit represents the excess of nominal value of the shares issued by the Company over the book value of the assets and liabilities of the acquired subsidiaries, accounted for using the "pooling-of-interest" method.

The above reserve is not available for dividend distribution to shareholders.

25. Loans and borrowings

	Group	
	2015 RM	2014 RM
Current		
Secured:		
Term loan	-	335,394
Obligations under finance leases (Note 26)	784,516	957,985
	784,516	1,293,379
Non-current		
Secured:		
Obligations under finance leases (Note 26)	1,626,409	2,560,515
Total loans and borrowings (Note 28)	2,410,925	3,853,894

Term loan
This loan was repayable in 83 monthly installments from the first drawdown on 21 March 2008 and was secured by a charge over freehold land of a subsidiary (Note 11). The weighted average effective interest rate of this loan at the previous reporting date was 6.85% per annum. The loan has been fully settled during the financial year.

Obligations under finance leases
These obligations are secured by a charge over the leased assets (Note 11). The weighted average effective interest rate of the leases are disclosed in Note 26.

Overdraft facility
The Group has overdraft facility which is secured by a charge over freehold land of a subsidiary (Note 11). The overdraft facility is not utilised as at reporting date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

26. Obligations under finance leases

	Group	
	2015 RM	2014 RM
Minimum lease payments:		
Not later than one year	845,737	1,051,808
Later than one year but not later than five years	1,685,292	2,647,407
Later than five years but not later than seven years	3,393	45,536
	2,534,422	3,744,751
Less: Amounts representing finance charges	(123,497)	(226,251)
	2,410,925	3,518,500
The present value of the obligations under finance leases may be analysed as follows:		
Not later than one year	784,516	957,985
Later than one year but not later than five years	1,623,028	2,516,046
Later than five years but not later than seven years	3,381	44,469
	2,410,925	3,518,500
Presented as:		
Current (Note 25)	784,516	957,985
Non-current (Note 25)	1,626,409	2,560,515
	2,410,925	3,518,500

The effective interest rates of finance lease liabilities at the reporting date range from 0.97% to 5.18% (2014: 0.97% to 3.45%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

27. Deferred tax

	Group	
	2015 RM	2014 RM
At beginning of the year	10,700,390	7,308,996
Acquisition of a subsidiary (Note 13(a))	-	4,539,766
Recognised in income statement (Note 9):		
Provision in current year	2,383,924	(1,314,226)
(Over)/Under provision in prior financial years	(109,496)	3,198
Recognised in other comprehensive income (Note 29):		
Provision in current year	749	(123,545)
Under provision in prior financial years	-	70,771
Currency translation differences	399,999	215,430
At end of the year	13,375,566	10,700,390
Presented after appropriate offsetting as follows:		
Deferred tax assets	(2,389,566)	(1,981,011)
Offsetting	289,997	328,861
Deferred tax assets (after offsetting)	(2,099,569)	(1,652,150)
Deferred tax liabilities	15,765,132	12,681,401
Offsetting	(289,997)	(328,861)
Deferred tax liabilities (after offsetting)	15,475,135	12,352,540
Deferred tax	13,375,566	10,700,390

The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

27. Deferred tax (cont'd)

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

Deferred tax liabilities of the Group:

	Software development expenditure RM	Proprietary software RM	Customer relationship RM	Customer contracts RM	Property, plant and equipment RM	Undistributed profits of an associate RM	Others RM	Total RM
At 1 July 2013	1,221,364	5,962,548	1,602,751	-	226,954	-	138,939	9,152,556
Acquisition of a subsidiary	-	3,381,000	576,000	504,000	78,766	-	-	4,539,766
Recognised in income statement:								
Provision in current year	228,721	(989,770)	(152,767)	(252,000)	25,792	-	102,950	(1,037,074)
Under/(Over) provision in prior financial years	-	-	-	-	29,046	-	(138,939)	(109,893)
Currency translation differences	-	137,162	-	-	1,180	-	(2,296)	136,046
At 30 June 2014	1,450,085	8,490,940	2,025,984	252,000	361,738	-	100,654	12,681,401
At 1 July 2014	1,450,085	8,490,940	2,025,984	252,000	361,738	-	100,654	12,681,401
Recognised in income statement:								
Provision in current year	-	(1,058,998)	(144,048)	(252,000)	(53,855)	4,158,566	56,957	2,706,622
Over provision in prior financial years	(49,000)	-	-	-	(29,365)	-	(69,653)	(148,018)
Currency translation differences	-	502,384	-	-	16,406	-	6,337	525,127
At 30 June 2015	1,401,085	7,934,326	1,881,936	-	294,924	4,158,566	94,295	15,765,132

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

27. Deferred tax (cont'd)

Deferred tax assets of the Group:

	Provision for defined benefit liabilities RM	Allowance for unutilised leave RM	Advance maintenance fees RM	Others RM	Total RM
At 1 July 2013	(701,766)	(173,154)	(871,395)	(97,245)	(1,843,560)
Recognised in income statement:					
Provision in current year	(75,075)	(60,769)	(72,886)	(68,422)	(277,152)
(Under)/Over provision in prior financial years	(70,771)	(31,551)	171,597	43,816	113,091
Recognised in other comprehensive income:					
Provision in current year	(123,545)	-	-	-	(123,545)
Over provision in prior financial years	70,771	-	-	-	70,771
Currency translation differences	81,162	21	9,766	(11,565)	79,384
At 30 June 2014	(819,224)	(265,453)	(762,918)	(133,416)	(1,981,011)
At 1 July 2014	(819,224)	(265,453)	(762,918)	(133,416)	(1,981,011)
Recognised in income statement:					
Provision in current year	(158,675)	(56,963)	(167,104)	60,044	(322,698)
(Under)/Over provision in prior financial years	-	(67,377)	92,596	13,303	38,522
Recognised in other comprehensive income:					
Provision in current year	749	-	-	-	749
Currency translation differences	(67,684)	(15,741)	(32,125)	(9,578)	(125,128)
At 30 June 2015	(1,044,834)	(405,534)	(869,551)	(69,647)	(2,389,566)

As at 30 June 2015, the deferred tax assets have not been recognised in respect of the following items:

	Group	
	2015 RM	2014 RM
Unused tax losses	684,661	519,225
Accelerated capital allowances over depreciation	(10,394)	(58,254)
	674,267	460,971

Tax consequences of proposed dividends
There are no income tax consequences (2014: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 30).

Unused tax losses
The Group has tax losses which arose in subsidiaries of RM684,661 (2014: RM519,225) that are available indefinitely for offset against future taxable profits of the subsidiaries in which the losses arose. However, as these losses relate to subsidiaries that have a history of losses, deferred tax assets have not been recognised as these losses may not be used to offset taxable profits elsewhere in the Group. If the Group was able to recognise these unrecognised deferred tax assets, profit would increase by RM149,807 (2014: RM117,337).

Unrecognised earnings
At 30 June 2015, deferred tax liability of RM4,158,566 (2014: Nil) has been recognised for taxes that would be payable on the unremitted earnings of an associate. There was no other recognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain subsidiaries, other associate and joint venture of the Group. The Group has determined that undistributed profits of these subsidiaries, other associate and joint venture will not be distributed in the foreseeable future. The temporary differences associated with investments in subsidiaries, other associate and joint venture, for which a deferred tax liability has not been recognised, aggregate to RM6,085,820 (2014: RM5,041,000).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

28. Trade and other payables

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Current				
Trade payables:				
- Third parties	6,881,712	6,239,207	-	-
- Accrual of sub-contractor fees	16,626,965	30,712,549	-	-
Total trade payables	23,508,677	36,951,756	-	-
Other payables:				
- Sundry payables and accruals	14,180,845	10,727,294	635,787	995,562
- Allowance for unutilised leave	4,149,188	3,483,500	-	-
- Deferred consideration payable	1,761,338	1,092,811	1,761,338	1,092,811
- Contingent consideration for business combination	14,765,593	10,861,416	14,765,593	10,861,416
Total other payables	34,856,964	26,165,021	17,162,718	12,949,789
	58,365,641	63,116,777	17,162,718	12,949,789
Non-current				
Other payables:				
- Deferred consideration payable	-	1,761,338	-	1,761,338
- Contingent consideration for business combination	-	15,511,092	-	15,511,092
Total other payables	-	17,272,430	-	17,272,430
Total trade and other payables	58,365,641	80,389,207	17,162,718	30,222,219
Trade and other payables	58,365,641	80,389,207	17,162,718	30,222,219
Loans and borrowings (Note 25)	2,410,925	3,853,894	-	-
Amounts due to:				
- subsidiaries (Note 18)	-	-	20,010	109,165
- related parties (Note 18)	11,362,515	2,119,573	-	-
Total financial liabilities carried at amortised cost	72,139,081	86,362,674	17,182,728	30,331,384

Trade and other payables (current)
These amounts are non-interest bearing. Trade payables are normally settled on 60 days (2014: 60 days) term while other payables have an average term of 6 months (2014: 6 months).

