

SILVERLAKE AXIS LTD

Full Year Financial Statements And Dividend Announcement For The Financial Year Ended 30 June 2018

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

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

CONSOLIDATED INCOME STATEMENT

For the full year and fourth quarter ended 30 June 2018

	Financial year ended 30 June			Fourth quarter ended 30 June		
	2018 RM	2017 RM Restated	Change %	2018 RM	2017 RM Restated	Change %
Revenue	541,766,103	549,854,512	(1)	145,481,611	137,465,884	6
Cost of sales	(236,830,238)	(242,367,331)	(2)	(62,885,400)	(69,541,548)	(10)
Gross profit	304,935,865	307,487,181	(1)	82,596,211	67,924,336	22
Other items of income						
Finance income	2,850,159	4,242,866	(33)	535,733	2,800,746	(81)
Other income	4,525,513	808,276,802	(99)	332,684	17,476,687	(98)
Other items of expenses						
Selling and distribution costs	(29,750,672)	(31,801,473)	(6)	(3,766,062)	(6,655,241)	(43)
Administrative expenses	(118,158,697)	(110,857,200)	7	(30,753,782)	(30,352,315)	1
Finance costs	(1,336,222)	(1,445,014)	(8)	(52,600)	(483,095)	(89)
Share of loss of a joint venture and associates	(15,876,018)	(7,702,836)	>100	(13,867,601)	(5,313,575)	>100
Profit before tax	147,189,928	968,200,326	(85)	35,024,583	45,397,543	(23)
Income tax expense	(13,109,684)	(104,462,947)	(87)	1,219,855	(7,116,869)	>100
Profit for the year/period	134,080,244	863,737,379	(84)	36,244,438	38,280,674	(5)
Profit for the year/period attributable to:						
Owners of the parent	134,090,521	863,732,377	(84)	36,247,354	38,269,633	(5)
Non-controlling interests	(10,277)	5,002	>100	(2,916)	11,041	>100
	134,080,244	863,737,379	(84)	36,244,438	38,280,674	(5)
Earnings per share attributable to owners of the parent:						
- Basic (sen)	5.09	32.65	(84)	1.38	1.45	(5)
- Diluted (sen)	5.08	32.62	(84)	1.37	1.45	(6)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the full year and fourth quarter ended 30 June 2018

	Financial year ended 30 June			Fourth quarter ended 30 June		
	2018 RM	2017 RM Restated	Change %	2018 RM	2017 RM Restated	Change %
Profit for the year/period	134,080,244	863,737,379	(84)	36,244,438	38,280,674	(5)
Other comprehensive loss:						
Items that may be reclassified subsequently to profit or loss:						
Fair value loss on available-for-sale financial assets	(29,333,305)	(95,598,263)	(69)	(38,712,126)	(95,598,263)	(60)
Deferred tax relating to fair value loss on available-for-sale financial assets	3,717,526	8,400,824	(56)	6,607,733	8,400,824	(21)
Foreign currency translation (loss)/gain*	(50,487,763)	36,347,072	>100	(11,448,833)	(29,897,630)	(62)
Share of foreign currency translation gain/(loss) of a joint venture	63,800	1,419	>100	(23,396)	89,674	>100
	(76,039,742)	(50,848,948)	50	(43,576,622)	(117,005,395)	(63)
Items that will not be reclassified to profit or loss:						
Actuarial gain on defined benefit plans	901,273	1,630,479	(45)	901,273	1,630,479	(45)
Deferred tax relating to actuarial gain on defined benefit plans	(184,164)	(747,656)	(75)	(184,164)	(747,656)	(75)
	717,109	882,823	(19)	717,109	882,823	(19)
Other comprehensive loss for the year/period, net of tax	(75,322,633)	(49,966,125)	51	(42,859,513)	(116,122,572)	(63)
Total comprehensive income/(loss) for the year/period	58,757,611	813,771,254	(93)	(6,615,075)	(77,841,898)	(92)
Total comprehensive income/(loss) for the year/period attributable to:						
Owners of the parent	58,767,888	813,766,252	(93)	(6,612,159)	(77,852,939)	(92)
Non-controlling interests	(10,277)	5,002	>100	(2,916)	11,041	>100
	58,757,611	813,771,254	(93)	(6,615,075)	(77,841,898)	(92)

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

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

	Financial year ended			Fourth quarter ended		
	30 June			30 June		
	2018 RM	2017 RM Restated	Change %	2018 RM	2017 RM Restated	Change %
Amortisation of intangible assets	(16,931,705)	(15,760,183)	7	(4,453,509)	(3,580,076)	24
Depreciation of property, plant and equipment	(4,361,404)	(4,164,571)	5	(1,189,935)	(1,081,257)	10
Write off of property, plant and equipment	(6,790)	(350,481)	(98)	-	(126,035)	(100)
Provision for foreseeable losses	1,200,157	(427,184)	>100	(594,465)	(427,184)	39
Impairment loss on financial assets - trade receivables*	(1,986,010)	(1,389)	>100	(1,447,277)	(1,389)	>100
Bad debts written off	(1,921,865)	(2,526)	>100	(1,714,900)	(2,407)	>100
Reversal of impairment loss on trade receivables**	1,022,689	973,877	5	-	973,877	(100)
Waiver of debts by previous owner of a subsidiary**	988,908	-	N/M	-	-	N/M
Net foreign currency exchange (loss)/gain**:						
- realised	(1,121,147)	(8,651,878)	(87)	(442,516)	1,574,293	>100
- unrealised	(7,829,514)	11,883,002	>100	(453,593)	14,087,006	>100
Adjustments for (under)/over provision of tax in respect of prior years	(63,181)	709,116	>100	(110,275)	626,629	>100
Net gain on disposal of property, plant and equipment**	241,951	112,986	>100	82,647	23,058	>100
Gain on redemption of available-for-sale financial assets - money market fund**	494,290	413,234	20	90,297	118,275	(24)
Gain on disposal of shares in an associate**	-	480,365,471	(100)	-	-	N/M
Gain on re-measurement of interest retained in investment to fair value**	-	294,787,192	(100)	-	-	N/M
Loss on disposal of quoted equity investment*	(6,316,460)	-	N/M	(3,557,665)	-	N/M
Loss on dilution of interest in an associate arising from issuance of new shares pursuant to employee shares incentive plan*	-	(248,641)	(100)	-	-	N/M
Gain on dilution of interest in an associate arising from issuance of new shares to part finance the acquisition of business and for private placements**	-	18,798,722	(100)	-	-	N/M
Reversal of impairment loss/(Impairment loss) on interest in a joint venture***	5,600,000	(5,600,000)	>100	5,600,000	(5,600,000)	>100
Dividend income from quoted equity investment	199,141	-	N/M	-	-	N/M
Performance shares issued	(1,271,254)	(11,690,196)	(89)	(451,043)	(1,081,029)	(58)
Allowance for unutilised leave	(1,726,127)	(497,036)	>100	(1,265,043)	(535,285)	>100
(Allowance for)/Reversal of defined benefit liabilities	(886,686)	(1,528,214)	(42)	382,492	(868,938)	>100

