silverlake
SYMMETRY AT WORK

Where **Possibility** Meets **Reality**

SILVERLAKE AXIS LTD. ANNUAL REPORT 2023

2023
Revenue: **RM765.9mil**

67%
Maintenance and Enhancement Services

13%
Software Project Services (Professional Services)

10%
Software Licensing

7%
Insurance Ecosystem Transactions and Services

3%
Sale of Software and Hardware Products

<1%
Retail Transactions Processing

Visit www.silverlakeaxis.com or scan this QR Code with your smart phone to learn more about Silverlake Axis. You will need to download a QR code scanner on your mobile phone in order to use this feature.

The annual report is available for downloading as a PDF file at our website. Quarterly financial results, presentation slides and announcements are also available at our website.

Table of Contents

Group Overview

Performance Overview

Sustainability Report

Governance

Financial Statements

Others

Corporate Information

BOARD OF DIRECTORS

Goh Peng Ooi
Group Executive Chairman

Andrew Tan Teik Wei
Executive Director
Group Managing Director

Goh Shiou Ling
Executive Director
Deputy Chief Executive Officer

Chee Chin Leong
Executive Director
(appointed on 14 February 2023)

Dr. Kwong Yong Sin
Non-Independent Non-Executive Director
(with effect from 1 July 2022)

Chee Hin Kooi
Non-Independent Non-Executive Director

Ong Kian Min
Lead Independent Non-Executive Director

Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid
Independent Non-Executive Director

Datuk Yvonne Chia (Yau Ah Lan @ Fara Yvonne)
Independent Non-Executive Director

Yano Satoru
Independent Non-Executive Director

Mah Yong Sun
Independent Non-Executive Director

Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik
Independent Non-Executive Director
(appointed on 1 October 2023)

REGISTERED OFFICE

80 Robinson Road #02-00
Singapore 068898

Tel : +65 6236 3333
Fax : +65 6236 4399

CORPORATE OFFICE

6 Raffles Quay
#18-00
Singapore 048580

Tel : +65 6225 9395
Fax : +65 6225 2559
Website address: www.silverlakeaxis.com
Company Registration No.: 202133173M

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue,
Keppel Bay Tower #14-07
Singapore 098632

Tel : +65 6536 5355
Fax : +65 6536 1360

COMPANY SECRETARIES

Tong Shan (appointed on 20 June 2023)
Ang Siew Koon (resigned on 20 June 2023)
Kuan Yoke Kay (appointed on 1 September 2022, resigned on 15 May 2023)

AUDITORS

Ernst & Young LLP
Singapore
Chartered Accountants
Audit Partner: Tee Huey Yenn
(with effect from financial year ended 30 June 2021)

A leading enterprise technology, software and services company in the high growth Asia Pacific Region

Our Corporate Objective

To Deliver Long Term Value for All Our Stakeholders Through Technology Innovations and Business Collaborations

Our Vision

To Be Asia Pacific's Largest Digital Economy Solutions Company

Our Mission

To Be The Leading Fintech Company, Highly Valued by Our Customers and Partners

Market Size

40% of the top **20** largest banks in South East Asia use Silverlake Axis' core banking solutions

Global Presence

Partnering clients in over **70** countries across Asia, Europe, the Indian subcontinent, Middle East, Africa and the Americas

Track Record

34 years of successful implementation of enterprise core software applications with **100%** success rate

Our Clients

Core system platform partner of choice for **3** of the **5** largest ASEAN financial institutions. Over **400** customers using the Group's software solutions and services

Chairman's Statement

Dear Fellow Shareholders,

It is with great pleasure that we present our Annual Report 2023.

REVIEW OF FY2023

The past few years have seen technological advancements becoming the heartbeat of the banking industry. Innovations like Artificial Intelligence ("AI"), Blockchain, and Big Data are not just buzzwords; they are transforming the way we bank.

Technological advancements, in turn, unveiled opportunities through AI, Blockchain, and Big Data. These technologies transcend traditional banking methods, ushering in unparalleled customer service efficiency and data-driven decision-making.

The Asia Pacific banking landscape stands at the crossroads of digital evolution and traditional resilience. Core banking and banking solutions face influences by key technological, socio-economic and regulatory forces.

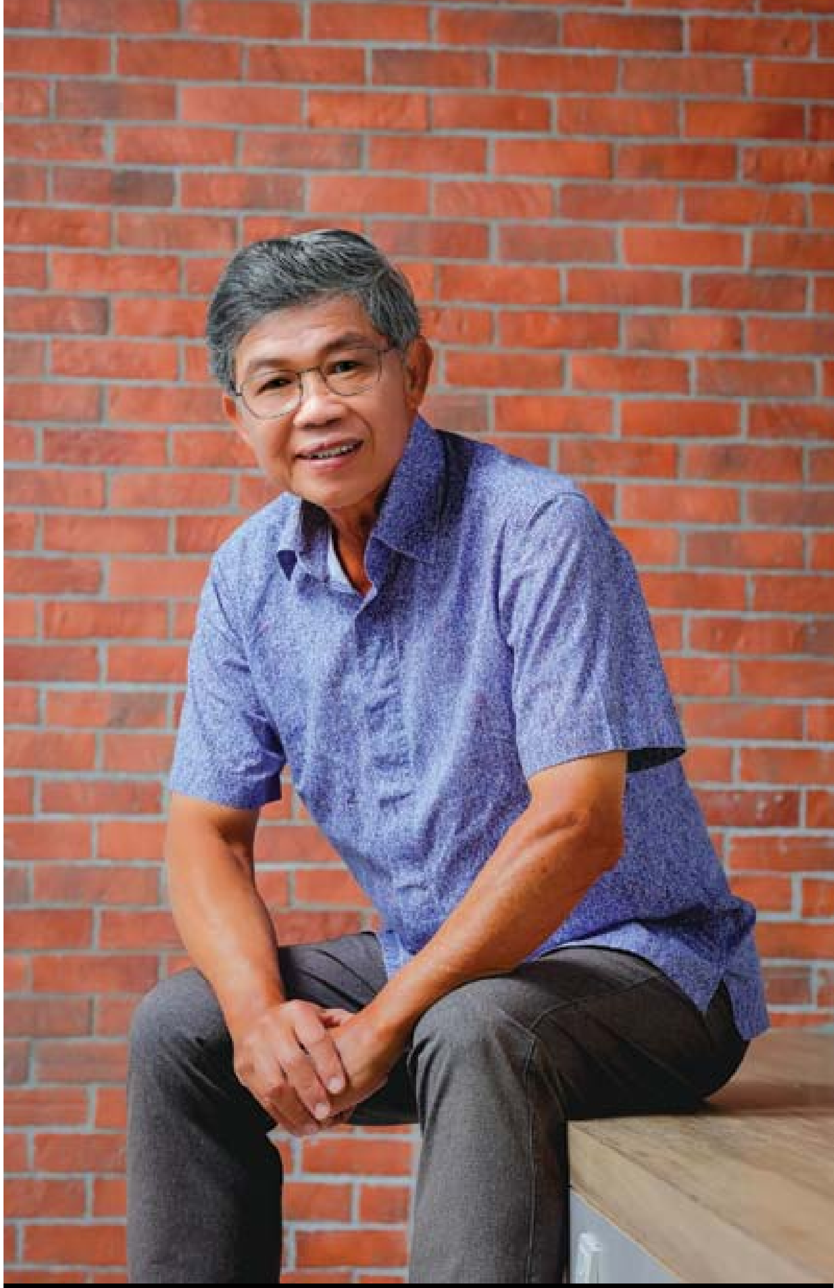
Key challenges include adapting to regulatory changes, competing with fintech startups, and dealing with cyber threats. However, opportunities arise in technology adoption, expanding financial inclusivity and catering to a dynamic consumer base.

Let me begin by sharing my thoughts on how I see the future and the need for Silverlake Axis Ltd. Group ("Silverlake Axis" or "Group") to adapt to the evolving global technology landscape. Today, the world is a VUCA ("Volatility, Uncertainty, Complexity, and Ambiguity") world – by that, I mean governments and businesses are often reminding all stakeholders to be prepared for volatility and uncertainties that are continuing post COVID-19 as well as the consequences of geopolitical tensions and the continuous introduction of game-changing technology. In fact, businesses will need to be even more adaptive than ever to mitigate the complexities and ambiguities due to disruptive technology, new business models and ecosystems, and lack of clarity of what works. They need to find their sweet spot in differentiating from their competitors and creating compelling unique value propositions to win in the marketplace.

I believe the world today is filled with 3 primary dilemmas – I call it the Trilemma of Market Uncertainty, Organisation Uncertainty and Technology Uncertainty which in my humble opinion, will persist and become more exacerbated as we evolve into the rapidly changing technology landscape.

Therefore, there is no single solution or one-size fits all approach to resolve challenges brought about by the Trilemmas. Hence, what I believe is an all-encompassing solutions strategy that takes a multi-dimensional approach from macro to micro, top-down and bottom-up; a necessary approach in our New World faced with challenges of the Trilemmas.

Drawing inspiration from the profound mathematical wisdom of Sierpinski Triangle that expounds the power of recursive



In FY2023, we closed over RM600 million worth of deals, an increase of over 27% from our FY2022 as we proved that our sales engagement and customer success teams are able to demonstrate the compelling value proposition of our range of solutions to our clients and marketplace.

Goh Peng Ooi
Group Executive Chairman

pattern and perfect model for synergies and synthesis, the Group is committed to and is offering a collective holistic future proof platform founded on Silverlake Axis Integrated Banking Solution ("SIBS") (our award winning core banking solution that has more than 90 licenced sites, regionally and globally) as a stable, secured, high performance, scalable and evolving platform complemented with Silverlake Digital Banking MÖBIUS Open Banking Platform ("MÖBIUS") (our newest cloud native digital core and channels banking solution) to ensure that all necessary strategic formations for digital economy can be achieved in tandem with our innovative CloudLink solution – a solution that we have created to provide high performance cloud-based and secured ecosystems orchestration with data and AI driven outcomes. This will be Silverlake Axis's contribution to provide a comprehensive suite of sustainable, evolutionary, adaptive and agile solutions to the challenges which I have alluded to earlier. Our goal is to continuously co-create and co-innovate with our partners based on purposeful synergy and synthesis of technology, know-how, new business models and opportunities arising from the Trilemmas.

Banking is a business which is built on trust and confidence never more evident than in the collapse of Silicon Valley Bank and the contagion from that event. And at Silverlake Axis, we are focused on providing our customers with trusted and secure platforms through which we inspire trust in the financial system. "Trust" in the Silverlake context is about bringing to bear the 3 'E's – Experience, Expertise and Execution – in which Silverlake over 34 years have built on that foundation that has earned us that "trust" in our endearing partnerships with our customers.

Over 34 years of evolution, we have grown from a single product core banking company to a multi-product solution software company and we have accomplished that deliberately and methodically without the need to acquire or leverage our balance sheet to develop these solutions. Leveraging on our vast and extensive knowledge and experience in banking solutions development, we have continually created world class market relevant solution products, without the need to capitalise large amounts in our balance sheet and this, we take great pride in.

The market continues to provide us with immense opportunity, even with the challenges we face today. Financial services institutions continue to look for innovative and credible partners in their journey to transform and deploy information technology in their business to create impactful outcomes. Many financial services institutions across Asia have yet to embark on technological change that brings tangible business outcomes and in the near to medium term horizon, there will be a clash between the old and the new and this creates a very sweet spot for the Group to operate in. In addition, based on all empirical evidence from industry reports and predictions, the IT spend will continue to grow in high single digit for FY2024.

In FY2023, our performance overall was encouraging, given the Trilemmas that I expounded earlier. Our revenues continue to grow against FY2022, recorded 4% in revenue growth. We also continued to expand and invest to transform the business and position ourselves for a resilient and prosperous future. As we reflect on the year, we must approach our results in the context of the global macroeconomic conditions that shaped them. Sustained and intense inflationary pressures forced the hands of many central bankers and they responded with aggressive and steep interest rate tightening. The continuation of the conflict in Ukraine has also destabilised demand and disrupted supply chains in many sectors.

Despite these events, the leadership of the Group continued to perform admirably and our results reflect the commitment and hard work of our 2,000 "Silverlakers" spread across 26 offices in 14 countries.

Our year ended with another record for our top line revenue at RM766 million which is a 4% increase from our previous high in FY2022. All our key financial metrics are intact although the pressures on cost especially human talent and skilled technical resources cost are squeezing margins in the medium term. We remain cautiously optimistic about market demand and there remain a robust pipeline of opportunities as our sales momentum continues into FY2024.

Our approach to every new year is balanced and this year is no exception as there remain multiple local, regional and global risk factors that will require agility and sound management to traverse – the Trilemmas. We are fortunate that we continue to operate from a strong commercial and financial position, and this gives us a measure of confidence as we move into FY2024 and beyond. We have proven over the last 34 years that we are positioned well to transform ourselves and we have made the necessary provisions for an enduring and sustainable business for our shareholders and partners.

In FY2023, we closed over RM600 million worth of deals, an increase of over 27% from our FY2022 as we proved that our sales engagement and customer success teams are able to demonstrate the compelling value proposition of our range of solutions to our clients and marketplace. This encourages me as it is a testament to both the strength of our solutions and delivery capabilities. As travel and business cadence continues to rebound, we are expecting another strong year of closing significant transaction volume in FY2024.

There are some continued pressures on our cost base as we are engaged in delivery of multiple projects simultaneously and we believe and are obsessively focused on successful delivery. A key data point to note is that in FY2023, we secured six (6) new named banks – in ASEAN and the Middle East. FY2023 has been a year where we focused on multiple project delivery activities.

We require strong and cohesive teams of people for project delivery and software maintenance, and the combination of a shortage of talent and strong demand is reflected in our total costs. We continue to review and recalibrate our hiring practices to reflect and adapt to these structural changes in the labour market.

A reflection of our full year performance and business activities in FY2023 clearly highlights some key take-aways that will shape our thinking and drive our priorities in FY2024. While total revenue grew 4%, there were clear silver linings in parts of our business that demonstrated strong potential and growth; some segments in Banking, our Fermion Insurtech business, QR retail tech processing and XIT-Infotech, our majority owned e-identification and personalisation solutions provider based in Latvia.

Since FY2021, we have recorded consistent revenue growth with historical

Chairman's Statement (cont'd)

highs in FY2022 and FY2023 and our total deals closure value was the highest ever in our history. I believe this will set a solid base for the long-term growth and sustainability of the Group.

While we have consistently and deliberately, on a year-to-year basis, grown our recurring revenue base business in the single digit, new license and project delivery services exhibited strong double-digits growth over the last three (3) years. This is critical to ensure we grow at a higher rate as a business.

With the shift in demand towards Software-as-a-Service ("SaaS") and cloud computing, we are seeing consistent increase in revenue contributions from these two areas – in FY2023, SaaS revenue constituted 7% and cloud computing represented 13% of our total revenue. Strategically, we are pivoting steadily to these new market demands. We demonstrated our capabilities honed by our 34 years of experience in the market, in penetrating and increasing our footprint in the core banking market space with six (6) new non-Silverlake banks secured in FY2023.

Our three (3) core banking platforms – MÖBIUS, SIBS and Silverlake Symmetri Retail Banking Solutions ("Symmetri Core") are all showing strong adoption and successes in banks who were with competitor platforms. A key differentiator in Silverlake Axis is that we offer choices to our clients for their strategic banking platforms.

Our Fermion Insurtech business continues to be the market leader in eClaims for key countries in ASEAN and we have also successfully expanded into new markets in the Middle East, Japan and Hong Kong. We continue to launch new and innovative insurtech products and services that are showing strong market traction.

Our subsidiary – XIT in Latvia is becoming known as the leading solution provider of choice in personalisation and e-identification technologies; in Africa, the Middle East and Eastern Europe with many marque projects secured.

Our retail tech business with our cloud-based retail offering AgoraCloud has been doubling their SaaS revenue every year for the past 2 years and we are confident this trend will continue moving forward. Overall, our business model is sound with strong gross profit and net profit margins, above most of our industry peers. Liquidity is strong as we consistently generate strong cash flows on a rolling basis that can fund our operational needs for nine (9) months or more, without the need for bank borrowings.

Project related revenue comprising software licensing and software project services (professional services) was stable at RM176 million compared with RM175 million in FY2022 with software licensing revenue decreasing by 12% to RM74 million from RM84 million in FY2022, a result of the completion of some large projects obtained in FY2022 in Indonesia and Thailand. Software project services revenue, on the other hand, increased 12% to RM102 million in FY2023 mainly due to progressive revenue contributed from ongoing projects in Asia, Middle East and Africa.

Total recurring revenue (maintenance and enhancement services, insurance ecosystem transactions and services, and retail transactions processing) increased 5% from RM541 million to RM569 million in FY2023. Recurring revenue contributed approximately 75% of total Group revenue and has consistently remained the key revenue driver for the Group. Maintenance revenue increased 5% to RM257 million and this revenue segment will grow as new maintenance contracts and support will commence when current projects are completed and successfully handed over to the clients. Enhancement services revenue increased 1% to RM256 million in FY2023.

For the year, the Group recorded a total gross profit of RM451 million, an increase of 8% from the prior year. Gross profit margin was 59% compared to 57% in the prior year.

On an actual basis, profit line items – Profit Before Tax ("PBT"), Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") and Net Profit ("NP"), were impacted by an increase in operating expenses in FY2023 with PBT decreasing 1% to RM230 million, EBITDA decreasing 1% to RM266 million and NP decreasing 7% to RM170 million.

Despite the increase in operating expenses, the Group remains focused on delivering both top line growth with conscious and deliberate investments in FY2023 in sales capabilities, cybersecurity protection and Information Technology ("IT") systems. These investments coupled with the increase in finance costs led to an increase of 17% in our total operating expenses. We have instituted several control measures to rationalise costs and optimise efficiencies in the coming year.

Most segments of our business delivered positive results in FY2023 with all three (3) of our core products suites SIBS, Symmetri Core and MÖBIUS remain relevant to our clients. Prospects for MÖBIUS remains encouraging as the two deployments in Thailand and Malaysia served as reference sites and has led to increased participation in proposals, and we are optimistic of more deal closures in FY2024.

The financial services sector continues to evolve with the integration of marketplace and platform technologies, open finance and open data, and AI being the key themes. Many banks are still hesitant to embark on a large-scale core banking change and they continue to remain on complex, monolithic and inflexible systems that do not provide the promise of a seamless customer journey and customer experience. This is a positioning for us as we offer them solutions to transform and reduce the cost of ownership of their legacy systems.

These industry dynamics form the basis of our value proposition and strategy as we continue to provide strong partnership opportunities to our clients as they evolve and transform.

I am always proud of the accomplishments of our 2,000 strong team of "Silverlakers" as they continue to adapt and deliver consistently year after year and as we head into a new world faced by the Trilemmas. They continue to delight the clients and deliver value. We continue to encourage our employees whether on a remote, hybrid or on-premise basis and provide the seamless support as expected by our clients.

During the year, we continued to support our staff with flexible work-from-home arrangements and a hybrid approach to work and continued to invest in the necessary infrastructure to ensure flexibility. As part of our corporate social responsibility ("CSR") program, we sponsored programs for Lawn Tennis Association of Malaysia, The Star Newspaper in Education (NIE) Programme, SGX Cares Bull Charge Charity Run 2022, Singapore Institute of Directors Golf Tournament, Sentosa 50th Golden Jubilee Charity Golf and others.

For FY2023, the Board of Directors proposed a final dividend of Singapore 0.60 cents per ordinary share for shareholders' approval at the forthcoming Annual General Meeting and while this represents a 30% dividend payout ratio, we believe this strikes a balance between providing returns to our shareholders and taking a conservative view of the future. We closed the year with circa RM500 million in cash reserves. Our capital structure remains strong and we are constantly on the lookout for any focused opportunities that potentially can be accretive to the Group though we remain disciplined as market valuations are recalibrating.

PROSPECTS IN FY2024 AND BEYOND

Going into FY2024, we firmly believe in the strategy and the transformation program that we began three (3) years ago and we remain committed to continue to shape our FY2024 initiatives along key pillars from our five (5)-year strategy and plans which are:

- Continue to invest and position our product suite to ensure we remain at the forefront of technological innovation;
- Inculcate values that enable our people to be client-centric and make every client the centre of everything we do;
- Continue the journey and evolution of the global organisation into a world class operator that delivers superior financial metrics;
- Invest in key areas to future proof our business and organisational long-term sustainability going forward;
- Extend our market coverage and reach, through building strategic partnerships with credible external parties;
- Innovate and scale our proprietary intellectual property ("IP") assets across all platforms;
- Position ourselves as an employer of choice to attract and retain talent;
- Expand the Fermion business beyond eClaims and position the Group as the leading provider of end-to-end insurtech services and platforms.

In execution, we will focus on riding the momentum of digital banking and expanding our share of wallet from our existing installed base whilst penetrating non-Silverlake banking sites. We shall do this by increasing our market coverage and empowering our sales and customer engagement teams to meet sales objectives in a disciplined and focused manner.

As we continue to institutionalise our transformation program and promote a One Silverlake culture, we drive both brand equity and employer equity to attract and retain talent. We engage with the media, our investors and clients to promote the Silverlake brand.

Execution remains our focus and we are largely tracking to plan. We continue to refine and pivot where necessary and we have seen good results in product and sales/marketing efficiency, collaboration and synergies. We remain customer-focused and can offer compelling IT solutions for them to compete. Internally, we have created and continue to promote a culture of adopting industry leading governance and risk awareness practices.

Across the Group, projects that we undertook to modernise and streamline our financial and management reporting has gone live and we have also implemented a sales pipeline management tool which analyses, measures and tracks our pipeline. Our sales organisation has been augmented with key hires in Thailand, Philippines and Indonesia, and we have processes in place for increased collaboration amongst them. We continue to invest in our people, our most valuable assets with training and people strategy programs to ensure effective resource allocation and continuity as we execute projects and product innovation. Holistic compensation and benefits programs have been implemented to get the right mix of short and long-term talent alignment.

We also appreciate more than ever the multiple roles we play and as a responsible corporate citizen, we have an integrated environmental, social, governance ("ESG") and sustainability strategy, thereby ensuring a focused and holistic program. ESG and sustainability are now a permanent Board agenda, as we further execute and deliver outcomes in our identified three key pillars; Our Business, People and Operations. These are our core focus areas but we are also cognisant of our environmental obligations and we are pursuing 100% Task Force on Climate-Related Financial Disclosures ("TCFD") compliance and report progress towards this in our FY2023 Sustainability Report.

With over 34 years of experience, the Group has come a long way to where we are today. We are confident of our current market position and we are certainly well-prepared to meet any challenges and deliver positive returns in the coming years.

A WORD OF THANKS

On behalf of the Board, I would like to thank our management and staffs for their contributions and for achieving a set of commendable results for FY2023. They have managed the Group well, and engaged clients and all our stakeholders admirably. We are proud of our achievements this financial year and we are committed to a dynamic and sustainable business model evolving well into the future. Our business is about building strong connections and trust with all our stakeholders and we look forward to the future.

On behalf of the Board, I would like to extend our gratitude to Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid whom will be retiring from the Board upon the conclusion of Annual General Meeting in October 2023. Tan Sri Dato' Dr. Munir, in his nine (9)-years tenure as our Independent Non-Executive Director has served on many Board Committees, chiefly as Chairman of the Remuneration Committee and as a member of Audit and Risk Committee. The Group has benefited immensely from his vast experience, wisdom, insight and dedication in leading the key Committees.

I wish to also take this opportunity to welcome Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik as our new Independent Non-Executive Director, effective 1 October 2023. We look forward to his valuable contributions to the Board.

I am appreciative of the advice and guidance from all my fellow Directors and I am grateful to our clients, shareholders, business associates and bankers for their continuing support.

Goh Peng Ooi
Group Executive Chairman
26 September 2023

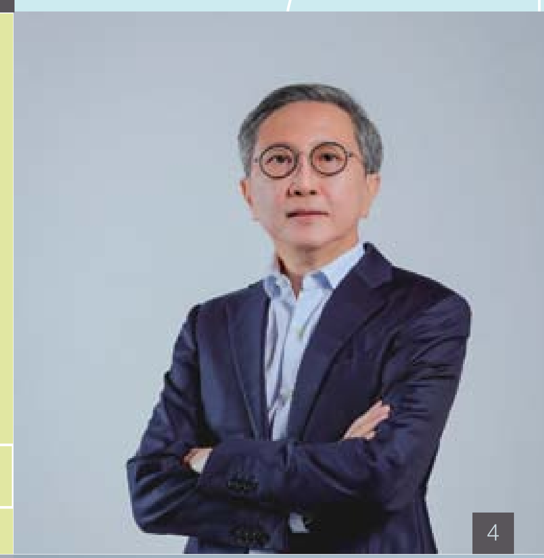
Board of Directors

Goh Peng Ooi
Group Executive Chairman

Andrew Tan Teik Wei
Executive Director
Group Managing Director

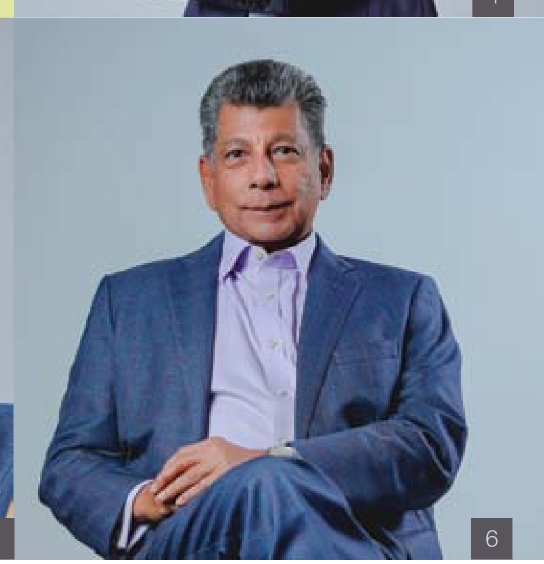
Goh Shiou Ling
Executive Director
Deputy Chief Executive Officer

Dr. Kwong Yong Sin
Non-Independent
Non-Executive Director



Ong Kian Min
Lead Independent Non-Executive Director

Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid
Independent Non-Executive Director



Board of Directors (cont'd)

7 Datuk Yvonne Chia
(Yau Ah Lan @ Fara Yvonne)
Independent Non-Executive Director

8 Yano Satoru
Independent Non-Executive Director

9 Mah Yong Sun
Independent Non-Executive Director

10 Chee Hin Kooi
Non-Independent Non-Executive Director

11 Chee Chin Leong
Executive Director

12 Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik
Independent Non-Executive Director

Board of Directors (cont'd)

Goh Peng Ooi

Group Executive Chairman

Member of Nominating Committee

First appointment as a director: 23 August 2002
Last re-election as a director: 27 October 2021
Due for re-election as a director: 26 October 2023

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

Mr. Goh has been working on mathematical and digital sciences since 1977. After graduating with a Bachelor of Engineering majoring in Electronics Engineering on a Monbusho scholarship at the University of Tokyo, he began his career in IBM Malaysia where he held several senior positions over a nine-year tenure, the last being Marketing Manager for Banking and Finance.

In 1989, he founded the Silverlake Group which was based on his foresight on the future of economic and digital demands. Within the first ten years, Silverlake established itself as a leading provider of state-of-the-art universal banking solutions. Today, the Group is a multibillion-dollar organisation with key offices around the globe and some of its member companies listed on various stock exchanges.

The Group's original tagline, 'Symmetry at Work', was recently revised to 'Symmetry at Work Powering Hundreds of Deep Tech and New Tech Companies', to reflect not only the Supply Side of the economy, but also the Demand Side, such as in Fintech, Digital Finance, Cloud Computing, Digital Franchising and other various high-tech areas. The Silverlake group underwent a major restructuring exercise in 2021 and Mr. Goh founded Zezz FundQ Pte Ltd, a company incorporated in Singapore that consolidates all of his interests in the group, as well as to have better focus on Symmetry and Digital Economy.

The Silverlake Group and associate companies have a staff force of more than 4,800 worldwide, supporting over 400 large customers who are located in over 70 countries across all continents. The Group has earned many industry recognitions since its inception including the IBM Partner Excellence Award (2012), IBM ASEAN Golden Circle Award (2012), Forbes' Best Under A Billion – Best of the Best (2013), The Asian Banker Vendor Satisfaction Survey Gold Award (2014), Forbes' Best Under A Billion (2015).

Personally, Mr. Goh has twice won the Ernst & Young Entrepreneur of the Year Award Malaysia, recognising entrepreneurial excellence, first in 2005 under the Technology Entrepreneur category; and the second in 2014 in the Master Technology Entrepreneur category. The World Chinese Economic Summit in 2015 presented a Lifetime Achievement Award for Excellence in Information Technology to Mr. Goh. In 2017 he was conferred the ASEAN Legacy Award in the ASEAN Business Awards, which recognises ASEAN entrepreneurs that have created positive impact and inspiration within ASEAN communities. In 2019 at the ASEAN Community Leadership and Partnership Forum 2019, Mr. Goh was the sole recipient of the ASEAN Entrepreneur of the Year Award bestowed to distinguished business personalities who have contributed significantly to ASEAN. Most recent in 2022, the Emperor of Japan conferred the prestigious Order of the Rising Sun, Gold Rays with Rosette on Mr. Goh. In 2015 article about Silverlake, Forbes referred to Mr. Goh as the first tech-billionaire in Malaysia.

Aside from his business and professional achievements, Mr. Goh is very much involved in academics – especially in Science and Mathematics. He is particularly interested in the research of Science of Intelligence and its application to Human Actions and Economy, and where possible enjoys giving talks in various schools of higher learning. He specialises in the application of Category Theory, leading to the formulation of his Sigma Scheme, a new Time-Space view verses physics' Space-Time view, and with that clarity, developed something known as Sigma Excellence Insights, and with that insight, he built a high-tech enterprise group based on 'Symmetry at Work Powering Hundreds of Deep Tech and New Tech'.

Mr. Goh is a member of the ASEAN Business Advisory Council (ASEAN-BAC) Malaysia Circle (ABMC), an Executive Committee of Malaysia-Japan Economic Association (MAJECA), Fellow of the Academy of Sciences Malaysia (ASM), an Industry Advisor of the Lee Kong Chian Faculty of Engineering and Science in Universiti Tunku Abdul Rahman, 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, a Member of the Board of Governors of First City University College, a member of the Azman Hashim Advisory Council (AAC) of Universiti Teknologi Malaysia; an Advisor for Japan Graduates Association of Malaysia (JAGAM), and a member of the International Advisory Council of the Association of Malaysian Economics Undergraduate.

Andrew Tan Teik Wei

Executive Director
Group Managing Director

First appointment as a director: 1 July 2019
Last re-election as a director: 27 October 2022

Mr. Tan was appointed as Group Managing Director on 1 July 2019. He joined the Group in April 2018 where he led and grew the Group's core banking business, prior to his current role.

Mr. Tan has more than 38 years career history in the management consulting and IT industry. Prior to joining the Group, Mr. Tan was the Managing Director of SAS Institute in Malaysia and Indonesia – a leader in transforming businesses using analytics. A large part of Mr. Tan's career was with the Big 4 Professional Services firms, in their advisory and consulting divisions. His career began with Andersen Consulting (now Accenture) where he was an associate partner for the financial services industry sector. He played leading roles in bank advisory and transformational initiatives, particularly for banks in ASEAN. Subsequently, he became the Managing Partner of Arthur Andersen Business advisory division in ASEAN, based in Singapore and was responsible for over 500 consultants. In 2002, he led the merger of the Arthur Andersen Singapore business advisory team with BearingPoint – formerly the consulting arm of KPMG U.S.

Mr. Tan spent 3 years in Central Asia based in Almaty Kazakhstan where he was a partner in charge for Deloitte Consulting covering Central Asia. Through his career history, Mr. Tan has served clients in various industries – predominantly in financial services and in industrial/retail, telecommunications, energy and the public sector.

Mr. Tan graduated from the University of Exeter, U.K. with a combined honours degree in Geology and Chemistry. He holds an MBA from the University of Aston in Birmingham.

Board of Directors (cont'd)

Goh Shiou Ling
Executive Director
Deputy Chief Executive Officer

Chairman of Strategic Investment Committee
Member of Remuneration Committee

First appointment as a director: 1 June 2015
Last re-election as a director: 27 October 2020
Due for re-election as a director: 26 October 2023

Ms. Goh was appointed as Executive Director on 1 April 2018, leading the Group's strategic acquisitions and investments team to contribute to the growth and value creation of the Company. Prior to that, she was a Non-Executive Director.

Ms. Goh's early career started at Cornerstone Research, a leading U.S. based economic consulting firm that provides analytical support and expert testimony in complex litigation and regulatory proceedings. While being based in the United States as their economic consultant, Ms. Goh was responsible to analyse 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. These analyses 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.

In 2014, Ms. Goh returned to Malaysia after spending 12 years in the United States and joined the Silverlake Private Entities. Here, she was responsible for evaluating investment opportunities and led several corporate initiatives, including corporate restructuring and financing, that focused on growth and value creation in the Silverlake Private Entities.

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

Ms. Goh served as a Non-Executive Director for several privately held companies and does not hold any directorships in other listed companies.

Dr. Kwong Yong Sin
Non-Independent Non-Executive Director

First appointment as a director: 20 August 2004
Last re-election as a director: 27 October 2022

Dr. Kwong has over 44 years of experience in Business Process Transformation, Information Technology and Digitalisation of businesses in the banking, insurance, retail, logistics and technology industries as well as the government, energy and utilities sectors.

He served as the Group CEO and Managing Director of Silverlake Axis Ltd for 15 years and an Executive Director for 2 years. He was a Managing Director of Silverlake Group of Companies from 2001 to 2005 and under his leadership, he successfully led the delivery of several large-scale core banking system transformation and technology infrastructure modernisation projects for ASEAN Banks.

Prior to joining Silverlake Group, he was a Partner and Vice President of Ernst & Young Global Consulting and Cap Gemini Ernst & Young for 11 years from 1989 to 2000 where he was a Partner of their Business Process Reengineering and Information Technology Practice. His clients included multinationals and ASEAN companies. He was the Senior Manager and Head of Information Technology 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. He was a Director of Global Infotech, a top-tier China Financial Services Technology Company for 7 years leading up to its listing in Shenzhen Stock Exchange in 2015.

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 Practising Accountant (Australia).

Ong Kian Min
Lead Independent Non-Executive Director

Chairman of Audit and Risk Committee
Chairman of Nominating Committee
Member of Remuneration Committee

First appointment as a director: 9 January 2003
Appointment as lead independent non-executive director: 1 July 2018
Last re-election as a director: 27 October 2021

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 30 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. He was previously an independent Non-Executive Director of BreadTalk Group Limited, and Penguin International Ltd during the preceding 3 years.

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 an Independent Non-Executive Director of Food Empire Holdings Limited, and OUE Commercial REIT Management Pte. Ltd.

Board of Directors (cont'd)

Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid
Independent Non-Executive Director

Chairman of Remuneration Committee
Member of Audit and Risk Committee

First appointment as a director: 1 June 2015
Last re-election as a director: 27 October 2020
Due for re-election as a director: 26 October 2023

Tan Sri Dr. 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 he 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 founder 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 1997-1998. 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 the 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 was a member of Economic Action Council Malaysia appointed by the 7th Prime Minister, Tun Dr. Mahathir Mohamad and was also Chairman of Bank Muamalat Malaysia Berhad.

Tan Sri Dr. Munir was the Chairman of ASEAN Business Advisory Council Malaysia as well as the director of the Institute of Strategic and International Studies (ISIS) Malaysia, until 2023. He is the Chairman of CARI Asean Research and Advocacy and the President of the Asian Business Club. He was appointed by the Yang di-Pertuan Agong, the Malaysian King, to serve on the Royal Commission of Inquiry into the operations and management of Tabung Haji (Malaysia's Pilgrims Fund), from 20th January to 19th July 2022.

Tan Sri Dr. 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, where he also sits on its advisory council.

Datuk Yvonne Chia P.M.W (Yau Ah Lan @ Fara Yvonne)
Independent Non-Executive Director

Member of Remuneration Committee
Member of Nominating Committee
Member of Strategic Investment Committee

First appointment as a director: 1 June 2015
Last re-election as a director: 27 October 2021

Datuk Yvonne Chia has more than 40 years of strategic leadership experience in the financial services industry, having held leading positions in both foreign and local institutions. She started her career in Bank of America and held various roles in Malaysia and in the Asia region. She was the former Group Managing Director and Chief Executive Officer of RHB Bank Berhad from 1996 to 2002 and Hong Leong Bank Berhad from 2003 to 2013.

Datuk Yvonne Chia is currently the Independent Non-Executive Chairman of Press Metal Aluminium Holdings Berhad, Standard Chartered Bank Malaysia Berhad, Standard Chartered Saadiq Berhad and Cradle Fund Sdn Bhd. She is also the Senior Independent Non-Executive Director of Astro Malaysia Holding Berhad (until June 2023). She is a Council Member of the Asian Institute of Chartered Bankers, a Trustee for Teach For Malaysia Foundation and The Merdeka Awards Trust (until December 2022) respectively and an Honorary Professor of the University of Nottingham School of Economics, as well she is a member of the Chartered Institute of Islamic Finance Professionals.

Datuk Yvonne Chia is a Fellow Chartered Banker and holds a Bachelor of Economics (Honours) from University of Malaya.

Board of Directors (cont'd)

Yano Satoru
Independent Non-Executive Director

Member of Strategic Investment Committee

First appointment as a director: 24 October 2019
Last re-election as a director: 27 October 2022

Mr. Yano has more than 31 years of a variety of unique international work experience in both the public and private sectors, especially in the Asia Pacific and Europe.