Deferred consideration payable
This amount represents balance of purchase consideration payable to the vendor within 21 days from 31 December 2014 and 2015 in relation to the acquisition of CVSB (Note 13(a)).

Contingent consideration for business combination
This amount represents the fair value of the remaining purchase consideration payable to the vendors in tranches in relation to the acquisition of Merimen (Note 13(b)). This consideration is dependent on the AVNPAT of Merimen Group for FY2015 (2014: FY2014 to FY2015).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

28. Trade and other payables (cont'd)

Contingent consideration for business combination (cont'd)

	Group and Company	
	2015 RM	2014 RM
Total purchase consideration, initially recognised at fair value	61,906,742	61,906,742
Add: Vendor indemnification	41,827	-
Add: Unwinding of discount on contingent consideration payable (cumulative)	4,304,034	2,979,113
Add: Fair value changes recognised in profit or loss (cumulative)	(2,466,790)	(1,519,367)
Less: Consideration settled	(49,020,220)	(36,993,980)
Contingent consideration payable at end of the year	14,765,593	26,372,508
Contingent consideration payables :		
- within 12 months	14,765,593	10,861,416
- after 12 months	-	15,511,092
	14,765,593	26,372,508

Other information on financial risks of trade and other payables are disclosed in Note 33.

29. Provision for defined benefit liabilities

The Group has three defined benefit pension plans, in Indonesia, Thailand and Philippines respectively, for its employees.

(a) Indonesia plan

A subsidiary in Indonesia provides benefits for its employees who achieve the retirement age at 55 based on the provisions of Labor Law No.13/2003 dated 25 March 2003. The employee benefits liability is unfunded. The employee benefits liability of this subsidiary was determined by an independent actuarist in its report dated 1 July 2015 for financial year ended 2015 and 17 July 2014 for financial year ended 2014.

The principal assumptions used in determining the employee benefits liability of the Indonesia plan are shown below:

Principal actuarial assumptions:

	2015	2014
Discount rate	8.25%	8.50%
Salary increment rate	10%	10%
Mortality rate	100% *	100% *
Disability rate	5% *	5% *
Resignation rate	5% to age 30, then decreasing linearly to 0% at age 55	5% to age 30, then decreasing linearly to 0% at age 55

* based on Indonesian Mortality Table 3

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

29. Provision for defined benefit liabilities (cont'd)

(b) Thailand plan

A subsidiary in Thailand provides benefits for its employees who achieve the retirement age at 60 based on the provisions of Labour Protection Act (A.D. 1998), on Severance Pay. The employee benefits liability is unfunded. The employee benefits liability of this subsidiary was determined by an independent actuarist in its report dated 10 June 2015 for financial year ended 2015 and 9 July 2013 for financial year ended 2014.

The principal assumptions used in determining the employee benefits liability of the Thailand plan are shown below:

Principal actuarial assumptions:

	2015	2014
Discount rate	3.60%	4.50%
Salary increment rate	12% per annum for ages up to 29; 6% per annum for ages 30 to 39; 2% per annum for ages 40 to 49; 0% per annum for ages 50 and above	10% per annum for ages up to 29; 5% per annum for ages 30 to 39; 1.5% per annum for ages 40 to 49; 0% per annum for ages 50 and above
Mortality rate	Thailand Mortality Ordinary 2008 Table	Thailand Mortality Ordinary 2008 Table
Disability rate	0%	0%
Resignation rate	6% per annum for ages up to 29; 4% per annum for ages 30 to 39; 1% per annum for ages 40 to 49; 0% per annum for ages 50 and above	1% per annum for ages up to 49; 0% per annum for ages 50 and above

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

29. Provision for defined benefit liabilities (cont'd)

(c) Philippines plan

A subsidiary in Philippines provides benefits for its employees who achieve the retirement age at 60 based on the provisions of the Retirement Pay Law (Republic Act No. 7641). The employee benefits liability is unfunded. The employee benefits liability of this subsidiary was determined by an independent actuarist in its report dated 4 July 2013 for financial years ended 2015 and 2014.

The principal assumptions used in determining the employee benefits liability of the Philippines plan are shown below:

Principal actuarial assumptions:

	2015	2014
Discount rate	4.65%	5.12%
Salary increment rate	12%	12%
Mortality rate	The 2001 CSO Table - Generational (Scale AA, Society of Actuarists)	The 2001 CSO Table - Generational (Scale AA, Society of Actuarists)
Disability rate	0%	0%
Resignation rate	7.5% per annum for ages 19 to 24; 6% per annum for ages 25 to 29; 4.5% per annum for ages 30 to 34; 3% per annum for ages 35 to 39; 2% per annum for ages 40 to 44; 0% per annum for ages 45 and above	7.5% per annum for ages 19 to 24; 6% per annum for ages 25 to 29; 4.5% per annum for ages 30 to 34; 3% per annum for ages 35 to 39; 2% per annum for ages 40 to 44; 0% per annum for ages 45 and above

The following tables summarise the components of employee benefits expense recognised in the consolidated statement of comprehensive income and the amounts recognised in the consolidated statement of financial position as employee benefits liabilities.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

29. Provision for defined benefit liabilities (cont'd)

The details of the net employee benefits liability are as follows:

	Group							
	2015				2014			
	Indonesia Plan RM	Thailand Plan RM	Philippines Plan RM	Total RM	Indonesia Plan RM	Thailand Plan RM	Philippines Plan RM	Total RM
Present Value of the Defined Benefit Obligation ("PVDBO") as at 1 July	1,841,596	656,292	1,007,484	3,505,372	1,787,791	616,722	737,558	3,142,071
Defined benefit obligation (Note 8)	393,121	107,303	189,743	690,167	394,002	63,888	(166,707)	291,183
Gross amount of actuarial (gain)/loss	(39,783)	467,186	(92,991)	334,412	(36,177)	-	441,964	405,787
Currency translation differences	68,208	86,030	144,077	298,315	(304,020)	(24,318)	(5,331)	(333,669)
PVDBO as at 30 June	2,263,142	1,316,811	1,248,313	4,828,266	1,841,596	656,292	1,007,484	3,505,372
Analysis of funded and unfunded PVDBO								
PVDBO from plans that are wholly unfunded	2,263,142	1,316,811	1,248,313	4,828,266	1,841,596	656,292	1,007,484	3,505,372
Analysed as:								
Current	155,057	205,896	-	360,953	155,318	182,160	-	337,478
Non-current:								
Later than 1 year but not later than 2 years	173,870	-	-	173,870	173,830	-	-	173,830
Later than 2 years but not later than 5 years	205,483	-	-	205,483	460,530	-	-	460,530
Later than 5 years	1,728,732	1,110,915	1,248,313	4,087,960	1,051,918	474,132	1,007,484	2,533,534
Total non-current	2,108,085	1,110,915	1,248,313	4,467,313	1,686,278	474,132	1,007,484	3,167,894
	2,263,142	1,316,811	1,248,313	4,828,266	1,841,596	656,292	1,007,484	3,505,372
Current service cost	247,672	73,951	134,300	455,923	214,491	43,142	(217,879)	39,754
Interest cost	145,449	33,352	55,443	234,244	179,511	20,746	51,172	251,429
Net employee benefits expense (Note 8)	393,121	107,303	189,743	690,167	394,002	63,888	(166,707)	291,183
Total amount recognised in statement of comprehensive income								
Gross amount of actuarial (gain)/loss	(39,783)	467,186	(92,991)	334,412	(36,177)	-	441,964	405,787
Deferred tax (Note 27)	9,946	(37,094)	27,897	749	9,044	-	(61,818)	(52,774)
Net amount of actuarial (gain)/loss	(29,837)	430,092	(65,094)	335,161	(27,133)	-	380,146	353,013
Cumulative amount of actuarial (gain)/loss recognised in statement of comprehensive income	(91,627)	474,305	76,970	459,648	(61,790)	44,213	142,064	124,487

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

29. Provision for defined benefit liabilities (cont'd)

Sensitivity analysis:

Discount rate
A one percentage point change in the assumed discount rate would have the following effects:

	Increase in one percentage point on discount rate				Decrease in one percentage point on discount rate			
	Indonesia Plan RM	Thailand Plan RM	Philippines Plan RM	Total RM	Indonesia Plan RM	Thailand Plan RM	Philippines Plan RM	Total RM
2015								
Effect on the aggregate current service cost and interest cost	(191,867)	(145,680)	(153,115)	(490,662)	219,757	173,977	188,976	582,710
Effect on the PVDBO as at 30 June	(191,867)	(145,811)	(162,031)	(499,709)	219,757	174,133	199,980	593,870
2014								
Effect on the aggregate current service cost and interest cost	(173,467)	(77,652)	(159,073)	(410,192)	198,812	94,195	197,516	490,523
Effect on the PVDBO as at 30 June	(161,504)	(70,141)	(154,246)	(385,891)	185,101	85,085	191,523	461,709