* Included in other operating expenses

** Included in other operating income

*** Included in share of loss of a joint venture and associates

N/M = Not Meaningful

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

STATEMENTS OF FINANCIAL POSITION

	As at 30-Jun-18		As at 30-Jun-17	
	Group RM	Company RM	Group RM Restated	Company RM
	ASSETS			
Non-current assets				
Property, plant and equipment	20,415,445	4,128	19,377,285	-
Intangible assets	206,719,656	-	208,105,326	-
Investments in subsidiaries	-	2,218,334,773	-	1,863,873,593
Interest in a joint venture	9,667,993	23,108,840	30,175,732	30,176,361
Deferred tax assets	16,375,321	-	5,877,391	-
	253,178,415	2,241,447,741	263,535,734	1,894,049,954
Current assets				
Amounts due from customers for contract work-in-progress	55,829,157	-	28,666,043	-
Trade and other receivables	139,101,599	144,727	154,260,454	29,167
Advance maintenance costs	1,882,697	-	3,187,073	-
Prepayments	4,537,993	197,833	5,227,061	52,606
Dividend receivables	-	-	-	129,290,101
Amount due from a subsidiary	-	15,486	-	-
Amounts due from related parties	50,027,486	-	24,693,456	-
Tax recoverable	4,317,961	-	3,371,722	-
Available-for-sale financial assets				
- quoted equity shares	189,780,204	-	280,305,198	-
- money market fund	4,559,997	-	2,312,790	-
Cash and bank balances	304,042,436	88,902,117	732,363,597	78,941,196
	754,079,530	89,260,163	1,234,387,394	208,313,070
Total assets	1,007,257,945	2,330,707,904	1,497,923,128	2,102,363,024

STATEMENTS OF FINANCIAL POSITION (Cont'd)

	As at 30-Jun-18		As at 30-Jun-17	
	Group RM	Company RM	Group RM Restated	Company RM
EQUITY AND LIABILITIES				
Equity				
Share capital	191,040,654	191,040,654	191,040,654	191,040,654
Share premium	234,417,308	1,702,079,469	232,217,438	1,668,775,194
Treasury shares	(68,558,076)	(68,558,076)	(86,627,098)	(86,627,098)
Foreign currency translation reserve	11,545,242	-	61,969,205	-
Capital reserve	466,828	-	466,828	-
Statutory reserve	21,819	-	21,819	-
Performance share plan reserve	6,056,474	6,056,474	10,163,890	10,163,890
Available-for-sale reserve	(112,813,218)	-	(87,197,439)	-
Merger deficit	(476,280,829)	-	(118,726,054)	-
Retained profits	737,212,629	243,058,068	988,929,533	228,794,009
Equity attributable to owners of the parent	523,108,831	2,073,676,589	1,192,258,776	2,012,146,649
Non-controlling interests	74,921	-	85,198	-
Total equity	523,183,752	2,073,676,589	1,192,343,974	2,012,146,649
Non-current liabilities				
Loans and borrowings	2,925,844	-	1,747,902	-
Deferred tax liabilities	31,828,657	-	40,476,155	-
Other payable	233,743,461	233,743,461	-	-
Provision for defined benefit liabilities	6,906,254	-	7,725,490	-
	275,404,216	233,743,461	49,949,547	-
Current liabilities				
Amounts due to customers for contract work-in-progress	43,282,889	-	10,495,611	-
Trade and other payables	67,960,485	1,944,126	70,859,400	1,872,156
Provision for defined benefit liabilities	258,271	-	419,939	-
Advance maintenance fees	55,887,662	-	57,955,846	-
Loans and borrowings	25,363,768	20,720,000	89,287,566	88,337,362
Amount due to holding company	213,120	-	4,291,841	-
Amounts due to subsidiaries	-	623,728	-	6,857
Amounts due to related parties	2,510,141	-	13,299,709	-
Tax payable	13,193,641	-	9,019,695	-
	208,669,977	23,287,854	255,629,607	90,216,375
Total liabilities	484,074,193	257,031,315	305,579,154	90,216,375
Net current assets	545,409,553	65,972,309	978,757,787	118,096,695
Total equity and liabilities	1,007,257,945	2,330,707,904	1,497,923,128	2,102,363,024

Restatement of comparatives
Acquisition of Silverlake Investment Ltd. and its subsidiaries

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

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

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

	SIL Group			
	Financial year ended		Fourth quarter ended	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	RM	RM	RM	RM
Revenue	47,503,985	54,983,601	9,377,947	15,525,823
Profit/(Loss) before tax	11,960,453	19,966,015	(785,936)	5,239,151
Profit/(Loss) for the year/period	6,372,703	16,997,024	(2,230,224)	3,558,639
Total assets	67,088,188	57,742,692	67,088,188	57,742,692
Total liabilities	31,515,478	24,095,685	31,515,478	24,095,685

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

Amount repayable in one year or less, or on demand

As at 30-Jun-18		As at 30-Jun-17	
Secured Group RM	Unsecured Group RM	Secured Group RM Restated	Unsecured Group RM Restated
4,643,768	20,720,000	950,204	88,337,362

Amount repayable after one year

As at 30-Jun-18		As at 30-Jun-17	
Secured Group RM	Unsecured Group RM	Secured Group RM Restated	Unsecured Group RM Restated
2,925,844	-	1,747,902	-

Details of any collaterals

The secured facilities of the Group comprise hire purchases and leasing which are secured by certain property, plant and equipment and intangible assets of subsidiaries with a total net carrying value of RM4,115,380 and RM115,834 respectively as at 30 June 2018 (RM2,652,517 and RM153,477 respectively as at 30 June 2017). The freehold land pledged to secure the term loan and overdraft facilities of a subsidiary had been discharged in the previous financial year.