After graduation, he joined a governmental development finance institution as project finance officer. Afterwards, he worked as development consultant, where he was involved in socio-economic infrastructure projects worth billions of dollars in total in almost all Southeast Asian countries, particularly in Indonesia, Vietnam, Malaysia and Thailand, and other Asian countries such as Sri Lanka. His development sector experience spans from the transportation, electricity, healthcare, education, tourism, to poverty eradication and community development. Mr. Yano worked not only with the Japanese government agencies, but also with the World Bank, Asian Development Bank, UN Organisations such as the United Nations Development Programme, and many bilateral government agencies around the world. He was also working on international merger and acquisition deals during his time with Baring Brothers & Co., a major U.K. merchant bank. Mr. Yano began his boutique firm in the early 1990s to focus on the Asia Pacific and Europe, and in 2001, he moved his base from Hanoi to Singapore.

Mr. Yano has been working extensively with the cross-border business and investment throughout his career, especially in the areas of international business development, partnership and alliance building, mergers and acquisitions, venture business support, and problem solving.

He has advised over 400 companies mainly in the Asia Pacific, where he also provided lectures, seminars, and training programmes to and in numerous companies and university classes. He is a director of Crossborder Pte. Ltd. and also holds positions of non-executive director with private companies and of advisor with listed companies in this region.

Mr. Yano graduated from Keio University, Tokyo with a Bachelor of Laws.

Mah Yong Sun
Independent Non-Executive Director

Member of Strategic Investment Committee
Member of Audit and Risk Committee

First appointment as a director: 27 August 2020
Last re-election as a director: 27 October 2020
Due for re-election as a director: 26 October 2023

Mr. Mah, upon returning from his studies in the United Kingdom at Imperial College, London joined the global management and technology consulting firm Accenture, where he served in various roles for 25 years until 2009.

At Accenture, he began his career focusing on management and technology consulting service work with clients globally including those in Malaysia, Singapore, South Korea, Indonesia, United Kingdom and Norway and was admitted to Accenture's Global Partnership in 1997. From 1997 to 2009, Mr. Mah served as Executive Partner at Accenture. As a global partner for 12 years, he held many leadership roles including the change management group lead for Asia, communications and high-technology lead for Thailand, Malaysia, Philippines and Indonesia, and the communications industry lead for Greater China. Mr. Mah has extensive experience in strategic information planning, complex systems implementation and business operations in various industries in addition to being on the board of Accenture's local operating entities.

Since leaving Accenture in 2009, Mr. Mah has served as an Independent Non-Executive Director at Celcom Axiata Berhad (2010 - 2018), Catcha Digital Berhad (2011 - 2023), Omesti Berhad (2013 - 2020) and Diversified Gateway Berhad (2015 - 2018) wherein he has acquired extensive experience operating at the board level.

He has strong associations with his alma mater Imperial College, London and has served as a member of its Development Board from 2011.

Mr. Mah graduated with a Bachelor of Science (Engineering) in Computer Science from Imperial College, London.

Chee Hin Kooi
Non-Independent Non-Executive Director

First appointment as a director : 1 May 2022
Last re-election as a director: 27 October 2022

Mr. Chee has over 25 years of experience in the ICT industry. He served the Silverlake Private Group ("SPE Group") from 1998 to 2022, where he held various technical and management positions. He co-founded and was appointed as the Managing Director of SPE's technology R&D entity.

During his tenure in SPE, he led over 50 new technology and system development initiatives for a wide range of industries, including banking, airlines, education, government, fintech, and community. He also pioneered the innovative application of disruptive technologies such as operations research, data mining, blockchain, and machine learning/expert systems to solve mission-critical business problems. He oversaw the successful implementation of projects for customers in Japan, Hong Kong, ASEAN, China, and the Middle East.

Mr. Chee began his career as an engineer at a Fortune 500 semiconductor company following his graduation in 1995. He worked on process automation, new product development, knowledge management, and six sigma projects. He was awarded numerous patents in semiconductor-related fields, as well as corporate recognition for technical achievements and publication excellence.

Mr. Chee graduated from the University of Malaya in 1995 with First Class Honours and the Book Prize in Bachelor of Engineering. He also holds a Master of Business Administration from Edinburgh Business School, Heriot-Watt University, UK and a Bachelor of Law from the University of London, UK.

Board of Directors (cont'd)

Chee Chin Leong
Executive Director

First appointed as a Director: 14 February 2023
Due for re-election as a Director: 26 October 2023

Mr. Chee has 40 years of experience in the IT industry. After graduation, he spent 1 year as an auditor with Foo, Kon & Tan, a Public Accountant in Singapore. He then joined IBM in 1983 where he spent 5 years working in the small systems (System/34, System/36 and System/38) division providing solutions to the distribution and services sector. In 1988, he moved to Australia where he spent 4 years with Synon, a company specialising in the implementation and development of CASE (Computer Software Aided Development) technology on the IBM AS/400. This technology was successfully deployed in several projects in major banks and financial institutions in Australia. He returned to Malaysia to head the banking division with the CSSL (Commercial Software and Services Ltd) group of companies in 1992.

Mr. Chee joined SILVERLAKE System, a premier provider of Banking and Finance solutions in 1995 where he was initially responsible for the IBM Business Partnership. In this role, he assisted SILVERLAKE System in getting numerous awards, most notably the IBM Star Stream Award for the Best Banking Solution on IBM AS/400 and IBM Beacon Award for The Best IBM Systems Technology Group (STG) Industry Solution. He was also involved in Sales of SILVERLAKE solutions and successfully established Partners internationally for SILVERLAKE System and was instrumental in many wins for the SILVERLAKE Integrated Banking System and Mobius. In 2021, he joined Silverlake Axis Limited as an Advisor to Sales and was responsible for setting up the Partner Management Program.

Mr. Chee graduated with a Bachelor of Economics degree from the University of Adelaide, Australia in 1982.

Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik
Independent Non-Executive Director

First appointment as a director: 1 October 2023
Due for re-election as a director: 26 October 2023

Tan Sri Dato' Dr. Chuah's passion for education, his commitment for progress and his immense contribution in the field of engineering and education spanned over a period of 35 years since his graduation from University of Malaya. Starting from 1988, he was on the faculty of the Electrical Engineering Department of the University of Malaya and in 1994, was a Fulbright Scholar at the Wave Scattering Research Centre, University of Texas at Arlington, USA. In 1997, Tan Sri Dato' Dr. Chuah became a Senior Professor at the Multimedia University (MMU), during which he held various posts as Vice President (R&D and Academic Development), Dean of Engineering, and Director of Research. He also assumed the duty of the Penang State Government Professor of ICT in MMU in 2001 and was the President of Universiti Tunku Abdul Rahman (UTAR) in Malaysia from 2008-2019.

Tan Sri Dato' Dr. Chuah is an eminent technical leader and is considered as a top research scientist in microwave remote sensing in Malaysia and Asia and the Pacific region. He has authored/co-authored more than 280 papers in international journals and conferences. Tan Sri Dato' Dr. Chuah has received many awards locally and internationally for his research work and his outstanding contributions to the engineering profession, particularly in engineering education.

In 2021, Tan Sri Dato' Dr. Chuah received the Chinese Government's Friendship Award, which is the People's Republic of China's highest award for foreign experts who have made outstanding contributions to China's economic and social development, as well as effort in facilitating friendly exchanges between China and other countries in culture, education, science and technology. Tan Sri Dato' Dr. Chuah received the 2022 Lifetime Achievement Award from Malaysian Professional Centre, the umbrella body for all professions recognised by legislative Acts of Parliament in Malaysia. In 2022, Tan Sri Dato' Dr. Chuah was also awarded the Distinguished Honorary Fellow by the Institution of Engineers Malaysia, which is IEM highest award to distinguished person of acknowledged eminence and high standing such as Head of State, Prime Minister, very prominent engineer or world-renowned figure who has rendered very substantial and outstanding services to the engineering profession, The Institution and/or the Nation.

Tan Sri Dato' Dr. Chuah is Past President of ASEAN Academy of Engineering and Technology (AAET) (2016-2022), Past President of the Federation of Engineering Institutions of Asia and the Pacific (FEIAP) (2011-2015), Past President of IEM (2009-2011); and current Chairman of FEIAP Standing Committee on Engineering Education, and Chairman of the Africa, Asia and the Pacific (AAP) Accord Engineering Education Council. He is a Senior Fellow of the Academy of Sciences, Malaysia (ASM); Distinguished Hon. Fellow of IEM; Hon. Fellow of the ASEAN Federation of Engineering Organisations and Myanmar Engineering Society; a Founding Fellow of the AAET and The Academy of Engineering and Technology of the Developing World; Fellow of the Remote Sensing & Photogrammetry Society, UK; the Institution of Engineering and Technology, UK; the Institute of Electrical and Electronics Engineers, USA; and the Electromagnetics Academy, USA. He is also a Professional Engineer in Malaysia, a Chartered Engineer with the Engineering Council, UK; an APEC Engineer, International Professional Engineer and ASEAN Chartered Professional Engineer; and Hon. Member of the Golden Key International Honour Society. Dr. Chuah serves as reviewer for technical papers submitted to international journals such as Progress in Electromagnetics Research (PIER) Journal, and IEEE Trans. Geoscience and Remote Sensing. He is currently a member of the Disciplinary Committee Panel under the Advocates and Solicitors' Disciplinary Board, Malaysia, the Malaysian Engineering Accreditation Council (EAC) and the Civil Aviation Authority of Malaysia; was a Council Member of the Malaysian Qualifications Agency (2008-2012) and ASM (2007-2011, 2014-2016). He also serves in Technical Committee or Advisory Committee of a few regional and international conferences and symposia.

Currently, Tan Sri Dato' Dr. Chuah is a Consultant Professor to Northwestern Polytechnical University, Xian, China and University Advisor to University Sanya, Hainan, China. He is also a UTAR Council Member and Chairman of the UTAR Hospital Board. He sits on the Board of Elsoft Research Berhad since 19 June 2023 as an independent director.

Dr. Chuah Hean Teik graduated with a BEng (First Class Honours), MEngSc and PhD in electrical engineering, all from University of Malaya, Malaysia.

Synergy of Software and Services

SOFTWARE LICENSING

Silverlake Axis offers innovative Digital Economy Propositions and Enterprise Solutions to its customers engaged in multiple ecosystems including Banking, Insurance, Government, Retail, Payment and Logistics.

Over 40% of the top 20 largest banks in South East Asia run on Silverlake Axis' Core Banking solutions.

Leveraging on superior solutions and emerging technologies, Silverlake Axis is committed to achieving operational excellence and has transformed over 400 business entities across 70 countries in Europe, Africa, the Indian subcontinent, Middle East, Asia, and the Americas.

SOFTWARE PROJECT SERVICES (PROFESSIONAL SERVICES)

Silverlake Axis also prides in its ability to deliver projects on time, within budgetary means and with the highest quality. To-date, Silverlake Axis has achieved 100% success track record in Project Implementation for customers.

MAINTENANCE AND ENHANCEMENT SERVICES

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

SALE OF SOFTWARE AND HARDWARE PRODUCTS

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

INSURANCE ECOSYSTEM TRANSACTIONS AND SERVICES

Silverlake Axis offers solutions and services for the Insurance and Takaful industry in Asia.

Fermion 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 speed, improved efficiency and easier performance evaluation.

RETAIL TRANSACTIONS PROCESSING

Silverlake Axis offers our customers a multichannel cloud-based retail Software-as-a-Service solution as an alternative and to drive retail innovation and agility.

Our cloud–based digital platform, QR AgoraCloud, provides greater control and flexibility augmented with best in class customer engagement tools and is designed to cater for the next generation of retail players.

Management Team

Lim Ep Ban

Tan Soo Cheng

Chia Yong Wei

Peter Miller

Dr Gyorgy Tamas Ladics

Management Team (cont'd)

Anil Singh Gil

Choo Soo Ching

Tung Swee Cher

Priscilla Tan

Yew Yee Ming

Philip Law

Management Team (cont'd)

Lim Ep Ban
Chief Executive Officer, Silverlake Digitale and Silverlake One Paradigm

Mr. Lim is responsible for the overall strategy, operations, and performance of Silverlake Digitale and Silverlake One Paradigm. Both companies were acquired in April 2018. He has more than 31 years of experience in information technology. Mr. Lim has managed and implemented more than 50 core banking, payments and provident fund projects including large-scale transformation programmes for banks and financial institutions in the region. Prior to joining Silverlake Private Entities in 1993, he spent 8 years working as a technical consultant for several firms in the United States. Mr. Lim holds a Master of Science Degree in Management Information Systems and a Bachelor of Science Degree (High Honors) in Business Administration from Southern Illinois University.

Choo Soo Ching
Group Managing Director, Silverlake Digital Economy

Ms. Choo founded Silverlake Digital Economy (SDE) in 2011, which was acquired by the Group in April 2018. She is responsible for its overall strategy, architecture, operations and performance. She created and invented the Silverlake MÖBIUS Open Banking Platform from scratch with Cloud Native, Future Proof Digital Core, Digital Channels and Digital Card capabilities.

A banking practitioner, Ms. Choo has an extensive banking and technology background including a long career in Standard Chartered Bank (SCB) where she held a number of senior banking and card business portfolio as well as development, programme management and technology service roles in SCB Group in Singapore, Malaysia, Hong Kong and the United Kingdom. Her last major role was the Global Head of Technology Services where she was responsible for the management of technology services for all 53 countries in the Group. She left SCB in 2000 to pursue a software entrepreneurial opportunity which included the delivery of internet and mobile banking services to leading banks in Asia. Prior to founding SDE, she also ran a consultancy services business focusing on business transformation and programme management in the financial services industry.

Peter Miller
Chief Executive Officer, Fermion Insurtech

Peter joined the Group in February 2021 to lead the Group's insurtech business, now branded as Fermion. His focus is on growth and value creation of Fermion's ecosystem-driven business.

He is an executive-level business leader and entrepreneur with an established track-record running both start-ups as well as established businesses with outstanding partnership development and projects globally.

Peter has more than 30 years of experience in the financial services sector holding various positions in the consulting and insurance industries including as Group CEO listing Tune Insurance on KLSE; as CEO of Tune Money launching AirAsia Big, Head of Insurance for CIMB Group and Head of Bancassurance for AIA China, Indonesia and Malaysia.

Peter has been based in Asia for the last 27 years and has lead several influential and successful financial services projects in Asia Pacific, USA, MENA and Eastern Europe.

Tan Soo Cheng
Chief Executive Officer, Silverlake Global Structured Services (SGSS)

Ms. Tan heads the Maintenance and Support organisation of Silverlake Axis Banking Group with offices in six countries and more than 500 expert resources supporting over 70 customers in the ASEAN region, including customers in Sri Lanka, Bangladesh, and Dubai. With over 32 years of management consulting, project management, and implementation experience in the banking and finance industry, and has been with in the Silverlake family for over 22 years, Ms. Tan provides excellent leadership to an expert pool of resources to ensure Silverlake customers run and maintain their mission critical core banking system.

An Australian graduate from Monash University, Ms. Tan has a degree in computer science and has worked in the banking industry in Australia prior to returning to Malaysia to pursue a career with Ernst & Young Malaysia.

Dr Gyorgy Tamas Ladics
Regional Managing Director of EMEA

Dr. Gyorgy Tamas Ladics is a seasoned financial services professional with over 30 years of experience for digital strategies in the financial services industry and businesses transformation globally. Started his career in Hungary and held senior positions at Citigroup Central Europe based in Budapest and Prague, at Barclays Emerging Market region based in Dubai, where he had provided essential business capabilities, enabled business expansion, entries into new markets and geographies, technology upgrades and digital transformation. He has worked in markets across Central-Eastern Europe, Middle East, Africa, Asia & Russia. At Bank Islam Brunei Darussalam (BIBD) as Chief Operating Officer, he was also responsible for organisational transformation and led business and digital transformation successfully.

Prior to joining Silverlake Symmetri, Dr. Gyorgy Tamas Ladics was also advisor to Managing Director/CEO of BIBD and formulated strategies developed initiatives aligned with regional aspirations. He also holds positions as Independent Non-Executive Director and Chairman of Board Information Technology Committee Bank Alfalah, Pakistan, as well as Advisor at Fajr Capital (Private Equity Company).

Dr. Gyorgy Tamas Ladics holds a Doctorate Degree in Economics from Budapest University of Technology and Economics, as well as a Master's Degree in Electrical Engineering and Informatics from the same University.

Management Team (cont'd)

Yew Yee Ming
Chief Executive Officer, QR Retail Automation

With 32 years of experience in the retail industry covering software development, implementation, retail industry application, consulting and more, Mr. Yew has contributed immensely to the Group since joining in 1995. He drove the implementation of the QR Retail Automation solution "PROFIT" across China, Taiwan, Singapore, Vietnam, Cambodia, Indonesia and Philippines. Mr. Yew is currently the senior executive in charge of projects and consulting, along with business development with large ASEAN retail groups. He began his career in retail as an analyst programmer at the Parkson Corporation, Malaysia with his qualification in Computer Studies.

Philip Law
Group Chief Technology Officer

With 24 years of experience, Mr. Philip is currently engaged in moving the organisation to a One-Silverlake model unifying our development approach, architecture, and moving the organisation to a data first approach.

Prior to this role, Mr. Philip had led the Chief Information Officer Advisory of Oliver Wyman and KPMG, and held senior technology roles at HSBC, CTO of Bank of America, and Principal Consultant of Rule Financial. His past work achievements include leading major projects with Singapore and Thailand local banks, which includes implementing Agile Transformation, improvement of data architecture, set-up of monitoring and execution of data items in accordance with central bank's requirements. He has also served as a strategic delivery partner with Monetary Authority of Singapore in transformational projects, and led their IT strategy and planning of their 5-Year Roadmap.

Chia Yong Wei
Chief Executive Officer of Professional Services COE

Mr. Chia has extensive experience in transforming and building sustainable businesses. A visionary leader in fostering growth in dynamic environments. Skilled in cultivating strong relationships with business partners and clients, resulting in large-scale financial growth.

Prior to this role, Mr. Chia has served as the Group CEO of Microlink Solutions, Chief Technology Officer and Executive Director of Omesti, Chief Information Officer & Head of Customer Relationship Management in AirAsia and held several leadership roles in the Telecommunications Industry while at Accenture. His expertise includes optimisation of solution delivery, organisational restructuring, and strategic business transformation.

Mr. Chia's notable work achievements include the transformation of the Group structure in Microlink Solutions, establishing their market presence in the telecommunications and public sector industry, leading business expansion into the Middle East, reinvigorating the talent pool, subsequently leading to an exponential increase in their business profit within 5-year span. Similarly, in Omesti Mr. Chia has provided executive leadership in securing Omesti as one of the Authorised System Integrator (ASI) of Huawei globally, and streamlined their technologies and solutions. During his time in AirAsia, Mr. Chia led the migration of AirAsia's entire booking platform into the Cloud, and introduced virtual waiting rooms for better efficiency.

Priscilla Tan
Chief Financial Officer

Ms. Tan was appointed to this role in October 2018 and is responsible for overseeing the Group's Finance Department which encompass Finance & Accounting, Cash Management, and Taxation functions. Her scope also includes overseeing Corporate Support Department which supports the Board in governance related matters. Ms. Tan is a qualified accountant and a fellowship member of the Association of Chartered Certified Accountants (ACCA) and the Malaysian Institute of Accountants (MIA). She has 24 years of experience in auditing and financial management having trained in professional accounting firms, and worked in a Malaysian regulatory body and commercial sectors.

Anil Singh Gill
Senior EVP, Strategic Finance & Risk
Chief Risk & Sustainability Officer

Anil has over 23 years of experience in finance and financial services with roles as a commercial controller and in commercial and investment banking. Beginning his career at HSBC and then OCBC Bank, he has also had leadership roles at CIMB Investment Bank and AmBank in Malaysia prior to joining the Group. At the Group he leads the Enterprise Risk Management and ESG functions with responsibility for implementation of risk management and ESG best practices throughout the organisation. He is also responsible for strategic finance which encompasses investor relations, internal business reporting and analytics.

He holds a Bachelor of Commerce degree from University of Melbourne, an MBA from University of South Australia and is a fellow member of CPA Australia, a member of the Malaysian Institute of Accountants (MIA) and an associate of The Institute of Chartered Accountants Singapore (ISCA) and The Chartered Institute of Management Accountants (CIMA). He is currently serving his second term as Treasurer to the Fintech Association of Malaysia ("FAOM") for the 2023/2025 term.

Tung Swee Cher
Senior EVP, Programs & Practices

Ms. Tung has over 33 years of experience in management and technology consulting. She was a Managing Director in Accenture, a global leading edge consulting firm, where she led major client transformation projects and business units. Her expertise includes driving business change at global and regional companies across multiple industries for projects such as strategic planning, operational improvement, IT planning, shared services setup and, solution delivery and outsourcing. At the Group, she is responsible for defining and execution of strategic initiatives that will deliver business benefits such as strategy definition, revenue and cost optimisation, practice standardisation and new business opportunities.

Ms. Tung holds a Bachelor of Economy (Major in Business Administration) First Class Honours, from the University of Malaya.

Group Structure

silverlake
SYMMETRY AT WORK

BANKING
Software Licensing
Software Project Services (Professional Services)
Maintenance and Enhancement Services
Sale of Software and Hardware Products

FERMION INSURTECH
Insurance Ecosystem Transactions and Services

RETAIL AUTOMATION
Retail Transactions Processing

OTHERS
Digital Identity and Security Technologies

INVESTMENT
Strategic Holdings

BANKING

- Silverlake Axis Sdn. Bhd. — 100%
- Silverlake Adaptive Applications & Continuous Improvement Services Ltd. — 100%
- Silverlake Adaptive Applications & Continuous Improvement Services (SG) Pte. Ltd. — 100%
  - Silverlake Holdings Sdn. Bhd. — 100%
  - Silverlake Axis MSC Sdn. Bhd. — 100%
- Silverlake Global Structured Services Pte. Ltd. — 100%
  - Silverlake Structured Services Sdn. Bhd. — 100%
  - Silverlakegroup Pte. Ltd. — 100%
  - Silverlakegroup Pte. Ltd. (Philippines branch) — 100%
  - Silverlake Structured Services Ltd. — 100%
  - PT Structured Services — 100%
  - Silverlake Sistem Sdn. Bhd. — 100%
- Symmetric Payments & Integration Holdings Pte. Ltd. — 100%
  - Symmetric Payments & Integration Pte. Ltd. — 100%
  - Symmetric Payments & Integration Sdn. Bhd. — 100%
- Silverlake Investment (SG) Pte. Ltd. — 100%
  - Silverlake Digital Economy Sdn. Bhd. — 100%
  - Silverlake Digitale Sdn. Bhd. — 100%
  - Silverlake One Paradigm Sdn. Bhd. — 100%
- Silverlake Symmetri (Singapore) Pte. Ltd. — 100%
  - Silverlake Symmetri (Malaysia) Sdn. Bhd. — 100%
  - Silverlake Symmetri (Philippines) Enterprises, Inc. — 100%
  - Silverlake Symmetri Pakistan (PVT.) Limited — 100%
  - Silverlake Symmetri (Slovakia) spol. s.r.o. — 100%
  - Silverlake Symmetri (Singapore) Pte. Ltd. (Dubai branch) — 100%
  - Representative Office of Silverlake Symmetri (Singapore) Pte. Ltd. in Hanoi — 100%

FERMION INSURTECH

- Fermion Pte. Ltd. — 100%
  - Merimen Ventures Sdn. Bhd. (1) — 100%
    - Merimen Online Sdn. Bhd. — 100%
    - Merimen Technologies (Singapore) Pte. Ltd. — 100%
    - P.T. Merimen Technologies Indonesia — 100%
    - Merimen Technologies Philippines Inc. — 100%
    - Motobiznes Online Sdn. Bhd. — 51%
    - Merimen Technologies (Vietnam) Company Limited — 100%
    - Merimen Technologies (Thailand) Co. Ltd. — 100%
    - Merimen Technologies Hong Kong Limited — 100%
    - Merimen Technologies (Malaysia) Sdn. Bhd. — 100%
    - Merimen Technologies Japan K.K. — 100%
    - Merimen Technologies - FZE — 100%
  - Cyber Village Sdn. Bhd. (1) — 100%
    - Affinities Village Sdn. Bhd. — 100%
    - DynaFront Holdings Berhad (2) — 3.24%
  - Silverlake Fermion Sdn. Bhd. — 100%
  - Fermion Labs Sdn. Bhd. — 100%
  - Ancileo Pte. Ltd. — 21.68%

RETAIL AUTOMATION

- QR Technology Sdn. Bhd. — 100%
  - QR Retail Automation (Asia) Sdn. Bhd. — 100%
  - QR Retail Automation (S) Pte. Ltd. — 100%
  - QR Agoracloud Sdn. Bhd. — 100%
  - QR Retail Automation Vietnam Company Limited — 100%

OTHERS

- SIA X Infotech Group — 80%
  - SIA X Infotech — 100%
  - X-Infotech Africa Limited — 100%

INVESTMENT

- Silver Team Technology Limited — 100%
  - Global InfoTech Co. Ltd. (2) — 8.30%
- Silvirture Limited — 100%

(1) Refer Note 41 to the financial statements
(2) Public listed company

The 3 ‘E’s that Power SAL

At SAL we focus on delivering value through our 3‘E’s

- Our 3‘E’s has profoundly influence product development and delivery throughout banking, insurance and retail.
- In creating value we prioritises action over deliberation.
- Our 3‘E’s - experience, expertise and execution are tailor-made for delivering value in our customer journeys.

SIBS MÖBIUS symmetri fermion AGORA CLOUD INFOTECH secure identity and payments

DESIGNING ECOSYSTEMS OF VALUE

Economic progress pushes financial participants to seek out innovative ways of overcoming friction arising from an increasingly interconnected ecosystem. Be it governments, banks corporates, or individuals, ASEAN today is witnessing unprecedented growth of financial transactions that is matched only by an explosive data trade.

As veterans in an ever-shifting fintech landscape, Silverlake Axis believes that the relevance of financial institutions (and by extension, technology vendors) will no longer be decided by price-centric competitive models, but by value-centric ones. Core banking systems should commensurately be designed to facilitate such models, anchored on:

Our design principles:

Bureau Lending & Multi-tenant Delivery	Cloud-Agnosticism	Open Banking APIs	White-label Financial Technologies	Financial Self-Service

CONNECTEDNESS: Embedded Finance

There are more opportunities to demonstrate value indirectly than through proprietary channels. We believe in equipping our customers – be it universal banks, specialist financial institutions, or non-bank industry incumbents – with the right tools to communicate value through a federated network of partners. The future of white-labelled financial services goes beyond co-branding; it is built on co-acquisition, co-servicing, and co-ideation of products on an open platform of peers.

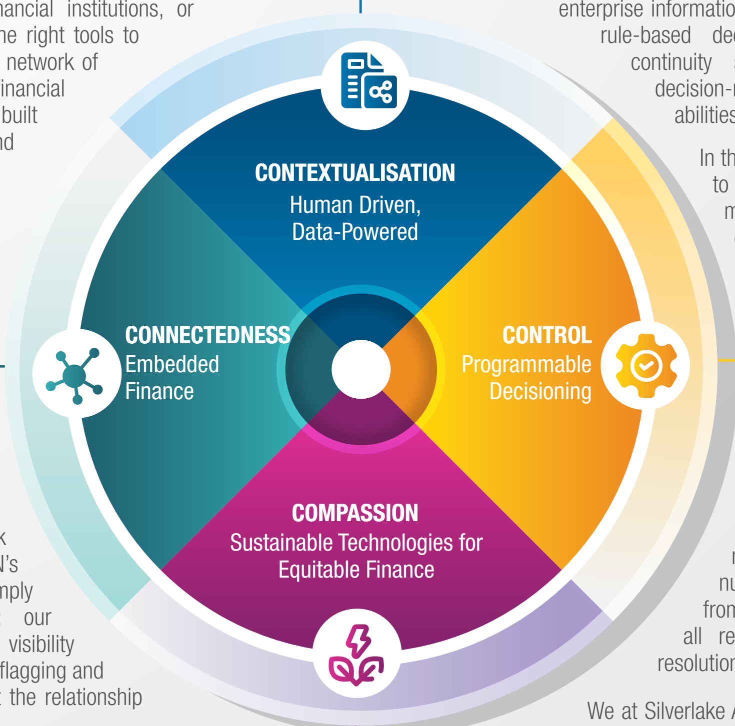
Our design principles:

Event Stream Processing	Decisioning at-scale	Natural language processing	AI-Generative Tools	Assisted Data Exploration

CONTEXTUALISATION: Human Driven, Data-Powered

In era of abundant data but precious few insights, Silverlake Axis strives to empower our customers with tools to blend human intuition with enterprise information. Our core banking systems, payment hub, rule-based decisioning modules, and even business continuity solutions now bring together assisted decision-making tools with increasingly intrinsic abilities to 'understand' operating contexts.

In the bank-of-the-future, it is the machine's role to make recommendations, but the human's to make decisions. Silverlake Axis' vision for core-native intelligence is predicated on creating customer/user experiences that are not just personalised and productive, but fundamentally and resonantly profound.



CONTROL: Programmable Decisioning

In today's ecosystems of value, we need to rethink how macro and micro decisions are made throughout the enterprise. The swelling number of decisions occurring every second – from financial, to operational, and conceptual – all require uncompromising precision in their resolutions.

We at Silverlake Axis are strong advocates for programmable decision-making at the heart of innovative core banking systems. This approach guarantees true scalability in the bank's growth, retaining consistent levels of productivity and service quality as business volumes expand from new frontiers.

Our design principles:

Zero-code rule algorithms	Robotic process automation	Edge computing	Self-healing software	Kafka Data Architecture

COMPASSION: Sustainable Technologies for Equitable Finance

At Silverlake Axis, we are committed to helping our clients empower communities through more accessible, transparent financial services. Our work with the microfinancing arms of ASEAN's premier retail banks goes further than simply enabling financial inclusion policies; our systems provide decision-makers with visibility and profiling data down to the individual, flagging and facilitating credit intervention throughout the relationship lifecycle of the borrower.

By working with global technology partners like IBM and Microsoft, who share our vision for net-zero emissions, we also ensure our fintech IP is delivered through the greenest pathways possible. Silverlake Axis believes that cultivating a sustainability-conscious technological ecosystem is every bit as crucial as delivering equitable financing opportunities to green investments. With the introduction of new environmental accountability metrics for financing projects, our R&D divisions are diligently working to ensure that our banking product parameters, reporting, and audit trail solutions can accurately represent the most up-to-date green financing attributes.

Our design principles:

ESG Integration (Environmental, Social, and Governance)	Ethical AI Design	Climate Risk Assessment and Disclosure	Green Financing and Sustainable Investment	Portfolio Stress Testing for Climate Resilience

fermion

THE INSURANCE ECOSYSTEM BUILDERS

ASIA'S #1 INSURANCE SAAS PROVIDER

PROPERTY & CASUALTY

Digitalisation and transformation of end-to-end P&C insurance value chain, from omni-channel sales and distribution to AI-powered damage assessment and robo-assisted claims management, backed by over 20 years of rich data.

- Motor ecosystem platform trusted by more than 150 insurers across 12 countries.
- Asia's industry-leading platform for marine cargo, serving global insurers, safeguarding thousands of eCommerce shipments.
- Powering both commercial and non-commercial property risks solutions from extended warranty to catastrophe cover.

* *Including through strategic partnerships / associate*

HEALTH & WELLNESS

Supporting holistic healthcare and well-being via:

- Holistic employee concierge supporting physical, mental and financial well-being.
- Healthcare claims ecosystem streamlining digital medical claims journeys.

TRAVEL & LIFESTYLE

Rapidly growing ecosystem with global insurer network, powering embedded insurance distribution for some of the most recognised brands in the world from global and regional airlines to top global credit card scheme, a world-leading online travel agency (OTA), and a top global hospitality group.

Build insurance partnerships with any digital platform and ecosystem.

LIFE & WEALTH

Transformation of sales from product-pushing to an intuitive and inspiring experience via holistic, optimal and digital financial advisory solutions using low/no-code technology, and a suite of microservices.

Profile financial needs, rapidly go-to-market, easily customise products and demonstrate how your insurance and investment recommendations are optimal.

Tech Approach

- Containerisation and Microservices Architecture
- Open API
- Agile and Cloud Native
- Multi Tenancy
- Omni Channel
- Configurable IT

For more information, visit www.fermion.io

Financial Highlights

Revenue	Gross Profit	Other Income	EBITDA	Net Profit
RM765.9 million	RM451.0 million	RM3.4 million	RM265.6 million	RM170.3 million
↑ 4%	↑ 8%	↓ 70%	↓ 1%	↓ 7%

Financial Year Ended 30 June	2019	2020	2021	2022	2023
1. Financial Results (RM' million)					
Revenue	680.8	663.7	626.1	736.5	**765.9**
Gross Profit	426.1	379.6 (2)	376.9	418.6	**451.0**
Other Income	55.6 (1)	23.6 (3)	11.5 (4)	11.3 (5)	**3.4 (6)**
EBITDA	332.5 (1)	266.7 (2)(3)	235.3 (4)	268.3 (5)	**265.6 (6)**
Profit Before Tax	284.7 (1)	201.4 (2)(3)	186.7 (4)	231.9 (5)	**229.6 (6)**
Net Profit	245.6 (1)	184.7 (3)	143.1 (4)	182.7 (5)	**170.3 (6)**
2. Financial Positions (RM' million)					
Share Capital	191.0	191.0	191.0	1,845.2	**1,845.2**
Shareholders' Fund	592.3	746.6	1,054.4	962.1	**1,136.2**
Total Assets	1,182.4	1,468.2	1,364.3	1,492.1	**1,633.2**
Total Liabilities	590.0	721.6	309.8	516.9	**483.2**
3. Financial Ratio					
Gross Profit Margin (%)	63%	57% (2)	60%	57%	**59%**
Net Profit Margin (%)	36% (1)	28% (3)	23% (4)	25% (5)	**22% (6)**
Return on Equity (%)	41% (1)	25% (3)	14% (4)	19% (5)	**15% (6)**
Current Assets/Current Liabilities (Times)	3.8	2.1	4.1	3.9	**4.4**
4. Per Share (RM sen)					
Basic Earnings Per Share	9.27 (1)	7.04 (3)	5.49 (4)	6.85 (5)	**6.76 (6)**
Diluted Earnings Per Share	9.27 (1)	7.04 (3)	5.49 (4)	6.85 (5)	**6.76 (6)**
Net Assets Per Share	22.39	28.83	39.40	38.32	**45.23**
5. Dividends					
Dividends Per Share (Singapore cents)	1.80	0.93	0.52	0.70	**0.60**
Dividend Payout (%)	59%	40%	30%	30%	**30%**

Financial Highlights (cont'd)

(1) In FY2019, the Group recorded RM14.8 million gain from fair value adjustment on contingent consideration for the acquisition of Silverlake Investment (SG) Pte. Ltd. Group ("SISG Group"), a net gain of RM14.2 million from reversal of value-added tax ("VAT") accrued for the disposal of Global InfoTech Co. Ltd. ("GIT") shares in FY2017 and FY2018 (as Silver Team Technology Limited, a subsidiary of the Company, had obtained VAT exemption in FY2019 for the disposals), RM9.4 million gain from the recognition of a derivative asset for the call option on the remaining 20% equity interest in SIA X Infotech Group ("XIT Group"), and RM8.5 million net gain from the disposal of freehold land in FY2019. These non-operational gains were reflected in Other Income and correspondingly in earnings, net profit margin and return on equity ratios. Excluding the effects of these non-operational gains, the Group's adjusted net profit of RM198.7 million would have been 42% higher than FY2018 adjusted net profit of RM140.0 million.

(2) The Group's subsidiaries engage businesses in different jurisdictions, hence there are taxes imposed on foreign sourced income. In FY2021, it was clarified that part of these foreign and withholding taxes were derived or taxed on gross revenue and not based on taxable profits, therefore not considered as "Income Taxes" in the consolidated income statement. The Group presented such withholding taxes as part of "Cost of Sales" in the consolidated income statement for the financial year ended 30 June 2021 and comparative amounts i.e. FY2020 Gross Profit, EBITDA, Profit Before Tax and the corresponding profit margins have been restated to reflect the substance of these taxes.

(3) In FY2020, the Group recorded RM11.3 million gain from remeasurement of put liability on the remaining 20% equity interest in XIT Group, RM2.9 million government subsidies from Singapore and Malaysia to support businesses during COVID-19 pandemic, RM2.1 million gain from deemed disposal of investment in Finzsoft Solutions Limited, and RM1.6 million fair value gain from remeasurement of contingent consideration for the acquisition of 80% equity interest in XIT Group and 100% equity interest in SISG Group. These non-operational gains were reflected in Other Income and correspondingly in earnings, net profit margin and return on equity ratios. Excluding the effects of these non-operational gains, the Group's adjusted net profit of RM166.8 million would have been 16% lower than FY2019 adjusted net profit of RM198.7 million.

(4) In FY2021, the Group recorded non-operational losses of RM15.6 million and RM8.6 million from remeasurement of put liability for put option and remeasurement of derivative asset in relation to call option on the remaining 20% equity interest in XIT Group respectively. The Group received RM4.9 million of government subsidies and office rental concessions from Singapore, Latvia, Malaysia and Hong Kong to support businesses during COVID-19 pandemic. These non-operational losses/gains were reflected in Administrative Expenses/Other Income, and correspondingly in earnings, net profit margin and return on equity ratios. Excluding the effects of these non-operational losses/gains, the Group's adjusted net profit of RM162.3 million would have been 3% lower than FY2020 adjusted net profit of RM166.8 million.