Salary increment rate
A one percentage point change in the assumed salary increment rate would have the following effects:

	Increase in one percentage point on salary increment rate				Decrease in one percentage point on salary increment rate			
	Indonesia Plan RM	Thailand Plan RM	Philippines Plan RM	Total RM	Indonesia Plan RM	Thailand Plan RM	Philippines Plan RM	Total RM
2015								
Effect on the aggregate current service cost and interest cost	211,400	176,963	189,566	577,929	(188,505)	(58,685)	(157,126)	(404,316)
Effect on the PVDBO as at 30 June	211,400	177,121	200,604	589,125	(188,505)	(58,737)	(166,275)	(413,517)
2014								
Effect on the aggregate current service cost and interest cost	200,776	96,843	185,256	482,875	(178,698)	(36,906)	(153,566)	(369,170)
Effect on the PVDBO as at 30 June	186,929	87,477	179,634	454,040	(166,374)	(33,337)	(148,906)	(348,617)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

29. Provision for defined benefit liabilities (cont'd)

	Indonesia Plan		Thailand Plan		Philippines Plan	
	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM
PVDBO	2,263,142	1,841,596	1,316,811	656,292	1,248,313	1,007,484
Experience adjustments on plan liabilities	90,185	171,135	-	-	-	-

30. Dividends

	2015		2014	
	Dividend per share SGD/RM	Amount of dividend RM	Dividend per share SGD/RM	Amount of dividend RM
Declared and paid/payable during the financial year:				
Dividends on ordinary shares:				
In respect of financial year ended 30 June 2013:				
- Final dividend paid per share, tax exempt (1-tier)	-	-	0.011 / 0.029	64,738,092
In respect of financial year ended 30 June 2014:				
- First interim dividend paid per share, tax exempt (1-tier)	-	-	0.008 / 0.021	46,310,261
- Second interim dividend paid per share, tax exempt (1-tier)	-	-	0.009 / 0.024	53,587,773
- Third interim dividend paid per share, tax exempt (1-tier)	-	-	0.010 / 0.026	58,980,783
- Final and special dividends paid per share, tax exempt (1-tier)	0.018 / 0.047	105,195,680	-	-
In respect of financial year ended 30 June 2015:				
- First interim dividend paid per share, tax exempt (1-tier)	0.008 / 0.021	46,807,509	-	-
- Second interim dividend paid per share, tax exempt (1-tier)	0.011 / 0.030	66,560,863	-	-
- Third interim dividend paid per share, tax exempt (1-tier)	0.011 / 0.030	67,186,304	-	-
		285,750,356		223,616,909
Proposed but not recognised as a liability as at 30 June:				
Dividends on ordinary shares, subject to shareholders' approval at the AGM *	0.012 / 0.034	90,610,913	0.018 / 0.046	103,874,418

* The bonus shares issued subsequent to the financial year ended 30 June 2015 as disclosed in Note 37(i) are entitled to the proposed final dividend. The proposed dividend as disclosed above has taken into account the bonus shares entitlement.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

31. Significant related party transactions

(a) Sale and purchase of goods and services

The Group has the following significant related party transactions between the Group and the related parties, who are not members of the Group, which took place on terms agreed between the parties during the financial year:

	Group	
	2015 RM	2014 RM
Sale of goods and rendering of services to related parties:		
- Software licensing	105,197,988	99,011,052
- Software project services	5,760,683	6,999,862
- Maintenance and enhancement services	38,488,521	13,870,221
- Sale of hardware products	812,368	604,822
Service fees paid to related parties	46,415,071	50,995,236
Accounting and administrative expenses paid to related parties	1,678,333	826,823
Rentals paid to related parties	329,483	312,468
Interest on receivables charged to related parties	-	51,025
Proceeds from disposal of property, plant and equipment to a related party	634,967	-

Information regarding outstanding balances arising from related party transactions as at reporting date are disclosed in Note 18.

The parent
There were no transactions other than dividends paid, between the Group and Intelligentsia Holding Ltd. during the financial year (2014: Nil).

(b) Compensation of key management personnel

	Group	
	2015 RM	2014 RM
Salaries and other short-term employee benefits	10,598,581	7,605,887
Performance shares plan (Note 22(d))	12,181,393	768,540
Defined contribution plans	762,352	563,748
Benefits-in-kind	208,045	228,633
	23,750,371	9,166,808
Comprise amounts paid to:		
Directors of the Company	15,568,829	3,440,385
Other key management personnel	8,181,542	5,726,423
	23,750,371	9,166,808

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

32. Commitments and contingencies

(a) Capital commitments

There is no significant capital commitment as at financial year end.

(b) Operating lease commitments - Group as lessee

The Group leases certain land and building under non-cancellable lease agreements with varying terms and renewal rights. There are no restrictions placed upon the Group and the Company as a result of entering into these leases. Operating lease payments recognised in the income statement during the financial year amounted to RM3,329,690 (2014: RM3,071,244) (Note 7).

Future minimum rental under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2015 RM	2014 RM
Not later than one year	541,245	439,552
Later than one year but not later than five years	366,045	102,354
	907,290	541,906

(c) Finance lease commitments

The Group has finance leases for its motor vehicles and office equipment (Note 11).

Future minimum lease payment under finance leases together with the present value of net minimum lease payments are disclosed in Note 26.

(d) Guarantees

At the reporting date, the Group has provided bank guarantees to third parties amounting to RM1,477,417 (2014: RM4,803,378). No liability is expected to arise.

At the reporting date, the Company has provided corporate guarantee to its subsidiaries amounting to RM16,939,993 (2014: RM37,990,219). No liability is expected to arise.

33. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk, credit risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial years, the Group's policy that no derivatives shall be undertaken except for the use as hedging instrument where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of the changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term loan with floating interest rate. The Group's policy is to manage its interest costs by obtaining the most favourable interest rates on its borrowings.

Surplus funds of the Group are placed with licensed banks as deposits to generate interest income. The Group has no significant net exposure to interest rate risk.

Sensitivity analysis for interest rate risk
The Group's term loan at variable rate is denominated in Ringgit Malaysia. At the previous reporting date, assuming the market interest rate increases/decreases by 1% with other variables including tax rate being held constant, the Group's profit before tax for the financial year would have been lower/higher by RM3,354 arising mainly as a result of higher/lower interest expense on this term loan.

The assumed fluctuation in market interest rate sensitivity analysis is based on the observable market environment.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. There is no significant exposure to liquidity risk. The Group actively manages its operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. The Group maintains sufficient levels of cash and cash equivalents to meet its working capital requirements. The Group's liquidity risk management policy is to match maturities of financial assets and liabilities, and to maintain available banking facilities of a reasonable level to its overall debt position.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contracted undiscounted repayment obligations.

	Less than 1 year RM	Between 1 and 5 years RM	Over 5 years RM	Total RM
Group				
At 30 June 2015				
Trade and other payables	58,682,908	-	-	58,682,908
Amounts due to related parties (Note 18)	11,362,515	-	-	11,362,515
Obligations under finance leases (Note 26)	845,737	1,685,292	3,393	2,534,422
	70,891,160	1,685,292	3,393	72,579,845
At 30 June 2014				
Trade and other payables	64,548,887	17,589,698	-	82,138,585
Amounts due to related parties (Note 18)	2,119,573	-	-	2,119,573
Term loan	344,011	-	-	344,011
Obligations under finance leases (Note 26)	1,051,808	2,647,407	45,536	3,744,751
	68,064,279	20,237,105	45,536	88,346,920

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

	Less than 1 year RM	Between 1 and 5 years RM	Over 5 years RM	Total RM
Company				
At 30 June 2015				
Trade and other payables	17,479,985	-	-	17,479,985
Amounts due to subsidiaries (Note 18)	20,010	-	-	20,010
	17,499,995	-	-	17,499,995
At 30 June 2014				
Trade and other payables	14,381,899	17,589,698	-	31,971,597
Amounts due to subsidiaries (Note 18)	109,165	-	-	109,165
	14,491,064	17,589,698	-	32,080,762

(c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables, advances to a joint venture, amounts due from related parties and loan to an associate. For other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group monitors its credit risk closely and trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group does not expect its related parties to default on their repayment obligations. Cash and deposits are placed with reputable licensed banks.

Exposure to credit risk profile
As at reporting date, the Group has a significant concentration of credit risk in the form of outstanding balances due from 5 customers (2014: 6 customers), representing 50% (2014: 74%) of the Group's trade receivables and amounts due from related parties (trade).