Due to the acquisition of SIL Group, the Group has additional overdraft facility secured with personal guarantee provided by a director.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Financial year ended		Fourth quarter ended	
	30-Jun-18 RM	30-Jun-17 RM Restated	30-Jun-18 RM	30-Jun-17 RM Restated
Operating activities:				
Profit before tax	147,189,928	968,200,326	35,024,583	45,397,543
Adjustments for:				
Amortisation of intangible assets	16,931,705	15,760,183	4,453,509	3,580,076
Depreciation of property, plant and equipment	4,361,404	4,164,571	1,189,935	1,081,257
Provision for foreseeable losses	(1,200,157)	427,184	594,465	427,184
Write off of property, plant and equipment	6,790	350,481	-	126,035
Net gain on disposal of property, plant and equipment	(241,951)	(112,986)	(82,647)	(23,058)
Gain on redemption of available-for-sale financial assets - money market fund	(494,290)	(413,234)	(90,297)	(118,275)
Unrealised foreign currency exchange loss/(gain)	7,829,514	(11,883,002)	453,593	(14,087,006)
Impairment loss on financial assets - trade receivables	1,986,010	1,389	1,447,277	1,389
Reversal of impairment loss on trade receivables	(1,022,689)	(973,877)	-	(973,877)
Waiver of debts by previous owner of a subsidiary	(988,908)	-	-	-
Bad debts written off	1,921,865	2,526	1,714,900	2,407
Gain on disposal of shares in an associate	-	(480,365,471)	-	-
Loss on disposal of quoted equity investment	6,316,460	-	3,557,665	-
Allowance for unutilised leave	1,726,127	497,036	1,265,043	535,285
Allowance for/(Reversal of) defined benefit liabilities	886,686	1,528,214	(382,492)	868,938
Performance shares issued	1,271,254	11,690,196	451,043	1,081,029
Share of loss of a joint venture and associates	15,876,018	7,702,836	13,867,601	5,313,575
Loss on dilution of interest in an associate arising from issuance of new shares pursuant to employee shares incentive plan	-	248,641	-	-
Gain on dilution of interest in an associate arising from issuance of new shares to part finance the acquisition of business and for private placements	-	(18,798,722)	-	-
Gain on re-measurement of interest retained in investment to fair value	-	(294,787,192)	-	-
Finance costs	1,336,222	1,445,014	52,600	483,095
Finance income	(2,850,159)	(4,242,866)	(535,733)	(2,800,746)
Dividend income from quoted equity investment	(199,141)	-	-	-
Operating cash flows before changes in working capital	200,642,688	200,441,247	62,981,045	40,894,851
Changes in working capital:				
Trade and other receivables	9,848,414	33,944,250	13,784,988	15,317,384
Amounts due from/to customers for contract work-in-progress	6,125,791	(5,679,157)	11,898,976	(15,423,528)
Amount due from/to holding company	(4,067,168)	2,307,532	(72,309)	412,684
Amounts due from/to related parties	(38,791,336)	29,654,573	(45,168,223)	3,337,772
Trade and other payables	(4,299,193)	1,307,259	(13,561,517)	2,898,349
Cash flows from operations	169,459,196	261,975,704	29,862,960	47,437,512
Net (placement)/uplift of deposit pledged	(3,046,000)	(3,006,500)	(3,346,650)	974,650
Defined benefits paid	(179,450)	(168,405)	-	(168,405)
Income tax paid	(19,993,947)	(24,971,235)	(4,203,900)	(4,895,791)
Interest paid	(1,336,222)	(1,286,904)	(52,600)	(324,986)
Net cash flows from operating activities	144,903,577	232,542,660	22,259,810	43,022,980

CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Financial year ended		Fourth quarter ended	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	RM	RM Restated	RM	RM Restated
Investing activities:				
Purchases of property, plant and equipment	(3,170,400)	(6,011,433)	(598,498)	(1,316,217)
Payments for software development expenditure	(20,966,509)	(7,667,551)	(10,168,837)	(2,662,927)
Payments for other intangible assets	(5,307)	(4,841,615)	-	(4,243,455)
Advances to a joint venture	(82,519)	(129,650)	(21,711)	(45,170)
Proceeds from disposal of property, plant and equipment	260,577	158,175	99,247	23,648
Proceeds from disposal of shares in an associate	-	556,968,103	-	-
Proceeds from disposal of quoted equity investment	32,894,190	-	17,924,642	-
Capital gain tax paid relating to the disposal of shares	(3,239,756)	(54,150,352)	(1,738,840)	(36,996,783)
Proceeds from redemption of available-for-sale financial assets - money market fund	67,504,290	75,759,965	7,260,298	26,620,744
Dividend income from quoted equity investment	199,141	-	-	-
Purchases of available-for-sale financial assets - money market fund	(69,257,207)	(72,930,000)	(8,800,014)	(25,805,000)
Interest received	2,787,877	2,524,548	528,487	1,101,758
Net uplift/(placement) of short-term deposits	284,738,561	(296,192,469)	(2,193,490)	199,085,336
Net cash flows from investing activities	291,662,938	193,487,721	2,291,284	155,761,934
Financing activities:				
Dividends paid	(386,524,534)	(236,980,082)	(23,757,392)	(57,446,429)
Purchase of treasury shares	(108,921,092)	(17,471,812)	(31,032,942)	-
Proceeds from revolving credit	128,139,320	45,608,752	20,722,100	24,193,192
Repayment of obligations under finance lease	(1,003,852)	(965,254)	(273,039)	(260,275)
Repayment of revolving credit	(195,754,582)	(33,174,790)	-	-
Net cash flows used in financing activities	(564,064,740)	(242,983,186)	(34,341,273)	(33,513,512)
Net (decrease)/increase in cash and cash equivalents	(127,498,225)	183,047,195	(9,790,179)	165,271,402
Effects of exchange rate changes on cash and cash equivalents	(10,942,466)	20,419,288	4,797,571	(13,152,270)
Cash and cash equivalents at beginning of the year/period	431,934,734	228,468,251	298,486,651	279,815,602
Cash and cash equivalents at end of the year	293,494,043	431,934,734	293,494,043	431,934,734
	Financial year ended		Fourth quarter ended	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	RM	RM Restated	RM	RM Restated
For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:				
Cash and bank balances per Statements of Financial Position	304,042,436	732,363,597	304,042,436	732,363,597
Less: Short-term deposits with licensed banks with maturity more than 3 months	-	(296,192,469)	-	(296,192,469)
Less: Pledged deposits	(7,280,916)	(4,236,394)	(7,280,916)	(4,236,394)
Less: Bank overdraft	(3,267,477)	-	(3,267,477)	-
Cash and cash equivalents at end of the year	293,494,043	431,934,734	293,494,043	431,934,734

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

Consolidated Statement of Changes in Equity for the financial year ended 30 June 2018

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Jul-2017													
As previously reported	191,040,654	232,217,438	(86,627,098)	61,959,697	466,828	21,819	10,163,890	(87,197,439)	(119,765,286)	955,660,890	1,157,941,393	85,198	1,158,026,591
Adjustments for acquisition of a subsidiary	-	-	-	9,508	-	-	-	-	1,039,232	33,268,643	34,317,383	-	34,317,383
As at 1-Jul-2017, as restated	191,040,654	232,217,438	(86,627,098)	61,969,205	466,828	21,819	10,163,890	(87,197,439)	(118,726,054)	988,929,533	1,192,258,776	85,198	1,192,343,974
Profit for the year	-	-	-	-	-	-	-	-	-	134,090,521	134,090,521	(10,277)	134,080,244
Other comprehensive loss for the year	-	-	-	(50,423,963)	-	-	-	(25,615,779)	-	717,109	(75,322,633)	-	(75,322,633)
Purchase of treasury shares	-	-	(108,921,092)	-	-	-	-	-	-	-	(108,921,092)	-	(108,921,092)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,271,254	-	-	-	1,271,254	-	1,271,254
Release of shares under Performance Share Plan	-	2,199,870	3,178,800	-	-	-	(5,378,670)	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	123,811,314	-	-	-	-	-	(357,554,775)	-	(233,743,461)	-	(233,743,461)
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(386,524,534)	(386,524,534)	-	(386,524,534)
As at 30-Jun-2018	191,040,654	234,417,308	(68,558,076)	11,545,242	466,828	21,819	6,056,474	(112,813,218)	(476,280,829)	737,212,629	523,108,831	74,921	523,183,752