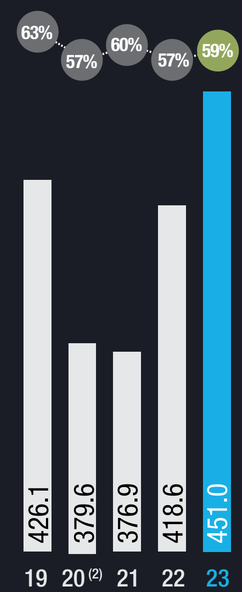
(5) In FY2022, the Group recorded RM1.5 million of government subsidies and office rental concessions from Malaysia, Singapore, Thailand and Hong Kong, RM1.1 million gain from the recognition of derivative asset in connection with the call option to acquire the remaining 16.37% equity interest in Ancileo Pte. Ltd. ("Ancileo"), as well as RM1.5 million gain from remeasurement of put liability for put option and RM0.8 million loss from derecognition of derivative asset upon expiry of call option for the acquisition of the remaining 20% equity interest in XIT Group. These non-operational gains/losses were reflected in Other Income/Administrative Expenses, and correspondingly in earnings, net profit margin and return on equity ratios. Excluding the effects of these non-operational gains/losses, the Group's adjusted net profit of RM179.4 million would have been 11% higher than FY2021 adjusted net profit of RM162.3 million.

(6) In FY2023, the Group recorded RM1.2 million loss from remeasurement of derivative asset in relation to call option on the remaining 16.37% equity interest in Ancileo and RM0.2 million of government subsidies from Singapore and Hong Kong. These non-operational losses/gains were reflected in Administrative Expenses/Other Income, and correspondingly in earnings, net profit margin and return on equity ratios. Excluding the effects of these non-operational losses/gains, the Group's adjusted net profit of RM171.3 million would have been 5% lower than FY2022 adjusted net profit of RM179.4 million.

Financial Highlights (cont'd)

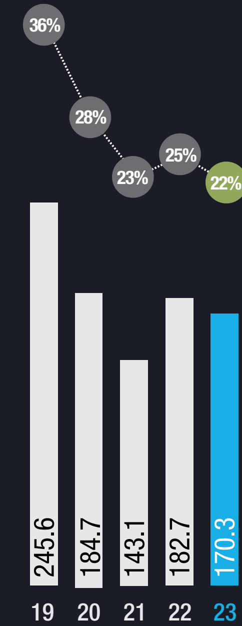
Revenue (RM' million)

% Revenue Contribution from Maintenance & Enhancement Services (%)



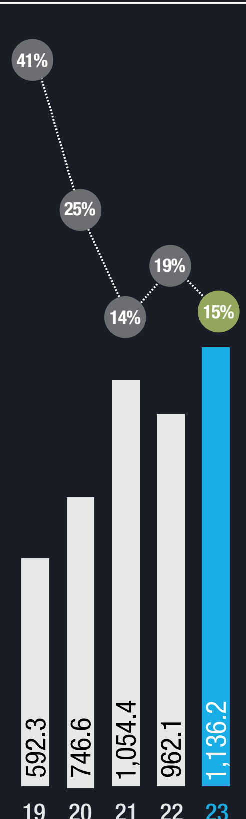
Gross Profit (RM' million)

% Gross Profit Margin (%)



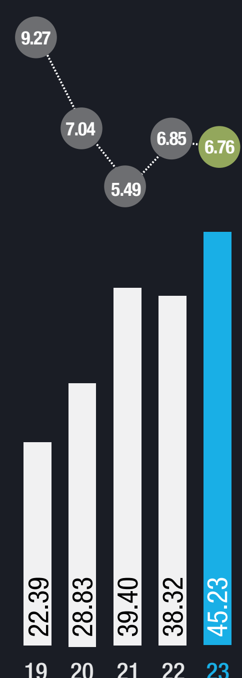
Net Profit (RM' million)

% Net Profit Margin (%)



Shareholders' Fund (RM' million)

% Return on Equity (%)



Net Assets Per Share (RM sen)

RM Basic Earnings Per Share (RM sen)

Dividends Per Share (Singapore cents)

% Payout (%)

Financial Performance Review

OVERVIEW

On a full year ended 30 June 2023 ("FY2023"), Silverlake Axis Ltd. ("SAL" or the "Group") recorded revenue of RM765.9 million, a growth of 4% over previous financial year ("FY2022") with the following financial performance:

- 4% increase in Revenue to RM765.9 million – highest revenue for the Group since the Company's listing in Singapore Exchange Securities Trading Limited in March 2003.
- 8% increase in Gross Profit to RM451.0 million and Gross Profit Margin at 59%, 2% higher than FY2022.
- Stable Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") of RM265.6 million, with EBITDA Margin at 35%, 1% lower than FY2022.
- Achieved Profit Before Tax of RM229.6 million, a decrease of 1% as compared to FY2022.
- Achieved Net Profit (or Profit After Tax) of RM170.3 million and Net Profit Margin at 22%, 7% and 3% lower than FY2022 respectively.

Total Revenue
▲4%
RM765.9M
(FY2022: RM736.5M)

Recurring Revenue
▲5%
RM569.4M
(FY2022: RM540.6M)

Project Related Revenue
▲<1%
RM175.9M
(FY2022: RM175.1M)

Sale of Software and Hardware Products
▼1%
RM20.6M
(FY2022: RM20.8M)

Gross Profit
▲8%
RM451.0M
(FY2022: RM418.6M)

Gross Profit Margin
▲2%
59%
(FY2022: 57%)

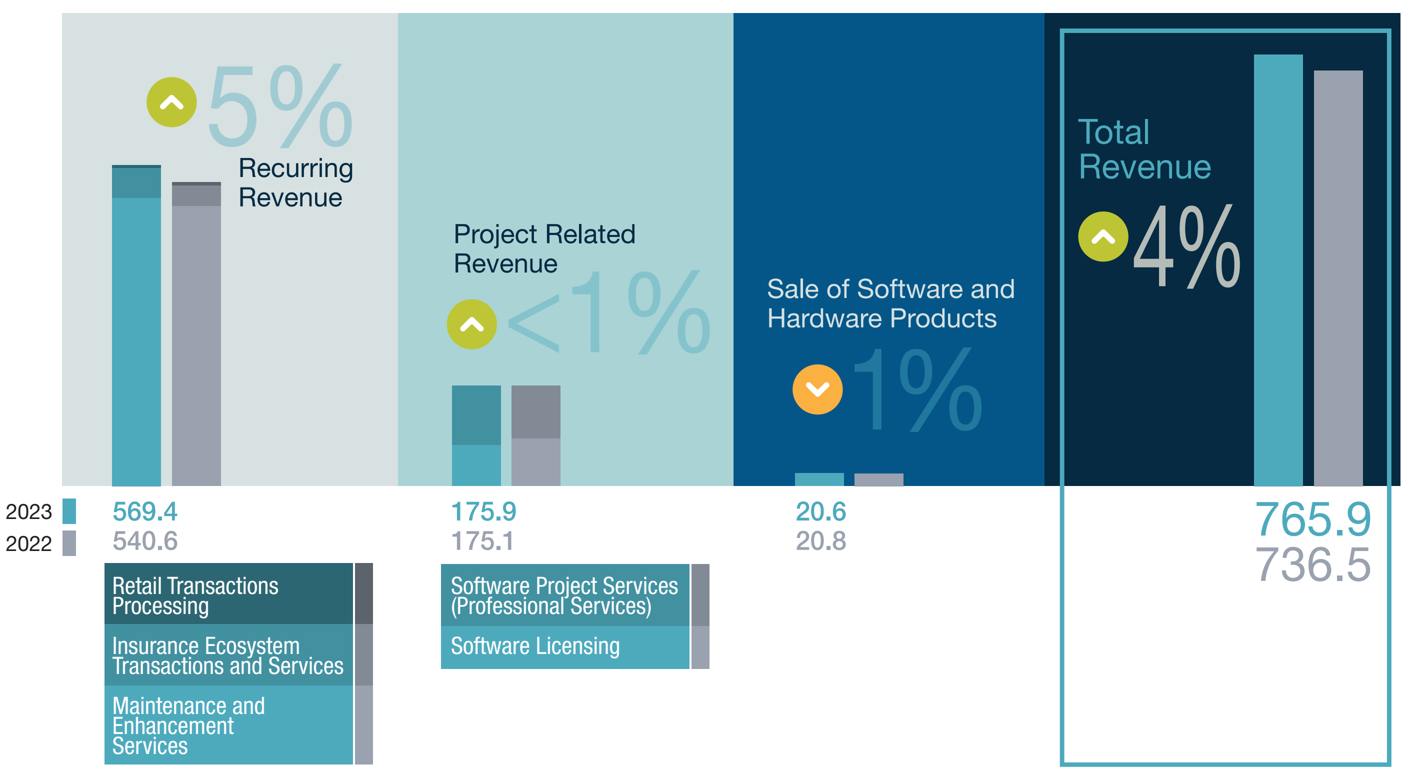
EBITDA
▼1%
RM265.6M
(FY2022: RM268.3M)

Net Profit
▼7%
RM170.3M
(FY2022: RM182.7M)

Dividends per Share (30% of Net Profit)
▼14%
Singapore 0.60cents
(FY2022: Singapore 0.70cents)

REVENUE

Revenue by Business Activities (RM' million)

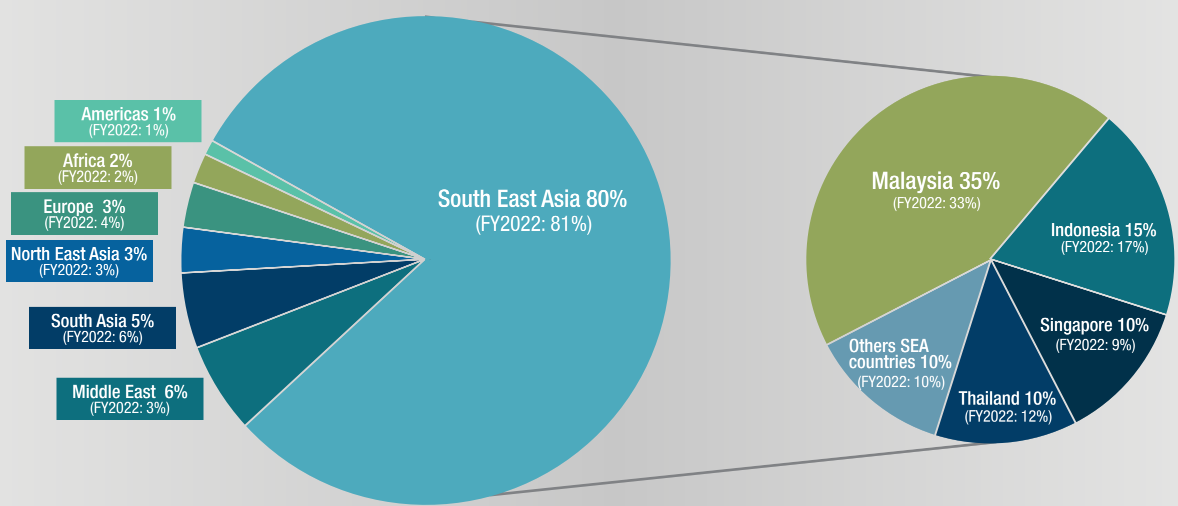


Financial Performance Review (cont'd)

Total Group Revenue, ▲4%

In FY2023, Group revenue grew 4% to RM765.9 million, compared to RM736.5 million recorded in FY2022. This was contributed mainly by RM28.8 million increase in recurring revenue from three (3) business segments of the Group.

FY2023 Revenue by Geographical Segment (%)



Group revenue was generated mainly in South East Asia, contributed approximately 80% of total Group revenue in current and previous financial years. These 80% composed revenue from key countries the Group operates in such as Malaysia, Indonesia, Singapore and Thailand.

The remaining 20% of total Group revenue was contributed by clients based in Middle East, South Asia, North East Asia, Europe, Africa and the Americas region. The contribution from Middle East region has shown an increase of 3% as compared to previous year as the Group delivered Symmetri core banking installations contract secured in FY2023 to a customer in the United Arab Emirates.

Throughout the year, the Group has been actively expanding the reach of our product offerings as well as cross selling to new and existing markets through key partnerships engagements with local partners and new headcounts to support business expansion and market coverage.

Recurring Revenue, ▲5%

Total recurring revenue (maintenance and enhancement services, insurance ecosystem transactions and services, and retail transactions processing) increased 5% from RM540.6 million to RM569.4 million in FY2023.

Recurring revenue contributed approximately 75% of total Group revenue and has consistently remained the key revenue driver for the Group.

Project Related Revenue, FY2023 was comparable with FY2022

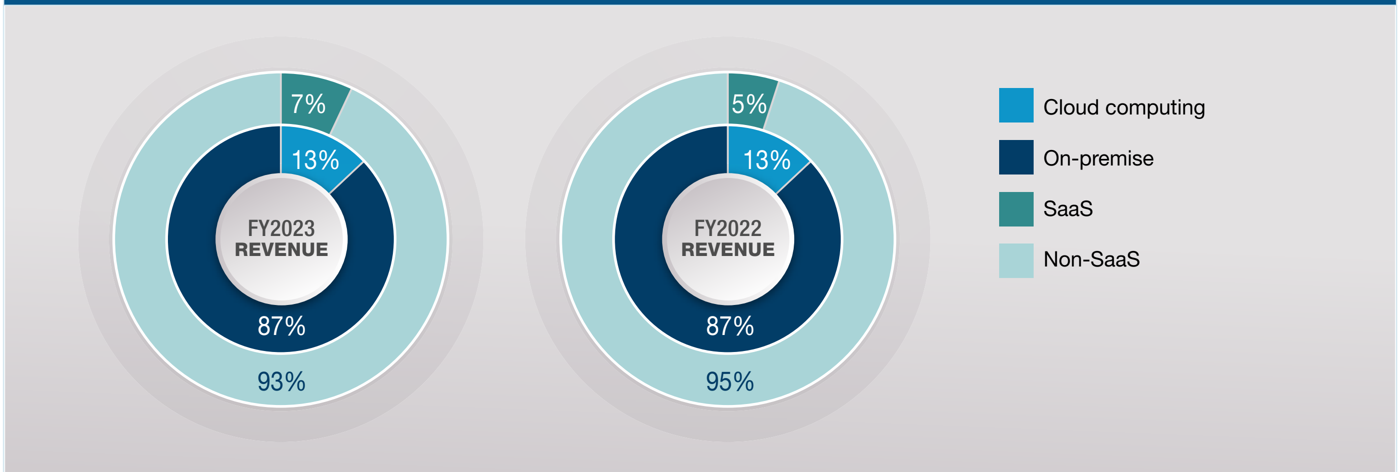
Project related revenue comprising software licensing and software project services (professional services) remains robust and contributed RM175.9 million in FY2023, approximately 25% of total Group revenue.

Sale of Software and Hardware Products, ▼1%

Sale of software and hardware products recorded flat revenue of RM20.6 million in FY2023 as compared with RM20.8 million recognised in the prior year as customers continue to invest in hardware upgrades to enhance their technology infrastructure to support core banking systems installed by the Group.

Financial Performance Review (cont'd)

Revenue Delivered through Cloud Computing and Software-As-A-Service ("SaaS"), ▲Increasing trend



RM96.8 million or 13% of total Group revenue was delivered via cloud computing, 2% higher than RM95.3 million recorded in the previous year.

Revenue from Software-as-a-Service ("SaaS") grew 37% to RM52.2 million and now constitutes 7% of total Group revenue in FY2023. SaaS revenue increased in conjunction with higher subscriptions for insurance ecosystem transactions and services and retail transactions processing services.

PROFIT PERFORMANCE

GROSS PROFIT

The Group recorded a gross profit of RM451.0 million in FY2023, 8% higher than prior year with an aggregate gross profit margin of 59%, higher than the 57% achieved in FY2022 due to better operating performance from recurring revenue segment this financial year.

FINANCE AND OTHER INCOME

Finance income increased 281% from RM3.1 million to RM11.7 million in FY2023 as a result of higher interest earned from deposits placed with financial institutions.

Other income was 70% lower this year, a decrease from RM11.3 million to RM3.4 million in FY2023. Key breakdowns for the decrease are:

- 53% of the decrease was contributed by foreign currency exchange loss on cash reserve as compared to a gain of RM4.2 million in prior year.
- Another 33% reduction was as a result of an unfavourable remeasurement of the call option on the remaining 16.37% equity interest in Ancileo Pte. Ltd. in FY2023 as compared to FY2022, and the absence of gain recognised last year from the remeasurement of put option on the remaining 20% equity interest in SIA X Infotech Group.
- The remaining 14% reduction in other income was mainly due to the expiry of COVID-19 government support subsidies.

Financial Performance Review (cont'd)

EXPENSES

The Group incurred total expenses of RM235.6 million in FY2023. This was 17% higher compared to RM201.2 million recorded in prior year. The increase in expenses was expected and was incurred given current inflationary environment and also to support growth in new delivery services projects and future proofing of long-term growth and sustainability of SAL business.

Key breakdowns for the increase are:

- 61% cost increase were associated with addition of new headcounts into the organisation and increased business development and travel costs post pandemic. More headcounts were added to service many new project contracts won and for business development, business expansion, support future sustainability and increasing sales and market coverage.
- 21% cost increase was attributable to finance costs incurred on a revolving credit facility drawdown for a corporate exercise executed in Q4 last year whereby interest was charged and captured for full year this year versus one month in the previous year.
- 9% cost increase was due to foreign currency exchange loss on cash reserves recorded during the year as a result of the fluctuation of foreign currencies.
- The remaining 9% cost increase was related to operating costs such as internal and external branding activities as markets opened up, and higher cost of SAL Executives' Performance Share Plan as a result of upward movement of SAL share price.

Overall, the Group's expense (selling, distribution, administrative and finance costs) over revenue ratio of 31% is below the industry benchmark of 35% to 40%. It is one of the key metrics used for cost monitoring to ensure the spending are within planned parameters to deliver the existing and future contracts.

INCOME TAX

The Group recorded higher tax expense of RM59.3 million in FY2023 as compared with RM49.2 million in FY2022.

The effective current income tax rate was 22% in current year, 3% higher than last year mainly due to higher chargeable income derived from higher revenue and profitability from recurring revenue stream this financial year from subsidiaries operating mainly in Malaysia, Singapore and Indonesia, and lower incentive or bilateral tax relief available to be claimed this financial year.

As compared with FY2022, deferred tax expense increased significantly from RM2.6 million to RM8.0 million as a result of higher deferred tax liabilities recognised on deductible software development cost incurred in FY2023.

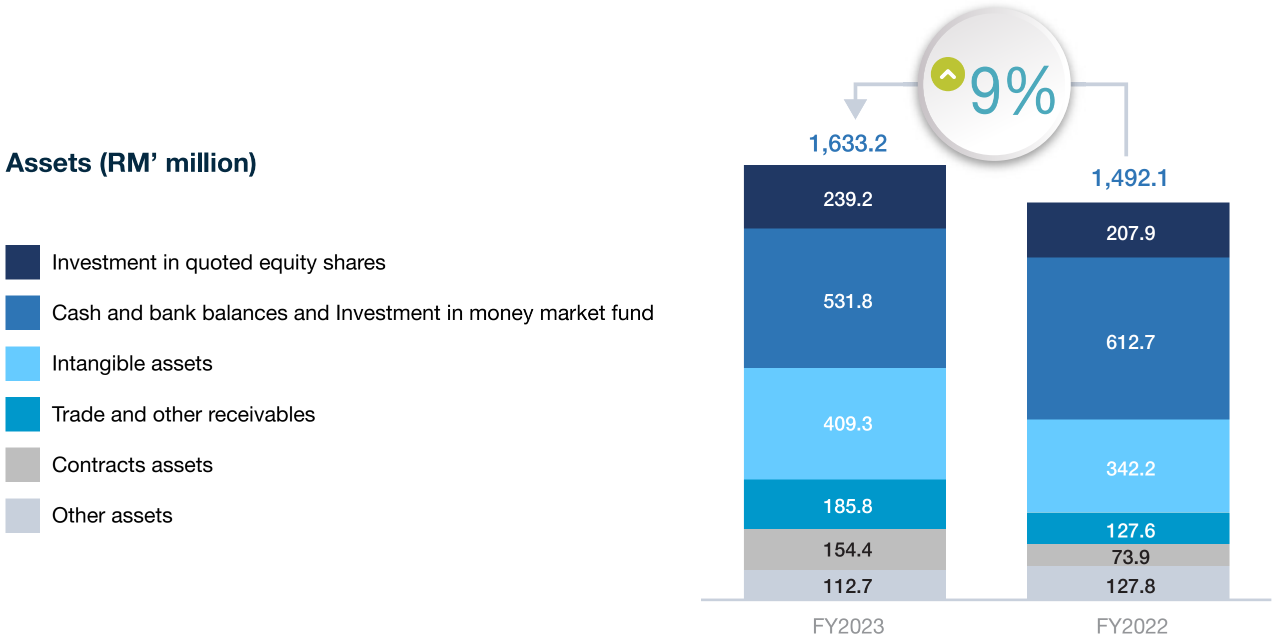
EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION ("EBITDA") AND NET PROFIT (OR PROFIT AFTER TAX)

The Group achieved EBITDA of RM265.6 million, stable and comparable with RM268.3 million achieved in FY2022. EBITDA margin of 35% in FY2023 was 1% lower than FY2022, decreased despite better operating performance from increased revenue and gross profit primarily due to cost inflation and expansion of business activities for long-term growth. The Group continues to generate stable earnings whilst spent to support business and market expansion.

As lower tax allowances and credits were available in FY2023 and higher profitability generated from recurring revenue segments in FY2023, the Group's Profit After Tax of RM170.3 million was 7% lower than RM182.7 million achieved in the previous year.

FINANCIAL POSITION

ASSETS



Total assets increased by 9% from RM1,492.1 million as at 30 June 2022 to RM1,633.2 million as at 30 June 2023. This was mainly due to the increase in intangible assets, contract assets, trade and other receivables, and investment in quoted equity shares. The increase was partially offset by the decrease in cash and bank balances and investment in money market fund.

Intangible assets of the Group increased from RM342.2 million as at 30 June 2022 to RM409.3 million as at 30 June 2023 mainly due to the capitalisation of software development expenditure incurred for the development of core and digital banking, fintech and other solutions. The increase was partially offset by the amortisation of intangible assets for FY2023.

Contract assets of RM154.4 million as at 30 June 2023 was higher as compared to RM73.9 million as at 30 June 2022 mainly due to the timing of billings and revenue recognition for current contracts.

Trade and other receivables increased from RM127.6 million as at 30 June 2022 to RM185.8 million as at 30 June 2023 due to timing of billings in Q4 FY2023 as revenue picked up towards the year end and slower collection from clients.

The Group's investment in quoted equity shares comprises equity interest in Global InfoTech Co. Ltd. ("GIT") and DynaFront Holdings Berhad ("DynaFront"). The investment increased from RM207.9 million as at 30 June 2022 to RM239.2 million as at 30 June 2023, contributed by an upward fair value adjustment of 37.1 million of GIT shares and 3.5 million of DynaFront shares as a result of the increase in:

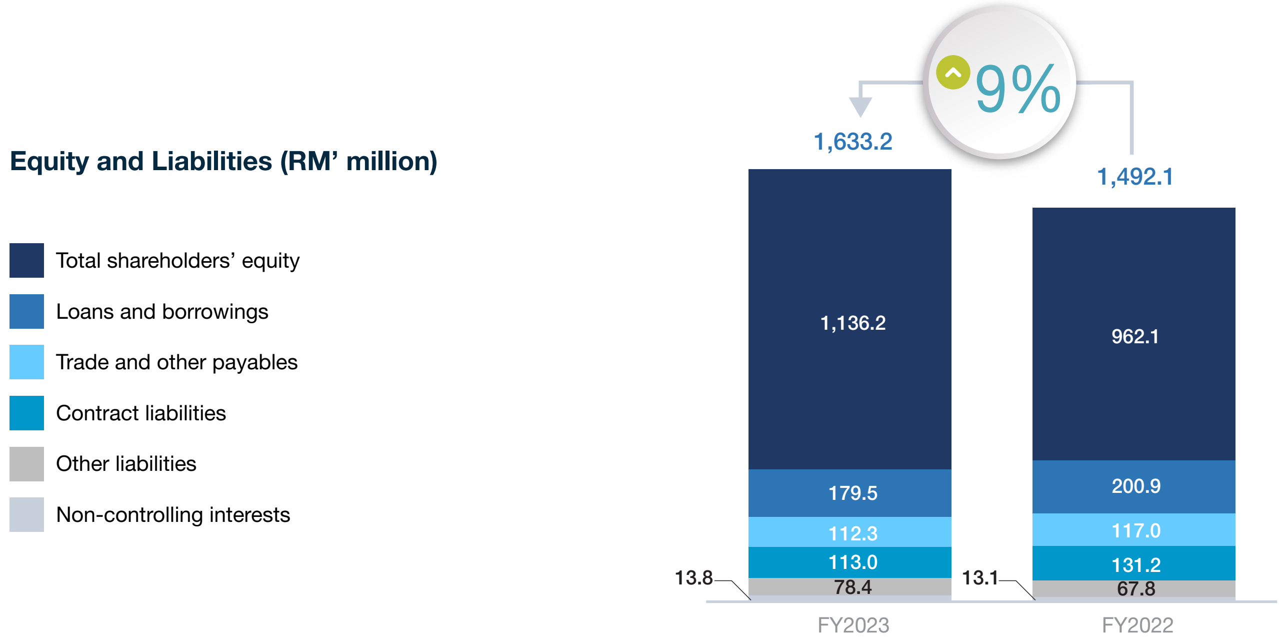
- GIT shares from RMB8.51 per unit as at 30 June 2022 to RMB9.93 per unit as at 30 June 2023; and
- DynaFront shares from RM0.47 per unit as at 30 June 2022 to RM0.80 per unit as at 30 June 2023.

Cash and bank balances of the Group decreased by 10% from RM558.1 million as at 30 June 2022 to RM504.2 million as at 30 June 2023, mainly due to payments of FY2022 final dividends to shareholders and repayments of term loan and revolving credit facility, partially offset by interest income from deposits with licensed banks, and proceeds received from redemption of money market fund which have led to a 50% decrease in investment in money market fund with financial institutions from RM54.7 million in previous year to RM27.5 million as at 30 June 2023.

Financial Performance Review (cont'd)

EQUITY AND LIABILITIES

Equity and Liabilities (RM' million)



EQUITY

The Group's total equity attributable to owners of the parent increased by 18% from RM962.1 million last year to RM1,136.2 million as at 30 June 2023. This is due to profit generated during the year and an increase in foreign currency translation reserve due to the effect of the weakening of Ringgit Malaysia against Singapore Dollar, United States Dollar and Hong Kong Dollar.

The non-controlling interests represent 20% and 49% equity interest held by minority shareholders in SIA X Infotech Group ("XIT Group") and Motobiznes Online Sdn. Bhd. respectively. The movement during the year was due to the profit attributable to non-controlling interests of RM0.7 million.

In aggregate, total equity as at 30 June 2023 was RM1,150.0 million as compared to RM975.2 million last year.

LIABILITIES

Total liabilities decreased by 7% from RM516.9 million to RM483.2 million as at 30 June 2023. This was mainly due to the decrease in loans and borrowings, contract liabilities and trade and other payables.

The Group's loans and borrowings decreased from RM200.9 million as at 30 June 2022 to RM179.5 million as at 30 June 2023 following the partial repayment of revolving credit facility in FY2023.

Contract liabilities of RM113.0 million as at 30 June 2023 was lower as compared to RM131.2 million as at 30 June 2022 mainly due to the timing of billings and revenue recognition for current contracts.

Trade and other payables of the Group amounted to RM112.3 million as at 30 June 2023 as compared to RM117.0 million as at 30 June 2022 mainly due to lower sub-contractor fees and performance incentives accruals in FY2023.

Financial Performance Review (cont'd)

CASH FLOW

The primary liquidity needs of the Group in the ordinary course of business are to fund operating expenses, pay financial obligations and finance capital expenditures.

Cash and cash equivalents of the Group stood at RM494.7 million as at 30 June 2023, 10% or RM54.2 million lower than RM548.9 million recorded as at 30 June 2022. The decrease was mainly due to lower operating cash flow generated in FY2023 attributable to timing of billings and revenue recognition for ongoing contracts, coupled with partial repayment of revolving credit facility drawdown to finance the settlement of off-market equal access purchase of the Company's shares in previous year.

Nevertheless, the Group continues to maintain a healthy cash flow position.

CASH FROM OPERATING ACTIVITIES

Net cash flow from operating activities in FY2023 was RM72.6 million as compared to RM270.3 million in FY2022 mainly due to higher working capital used in FY2023 primarily driven by increased trade and other receivables corresponding to revenue growth and slower collection from clients and the timing of billings and revenue recognition for current contracts.

CASH USED IN INVESTING ACTIVITIES

Net cash used in investing activities was lower in FY2023 at RM45.7 million as compared to RM83.1 million in FY2022. During the year, the Group invested RM78.1 million in software development, which is partially offset with RM28.0 million proceeds received from redemption of money market fund and RM11.2 million interest income from deposits with licensed banks. Whereas in prior year, the Group invested RM47.5 million, RM27.3 million and RM6.0 million in software development, money market fund, and acquisition of an associate company respectively.

CASH USED IN FINANCING ACTIVITIES

Net cash used in financing activities in FY2023 was RM107.8 million as compared to RM58.9 million in FY2022. In the previous financial year, the Company drawdown revolving credit facility of RM173.9 million to finance the settlement of off-market equal access purchase of the Company's shares of RM177.3 million. As for FY2023, the Company made partial repayment of the revolving credit facility amounted to RM36.4 million and higher dividend payment of RM57.6 million as compared to RM42.9 million paid in previous year.

CAPITAL MANAGEMENT

The Group manages its capital structure and optimises debt and equity mix to create value for shareholders.

With favourable contributions and positive profit margins in FY2023, retained earnings and equity increased whilst loans and borrowings decreased after partial repayment of revolving credit facility and full repayment of term loan in FY2023. Due to these factors, the Group's gross gearing ratio of 0.16 in FY2023 was lower as compared to 0.21 in FY2022. The Group's net gearing ratio was zero and interest cover ratio was at a healthy level of 27.1 times for FY2023. Overall, the Group continues to maintain an optimal debt leverage level.

	As at 30 June 2023	**As at 30 June 2022**
Group Debt and Equity		
Total debts (RM' million) *	179.5	200.9
Cash and bank balances (RM' million)	504.2	558.1
Net debts (RM' million) **	-	-
Total shareholders' equity (RM' million)	1,136.2	962.1
Gearing ratio		
Total debts/Equity	0.16	0.21
Net debts/Equity	-	-

* Total loans and borrowings
** Total loans and borrowings less cash and bank balances

Financial Performance Review (cont'd)

SHARE CAPITAL

	As at 30 June 2023	As at 30 June 2022
Issued and fully paid shares	2,696,472,800	2,696,472,800
Treasury shares	184,631,179	186,132,479

The number of treasury shares increased from the following transactions:
- the buyback of 4,498,700 shares by way of market acquisition in FY2023; partially offset with
- the reissuance of 6,000,000 treasury shares to Group Managing Director and a key management personnel pursuant to the Silverlake Axis Ltd. Performance Share Plan.

The percentage of treasury shares over total ordinary shares net of treasury shares remained at 7.4%.

BANK BORROWING

As at 30 June 2023, the Group and the Company have bank borrowing from unsecured committed revolving credit facility of RM152.7 million. There was partial repayment during the year.

SHAREHOLDERS' RETURN

EARNINGS PER SHARE ("EPS")

FY2023 basic and diluted EPS were the same at RM6.76 sen as there was no other transaction involving ordinary shares or potential ordinary shares as at 30 June 2023. With lower profitability due to higher operating and tax expenses in FY2023 as compared to FY2022, EPS in FY2023 was marginally lower than the RM6.85 sen achieved in FY2022.

Earnings per Share (RM sen)	FY2023	FY2022
Basic earnings per share	6.76	6.85
Diluted earnings per share	6.76	6.85
Weighted average number of ordinary shares in issue (in million)	2,510.0	2,660.0

RETURN ON EQUITY

Overall, there is an increase in equity, mainly due to the increase in foreign currency translation reserve and reduction of treasury shares, and lower profits by 7% as compared to FY2022. As a result, the Group's Return on Equity of 15% as at 30 June 2023 was 4% lower than 19% recorded as at 30 June 2022.

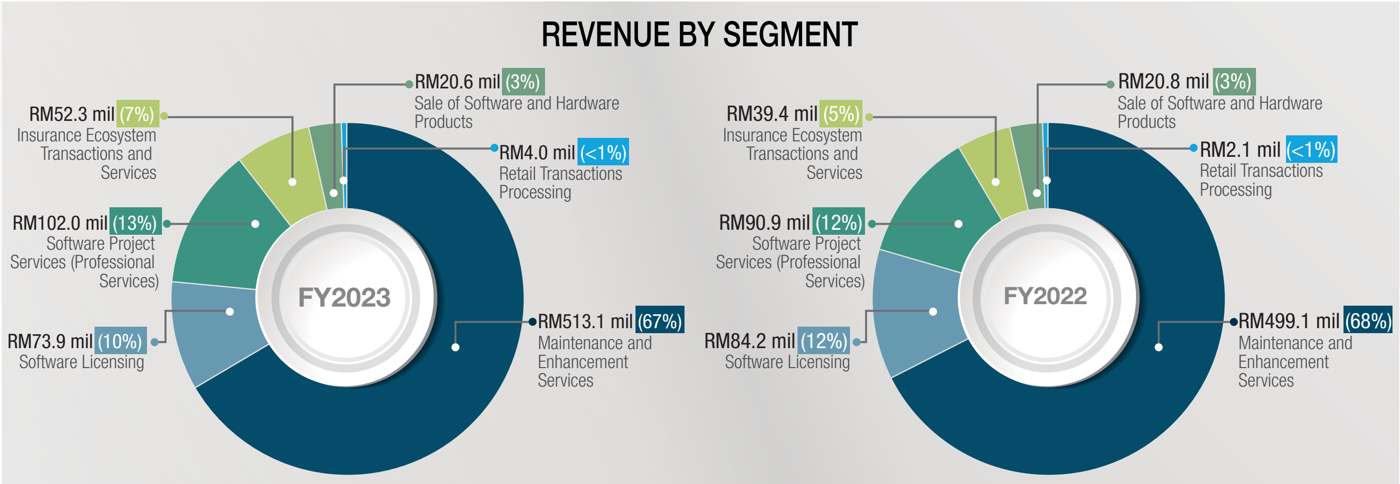
DIVIDEND

Subject to the shareholders' approval at the forthcoming Annual General Meeting to be held on 26 October 2023, the Directors proposed a final tax exempt one-tier dividend of Singapore 0.60 cents per ordinary share amounting to approximately RM51.8 million to be paid on 16 November 2023 in respect of the financial year ended 30 June 2023. For the previous financial year end, a dividend of Singapore 0.70 cents per ordinary share, amounting to RM57.6 million was declared.

The proposed dividend of Singapore 0.60 cents per ordinary share for FY2023 represents:
- dividend pay-out ratio of 30% based on net profit attributable to shareholders;
- dividend yield of 1.7% based on dividend per share over the average share price of Singapore 35.0 cents traded during the year.

	Dividend per Share (Singapore cents)	Dividend Amount (RM' million)	Dividend Payout (%)	Dividend Yield (%)
FY2023	0.60	51.8	30%	1.7%
FY2022	0.70	57.6	30%	2.4%

Operations Review



Banking and Retail

Industry Trends in FY2023

As we look ahead to the financial year 2024 ("FY2024"), we continue to observe a generally optimistic and positive sentiment despite the global macroeconomic headwinds. We expect a continuation of growth and a favourable outlook for the upcoming year though there are risks to growth. We continue to observe a largely positive momentum in deal activity and successful closures as evidenced by our record deal closures in financial year 2023 ("FY2023") and together these factors have contributed to our revenue growth.

Unpredictable events aside, this momentum is expected to continue into the coming financial year with deal activity remains robust, and we anticipate a marginal single digit percentage increase in information technology ("IT") spending over the next 12-18 months. The Financial Services industry and our customers remain extremely sensitive to macroeconomic conditions, with positive Gross Domestic Product ("GDP") growth being a key indicator for growth in financial services. Risks such as the possibility of a hard landing and a recession as well as geopolitical instability, particularly in the Ukraine, pose potential threats to these growth rates and could negatively impact IT expenditures.

As we concluded FY2023, we continue to be optimistic driven by the increasing demand, especially for digital financial services and this continues to drive customers to look for innovative solutions. FY2023 started a little slower than anticipated though we were able to maintain adequate growth in our key sectors. However, as we entered the second quarter, prospects improved significantly, and this positive trend persisted throughout the year as we closed a record of RM635 million worth of deals in FY2023. The threat of new digital banking has also accelerated transformation activities at financial institutions, emphasising the need to adapt their business models to meet customer demands and improve the customer experience. FY2023 was a year where our customers began to put their plans into action, leading to a notable increase in large-scale transformation deals, particularly in the second half. The momentum is accelerating and many new customers are expressing interest in innovating their operating models, including increase adoption of cloud computing, Artificial Intelligence ("AI"), Machine Learning, and embracing open banking concepts.

This ongoing transformation and digitisation driven by customer demand and external competition are key demand drivers that will significantly impact all our major business lines. Structural changes in the industry and the proliferation of fintech in every vertical of financial services have enabled us to engage in and potentially secure several substantial contracts to enhance our customers' technology and digital infrastructure in FY2023.

