



## **SILVERLAKE AXIS LTD**

(Incorporated in Bermuda)  
(Company Registration No. 32447)

### **PRESS RELEASE - FOR IMMEDIATE RELEASE**

## **Silverlake Delivers Another Stellar Performance in FY2014**

### **Revenue and Net Profit Rose 26% and 27% to Record RM500.7 Million and RM248.9 Million Respectively**

- *Revenue growth was largely broad-based and included recurring income streams from newly acquired Merimen Group and CVSB*
- *Revenue from maintenance and enhancement services grew a steady 21%; and together with insurance processing revenue, recurring income accounted for 46% of group revenue*
- *Solid balance sheet with strong net cash position of RM346.0 million as of 30 June 2014*
- *With proposed final dividend of Singapore cents 1.2 and special dividend of Singapore cents 0.6, total dividend in FY2014 would amount to Singapore cents 4.5, an increase of 45% over FY2013*

**Singapore, 26 August 2014** – Singapore Exchange Mainboard listed Silverlake Axis Ltd (“SAL” or the “Group”), a leading provider of Digital Economy Solutions and Services to major organisations in Banking, Insurance, Payment, Retail and Logistics industries, today announced a record set of results for the financial year ended 30 June 2014.

## FY2014 Results Review

The Group continued to capitalise on opportunities provided by the digital economy and grew revenue by 26% to a record RM500.7 million in FY2014. With the exception of software project services which saw slightly lower contribution due to lower progressive revenue recognition on ongoing project implementation contracts during the year, revenue growth was broad-based across all business activities. Notably, revenue from maintenance and enhancement services increased 21% to RM210.3 million on the back of new maintenance and enhancement contracts secured in Malaysia, Singapore, Indonesia and Thailand following the completion of software implementation contracts as well as consolidation of revenue from CVSB. While software licensing revenue rose with the delivery of several major contracts, five large sales of hardware products to customers led to a surge in revenue from sale of software and hardware products. The Group also benefited from a full-year contribution by Merimen Group and maiden contribution from CVSB in FY2014.

<b>Revenue By Business Activities</b> (RM million)	FY2014	FY2013	% Change
Software licensing	147.7	119.6	23
Software project services	71.8	77.4	(7)
Maintenance and enhancement services	210.3	173.6	21
Sale of software and hardware products	32.4	6.6	388
Credit and cards processing	19.5	16.7	17
Insurance processing	19.0	4.7	306
<b>Total</b>	<b>500.7</b>	<b>398.6</b>	<b>26</b>

Although gross profit rose 21% to RM306.7 million on higher revenue, lower margins from certain projects led to slightly lower overall gross profit margin for the Group. The Group recorded an increase in net foreign currency exchange gain mainly from appreciation of Singapore Dollar against Malaysian Ringgit and together with a gain on disposal of office premise and RM1.5 million fair value adjustment on contingent consideration for acquisition of Merimen on lower revised average net profit contributed to the increase in other income from RM1.9 million in FY2013 to RM8.4 million in FY2014. In addition, higher contribution from Global InfoTech Co. Ltd. boosted the Group's share of profit of associates and enhanced profit before tax. In spite of additional income tax expenses on higher profit before tax, net profit for the year rose to a record RM248.9 million, an increase of 27% over the previous financial year.

As a reward to shareholders for the record performance, the Board has proposed a special dividend of Singapore cents 0.6 per share on top of the final dividend of Singapore cents 1.2 per share. Together with the interim dividends, total dividends for FY2014 amounted to Singapore cents 4.5 per share. This is 45% higher than the total dividends of Singapore cents 3.1 per share paid for FY2013.

## **Prospects**

In FY2014, the Group benefited from the acquisitions of Merimen Group and CSVB as these new subsidiaries contributed to an expanded base of recurring income. "The recent acquisitions have enlarged our suite of mission critical enterprise software and services, and this places SAL in a strong position to support its customers in a broad range of industries as they innovate to improve their competitiveness in the digital economy. We can look forward to continued contributions from the synergies of the core business and those of the acquired businesses to the Group's profitability in FY2015," commented Dr. Raymond Kwong, Group Managing Director of SAL.

In the current financial year, the Group will continue to place top priority on the execution of software implementation projects from existing and new customers while pursuing business opportunities in South and North East Asia. "Besides progressive revenue recognition as we work towards the completion of the projects, every successfully completed project will result in additional recurring maintenance revenue as well as a potential stream of future business for the Group," explained Dr. Kwong.

Despite world economic uncertainties and the global geo-political situation, the focus of the Group's business remains anchored in Asia where the outlook continues to be cautiously favourable.

This press release should be read in conjunction with SAL's FY2014 results announcement released on 26 August 2014 to the Singapore Exchange.

## **About Silverlake Axis**

Silverlake Axis Ltd (SAL) is a leading provider of digital economy solutions and services for major organisations in Banking, Insurance, Payment, Retail and Logistics industries. The Group's Silverlake Axis Software and Services Solutions are delivering operational excellence and enabling business transformations at over 100 organisations across Asia, including 40% of the largest banks in South East Asia.

Under Axis Systems Holdings Limited, the Group was listed on the SGX-SESDAQ on 12 March 2003. It was renamed Silverlake Axis Ltd in 2006 following the acquisition of SAACIS, the company that owns the Silverlake Integrated Banking Solution (SIBS) and the listing was transferred to the Mainboard of the Singapore Exchange on 22 June 2011.

## Contact

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