Credit risk concentration profile
The Group determines concentrations of credit risk by monitoring the region of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's net trade receivables at the reporting date is as follows:

	Group			
	2015		2014	
By geographical areas	RM	%	RM	%
South East Asia	91,189,080	86%	124,058,656	94%
North East Asia	11,412,797	11%	5,198,473	4%
South Asia	3,052,704	3%	2,070,901	2%
Middle East	-	-	587,493	-*
Europe	186,076	-*	115,149	-*
	105,840,657	100%	132,030,672	100%

* Less than 1%

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Credit risk concentration profile (cont'd)

	Group	
	2015 RM	2014 RM
Represented by:		
Trade receivables - third parties (Note 17)	75,702,719	93,527,834
Amounts due from related parties - trade (Note 18)	30,137,938	38,502,838
	105,840,657	132,030,672

Financial assets that are neither past due nor impaired

Trade and other receivables, advances to a joint venture and amounts due from related parties amounted to RM121,803,692 (2014: RM118,450,691) that are not past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents that are neither past due nor impaired are placed with or entered with reputable licensed banks with high credit ratings and no history of default.

Financial assets that are past due but not impaired

The Group has trade receivables amounting to RM23,655,861 (2014: RM22,777,336) that are past due at the reporting date but not impaired. These receivables are unsecured and the analysis of their aging at the reporting date is as follows:

	Group	
	2015 RM	2014 RM
Past due 0 to 2 months (31 - 90 days)	13,119,482	13,211,875
Past due 2 to 5 months (91 - 180 days)	6,710,373	6,477,851
Past due over 5 months (>180 days)	3,826,006	3,087,610
	23,655,861	22,777,336

Financial assets that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2015 RM	2014 RM
Individually impaired		
Trade receivables, nominal amounts	1,154,790	1,236,601
Less: Allowance for impairment	(1,154,790)	(1,236,601)
	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Financial assets that are impaired (cont'd)
The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows (cont'd):

	Group	
	2015 RM	2014 RM
At beginning of the year	1,236,601	1,136,348
Charge for the year (Note 7)	-	110,721
Reversal (Note 5)	(87,933)	(7,167)
Currency translation differences	6,122	(3,301)
At end of the year (Note 17)	1,154,790	1,236,601

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities. The companies in the Group primarily transact in their respective functional currencies. The Group's business is exposed to foreign exchange risk arising from various currency exposures primarily with respect to sales and operating expenses denominated mainly in Singapore Dollar (SGD) and United States Dollar (USD).

The Group holds short-term deposits denominated in SGD, USD, Thailand Baht (Baht), Brunei Dollar (BND), Indonesia Rupiah (IDR) and Philippine Peso (PESO) which also give rise to foreign currency exposure. The Group is also exposed to currency translation risk arising from its net investments in foreign operations whose functional currencies are not in Ringgit Malaysia. The Company's net investments in foreign operations are not hedged as currency positions of the respective companies are considered to be long-term in nature.

At the reporting date, the Group does not hedge its foreign currency exposure using any financial instruments. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arises.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk
The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax and equity to changes in the SGD, USD, Baht, BND, Japanese Yen (JPY) and New Zealand Dollar (NZD) exchange rates against the respective functional currencies of the Group entities and functional currency of the Company, with all other variables including tax rate being held constant.

	Group			
	Profit net of tax		Equity	
	2015 RM	2014 RM	2015 RM	2014 RM
SGD/RM				
- strengthened by 9% (2014: 3%)	8,929,195	6,647,995	10,619,710	7,388,353
- weakened by 9% (2014: 3%)	(8,929,195)	(6,647,995)	(10,619,710)	(7,388,353)
USD/RM				
- strengthened by 18% (2014: 1%)	7,461,528	583,642	22,846,729	1,336,031
- weakened by 18% (2014: 1%)	(7,461,528)	(583,642)	(22,846,729)	(1,336,031)
Baht/RM				
- strengthened by 13% (2014: 3%)	6,009,189	1,074,597	11,600,563	2,085,137
- weakened by 13% (2014: 3%)	(6,009,189)	(1,074,597)	(11,600,563)	(2,085,137)
BND/RM				
- strengthened by 9% (2014: 3%)	1,207,135	111,603	2,009,799	207,480
- weakened by 9% (2014: 3%)	(1,207,135)	(111,603)	(2,009,799)	(207,480)
NZD/RM				
- strengthened by 9%	2,681,204	-*	2,681,204	-*
- weakened by 9%	(2,681,204)	-*	(2,681,204)	-*

	Company			
	Profit net of tax		Equity	
	2015 RM	2014 RM	2015 RM	2014 RM
SGD/RM				
- strengthened by 9% (2014: 3%)	2,702,573	4,482,340	2,702,573	4,482,340
- weakened by 9% (2014: 3%)	(2,702,573)	(4,482,340)	(2,702,573)	(4,482,340)
JPY/RM				
- strengthened by 3% (2014: 2%)	362,474	277,117	362,474	277,117
- weakened by 3% (2014: 2%)	(362,474)	(277,117)	(362,474)	(277,117)
NZD/RM				
- strengthened by 9%	2,681,204	-*	2,681,204	-*
- weakened by 9%	(2,681,204)	-*	(2,681,204)	-*

* Not applicable

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

The Group's currency exposure is as follows:

At 30 June 2015	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Philippine Peso RM	Hong Kong Dollar RM	Chinese Renminbi RM	Japanese Yen RM	Thailand Baht RM	Brunei Dollar RM	Sri Lanka Rupee RM	Indonesia Rupiah RM	New Zealand Dollar RM	Total RM
Financial assets													
Available-for-sale financial assets - money market fund	10,390,000	-	-	-	-	-	-	-	-	-	-	-	10,390,000
Cash and bank balances	154,650,106	72,724,707	28,219,875	1,134,447	3,034	-	1,506,647	42,651,591	13,384,411	730	6,238,652	-	320,514,200
Trade receivables	31,253,882	6,201,904	21,453,831	157,694	-	6,009,689	1,393,424	4,012,534	4,438,816	-	780,945	-	75,702,719
Other receivables	1,337,360	388,200	3,960,199	182,283	-	-	566,317	991,344	2,143,209	-	209,767	-	9,778,679
Amounts due from related parties	1,601,151	27,441,508	-	-	-	-	-	1,144,204	-	-	-	-	30,186,863
Advances to a joint venture	-	-	-	-	-	-	-	-	-	-	-	29,791,292	29,791,292
	199,232,499	106,756,319	53,633,905	1,474,424	3,034	6,009,689	3,466,388	48,799,673	19,966,436	730	7,229,364	29,791,292	476,363,753
Financial liabilities													
Loans and borrowings	532,547	244,573	-	-	-	-	1,494,436	-	-	-	139,369	-	2,410,925
Trade payables	8,449,690	2,304,940	11,945,438	-	-	-	719,089	89,520	-	-	-	-	23,508,677
Other payables	23,488,425	2,580,128	235,531	1,238,142	3,898	-	752,127	1,637,105	3,859,663	-	1,061,806	139	34,856,964
Amounts due to related parties	4,933,857	2,413,401	-	-	-	-	352,266	848,515	2,694,164	-	120,312	-	11,362,515
	37,404,519	7,543,042	12,180,969	1,238,142	3,898	-	3,317,918	2,575,140	6,553,827	-	1,321,487	139	72,139,081
Net financial assets/ (liabilities)	161,827,980	99,213,277	41,452,936	236,282	(864)	6,009,689	148,470	46,224,533	13,412,609	730	5,907,877	29,791,153	404,224,672
Less: Net financial position denominated in the respective entities functional currencies	(161,492,661)	(18,103,201)	(78,037)	(236,282)	864	-	(80,702)	(45,906,688)	(13,413,310)	-	(5,800,289)	-	(245,110,306)
Currency exposure	335,319	81,110,076	41,374,899	-	-	6,009,689	67,768	317,845	(701)	730	107,588	29,791,153	159,114,366

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

The Group's currency exposure is as follows (cont'd):