Our key customers in the banking and financial services sector play pivotal roles in their markets and have global interconnectedness. We have observed a surge in inquiries, budget reinstatements, and encouraging activities as we concluded FY2023 on a strong note. Our customers are exploring multiple options and they are expediting critical decisions related to core and complementary platform modernisation.

While we maintain cautious optimism regarding the market outlook, we acknowledge that the markets we operate in face a range of geopolitical and national challenges. We will closely monitor any potential impact on our business while continuing to close deals and witness increased interest in our solutions and capabilities for the financial services sector. Our customers continue to entrust us with the responsibility of maintaining, supporting, and guiding them towards core modernisation and a stronger position in the digital era.

As we enter FY2024, there is strong momentum in deal-making, and our engagement teams are actively collaborating with existing and potential customers to tailor solutions that align with their budgets and enhance their competitiveness.

It is apparent that the evolutionary path for the industry will be long and complex but cannot be denied. Many large financial institution groups are still grappling with complex, outdated systems that lack flexibility and fail to provide valuable insights or superior customer experiences. The costs of maintaining these legacy systems continue to rise, raising operational concerns for regulators who closely monitor this aspect. These industry dynamics underpin our value proposition and strategy as we continue to partner with our customers in their transformation efforts.

Digital customer engagement and regulatory compliance remain top priorities, and cloud technology continues to offer flexibility in business transformation while delivering cost advantages over traditional on-premise models. Our product suite now includes Software-as-a-Service ("SaaS") options for hosting applications, further reducing the cost of maintaining proprietary infrastructure. In FY2023, there has been a lot of emphasis on AI and its applications, and benefits and the tangible results it will bring and we are closely monitoring this area and making conscious investments to provide a set of solutions to our customers.

Operations Review (cont'd)

SOFTWARE LICENSING

The Group is a leading and premier digital economy solutions provider to the 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 Provident Fund System (SIPFS), Silverlake Axis Card System (SCS), Silverlake Digital Banking MÖBIUS Open Banking Platform (SDE), Silverlake Delivery Service Processor (DSP) Digital, Silverlake Axis Retail Merchandising System (PROFIT), Silverlake Axis Enterprise Payment Platform, Cyber Village Converged Internet and Mobile Platform, Silverlake Symmetri Retail Banking Solutions, IntelliSuite (SDS) and NowSuite (SOP) applications, and SIA X Infotech digital identity and security software solution.

Performance

Software licensing contributed 10% to the Group's overall revenue and is a core business for the Group. This revenue segment is dependent on the closure of large contracts. In FY2023, we closed a number of large deals in Thailand and United Arab Emirates, catching up from a strong FY2022. The Group recorded a 12% decrease in revenue from this segment to RM73.9 million compared to RM84.2 million in FY2022. This decrease is attributed primarily by bank's delayed IT transformation and digitisation efforts to remain competitive and engage with their customers.

Outlook

The licensing fee is closely tied to our ability to secure new contracts, and we have observed a substantial expansion in our sales pipeline. We are actively addressing proposals from our existing client base.

We hold a positive outlook that a substantial number of these opportunities will successfully materialise in FY2024, driven by the robust momentum we are currently experiencing. Nevertheless, it is important to acknowledge that there exist noteworthy risks, which are challenging to fully predict. These risks are primarily associated with macroeconomic factors, including inflation, the ongoing conflict in Ukraine, and the potential for a recession.

SOFTWARE PROJECT SERVICES (PROFESSIONAL SERVICES)

The software project services business is related to the provision of software customisation and implementation services to deliver the core banking, payment and retail solutions to our customers to ensure the full functionality of our software.

Performance

Software project services (professional services) revenue is highly correlated to software licensing revenue and the securing of core replacement and transformation deals. In FY2023, we were able to secure a number of large deals and revenue increased by 12% over FY2022. Revenue was RM102.0 million in FY2023 compared to RM90.9 million in FY2022.

Overall project services contributed 13% to Group revenue.

There is good traction in Thailand, Indonesia, United Arab Emirates, and with Malaysian prospects beginning to materialise. We have secured a handful of sizeable contracts in FY2023 that will be positive contributors to this segment.

Outlook

The outlook is optimistic with the Group being at the forefront of discussions with many enquiries and proposals in Malaysia, Thailand, and Indonesia.

Both software project services (professional services) and software licensing are highly correlated and the Group is well positioned to capitalise on developments in ASEAN around banking consolidations and the roll out of digital banks that is impending.

MAINTENANCE AND ENHANCEMENT SERVICES

The maintenance and enhancement business provides our customers with round-the-clock software support services as well as enhancement services to support our customers in the delivery and execution of their strategies in making available new capabilities to their customers. These capabilities can be in the areas of new channels, to augment customer experience and to address any new regulatory and emerging governance, risk and compliance requirements.

Performance

Revenue from maintenance and enhancement services increased by 3% from RM499.1 million in FY2022 to RM513.1 million in FY2023. Overall, this segment accounts for 67% of the Group revenue. A number of new incremental enhancement contracts were secured in FY2023 in response to requests for support and digital transformation activities in banking for banks in Singapore, Malaysia, and Thailand. In addition, revenue is being progressively recognised for ongoing contracts in Malaysia and Indonesia.

Outlook

This segment's performance is closely linked to our existing software installations, and our maintenance contracts typically span a recurring five (5)-year period. The Group's installed base remains steady, with our customers embracing digitalisation and actively executing their transformation initiatives. As a result, the demand for our services remains strong.

In an increasingly competitive landscape, our customers are swiftly implementing customised digital solutions, necessitating our expertise in enhancing our offerings. Leveraging our robust partnerships with ASEAN's top banking franchises, the Group is confident in securing a substantial share of their spending in this regard.

Operations Review (cont'd)

SALE OF SOFTWARE AND HARDWARE PRODUCTS

The software and hardware solutions offered by the Group in this segment refer to our non-proprietary software and where we act as resellers to customers who require bundled one-stop solutions. The Group is an authorised reseller of IBM hardware and system software in Malaysia.

Performance

Sales in this segment decreased by 1% from RM20.8 million in FY2022 to RM20.6 million in FY2023 and this segment accounts for only 3% of the Group revenue. The performance was largely attributed to one large transaction to an existing customer for a server tech refresh.

Outlook

This business only forms a small part of the Group's focus and it is relatively low margin as compared to margins for the overall businesses. However, as our customers continue to invest in IT infrastructure and capabilities over the next twelve (12) months, we anticipate that this segment will achieve moderate growth. We continue to seek and exploit all opportunities through close collaborations with established and new business partners.

INSURANCE ECOSYSTEM TRANSACTIONS AND SERVICES

As Asia's #1 insurance SaaS provider, the Fermion Merimen built platform has processed over US$10 billion in insurance claims and premiums connecting over 150 insurers as part of an ecosystem of over 6,000 workshops, repair centres, lawyers and loss adjusters across ten (10) markets in Asia. More recent pioneering initiatives from Fermion Merimen include TrueSight, a suite of AI based analytics solutions and interactive video tool for instant remote claims surveying.

Performance

FY2022/23 insurance ecosystem transactions and services revenue increased by 33% to RM52.3 million from RM39.4 million with higher volume of claims and policy processing surpassing pre-COVID-19 levels, expanded coverage of the eClaims business into countries such as Hong Kong, United Arab Emirates, Japan, Thailand, Vietnam and Philippines, and integration revenue due to higher demand and requests from Hong Kong and Singapore customers. Fermion Merimen's FY2023 performance benefited from increasing traffic volumes as the market reopens across the region and the ongoing diversification strategy, both in respect of products and new markets gained traction.

Outlook

We expect FY2024 to surpass the performance of FY2023, driven in large part by the positive momentum we experienced in the insurance sector during Q4 FY2023. Furthermore, the strategic initiatives and acquisitions we undertook in recent years are poised to yield results in FY2024. These initiatives include the convergence of our strengths in banking and insurance, as well as the development of the insurance ecosystem platform.

The integration of Fermion's platform to support ecosystems, coupled with our expanded AI and data analytics solutions, will not only bolster our recurring revenue stream but also establish a robust foundation for Fermion's operations in FY2024 and beyond.

RETAIL TRANSACTIONS PROCESSING

Pivoting from an on-premise to cloud-based SaaS solution provider, QR Technology Sdn. Bhd. Group ("QR Group") aims to be the leading RetailTech platform provider in Asia. With extensive retail industry knowledge and ability to connect over 700 retail outlets across nine (9) different countries globally and a capacity to process one (1) million sales transactions per day, QR Group has successfully carved out a niche in retail, food and beverage ("F&B"), and pharmaceutical verticals in Asia.

Performance

Retail transactions processing revenue for FY2023 was RM4.0 million which was an increase of 89% over the RM2.1 million achieved in FY2022. This accounts for approximately 1% of total Group revenue.

Outlook

The COVID-19 pandemic had an unprecedented impact on the Retail Industry, leading to significant structural changes that affected our business operations. However, as we look ahead to FY2024, we anticipate a steady improvement in our business prospects.

Encouragingly, we are witnessing positive trends emerging in both the retail and pharmaceutical sectors, where many enterprises are embracing digital innovations to diversify their business models. Our primary focus will be on expanding our reach within the pharmaceutical chain retail segment, offering our Retail PharmacyTech SaaS Platform. This strategic move will establish a solid foundation for our recurring revenue streams in the years to come.

Building upon our strong collaborations and partnerships with key stakeholders, we are committed to reaching out to a wider pool of potential customers and integrating them into our RetailTech platform ecosystem. This concerted effort aims to set a robust foundation for QR Group's business, not only in FY2024 but also for the foreseeable future.

ABOUT THIS REPORT

Introduction

This report represents Silverlake Axis Ltd. ("Silverlake Axis", "Silverlake", "SAL" or "the Group") sixth (6th) annual Sustainability Report, highlighting our commitments and performances in the Environmental, Social and Governance ("ESG") aspects of sustainability.

Reporting Framework

In preparing this report, we have been guided by the principles and requirements of the following:
• Singapore Exchange ("SGX") Listing Rules 711A and 711B;
• Global Reporting Initiative ("GRI") Standards and its latest Universal Standards 2021; and
• Task Force on Climate-related Financial Disclosures ("TCFD") *.

* *Following the publication of the inaugural International Sustainability Standards Board ("ISSB") Standards — IFRS S1 and IFRS S2 — the Financial Stability Board has asked the IFRS Foundation to take over the monitoring of the progress on companies' climate-related disclosures from the TCFD from 2024.*

Reporting Scope

Disclosures in this report comprise the Group's sustainability performance from 1 July 2022 to 30 June 2023 ("FY2023"), encompassing our Group-wide business operations under Banking, Fermion Insurtech, Retail Automation, Investment and other sectors which include Digital Identity and Security Technologies. A comprehensive list of subsidiaries covered in this report can be found in the Group Overview section (page 20) of the Annual Report.

Unless mentioned otherwise, this report excludes the Group's associate. It is excluded because we do not exercise operational control over the entity.

Where relevant, we included data from previous years to track year-on-year progress and to provide additional context. This report addresses our response to thirteen (13) material sustainability topics impacting our business and our ability to deliver value to all our stakeholders.

Assurance

In strengthening the credibility of this report, data for each corresponding material topic has undergone review by our Internal Auditors.

Feedback and Accessibility

Our report can be accessed through SAL's corporate website at https://www.silverlakeaxis.com. We encourage and appreciate all inquiries, comments, and feedback regarding our Sustainability Report. Please communicate with us through our email: investor.relations@silverlakeaxis.com.

APPROACH TO SUSTAINABILITY

Silverlake Sustainability Journey

FY2018

- Inaugural Sustainability Report
- Prepared according to the Singapore Practice Note 7.6 Sustainability Reporting Guide and the GRI Standards – Core
- Introduced Sustainability Policy, Governance Structure, six (6) key stakeholder groups and Materiality Matrix
- Established seven (7) material topics under three (3) pillars: Our Business, Our People and Our Stewardship

FY2019

- Maintained since FY2018

FY2020

- Prepared according to SGX Listing Rules 711A and 711B, as well as the GRI Standards
- Inclusion of one (1) key stakeholder group, to seven (7) in total
- Inclusion of two (2) material topics, to nine (9) in total

FY2021

- Inclusion of four (4) material topics, to thirteen (13) in total
- Conducted materiality re-assessment based on updated material topics

FY2022

- Re-evaluation of material topics, from thirteen (13) to twelve (12) in total
- Conducted materiality re-assessment based on updated material topics
- Adopted three (3) Sustainable Development Goals and TCFD Recommendations

FY2023

- Review and realignment of material topics, thirteen (13) in total including introducing 'Health, Safety and Well-being' as a new topic.
- Renaming of material topics:
  - 'Governance' to 'Anti-Corruption'
  - 'Employee Management' to 'Diversity'
  - 'Human Capital Development' to 'Human Capital Management'
  - 'Energy and Climate Change' to 'Energy and Emissions'

Integrating ESG into Enterprise Risk Management System ("ERM")

In FY2023, we continue to focus on streamlining risk management processes. This includes automating risk management functions through the adoption of new software. Our new ERM system provides better and richer functionality/granularity assessment through automated assignment and alert of risks to key person responsible and automated risk mitigation plan and post risk assessment function.

Silverlake's ESG framework comprehensively guides the integration of sustainability principles throughout our business operations. Our framework outlines our corporate Objectives, Vision, and Mission as guiding principles, all of which are aligned with the three (3) sustainability pillars of the United Nations Sustainable Development Goals ("UNSDGs").

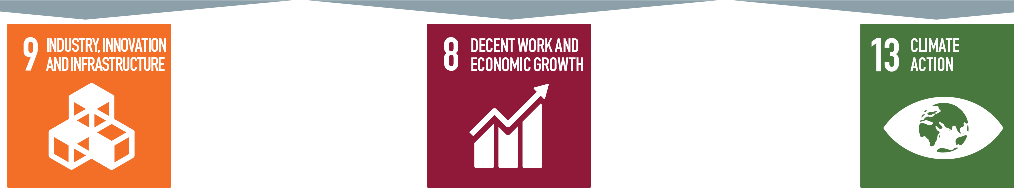
OUR CORPORATE OBJECTIVE
To Deliver Long-Term Value for All Our Stakeholders Through Technology Innovations and Business Collaborations

OUR VISION
To Be Asia Pacific's Largest Digital Economy Solutions Company

OUR MISSION
To Be The Leading Fintech Company, Highly Valued by Our Customers and Partners

SUSTAINABILITY PILLARS

Our Business	Our People	Our Stewardship
Delivering long-term value to our stakeholders through ethical governance, innovative ideas and progressive mindsets	Fostering a people-centric culture to develop a productive and engaged workforce while caring for their community	Our commitment to act in environmentally friendly manner and reduce our business impact on the natural surrounding



As a restatement from Sustainability Report FY2022, we have not yet successfully procured the ISO 31000 Risk Standard.

Our Sustainability Policy

SAL's Sustainability Policy demonstrates our commitment to long-term and responsible business value creation, guiding the alignment of our initiatives with SAL's sustainability pillars for meaningful ESG contributions.

We integrate ESG practices throughout SAL's operations, prioritising ethical standards, employee well-being, and environmental preservation. The policy is supported by eight (8) guiding principles below:

POLICY 01 To comply with, and exceed where practicable, all applicable legislation, regulations and codes of practice.

POLICY 02 To integrate sustainability considerations into all our business decisions.

POLICY 03 To provide a healthy, safe, conducive and empowering equal opportunity workplace.

POLICY 04 To conserve natural resources by optimising re-use and recycling wherever possible.

POLICY 05 To utilise operational processes that do not adversely impact the environment.

POLICY 06 To work with our stakeholders to enhance awareness, and incorporate, practice and promote sound environmental practices, using our resources to provide leadership, guidance and motivation, where necessary.

POLICY 07 To continue develop and provide environmentally supportive performance and advances including embedding sustainability into our decision-making, planning and investment processes to provide sustainable value to our shareholders.

POLICY 08 To review, annually report and continually strive to improve our sustainability performance.

STAKEHOLDER ENGAGEMENT

We prioritise the importance of our stakeholders and their impact on our business operations and activities. Through active and regular communication across multiple platforms, we proactively identify and understand their needs and expectations, enabling us to create long-term value for all parties involved.

Our key stakeholders include our employees, customers, business partners, regulators, shareholders, communities, and media affected by our operations. The approach used to interact with our stakeholders, areas of concern discussed, and our responses are shown in the table below:

Engagement Platform	Frequency	Areas of Concern	Our Responses	Link to Material Matter
Employees				
• Intranet portal • Email communication • Performance appraisal • Townhalls • Internal meetings • Employee Engagement Survey	Ongoing Ongoing Annual Quarterly Ongoing Annual	• Professional development • Employee benefits and compensation • Work-life balance and company culture • Employees' health, safety and wellness	• Diversity • Project Starlight • Talent Recruitment • Succession Planning • Compensation and Benefits • Talent Development • Employee Well-being	• Diversity • Human Capital Management • Health, Safety and Well-being

STAKEHOLDER ENGAGEMENT (cont'd)

Engagement Platform	Frequency	Areas of Concern	Our Responses	Link to Material Matter
Customers				
• Roadshow activities and events • Technology updates • Roundtable discussions • Account Service Managers • Webinar	Ongoing Ongoing Ongoing Ongoing Quarterly	• Compliance with regulations • Environmental impact • Cybersecurity and data protection	• Research and Development ("R&D") and collaborations • Ethical conduct and strong governance • Energy consumption and carbon footprint • Cybersecurity measures and key initiatives to enhance information security operations	• Business Innovation • Customer Satisfaction • Anti-Corruption • Energy and Emissions • Data Protection
Business Partners				
• Email communications • Meetings and briefings	Ongoing Ongoing	• Increased market presence • Innovation partnerships	• R&D and collaborations	• Market Presence
Regulators				
• Email communications • Meetings • Quarterly reporting	As needed As needed Quarterly	• Compliance with regulations • Anti-corruption • Environmental impact	• Anti-Bribery Policy • Periodic internal assessments • Anti-corruption training for employees • Ethical conduct and strong governance • E-waste Policy • Cybersecurity and Data Governance Policies • Adherence to data protection regulations	• Anti-Corruption • Waste Management • Data Protection
Shareholders				
• Annual General Meeting • Quarterly reporting	Annual Quarterly	• Business sustainability • Share price • Dividends • Compliance with regulations • Transparency	• Economic performance • Return on investments • Consistent dividend policies • Ethical conduct and strong governance	• Economic Performance • Anti-Corruption
Communities				
• Press releases • Social media	Quarterly As needed	• End-user experience • Corporate social responsibility • Branding	• R&D and collaborations • Employee Engagement Taskforce • Reliable media reporting and marketing communications	• Business Innovation • Customer Satisfaction • Community Engagement
Media				
• Media briefings and interviews • Website and events • Social media • Press conference • Quarterly reporting	As needed As needed As needed As needed Quarterly	• Transparency • Branding	• Ethical conduct and strong governance • Dialogues with Leaders, Partners, and Investors • Reliable media reporting and marketing communications	• Market Presence • Anti-Corruption

SUSTAINABILITY GOVERNANCE STRUCTURE

Addressing ESG challenges is crucial for building long-term value and stakeholders' trust. At Silverlake Axis, we have established a robust sustainability governance structure to integrate ESG into our business strategy, governance, and decision-making. This includes quarterly meetings of our Board of Directors ("Board"), where the Group's ESG direction, Key Performance Indicators ("KPIs"), and overall performance are discussed and reviewed.

The following diagram illustrates Silverlake's sustainability governance structure, which aligns with both the recommendations of the TCFD and the mandate on climate-related disclosures set by SGX.

Board of Directors

- Ultimately responsible for the sustainability direction of the Group
- Ensures progressive integration of sustainability in business strategies
- Approves and reviews sustainability-related business strategies and performance
- Monitors and oversees the progress of climate-related goals and targets

Audit and Risk Committee

- Provides oversight of the sustainability agenda, system of internal controls, risk arrangement and compliance to laws and regulations

Group Managing Director

- Approves policies, targets and market disclosures
- Steers and provides oversight on the implementation of sustainability-related business strategies and recommends revision to the Board
- Evaluates overall risks and opportunities
- Evaluates climate-related risks and opportunities

ESG Committee

- Led by the Group's Chief Sustainability & ESG Officer
- Develops sustainability-related business strategies
- Oversees and steers business functions to ensure robustness of system and sustainability management
- Reports on performance against sustainability-related targets, processes and controls
- Manages and reports on progress of climate-related initiatives

Corporate and Business Functions

- Supports and implements sustainability-related business strategies
- Reports on management targets and develops plans and timeline for disclosure

MATERIALITY ASSESSMENT

In the year under review, we have reviewed and realigned FY2023's material topics based on the Practise Note 7.6 Sustainability Reporting Guide by SGX and GRI Standards. As part of this review, we introduced 'Health, Safety and Well-being' as the new material topic.

During the reporting period, four (4) material topics have been renamed including 'Governance' to 'Anti-Corruption', 'Employee Management' to 'Diversity', 'Human Capital Development' to 'Human Capital Management', and 'Energy and Climate Change' to 'Energy and Emissions' to better reflect its content.

We continuously monitor the business's environment on an ongoing basis to ensure we have appropriately recognised and managed our material sustainability topics. The outcome of the evaluation of material topics for FY2023 was presented to the ESG Committee and has subsequently secured their endorsement.

Materiality Assessment Approach

1. **Identification of Material ESG Factors**
   The ESG Committee identified the most pressing material ESG factors based on its relevance to the Group for this reporting period.

2. **Sustainability Impact Assessment**
   Internal discussions were held to assess the sustainability impacts onto SAL's business, by factoring in industry trends and stakeholders' expectations.

   The sustainability impact assessment is also in line with SAL's ERM, utilising its parameters to guide the scoring of likelihood and consequence for each sustainability matter.

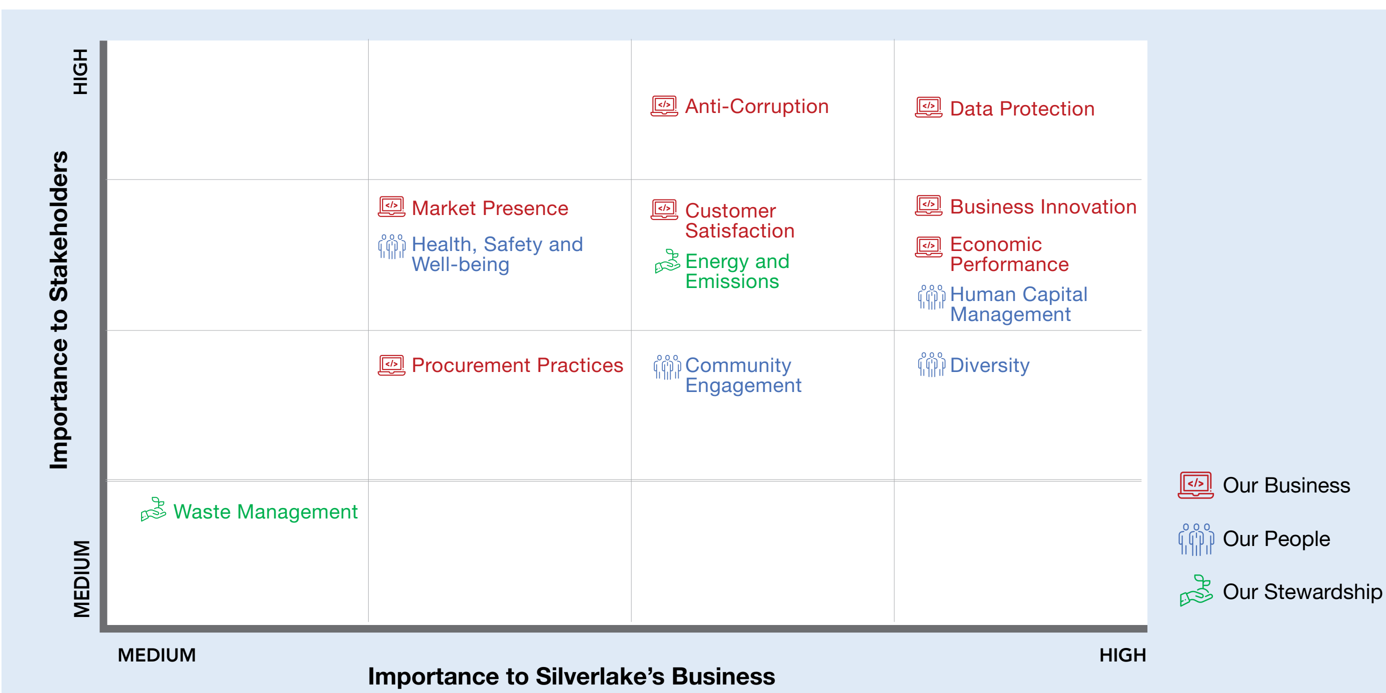
3. **Prioritisation of Material ESG Factors**
   The inputs from the sustainability impact assessment is used to evaluate the materiality topics and materiality matrix is formed for effective visualisation of the prioritisation of material ESG factors.

4. **Validation of Materiality Matrix**
   The materiality matrix is presented to the ESG Committee and Board of Directors to confirm as well as approve the matrix.

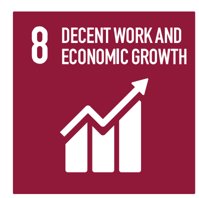
Materiality Matrix

The materiality matrix below illustrates a comprehensive list of thirteen (13) material topics plotted on the x-axis to indicate their importance to the business, while the y-axis reflects the criticality of each topic in influencing stakeholders' decisions regarding our business engagements.

FY2023 Materiality Matrix



Mapping Our Material ESG Factors

Material ESG Factors	Stakeholders Impacted	GRI Standards Disclosure	Relevant UNSDGs
Our Business			
Data Protection	• Employees • Customers • Business Partners • Regulators • Shareholders • Media	GRI 418: Customer Privacy 2016	
Economic Performance	• All stakeholder groups	GRI 201: Economic Performance 2016	
Business Innovation	• All stakeholder groups	Not applicable (“N/A”)	
Customer Satisfaction	• Customers • Communities	N/A	
Anti-Corruption	• All stakeholder groups	GRI 205: Anti-Corruption 2016	
Market Presence	• Business Partners • Media	GRI 202: Market Presence 2016	
Procurement Practices	• Business partners	N/A	
Our People			
Human Capital Management	• Employees	GRI 401: Employment 2016 GRI 404: Training and Education 2016	
Diversity	• Employees	GRI 405: Diversity and Equal Opportunity 2016	
Health, Safety and Well-being	• Employees • Customers	GRI 403: Occupational Health and Safety 2018	
Community Engagement	• Communities • Media	GRI 201: Economic Performance 2016	
Our Stewardship			
Energy and Emissions	• Customers • Business Partners • Regulators • Shareholders	GRI 302: Energy 2016 GRI 305: Emissions 2016	
Waste Management	• Customers • Business Partners • Regulators • Shareholders	GRI 306: Waste 2020	

OUR BUSINESS

Economic Performance

Amidst the challenging business environment, marked by the rapid evolution of digitalisation and the emergence of innovative financial services, Silverlake's economic performance remains as the primary concern for our stakeholders. We strive to generate and deliver economic value to our key stakeholders – employees, customers, business partners, regulators, and shareholders.

During the financial year ("FY2023"), we generated a revenue of RM765.9 million which represents the total economic value generated. Whilst a total of RM657.6 million was the direct economic value distributed – thus contributing positively to their economic wealth. The following table reflects our performance for the past three (3) years:

	FY2023 (RM' million)	FY2022 (RM' million)	FY2021 (RM' million)
Economic Value Generated	**780.0**	**750.9**	**639.5**
• Revenue	765.9	736.5	626.1
• Other income	3.4	11.3	11.5
• Finance income	11.7	3.1	1.9
• Share of loss of an associate	(1.0)	-	-
Economic Value Distributed	**657.6**	**615.9**	**538.6**
• Operating Cost	179.1	154.3	132.2
• Employee wages and benefits	367.1	356.8	302.7
• Payments to providers of capital	60.2	58.3	56.1
• Payments to government	51.2	46.5	47.6
Economic Value Retained	**122.4**	**135.0**	**100.9**

Business Innovation

To drive business growth and maintain competitiveness, we maintain our three (3) strategic pillars and foster innovation across the Group, strengthening our economic performance for long-term success.
- Strategic Acquisitions and Partnerships
- Fulfilling Customer Needs
- Dialogues with Leaders, Partners, and Investors

Further discussion on the Group's Business Innovation can be found in the Operations Review section (page 35 - 37) of this Annual Report.

Customer Satisfaction

We understand that meeting our customers' expectations and ensuring their satisfaction directly contribute to our economic performance. Therefore, through our customer management system, we have gained valuable insights into areas which required improvements and actively worked towards enhancing these aspects.

Anti-Corruption

At Silverlake, we are fully aware of the risks associated with bribery and corruption to which we may be exposed in the course of our business. We operate in countries that are known to present heightened corruption risks to any organisation doing business there – as represented in their Corruption Perception Index Score. Despite the challenging risks of bribery and corruption, we demonstrate unwavering dedication by assessing and managing these risks through a series of policies and procedures, including our Code of Conduct, Anti-Bribery and Anti-Corruption ("ABAC") Policy, and Whistleblowing Policy.

ABAC Policy	This policy aligns with Section 17A of the Malaysian Anti-Corruption Act 2009 ("MACC Act") where any form of bribery offering and acceptance is unlawful, thus, prohibited. Our Gift Policy, Gift Register, and Investigation Policy further strengthen our pledge to uphold our stance against bribery and corruption.
Whistleblowing Policy	The Policy strives to provide employees and external parties a safe channel through which they can raise their concerns regarding any misconduct occurring within the Group, with the assurance that the whistleblower will be shielded from retaliation or victimisation. All concerns can be directed to whistleblower@silverlakeaxis.com and appropriate actions will be taken in a timely manner.

During the reporting period, we have undergone external assurance and assessment to ensure the effectiveness of our ABAC Policy. The assessment encompassed an evaluation of the Group's compliance with both the ABAC Policy and Section 17A of the MACC Act. Additionally, we have conducted reviews on contracts and high-risk business transactions within the Group to identify bribery risks or mitigate any perception of improper influence. We have also taken the initiative to remind all employees and the Board of Directors about compliance with the Group's Gift Policy by sending out policy reminders via email, specifically during the festive period.

Anti-Corruption (cont'd)

In order to ensure that all employees especially those of top management and those liable for decision making are well-versed with our policies and procedures pertaining to anti-corruption, we require them to attend formal training.

The following table illustrates the extent of participation in our formal anti-corruption training. Our target is to organise formal training for all key employees at least once in three (3) years, or when our risk assessments warrant formal training due to changes in country-based corruption risk factors.

Percentage (%) by Employee Category	FY2023	FY2022	FY2021
Director or Executive Vice President ("VP")	To be conducted in November 2023	82%	90%
Head of Department ("HoD")			
Senior Manager			
Manager			
Consultants and Associates			

Other than that, Silverlake has conducted Dawn Raid Training for all the business entities in FY2023. The objective of this training is to provide understanding to the employees in terms of strategies to manage raids effectively while providing maximum cooperation to the authorities. A total of 35 employees from all business entities attended the training session, including key personnel representatives from Legal & Compliance, Group Information Technology ("IT"), Finance, Procurement, and Administration. As a result, a policy on Dawn Raid was drafted for the Group covering all the procedures during a dawn raid session conducted by the government authority.

As a testament to our vigilance, we are pleased to announce that there was no investigation by local authorities nor there were any confirmed incidents of corruption in the past three (3) years.

Number of confirmed incidents for FY2023, FY2022, and FY2021	None Reported

Data Protection

As a Fintech company, we recognise that data protection is essential in fostering trust with our customers, employees, business partners and other stakeholders that provide personal and business information while engaging with Silverlake. Our target is to achieve zero instances of data breaches and zero business disruptions arising from poor IT controls - upholding the trust of our stakeholders.

We have implemented Cybersecurity and Data Governance Policies that apply to all stakeholders, both internal and external, who work with or on behalf of Silverlake, and these policies are communicated as necessary. The Cybersecurity Policy serves as an incident response plan, outlining the steps to be taken in case of a cybersecurity incident. Meanwhile, Data Governance Policy guides effectively in managing and securing the Group's information in both physical and digital settings.

Furthermore, we have embedded the responsibility for third parties to safeguard all information and refrain from disclosing any confidential data to unauthorised recipients within our Code of Conduct for Third Parties.

We conducted audits and assessments of our data protection practices, policies, and technical safeguards. These reviews involved thorough examinations of our systems, processes, and controls to identify any areas that require improvement or adjustment to ensure compliance with the regulations.

To further strengthen our compliance environment, we have in place an automated security awareness platform that allows seamless updates to cybersecurity training content, evaluation, reminders, and simulations of cybersecurity threats to the Group, and automated follow-up to ensure the completion of the training by key staff.

Cybersecurity and System Infrastructure

Silverlake recognises the heightened risk of breaches in today's dynamic digital landscape. As we navigate the ever-evolving threat landscape, we remain steadfast in enhancing our cybersecurity measures. We have referred to the leading cybersecurity frameworks in the industry, such as the National Institute of Standards and Technology Cybersecurity Framework and ISO/IEC 27001, to effectively prevent, detect, and respond to cyberattacks.

The following outlines several cybersecurity initiatives implemented to safeguard our stakeholders' data.

Initiative	Description	Outcome
SentinelOne	• An Advanced Threat Protection ("ATP") platform and Endpoint Detection and Response ("EDR") tool that detects, investigates, and responds to cybersecurity threats on endpoint devices such as laptops, servers, and mobile devices. • EDR solutions are designed to identify and respond to advanced threats such as malware and ransomware that can evade traditional security controls such as antivirus and firewalls. • Implemented throughout Silverlake entities.	To improve organisational security with the ability to identify and respond to advanced threats.
Microsoft 365 Defender	• An email ATP (Cloud-based email filtering service) protects against unknown malware and viruses by providing robust zero-day protection and includes features to safeguard from harmful links in real-time. • Implemented for all Silverlake entities that use Microsoft 365-based email.	To better secure email accounts and Microsoft 365.
Implementation of Multi-Factor Authentication ("MFA") for Virtual Private Networks ("VPN")	• MFA Token enabled for VPN users to access critical data.	To provide higher degrees of identity assurance for a user attempting to access a resource via VPN.
Implementation of Windows Server Update Service ("WSUS")	• WSUS provides a centralised console that allows administrators to manage and control the deployment of updates across multiple computers and servers in the network. • Continuous update service is performed on a regular/ monthly basis for those development/critical servers that are hosted and managed by Private IT.	To ensure that devices receive important patches and fixes in a timely manner, reducing the risk of vulnerabilities and protecting against potential security threats.
Implementation of Active Directory ("AD")	• A system that is able to organise and manage network resources and allows administrators to control access and permissions for users and devices.	Any abnormal user account activity detected misconfiguration or vulnerability of the active directory system will be triggered and taken care of by the respective team.
Revamped our network infrastructure to protect web application services	• Network segmentation is in place to accommodate Demilitarized Zone ("DMZ") set up.	Public-facing websites are protected from malicious attacks.

In addition to cyber threats, we understand the importance of mitigating risks related to our system infrastructure failures. To ensure resilience in our operating systems, we have implemented disaster recovery measures, including redundant systems, backup servers, and switchover mechanisms. These measures help us maintain operational continuity in the event of infrastructure failures. We also performed regular testing and validation of our disaster recovery plans, ensuring that we can quickly recover and restore critical services in such situations.

Cyber-aware Culture

We have implemented a cybersecurity awareness programme to educate employees about cybercrime and phishing threats. The programme consists of 12 sessions: six (6) training modules and six (6) simulated phishing campaigns. The training covers key topics such as information security, credential protection, public Wi-Fi, ransomware, phishing, and online scams.

During the reporting period, we conducted the first e-learning session on "Password Security" and achieved a 73% attendance rate across the Group. To boost participation and mitigate cyber risks, Group IT and Risk, along with managers, will collaborate closely with all business entity heads.

During the reporting period, we are delighted to share that we have not received any substantiated complaints concerning breaches of customer privacy and losses of customer data in FY2023.

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data for FY2023, FY2022, and FY2021	None Reported

Substantiated complaints refer to written statements by regulatory or similar official bodies addressed to the company that identify breaches of customer privacy, or legitimate complaints received by our customers due to our negligence.

Market Presence

Silverlake acknowledges that our market presence spans across diverse regions, and our commitment goes beyond financial success. We are dedicated to bringing not only economic benefits but also fostering a deep understanding of local needs in the areas we operate.

With a global footprint encompassing over 70 countries, we actively seek and incorporate talented individuals from various communities into our senior management team worldwide. We have no specific targets for sourcing senior management solely from local communities, as we believe in embracing the best talent globally. We believe that by leveraging the unique perspectives and expertise of professionals from diverse backgrounds alongside our global reach, we can elevate our overall business performance.

The following summarises the percentage of the senior management team hired from the local community we operate:

Locations	Senior Management (%)	
	FY2023	FY2022
Malaysia	95	92
Singapore	69	
Others	86	

Senior Management Team defined by Silverlake is employees from the Director or Executive VP and HoD categories.

Procurement Practices

To ensure our continuous supply and to support the local markets wherever we operate, we continuously prioritise local suppliers, provided they meet our price, quality, performance, and ethical standards. This allows us to contribute positively to local talent development without compromising our interests and needs.