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Company													
As at 1-Jul-2017	191,040,654	1,668,775,194	(86,627,098)	-	-	-	10,163,890	-	-	228,794,009	2,012,146,649	-	2,012,146,649
Profit for the year	-	-	-	-	-	-	-	-	-	400,788,593	400,788,593	-	400,788,593
Purchase of treasury shares	-	-	(108,921,092)	-	-	-	-	-	-	-	(108,921,092)	-	(108,921,092)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,271,254	-	-	-	1,271,254	-	1,271,254
Release of shares under Performance Share Plan	-	2,199,870	3,178,800	-	-	-	(5,378,670)	-	-	-	-	-	-
Acquisition of a subsidiary	-	31,104,405	123,811,314	-	-	-	-	-	-	-	154,915,719	-	154,915,719
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(386,524,534)	(386,524,534)	-	(386,524,534)
As at 30-Jun-2018	191,040,654	1,702,079,469	(68,558,076)	-	-	-	6,056,474	-	-	243,058,068	2,073,676,589	-	2,073,676,589

Consolidated Statement of Changes in Equity for the financial year ended 30 June 2017

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Jul-2016													
As previously reported	191,040,654	229,022,558	(75,442,423)	25,578,431	466,828	21,819	5,839,774	-	(119,765,286)	345,766,416	602,528,771	80,196	602,608,967
Adjustments for acquisition of a subsidiary	-	-	-	42,283	-	-	-	-	1,039,232	15,527,999	16,609,514	-	16,609,514
As at 1-Jul-2016, as restated	191,040,654	229,022,558	(75,442,423)	25,620,714	466,828	21,819	5,839,774	-	(118,726,054)	361,294,415	619,138,285	80,196	619,218,481
Profit for the year	-	-	-	-	-	-	-	-	-	863,732,377	863,732,377	5,002	863,737,379
Other comprehensive loss for the year	-	-	-	36,348,491	-	-	-	(87,197,439)	-	882,823	(49,966,125)	-	(49,966,125)
Purchase of treasury shares	-	-	(15,355,875)	-	-	-	-	-	-	-	(15,355,875)	-	(15,355,875)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	11,690,196	-	-	-	11,690,196	-	11,690,196
Release of shares under Performance Share Plan	-	3,194,880	4,171,200	-	-	-	(7,366,080)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(236,980,082)	(236,980,082)	-	(236,980,082)
As at 30-Jun-2017	191,040,654	232,217,438	(86,627,098)	61,969,205	466,828	21,819	10,163,890	(87,197,439)	(118,726,054)	988,929,533	1,192,258,776	85,198	1,192,343,974

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Company													
As at 1-Jul-2016	191,040,654	1,665,580,314	(75,442,423)	-	-	-	5,839,774	-	-	138,129,289	1,925,147,608	-	1,925,147,608
Profit for the year	-	-	-	-	-	-	-	-	-	327,644,802	327,644,802	-	327,644,802
Purchase of treasury shares	-	-	(15,355,875)	-	-	-	-	-	-	-	(15,355,875)	-	(15,355,875)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	11,690,196	-	-	-	11,690,196	-	11,690,196
Release of shares under Performance Share Plan	-	3,194,880	4,171,200	-	-	-	(7,366,080)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(236,980,082)	(236,980,082)	-	(236,980,082)
As at 30-Jun-2017	191,040,654	1,668,775,194	(86,627,098)	-	-	-	10,163,890	-	-	228,794,009	2,012,146,649	-	2,012,146,649

Consolidated Statement of Changes in Equity for the fourth quarter ended 30 June 2018

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Apr-2018													
As previously reported	191,040,654	234,417,308	(161,336,448)	23,023,942	466,828	21,819	5,605,431	(80,708,825)	(119,765,286)	686,271,173	779,036,596	77,837	779,114,433
Adjustments for acquisition of a subsidiary	-	-	-	(6,471)	-	-	-	-	1,039,232	37,734,385	38,767,146	-	38,767,146
As at 1-Apr-2018, as restated	191,040,654	234,417,308	(161,336,448)	23,017,471	466,828	21,819	5,605,431	(80,708,825)	(118,726,054)	724,005,558	817,803,742	77,837	817,881,579
Profit for the period	-	-	-	-	-	-	-	-	-	36,247,354	36,247,354	(2,916)	36,244,438
Other comprehensive loss for the period	-	-	-	(11,472,229)	-	-	-	(32,104,393)	-	717,109	(42,859,513)	-	(42,859,513)
Purchase of treasury shares	-	-	(31,032,942)	-	-	-	-	-	-	-	(31,032,942)	-	(31,032,942)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	451,043	-	-	451,043	-	-	451,043
Acquisition of a subsidiary	-	-	123,811,314	-	-	-	-	-	(357,554,775)	-	(233,743,461)	-	(233,743,461)
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(23,757,392)	(23,757,392)	-	(23,757,392)
As at 30-Jun-2018	191,040,654	234,417,308	(68,558,076)	11,545,242	466,828	21,819	6,056,474	(112,813,218)	(476,280,829)	737,212,629	523,108,831	74,921	523,183,752

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Company													
As at 1-Apr-2018	191,040,654	1,670,975,064	(161,336,448)	-	-	-	5,605,431	-	-	284,022,579	1,990,307,280	-	1,990,307,280
Loss for the period	-	-	-	-	-	-	-	-	-	(17,207,119)	(17,207,119)	-	(17,207,119)
Purchase of treasury shares	-	-	(31,032,942)	-	-	-	-	-	-	-	(31,032,942)	-	(31,032,942)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	451,043	-	-	451,043	-	-	451,043
Acquisition of a subsidiary	-	31,104,405	123,811,314	-	-	-	-	-	-	-	154,915,719	-	154,915,719
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(23,757,392)	(23,757,392)	-	(23,757,392)
As at 30-Jun-2018	191,040,654	1,702,079,469	(68,558,076)	-	-	-	6,056,474	-	-	243,058,068	2,073,676,589	-	2,073,676,589

Consolidated Statement of Changes in Equity for the fourth quarter ended 30 June 2017

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Apr-2017													
As previously reported	191,040,654	232,217,438	(86,627,098)	91,767,653	466,828	21,819	9,082,861	-	(119,765,286)	979,528,361	1,297,733,230	74,157	1,297,807,387
Adjustments for acquisition of a subsidiary	-	-	-	9,508	-	-	-	-	1,039,232	27,695,145	28,734,885	-	28,734,885
As at 1-Apr-2017, as restated	191,040,654	232,217,438	(86,627,098)	91,777,161	466,828	21,819	9,082,861	-	(118,726,054)	1,007,223,506	1,326,477,115	74,157	1,326,551,272
Profit for the period	-	-	-	-	-	-	-	-	-	38,269,633	38,269,633	11,041	38,280,674
Other comprehensive loss for the period	-	-	-	(29,807,956)	-	-	-	(87,197,439)	-	882,823	(116,122,572)	-	(116,122,572)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,081,029	-	-	-	1,081,029	-	1,081,029
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(57,446,429)	(57,446,429)	-	(57,446,429)
As at 30-Jun-2017	191,040,654	232,217,438	(86,627,098)	61,969,205	466,828	21,819	10,163,890	(87,197,439)	(118,726,054)	988,929,533	1,192,258,776	85,198	1,192,343,974

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Company													
As at 1-Apr-2017	191,040,654	1,668,775,194	(86,627,098)	-	-	-	9,082,861	-	-	152,439,855	1,934,711,466	-	1,934,711,466
Profit for the period	-	-	-	-	-	-	-	-	-	133,800,583	133,800,583	-	133,800,583
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,081,029	-	-	-	1,081,029	-	1,081,029
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(57,446,429)	(57,446,429)	-	(57,446,429)
As at 30-Jun-2017	191,040,654	1,668,775,194	(86,627,098)	-	-	-	10,163,890	-	-	228,794,009	2,012,146,649	-	2,012,146,649

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

On 26 October 2017, the Company's authorised share capital has increased to 5,000 million ordinary shares of USD0.02 each via the creation of 2,000 million ordinary shares of USD0.02 each. There have been no changes in the Company's issued and paid-up share capital since the end of the previous financial year.