At 30 June 2014	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Philippine Peso RM	Hong Kong Dollar RM	Chinese Renminbi RM	Japanese Yen RM	Thailand Baht RM	Brunei Dollar RM	Sri Lanka Rupee RM	Indonesia Rupiah RM	Australian Dollar RM	Total RM
Financial assets													
Available-for-sale financial assets - money market fund (Restated - Note 38)	6,800,000	-	-	-	-	-	-	-	-	-	-	-	6,800,000
Cash and bank balances (Restated - Note 38)	66,289,419	192,961,912	39,127,791	1,176,795	20,222	-	3,679,915	32,501,634	3,583,928	898	3,661,671	-	343,004,185
Trade receivables	57,256,755	7,894,353	17,375,580	21,502	-	1,874,626	1,378,545	7,027,175	141,470	-	557,828	-	93,527,834
Other receivables	1,445,734	330,728	5,951,801	187,024	-	-	581,092	467,377	31,692	-	92,872	-	9,088,320
Amounts due from related parties	2,777,206	27,003,042	8,831,625	-	-	-	-	-	-	-	-	-	38,611,873
	134,569,114	228,190,035	71,286,797	1,385,321	20,222	1,874,626	5,639,552	39,996,186	3,757,090	898	4,312,371	-	491,032,212
Financial liabilities													
Loans and borrowings	1,250,670	642,146	-	-	-	-	1,961,078	-	-	-	-	-	3,853,894
Trade payables	18,266,440	3,059,867	12,400,041	-	-	-	752,963	2,459,791	-	-	-	12,654	36,951,756
Other payables	35,650,395	2,876,966	522,563	563,166	3,315	-	2,732,058	890,826	37,001	-	161,161	-	43,437,451
Amounts due to related parties	1,077,510	11,209	-	-	-	-	205,194	825,660	-	-	-	-	2,119,573
	56,245,015	6,590,188	12,922,604	563,166	3,315	-	5,651,293	4,176,277	37,001	-	161,161	12,654	86,362,674
Net financial assets/ (liabilities)	78,324,099	221,599,847	58,364,193	822,155	16,907	1,874,626	(11,741)	35,819,909	3,720,089	898	4,151,210	(12,654)	404,669,538
Less: Net financial position denominated in the respective entities functional currencies	(78,059,262)	(26,081,415)	(13,244,609)	(822,155)	(16,907)	-	81,272	(35,819,909)	(3,720,089)	-	(4,048,878)	-	(161,731,952)
Currency exposure	264,837	195,518,432	45,119,584	-	-	1,874,626	69,531	-	-	898	102,332	(12,654)	242,937,586

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

The Company's currency exposure is as follows:

At 30 June 2015	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Japanese Yen RM	New Zealand Dollar RM	Total RM
Financial assets						
Cash and bank balances	59,962,794	30,476,205	536,649	67,768	-	91,043,416
Other receivables	231,881	6,256	8,732	-	-	246,869
Loan to a subsidiary	-	-	-	12,014,683	-	12,014,683
Advances to a joint venture	-	-	-	-	29,791,292	29,791,292
	60,194,675	30,482,461	545,381	12,082,451	29,791,292	133,096,260
Financial liabilities						
Other payables	16,676,631	434,503	51,445	-	139	17,162,718
Amounts due to subsidiaries	645	19,365	-	-	-	20,010
	16,677,276	453,868	51,445	-	139	17,182,728
Net financial assets	43,517,399	30,028,593	493,936	12,082,451	29,791,153	115,913,532
Less: Net financial position denominated in the functional currencies	(43,517,399)	-	-	-	-	(43,517,399)
Currency exposure	-	30,028,593	493,936	12,082,451	29,791,153	72,396,133
At 30 June 2014						
Financial assets						
Cash and bank balances	2,295,923	150,098,401	608,393	69,530	-	153,072,247
Other receivables	1,971	49,654	12,963	-	-	64,588
Dividend receivable	4,150,798	-	-	-	-	4,150,798
Loan to subsidiaries	650,000	-	-	13,786,317	-	14,436,317
	7,098,692	150,148,055	621,356	13,855,847	-	171,723,950
Financial liabilities						
Other payables	29,402,261	718,804	101,154	-	-	30,222,219
Amounts due to subsidiaries	91,258	17,907	-	-	-	109,165
	29,493,519	736,711	101,154	-	-	30,331,384
Net financial (liabilities)/ assets	(22,394,827)	149,411,344	520,202	13,855,847	-	141,392,566
Less: Net financial position denominated in the functional currencies	22,394,827	-	-	-	-	22,394,827
Currency exposure	-	149,411,344	520,202	13,855,847	-	163,787,393

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(e) Fair values of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Fair value hierarchy
The Group categorises fair value measurements using a fair value hierarchy that is dependant on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(i) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
Group	Quoted prices in active markets for identical instruments (Level 1) RM	Significant observable inputs other than quoted prices (Level 2) RM	Significant unobservable inputs (Level 3) RM	Total RM
Assets measured at fair value				
2015				
Financial assets:				
Current assets				
Available-for-sale financial assets				
- money market fund	-	10,390,000	-	10,390,000
Financial assets as at 30 June 2015	-	10,390,000	-	10,390,000
2014				
Financial assets:				
Current assets				
Available-for-sale financial assets				
- money market fund	-	6,800,000	-	6,800,000
Financial assets as at 30 June 2014	-	6,800,000	-	6,800,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(e) Fair values of financial instruments (cont'd)

(ii) The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

- **Available-for-sale financial assets - money market fund, cash and cash equivalents, other receivables, other payables (current), amounts due from/to subsidiaries, related parties and loan to subsidiary/associate**

  Unquoted money market funds are valued based on currently available deposits with similar terms and maturities.

  The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

- **Other payables (non-current)**

  The fair value of these financial liabilities are estimated by discounting the expected future cash flows at interest rate specific to the contractual arrangement at the reporting date. As at 30 June 2015, the carrying amounts of these financial instruments are not materially different from its calculated fair value.

- **Trade receivables and trade payables**

  The carrying amounts approximate fair values because these are subject to normal trade credit terms.

- **Loans and borrowings**

  The fair values of the obligations under finance leases are determined by the present value of minimum lease payments, which are estimated by discounting the expected future cash flows at market incremental lending rate for similar types of finance leases at the reporting date.

  The fair value of the term loan approximates its carrying amount as they are floating rate instruments that are re-priced to market interest rate on or near the reporting date.

(iii) Assets not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the Group's assets not measured at fair value but for which fair value is disclosed:

Group	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) RM	Significant observable inputs other than quoted prices (Level 2) RM	Significant unobservable inputs (Level 3) RM	Carrying amount RM
2015				
Assets:				
Investments in associates	1,490,152,950	-	-	102,095,635

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

33. Financial risk management objectives and policies (cont'd)

(f) Collateral

Other than part of short-term deposits pledged with banks as disclosed in Note 21, the Group has no other significant terms and conditions associated with the use of collateral.

The Group did not hold collateral as at 30 June 2015 (2014: Nil).

34. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2015 and 2014.

The Group monitors capital using the net asset value of the Group, which is total assets less total liabilities of the Group. The net asset value of the Group as at 30 June 2015 is RM639,417,708 (2014: RM616,377,950).

The Group and its subsidiaries are not subject to any externally imposed capital requirements.

35. Segment information

For management purposes, the Group is organised into six business segments: software licensing; rendering of software project services; maintenance and enhancement services; sale of software and hardware products; credit and cards processing services and insurance processing services.

Other operations of the Group comprise investment holding which does not constitute a separate reportable segment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Income taxes are managed on a group basis and are not allocated to operating segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the financial year to acquire segment assets which are expected to be used for more than one period.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to individual segments as they are managed on a group basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

35. Segment information (cont'd)

(a) Business information

The following table presents the revenue and results information regarding the Group's business segments for the financial years ended 30 June 2015 and 2014 and assets, liabilities and other segment information regarding the Group's segments as at 30 June 2015 and 30 June 2014.

2015	Software licensing RM	Software project services RM	Maintenance and enhancement services RM	Sale of software and hardware products RM	Credit and cards processing RM	Insurance processing RM	Others RM	Adjustments and eliminations RM	Notes	Per consolidated financial statements RM
Revenue:										
External customers	131,754,872	59,779,121	283,316,190	6,216,172	14,322,063	20,654,734	273,502,840	(273,502,840)	A	516,043,152
Results:										
Finance income	343,998	226,698	1,295,472	34,789	355	19,747	1,422,216	-		3,343,275
Finance expense	(30,137)	(34,390)	(331,759)	(5,781)	(32,743)	-	(1,432,112)	-		(1,866,922)
Selling and distribution costs	(3,344,526)	(2,143,471)	(4,485,116)	(97,186)	(469,793)	(716,684)	-	-		(11,256,776)
Depreciation of property, plant and equipment	(210,937)	(150,426)	(810,297)	(14,168)	(556,239)	(256,104)	(3,421)	-		(2,001,592)
Amortisation of intangible assets	(7,397,022)	(545,852)	(239,145)	-	(670,991)	(2,310,025)	-	-		(11,163,035)
Share of profit of associates and a joint venture	-	-	-	-	-	-	5,527,279	-		5,527,279
Gain on dilution of interest in an associate arising from Initial Public Offering	-	-	-	-	-	-	19,189,670	-		19,189,670
Other non-cash income/(expenses)	810,757	183,564	1,475,444	(5,077)	(35,145)	45,744	(10,870,916)	-	B	(8,395,629)
Segment profit/(loss)	118,935,833	13,865,449	176,895,774	2,351,534	2,687,088	13,079,091	(27,724,567)	6,739,000	C	306,829,202
Assets:										
Investments in associates	-	-	-	-	-	-	102,095,635	-		102,095,635
Interest in a joint venture	-	-	-	-	-	-	28,359,311	-		28,359,311
Capital expenditure	63,502	55,805	504,315	9,452	2,355,572	217,326	-	-	D	3,205,972
Segment assets	113,128,140	59,494,075	281,824,928	4,662,368	9,226,683	80,387,844	226,372,824	3,937,269	E	779,034,131
Segment liabilities	10,049,137	12,359,984	66,071,056	640,470	3,317,918	2,971,971	17,209,014	26,996,873	F	139,616,423