The following table reflects the percentage of local suppliers where we operate in:

Entities	Local Suppliers (%)	
	FY2023	FY2022
• Silverlake Structured Services Sdn. Bhd. ("SSVC") • Silverlake Axis Sdn. Bhd. ("SASB") • Silverlake Axis MSC Sdn. Bhd. ("SMSC") • Silverlake One Paradigm Sdn. Bhd. ("SOPS") • Silverlake Digitale Sdn. Bhd. ("SDSB") • Silverlake Fermion Sdn. Bhd. ("SFSB") • Silverlake Holdings Sdn. Bhd. ("SHSB") • Symmetric Payments & Integration Sdn. Bhd. ("SPIS") • Silverlake Digital Economy Sdn. Bhd. ("SDES") • Silverlake Symmetri (Malaysia) Sdn. Bhd. ("SSMY")	81	79

OUR PEOPLE

Diversity

At Silverlake Axis, we recognise the importance of diversity as it enhances the Group's capacity for breadth of input and perspectives into decision-making, risk alertness, and responsiveness to change. However, we strive to provide equal opportunity for all, where talents are hired based on talents and potential for growth. Hence, there is no target to include workplace diversity since we strive to recruit talents, globally, through a merit-based approach.

Despite that, we are pleased to report that we continue to maintain a healthy level of diversity while still emphasising meritocracy in all our hiring practices. The following tables reflect the percentage of gender, age, and diversity in terms of nationality across our business:

Gender Diversity by Employee category	**FY2023**		**FY2022**		**FY2021**	
	Male %	**Female %**	**Male %**	**Female %**	**Male %**	**Female %**
Director or Executive VP	59	41	55	45	57	43
HoD	62	38	63	37	65	35
Senior Manager	59	41	60	40	59	41
Manager	58	42	56	44	56	44
Consultants and Associates	58	42	56	44	58	42

Data for gender diversity by employee category covers SAL Group.

Age diversity by employee category [1]	**Age in Years (%)**								
	FY2023			**FY2022 [2]**			**FY2021 [2]**		
	<30	**30-50**	**>50**	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**
Director or Executive VP	Nil	45.9	54.1	Nil	57.5	42.5	Nil	65.9	34.1
HoD	Nil	92.3	7.7	Nil	82.5	17.5	Nil	82.4	17.6
Senior Manager	0.3	78.4	21.3	0.3	82.7	17.0	Nil	84.6	15.4
Manager	2.9	88.7	8.4	4.3	88.8	6.9	4.5	90.8	4.7
Consultants and Associates	59.7	36.6	3.7	56.3	40.9	2.8	54.9	42.1	3.0

1. Data for age diversity by employee category covers the SAL Group.
2. Data for FY2022 and FY2021 shows the restatement from the previous reporting periods.

In order to ensure we better meet customer satisfaction; we have a workforce composed of employees from various nationalities. The following is the breakdown by region.

<table>
<tr><th colspan="2" rowspan="2">Diversity by nationality of our employees [1]</th><th colspan="2">FY2023</th><th colspan="2">FY2022</th><th colspan="2">FY2021</th></tr>
<tr><th>Male</th><th>Female</th><th>Male</th><th>Female</th><th>Male</th><th>Female</th></tr>
<tr><td rowspan="3">Permanent</td><td>Malaysia</td><td>1,008</td><td>757</td><td rowspan="2">1,073</td><td rowspan="2">841</td><td rowspan="2">1,013</td><td rowspan="2">765</td></tr>
<tr><td>Asia-Pacific ("APAC") [2]</td><td>265</td><td>180</td></tr>
<tr><td>Europe, the Middle East and Africa ("EMEA")</td><td>78</td><td>33</td><td>80</td><td>39</td><td>80</td><td>37</td></tr>
<tr><td rowspan="3">Temporary</td><td>Malaysia</td><td>125</td><td>68</td><td rowspan="2">148</td><td rowspan="2">50</td><td rowspan="2">113</td><td rowspan="2">55</td></tr>
<tr><td>APAC [2]</td><td>267</td><td>56</td></tr>
<tr><td>EMEA</td><td>12</td><td>1</td><td>8</td><td>5</td><td>5</td><td>8</td></tr>
<tr><td colspan="2">Total number of employees</td><td colspan="2">2,850</td><td colspan="2">2,244</td><td colspan="2">2,076</td></tr>
</table>

1. Data for diversity by nationality of our employees covers the SAL Group. Nationality reflects our cultural diversity.
2. Data for APAC excludes Malaysia.

Diversity (cont'd)

As part of our commitment to promote a merit-based workforce and a healthy workplace, we have adopted a zero-tolerance stance on any human rights violations. We continue to maintain zero substantiated complaints regarding human rights violations in the markets in which we operate.

Number of substantiated complaints* received in FY2021, FY2022, and FY2023	None Reported

* *Substantiated complaints refer to written statements by regulatory or similar official bodies addressed to the company that identifies violation of human rights.*

Board Diversity

With respect to Board Diversity, please refer to our Corporate Governance Statement section (page 61 - 92) in this Annual Report.

Human Capital Management

Employees are our most vital assets, and we depend on them to deliver our value proposition to our customers. Therefore, it is crucial for Silverlake to attract, develop, and retain skilled employees to ensure the Group's continued success, amidst the key challenges of the skill mismatch among young graduates against industry needs, the advent of the gig economy, an ageing society in key markets where we operate, and high attrition rate, especially among the post-millennial generation.

To overcome these challenges, we have implemented key initiatives to attract, develop, and retain talent, ensuring the business can meet the growing needs and expectations of our stakeholders.

The diagram below shows the Project Starlight's four (4) strategic priorities for SAL's People and Organisation.

Talent Recruitment

In order to attract and connect with talented individuals, we leverage on our initiatives and actively engage in various events and platforms.

Initiatives	Description
Campus engagement and recruitment	• Maintains close relationships with selected education institutions and student societies/initiatives. • Offers internships and participate in career fairs to build our early-in-career talent pipeline. • Sponsorship of student initiatives/events which are in line with SAL's talent needs.
Structured Internship Programme	• To provide three (3) to six (6) months on-the-job training and exposure for interns to develop skills with continuous guidance and engagement through mentoring and evaluation. • To assess the intern's performance for job transition as permanent employees and offering the company resources with new ideas.
Graduate Programme	• Mutual beneficial program for the Group. • Allows mentors (our employees) to hone their mentoring skills while engaging with the participants. • Provides recent graduates with a structured and tailored route into the industry, allowing them to broaden their commercial knowledge and professional networks. • A progress evaluation will be conducted to assess both participant and mentor learning progress in key criteria such as communication skills and teamwork. • 12 graduates enrolled in the programme.
Social Media Engagement	• Demonstrates SAL as Employer of Choice through social media to engage better with post-millennial generation.

Training and Development

In order to meet our business needs and to allow our people to reach their full potential, we have our training and development programmes in place, which include:

Programme	Description
MySkill Programme	• Aims to provide employees with the soft skills needed to be an engaged and productive member of SAL by increasing efficiency, team building, and innovation at the workplace. • Assists in the development of soft skills such as critical thinking, negotiation, emotional intelligence, and effective coaching.
UpSkill Programme	• Aims to provide employees with technical knowledge to upskill and reskill technical skill sets. • To provide opportunities for employees to be subject-matter-experts to conduct knowledge sharing through the programme.
Leadership Development Programme	• Aims to equip our middle-to-senior management employees with the capabilities they need to succeed in future leadership roles. Our CEOs have access to 'The 7 Habits of Highly Effective People' Programme to help develop their core values and build a highly effective culture. • Assists in the development of various traits of an effective leader based on the '8 Key Leadership Competencies Traits'. This includes: 1) Strategic Agility and Innovation 2) Leadership and Influencing Others 3) Strong Business Acumen 4) Communication Skills 5) Resilience & Emotional Intelligence 6) Judgement & Decision Making 7) Result Driven 8) Critical Thinking and Complex Problem Solving
Graduate Development Programme	• Aims to develop strong foundations in fresh graduates' technical job knowledge required in their job roles throughout their first six (6) months of employment. • This includes on-the-job training and classroom learning to ensure that the fresh graduates are getting both the necessary knowledge and experience to better transition into their job roles.
LinkedIn Learning Solution	• An online learning platform that offers more than 5,000 courses and personalised recommendations. • Our employees have invested 4,740 hours learning on this platform. • Through an annual subscription, we are able to provide customised training materials in accordance with the Individual Training Plan ("ITP") and collect feedback to improve the feasibility of remote training.
Udemy Business	• An online learning platform that offers more than 24,000 courses and personalised recommendations. • Our employees have invested 3,008 hours learning on this platform.

The average training hours for our employees are as follows:

	FY2023 (Hours)	FY2022 (Hours)	FY2021 (Hours)
Average training hours	29	38	13

Data for average training hours covers the SAL Group.

The average training hours for our employees by gender in FY2023 are as follows:

Average Training Hours by Gender	FY2023 (Hours)
Male	29
Female	30

Data for average training hours by gender covers the SAL Group.

Training and Development (cont'd)

We have set out the target training hours for our Group-wide at 40 hours per employee, and our FY2023 performance is reported to be at 29 hours per employee.

Training Hours	SAL Group	FY2023 Target	FY2023 Performance
		40 per employee	29 per employee

Succession Planning

Creating a robust succession plan is vital to maintain a consistent talent pool capable of supporting the Group through staffing transitions. As a key aspect of Silverlake's Project Starlight, our group reaffirms its dedication to nurturing young talents for future leadership positions through our Succession Planning strategy.

Employee Appraisals

Here at Silverlake, we conducted an annual performance and career development review for all employees. This process serves two (2) goals: assessing performance and aligning training with business objectives. In FY2023, we achieved a 99% completion rate for reviews, highlighting our dedication to employees' progress and training, which contributes to our Group's overall success.

Compensation and benefits

Compensation and benefits play a significant role as retention tools. Hence, we are committed to providing full-time employees at our Malaysia and Singapore operations with competitive remuneration packages. This includes:

Remuneration Packages	Benefits
Leaves	Annual, parental, marriage, childcare (limited to several business operations), compassionate, sick and hospitalisation leave.
Medical	Outpatient, hospitalisation, maternity health with delivery charges and dental coverage.
Insurance	Group term life and Group personal accident.
Travel	Business travel, office parking, mileage, taxi and outstation claims, accommodation, per diem, renewal of passport and telephone charges.
Allowances	Overtime, meal, winter clothing, outstation, broadband, travel, transportation, and entertainment.

In FY2023, all our employees were eligible for parental leave, with 36 fathers and 37 mothers availing of this benefit. Notably, we achieved a return-to-work rate of 97.3% and a commendable retention rate of 77.6% across the Group.

Number of employees who:	FY2023		FY2022		FY2021	
	Male	Female	Male	Female	Male	Female
Are entitled to parental leave	916	588	700	402	739	549
Who took parental leave	36	37	30	29	36	49
Returned to work in the reporting period after parental leave ended	36	35	30	26	36	35
Returned to work after parental leave ended who were still employed 12 months after their return to work	20	23	26	25	28	30
Return to Work Rate (%)	100.0	94.6	100.0	89.7	100.0	71.4
Retention Rate (%)	66.7	88.5	72.2	71.4	87.5	88.2

Data covers the SAL Group.

Employee Turnover

Our ability to attract and retain talent is reflected in our turnover rate. We continue to perform better than our targeted turnover rate of 20% and lower - which is in line with our assessment of a healthy turnover rate within the industry. We recognise the importance of having in place a healthy turnover rate as opposed to a zero-turnover rate – it allows the organisation to become more efficient and increases the possibility of hiring new talents with improved skill sets and abilities.

Turnover by employee category	FY2023 (%)	FY2022 (%)	FY2021 (%)
Director or Executive VP	20.0	18.1	13.8
HoD	4.5		
Senior Manager	10.1		
Manager	15.2		
Consultants and Associates	21.1		
Overall composition/attrition rate	16.7		

Data for turnover by employee category covers the SAL Group.

Utilisation of Temporary/Contract Staff

The percentage of employees that are temporary or contractor staffs are kept at 18.6% due to our commitment in maintaining stringent quality standards and ensuring the uninterrupted continuity of our business operations.

	FY2023 (%)
Temporary/Contract Staff	18.6

Data for temporary/contract staffs covers the SAL Group.

Employee Engagement Survey

Our annual Employee Engagement Survey serves as a vital tool for all employees to have the opportunity to provide their anonymous feedback on the Group's work culture, and environment, as well as employee remuneration and training. Based on the survey findings, we develop and implement initiatives to address the identified areas. The satisfaction rate was recorded at 86%, a slight increase from 85% in FY2022.

The key areas covered by the survey are as follows:

- Relationship with immediate supervisor
- Work environment
- Corporate culture and communication
- Employee's roles within the organisation
- Leadership and planning
- Employee experience
- Training and development
- Pay and benefits

Health, Safety and Well-being

Silverlake understands the impact of employee's well-being in terms of delivering its value proposition to our customers and shareholders. Well-being encompasses employee's mental health, physical health, and more. To this end, we have implemented various health, safety, and wellness initiatives. This includes an emergency response plan based on key workplace safety risks, initiatives to promote mindfulness and mental health, as well as physical activities such as yoga.

Furthermore, recognising that a conducive workplace is a crucial element of well-being, we have incorporated workplace culture and anti-harassment elements into our leadership training. We also have a secure and trusted channel in place for our employees to escalate any grievances, allowing us to appropriately address them.

Health, Safety and Well-being (cont'd)

In line with our broader goal, our health and safety risk training are not limited to physical health, such as Cardiopulmonary Resuscitation ("CPR") and Basic Occupational First Aid ("BOFA"), but also includes training on mental/emotional health. The following is the number of employees trained on health and safety standards.

	FY2023
No. of employees trained on health and safety standard	66

Data for employees trained on health and safety standard covers the SAL Group.

Starting from FY2023, we would like to disclose workplace fatalities, injuries, and ill-health across our business operations as summarised in the following table.

Safety Performance	FY2023
Number of fatalities due to workplace injury and ill-health	None Reported
Loss Time Incident Rate ("LTIR")	None Reported
Number of recordable work-related injury and ill-health	None Reported
Number of High-Consequence Injuries	None Reported

Data for safety performance covers the SAL Group.

Community Engagement

Silverlake recognises the importance of community involvement in the areas where we operate. Hence, we are engaged in relevant programs to contribute positively to our society. Currently, the Group does not have any target for our community engagement, but we aim to increase the amount of investment in the local community.

Silverlake's community engagement focuses on three (3) major areas:
- Youth and education
- Social Initiatives and Welfare
- Fitness and Health

The following table shows the list of our Community Engagement programme in FY2023:

No.	Programme
1.	Association of Malaysian Economics Undergraduates ("AMEU") – initiative for Youth Engagement. 120 in-person attendees and 400 online attendees.
2.	SGX Cares Bull Charge Charity Run – support the needs of underprivileged children and families, people with disabilities, and the elderly. The programme was joined by 192 Silverlake employees.
3.	Sponsored Professional Golfer (Gen Ling).
4.	Persatuan Kebajikan Kanak-Kanak Terencat Akal Malaysia – assistance with daily necessities such as food, transportation, and rental fees, as well as monthly medication fees for children with high medication costs.
5.	Charis Hospice – providing palliative home-care services to patients suffering from advanced cancer and other life-threatening illnesses.
6.	The Rotary Club – assisting autistic children and Orang Asli.
7.	Tennis Malaysia – develop youth tennis to produce the nation's top tennis players for international competitions while also educating and training them.
8.	The Star – ePaper subscription for high school and university students.
9.	Sekolah Menengah Jenis Kebangsaan Jit Sin – sponsored their orchestra and band teams.
10.	S.P.R.K. Polis DiRaja Malaysia – funded one (1) Police children's education.

Through our programmes in FY2023, we managed to contribute an estimated RM475,000 to the community supporting 2,345 beneficiaries.

	FY2023	FY2022	FY2021
Total amount invested in the local community (RM'000)	475	1,232	870
Total number of individuals who benefited [1]	2,345	2,703	N/A [2]

1. *The data for the number of beneficiaries is based on our best estimate given the difficulty in tracking exact number of beneficiaries for some of our initiatives.*
2. *SAL is unable to estimate the total number of individuals who benefited in FY2021 as the data was not recorded.*

OUR STEWARDSHIP

Energy and Emissions

As a Fintech company, we are highly reliant on electricity in delivering our business. We are aware that climate change presents additional pressure in ensuring reliable energy supply to our business and our key service providers. Climate change induced extreme and erratic weather events such as floods, storms, or heatwaves, which lead to power outages, downtime, data loss, and potential financial losses.

Energy Efficiency

Our business is heavily exposed to an increase in electricity tariffs in the key markets in which we operate. This exposure is due to a multitude of factors, such as the increase in the global fossil fuel price, on which the electricity grid continues to heavily rely, as well as the government's policy on taxing energy consumption or removing energy subsidies – as part of its aim in reducing the fiscal deficit and encouraging energy efficiency, or to encourage investment in green energy source. In light of this, we understand the importance of being more energy-efficient and have shifted towards cloud-based service providers which have in place eco-friendly policies.

Energy Consumption

In FY2023, we continued to track our energy consumption by source and the markets in which we operate.

Energy Source	Location	FY2023 (GJ)	FY2022 (GJ)	FY2021 (GJ)
Fuel Consumption (Petrol) [1]	Malaysia	517	366	392
	Singapore	8	5	2
	Thailand	Nil	151	740
Purchased Electricity	Malaysia	727	1,127	2,300
	Singapore	367	408	480
	Others	21	24	455
Total Energy Consumed		**1,640**	**2,081**	**4,369**

1. *Fuel consumption was tracked by considering the vehicles owned or controlled by the Group.*
2. *Fuel consumption was calculated by converting the claims in RM (Ringgit Malaysia) for vehicles owned or controlled by the Group into Liters using the RON 95 price in their respective countries.*
3. *The energy conversion factor used was based on fuel litre consumption derived from the UK Government Greenhouse Gases ("GHG") Conversion Factors for Company Reporting in 2023, 2022, and 2021, assuming that the fuel used is 100% mineral petrol.*
4. *Purchased Electricity in kWh for FY2023 by location are as follows: Malaysia at 65%; Singapore at 33%; and Others (e.g., Indonesia, Philippines) at 2%.*

The following is our energy intensity ratio, which we began monitoring for FY2023. We have not established any targets for this; however, we will investigate any significant increases in intensity to understand its source and basis. In the coming years, we plan to track this ratio by office location, given its impact to environment and as part of our initiative to manage our electricity cost.

Energy Intensity Ratio (MWh / RM' million)		
FY2023	**FY2022**	**FY2021**
0.41	0.57	1.21

1. *Our energy intensity calculation is limited to purchase electricity given the nature of business which is highly reliant to purchase electricity as source of energy in delivering our business.*
2. *Revenue excludes finance income and share of loss of an associate, given that this does not have any direct impact to our electricity consumption.*

Carbon Footprint

The Group has yet to establish an emission management framework. Therefore, we do not have any target for emission reduction. Currently, our approach to reducing our carbon emissions relies on the ability of our electricity service providers/government to deliver greener energy, and our ability to become more energy efficient – thus reducing energy consumption from the national grid.

A summary of our emission profile is as follows:

Emission Type	FY2023 (tCO2e)	FY2022 (tCO2e)	FY2021 (tCO2e)
Direct GHG Emission (Scope 1)	35,334	35,060	49,630
Indirect GHG Emission (Scope 2)	160	229	428
Total Emissions	**35,494**	**35,289**	**50,058**

1. *The emission conversation factor used for Scope 1 is derived from UK Government GHG Conversion Factors for Company Reporting 2023, Company Reporting 2022, and Company Reporting 2021.*
2. *We have considered the calculation of emissions from Malaysia and Singapore, as they account for a significant percentage of 70% and 25%, respectively.*
3. *The emission conversion factor used for Scope 2 (Malaysia) is from 2017 Clean Development Mechanism ("CDM") Electricity Baseline for Malaysia: Combined Margins by Malaysian Green Technology Corporation (0.585 tCO2e/MWh).*
4. *The emission conversion factor used for Scope 2 (Singapore) is based on Singapore Grid Emissions Factor by the Energy Market Authority of Singapore. (0.4057 tCO2e/MWh).*

Waste Management

Waste of electrical and electronic equipment ("e-waste") is an area of focus for us. We have an established E-waste Policy that clearly defines the proper handling and disposal of waste, management procedures, and the roles and responsibilities of relevant stakeholders involved in the effective oversight and monitoring of our e-waste.

The Group collaborated with authorised contractors for environmentally conscious e-waste disposal, in adherence to our E-waste Policy. This partnership ensures all disposal processes comply with government regulations and meet our environmental standards.

Category	FY2023 (Tonne)	FY2022 (Tonne)
Total Waste Generated	1.87	0.14

1. *Data for waste generated is limited to key subsidiaries such as SASB, Silverlakegroup Pte. Ltd. ("SGPL"), Symmetric Payments & Integration Pte. Ltd. ("SPIPL"), SSMY, and SSVC. Significant portion, if not all of our waste is categorised as e-waste.*
2. *No target on waste has been put in place, given that our nature of business does not entail any hazardous waste nor are we a waste-intensive business.*

The significant increase in waste from FY2022 to FY2023 is due to asset enhancement initiatives by the Group – i.e., the disposal of IT hardware to make way for newer, more efficient IT's hardware equipment.

Conclusion

Silverlake Axis aims to achieve sustainable growth and integrate sustainability across all aspects of our business. We aspire to become a benchmark for our customers, distinguished by our innovative approaches, as we strive to ensure the resilience of our business against economic and climate-related challenges.

TCFD Realignment

Silverlake has been working towards aligning with the TCFD framework since FY2022. The Group's strategy for adopting the recommendations of the TCFD revolved around four (4) key pillars, which are:

a) Governance: Disclosing climate-related governance, including Board involvement and management's role in assessment.
b) Strategy: Revealing climate risks/opportunities in business, strategy, and finance.
c) Risk Management: Sharing climate risk identification and assessment via our energy management programme.
d) Metrics and Targets: Describing climate metrics, encompassing energy consumption, energy intensity ratio, Scope 1 and Scope 2 emissions, and emission intensity ratio.

TCFD Realignment (cont'd)

The table below summarised Silverlake's response to TCFD disclosure recommendations:

Recommendations	Our Responses
Governance: Disclose the organisation's governance around climate-related risks and opportunities.	
a) Describe the Board's oversight of climate-related risks and opportunities.	The Board is responsible for sustainability integration into the Group's strategy and provides an advisory role as well as supervision on the Group's sustainability-related business strategies, performance, and progress of climate-related goals and targets. Refer to Our Sustainability Governance Structure (page 42).
	The Audit and Risk Committee provides oversight of the sustainability agenda, system of internal controls, risk arrangement and compliance with laws and regulations.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Group Managing Director approves policies and targets, guides sustainability strategies, oversees their implementation, evaluates general and climate-related risks, and suggests revisions to the Board.
	ESG Committee, led by the Group's Chief Sustainability & ESG Officer, develops business strategies, oversees functions for system robustness and sustainability, and reports on performance against targets and processes.
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Silverlake has yet to perform the climate scenario analysis on the physical and transitional risks. Therefore, we have not identified the Group's resilience strategy in different climate-related scenarios. <u>Risks posed by climate change:</u> a) Extreme and erratic weather events such as floods, storms, or heatwaves, which lead to power outages, downtime, data loss, and potential financial losses. b) Extreme and erratic weather events may affect the reliable energy supply to our business and our key service providers. <u>Opportunities posed by climate change:</u> a) Continuously assessing feasibility of adopting innovative, green, and low-emission IT solutions. b) Building a reputation as a dependable Fintech service provider known for reliability in the face of climate change induced erratic and extreme weather patterns. c) Facilitating the adoption of eco-friendly practices due to heightening climate-change concerns. d) Spreading awareness of climate change impacts across Silverlake Group.
b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning.	
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management: Disclose how the organisation identifies, assesses, and manages climate-related risks.	
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Our group identifies, assesses, and manages climate-related risks through its ERM Framework. Refer to our Integrating ESG into our ERM section (page 39) of this Sustainability Report.
b) Describe the organisation's processes for managing climate-related risks.	
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	

TCFD Realignment (cont'd)

Recommendations	Our Responses
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities such information is material.	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Refer to the energy and emission section for our key material metrics, which include energy consumption, energy intensity ratio, Scope 1 and Scope 2 emissions.
b) Disclose Scope 1, Scope 2, and if appropriate Scope 3 GHG emissions and the related risks.	The Group discloses Scope 1 and Scope 2 emissions in the energy and emission section. However, we have excluded Scope 3 emission information, given that we have yet to put in place the requirement to collate information from our employees and counterparties. Currently, we have no plans to disclose Scope 3 information.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	The Group has not established any targets to manage climate-related risks and opportunities, however, we monitor emissions and emphasise energy efficiency to mitigate rising electricity costs, which also monitors our efficiency.

GRI Content Index

GRI Standards	Disclosure		Reference (Page No.)
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	02 - 21
	2-2	Entities included in the organisation's sustainability reporting	20
	2-3	Reporting period, frequency and contact point	38
	2-4	Restatement of information	39, 49
	2-5	External assurance	38
	2-6	Activities, value chain and other business relationships	03, 15, 21 - 23, 35 - 37
	2-7	Employees	49 - 54
	2-9	Governance structure and composition	42
	2-14	Role of highest governance body in sustainability reporting	42
	2-23	Policy commitments	40, 45, 46, 56
	2-24	Embedding policy commitments	40, 45, 46, 56
	2-26	Mechanisms for seeking advice and raising concerns	45
	2-27	Compliance with laws and regulations	46, 48, 50
	2-29	Approach to stakeholder engagement	40 - 41
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	43
	3-2	List of material topics	44
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	45
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	45
Business Innovation			
GRI 3: Material Topics 2021	3-3	Management of material topics	45
Customer Satisfaction			
GRI 3: Material Topics 2021	3-3	Management of material topics	45
Anti-Corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	45 - 46
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	45 - 46
	205-3	Confirmed incidents of corruption and actions taken	46
Data Protection			
GRI 3: Material Topics 2021	3-3	Management of material topics	46 - 48
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	48
Market Presence			
GRI 3: Material Topics 2021	3-3	Management of material topics	48
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	48
Procurement Practises			
GRI 3: Material Topics 2021	3-3	Management of material topics	48
	N/A	Percentage of local suppliers	48

GRI Content Index (cont'd)

GRI Standards	Disclosure		Reference (Page No.)
Material Topics			
Diversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	49 - 50
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	49 - 50
Human Capital Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	50 - 53
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	51
	404-2	Programs for upgrading employee skills and transition assistance programs	51
	404-3	Percentage of employees receiving regular performance and career development reviews	52
GRI 401: Employment 2016	401-3	Parental leave	52
	N/A	Target for training hours	51 - 52
Health, Safety and Well-being			
GRI 3: Material Topics 2021	3-3	Management of material topics	53 - 54
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	53 - 54
	403-6	Promotion of worker health	53
	403-9	Work-related injuries	54
	403-10	Work-related ill health	54
Community Engagement			
GRI 3: Material Topics 2021	3-3	Management of material topics	54
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	54
Energy and Emission			
GRI 3: Material Topics 2021	3-3	Management of material topics	55 - 56
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	55
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	56
	305-2	Energy indirect (Scope 2) GHG emissions	56
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	56
GRI 306: Waste 2020	306-3	Waste generated	56

Corporate Governance Statement

The Board of Directors of Silverlake Axis Ltd. (the "Company" or "SAL") (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. Policies, processes and procedures have been instituted and are being regularly reviewed and revised to ensure effective corporate governance. The Board is committed to maintain a high standard of corporate governance within the Company and its subsidiaries (the "Group"). The Board takes the view that conformation of corporate governance practices is a continuous process driving the performance of the Company and the Group.

This Report outlines the corporate governance policies, processes and practices adopted by the Company during the financial year ended 30 June 2023 ("FY2023"), which in all material aspects, comply with the principles and provisions as set out in the Code of Corporate Governance 2018 (the "Code") which was issued on 6 August 2018, last amended on 11 January 2023, and Mainboard Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") (the "Listing Manual"). Where there are deviations or variations from the provisions of the Code and/or the Listing Manual, appropriate explanations are provided in the relevant sections of this Report.

Regulatory updates - Amendments to SGX Listing Rules and Code of Corporate Governance 11 January 2023

1. *Limit the tenure of Independent Directors ("IDs") serving on the boards of listed issuers to nine (9) years*

    - Singapore Exchange Regulation ("SGX RegCo") limits the tenure of IDs serving on the boards of listed issuers to nine (9) years.
    - With immediate effect from 11 January 2023, SGX RegCo has also removed the two-tier vote mechanism to retain long serving IDs who have served for more than nine (9) years.
    - On 1 January 2022, long serving IDs could continue to be deemed independent as long as their appointment approval is obtained in two-tier vote: first, from all shareholders; and second, from shareholders excluding directors, Chief Executive Officer ("CEO") and their associates.
    - Transition arrangements - IDs whose tenure exceeds the nine (9)-year limit can continue to be deemed independent until the issuer's Annual General Meeting ("AGM") held for the financial year ending on or after 31 December 2023.

2. *Mandatory remuneration disclosures of Directors and CEO*

    - Currently, Provision 8.1 of the Code requires companies to disclose in their annual reports the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of each individual director and the CEO. Comply or explain regime applies to the Provisions of the Code.
    - SGX RegCo now mandates listed issuers to disclose in their annual reports, the name, amount and breakdown of remuneration paid to each individual director and the CEO by the listed issuers and its subsidiaries.
    - The breakdown must include (in percentage terms) base or fixed salary, variable or performance related income or bonuses, benefits-in-kind, stock options granted, share based incentives and awards, and other long-term incentives.
    - The remuneration disclosures of directors and CEO will take effect for listed issuers' annual reports for the financial years ending on or after 31 December 2024.

The following changes to the Board's composition were announced on SGXNet:

- Re-designation of Dr. Kwong Yong Sin to Non-Independent Non-Executive Director from Executive Director on 1 July 2022.
- Appointment of Mr. Chee Chin Leong as Executive Director on 14 February 2023. Mr. Chee is responsible in initiating the design and implementation of the Partnership Programme on behalf of the Group.
- Appointment of Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik as Independent Non-Executive Director on 1 October 2023.

Corporate Governance Statement (cont'd)

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1: Board's Code of Conduct and Ethics

The Board oversees the conduct of the Group with the objective of protecting and enhancing long-term shareholders' value.

The principal responsibilities of the Board include, but are not limited to the following:

- Provide entrepreneurial leadership, set overall directions, strategies, values and standards for the Group taking into consideration ethical and sustainability issues;
- Review the Group's business plans, including the annual budgets, operational and capital expenditure as well as constructively challenge the Management on the strategic options and planning process;
- Ensure the necessary financial and human resources are in place for the Group to meet its strategic objectives;
- Review the adequacy and effectiveness of the Group's risk management and internal controls framework (including establishing risk appetite, parameters and internal control systems which include financial, operational compliance and information technology controls and management systems) to safeguard the shareholders' investments and the Company's assets;
- Monitor and manage risks to achieve appropriate balance between risks and the Group's performance;
- Ensure the Group's strategies and affairs are in the best interests of the Group and its stakeholders;
- Provide guidance to the Management on the identification of key stakeholder groups and strategies in addressing the concerns of these key stakeholder groups;
- Review and monitor the Group's performance, position and prospects, review the performance of Management against agreed goals and objectives, and satisfying themselves that the Group's businesses are properly managed;
- Review and approve the release of the Group's quarterly, half-yearly and annual financial results and a variety of other strategic initiatives tabled by Management;
- Foster ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture;
- Ensure transparency and accountability to key stakeholder groups;
- Ensure the policies are in place and enforced to comply with legislative and regulatory requirements;
- Advocates strong corporate governance practices in the organisation.

Conflicts of interest

The Board has internal guidelines and policies on managing conflicts of interest. Where any of the Board member faces potential conflicts of interest in any matters or agenda items, he/she should disclose and recuse himself/herself from participating in the relevant board meetings, discussions and decision-making processes. This policy applies to all the Board Committees.

Provision 1.2: Directors' Duties and Trainings of Directors

All Directors are aware of their fiduciary duties and exercise due diligence and independent judgement at all times to ensure that their decisions are objective and in the best interests of the Group.

Newly appointed directors are provided with formal letter setting out the director's duties and responsibilities and pertinent information about the Group. Orientation programmes are conducted for newly appointed directors where he/she is given appropriate briefings by the key management on the Group's business, strategic direction, policies and governance practices. Site visits to the Group's properties and events are also arranged for all Directors, to enable them to continue to familiarise themselves with the Group's operations and fulfil their roles as Board members and Board Committee members effectively.

All Directors are updated regularly on changes in relevant regulations, industry trends and issues. In addition, Directors are updated regularly on trainings available in areas such as finance, risks, legal and governance. The Company is responsible for the arrangement and funding of these trainings. The Company is a corporate member of Singapore Institute of Directors ("SID") to benefit from its regular updates and trainings on the latest thinking on corporate governance and to promote professional development for Directors. All Directors are registered with SID and receive regular updates and notifications on relevant events and training courses from SID.

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

Provision 1.2: Directors' Duties and Trainings of Directors (cont'd)

During FY2023, the training programmes attended by Directors through SID-Listed Entity Director Programmes ("LED") were as follows:

- LED1: Listed Entity Director Essentials;
- LED2: Board Dynamics;
- LED3: Board Performance;
- LED4: Stakeholder Engagement;
- LED5: Audit Committee Essentials;
- LED6: Board Risk Committee Essentials; and
- LED9: Environmental, Social and Governance Essentials.

Task Force on Climate-Related Financial Disclosures ("TCFD")

SGX has unveiled its road map for listed entities to provide climate-related disclosures based on the TCFD on 15 December 2021. Effective 1 January 2022, listed entities are subject to new compliance requirements following the amendments to SGX Listing Rules on climate disclosures. The SID LED Programme has launched a new module namely, LED9 – Environmental, Social and Governance ("ESG") Essentials that will delve into the board's role and directors' responsibilities in sustainability governance. In highlighting the TCFD recommendations and SGX Listing Rules on sustainability reporting, the programme provides a foundation for board of directors to drive sustainability compliance and integrate ESG factors into their business strategies. All of the SAL Directors have completed the LED9 - ESG program by SID.

The newly appointed Director, Mr. Chee Chin Leong, has completed LED1, LED6 and LED9 as at September 2023, and have registered for LED2, LED3 and LED4 which are scheduled in October 2023. Arrangements will be made for Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik to attend the SID training programmes.

Provision 1.3: Board Approval Matters

The Board's approval is required specifically on matters such as overall strategic direction of the Group, annual budgets and business plans, material acquisitions and disposals, corporate or financial restructuring, share issuance, dividends and other returns to shareholders and issuance of debt instruments besides acceptance of credit facilities from banks. The Board also approves financial results, annual report, audited financial statements and other announcements for release to the SGX-ST. The Group Authority Matrix sets out the authorisation limits of Management for capital and operating expenditures, beyond that of which would require approval of the Board.

The key activities carried out by the Board during FY2023 include, but are not limited to the following:

- Review business performance of the Company and the Group;
- Review and approve the unaudited results announcements of the Company and the Group for the half year ended 31 December 2022 and for the full year ended 30 June 2023;
- Review and approve the financial highlights and business update announcements of the Group for the first quarter ended 30 September 2022 and third quarter ended 31 March 2023;
- Review and approve dividend payments and fixing of dates for books closure;
- Receive, review reports and recommendations from Audit and Risk Committee ("ARC"), Remuneration Committee ("RC"), Nominating Committee ("NC") and Strategic Investment Committee ("SIC");
- Review the Group's key strategic initiatives;
- Review share buyback exercises;
- Review and approve the Annual Report, Sustainability Report and Corporate Governance Statement;
- Review and approve business plan and budget;
- Review and approve Cybersecurity policies and procedures;
- Approve acquisition and disposal of investments, and liquidation of subsidiaries;
- Approve Interested Party Mandate and Share Buyback Mandate for shareholders' approval at the Annual General Meeting ("AGM");
- Approve changes to the Board, and Board Committees composition structure;
- Environmental, Social, and Governance ("ESG") considerations;
- Review of Anti-Bribery and Anti-Corruption ("ABAC") framework, and Whistleblowing Policy.

Corporate Governance Statement (cont'd)

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

Provision 1.4: Delegations by the Board

Formal Board Committees were established by the Board in accordance with the Code and Listing Manual, to facilitate the Board in the execution of its duties and to enhance its effectiveness in the light of the Company's continuing expansion. The Board Committees are ARC, RC, NC, and SIC. Each Board Committee has its written Terms of Reference ("TOR"), which clearly sets out its composition, administration, authority, accountabilities, duties and responsibilities. The Chairman of the respective Board Committee reports on any significant deliberations and decisions made at the respective Board Committee at quarterly Board meetings. All conflicting views shall be submitted to the Board for its final decision.

The TORs are reviewed on a regular basis, along with the Board Committee structures and membership, to ensure their continued relevance. Any amendment to the TORs of any Board Committees is subject to the approval of the Board. The composition of the Board and Board Committees were reviewed in August 2023.

The Board and Board Committees composition as at the date of this report are as shown below:

Director	Board	ARC	RC	NC	SIC
Executive Directors					
Goh Peng Ooi	Chairman	-	-	Member	-
Andrew Tan Teik Wei	Member	-	-	-	-
Goh Shiou Ling	Member	-	Member	-	Chairman
Chee Chin Leong [(1)]	Member	-	-	-	-
Non-Executive Directors					
Non-Independent					
Dr. Kwong Yong Sin [(2)]	Member	-	-	-	-
Chee Hin Kooi	Member	-	-	-	-
Independent					
Ong Kian Min	Member	Chairman	Member	Chairman	-
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	Member	Member	Chairman	-	-
Datuk Yvonne Chia	Member	-	Member	Member	Member
Yano Satoru	Member	-	-	-	Member
Mah Yong Sun	Member	Member	-	-	Member
Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik [(3)]	Member	-	-	-	-

(1) Mr. Chee Chin Leong was appointed as an Executive Director with effect from 14 February 2023.
(2) Dr. Kwong Yong Sin was re-designated to Non-Independent Non-Executive Director from Executive Director with effect from 1 July 2022.
(3) Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik was appointed as an Independent Non-Executive Director with effect from 1 October 2023.