From 13 November 2017 to 7 June 2018, the Company purchased 62,485,200 shares pursuant to the share purchase mandate approved by shareholders on 26 October 2017. These shares were acquired by way of market acquisition for a total consideration of RM108,921,092 and are held as treasury shares by the Company.

On 26 January 2018, the Company has reissued 1,800,000 treasury shares to its Group Managing Director pursuant to Silverlake Axis Ltd. Performance Share Plan.

On 18 April 2018, the Company settled the base consideration for the acquisition of a subsidiary, SIL Group of RM154,915,719 (equivalent to SGD49,776,916) via reissuance of 70,108,332 treasury shares at an agreed issue price of SGD0.71 per share.

The number of treasury shares has decreased from 49,855,200 as at 30 June 2017 to 40,432,068 as at 30 June 2018.

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

	As at 30-Jun-18	As at 30-Jun-17
Total number of issued shares	2,696,472,800	2,696,472,800
Less: Treasury shares	(40,432,068)	(49,855,200)
Total number of issued shares excluding treasury shares	2,656,040,732	2,646,617,600

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

	As at 30-Jun-18	As at 30-Jun-17
Number of treasury shares at beginning of the year	49,855,200	42,899,100
Purchase of treasury shares	62,485,200	9,356,100
Release of treasury shares pursuant to Performance Share Plan	(1,800,000)	(2,400,000)
Release of treasury shares for acquisition of a subsidiary	(70,108,332)	-
Number of treasury shares at end of the year	40,432,068	49,855,200

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

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

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

Not applicable.

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

The Group's audited annual financial statements for the financial year ended 30 June 2017 were prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements as at 30 June 2017 except that the Group has adopted the following new IFRS which became effective for the period beginning on or after 1 July 2017.

Amendments to IAS 7 Disclosure Initiative

Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses

Annual Improvements to IFRSs 2014 - 2016 Cycle: Amendments to IFRS 12 Disclosure of Interests in Other Entities

The adoption of the above standards affects the presentation and disclosure in the financial statements only and does not have any material impact on the financial performance or position of the Group.

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
Annual Improvements to IFRSs 2014 - 2016 Cycle	
- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards	1 January 2018
- Amendments to IAS 28 Investment in Associates and Joint Ventures	1 January 2018
Amendments to IFRS 2 Classification and Measurement of Share-Based Payment Transactions	1 January 2018
Amendments to IAS 40 Transfers of Investment Property	1 January 2018

The Group has not adopted the following standards and interpretations that have been issued but not yet effective: (cont'd)

Description	Effective for annual periods beginning on or after
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 9 Financial Instruments	1 January 2018
IFRS 16 Leases	1 January 2019
IFRIC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to IFRS 9 Prepayment Features with Negative Compensation	1 January 2019
Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to IAS 19 Plan Amendments, Curtailment or Settlement	1 January 2019
Annual Improvements to IFRSs 2015 - 2017 Cycle	
- Amendments to IFRS 3 Business Combinations	1 January 2019
- Amendments to IFRS 11 Joint Arrangements	1 January 2019
- Amendments to IAS 12 Income Taxes	1 January 2019
- Amendments to IAS 23 Borrowing Costs	1 January 2019
IFRS 17 Insurance Contracts	1 January 2021
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group is currently assessing the impact of the adoption of the above standards and interpretations on the Group's financial position and performance, except for those described below.

(i) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. It will replace the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective.

The Group will adopt IFRS 15 using modified retrospective method effective 1 July 2018. The cumulative impact arising from the initial application of the standard will be recognised as an adjustment to the opening retained profits as at 1 July 2018 and comparatives will not be restated. The Group has performed preliminary impact assessment of applying IFRS 15 on the Group's financial statements. Whilst the adoption of IFRS 15 will result in changes to the classification and timing of revenue recognition, the Group does not expect a material impact to the net earnings level. The Group estimates an increase of RM0.59 million in the opening retained profits as at 1 July 2018.

(ii) IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in IFRS 9 are based on an expected credit loss model and replace the IAS 39 incurred loss model.

The Group will adopt IFRS 9 effective 1 July 2018 without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the date of initial application in the opening retained profits. Whilst the adoption of IFRS 9 will result in changes to the impairment model of financial assets, based on the Group's preliminary assessment and historical credit loss experience, the Group does not expect a significant increase in impairment loss on receivables. As of to-date, the Group is still assessing the impact of IFRS 9 on the Group's financial position and performance.

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

Not applicable.

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

	Group		Group	
	Financial year ended		Fourth quarter ended	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	Sen	Sen Restated	Sen	Sen Restated
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	5.09	32.65	1.38	1.45
Based on a fully diluted basis ⁽²⁾	5.08	32.62	1.37	1.45

⁽¹⁾ The weighted average number of ordinary shares on issue has taken into account the weighted average effect of changes in ordinary shares and treasury shares transactions during the financial year ended 30 June 2018 of 2,635,387,566 (30 June 2017 of 2,645,626,429) of USD0.02 each.

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

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

	As at 30-Jun-18		As at 30-Jun-17	
	Group Sen	Company Sen	Group Sen Restated	Company Sen
	Net asset value per ordinary share ⁽¹⁾	19.70	78.07	45.05

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

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -
- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial year reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial year reported on.

(a)(i) INCOME STATEMENT REVIEW – Fourth quarter ended 30 June 2018 ("Q4 FY2018") vs Fourth quarter ended 30 June 2017 ("Q4 FY2017")

Overview

Silverlake Axis Ltd (SAL) provides technology and related services to the Banking, Insurance, Payments, Retail and Logistics industries. Founded in 1989, SAL has built an impeccable track record of successful core banking implementations. The Group's Software and Services Solutions deliver operational excellence and enable business transformations at over 300 organisations across Asia, Australia, Central Europe, Middle East and New Zealand.

From FY2011 to FY2018, the Group has successfully undertaken 6 acquisitions to broaden the suite of business enterprise software solutions and services offerings and strengthen its market position in new markets in New Zealand, Australia, South Asia and Europe. With expanded capabilities, the Group is well positioned to empower its customers to compete effectively in the digital economy ecosystem. Buoyed by continual investments in Information Technology ("IT") by Asian financial institutions and corporations to improve their competitive edge, the Group continues to achieve steady growth in market share.

In Q4 FY2018, Group revenue increased by 6% compared with the previous corresponding period and recorded a net profit attributable to shareholders of RM36.2 million, or 5% lower than Q4 FY2017.