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

35. Segment information (cont'd)

(a) Business information (cont'd)

2014	Software licensing RM	Software project services RM	Maintenance and enhancement services RM	Sale of software and hardware products RM	Credit and cards processing RM	Insurance processing RM	Others RM	Adjustments and eliminations RM	Notes	Per consolidated financial statements RM
Revenue:										
External customers	147,685,409	71,778,927	210,330,551	32,358,689	19,535,360	19,038,579	226,027,865	(226,027,865)	A	500,727,515
Results:										
Finance income (Restated - Note 38)	302,621	261,185	1,175,515	57,992	257	12,421	1,006,478	-		2,816,469
Finance expense	(72,659)	(84,165)	(371,290)	(6,499)	(13,346)	-	(2,740,947)	-		(3,288,906)
Selling and distribution costs	(2,588,726)	(1,218,566)	(1,911,803)	(481,987)	(490,757)	(719,667)	-	-		(7,411,506)
Depreciation of property, plant and equipment	(310,908)	(224,658)	(579,237)	(38,611)	(270,343)	(206,687)	(3,582)	-		(1,634,026)
Amortisation of intangible assets	(7,399,491)	(414,250)	(238,595)	-	(1,479,757)	(2,344,900)	-	-		(11,876,993)
Share of profit of associates	-	-	-	-	-	-	7,449,383	-		7,449,383
Other non-cash (expenses)/income	(53,361)	(137,283)	(1,150,382)	2,384	(15,407)	14,857	4,603,285	-	B	3,264,093
Segment profit/(loss)	133,853,417	17,305,797	122,250,806	6,749,651	5,145,989	12,315,645	(28,233,354)	4,744,000	C	274,131,951
Assets:										
Investments in associates	-	-	-	-	-	-	74,121,788	-		74,121,788
Capital expenditure	22,457,242	4,702,670	16,287,522	1,994,050	4,663,134	229,904	-	-	D	50,334,522
Segment assets	166,269,642	88,558,805	176,437,112	10,165,853	13,648,128	76,467,159	232,951,580	2,243,499	E	766,741,778
Segment liabilities	17,985,077	11,864,947	52,690,090	3,180,611	5,651,294	3,176,546	30,237,402	25,577,861	F	150,363,828

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

35. Segment information (cont'd)

(a) Business information (cont'd)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the financial year (2014: Nil).

B Other non-cash income/(expenses) consist of allowance for unutilised leave, defined benefits plans, bad debts written off, impairment of financial assets, (loss)/gain on disposal of property, plant and equipment, write off of property, plant and equipment, performance shares issued, unrealised foreign currency exchange gain/(loss), fair value adjustment on contingent consideration for business combination and gain on redemption of available-for-sale financial assets as presented in the respective notes to the financial statements.

C The following items are added to segment profit to arrive at "Profit before tax" presented in the consolidated income statement:

	2015 RM	2014 RM
Reversal of impairment loss in investment in an associate	-	4,744,000
Reversal of impairment loss on loan to a subsidiary	6,739,000	-
	6,739,000	4,744,000

D Capital expenditure consists of additions to property, plant and equipment and intangible assets, including assets from the acquisition of subsidiaries.

E The following items are added to segment assets to arrive at total assets reported in consolidated statement of financial position:

	2015 RM	2014 RM
Tax recoverable	1,837,700	591,349
Deferred tax assets	2,099,569	1,652,150
	3,937,269	2,243,499

F The following items are added to segment liabilities to arrive at total liabilities reported in consolidated statement of financial position:

	2015 RM	2014 RM
Income tax payable	11,521,738	13,225,321
Deferred tax liabilities	15,475,135	12,352,540
	26,996,873	25,577,861

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

35. Segment information (cont'd)

(b) Geographical information

The Group's six main business segments operate in seven main geographical regions:

- South East Asia – the operations in this area are principally software licensing; rendering of software project services; maintenance and enhancement services; sale of software and hardware products; and insurance processing.
- North East Asia – the operations in this area are principally software licensing; rendering of software project services; maintenance and enhancement services; and credit and cards processing.
- South Asia – the operations in this area are principally rendering of software project services; and maintenance and enhancement services.
- Middle East – the operations in this area are principally software licensing; rendering of software project services; and maintenance and enhancement services.
- North America – the operations in this area are principally software licensing; and rendering of software project services.
- Africa – the operations in this area are principally software licensing; and rendering of software project services.
- Europe – the operation in this area is principally rendering of maintenance and enhancement services.

Revenue, trade receivables and amounts due from related parties (trade) are based on the country in which the end-customer is located. Other assets and capital expenditure are shown by the geographical region where the assets are located.

	2015 RM	2014 RM
Revenue		
South East Asia	470,157,394	434,526,581
North East Asia	28,098,573	28,882,899
South Asia	5,837,994	17,015,303
Middle East	3,785,579	3,324,211
Africa	7,550,228	15,242,485
Europe	613,384	1,736,036
	516,043,152	500,727,515
Capital expenditure		
South East Asia	850,400	45,671,388
North East Asia	2,355,572	4,663,134
	3,205,972	50,334,522
Segmental assets		
South East Asia	598,182,740	650,854,005
North East Asia	23,889,988	19,581,313
South Asia	10,144,252	12,390,226
Middle East	28,250	587,494
North America	7,951,819	8,265,278
Africa	8,197,108	806,585
Europe	185,028	135,089
	648,579,185	692,619,990
Investments in associates	102,095,635	74,121,788
Interest in a joint venture	28,359,311	-
	779,034,131	766,741,778

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

35. Segment information (cont'd)

(b) Geographical information (cont'd)

No other individual country contributed more than 10% of consolidated revenue and non-current assets, except for:

	2015 RM	2014 RM
Revenue		
Malaysia	285,274,335	295,608,440
Indonesia	76,481,896	31,829,914
Singapore	56,699,159	65,982,897
Non-current assets*		
Malaysia	92,286,881	98,120,688
Singapore	55,340,679	55,490,782

* Non-current assets for this purpose consist of property, plant and equipment and intangible assets.

Information about major customers
Two major customers (2014: three major customers) contributed more than 10% of the total Group's revenue which amounting to RM181,268,080 (2014: RM181,932,058). Revenue from major customers arise from software licensing, software project services, maintenance and enhancement services and sale of software and hardware products.

36. Significant events during the financial year

(i) Acquisition of a joint venture

On 18 December 2014, the Company incorporated a 51% owned company in New Zealand, Silverlake HGH Limited ("SHGH"), for the purpose of undertaking a full takeover for all shares of a New Zealand listed software company, Finzsoft Solutions Limited ("Finzsoft"). The proposed takeover of Finzsoft was in line with the Group's strategy to expand its existing portfolio of software solutions and deliver new collaborative digital economy offerings throughout the Asia Pacific region.

SHGH issued the takeover notice to Finzsoft on 28 January 2015. The takeover offer was closed on 30 March 2015 and SHGH received valid acceptances of approximately 87.89% of Finzsoft's issued share capital.

The impact of the acquisition is as disclosed in Note 15.

(ii) Initial Public Offering ("IPO") of an associate

On 20 May 2015, 33,340,000 new shares of GIT of RMB1.00 each were released at an IPO price of RMB11.26. The new shares were fully subscribed and GIT was successfully listed on ChiNext of the Shenzhen Stock Exchange on 28 May 2015.

Following the listing of GIT, the total number of its enlarged issued shares has increased from 100,000,000 shares to 133,340,000 shares. Consequently, the Company's interest in GIT was diluted from 27.00% to 20.25%.

The impact of the IPO and dilution of interest is as disclosed in Note 14.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

36. Significant events during the financial year (cont'd)

(iii) Proposed issuance of bonus shares

On 14 May 2015, the Company proposed bonus issue of new ordinary shares in the capital of the Company on the basis of one (1) new ordinary share for every five (5) existing ordinary shares held by shareholders of the Company as at the pre-determined book closure date ("Proposed Bonus Issue").

As at the reporting date, the total number of issued and paid-up ordinary shares of the Company excluding treasury shares comprises 2,244,649,108 shares. On 17 June 2015, the Company received approval in-principle from SGX-ST for the admission to the Mainboard of the SGX-ST and the listing and quotation of up to 448,929,821 bonus shares.

On 24 June 2015, notice was given that the Register of Members and the Share Transfer Books of the Company will be closed at 5.00 p.m. on 2 July 2015 for the purpose of determining shareholders' entitlements to the proposed bonus shares.