The Board Committees are guided by their written TORs which are disclosed at the respective sections such as, SIC reported below, NC reported under Provisions 4.1 and 4.2, RC reported under Provision 6.1 and 6.2, and ARC reported under Provisions 9.1, 10.1 and 10.2 of this Report.

Strategic Investment Committee ("SIC")

SIC	Director	
Chairman	Goh Shiou Ling	Executive Director
Member	Datuk Yvonne Chia	Independent Non-Executive Director
Member	Yano Satoru	Independent Non-Executive Director
Member	Mah Yong Sun	Independent Non-Executive Director

In accordance with its TORs, the SIC shall comprise at least three (3) Directors. Majority of the SIC members are Independent Non-Executive Directors ("INEDs").

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

Provision 1.4: Delegations by the Board (cont'd)

Based on the TOR, the principal roles of SIC include, inter alia:

- To oversee all strategic investment activities of the Company and the Group;
- To set and monitor the targets of the Company's growth and profitability strategy as approved by Board;
- To develop procedures and to monitor application and compliance of investment policies by the Management;
- To assess and approve investment transactions;
- To evaluate the effectiveness of the investment policies in achieving the Group's strategic investment objectives.

The principal responsibilities of the SIC encompass the following, amongst others:

- To oversee the performance of the Group and individual Business Unit ("BU") to ensure performance is in line with the expectations and goals;
- To provide oversight and direction in the determination and implementation of the Company's investment strategies and policies to deliver the Company's approved investment objectives and standards;
- To review and recommend to the Board for approval, the delegation of authority of the SIC to Management for strategic investments (included in the Policy on Delegation of Authority), including appropriate risk parameters;
- To approve strategic investment transactions that exceed the Management's delegated authority;
- To recommend strategic investment transactions (that exceed the SIC's delegation of authority) to the Board for approval;
- To review quarterly or periodically (as deemed appropriate) reports on investment progress, performance, capital requirements and resources utilisation;
- To assess and monitor all risks associated with strategic investments;
- To review and oversee the strategic directions and performance of the existing BUs on quarterly or periodic basis and report to the Board.

The key activities carried out by the SIC during FY2023 were as follows:

- Review business performance of the Company and the Group;
- Receive updates on the scorecard for BUs;
- Review potential investments deals;
- Receive updates and monitor investments in the pipeline;
- Review and monitor performance of newly acquired companies;
- Receive updates from Transformation Executive Committee;
- Review the excerpt of corporate governance statement on SIC.

Provision 1.5: Board Meetings

The Board meets regularly throughout the year on quarterly intervals and ad hoc meetings are convened as and when necessary, either physically or virtually as allowed by the Company's Constitution. Board meetings are scheduled in advance prior to the start of each financial year in order to provide ample notice to all Directors so that sufficient time is devoted for considerations of the agenda matters.

A total of five (5) Board meetings including the Business Plan and Budget meeting, one (1) INED meeting, four (4) ARC meetings, four (4) RC meetings, one (1) NC meeting and four (4) SIC meetings were held during FY2023.

Corporate Governance Statement (cont'd)

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

Provision 1.5: Board Meetings (cont'd)

The attendance of the Directors at the Board and Board Committee meetings during FY2023 are set out below:

	Attendance Record of Meetings in FY2023					
	Board	INED[4]	ARC	RC	NC	SIC
Executive Directors						
Goh Peng Ooi	5	-	-	-	1	-
Andrew Tan Teik Wei	5	-	-	-	-	-
Goh Shiou Ling	5	-	-	4	-	4
Chee Chin Leong [1]	2	-	-	-	-	-
Non-Executive Directors						
Non-Independent						
Dr. Kwong Yong Sin [2]	5	-	-	-	-	-
Chee Hin Kooi	5	-	-	-	-	-
Independent						
Ong Kian Min	5	1	4	3	1	-
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	5	1	4	4	-	-
Datuk Yvonne Chia	5	1	-	4	1	4
Yano Satoru	4	1	-	-	-	4
Mah Yong Sun	5	1	4	-	-	4
Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik [3]	-	-	-	-	-	-

[1] Mr. Chee Chin Leong was appointed as an Executive Director with effect from 14 February 2023.
[2] Dr. Kwong Yong Sin was re-designated to Non-Independent Non-Executive Director from Executive Director with effect from 1 July 2022.
[3] Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik was appointed as an Independent Non-Executive Director with effect from 1 October 2023.
[4] All INEDs in office during the financial year attended an INED meeting held during the year.

Provision 1.6: Board's Access to Information

To assist the Board in discharging its duties and responsibilities, Management provides the Board with comprehensive, accurate, quality and timely information. Notice of meetings enumerating a structured agenda are sent to the Directors ahead of each Board and/or Board Committee meetings to allow them to have sufficient time to peruse or obtain additional information and/or seek clarification on the matters prior to the meeting. This will be accompanied by the relevant proposal papers outlining the background, explanatory information such as resources needed, financial impact, expected benefits, risk analysis and mitigation measures, conclusions and recommendations. All meeting papers of the Board and Board Committees are distributed to Directors at least one week in advance of the meeting. Key management personnel ("KMP") and/or external experts are invited to attend the Board and Board Committees meetings to make the appropriate presentations and to answer any queries from the Directors, if necessary.

With the Company's implementation of the digital board portal in conjunction with the digitalisation of board management system, it enabled board meetings to be conducted electronically and board papers shared in a secured environment. Each of the Directors is given an electronic device by the Company and provided with appropriate trainings to ensure efficient use of the digitalised board portal. With the use of the digital board portal, it has reduced the carbon footprint for printing of board materials. The Directors are able to gain immediate access and review the papers anytime and anywhere via the digital portal. Any additional material or information that the Directors may request are promptly furnished by Management. The Directors are also provided with relevant regulatory updates from time to time.

Provision 1.7: Independent Access

The Board, Board Committees and every Director have separate and independent access to Management and are free to request for additional information as needed to make informed decisions.

The Company Secretary, under the direction of the Chairman, facilitates good information flows within the Board and its Board Committees, between the Board and Management, and advise the Board on all legal and corporate governance matters. The Company Secretary also facilitates the orientation of new Directors, assists in arranging professional development and training for the Directors as required and acts as the primary channel of communication between the Company and the SGX-ST. The Directors have separate and independent access to the Company Secretary at all times. The appointment and removal of the Company Secretary is subject to the approval of the Board.

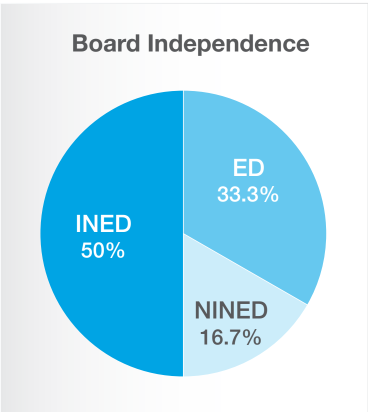
Should Directors, whether as a group or individually, require independent professional advice in the furtherance of their duties, professional consultants may be appointed upon direction by the Board. The cost of such professional services will be borne by the Company.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provisions 2.1, 2.2 and 2.3: Board Independence

The NC reviews the independence of each Independent Director ("ID") annually and as and when required. An ID is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders (as defined in the Code) or its officers that can interfere or be reasonably perceived to interfere with the exercise of the Director's independent business judgement to the best interests of the Company.



As at the date of this report, the Board is composed by a majority of 67% Non-Executive Directors ("Non-EDs"). Non-EDs play a role to balance the Board by providing objective judgement in the decision-making process, conflict of interest situations besides ensuring appropriate checks and balances, thereby avoiding undue influence of Management over the Board. There is a strong element of independence in the Board of the Company. Currently, the Board comprises twelve (12) members of which four (4) or 33.3% are Executive Directors ("EDs"), two (2) or 16.7% are Non-Independent Non-Executive Directors ("NINEDs") and six (6) or 50.0% are INEDs.

The NC conducted an annual review of each of the Director's independence, particularly those who have served more than nine (9) years, and is satisfied that half or 50% of the Board are IDs. As the Group Executive Chairman, Mr. Goh Peng Ooi is not an ID, the NC is aware that the requirement of Provision 2.2 of the Code requiring IDs to make up a majority of the Board where Chairman is not independent, is not met. Mr. Ong Kian Min as the Lead Independent Director ("Lead ID") plays a role to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The NC and the Board are mindful and thus, have agreed that the Company will work towards compliance of this provision in the next one (1) to two (2) years in line with the Board Renewal and Succession Plan.

The NC, in considering the independence of a Director, takes into account the existence of the relationship and circumstances identified by the Listing Manual and corresponding Practice Guidance of the Code, which includes any business relationship with the Group and if so, whether such relationship could affect or perceive to affect the Director's independent judgement. The NC also takes into account Directors' conduct at Board meetings, their annual declaration of independence and peer review process. No NC member is involved in the deliberation of his/her own independence. Any Director who has an interest or relationship which is likely to affect his/her independence is required to immediately declare his/her interest or relationship to the Board.

Independency of Directors who have served on the Board beyond nine (9) years

As provided under Rule 210(5)(d)(iii) of the SGX Listing Rules, a director will not be independent if the director has been on the Board for an aggregate period of more than nine (9) years (whether before or after listing) and whose continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders; and (b) all shareholders excluding shareholders who also serve as the Directors or CEO (and their associates). The above Rule came into effect on 1 January 2022.

There was a regulatory update on the amendments to SGX Listing Rules and Code of Corporate Governance issued on 11 January 2023 where SGX RegCo limits the tenure of IDs serving on the boards of listed issuers to nine (9) years. With immediate effect from 11 January 2023, SGX RegCo has removed the two-tier vote mechanism to retain long serving IDs who have served for more than nine (9) years. Previously, long serving IDs could continue to be deemed independent as long as their appointment approval were obtained in two-tier vote: first, from all shareholders; and second, from shareholders excluding directors, CEO and their associates. However, there is a transition arrangement whereby IDs whose tenure exceeded the nine (9)-year limit can continue to be deemed independent until the issuer's AGM held for the financial year ending on or after 31 December 2023.

The Board also recognises that IDs may over time develop significant relationship with other Directors and Management but at the same time have valuable insights into the Group's business and can continue to provide considerable and useful contributions objectively to the Board. When there are such Directors, the NC and the Board will assess and review their contributions and independence of character and judgement in discharging their duties for the best interest of the Company, shareholders and stakeholders.

Corporate Governance Statement (cont'd)

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

Provisions 2.1, 2.2 and 2.3: Board Independence (cont'd)

Independence of Directors who have served on the Board beyond nine (9) years (cont'd)

Mr. Ong Kian Min has served as INED, also as Lead INED of the Company beyond nine (9) years from the date of his first appointment to the Board. The NC (save for Mr. Ong Kian Min who abstained from deliberation in the matter) had performed a stringent review to assess the independence of Mr. Ong Kian Min. The NC is satisfied that Mr. Ong Kian Min had maintained an appropriate degree of independence when fulfilling his role as an ID. The Board (save for Mr. Ong Kian Min who abstained from deliberation on the matter) concurred with the NC's view that Mr. Ong Kian Min remained independent, professional and objective in discharging his responsibilities to the Board and respective Board Committees and acting in the best interests of the Company notwithstanding his tenure of service.

The re-appointment of Mr. Ong Kian Min as INED of the Company was sought via the two-tier voting process in accordance to Rule 210(5)(d)(iii)(A) and Rule 210(5)(d)(iii)(B) during AGM held in October 2021. Under the transition arrangement, such resolutions shall continue in force until the earlier of the following:

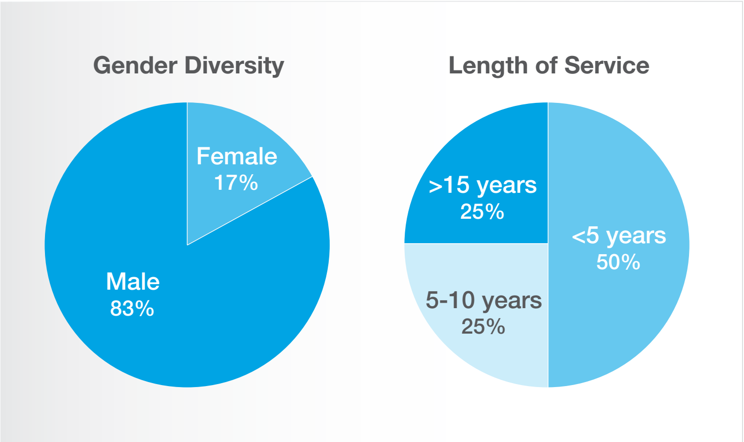
(i) the retirement or resignation of Mr. Ong Kian Min as a Director; or
(ii) the conclusion of the third AGM of the Company following the passing of the resolutions (AGM in October 2024).

In view of the amendments to the nine (9)-year rule effective from 11 January 2023, the NC and the Board are aware that two (2) of the INEDs, namely Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and Datuk Yvonne Chia will no longer be independent by 31 May 2024 (both were appointed on 1 June 2015). The NC and the Board are currently reviewing the board composition and looking into the Board Renewal and Succession Plan.

The NC has assessed the independence of the six (6) INEDs, namely Mr. Ong Kian Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Datuk Yvonne Chia, Mr. Yano Satoru, Mr. Mah Yong Sun and Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik, and is satisfied that there are no other factors such as gifts or financial assistance, past association, business dealings, representative of shareholder, financial dependence and relationship with the Group or the Group's Management which would impair their independent judgement. Each ID had recused himself/herself in the determination of his/her own independence during the process.

Provision 2.4: Board Size and Diversity

The Company continuously seeks to maintain an appropriate mix of diversity in its Board and also focuses on Board renewal and succession. In reviewing the size, composition and succession planning of the Board and its Committees, the NC considers various aspects of diversity, namely skills, experience, background, gender, age and other relevant factors, to ensure optimal effectiveness and contribution towards the development and growth of the Company. The Company has adopted Board Diversity Policy in August 2021, whereby "diversity" has been set as a key criterion in any search process for the Board. The NC evaluates candidates recommended by Board members, as well as from other external sources, taking into consideration their knowledge, industry background, competencies and integrity of the candidates, amongst others.

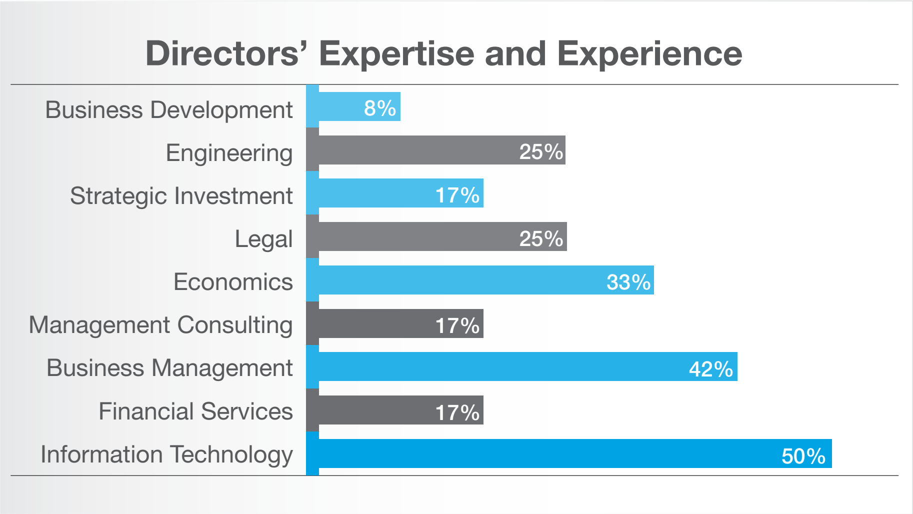


After NC's assessment and due consideration, Mr. Chee Chin Leong was appointed as the ED with effect from 14 February 2023. With his experience in the Information Technology industry, he is familiar and has valuable insights of the Company's business. Dr. Kwong Yong Sin who has attained the retirement age of 65 years, had relinquished his executive role in the Company. Hence, the Board agreed to his re-designation from ED to NINED with effect from 1 July 2022, given his qualification and intimate knowledge of the business of the Group.

The Board, having considered the recommendation of the NC and assessed Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik's qualification and experience, is of the view that he has the requisite experience and capability to assume the duties and responsibilities of an INED. Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik was appointed to the Board on 1 October 2023. Please refer to the Board of Directors section of this Annual Report for details of this director's profile.

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

Provision 2.4: Board Size and Diversity (cont'd)



Taking into account the nature and scope of the Group's operations, the Board is of the view that the existing board size of twelve (12) Directors is sufficient for its purpose. Collectively, our Directors' skills, expertise and experience spans over different industries, markets and professions. Their core competencies include information technology, financial services, business management, management consulting, economics, legal, strategic investment, engineering and business development. The Board views that the current composition of the Board and Board Committees are of an appropriate size and provides the right balance and mix of skills, knowledge, experience and other aspects of diversity such as gender, age and tenure with the Company, can contribute to effective decision-making on the strategy and development of the Company. Details of the Directors' qualifications, background and working experience are set out under the Board of Directors section of this Annual Report.

The Board also believes that the current Board structure in the principal subsidiaries is well-organised and structured. Together with the Management, the Board will from time to time review the board composition and make the necessary changes if required, including the appointment of IDs to the Board of principal subsidiaries.

Provision 2.5: Non-Executive Directors ("Non-EDs")

Non-EDs and IDs, led by the Lead ID shall meet regularly without the presence of Management. The Chairman will provide feedback to the Board as appropriate. The Non-EDs also have access to the Management.

The Lead ID plays an additional facilitative role within the Board, and where necessary, facilitates communications between the Board and shareholders or other stakeholders of the Company. The Lead ID of the Company is represented by Mr. Ong Kian Min, who can be contacted via email at okm@silverlakeaxis.com. The roles of the Lead ID include chairing Board meetings in the absence of the Chairman, working with the Chairman in leading the Board and providing a channel to Non-EDs for confidential discussions on any concerns besides acting to resolve situations of conflicts of interest that may arise. In addition, the Lead ID may also assist the NC to conduct annual performance evaluation and develop succession plans for the Chairman and CEO.

The Non-EDs participate actively in the Board and Board Committees. They constructively challenge and help to develop proposals on strategy and review the performance of Management in meeting set goals and objectives and monitor the reporting of performance. The diversity of competencies and industry knowledge of the Non-EDs bring invaluable contributions to the Company with their fresh perspective for robust deliberations and decision-making.

Corporate Governance Statement (cont'd)

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2: Roles of Chairman and Chief Executive Officer ("CEO")/Group Managing Director ("Group MD")

Mr. Goh Peng Ooi is the Group Executive Chairman and Mr. Andrew Tan Teik Wei is the Group MD. The respective roles of Chairman and Group MD are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. Mr. Goh Peng Ooi and Mr. Andrew Tan Teik Wei are not related.

The Board establishes and sets out in writing the division of responsibilities between the Chairman and the Group MD.

The Chairman leads and governs the Board, oversees the Group's business performance, and ensures that all relevant issues are discussed in a timely manner. The roles include:

a) Chairs the board meeting, fostering open and effective discussions, allowing constructive debates, as well as setting the agenda focusing on strategic matters, including risk management, strategic planning, corporate governance, capital and financial planning;
b) Ensures that the board receives complete, relevant, and reliable information on all matters particularly those that would require the board to make decisions, such as reports, proposals, opportunities, issues or challenges facing the Group;
c) Ensures that the strategies and policies approved by the board are effectively implemented by top management, and that board decisions take into account the Group's stakeholders' best interest;
d) Establishes and maintains good corporate governance practices, promotes high standards of probity and integrity across the Group;
e) Represents the Group and ensures effective communication with external parties, shareholders, and other stakeholders.

Within the Company, the Chairman ensures appropriate relations within the Board and act as a direct liaison between the Board and Management, in particular between the Board and the Group MD.

In the boardroom, the Chairman's responsibilities range from setting the Board agenda and conducting effective Board meetings, to ensure that the culture in the boardroom promotes open interactions and contributions by all.

The Group MD spearheads and oversees the Group's business operations, management, investments and business ventures. The roles include:

a) Provides strategic guidance or advice and executes the Group's business strategies in order to achieve the Group's mission and objectives;
b) Ensures that the Chairman and board are updated on the potential issues of the Group and developments within the industry so that they have a better view of the company's future as well as the market;
c) Develops and implements comprehensive business plans, frameworks and policies to plan and facilitate cost-effective business activities;
d) Ensures that all company policies are communicated and implemented throughout the Company and that they are compliant with the legal guidelines or statutory regulations;
e) Maintain trust and positive relationships with shareholders, business partners as well as regulatory authorities;
f) Act as the public figure or representative of the Group.

Provision 3.3: Lead Independent Director ("Lead ID")

Mr. Ong Kian Min was appointed by the Board as the Lead ID to provide leadership in situations where the Chairman is conflicted. The role of the Lead ID may include chairing Board meetings in the absence of the Chairman, working with the Chairman in leading the Board, and providing a channel to Non-EDs for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary. He is also available to shareholders where they have concerns for which contact through the normal channels of the Group Executive Chairman, Group MD or Chief Financial Officer have failed to resolve or is inappropriate. Shareholders and other stakeholders may contact Mr. Ong Kian Min directly at okm@silverlakeaxis.com. Nevertheless, the Board is of the view that the separation of the role of the Chairman and that of the Group MD and the chairing of the ARC, NC and RC by IDs ensure sufficient balance of power and authority in the Board.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2: Nominating Committee ("NC") and its Responsibilities

NC	Director	
Chairman	Ong Kian Min	Independent Non-Executive Director (Lead ID)
Member	Datuk Yvonne Chia	Independent Non-Executive Director
Member	Goh Peng Ooi	Executive Director

In accordance to the TOR, the NC shall comprise at least three (3) Directors and the majority of members (including the Chairman of the NC) are INEDs.

The NC is guided by its written TOR which stipulates that its principal roles include, inter alia:
- To review the succession plans for Directors, Group MD and Key Management Personnel ("KMP"), in particular the appointment and/or replacement of the Chairman, Group MD and KMP;
- To set and review the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;
- To review training and professional development programmes for the Board and KMP; and
- To review the appointment and re-election of Directors.

The principal responsibilities of the NC include, but are not limited to the following:
- To review the nomination for appointments and re-election 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 director's experience, participation, commitment, contributions and performance;
- To review the Board's structure, size, diversity and composition including the review of board succession plans for Directors, in particular the Chairman and the Group MD;
- To evaluate and recommend the appointment of key officer of the Group;
- To determine annually whether or not a Director is independent, in particular Directors who have served on the Board beyond nine (9) years;
- To assess on whether or not a Director is able to and has been adequately carrying out his duties as a Director having regard to the individual Director's attendance, preparedness, participation and commitment;
- To determine the appointment and induction process of new Directors;
- To assess the effectiveness of the Board as a whole and the Board Committees, as well as the contributions of the Chairman and individual Director;
- To review and recommend training and professional development programs for the Board and KMP.

The key activities of the NC carried out during FY2023 were as follows:
- Review the performance of the Board as a whole, the Board Committees and each individual Director;
- Review the size and composition of the Board and Board Committees;
- Review and recommend to the Board the succession plans for the Chairman, Directors, Group MD and KMP;
- Consider and approve the appointment and resignation of Directors;
- Review and recommend training and professional development programs for the Board;
- Review and assess if Directors with multiple board representations had devoted sufficient time and attention to the affairs of the Company in the performance of their duties as Director of the Company;
- Consider re-nomination and re-election of the Directors who are due for retirement at the forthcoming AGM pursuant to the Constitution of the Company;
- Evaluate the independence of each Director, particularly any Director who has served more than nine (9) years;
- Review the excerpt of corporate governance statement pertaining to the NC for disclosure in the Annual Report;
- Review the NC TOR to ensure that it is aligned with the principles and provisions of the Code.

Corporate Governance Statement (cont'd)

Principle 4: Board Membership (cont'd)

Provision 4.3: Process of Selection, Appointment and Re-election of Directors

The NC is responsible for identifying candidates and reviewing nominations for the appointment and re-election of directors for recommendation to the Board. The NC will consider the Company's current Board in terms of its size, composition, matrix of skills, knowledge, experience and diversity in the light of the Company's current and future needs. 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, have the skills, competencies and attributes to complement 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/she is serving on multiple boards. The Company believes that board review 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.

Mr. Chee Chin Leong and Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik were appointed to the Board in February 2023 and October 2023 respectively. The NC confirmed that it had observed the due process enumerated above for both appointments.

In accordance to the provisions of the Company's Constitution, one-third of the Directors (or the number nearest one-third but not less than one-third) who have been longest in office since their last election or re-election, are required to retire by rotation at the AGM every year and at least once every three (3) years. A retiring Director is eligible for re-election at the AGM. The Company's Constitution also stipulates that new Directors appointed by the Board during the financial year will hold office only until the next AGM following their appointments and they will be eligible for re-election. Newly appointed Directors are not taken into account in determining the number of Directors who are to retire by rotation.

All Directors that are due for re-election have to be assessed and recommended by the NC before submission to the Board. In recommending a Director for re-election to the Board, the NC takes into consideration the Director's contribution and performance at Board and Board Committee meetings.

Mr. Goh Peng Ooi, Ms. Goh Shiou Ling, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and Mr. Mah Yong Sun would be retiring by rotation at the forthcoming AGM pursuant to regulation 108(1) of the Company's Constitution and are eligible for re-election. The newly appointed Directors since the last AGM, namely Mr. Chee Chin Leong and Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik, are also due for re-election at the forthcoming AGM pursuant to regulation 107 of the Company's Constitution. Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, who will be retiring under regulation 108(1) of the Company's Constitution, although eligible, has expressed his intention to retire at the upcoming AGM in October 2023 and will not be seeking for re-election. Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid will retire from the Board at the conclusion of the AGM in October 2023.

Taking into consideration their satisfactory commitment and performance, the NC has recommended that these Directors be re-elected to the Board. The Board has accepted the recommendation by NC. All the Directors seeking for re-election at the Company's forthcoming AGM had abstained from deliberations and voting on their own re-election.

The date of Director's initial appointment, last re-election and their directorships and other principal commitments are set out under the Board of Directors section of this Annual Report.

Provision 4.4: Review of Directors' Independence

On an annual basis and as and when circumstances may require, the NC will assess on the independency of Directors in accordance with the Listing Manual and provisions of the Code. For the year under review, each ID completed a declaration form to evaluate their independency in conduct, character and judgement whereby Directors disclose their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence to the Board. If the Board, having taken into account the views of the NC, determines that such Directors are independent notwithstanding the existence of such directorships, the Company discloses the relationships and its reasons in its Annual Report. The NC is also committed to re-assess the independence of each ID as and when warranted.

Provision 4.5: Commitment of Directors with Multiple Board Representations

The NC conducts a qualitative assessment of each Director's contributions annually. In assessing the Director's contribution and ability to carry out his duties as a Director of the Company, the NC takes into account the individual Director's actual conduct on the Board, ability and availability to provide valuable insights and advice, devotion of time and attention to the Company and the level of commitment and complexity of the Director's other principal commitments and directorships. All Directors are required to confirm annually to the Company his/her ability to devote sufficient time and attention to the Company's affairs, despite his/her other commitments.

Principle 4: Board Membership (cont'd)

Provision 4.5: Commitment of Directors with Multiple Board Representations (cont'd)

In FY2023, none of the Directors hold more than four (4) directorships in other listed companies. The Board has established a guide that four (4) is a maximum number of directorships in other listed companies and principal commitments for a Director. Approval of the NC and the Board would have to be obtained before a Director accepts any new appointment which exceeds this guide.

The respective Directors' directorship in other listed companies are set out in the table below:

Director	Current directorship in other listed companies
Ong Kian Min	• Food Empire Holdings Limited • YHI International Limited • OUE Commercial REIT Management Pte. Ltd.
Datuk Yvonne Chia	• Astro Malaysia Holdings Berhad (until 21 June 2023) • Press Metal Aluminium Holdings Berhad
Mah Yong Sun	• Catcha Digital Berhad (until 31 May 2023)
Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik	• Elsoft Research Berhad

The NC, having reviewed the Directors' directorships in other listed companies, their principal commitments, attendance and contributions to the Company, is satisfied that all Directors are able to contribute and have adequately performed their duties as Directors of the Company.

The Board has adopted the stand that alternate directors should only be appointed in exceptional circumstances. In FY2023 and as at the date of this report, the Board does not have any alternate Directors.

Principle 5: Board performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1: Board Performance and Performance Criteria for Board Evaluation

The Board has a formal process, which is overseen by the NC, for assessing the effectiveness of the Board as a whole and of each Board Committee separately, as well as the contributions of the Chairman and individual Director. The evaluation exercise is conducted annually by way of questionnaires for self and peer assessments as well as for the Board as a whole and Board Committees respectively, with feedback on the key areas of improvement. The NC determines, and the Board approves the assessment criteria, which include Board size and composition, independence of the Board, information management, Board operation, Group's performance measurement, Board Committee effectiveness, succession planning, risk management and internal control system and overall Board dynamics. The NC reviews the consolidated assessment compiled by the Company Secretary and in consultation with the Board, determines appropriate improvement actions.

The NC assessed the performance of the Board, Board Committees and the individual Directors for FY2023 in August 2023 and formed the view that the performance of the Board as a whole, its Board Committees and each individual Director were satisfactory.

Provision 5.2: Evaluation of Individual Director

In the case of evaluation of individual Director, the evaluation forms cover both self-evaluation and peer-evaluation. In evaluating the performance and contribution of each individual Director, the assessment criteria include factors such as each Director's commitment of time for meetings of the Board, Board Committees and general meetings, participation, contribution and deliberation of issues at meetings, knowledge and understanding of the Group's dynamics, skills and competencies and interaction with fellow Directors, Management and other relevant parties. The performance of individual Director is taken into account in their re-appointment or re-election.

The Company did not engage any external professional facilitator for the Board, Board Committees and individual Director evaluation process. The evaluation process is facilitated by Company Secretary and the NC Chairman.

Corporate Governance Statement (cont'd)

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2: Roles and Composition of Remuneration Committee

RC	Director	
Chairman	Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	Independent Non-Executive Director
Member	Ong Kian Min	Independent Non-Executive Director
Member	Datuk Yvonne Chia	Independent Non-Executive Director
Member	Goh Shiou Ling	Executive Director

In accordance to the TOR, the RC shall comprise at least three (3) Directors and the majority of members (including the Chairman of the RC) are INEDs.

Provision 6.2 of the Code stipulated that all members of the RC should be non-executive and majority of them (including the RC Chairman) are independent. Ms. Goh Shiou Ling is an ED of the Company, and she was appointed as the Deputy CEO of the Company with effect from 1 May 2022. She was appointed to the RC by virtue of her role as the SIC Chairman so that she can provide her valuable inputs on the performance of the KMP at the RC.

The rest of the RC members (three (3) of them) are independent directors, including the Chairman. The Board opined that the Company has, in material aspect complied with Principle 6 and Provision 6.2 of the Code. Ms. Goh Shiou Ling will abstain/had abstained from deliberation and voting on her own remuneration.

The RC is guided by its written TOR which stipulates that its principal roles include, inter alia:
- To make recommendations to the Board on the remuneration framework for the key officers and key management executives of the Company and the Group;
- To review the adequacy and form of the compensation for ED (members of the Board who are employees of the Company, whether full-time or part-time) to ensure that the compensation realistically commensurate with the responsibilities and risks involved in being an effective ED;
- To review the remuneration of KMP;
- To undertake the duties of overseeing the administration of the Company's Employee Share Option Scheme and Performance Share Plan ("PSP") as per the rules of the PSP;
- To review and ensure that the Group's remuneration framework is competitive and sufficient to attract, retain and motivate Directors and KMP to deliver long-term shareholders value.

The principal responsibilities of the RC include, but are not limited to, the following:
- To recommend the specific remuneration packages appropriate to attract, retain and motivate each Director and KMP to run the Company successfully for the long term;
- To structure a proportion of EDs' remuneration to link rewards to group or corporate and individual performance;
- To recommend the benchmark for the Company in relation to its competitors and comparable companies;
- To review and recommend to the Board the terms of renewal for those EDs whose current employment contracts will expire or have expired;
- To review the Company's obligations arising in the event of termination of the EDs and KMP's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;
- To recommend remuneration of Non-EDs appropriate for the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors;
- To review and recommend long-term incentive schemes for EDs and KMP, if and when appropriate, taking into account the costs and benefits;
- To consider the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from EDs and KMP in exceptional circumstances of misstatement of financial results, or misconduct resulting in financial loss to the Company;
- To review the remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose annual remuneration exceeds S$100,000, to ensure that their remuneration packages are in line with our staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

Principle 6: Procedures for Developing Remuneration Policies (cont'd)

Provisions 6.1 and 6.2: Roles and Composition of Remuneration Committee (cont'd)

The key activities of the RC during FY2023 include, but are not limited to, the following:

- Oversee Project Starlight which encompasses the Group's initiatives around succession management, talent development, talent management as well as compensation and benefits;
- Review and approve remuneration packages of EDs and Group MD;
- Review and approve the Company's KMP's remuneration structure;
- Recommend Directors' Fees for the financial year ending 2024;
- Review the RC TOR to ensure that it is aligned with the principles and provisions of the Code;
- Review and approve the renewal of the PSP mandate and circular for shareholders' approval at AGM;
- Review and approve the PSP framework for KMP;
- Review and approve the PSP Award for Group MD in FY2022;
- Review the compliance of Rule 704(13) of the Listing Manual that there are no persons occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a Director or CEO or Substantial Shareholder of the Company, other than the disclosure in Provision 8.2 of this report;
- Review the excerpt of corporate governance statement on items under the purview of the RC for disclosure in the Annual Report.

Provision 6.3: Remuneration Framework

To attract, retain and motivate Directors and employees, the RC establishes appropriate remuneration framework for the Directors and employees of the Company. Such frameworks are reviewed periodically to ensure that they remain relevant. All aspects of remuneration, including but not limited to Directors' fees, salaries, benefits-in-kind and short-term and long-term incentives, options, share-based incentives and awards are covered by the RC.

Directors' fees for the Chairman and other Directors, and for Directors' participation in Board Committees are reviewed annually. The fees are submitted to shareholders for approval at each AGM. The level of fees takes into account the contribution and responsibilities on the Board and Board Committees, prevailing market conditions and industry norms.

For FY2023, the RC proposed, and the Board approved, that the Directors' fees for the Board and other Board Committees be maintained the same:

	Chairman (per annum)		Member (per annum)	
Roles	**FY2023**	**FY2022**	**FY2023**	**FY2022**
Board of Directors	S$120,000	S$120,000	S$60,000	S$60,000
Audit and Risk Committee	S$65,000	S$65,000	S$35,000	S$35,000
Strategic Investment Committee	S$50,000	S$50,000	S$30,000	S$30,000
Nominating Committee	S$30,000	S$30,000	S$20,000	S$20,000
Remuneration Committee	S$40,000	S$40,000	S$30,000	S$30,000
Special or ad hoc projects	Appropriate fee depending on complexity, as recommended by the RC and approved by the Board to be proposed for shareholders' approval.			

The RC reviews the remuneration package of the EDs after considering inter alia the achievement of key performance indicators ("KPIs"). In addition, the RC reviews the remuneration of KMP, taking into consideration industry norms and individual and the Group's performance during the financial year. No member of the RC will be involved in deciding his/her own remuneration.

All decisions by the RC are made by a majority of votes of the RC members who are present and voting. Any member of the RC with a conflict of interest in relation to the subject matter under consideration would abstain from voting, approving or making recommendations which would affect the decisions of the RC. The recommendations of the RC are submitted for endorsement by the entire Board.

The RC reviews the Company's obligations of the service agreements of the EDs and KMP that would arise in the event of termination of these service agreements to ensure that such service agreements contain fair and reasonable termination clauses. The RC is satisfied that termination clauses therein are fair and reasonable to the respective employment class and are not overly generous.

Corporate Governance Statement (cont'd)

Principle 6: Procedures for Developing Remuneration Policies (cont'd)

Provision 6.4: RC's Access to Independent Advice

The RC has full authority to investigate any matter within its TOR and engage any independent external professional consultant on executive's compensation and remuneration related matters, as and when required, at the Company's expense. The RC will ensure the appointed professional consultant is independent and objective in discharging its services and is not affected by any relationship with the Company. In view of the remuneration framework and internal review process that the Group has in place, the Company has not appointed any professional consultant for FY2023. The RC and the Board are of the view that the current remuneration framework is competitive and sufficient to attract, retain and motivate Directors and KMP to deliver long-term shareholders value.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1: Performance-linked Remuneration

In recommending the level and mix of remuneration, the RC seeks to establish a framework for attracting, retaining and motivating directors and employees, aligning the interests of shareholders and promote the long-term success of the Group. The Group aims to link remuneration to individual and corporate performance, and the risk policies and long-term interest of the Group.

The Group's compensation framework comprises fixed and variable components. The variable component comprises short-term and long-term incentives and is performance related and linked to the Group and individual performance. In the selection of short-term and/or long-term incentives for each key executive, the Group aims to align variable incentives with sustainable value creation over the longer term as well as to retain key talent. The current mix of the fixed component and short-term and long-term incentives is considered appropriate for the Group.