Revenue

By Business Activities

	1-4-18 to 30-6-18 Group	1-4-17 to 30-6-17 Group	Change
	RM	RM Restated	%
Revenue			
Software licensing	14,688,079	8,910,416	65
Software project services	9,726,556	24,740,953	(61)
Maintenance and enhancement services	105,773,607	89,715,788	18
Sale of software and hardware products	2,438,054	1,378,535	77
Credit and cards processing	4,980,264	4,561,957	9
Insurance processing	7,875,051	8,158,235	(3)
	145,481,611	137,465,884	6

For Q4 FY2018, Group revenue of RM145.5 million was 6% higher compared with Q4 FY2017. The increase in Group revenue was mainly due to higher contributions from maintenance and enhancement services and all project related revenue segments with the exception of software project services.

Revenue from maintenance and enhancement services of RM105.8 million in Q4 FY2018 was 18% higher compared with RM89.7 million in Q4 FY2017 mainly due to more enhancement contracts secured in South Asia, Africa and Europe in addition to higher progressive revenue recognised from a few ongoing enhancement contracts delivered in Singapore and Malaysia.

Software licensing revenue recorded a 65% growth to RM14.7 million in Q4 FY2018 mainly due to the initial delivery of new higher value contracts in Malaysia and Thailand in Q4 FY2018.

Revenue from software project services decreased from RM24.7 million in Q4 FY2017 to RM9.7 million in Q4 FY2018 as there were new projects delivered in Singapore and Thailand in Q4 FY2017 and higher progressive revenue recognised in Q4 FY2017 from an implementation contract secured by SIL Group in Sri Lanka. Since a few new contracts secured in Malaysia in early Q4 FY2018 were at the early stage of delivery, the progressive revenue recognised in Q4 FY2018 from these contracts was lower as compared to revenue recorded in Q4 FY2017 from other ongoing implementation contracts secured in Thailand and Malaysia. With the progressive delivery of existing new contracts, higher revenue recognition from software project services is expected to take place in the subsequent quarters.

The increase in another project related revenue segment, sale of software and hardware products was due to a higher value sale of software and hardware product in Malaysia in Q4 FY2018 compared with a smaller value sale delivered in Q4 FY2017.

With the new tier-pricing fee arrangement signed with an existing customer in Q3 FY2018, credit and cards processing revenue increased by 9% from RM4.6 million in Q4 FY2017 to RM5.0 million in Q4 FY2018.

Revenue from insurance processing of RM7.9 million in Q4 FY2018 was 3% lower compared with RM8.2 million achieved in Q4 FY2017 mainly due to a non-recurring integration contract secured from a customer in Singapore following the system change implemented by the customer in Q4 FY2017.

Profitability

The Group recorded a gross profit of RM82.6 million in Q4 FY2018 compared with RM67.9 million in Q4 FY2017, a growth of 22%. The Group's gross profit margin of 57% in Q4 FY2018 was higher compared with 49% in Q4 FY2017 mainly due to a change in revenue mix with higher proportion of revenue recorded from higher margin software licensing and higher margin achieved from credit and cards processing segment in Q4 FY2018 compared with the previous corresponding period.

Lower finance income was recorded in Q4 FY2018 due to lower deposits placed with financial institutions in FY2018 compared with FY2017.

Other Income was significantly lower in Q4 FY2018 compared with Q4 FY2017 as there were unrealised and realised foreign currency exchange gains of RM15.7 million recorded in Q4 FY2017 mainly from the translation of higher bank balances denominated in foreign currencies as compared to the unrealised and realised foreign currency exchange loss of RM0.9 million in Q4 FY2018. The Group also incurred a loss of RM3.6 million, booked under Administrative Expenses, from the sale of 2.5 million Global InfoTech Co. Ltd. ("GIT") shares in Q4 FY2018 whereas no GIT shares were sold in Q4 FY2017.

Compared with Q4 FY2017, selling and distribution expenses decreased by 43% from RM6.7 million to RM3.8 million in Q4 FY2018 due to lower expenses incurred for marketing and research activities in Q4 FY2018.

The Group's share of loss of a joint venture was RM13.9 million in Q4 FY2018 compared with RM5.3 million in Q4 FY2017. The joint venture, Silverlake HGH Limited ("SHGH"), recorded a net impairment loss on goodwill acquired from business combination of RM12.8 million and also recorded some operating losses in Q4 FY2018 compared with an operating profit in Q4 FY2017.

With lower Other Income and higher share of loss of a joint venture, partially offset with higher revenue, the Group recorded a profit before tax of RM35.0 million in Q4 FY2018 compared with RM45.4 million in Q4 FY2017.

Income tax reduced from an expense of RM7.1 million in Q4 FY2017 to a credit of RM1.2 million in Q4 FY2018 mainly due to the recognition of deferred tax assets for unused tax losses carried forward from a subsidiary.

The Group reported a profit after tax attributable to shareholders of RM36.2 million in Q4 FY2018 compared with RM38.3 million in Q4 FY2017. Excluding the loss on disposal of GIT shares in Q4 FY2018, the adjusted net profit attributable to shareholders of RM39.5 million in Q4 FY2018 would have been 3% higher compared with the RM38.3 million recorded in Q4 FY2017.

(a)(ii) INCOME STATEMENT REVIEW – Full year ended 30 June 2018 ("FY2018") vs Full year ended 30 June 2017 ("FY2017")

Overview

In FY2018, Group revenue decreased marginally by 1% compared with the previous corresponding year and the Group achieved a net profit attributable to shareholders of RM134.1 million.

Revenue

By Business Activities

	1-7-17 to 30-6-18 Group	1-7-16 to 30-6-17 Group	Change
	RM	RM Restated	%
Revenue			
Software licensing	39,976,023	41,758,128	(4)
Software project services	51,832,406	63,246,440	(18)
Maintenance and enhancement services	391,973,002	392,994,692	(0)
Sale of software and hardware products	8,044,173	3,429,527	>100
Credit and cards processing	19,631,173	18,750,597	5
Insurance processing	30,309,326	29,675,128	2
	541,766,103	549,854,512	(1)

For FY2018, Group revenue of RM541.8 million was 1% lower compared with FY2017. The decrease in Group revenue was mainly due to lower contributions from project related revenue segments with the exception of sale of project related software and hardware products.

Revenue from the sale of software and hardware products increased from RM3.4 million in FY2017 to RM8.0 million in FY2018 due to the delivery of two higher valued contracts for software and hardware products in FY2018 as compared with only one major as well as a few smaller sales delivered in FY2017.

Revenue from software licensing dropped by 4% to RM40.0 million in FY2018 mainly due to the lower progressive delivery of two ongoing software licensing contracts secured by SIL Group in FY2018 as compared with FY2017. The decrease was partially offset by progressive delivery of new and ongoing software licensing contracts secured in Thailand and Malaysia in late FY2017 and FY2018.

The software project services segment of project related revenue decreased from RM63.2 million in FY2017 to RM51.8 million in FY2018 as there was higher progressive revenue recognised from ongoing implementation contracts secured by SIL Group in Sri Lanka and Dubai in FY2017 as well as the delivery of a new major implementation contract secured in Singapore in FY2017. The decrease was partially offset by marginally higher progressive revenue achieved from other new and ongoing implementation contracts delivered, especially those secured in Malaysia and Thailand from late FY2017 and FY2018, in FY2018 as compared with the previous corresponding year. Further revenue recognition from project related revenue segments are expected to take place in the subsequent quarters with the progressive delivery of ongoing and new software licensing and implementation contracts secured from new and existing customers in late FY2018.