37. Significant events after the financial year

(i) Issuance of bonus shares

On 8 July 2015, 448,929,692 bonus shares were allotted and issued pursuant to the Proposed Bonus Issue. The bonus shares was listed and quoted on the Official List of the SGX-ST. The trading of bonus shares on SGX-ST commenced with effect from 9 July 2015.

Following the allotment and issuance of bonus shares, the total number of issued shares has increased from 2,244,649,108 shares to 2,693,578,800 shares (excluding treasury shares). The number of treasury shares remains at 2,894,000. The bonus issue was made by way of capitalisation of RM33,557,494 of the Company's and the Group's share premium account.

The bonus shares issued rank pari passu in all respects with the existing ordinary shares and with each other.

(ii) Allegations

A report dated 20 August 2015 ("Report"), was recently disseminated online making various allegations regarding the historical performance and operations of the Group. The directors of the Company highlighted that the Report was published anonymously and noted that the thrust of the Report relates to certain related party transactions entered into between the Group and private companies controlled by the Company's controlling shareholder, Mr. Goh Peng Ooi ("Silverlake Private Entities"), including the acquisition of Silverlake Adaptive Applications & Continuous Improvement Services Ltd. ("SAACIS"), in 2006, as well as the structured services business ("SSL Group") and the QR Group, in 2010, and suggests possible impropriety in connection with these transactions.

Based on a preliminary review of the Report, the directors and the management of the Company are of the view that the allegations contained in the Report are baseless and without merit. The Company is seeking legal advice and will be strenuously investigating the source of the Report with a view to taking all such action as may be necessary to fully protect and defend its interests. To provide additional comfort to the shareholders, the Company has engaged Deloitte Singapore to undertake an independent review of the allegations concerning the related party transactions entered into between the Company and the Silverlake Private Entities and the associated profit margins as referred to in the Report and to provide its findings and conclusions as to their veracity, which the Company will publish in due course.

At the date of approval of these financial statements, the independent review is still ongoing.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

37. Significant events after the financial year (cont'd)

(iii) Proposed acquisition of a subsidiary

On 17 September 2015, the Company entered into a conditional Sale and Purchase Agreement with SunGard Asia Pacific Inc. to acquire the entire share capital of SunGard Ambit (Singapore) Pte. Ltd. ("SAS"), a company incorporated in Singapore at total cash consideration of US$12,000,000. The purchase consideration was arrived at on a willing-buyer willing-seller basis and shall be paid in cash on completion, subject to working capital and net assets/liabilities adjustments. Upon the completion of the Proposed Acquisition, SAS will become a subsidiary of the Company.

SAS and its subsidiaries, SunGard Ambit (Malaysia) Sdn. Bhd., SunGard Ambit (Philippines) Inc., SunGard Ambit (Thailand) Limited, SunGard Ambit Pakistan (Private) Limited, SunGard System Access (Czech Republic) s.r.o., SunGard System Access (Europe) Limited and SunGard Ambit (Slovakia) spol. s.r.o. (collectively, the "SAS Group"), are engaged in the business of providing a range of banking software that enables banks to address their core banking, customer management, online banking, mobile banking and card management requirements in Asia Pacific, Middle East, South Asia and Eastern Europe.

38. Restatement of comparatives

The following comparative figures have been reclassified to conform with current year's presentation:

	As previously stated RM	Re-classifications RM	As restated RM
30 June 2014			
Consolidated income statement			
Finance income	2,863,646	(47,177)	2,816,469
Other income	8,366,654	47,177	8,413,831
Consolidated statement of financial position			
Available-for-sale financial assets			
- money market fund	-	6,800,000	6,800,000
Cash and bank balances	349,804,185	(6,800,000)	343,004,185
Consolidated statement of cash flows			
Gain on redemption of available-for-sale financial assets - money market fund	(236,318)	(47,177)	(283,495)
Finance income	(2,863,646)	47,177	(2,816,469)
Proceeds from redemption of available-for-sale financial assets - money market fund	40,876,318	47,177	40,923,495
Purchases of available-for-sale financial assets - money market fund	(40,640,000)	(6,800,000)	(47,440,000)
Interest received	2,477,357	(47,177)	2,430,180
Cash and cash equivalents at end of year	227,722,306	(6,800,000)	220,922,306

39. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2015 were authorised for issue in accordance with a resolution of the directors on 28 September 2015.

STATISTICS OF SHAREHOLDINGS

AS AT 21 SEPTEMBER 2015

Issued and fully paid-up capital	:	RM191,040,654
No. of shares issued	:	2,696,472,800 shares
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
No. of treasury shares held	:	17,544,000
Percentage of treasury shares against total number of issued ordinary shares (excluding treasury shares)	:	0.7%

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares (excluding treasury shares)	%
1 - 99	14	0.55	405	0.00
100 - 1,000	79	3.14	51,618	0.00
1,001 - 10,000	1,191	47.30	6,738,152	0.25
10,001 - 1,000,000	1,200	47.66	61,963,969	2.31
1,000,001 AND ABOVE	34	1.35	2,610,174,656	97.44
TOTAL	2,518	100.00	2,678,928,800	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	711,857,041	26.57
2	INTELLIGENTSIA HOLDING LTD	611,703,614	22.83
3	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	361,352,400	13.49
4	RAFFLES NOMINEES (PTE) LIMITED	282,417,026	10.54
5	HSBC (SINGAPORE) NOMINEES PTE LTD	219,774,064	8.20
6	DBS NOMINEES (PRIVATE) LIMITED	115,805,325	4.32
7	CIMB SECURITIES (SINGAPORE) PTE LTD	90,424,916	3.38
8	DBSN SERVICES PTE LTD	42,411,188	1.58
9	SEE CHUANG THUAN OR LOI PEK KEAW	38,805,953	1.45
10	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	30,409,725	1.14
11	MACQUARIE CAPITAL SECURITIES (SINGAPORE) PTE LIMITED	18,631,000	0.70
12	DB NOMINEES (SINGAPORE) PTE LTD	11,045,119	0.41
13	KWONG YONG SIN	10,572,000	0.39
14	PHILLIP SECURITIES PTE LTD	9,762,469	0.36
15	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	8,726,617	0.33
16	CHIN JIT PYNG	8,400,000	0.31
17	UOB KAY HIAN PRIVATE LIMITED	5,093,820	0.19
18	BANK OF SINGAPORE NOMINEES PTE LTD	5,037,600	0.19
19	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,043,200	0.11
20	OCBC SECURITIES PRIVATE LIMITED	3,033,900	0.11
	TOTAL	2,588,306,977	96.60

STATISTICS OF SHAREHOLDINGS (cont'd)

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders of the Company as at 21 September 2015 are as follows:

	No. of Ordinary Shares of USD0.02 each			
	Direct Interest	%	Indirect Interest	%
INTELLIGENTSIA HOLDING LTD	1,788,283,615	66.75	-	-
GOH PENG OOI	-	-	1,788,283,615	66.75

Note:

Intelligentsia Holding Ltd. is wholly-owned by Mr. Goh Peng Ooi. As such, Mr. Goh Peng Ooi is deemed to have an interest in the 1,788,283,615 shares held by Intelligentsia Holding Ltd. A total of 1,176,580,001 shares held by Intelligentsia Holding Ltd. are registered in the names of nominee companies.

FREE FLOAT

As at 21 September 2015, approximately 27.56% of the issued ordinary shares of the Company was held in the hands of the public (on the basis of information available to the Company).

Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of SILVERLAKE AXIS LTD will be held at Rendezvous Grand Hotel Singapore, 9 Bras Basah Road, Singapore 189559 on 26 October 2015, Monday at 10.00 am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2015 together with the Directors' Report and Auditors' Report thereon. **Resolution 1**

2. To declare a final tax exempt 1-Tier dividend of Singapore cents 1.2 per share for the financial year ended 30 June 2015 as recommended by the Directors. **Resolution 2**

3. To approve the payment of additional Directors' Fees of S$16,500 for the financial year ended 30 June 2015. **Resolution 3**

   [See Explanatory Note (i)]

4. To approve the payment of Directors' Fees of S$960,000 (2015: S$506,000) for the financial year ending 30 June 2016, to be paid quarterly in arrears. **Resolution 4**

5. To re-elect YBhg. Tan Sri Dato' Dr. Lin See-Yan who is retiring under Bye-Law 86(1) of the Company's Bye-Laws. **Resolution 5**

   [See Explanatory Note (ii)]

6. To re-elect Mr. Lim Kok Min who is retiring under Bye-Law 86(1) of the Company's Bye-Laws. **Resolution 6**

   [See Explanatory Note (iii)]

7. To re-elect Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid who is retiring under Bye-Law 85(6) of the Company's Bye-Laws. **Resolution 7**

   [See Explanatory Note (iv)]

8. To re-elect Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) who is retiring under Bye-Law 85(6) of the Company's Bye-Laws. **Resolution 8**

   [See Explanatory Note (v)]

9. To re-elect Ms. Goh Shiou Ling who is retiring under Bye-Law 85(6) of the Company's Bye-Laws. **Resolution 9**

   [See Explanatory Note (vi)]

10. To re-appoint Messrs Ernst & Young, as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 10**

11. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions (with or without amendments) as Ordinary Resolutions:

12. **AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES** **Resolution 11**

    "THAT pursuant to Rule 806 of the Listing Manual **("Listing Manual")** of the Singapore Exchange Securities Trading Limited **("SGX-ST")**, the Directors be empowered to allot and issue shares and convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit,

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

PROVIDED ALWAYS THAT the aggregate number of shares and convertible securities to be issued pursuant to this resolution shall not exceed fifty percent (50%) of the total number of issued shares excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than twenty percent (20%) of the total number of issued shares excluding treasury shares, and that such authority shall continue in force until the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting. For the purpose of Rule 806(2), the total number of issued shares excluding treasury shares is based on the Company's total number of issued shares excluding treasury shares at the time of passing of this resolution approving the mandate after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities;

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of the resolution approving the mandate, provided the options or awards were granted in compliance with Part VIII of Chapter 8; and

(c) any subsequent bonus issue, consolidation or subdivision of shares."

[See Explanatory Note (vii)]

13. **AUTHORITY TO GRANT AWARDS AND TO ALLOT AND ISSUE SHARES UNDER SILVERLAKE AXIS LTD PERFORMANCE SHARE PLAN 2010** **Resolution 12**

"THAT authority be and is hereby given to the Directors of the Company to grant awards from time to time in accordance with the provisions of the Silverlake Axis Ltd Performance Share Plan (the "PSP"), and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the release of awards granted under the PSP, provided always that the aggregate number of shares to be issued pursuant to the PSP shall not exceed 5% of the total number of issued shares excluding treasury shares from time to time, as determined in accordance with the provisions of the PSP."

[See Explanatory Note (viii)]

14. **RENEWAL OF SHARE PURCHASE MANDATE** **Resolution 13**

"THAT:

(a) for the purposes of Sections 76C and 76E of Companies Act, Cap. 50 ("**Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the maximum Price (as hereafter defined), whether by way of:

    (i) market purchases (each a **"Market Purchase"**) on the Singapore Exchange Securities Trading Limited (**"SGX-ST"**); and/or

    (ii) off-market purchases (each an **"Off-Market Purchase"**) effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

    and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the **"Share Purchase Mandate"**);

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or

(ii) the date by which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(c) In this Resolution:

"Prescribed Limit" means that number of issued Shares representing 10% of the issued Shares of the Company as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares); and

"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase, 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price,

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last 5 market days on which Shares were transacted on the SGX-ST immediately preceding the date of making the Market Purchase by the Company or, as the case may be, the date of making the offer pursuant to the Off-Market Purchase, as deemed to be adjusted for any corporate action that occurs after the relevant 5 market day period;

"date of making of the offer" means the day on which the Company makes an offer for the purchase of Shares from shareholders stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase, and

"market day" means a day on which the SGX-ST is open for trading in securities; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution."

[See Explanatory Note (ix)]

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

15. **RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS** **Resolution 14**

"THAT:

(i) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual of the SGX-ST for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the types of the interested person transactions (**"Recurrent Transactions"**) set out in the Company's Circular to Shareholders dated 2 October 2008 (**"Circular"**), with any party who is of the classes of Interested Person described in the Circular, provided that such interested transactions are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions as set out in the Circular (**"General Mandate"**);

(ii) the General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company;

(iii) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and

(iv) the Directors of the Company and each of them be hereby authorised to complete and do all such acts and things including executing all such documents as may be required as they or he may consider expedient or necessary or in the interest of the Company to give effect to the General Mandate and/or this Resolution."

[See Explanatory Note (x)]

BY ORDER OF THE BOARD

Tan Min-Li
Hoong Lai Ling
Joint Company Secretaries
Singapore

Date: 9 October 2015

Explanatory Notes:

(i) Resolution 3 is to obtain approval on the payment of Directors' Fees (pro-rated) to the new Directors who were appointed during the financial year ended 30 June 2015.

(ii) If re-elected under Resolution 5 above, YBhg. Tan Sri Dato' Dr. Lin See-Yan will remain as an Independent Director of the Company, the Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. He will be considered as independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. There is no relationship including immediate family relationships between YBhg. Tan Sri Dato' Dr. Lin See-Yan and the other Directors, the Company, or its 10% shareholders (as defined in the Code of Corporate Governance 2012 **(the "Code")**). The detailed information of YBhg. Tan Sri Dato' Dr. Lin See-Yan can be found at page 16 of the Annual Report.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

(iii) If re-elected under Resolution 6 above, Mr. Lim Kok Min will remain as an Independent Director of the Company, a member of the Audit Committee, Remuneration Committee and Nominating Committee. He will be considered as independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. There is no relationship including immediate family relationships between Mr. Lim Kok Min and the other Directors, the Company, or its 10% shareholders (as defined in the Code). The detailed information of Mr. Lim Kok Min can be found at page 17 of the Annual Report.

(iv) If re-elected under Resolution 7 above, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid will remain as an Independent Director of the Company, a member of the Audit Committee and Nominating Committee. He will be considered as independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. There is no relationship including immediate family relationships between Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and the other Directors, the Company, or its 10% shareholders (as defined in the Code). The detailed information of Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid can be found at page 19 of the Annual Report.

(v) If re-elected under Resolution 8 above, Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) will remain as an Independent Director of the Company, a member of the Remuneration Committee and Nominating Committee. She will be considered as independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. There is no relationship including immediate family relationships between Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) and the other Directors, the Company, or its 10% shareholders (as defined in the Code). The detailed information of Ms. Yau Ah Lan @ Fara Yvonne (a.k.a Datuk Yvonne Chia) can be found at page 20 of the Annual Report.

(vi) If re-elected under Resolution 9 above, Ms. Goh Shiou Ling will remain as a Non-Executive and Non-Independent Director of the Company and a member of Nominating Committee. Ms. Goh Shiou Ling is the daughter of Mr. Goh Peng Ooi who is the Group Executive Chairman and substantial shareholder of the Company. Save as disclosed herein, there is no relationship including immediate family relationships between Ms. Goh Shiou Ling and the other Directors, the Company, or its 10% shareholders (as defined in the Code). The detailed information of Ms. Goh Shiou Ling can be found at page 21 of the Annual Report.

(vii) Resolution 11 above, if passed, will empower the Directors of the Company to issue shares and convertible securities in the Company up to a maximum of fifty percent (50%) of the issued share capital of the Company (of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to existing shareholders shall not exceed twenty percent (20%) of the issued share capital of the Company) for such purposes as they consider would be in the interests of the Company. This authority will continue in force until the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting. Subject to the provisos in Ordinary Resolution 11, the Directors may issue shares notwithstanding that authority pursuant to Ordinary Resolution 11 has ceased to be in force if the shares are issued in pursuance of an offer, agreement or option made or granted by the Directors while the authority pursuant to this Resolution was in force and if such offer, agreement or option which would or might require shares to be issued after the expiration of the authority.

(viii) Resolution 12 proposed above, if passed, will empower the Directors of the Company, to grant awards and to allot and issue shares in accordance with the PSP.

(ix) Resolution 13 proposed above, if passed, will be effective until the next Annual General Meeting, the Share Purchase Mandate for the Company to make purchases or acquisitions of its issued ordinary shares. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its shares. Please refer to the Letter to Shareholders on (I) Proposed Renewal of Share Purchase Mandate and (II) Proposed Renewal of Interested Persons Transactions **("IPT")** General Mandate dated 9 October 2015.

(x) Please refer to the Letter to Shareholders on (I) Proposed Renewal of Share Purchase Mandate and (II) Proposed Renewal of Interested Persons Transactions **("IPT")** General Mandate dated 9 October 2015.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Notes:

(i) A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than 2 proxies to attend and vote in his stead.

(ii) Where a shareholder appoints 2 proxies, the appointments shall be invalid unless the shareholder specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy in the proxy form.

(iii) A proxy need not be a shareholder.

(iv) The instrument appointing a proxy or proxies must be deposited at the office of the Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623, not less than 48 hours before the time of the Annual General Meeting.

(v) The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. If the appointor is a corporation, the instrument appointing a proxy or proxies must be executed by the appointor under its common seal or under the hand of an officer, attorney or other person authorised to sign the same. The power of attorney or other authority (if any) or a duly certified copy thereof must be attached to the instrument of proxy.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **"Purposes"**), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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SYMMETRY AT WORK

Silverlake Axis Ltd (32447)

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