Having reviewed the variable components of the compensations of the EDs and KMP, the RC is currently of the view that there is no requirement to institute contractual provisions in the terms of employment to reclaim incentive components of their remuneration paid in prior years. The Board and the RC are satisfied that the level and structure of the remuneration align with the long-term interest and risk management policies of the Company.

Provisions 7.2 and 7.3: Remuneration of Non-Executive Directors

The fee structure for Directors comprises basic fees and additional fees for serving on Board Committees. The fee structure for Non-EDs is presented under Provision 8.1 of this Report. The RC and the Board are of the view that the remuneration of the Directors is appropriate and not excessive taking into account factors such as effort and time spent of the Directors and the complexity of the Group's business. The fees are subject to the approval of shareholders at the AGM on an annual basis.

To better align the interests of Non-EDs with the interests of shareholders, the RC also reviews the eligibility of Non-EDs for PSP from time to time. In determining the fees and PSP, the RC ensures that the Non-EDs are not over-compensated to the extent that their independence is compromised.

The Group's long-term incentive scheme comprises performance shares award to eligible directors and employees under the Silverlake Axis Ltd. PSP. The RC evaluates the costs and benefits of PSP, reviews the eligibility of Directors and KMP for the PSP and determines the award date, performance period, number of shares, performance targets, vesting schedule and any other condition deemed necessary including any restrictions against the disposal or sale in the shares.

Details of the PSP are disclosed in Provision 8.3 of this Report.

Principle 8: Disclosure on Remuneration

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1: Remuneration Report

The EDs 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-EDs is determined by their contribution and responsibilities on the Board. Both EDs and Non-EDs receive fixed fees which comprise base fee and additional fees for appointment and responsibilities at Board Committees.

The remuneration of Directors for FY2023 is set out below:

Name	Directors' Fees [(1)] S$	Salary [(2)] S$	Benefits [(3)] S$	Bonus S$	Fair value of Share Plan [(4)] S$	Total S$
Executive Directors						
Goh Peng Ooi	140,000	215,860	7,310	-	-	363,170
Andrew Tan Teik Wei	60,000	941,659	11,497	251,816	1,809,000	3,073,972
Goh Shiou Ling	140,000	622,256	-	-	-	762,256
Chee Chin Leong [(5)]	22,500	87,431	-	-	-	109,931
Independent Non-Executive Directors						
Non-Independent						
Dr. Kwong Yong Sin [(6)]	60,000	672,853	8,546	-	-	741,399
Chee Hin Kooi	60,000	-	-	-	-	60,000
Independent						
Ong Kian Min	185,000	-	-	-	-	185,000
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	135,000	-	-	-	-	135,000
Datuk Yvonne Chia	140,000	-	-	-	-	140,000
Yano Satoru	90,000	-	-	-	-	90,000
Mah Yong Sun	125,000	-	-	-	-	125,000
Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik [(7)]	-	-	-	-	-	-
Total Directors' Remuneration	1,157,500	2,540,059	27,353	251,816	1,809,000	5,785,728
In percentage terms	20.0%	43.9%	0.5%	4.3%	31.3%	100.0%

Note:

(1) Directors Fees relate to directors' fees received from the Company.
(2) Salary relates to salary received from subsidiaries and includes the provident fund contributions.
(3) Benefits include car benefits, leave passage and club membership.
(4) The Share Plan was in relation to the share awarded and released during the financial year for Group MD. The details of the PSP are disclosed under Provision 8.3 of this Report and in Note 25(d) to the financial statements.
(5) Mr. Chee Chin Leong was appointed as ED with effect from 14 February 2023.
(6) Dr. Kwong Yong Sin was re-designated from ED to Non-ED with effect from 1 July 2022.
(7) Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik was appointed as an Independent Non-Executive Director with effect from 1 October 2023.

The above disclosure has taken into account the latest amendments of the Rule 1207(10D) of the SGX Listing Rules (Mainboard)/Rule 1204(10D) of the SGX Listing Rules (Catalist) issued on the 11 January 2023, which requires issuers to disclose in their annual reports, the names, exact amounts and breakdown of remuneration paid to each individual director and the CEO by the issuer and its subsidiaries. Such breakdown must include (in percentage terms) base or fixed salary, variable or performance-related income or bonuses, benefits-in-kind, stock options granted, share-based incentives and awards, and other long-term incentives. The rule is applicable for the issuers which financial year ending on or after 31 December 2024, however the Company has already early adopted the disclosure requirements.

Corporate Governance Statement (cont'd)

Principle 8: Disclosure on Remuneration (cont'd)

Provision 8.1: Remuneration Report (cont'd)

Remuneration of Key Management Personnel ("KMP")
The remuneration of KMP comprises the 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 are paid upon the achievement of individual and the Group's performance targets.

There were eleven (11) KMP (who are not Directors of the Company) in the Group in FY2023. The Board is of the opinion that it is not in the best interest of the Company to disclose the details of remuneration of KMP due to the competitiveness of the industry for key talents. The band of remuneration and mix of remuneration by percentage (%) paid to the five (5) top earning KMP during the current financial year are presented as follows:

Name	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)
Range from S$500,001 to S$750,000		
Choo Soo Ching	80%	20%
Lim Ep Ban	88%	12%
Gyorgy Tamas Ladics	73%	27%
Peter Miller	80%	20%
Tan Soo Cheng	54%	46%

The annual aggregate remuneration paid to all the above mentioned KMP of the Group in FY2023 amounted to RM10,560,571 equivalent to S$3,223,421 (FY2022: RM9,214,132, equivalent to S$2,967,992).

The RC has reviewed the level and mix of remuneration for the Directors and KMPs of the Company for FY2023 to ensure that the remuneration commensurate with their performance whilst taking into account the industry norms and corporate performance of the Group as a whole during the financial year.

Provision 8.2: Employee Related to Directors or Chief Executive Officer ("CEO") / Group Managing Director ("Group MD")

Ms. Goh Shiou Ling, the Deputy CEO of the Company, is the daughter of Mr. Goh Peng Ooi, the Group Executive Chairman and a substantial shareholder of the Company.

Save as disclosed aforesaid, there was no employee in the Group who is a substantial shareholder of the Company or are immediate family members of a Director or the CEO/Group MD or a substantial shareholder whose remuneration exceeded S$100,000 during the financial year under review.

Provision 8.3: Employee Share Scheme

Performance Share Plan ("PSP")
The first Silverlake Axis Ltd. Performance Share Plan ("2010 PSP") was approved by the Company's shareholders at the Special General Meeting ("SGM") held on 28 October 2010 and subsequently expired and lapsed on 28 October 2020 after a maximum period of ten (10) years from the date it was first adopted.

At the SGM held on 27 October 2020, the Company put forward two proposals, (1) adoption of a new PSP to be known as "Silverlake Axis Ltd. Performance Share Plan" ("SAL PSP") to replace the 2010 PSP; and (2) participation by Ms. Goh Shiou Ling in the SAL PSP, the details of the proposals are set out in the Circular to Shareholders dated 12 October 2020 and can be downloaded from the Company's website. Both proposals were approved by the Company's shareholders at the SGM held on 27 October 2020 and effected to replace the expired PSP under which awards ("Awards") of fully-paid shares will be issued free of charge to eligible employees, executive directors 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 total number of shares available under any other share-based schemes of the Company, will not exceed ten percent (10%) of the total issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time. The SAL PSP shall take effect from the date of the SGM, continue to be in force at the discretion of the RC, subject to the maximum period of ten (10) years commencing on 27 October 2020.

Principle 8: Disclosure on Remuneration (cont'd)

Provision 8.3: Employee Share Scheme (cont'd)

Performance Share Plan ("PSP") (cont'd)
The RC reviews the eligibility of Directors and employees for the PSP and determines the award date, performance period, number of shares, performance targets, vesting schedule and any other condition deemed necessary including any restrictions against the disposal or sale in the shares, and oversees the administration of PSP in accordance with the rules of PSP.

PSP shares granted to Group Managing Director
On 28 February 2023, 5,400,000 (FY2022: 4,100,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.335 (FY2022: SGD0.315) per share at grant date, amounting to RM5,862,065 (FY2022: RM4,126,342) to the Group MD, Andrew Tan Teik Wei, in recognition of his service and contribution to the Group for the financial year ended 30 June 2022 (FY2022: 30 June 2021). 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.

PSP shares granted to key management personnel and contract employee
On 28 February 2023, 600,000 (FY2022: 2,000,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.335 (FY2022: SGD0.315) per share at grant date, amounting to RM651,340 (FY2022: RM2,012,850) to a key management personnel (FY2022: a key management personnel and a contract employee), in recognition of their services and contribution to the Group for the financial year ended 30 June 2022 (FY2022: 30 June 2021). 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 details of PSP are disclosed in Note 25(d) to the financial statements.

The information on the link between remuneration paid to the EDs and KMP, and performance is set out under Provision 8.1 of this Report.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal control, to safeguard the interests of the company and its shareholders.

Enterprise Risk Management ("ERM")
Management has established and implemented an effective ERM framework that is integrated into the business to monitor, mitigate and manage potential risks.

The ERM system and internal controls, including the periodical review of their adequacy and integrity is under the responsibility of the Management, the ARC and the Board. The internal controls system emphasises governance, risk management, organisational, operational, financial strategic, regulatory and compliance controls.

This system is designed to manage, as opposed to eliminating, and is an approach to determine and achieve the right balance between mitigating the downside of risks to an acceptable level whilst still taking advantage of opportunities.

Corporate Governance Statement (cont'd)

Principle 9: Risk Management and Internal Controls (cont'd)

Provision 9.1: Risk Management and Internal Control Systems

With the increasing dynamic, complex and sophisticated business environment, it is critical that we understand the link between risk, internal controls, strategy and value. Effective risk management provides the mean for achieving competitive advantage and is pivotal to safeguarding assets, enabling the on-going growth and success of the Group's business. At Group level, this link is formalised through an alignment of strategy, risk management and internal processes, which supports fulfilment of the Group's strategic priorities, thereby delivering value to all stakeholders.

The Board is responsible and accountable for the establishment of the Group's system of risk management and internal control. The ARC assists the Board in monitoring the risk exposures, the design and operating effectiveness of the underlying risk management and internal control systems. There is no separate Board Risk Committee set up to address the risk matters of the Company.

The principal responsibilities of the ARC include, but are not limited to, the following:

- To ensure appropriate risk management framework and process that identifies business, operational, financial and regulatory risks and the risk mitigation measures to manage these risks;
- To review the risk governance structure of the Company including the Board and management level structures;
- To review the risk management framework to ensure it remains appropriate based on the Company's operation, external environment and current regulatory requirements;
- To ensure broad awareness of the risk management framework and assess the extent to which the risk framework is embedded across the Group and whether there is a culture of identifying and managing risks;
- To confirm on the adequacy and capabilities of human and financial resources directly involved in establishing and maintaining the risk management framework across the Company;
- Overseeing and advising the Board on the current risk exposure and future risk strategy of the Company; and
- To articulate and review the material risk and risk appetite of the Company, and recommend to the Board for approval.

The ARC assists the Board in overseeing the following operations and processes:

- Periodic review of the principal business risks, and control measures to mitigate or reduce such risks;
- Periodic review of the strengths and weaknesses of the overall internal control system and action plans to address the risk of weaknesses or to improve the assessment process;
- Periodic review on reports on any material breaches of risk limits and the adequacy of proposed actions;
- Periodic review of the ABAC Policy and the controls measurements to prevent occurrence of bribery and corruption practices;
- Periodic review of the Cybersecurity risks and controls measurements to ensure a secure environment for the business and operations to remain resilient in the event of a cyber breach;
- Periodic review of the internal business process and operations reported by the Internal Audit, including action plans to address the identified control weaknesses and status update and monitor the implementation of the recommended action plans; and
- Periodic review and monitoring of reports by the external auditors of any control issues identified in the course of their audit related and non-audit related work, and the discussion with the external auditors on the scope of their respective review and findings.

The ARC provides quarterly updates to the Board on the key highlights of the ERM framework. The Board considers the works and findings of the ARC in forming its own view on the effectiveness of the system.

The Board's responsibilities include, but are not limited to, the following:

- Determine the approach to risk governance;
- Establish and instil the right culture throughout the Company for effective risk governance;
- Delegation of the responsibility to Management to design, implement and monitor the risk management;
- Ensuring that risk assessment is performed continually;
- Ensuring that the frameworks and methodologies are implemented to reduce the probability of unpredictable risk;
- Ensuring continual risk monitoring by Management on the exposure and the key risks that could undermine the Company's strategy, reputation or long-term viability;
- Receiving assurance regarding the effectiveness of the risk management process; and
- Ensuring that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.

Principle 9: Risk Management and Internal Controls (cont'd)

Provision 9.1: Risk Management and Internal Control Systems (cont'd)

Enterprise Risk Management ("ERM") Framework
ERM is affected by an entity's Board and Management, where the strategy setting is designed to identify potential events that may affect the business entity, as well as manage risks. It provides reasonable assurance on the achievement of the Company's objectives. The Group's fundamental, underlying risk management principles are consistent with the ISO 31000 Risk Standards; and COSO framework for ERM.

The framework is the culture, processes and structures that are directed towards realising potential opportunities and managing adverse effects. It is a tool to help Management improve its decision-making process, minimise its losses, as well as maximise its profits. It offers a framework or process for effectively managing uncertainties, responding to risks, and exploring opportunities as they arise to ensure that value is created, protected and enhanced.

The core elements under the Group ERM framework are:
- The identification of each business risk;
- The measurement of the identified business risk;
- The control or way the risk is managed in line with the needs of the Group's policies and strategies;
- Constant monitoring and communicating of risk associated with any activity, function or process in a way that will enable the Group to minimise losses and maximise opportunities; and
- Business continuity plan as a form of assurance to ensure business continuity and minimise damages and losses under adverse or abnormal condition.

Within this framework, the responsibility for day-to-day risk management resides with the Management of each function and business unit where Management are the risk owners and are accountable for managing and accessing the risk identified. In managing the overall risk of the Group which includes the financial, operational, compliance and information technology risk categories, the Risk Management Department collaborates with the Management in reviewing and ensuring that there is ongoing monitoring of risks, the adequacy and effectiveness of its related controls, and action plans developed and implemented to manage these risks to an acceptable level by the Management.

Risk management is firmly embedded in the Group's key processes through its Risk Management Framework, in line with Principle 9 and Provisions 9.1 and 9.2 of the Code. The provisions are inculcated in the activities of the Group, which require the establishment of risk tolerance thresholds to actively identify, assess, control and monitor key business risks encountered by the Group.

Risk Management principles, policies, procedures and practices are periodically reviewed, with the results communicated to the Board through the ARC and changes and/or improvements are made thereto where required and necessary to ensure their continuing relevance and compliance with the current laws, rules and regulations.

Other Risks and Internal Control Processes
The overall governance structure and formally defined policy and procedures play a major role in establishing the control and the risk environment in the Group. A documented and auditable trail of accountability have been established in ARC TOR. In addition, authority limits and major Group's Policies and Business Principles have been disseminated and communicated to the Group's employees.

These processes and procedures have been established and embedded across the whole organisation and provide assurance to all levels of Management, including the Board.

The Board and ARC identified nine (9) categories of risks which may impact the Group such as:
- Revenue assurance risk;
- Country risk;
- Project risk;
- Investment risk;
- Regulatory compliance risk;
- People and capabilities risk;
- Counterparty credit risk;
- Cybersecurity, IP protection and business continuity planning risk; and
- Anti-bribery and anti-corruption risk.

Principle 9: Risk Management and Internal Controls (cont'd)

Provision 9.1: Risk Management and Internal Control Systems (cont'd)

Other Risks and Internal Control Processes (cont'd)
The framework and methodologies are implemented to reduce the impact and ensure continual monitoring and management of these risks for the Group.

Internal control is a process designed to provide the Group a reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. It is also a mechanism to ensure that the risks will remain at an acceptable level.

The internal controls consist of the following components:

- **Control Environment**
  The control environment comprises the Company's integrity and ethical values; the parameters that enable the Board to carry out its governance oversight responsibilities, the organisational structure and assignment of authority and responsibility; the process for attracting, developing and retaining competent individuals; and the rigor of performance measures, incentives and rewards drive accountability for performance.

- **Risk Assessment**
  Risk assessment forms the basis for determining how risks will be identified, assessed and managed across the Company and to establish a risk tolerance.

- **Control Activities**
  Control activities are actions established through policies and procedures, that assists the management's directive to mitigate risks to the achievement of objectives. Control activities are performed at all levels of the Company and is within the business processes and over the technology environment.

- **Information and Communication**
  Management obtains and uses relevant and quality information from both internal and external sources to support the functioning of internal controls. Communication in the Group is continual, iterative process of providing, sharing and obtaining necessary information.

- **Cybersecurity Policy and Activities**
  The Group Cybersecurity Policy came into existence on 30 November 2020, aiming to protect information and creating a secure cyberspace environment to further strengthen the regulatory framework of the Company. The main goal of the policy is to provide a safe and secure network environment for the business. The release of this policy marks a paradigm shift towards a secure cyber space, however there are some areas which require further deliberation for implementation. There is a need to be aware of risks arising out of extant and new technologies, for example Cloud Computing and Artificial Intelligence ("AI") by incorporating cyber-crime tracking and monitoring. In June 2022, a Cybersecurity Committee was formed and is a joint workforce of Group Risk and Group IT to manage, report and provide awareness of cyber threats to all employees of the Group. Training and awareness programs are in place and running.

- **Monitoring Activities**
  This is an ongoing evaluation to ascertain whether the internal controls are effective in assessing and managing the risk of the Company at an acceptable level in achieving the business objectives.

Provision 9.2: Adequacy and Effectiveness of Risk Management and Internal Control Systems

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 ARC, with the assistance of the Internal Auditors, reviews the adequacy and effectiveness of the Company's internal control systems, including financial, operational, compliance and information technology controls and risks management policies and systems established by Management on an annual basis. In addition, the External Auditors will highlight any material control weaknesses within the Group discovered in the course of the statutory audit. Any material findings from both the internal and external auditors together with the improvement recommendations are reported to the ARC. The ARC will review the Internal and External Auditors' comments and findings and ensure there are adequate follow-up actions.

Principle 9: Risk Management and Internal Controls (cont'd)

Provision 9.2: Adequacy and Effectiveness of Risk Management and Internal Control Systems (cont'd)

For FY2023, the Board had received assurance from the Group MD and:

- the Chief Financial Officer ("CFO") that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- the Group Chief Risk Officer that the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective.

Based on the risk management framework and 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 ARC, is of the opinion that the Group's risk management and internal control framework and systems were adequate and effective for FY2023 to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations.

Principle 10: Audit Committee

The Board has an Audit and Risk Committee ("ARC") which discharges its duties objectively.

Provisions 10.1 and 10.2: Roles, Responsibilities and Authority of Audit and Risk Committee ("ARC")

ARC	Director	
Chairman	Ong Kian Min	Independent Non-Executive Director
Member	Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	Independent Non-Executive Director
Member	Mah Yong Sun	Independent Non-Executive Director

In accordance to the TOR, the ARC shall comprise at least three (3) Directors, all of whom are Non-EDs and the majority being independent.

The Board considers Mr. Ong Kian Min, who has sufficient accounting, legal and financial management experience, is well qualified to chair the ARC. The ARC members collectively bring with them appropriate professional experience in accounting and financial management. The Board is satisfied that the ARC members are appropriately qualified to discharge their responsibilities.

The ARC is guided by its written TOR which stipulates that its principal roles include, inter alia:

- To safeguard the assets of the Company and its subsidiary companies;
- To maintain adequate accounting records;
- To develop and maintain an effective system of risk management and internal control;
- To ensure appropriate risk management framework and process covering business, operational, financial and regulatory risks;
- To ensure that Management creates and maintains an effective control environment within the Group and demonstrates and stimulates effective internal control structure;
- To ensure that the Company has an appropriate corporate entity risk management framework and process, that is embedded in the Company that identifies business, operational, financial and regulatory risks and risk mitigation measures to manage those risks as well as to maintain a sound business sustainability framework;
- To provide a channel of communication between the Board, Management, Internal and External Auditors on matters arising from internal and external audits.

Other than the responsibilities outlined in Provision 9.1, the principal responsibilities of the ARC include, but are not limited to, the following:

- To review the scope and results of the external audit work, cost effectiveness of the audit, and the independence and objectivity of the External Auditors;
- To review the Group's quarterly results, half yearly results and full year financial statements, the accounting principles adopted, significant financial reporting issues and judgements and the External Auditor's report on the financial statements of the Group before submission to the Board for approval;
- To review and report to the Board at least annually on the adequacy and effectiveness of the Group's internal controls, and risk management systems;
- To review the assurance from the Group MD and CFO on the financial records and financial statements;
- To review the adequacy, effectiveness, independence, scope and results of the external audits and the Company's internal audit function. The internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experiences. The qualifications of Internal Auditors comply with the standards set by local and internationally recognised professional bodies;

Corporate Governance Statement (cont'd)

Principle 10: Audit Committee (cont'd)

Provisions 10.1 and 10.2: Roles, Responsibilities and Authority of Audit and Risk Committee ("ARC") (cont'd)

Other than the responsibilities outlined in Provision 9.1, the principal responsibilities of the ARC include, but are not limited to, the following: (cont'd)

- To recommend to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors; and approving the remuneration and terms of engagement of the external auditors taking into consideration the Audit Quality Indicators Disclosure Framework published by ACRA;
- To review Interested Person Transactions ("IPT") in accordance with the requirements of the Listing Manual of the SGX-ST; and
- To review the effectiveness of the Group's Whistleblowing Policy, arrangements and the matters raised via the whistleblowing channel.

The key activities of the ARC during FY2023 include, but are not limited to, the following:

- Review draft financial results announcements of the Company and the Group and recommend the same for approval by the Board;
- Review and approve IPT in accordance with the requirements of the Listing Manual of the SGX-ST and the IPT General Mandate;
- Renew the IPT General Mandate for shareholders' approval at the AGM;
- Receive and review the External Auditors' reports;
- Review the nature and extent of non-audit services provided by the External Auditors;
- Review the independence of the External Auditors;
- Review the appointment of different auditors for the Group's subsidiaries and/or significant associated companies, and confirm the appointment would not compromise the standard and effectiveness of the audit of the Company;
- Review the performance of the External Auditors and recommend its re-appointment as External Auditors of the Company for the following financial year;
- Meet and discuss with the External and Internal Auditors without the presence of Management;
- Receive and review the Internal Auditors' reports;
- Discuss the adequacy of the internal controls pursuant to Rule 1207 of the Listing Manual for disclosure in the Annual Report and to form an opinion on the adequacy of internal controls addressing financial, operational and compliance risks;
- Review and update on new accounting standards applicable to the Company and its impact assessment;
- Review and update on new SGX requirements for its quarterly announcements;
- Consider final dividend for the FY2023 and to fix dates for books closure and dividend payment;
- Review the banking facility compliance requirements;
- Review the ERM of the Group;
- Review the material risk and risk appetites as well as the risk mitigation measures of the Group;
- Review the Group Whistleblowing Report (if any);
- Review the excerpt of corporate governance statement on ARC for disclosure in the Annual Report.

In the review of the financial statements for FY2023, the ARC has discussed with the Management and the External Auditors on significant issues and assumptions that impact the financial statements. The most significant matters, as outlined below, have also been included in the External Auditors' report to the members under Key Audit Matters on page 100 to 103 of this Annual Report. Following the review, the ARC was satisfied that these matters have been properly dealt with and recommended the Board to approve the financial statements.

Key Audit Matters	How ARC reviewed these matters and what decisions were made
Revenue and cost of sales from software licensing and software project services (professional services)	The ARC reviewed the appropriateness and reasonableness of management's assessment of software licensing and software project services (professional services) revenue and cost including, application of SFRS(I) 15 Revenue from Contracts with Customers, project cost estimates, assumptions and the appropriateness and adequacy of disclosures in the financial statements.
Impairment assessment on investments in subsidiaries and goodwill	The ARC reviewed the appropriateness and reasonableness of management's impairment assessment on investments in subsidiaries and goodwill including the methodology, assumptions, cash flow forecasts, long-term growth rates and discount rates.
Capitalisation of software development expenditure as intangible assets	The ARC reviewed the appropriateness and reasonableness of management's assessment of the eligibility of the development costs for capitalisation as intangible assets is in accordance with SFRS(I) 1-38 and the adequacy of disclosures in the financial statements.

The ARC has the authority to conduct or authorise investigations into any matters within its TOR. The ARC also has full access to and the co-operation of Management, discretion to invite any director or executive officer to attend its meetings and reasonable resources to enable it to discharge its duties properly.

Principle 10: Audit Committee (cont'd)

Provisions 10.1 and 10.2: Roles, Responsibilities and Authority of Audit and Risk Committee ("ARC") (cont'd)

Independence of External Auditors
The ARC regularly reviews and monitors the non-audit services provided by the External Auditors as part of the ARC's assessment of the External Auditors' independence. The aggregate amount of audit and non-audit fees payable to the External Auditors of the Group for FY2023 were RM2,566,000 and RM626,078 (FY2022: RM2,023,880 and RM439,870) respectively. The non-audit services provided by the External Auditors of the Group were related to tax services. The ARC is satisfied that the nature and extent of these services would not prejudice the independence and objectivity of the External Auditors.

In compliance with the amended Rule 712 of the Listing Manual, the Company has put forward the appointment of Ernst & Young LLP ("EY Singapore") as, External Auditor in place of Ernst & Young PLT ("EY Malaysia") in financial year 2021. The Company has realigned all of its subsidiaries' External Auditors to EY Singapore and member firms of EY to undertake audit of the Company's significant foreign-incorporated subsidiaries and associated companies located in Malaysia, Thailand, Indonesia, Philippines, Hong Kong, Dubai, Vietnam, Brunei and Slovakia for the purpose of consolidation of the financial statements of the Group, with the exception of a few subsidiaries due to certain conditions.

Both the ARC and the Board have reviewed the appointment of different auditors for these subsidiaries and are satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Company. Following the alignment of External Auditors to EY Singapore and member firms of EY, the Company is in compliance with Rules 712 and 715 of the Listing Manual in relation to the appointment of its auditor, the appointment of EY Singapore to audit its Singapore-incorporated subsidiaries and significant associated companies as well as the appointment of a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies, and in compliance with Rule 716 of the Listing Manual in relation to the appointment of different auditors for a few of its subsidiaries.

The ARC has recommended to the Board the re-appointment of EY Singapore as the External Auditors of the Company.

Interested Person Transactions ("IPT")
IPT General Mandate dated 11 October 2022
The Company has established policies and procedures for reviewing and approving IPTs in accordance with the general mandate from shareholders. The ARC reviews the Group's IPTs and ensures that the IPTs are on normal commercial terms, on arm's length basis and are not prejudicial to the interests of the Company and its minority shareholders as well as comply with the provisions on IPTs under the Listing Manual of the SGX-ST. The review procedures together with the detailed information on IPTs are disclosed in the Company's Circular to Shareholders dated 11 October 2022.

Proposed Renewal of, and Amendments to, the IPT General Mandate dated 11 October 2023
The Company proposed to table an ordinary resolution ("Resolution") in connection with the proposed renewal of, and amendments to, the IPT General Mandate for consideration and approval by shareholders of the Company at the upcoming AGM on 26 October 2023.

The ARC having reviewed the terms of the proposed renewal of, and amendments to, the IPT General Mandate, is of the view that the methods or procedures for determining transaction prices, the review and approval procedures in relation to IPTs are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, and recommend the proposed renewal of, and amendments to, the IPT General Mandate for approval by the Directors.

Mr. Goh Peng Ooi and Ms. Goh Shiou Ling who are deemed to be interested in the proposed renewal of, and amendments to, the IPT General Mandate for reasons set out in the Circular, have abstained from voting on the Resolution in which they are deemed to have an interest. Further, Mr. Goh Peng Ooi and Ms. Goh Shiou Ling will decline to accept appointment as proxies to vote and attend at the AGM in respect of the Resolution unless specific instructions as to voting are given by the shareholder concerned.

The Company has appointed CNPLaw LLP ("CNP") as the Singapore Counsel in relation to the proposed renewal of, and amendments to, the IPT General Mandate. To comply with the requirements of Chapter 9 of the Listing Manual, Xandar Capital Pte. Ltd. ("Xandar Capital") has been appointed as the Independent Financial Adviser ("IFA") to provide an opinion on whether the methods and procedures of the amended IPT General Mandate (set out as Appendix II to the Circular) are sufficient to ensure that the Mandated Transactions between the Group and the Mandated Persons will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. This IFA letter sets out the evaluation of the amended IPT General Mandate and the opinion thereof. The IFA Letter has been prepared pursuant to Rule 920(1)(b)(v) of the Listing Manual and this IFA Letter forms part of the Circular.

Corporate Governance Statement (cont'd)

Principle 10: Audit Committee (cont'd)

Provisions 10.1 and 10.2: Roles, Responsibilities and Authority of Audit and Risk Committee ("ARC") (cont'd)

Interested Person Transactions ("IPT") (cont'd)

Proposed Renewal of, and Amendments to, the IPT General Mandate dated 11 October 2023 (cont'd)
Having regard to the considerations set out in the IFA Letter, Xandar Capital is of the opinion that the methods and procedures for determining the transaction prices of the Mandated Transactions, if adhered to, are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority shareholders.

Rationale for and benefits of the proposed renewal of, and amendments to, the IPT General Mandate
The amended IPT General Mandate will expand the scope of the IPT General Mandate to be aligned with current business practices and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek shareholders' prior approval for entering into such transactions. This will substantially reduce administrative time and expenses associated with the making of such announcements or the convening of general meetings from time to time, and allow manpower resources to be focused towards other corporate and business opportunities. The rationale for amending the IPT General Mandate is set out in Section 3.3.1 entitled "Rationale" of the Circular. Between 2008 and the Latest Practicable Date, technology has advanced significantly and new business and service models have developed, and the scope of the IPT General Mandate needs to be amended to include the Additional Mandated Transactions.

The Circular has been submitted for SGX review and SGX has issued a clearance letter on 22 August 2023. Please refer to the Circular to Shareholders dated 11 October 2023 ("Circular") for more details on the renewal of, and amendments to, the IPT General Mandate.

Whistleblowing Policy
The ARC has incorporated a whistleblowing policy into the Group's internal control procedures to provide a channel for employees and any external party (i.e., external party refers to customer, contractor, agent, consultant or third-party intermediary engaged) to report in good faith and in confidence, without fear of reprisals, any 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 appropriate follow-up actions are in place. Employees and any external party are encouraged to report possible improprieties in financial reporting or other improper business conduct they encounter in the course of work through appropriate channel. The Company treats all information received confidentially and protects the identity of all whistleblowers. The whistleblowing contact email is whistleblower@silverlakeaxis.com and can be found on the Company's website.

There was no reported incident pertaining to whistleblowing in FY2023.

Provision 10.3: Audit and Risk Committee ("ARC") Member Restriction
No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the ARC.

Provision 10.4: Internal Audit Function
The Group's in-house Internal Audit and Compliance function is responsible for reviewing, monitoring and assessing the system of internal control and is independent of activities it audits. The Internal Audit and Compliance function, headed by the Head of Internal Audit and Compliance, whose primary reporting line is to the ARC and administratively reports to Group MD. The Internal Audit and Compliance function has unfettered access to all the Group's documents, records, properties and personnel, including direct access to the ARC.

The ARC approves the hiring, evaluation and compensation of the Head of Internal Audit and Compliance. The ARC ensures that the Internal Audit and Compliance function is adequately resourced, has appropriate standing within the Group and is able to perform its functions effectively and objectively.

The Internal Audit and Compliance function is adequately staffed with five (5) suitably qualified and experienced professionals with a range of five (5) to twenty (20) years of relevant audit experience, and adopts the standards set by internationally recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing ("SPPIA") set by the Institute of Internal Auditors ("IIA"). The Head of Internal Audit and Compliance is a Fellow Chartered Accountant of Chartered Accountants Ireland. The Internal Auditors continuously maintain their professional competency through training program, conferences and seminars.

Principle 10: Audit Committee (cont'd)

Provision 10.4: Internal Audit Function (cont'd)

The annual internal audit plan, which focuses on material internal controls, including financial, operational and compliance controls across the Group's business, is submitted to the ARC for its review and approval at the beginning of each financial year. Quarterly internal audit reports are submitted to the ARC detailing the internal auditor's progress in executing the internal audit plan. The Internal Auditors also review the Corporate Governance Statement, Sustainability Report and the ERM Framework on an annual basis. All audit findings and agreed audit action items are reported to the ARC. The Internal Auditors follow up on all agreed audit action items to ensure Management has implemented them on a timely basis and reports the results to the ARC every quarter.

The ARC reviews the adequacy and effectiveness of the internal audit function on an ongoing basis, to ensure that internal audit function remains effective and is adequately staffed. The ARC is satisfied that the Internal Audit and Compliance function has adequate resources to perform its functions effectively.

Provision 10.5: Meetings with External and Internal Auditors

The ARC meets with the External and Internal Auditors, in the absence of Management at least once a year. The External Auditors have unrestricted access to the ARC.

During FY2023, the ARC met four (4) times. The ARC also had one (1) meeting with External and Internal Auditors separately, without the presence of Management.

The ARC keeps abreast of relevant changes to accounting standards, the Listing Manual and other issues through attendance at relevant seminars or talks, articles and news circulated by the Company Secretary and Management and updates by the External Auditors and Internal Audit and Compliance at ARC Meetings.

SHAREHOLDERS RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1: Opportunity for Shareholders to Participate and Vote at General Meetings

The Company ensures that shareholders have the opportunity to participate effectively, ask questions and vote at general meetings. Shareholders are informed of general meetings through reports or circulars sent to all shareholders in addition to notices published in the newspapers, Company's announcements via SGXNet and the Company's website. Resolutions tabled at general meetings are passed through a process of voting by poll which procedures are clearly explained by the scrutineers at such general meetings.

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 making timely disclosure of information through SGXNet, press releases, analyst briefings and the Company's website, as well as through the AGM.

Annual General Meeting ("AGM") on 27 October 2022

The Company held its FY2022 AGM on 27 October 2022 by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended on 14 April 2020, 24 April 2020 and 29 September 2020) and the Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 13 April 2020 (as further updated on 1 October 2020) titled "Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation". Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in the notice of AGM dated 11 October 2022 (the "Notice") uploaded on SGXNet and the Company's website.

Shareholders were not able to attend the AGM physically, however, shareholders were able to participate at the AGM via live audio-visual webcast or audio-only stream and vote online for each resolution through real-time remote electronic voting at the AGM. Shareholders who wished to exercise their votes without attending the AGM could submit a proxy form to appoint their proxy(ies) or the Chairman of the Meeting as their proxy to cast votes on their behalf.

Corporate Governance Statement (cont'd)

Principle 11: Shareholder Rights and Conduct of General Meetings (cont'd)

Provision 11.1: Opportunity for Shareholders to Participate and Vote at General Meetings (cont'd)

Annual General Meeting ("AGM") on 27 October 2022 (cont'd)
The Company subjected all resolutions to voting by poll and shareholders are informed of the applicable rules and voting procedures. Shareholders who had any substantial and relevant questions in relation to any agenda item in the notice of the AGM, could also send their queries to the Company in advance on 19 October 2022 through the pre-registration website. The questions received together with the respective responses were announced on 21 October 2022 via SGXNet and uploaded the same on the Company's website.

At the start of the virtual AGM, the Group MD gave a presentation on the Group's performance for FY2022, business strategy and prospects of the Group. The AGM presentation slides together with the results of the poll votes on each resolution tabled at the AGM were announced via SGXNet after the conclusion of the said meeting on 27 October 2022.

Provision 11.2: Separate Resolutions at General Meetings

In general, resolutions are not bundled or made inter-conditional on each other. This is to ensure that shareholders are given the right to express their views and exercise their voting rights on each resolution separately. All the resolutions at the Company's general meetings are single-item resolutions. The information on each resolution in the AGM agenda will be provided in the explanatory notes to the AGM Notice. For resolutions pertaining to election or re-election of directors, the information on the director concerned (including qualification, working experience, directorship on other companies, Board's assessment of the director, etc) will be provided for shareholders to make informed decision in the exercise of their votes.

Provision 11.3: Attendees at General Meetings

All Directors attended the AGM held on 27 October 2022 virtually. The Chairman of the meeting facilitates communications between shareholders and the Board, Management, internal and external auditors and any other relevant professions to address any question or feedback from the shareholders at the general meetings. The External Auditors are invited to the Company's AGM to address shareholders' queries about the conduct of the audit and preparation and contents of the Auditors' Report.

Provision 11.4: Voting Procedures and Proxies for Nominee Companies

For greater transparency and effective participation, the Company has implemented poll voting since its 2015 AGM and all resolutions tabled at the general meetings are put to vote by poll. Voting procedures and rules governing general meetings are explained at the general meetings. An independent scrutineer firm is present to count and validate the votes. The results of the poll voting on each resolution tabled at general meeting, including the number of votes cast for and against for each resolution and the respective percentages, are announced after each general meeting, via SGXNet.

Shareholders may appoint up to two (2) proxies to attend and vote on their behalf. Pursuant to the introduction of the multiple proxy's regime under the Companies Act 1967 of Singapore and the Company's Constitution, shareholders who are relevant intermediaries (i.e., banks, capital markets services license holders which provide custodial services for securities and the Central Provident Fund Board) are allowed to appoint more than two (2) proxies to attend, speak and vote at the general meetings.