An increase in credit and cards processing revenue of 5% from RM18.8 million in FY2017 to RM19.6 million in FY2018 was mainly due to higher processing revenue arising from the new tier-pricing fee arrangement signed with an existing customer since Q3 FY2018.

Following the expansion of business activities into Thailand, Vietnam and Hong Kong as well as winning new customers in Malaysia, Philippines and Indonesia since FY2017, the recurrent revenue base of insurance processing was 2% higher in FY2018 compared with FY2017.

Profitability

Group gross profit of RM304.9 million in FY2018 was marginally lower than the RM307.5 million recorded in FY2017 and a 56% gross profit margin was achieved in both FY2018 and FY2017.

Finance income decreased to RM2.9 million in FY2018 from RM4.2 million in FY2017 as lower deposits were placed with financial institutions in FY2018 compared with FY2017.

Other Income was markedly lower in FY2018 compared with FY2017 as FY2017 recorded the pre-tax gain of RM480.4 million from disposal of 34.9 million shares in GIT and the pre-tax accounting gain of RM294.8 million from re-measurement of retained equity interest in GIT as available-for-sale financial assets at fair value upon the cessation of Group's significant influence over GIT and discontinued equity accounting method on 29 March 2017. The recognition of an accounting gain of RM18.8 million on dilution of interest in GIT in FY2017, following GIT's issuance of new shares as part consideration for its acquisition has also contributed to higher Other Income in FY2017.

The unrealised foreign currency exchange gain recorded in FY2017 mainly arised from the translation of bank balances denominated in foreign currencies. No such gain was recorded in FY2018 as the Ringgit Malaysia ("RM") has strengthened against other foreign currencies in FY2018 compared with FY2017.

Selling and distribution expenses were 6% lower at RM29.8 million in FY2018 compared with RM31.8 million in FY2017, reflecting lower marketing and research activities in FY2018.

Compared with FY2017, administrative expenses increased by 7% from RM110.9 million to RM118.2 million in FY2018 due to the recognition of a pre-tax loss on disposal of 4.5 million GIT shares as well as higher professional fees incurred for the acquisition of SIL Group and other potential investments in FY2018. This was partially offset by a lower charge on share awards granted pursuant to Silverlake Axis Ltd. Performance Share Plan in FY2018.

The Group's share of loss of a joint venture and associates was RM15.9 million in FY2018 compared with RM7.7 million in FY2017. Share of loss was significantly higher in FY2018 mainly due the recognition of impairment loss by SHGH on the goodwill acquired from business combination. SHGH has also incurred some losses in FY2018 compared with a profit contribution in FY2017. No contribution was accounted for GIT in FY2018 following the cessation of GIT as the Group's associate effective 29 March 2017.

With substantially lower Other Income as well as a higher share of loss of a joint venture, the Group recorded a profit before tax of RM147.2 million in FY2018 compared with RM968.2 million in FY2017.

Income tax expense of RM13.1 million in FY2018 was significantly lower than RM104.5 million in FY2017 and the effective tax rate of 9% in FY2018 was 2% lower than the 11% reported in FY2017. Higher tax expense in FY2017 was mainly due to the accruals of withholding tax on disposal of GIT shares and the provision of deferred tax on capital gains associated with the remaining 41.6 million GIT shares available-for-sale in the subsequent quarters. The increase was partially offset by the recognition of deferred tax assets for unused tax losses carried forward from a subsidiary in FY2018.

The Group reported a profit after tax attributable to shareholders of RM134.1 million in FY2018 compared with RM863.7 million in FY2017. Excluding the effects of disposal of shares in GIT in FY2018 and FY2017, gain on re-measurement of retained interest in GIT to fair value in FY2017 and net gain on dilution of interest in GIT arising from the issuance of new shares in FY2017, the adjusted net profit attributable to shareholders of RM140.0 million in FY2018 would have been 10% lower than the adjusted RM154.9 million achieved in FY2017. The Group achieved an adjusted net profit margin of 26% in FY2018, 2% lower than the 28% achieved in FY2017.

(b) STATEMENTS OF FINANCIAL POSITION REVIEW

Intangible assets

The decrease in intangible assets from RM208.1 million as at 30 June 2017 to RM206.7 million as at 30 June 2018 was mainly due to the amortisation of intangible assets in FY2018 and lower foreign currency translation on intangibles attributable to the depreciation of United States Dollar and Singapore Dollar against RM in FY2018 compared with FY2017. The decrease was partially offset by the capitalisation of software development expenditure incurred in the development of enhanced retail banking solution during the financial year.

Interest in a joint venture

The interest in a joint venture represents investment in Finzsoft Solutions Limited ("Finzsoft") held through Silverlake HGH Limited ("SHGH") and is accounted for using the equity method in the consolidated financial statements. The decrease in interest in a joint venture from RM30.2 million as at 30 June 2017 to RM9.7 million as at 30 June 2018 was mainly due to higher share of loss in FY2018 arising from the recognition of an impairment loss by SHGH on the goodwill acquired from business combination.

Trade and other receivables

Trade and other receivables decreased from RM154.3 million as at 30 June 2017 to RM139.1 million as at 30 June 2018 as a result of improved collection from customers.

Amounts due from/(to) related parties

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

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

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

The net amount due from customers for contract work-in-progress as at 30 June 2018 was RM12.5 million compared with RM18.2 million as at 30 June 2017. This was mainly due to the timing of billings and revenue recognition for the contracts on hand.

Available-for-sale financial assets - quoted equity shares

This available-for-sale financial assets represents the retained equity interest in GIT. The 41.6 million shares were valued at RM280.3 million as at 30 June 2017. In FY2018, 4.5 million shares were disposed and the loss on disposal of RM6.3 million was recognised under Administrative Expenses in the consolidated income statement. The remaining shares were re-measured at RM189.8 million as at 30 June 2018, with RM29.3 million unrealised fair value loss recognised in Other Comprehensive Income.

Merger deficit

This 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 merger deficit balance has increased following the acquisition of SIL Group in FY2018.

Deferred tax

The decrease in deferred tax from a net liability position of RM34.6 million as at 30 June 2017 to RM15.5 million as at 30 June 2018 was mainly due to the reversal of withholding tax provided for available-for-sale financial assets attributable to the changes in fair value of GIT shares quoted on ChiNext of the Shenzhen Stock Exchange as well as the reversal of deferred tax upon disposal of 4.5 million shares in FY2018. The deferred tax relating to fair value loss on available-for-sale financial assets of RM3.7 million was recognised in Other Comprehensive Income.

Non-current other payable

The non-current other payable as at 30 June 2018 is the fair value of earn-out consideration payable in FY2021 for the acquisition of the entire share capital of SIL Group.

Total current and non-current loans and borrowings

Loans and borrowings decreased from RM91.0 million as at 30 June 2017 to RM28.3 million as at 30 June 2018 mainly due to repayment of revolving credit during FY2018.

Amount due to holding company

The amount due to holding company, Intelligentsia Holding Ltd., represents advances given to SIL Group prior to the acquisition of SIL Group. This balance is non-trade, unsecured, non-interest bearing and repayable in cash on demand.

Cash and bank balances

Cash and bank balances decreased from RM732.4 million as at 30 June 2017 to RM304.0 million as at 30 June 2018 mainly due to cash outflow from financing activities of RM386.5 million for payment of dividends to shareholders, RM108.9 million for share buyback and RM67.6 million for repayment of revolving credit, partially offset by net cash inflow from operating activities of RM144.9 million. The Group is in the process of repatriating the sale proceeds from the disposal of GIT shares in FY2018 from China.

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

Not applicable.

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

The core banking contracts and other IT projects secured by the Group in the last 15 months will be implemented in FY2019 and FY2020. These contracts will underpin the improvement in project related software licensing and software project services revenue in FY2019. The Group continues to actively respond to new enquiries and requests for proposals, and is working towards securing additional software projects in 2018.

With the completion of acquisition of the three Silverlake Private Entities in April 2018, the new companies are now integrated within the Group to execute the potential synergies in digital banking solutions. The Group has capitalised on this expanded financial technology platform and capabilities to offer their digital technologies and services to existing and potential customers. In addition, the Group is constantly evaluating suitable companies for acquisition to further expand its portfolio of Fintech and Insuretech software products and services to cement its position as an innovation accelerator and a value-added IT partner to its customers.

11. If a decision regarding dividend has been made:**(a) Current Financial Period Reported On**

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

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	First Interim Cash	Second Interim Cash	Third Interim and Special Cash	Final and Special Cash
Dividend Type	Singapore 0.5 cents per ordinary share	Singapore 0.7 cents per ordinary share	Singapore 0.7 cents and Singapore 1.3 cents per ordinary share	Singapore 0.3 cents and Singapore 1.0 cents per ordinary share
Dividend Rate				
Par Value of Shares	USD0.02	USD0.02	USD0.02	USD0.02
Tax Rate	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier

Total dividends declared for FY2018 amounted to Singapore 3.0 cents compared with Singapore 4.50 cents declared for FY2017.

(c) Date payable

The Directors have proposed a tax exempt (one-tier) final dividend of Singapore cents 0.3 and special dividend of Singapore cents 0.5 per ordinary share. The final and special dividends, if approved by the shareholders at the forthcoming Annual General Meeting of the Company, will be payable on 16 November 2018.

(d) Books closure date

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 7 November 2018 for the purpose of determining shareholders' entitlements to the proposed final and special dividends. Duly completed transfers received by the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to 5.00 p.m., on 5 November 2018 will be registered before entitlements to the dividends are determined.

Shareholders (being depositors) whose securities accounts with the Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 5 November 2018 will be entitled to the proposed final and special dividends.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

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

By Business Activities

	1-7-17 to 30-6-18 Group	1-7-16 to 30-6-17 Group
	RM	RM Restated
Revenue		
Software licensing	39,976,023	41,758,128
Software project services	51,832,406	63,246,440
Maintenance and enhancement services	391,973,002	392,994,692
Sale of software and hardware products	8,044,173	3,429,527
Credit and cards processing	19,631,173	18,750,597
Insurance processing	30,309,326	29,675,128
	541,766,103	549,854,512

By Geographical Segments

	1-7-17 to 30-6-18 Group	1-7-16 to 30-6-17 Group
	RM	RM Restated
Revenue		
South East Asia	429,720,597	421,419,175
North East Asia	32,272,955	30,995,710
South Asia	36,769,340	45,096,137
Middle East	18,463,197	19,850,066
Africa	9,801,911	13,775,944
Europe	14,738,103	18,717,480
	541,766,103	549,854,512

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

Please refer to paragraph 8 above.

15. A breakdown of sales

	Financial year ended 30 June		
	2018*	2017*	Change
	Group RM	Group RM Restated	%
Sales reported for the first half of the financial year	263,145,235	275,339,823	(4)
Operating profit after tax before deducting non-controlling interests reported for the first half of the financial year	68,082,803	421,195,683	(84)
Sales reported for the second half of the financial year	278,620,868	274,514,689	1
Operating profit after tax before deducting non-controlling interests reported for the second half of the financial year	65,997,441	442,541,696	(85)

* The information presented above reflects the results of the Group including SIL Group as if SIL Group has always been combined irrespective of when the acquisition takes place.

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

	Latest Full Year			Previous Full Year		
	Interim/Final RM	Special RM	Total RM	Interim/Final RM	Special RM	Total RM
Ordinary						
First dividends paid by the Company	23,920,161	39,866,929	63,787,090	41,154,609	-	41,154,609
Second dividends paid by the Company	23,131,714	61,684,557	84,816,271	58,595,060	-	58,595,060
Third dividends paid by the Company	23,757,392	-	23,757,392	57,446,429	107,339,936	164,786,365
Final dividends*	23,585,642	39,309,403	62,895,045	24,651,656	82,172,189	106,823,845
Total	94,394,909	140,860,889	235,255,798	181,847,754	189,512,125	371,359,879

* This proposed final and special dividends in relation to financial year ended 30 June 2018 are subject to approval by shareholders at the forthcoming Annual General Meeting. The dividends payable is computed based on the exchange rate of SGD equivalent to RM2.96 as at 30 June 2018. The total amount to be paid to shareholders in relation to the proposed final and special dividends will amount to SGD21,248,326.

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

The aggregate value of recurrent Interested Person Transactions ("IPT") of revenue or trading nature conducted during the financial year ended 30 June 2018 by the Group in accordance with the shareholders' mandates were as follow:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	1-7-17 to 30-6-18 RM	1-7-17 to 30-6-18 RM
Companies associated to Mr. Goh Peng Ooi ("Silverlake Entities")		
- New IPT Mandate ⁽¹⁾		
Revenue from Silverlake Entities	-	39,206,132
Service fees to Silverlake Entities	-	(29,479,196)
- Non-Mandate Transactions ⁽²⁾		
Revenue from Silverlake Entities	7,013,765	-
Service fees to Silverlake Entities	(2,294,866)	-

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

(2) The Non-Mandate transactions were mainly derived from project, maintenance and enhancement services contracted between SIL Group and Silverlake Entities before the completion of acquisition of SIL Group during the financial year.

18. Ageing for amounts owing from related parties

The ageing for amounts owing from related parties as at 30 June 2018 was as follows:

Name of related parties	Total Due RM	0-30 days RM	31-60 days RM	61-90 days RM	91-180 days RM	> 180 days RM
<u>Transactions conducted under the New IPT Mandate: -</u>						
Silverlake Entities ⁽¹⁾	49,002,398	46,278,198	2,724,200	-	-	-
<u>Non-Mandate Transactions</u>						
Silverlake Entities	901,992	680,547	-	-	221,445	-
<u>Non-Trade Transactions</u>						
Silverlake Entities	123,096	102,512	20,584	-	-	-
Grand Total	50,027,486	47,061,257	2,744,784	-	221,445	-

(Note 2)

(Note 2)

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

(2) As at 24 August 2018, the amounts due from Silverlake Entities between 31-180 days have been fully collected.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(13) of the Listing Manual, Silverlake Axis Ltd ("the Company") confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company, except as stated below:

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Goh Shiou Ling	31	Daughter of Mr. Goh Peng Ooi	Executive Director (with effect from 1 April 2018)	Re-designation from Non-Executive Director to Executive Director with effect from 1 April 2018

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

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

BY ORDER OF THE BOARD

KWONG YONG SIN
Group Managing Director

24 August 2018