During the virtual AGM held on 27 October 2022, shareholders could cast their votes for each resolution through real-time remote electronic voting at the AGM. Unique access details for live voting are provided to shareholders who had registered and were verified to attend the AGM.

Shareholders could vote at the AGM themselves:
(i) through their duly appointed proxy(ies) (other than the Chairman). A member could appoint not more than two (2) proxies and the proportion of the shareholdings to be represented by each proxy shall be specified in the instrument. A proxy need not be a member of the Company, or
(ii) appoint the Chairman of the AGM as their proxy.

Shareholders were advised to give specific instructions as to voting or abstentions from voting on the resolutions set out in the proxy form. The proxy form attached to the Notice of AGM can be downloaded from the Company's announcement on SGXNet and the Company's website. The voting instructions were clearly spelled out in the notice of AGM.

Corporate Governance Statement (cont'd)

Principle 11: Shareholder Rights and Conduct of General Meetings (cont'd)

Provision 11.5: Minutes of General Meetings

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and Management. Provision 11.5 requires companies to publish minutes of general meetings with shareholders on its corporate website as soon as practicable. The Company published its minutes of general meetings via the SGXNet and on the Company's corporate website within 30 days from the conclusion of the general meetings. The Company published the minutes of FY2022 AGM on SGXNet on the 15 November 2022.

Provision 11.6: Dividend Policy Guideline

The Company does not have a dividend policy. The form, frequency and amount (or quantum) of dividends will depend on, among other things, the Company's earnings, financial performance, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate. Dividend payouts are communicated clearly to shareholders via announcements on SGXNet when the Company discloses its financial results. The Company also discloses its dividend payment history on its corporate website.

Embracing the consistent approach as in previous years, the Board will be proposing at the forthcoming AGM in October 2023, the declaration of a final tax exempt one-tier dividend of Singapore 0.60 cents per ordinary share in respect of FY2023. The proposed dividend, when approved by shareholders at the AGM, shall be paid on 16 November 2023.

Principle 12: Engagement with Shareholders

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company recognises the importance of communicating the Company's business strategies, progress of its strategic initiatives and performance to its shareholders and stakeholders regularly. These updates are driven through multiple channels of communication and engagement such as AGM, Annual Report, Company's Announcements and Company's website which allows the Company to gauge feedback from both shareholders and the investment community.

Shareholders can write in to investor.relations@silverlakeaxis.com if they have any questions to be addressed.

Provision 12.1: Understanding Views of Shareholders

The Board in compliance with the SGX Listing Requirements and the Corporate Disclosure Guide will issue timely and accurate quarterly statements to shareholders and stakeholders on the Company's performance. The Company's objective is to maintain effective communication with its shareholders and investors at all times to enable them to make informed investment decisions and for their feedbacks as well as concerns to be understood and answered.

As announced on SGXNet by the Company on 9 March 2020, the Company has adopted the half-yearly financial reporting cycle with continuous disclosure in accordance with the Listing Rules of the SGX-ST. The Board continues to engage with its shareholders and stakeholders and having considered their need for information in the absence of quarterly results announcements, the Company provides an executive summary of the key financial information and business commentaries in respect of the performance of the Group for the first and third quarter to be released on a voluntary basis in lieu of quarterly reporting.

Provisions 12.2 and 12.3: Investor Relations Policy

Shareholders are one of our key stakeholders and from a corporate governance perspective, the key elements of the relationship can be illustrated as follows:

- Shareholders have a set of rights including to vote and attend general meetings and to receive declared dividends;
- Shareholders have the rights to convene general meetings and to put forward proposals;
- Shareholders can make enquiries with the Board by asking questions at the AGM.

The Company has an Investor Relations Policy which encourages the shareholders to actively participate at the Company's general meeting on the resolutions proposed at the general meetings. Shareholders are also encouraged to provide feedback on the Company's performance and future developments. The Investors Relations Policy is available on the Company's website.

All material information and financial results are released through SGXNet, press releases, analyst briefings and the Company's website in a clear, detailed and timely manner.

Corporate Governance Statement (cont'd)

Principle 12: Engagement with Shareholders (cont'd)

Provisions 12.2 and 12.3: Investor Relations Policy (cont'd)

The Company's investor relations contact (investor.relations@silverlakeaxis.com) is provided in the Company's website (www.silverlakeaxis.com) as the communication channel for shareholders to raise queries. The Company's website also lists the Company's major past and future corporate events and investor conferences. Shareholders may also contact the Company's Lead ID, Mr. Ong Kian Min at okm@silverlakeaxis.com.

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 does not practice selective disclosure and is mindful of the remedial action required to make public disclosure as soon as practicable, should there be an event of inadvertent 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. Corporate presentation slides are posted in the Company's website immediately after briefings with analysts on a quarterly basis.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interest of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Group believes that identifying the areas of concerns of its stakeholders and understanding their expectations are essential for the Company's growth. The Board adopts an inclusive approach, and the interests and areas of concern of material stakeholders are considered in the formulation of the Group's business strategies to ensure the best interests of the Group are served. The Group seeks to engage its stakeholders through providing various modes of communication and sending timely updates.

The Board has always recognised the importance of accurate and timely dissemination of information to shareholders and investors, existing and potential, about the Group's operations, strategies, performance and prospects to maintain credibility and build stronger relationships with the investment community.

In August 2022, The Company was awarded the Silver Award for Best Investor Relations in the mid-cap category by the 2022 Singapore Corporate Awards.

Provision 13.1: Identify, Engage and Manage Relationship with Stakeholders

The Group identifies its key stakeholders by taking into consideration their involvement in and influence on the Group's business, as well as their vested interests in the Group's performance. To continuously improve the Group's ESG strategies, the Group consult the stakeholders regularly. These engagements enable us to gain a deeper understanding of crucial ESG issues which in turn assist us to define our priorities and achieve the desired outcomes. Important stakeholders include both internal and external parties whose influence in our business operations are crucial to its long-term success.

Keys stakeholders of the Company include, but are not limited to, customers, employees, shareholders, business partners, regulators, media and the communities. The seven (7) stakeholder groups identified have remained unchanged since FY2021. The Group's strategies and key areas of focus in relation to the management of stakeholder relationships during FY2023 can be found under Sustainability Report section of this Annual Report.

The Code of Conduct for Third Parties is introduced as a guidelines and ethical business standards between the Group and all its Third Parties. The main principles of this Code are to ensure that business dealings by the Group is not tainted by improprieties or malpractices under any circumstances, whether by its employees or Third Parties. The Group recognises the growing importance of sustainability developments in products, services and solutions, combining economic success, social responsibility and environmental protection in our business operations and thereby enable our customers to meet current and future needs of society.

In addition, the Company also has an Investor Relations team which works closely with the media and oversees the Company's external communications efforts. Our Group MD has participated in a number of interviews with reputable media outlets (Techwire Asia, Business Times, and The Edge Singapore) to discuss how the Group has capitalised on modern Fintech services to provide contemporary banking solutions. In these interviews, he has also provided insights into the advantages and disadvantages that disruptive technology can have on traditional banking industries.

Principle 13: Engagement with Stakeholders (cont'd)

Provision 13.2: Sustainability Report

The Sustainability Report comprises the Group's sustainability performance from 1 July 2022 to 30 June 2023 ("FY2023"), encompassing our Malaysia and Singapore business operations under Banking, Fermion Insurtech, Investment and other sectors which include Retail Automation as well as Digital Identity and Security Technologies.

The FY2023 Sustainability Report has been prepared in accordance with the SGX Listing Rules 711A and 711B with reference to the Global Reporting Initiative ("GRI") Standards and its latest Universal Standards 2021, and the Task Force on Climate-related Financial Disclosure ("TCFD"). The GRI framework was selected for its robust and internationally recognised standards encompassing a comprehensive range of sustainability topics, disclosures as well as its set of well-established reporting principles. In response to greater stakeholder demand and SGX's mandatory disclosure requirements for greater accountability on climate change, we have taken steps towards incorporating the TCFD recommendations in the Sustainability Report. The Company has engaged with external consultants to assist with its implementation into the Group's management and operations.

The Board is responsible for ESG integration into the Group's strategy and provides an advisory role as well as supervision on the Group's material ESG factors, KPIs, and sustainability report disclosures. The Board convenes on a quarterly basis to discuss the Group's ESG direction and review KPIs and performance. The Board is assisted by the ARC that reports on the progress of the Group's sustainability agenda including climate-related risks.

The below illustrates the Group's sustainability governance structure, which aligns with both the recommendations of the TCFD and the mandate on climate-related disclosures set by SGX-ST.

Board of Directors
- Ultimately responsible for the sustainability direction of the Group;
- Ensures progressive integration of sustainability in business strategies;
- Approves and reviews sustainability-related business strategies and performance;
- Monitors and oversees the progress of climate-related goals and targets.

Audit & Risk Committee
- Provides oversight of the sustainability agenda, system of internal controls, risk assessment and compliance to laws and regulations.

For effective ESG implementation at the management and operational levels, the Deputy CEO of the Group, Ms. Goh Shiou Ling chairs the ESG Committee, which presents the ESG-related strategy and targets for review and approval. The ESG Committee is supported by the corporate and business functions that submit quarterly reports on SAL's progression to meet the ESG goals and targets.

SAL's ESG framework comprehensively guides the integration of sustainability principles throughout our business operations. Our framework outlines our corporate objectives, vision, and mission as guiding principles, all of which are aligned with the three (3) sustainability pillars of the United Nations Sustainable Development Goals ("UNSDGs"); Our Business, Our People, and Our Stewardship.

Please refer to the Sustainability Report on page 38 to 60 in this Annual Report. The Sustainability Report can be accessed through the Company's corporate website as well.

Provision 13.3: Corporate website

The Company maintains a corporate website (www.silverlakeaxis.com) as a channel of communication and engagement with the stakeholders. The Group's mission and vision statement are stated in the website for all to view, with the latest incorporated Corporate Governance on Anti-Bribery and Anti-Corruption Policy to emphasise on zero tolerance to any bribery and corruption business activity.

Corporate Governance Statement (cont'd)

DEALINGS IN SECURITIES

Rule 1207(19) of the Listing Manual

The Company has in place a share trading policy in relation to dealings in the Company's securities pursuant to the Listing Manual that are applicable to all its officers. The Group issues quarterly reminders to Directors, officers and employees on the restrictions in dealings in the Company's shares during the period commencing two (2) weeks before the announcement of the Group's quarterly financial results and one (1) 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.

Since the adoption of half-yearly financial reporting cycle in March 2020 (as described under Provision 12.1), the Group has opted to maintain its quarterly reminders to Directors, officers and employees on the restrictions in dealings in the Company's shares during the period commencing two (2) weeks before the announcement of the first and third quarter voluntary announcement and its first half-yearly announcement, and one (1) month before the announcement of the Group's full year results.

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.

Other Information

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

The Audit and Risk Committee has reviewed the Group's Interested Person Transactions ("IPT") for FY2023 to ensure IPTs are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders and complied with the mandates granted by the shareholders at the Annual General Meeting of the Company held on 27 October 2022. The review procedures for IPTs are disclosed in the Company's Circular to Shareholders dated 11 October 2023.

The aggregate value of recurrent IPT of revenue or trading nature conducted during FY2023 by the Group were as follows:

Name of interested person	Nature of relationship	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)
		01-07-2022 to 30-06-2023 RM	**01-07-2022 to 30-06-2023 RM**
Silverlake Private Entities ("SPE") [1]	Associates of Mr. Goh Peng Ooi		
IPT Mandate [2]			
Contract value from SPE:			
• Silverlake Innovation Partners Sdn. Bhd.		-	95,829,400
• Silverlake Capital Market Solution Sdn. Bhd.		-	2,915,586
• Silverlake Processing Services Sdn. Bhd.		-	3,249,000
• Silver Peak Technology Integration Services (Beijing) Co. Ltd.		-	5,960,320
		-	**107,954,306**
Service contract fees to SPE:			
• Silverlake Sheaf Sdn. Bhd.		-	(882,000)
• Silverlake Cloud Computing Sdn. Bhd.		-	(901,600)
• Silverlake Mobility Ecosystem Sdn. Bhd.		-	(732,601)
		-	**(2,516,201)**
Non-Mandate Transactions [3]			
Contract value from SPE:			
• Silverlake Innovation Partners Sdn. Bhd.		14,352,647	-
		14,352,647	**-**

(1) The interested persons are associates of Mr. Goh Peng Ooi (i.e., companies in which he and his immediate family together, directly or indirectly, have an interest of 30% or more), who is the Group Executive Chairman and controlling shareholder of the Company.

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

(3) The Non-Mandate Transactions were mainly derived from the provision of third-party software and hardware products by Silverlake Digital Economy Sdn. Bhd., Silverlake Holdings Sdn. Bhd. and Cyber Village Sdn. Bhd. to Silverlake Innovation Partners Sdn. Bhd.

Other Information (cont'd)

2. ADDITIONAL DISCLOSURE IN RELATION TO THE COMPANY'S UNDERTAKINGS TO THE SGX-ST ON IPT

The ageing of amounts owing from Silverlake Private Entities as at 30 June 2023 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 IPT Mandate</u>						
Silverlake Private Entities [(1)]	7,514,960	7,233,853	281,107	-	-	-
<u>Non-Mandate Transactions</u>						
Silverlake Private Entities	165,366	165,366	-	-	-	-
<u>Non-Trade Transactions</u>						
Silverlake Private Entities	67,620	67,620	-	-	-	-
Grand Total	**7,747,946**	**7,466,839**	**281,107**	**-**	**-**	**-**

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

3. MATERIAL CONTRACTS

Save as disclosed in Note 1 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, the Chief Executive Officer, or controlling shareholder during FY2023.

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 2023.

1. Directors

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

Goh Peng Ooi
Andrew Tan Teik Wei
Goh Shiou Ling
Chee Chin Leong (appointed on 14 February 2023)
Dr. Kwong Yong Sin
Chee Hin Kooi
Ong Kian Min
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid
Datuk Yvonne Chia
Yano Satoru
Mah Yong Sun

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, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act 1967, 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/At the date of appointment**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Goh Peng Ooi	-	-	1,862,760,568	1,862,760,568
Andrew Tan Teik Wei	8,600,000	14,000,000	-	-
Goh Shiou Ling	630,400	630,400	-	-
Chee Chin Leong	120,000	120,000	-	-
Dr. Kwong Yong Sin	18,972,000	18,972,000	2,275,000	2,275,000
Ong Kian Min	1,800,000	1,800,000	-	-
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	200,000	200,000	-	-
Datuk Yvonne Chia	200,000	200,000	410,000	410,000
Ordinary shares of the holding company (Zezz FundQ Pte. Ltd.)				
Goh Peng Ooi	602,996,927	602,996,927	-	-

Directors' Report (cont'd)

3. Directors' interests in shares (cont'd)

	Direct interest		Deemed interest	
Name of director	At the end of financial year	At 21 July 2023	At the end of financial year	At 21 July 2023
Ordinary shares of the Company				
Goh Shiou Ling	630,400	-	-	630,400
Ong Kian Min	1,800,000	200,000	-	1,600,000
Datuk Yvonne Chia	200,000	-	410,000	610,000

Except as disclosed above, there was no change in any of the abovementioned interests between the end of the financial year and 21 July 2023.

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 first Silverlake Axis Ltd. Performance Share Plan ("PSP") was approved by the Company's shareholders at the Special General Meeting held on 28 October 2010 and subsequently expired and lapsed on 28 October 2020 after a maximum period of 10 years from the date it was first adopted.

The new PSP approved by the Company's shareholders at the Special General Meeting held on 27 October 2020 has been effected to replace the expired PSP under which awards ("Awards") of fully-paid shares will be issued free of charge to eligible employees, executive directors 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 total number of shares available under any other share-based schemes of the Company, will not exceed 10% of the total issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time. The new PSP shall continue to be in force at the discretion of the Remuneration Committee ("RC"), subject to the maximum period of 10 years commencing on 27 October 2020.

The RC comprises Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid as the Chairman and Ms. Goh Shiou Ling, Mr. Ong Kian Min and Datuk Yvonne Chia as members of RC, who undertakes the duties of overseeing the administration of the PSP. In the event that the share awards are granted to non-executive directors who are members of RC, for good governance, the Board of Directors of the Company shall be responsible for the administration of the PSP.

(i) PSP shares granted to Group Managing Director

On 28 February 2023, 5,400,000 (2022: 4,100,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.335 (2022: SGD0.315) per share at grant date, amounting to RM5,862,065 (2022: RM4,126,342) to the Group Managing Director, Andrew Tan Teik Wei, in recognition of his service and contribution to the Group for the financial year ended 30 June 2022 (2022: 30 June 2021).

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.

(ii) PSP shares granted to key management personnel and contract employee

On 28 February 2023, 600,000 (2022: 2,000,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.335 (2022: SGD0.315) per share at grant date, amounting to RM651,340 (2022: RM2,012,850) to a key management personnel (2022: a key management personnel and a contract employee), in recognition of their services and contribution to the Group for the financial year ended 30 June 2022 (2022: 30 June 2021).

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.

Details of the PSP are disclosed in Note 25(d) to the financial statements.

Directors' Report (cont'd)

6. Treasury shares

On 28 February 2023, 6,000,000 (2022: 6,100,000) treasury shares were released at the price of SGD0.335 (2022: SGD0.315) each, which reflected the fair values of shares at release date, for the purposes of award of shares to the Group Managing Director and a key management personnel (2022: a key management personnel and a contract employee) under the PSP.

During the financial year, the Company purchased 4,498,700 (2022: 171,663,388) shares pursuant to the share purchase mandate approved by shareholders on 27 October 2022 (2022: 27 October 2021). These shares were acquired and are held as treasury shares by the Company, as follows:

(a) 4,498,700 (2022: 1,432,400) shares by way of market acquisition for a total consideration of RM5,377,265 (2022: RM1,309,938); and
(b) in the previous financial year, 170,230,988 shares by way of off-market acquisition on equal access scheme for a consideration of RM177,264,081.

Further details of the treasury shares are disclosed in Note 25(c) to the financial statements.

7. Significant event during the financial year

Details of significant event during the financial year is disclosed in Note 41 to the financial statements.

8. Significant event after the financial year end

There is no significant event noted after the financial year end.

9. Board opinion on the adequacy and effectiveness of risk management and internal control systems addressing financial, operational, compliance and information technology risks

Based on the risk management framework and 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 and Risk Committee, is of the opinion that the Group's risk management and internal control framework and systems were adequate and effective for the financial year ended 30 June 2023 to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations.

10. Audit and Risk Committee ("ARC")

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

11. Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

GOH PENG OOI
Director

ANDREW TAN TEIK WEI
Director

26 September 2023

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 financial position of the Group and of the Company as at 30 June 2023 and of 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

ANDREW TAN TEIK WEI
Director

26 September 2023

Independent Auditors' Report

To members of Silverlake Axis Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Silverlake Axis Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2023, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and the Company as at 30 June 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

(1) Revenue and cost of sales from software licensing and software project services (professional services)

(Refer to Note 2.4(g) Summary of significant accounting policies - Revenue recognition, Note 2.5(a) - Key sources of estimation uncertainty, Note 3 - Revenue)

For the financial year ended 30 June 2023, the Group's revenue from the provision of software licensing and software project services (professional services), amounted to RM74 million and RM102 million respectively. Software licensing contracts comprise of sale of license and provision of design and implementation which contain one or more performance obligations while software project services (professional services) are long-term contracts which span more than one accounting period.

We identified revenue and cost of sales from the provision of software licensing and software project services (professional services) as areas requiring audit focus as significant management judgement and estimates are involved, particularly in the following areas:

(a) in determining whether sale of license and provision of design and implementation should be considered as one performance obligation; and

(b) in respect of long-term contracts where revenue is recognised over time in accordance with SFRS(I) 15, estimates made by the management in respect of total budgeted costs in measuring progress towards complete satisfaction of a performance obligation.

Independent Auditors' Report (cont'd)
To members of Silverlake Axis Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (cont'd)

(1) Revenue and cost of sales from software licensing and software project services (professional services) (cont'd)

Our audit response:

In addressing this area of audit focus, we performed, amongst others, the following procedures:

(a) we read the relevant contracts to obtain an understanding of the specific terms and conditions impacting revenue recognition, including the relative proportion of the fees for service and license and the project timeline, in evaluating management's identification and assessment of the performance obligations;

(b) we obtained an understanding of the relevant internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls related to estimating total budgeted costs and profit margin;

(c) we have inquired the management to understand the current status of the project. Depending on the status of the project, we reviewed the available supporting documents, which include vouching of customer's email approval for acknowledgement of work and issuance of billing, purchase orders and relevant documents to evidence testing status of software implementation;

(d) we evaluated the completion status of each significant stage of implementation (e.g. functional specification, system integration test, user acceptance test, go live) against sign-offs by customers;

(e) we evaluated the key assumptions applied by management in estimating the total budgeted costs by examining the documentary evidence, such as approved purchase orders, subsequent invoices and letters of award issued to the sub-contractors which support the total budgeted costs;

(f) we also considered the historical accuracy of management's budgets for similar contracts in assessing the estimated total contract costs; and

(g) we reviewed and recomputed the progress towards completion of a performance obligation using input method, including checking the actual costs incurred to date to sub-contractors' claims, invoices and time cost sheets.

(2) Impairment assessment of goodwill

(Refer to Note 2.4(o) Summary of significant accounting policies - Impairment of non-financial assets, Note 2.5(c) - Key sources of estimation uncertainty, Note 13 - Intangible assets)

As at 30 June 2023, the carrying amount of goodwill recognised by the Group amounted to RM152 million, representing 30% and 9% of the Group's total non-current assets and total assets respectively. The Group is required to perform annual impairment assessment of the cash-generating units ("CGU") or groups of CGUs to which goodwill has been allocated.

The Group estimated the recoverable amounts of the CGUs to which the goodwill is allocated based on value in use ("VIU"). Estimating the VIU involves discounting the estimated future cash inflows and outflows expected to be derived from the CGUs to its present value using an appropriate discount rate.

We identified this as an area of audit focus as the VIU determined using discounted cash flows is complex and involves significant management judgement and estimates, specifically the key assumptions on the revenue growth rate, gross profit margin, long-term growth rate and discount rate.

Our audit response:

In addressing this area of audit focus, we performed, amongst others, the following procedures:

(a) we obtained an understanding of the methodology adopted by the management in estimating the VIU;

Independent Auditors' Report (cont'd)
To members of Silverlake Axis Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (cont'd)

(2) Impairment assessment of goodwill (cont'd)

Our audit response: (cont'd)

In addressing this area of audit focus, we performed, amongst others, the following procedures: (cont'd)

(b) we obtained an understanding and assessed management's basis of assigning probability to the potential contracts included in the VIU by reference to the stage of negotiation with customers. We evaluated management's other key assumptions on revenue growth rate, gross profit margin and long-term growth rate, by taking into consideration the current and expected future economic conditions of the respective business segments and geographical regions of the CGUs, business plans and growth strategies. We also compared the key assumptions against past actual outcomes;

(c) we involved our internal valuation experts in assessing the reasonableness of the discount rate and terminal growth rate used by management;

(d) we performed sensitivity analysis on key assumptions that will significantly affect the recoverable amounts of the CGUs; and

(e) we assessed the adequacy of disclosures of key assumptions to which the outcome of the impairment assessment is most sensitive.

(3) Impairment assessment on investments in subsidiaries

(Refer to Note 2.4(o) Summary of significant accounting policies - Impairment of non-financial assets, Note 2.5(d) - Key sources of estimation uncertainty, Note 14 - Investments in subsidiaries)

As at 30 June 2023, the carrying amount of the Company's investments in subsidiaries amounted to RM2,259 million.

The Company is required to perform impairment assessment of its investments in subsidiaries whenever there is an indication that the investments may be impaired. Management reviewed the Company's cost of investments in subsidiaries for indicators of impairment by comparing the carrying amount of the cost of the investment and the Company's share of their net assets of the subsidiary.

Accordingly, the Company performed an impairment assessment on the cash-generating units ("CGUs") relating to certain subsidiaries. The Company estimated the recoverable amounts of the CGUs based on its value in use ("VIU"). Estimating the VIU involves discounting the estimated future cash inflows and outflows expected to be derived from the CGUs to its present value using an appropriate discount rate.

We identified this as an area of audit focus as the VIU determined using discounted cash flows is complex and involves significant management judgement and estimates, specifically the key assumptions on the revenue growth rate, gross profit margin, long-term growth rate and discount rate.

Our audit response:

In addressing this area of audit focus, we performed, amongst others, the following procedures:

(a) we obtained an understanding of the methodology adopted by the management in estimating the VIU;

(b) we obtained an understanding and assessed management's basis of assigning probability to the potential contracts included in the VIU by reference to the stage of negotiation with customers. We evaluated management's other key assumptions on revenue growth rate, gross profit margin and long-term growth rate, by taking into consideration the current and expected future economic conditions of the respective subsidiaries. We also compared the key assumptions against past actual outcomes;

(c) we involved our internal valuation experts in assessing the discount rate and terminal growth rate used by management;

Independent Auditors' Report (cont'd)
To members of Silverlake Axis Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (cont'd)

(3) Impairment assessment on investments in subsidiaries (cont'd)

Our audit response: (cont'd)

In addressing this area of audit focus, we performed, amongst others, the following procedures: (cont'd)

(d) we performed sensitivity analysis on key assumptions that will significantly affect the recoverable amounts of the investments in subsidiaries; and

(e) we assessed the adequacy of disclosures of impairment testing of investments in subsidiaries.

(4) Capitalisation of software development expenditure as intangible assets

(Refer to Note 2.4(n) Summary of significant accounting policies - Intangible assets, Note 2.5(b) - Key sources of estimation uncertainty, Note 13 - Intangible assets)

As at 30 June 2023, the carrying amount of software development expenditure recognised by the Group amounted to RM227 million, representing 45% and 14% of the Group's total non-current assets and total assets respectively.

We identified this as an area of audit focus due to significant judgement required to determine appropriateness of types of expenditure and amounts capitalised in accordance with SFRS(I) 1-38 Intangible Assets, of which specific criteria has to be met before a particular expense item can be capitalised.

Our audit response:

In addressing this area of audit focus, we performed, amongst others, the following procedures:

(a) we obtained an understanding of management's process and controls in place which govern the capitalisation of software development expenditure;

(b) we tested controls over the process which tracks and records payroll costs specifically incurred for the software development projects;

(c) we reviewed management's assessment of the eligibility of the development costs for capitalisation as intangible asset in accordance with SFRS(I) 1-38;

(d) on a sampling basis, we inspected supporting documents to verify that the costs were incurred during the development stage and only qualifying costs are capitalised in accordance with SFRS(I) 1-38. For samples selected, we also obtained and reviewed the development plan from management to understand the progress of the development projects and consider whether they are consistent with the originally approved budget. Projects with significant delays were investigated to determine if completion of those projects are probable;

(e) we involved our internal technology specialists in the review of significant software development plans and activities carried out by the Group during the financial year;

(f) we reviewed the adequacy of disclosures in the financial statements.

Independent Auditors' Report (cont'd)
To members of Silverlake Axis Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Other information
Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal 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 financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors’ Report (cont’d)
To members of Silverlake Axis Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT’D)

Auditors’ responsibilities for the audit of the financial statements (cont’d)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont’d)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The signing partner on the audit resulting in this independent auditors’ report is Tee Huey Yenn.

ERNST & YOUNG LLP
Public Accountants and Chartered Accountants

Singapore
26 September 2023

Consolidated Income Statement

For the financial year ended 30 June 2023

	Note	Group 2023 RM	Group 2022 RM
Revenue	3	765,915,225	736,541,682
Cost of sales		(314,903,304)	(317,927,616)
Gross profit		451,011,921	418,614,066
Other items of income			
Finance income	4	11,746,754	3,079,286
Other income	5	3,383,782	11,324,242
Other items of expenses			
Selling and distribution costs		(50,258,324)	(42,094,581)
Administrative expenses		(177,016,356)	(156,266,148)
Finance costs	6	(8,351,752)	(2,799,252)
Share of loss of an associate	15	(954,267)	-
Profit before tax	7	229,561,758	231,857,613
Income tax expense	9	(59,282,715)	(49,154,128)
Profit for the year		170,279,043	182,703,485
Profit for the year attributable to:			
Owners of the parent		169,591,931	182,152,841
Non-controlling interests		687,112	550,644
		170,279,043	182,703,485
Earnings per share attributable to the owners of the parent:			
- Basic (sen)	10	6.76	6.85
- Diluted (sen)	10	6.76	6.85

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 2023

		Group	
	Note	2023 RM	2022 RM
Profit for the year		170,279,043	182,703,485
Other comprehensive income/(loss):			
Item that may be reclassified to profit or loss in the subsequent periods:			
- Foreign currency translation gain		45,829,596	17,522,000
Items that will not be reclassified to profit or loss in the subsequent periods:			
- Fair value gain/(loss) on financial assets - quoted equity shares	26(d)	16,994,912	(91,480,413)
- Deferred tax relating to fair value (gain)/loss on financial assets - quoted equity shares	30	(1,650,306)	9,228,521
- Actuarial (loss)/gain on defined benefit plans	33	(272,070)	924,969
- Deferred tax relating to actuarial loss/(gain) on defined benefit plans	30	70,790	(251,728)
		15,143,326	(81,578,651)
Other comprehensive income/(loss) for the year, net of tax		60,972,922	(64,056,651)
Total comprehensive income for the year		231,251,965	118,646,834
Total comprehensive income for the year attributable to:			
Owners of the parent		230,564,853	118,096,190
Non-controlling interests		687,112	550,644
		231,251,965	118,646,834

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

Statements of Financial Position

As at 30 June 2023

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Assets					
Non-current assets					
Property, plant and equipment	11	11,713,163	10,175,801	29,648	35,039
Right-of-use assets	12	26,703,864	25,624,070	-	-
Intangible assets	13	409,304,299	342,151,697	-	-
Investments in subsidiaries	14	-	-	2,259,360,871	2,111,538,501
Investment in an associate	15	5,650,767	6,118,674	-	-
Financial assets at fair value through other comprehensive income - quoted equity shares	16	2,800,000	1,645,000	-	-
Amount due from a subsidiary	21	-	-	145,607,986	152,665,519
Derivative asset	17	-	1,137,060	-	-
Deferred tax assets	30	49,984,324	58,187,085	-	-
		506,156,417	445,039,387	2,404,998,505	2,264,239,059
Current assets					
Inventories	18	399,155	432,012	-	-
Trade and other receivables	19	185,797,367	127,643,736	156,811	46,718
Contract assets	20	154,441,619	73,929,019	-	-
Prepayments		4,000,523	3,293,945	42,518	91,760
Dividend receivable		-	-	41,262,000	-
Amounts due from subsidiaries	21	-	-	93,954	64,981
Amounts due from related parties	21	7,747,946	16,892,738	-	-
Loans to subsidiaries	22	-	-	4,865,478	-
Tax recoverable		6,433,217	5,897,617	-	-
Financial assets at fair value through other comprehensive income - quoted equity shares	16	236,434,408	206,250,863	-	-
Financial assets at fair value through profit or loss - money market fund	23	27,544,302	54,659,549	-	-
Derivative asset	17	2,586	-	-	-
Cash and bank balances	24	504,249,343	558,056,893	120,155,839	182,344,511
		1,127,050,466	1,047,056,372	166,576,600	182,547,970
Total assets		1,633,206,883	1,492,095,759	2,571,575,105	2,446,787,029

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

Statements of Financial Position as at 30 June 2023 (cont'd)

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
Equity and liabilities					
Equity					
Share capital	25(a)	1,845,200,087	1,845,200,087	1,845,200,087	1,845,200,087
Treasury shares	25(c)	(196,600,677)	(197,775,703)	(196,600,677)	(197,775,703)
Other reserves	26	(1,967,926)	(63,103,242)	265,644,529	67,357,946
Merger deficit	27	(1,943,942,990)	(1,943,942,990)	-	-
Retained profits		1,433,502,822	1,321,682,810	498,095,391	549,240,210
Equity attributable to owners of the parent		1,136,191,316	962,060,962	2,412,339,330	2,264,022,540
Non-controlling interests		13,804,652	13,117,540	-	-
Total equity		1,149,995,968	975,178,502	2,412,339,330	2,264,022,540
Non-current liabilities					
Loans and borrowings	28	171,950,644	193,327,688	152,731,692	175,341,516
Deferred tax liabilities	30	44,130,441	41,667,392	-	-
Provision for defined benefit liabilities	33	13,763,331	12,346,780	-	-
		229,844,416	247,341,860	152,731,692	175,341,516
Current liabilities					
Trade and other payables	31	112,308,808	116,992,544	3,560,926	3,344,044
Contract liabilities	20	112,978,637	131,158,374	-	-
Loans and borrowings	28	7,561,360	7,594,070	-	-
Provision for defined benefit liabilities	33	-	80,330	-	-
Amounts due to subsidiaries	21	-	-	2,548,370	4,069,033
Amounts due to related parties	21	873,424	394,274	-	-
Tax payable		19,644,270	13,355,805	394,787	9,896
		253,366,499	269,575,397	6,504,083	7,422,973
Total liabilities		483,210,915	516,917,257	159,235,775	182,764,489
Net current assets		873,683,967	777,480,975	160,072,517	175,124,997
Total equity and liabilities		1,633,206,883	1,492,095,759	2,571,575,105	2,446,787,029

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 2023

2023		Attributable to owners of the parent							
				<--------- Non-distributable --------->					
Group	Note	Share capital (Note 25(a)) RM	Treasury shares (Note 25(c)) RM	Other reserves (Note 26) RM	Merger deficit (Note 27) RM	Distributable retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
At 1 July 2022		1,845,200,087	(197,775,703)	(63,103,242)	(1,943,942,990)	1,321,682,810	962,060,962	13,117,540	975,178,502
Profit for the year		-	-	-	-	169,591,931	169,591,931	687,112	170,279,043
Other comprehensive income/(loss) for the year		-	-	61,174,202	-	(201,280)	60,972,922	-	60,972,922
Total comprehensive income for the year		-	-	61,174,202	-	169,390,651	230,564,853	687,112	231,251,965
Transactions with owners									
Purchase of treasury shares	25(c)	-	(5,377,265)	-	-	-	(5,377,265)	-	(5,377,265)
Grant of shares under Performance Share Plan	25(d)	-	-	6,513,405	-	-	6,513,405	-	6,513,405
Release of shares under Performance Share Plan	25(c)	-	6,552,291	(6,552,291)	-	-	-	-	-
Dividends on ordinary shares	34	-	-	-	-	(57,570,639)	(57,570,639)	-	(57,570,639)
Total transactions with owners in their capacity as owners		-	1,175,026	(38,886)	-	(57,570,639)	(56,434,499)	-	(56,434,499)
At 30 June 2023		1,845,200,087	(196,600,677)	(1,967,926)	(1,943,942,990)	1,433,502,822	1,136,191,316	13,804,652	1,149,995,968

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 2023

2022 Group	Note	Attributable to owners of the parent — <--------- Non-distributable ---------> Share capital (Note 25(a)) RM	Share premium (Note 25(b)) RM	Treasury shares (Note 25(c)) RM	Other reserves (Note 26) RM	Merger deficit (Note 27) RM	Distributable retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
At 1 July 2021		191,040,654	186,497,272	(25,769,645)	2,055,419	(476,280,829)	1,176,873,429	1,054,416,300	52,188	1,054,468,488
Profit for the year		-	-	-	-	-	182,152,841	182,152,841	550,644	182,703,485
Other comprehensive (loss)/income for the year		-	-	-	(64,729,892)	-	673,241	(64,056,651)	-	(64,056,651)
Total comprehensive (loss)/income for the year		-	-	-	(64,729,892)	-	182,826,082	118,096,190	550,644	118,646,834
Transactions with owners										
Purchase of treasury shares	25(c)	-	-	(178,574,019)	-	-	-	(178,574,019)	-	(178,574,019)
Reclassification of share premium upon re-domiciliation - transition to no par value concept *	25(a),(b)	1,654,159,433	(1,654,159,433)	-	-	-	-	-	-	-
Reclassification of share premium upon re-domiciliation - set off against merger deficit for business combinations involving entities under common control **	25(b),27	-	1,467,662,161	-	-	(1,467,662,161)	-	-	-	-
Grant of shares under Performance Share Plan	25(d)	-	-	-	6,139,192	-	-	6,139,192	-	6,139,192
Release of shares under Performance Share Plan	25(c)	-	-	6,567,961	(6,567,961)	-	-	-	-	-
Gain on deemed disposal of 20% equity interest in a subsidiary without loss of control	14	-	-	-	-	-	4,926,844	4,926,844	12,514,708	17,441,552
Dividends on ordinary shares	34	-	-	-	-	-	(42,943,545)	(42,943,545)	-	(42,943,545)
Total transactions with owners in their capacity as owners		1,654,159,433	(186,497,272)	(172,006,058)	(428,769)	(1,467,662,161)	(38,016,701)	(210,451,528)	12,514,708	(197,936,820)
At 30 June 2022		1,845,200,087	-	(197,775,703)	(63,103,242)	(1,943,942,990)	1,321,682,810	962,060,962	13,117,540	975,178,502

* Pursuant to Singapore Companies Act 1967 Sections 62A and 62B, there is no par value concept ("No Par Value Concept") after 30 January 2006. Accordingly, the Company reclassified the amount in "share premium" to "share capital" after the re-domiciliation of the Company from Bermuda to Singapore. Any future share issuance shall be credited in full to "share capital" in the statement of financial position of the Company.

** Pursuant to Section 40(1) of Bermuda Companies Act 1981, the share premium from the reissuance of treasury shares for the acquisition of subsidiaries accounted for using the pooling of interest method ("Acquisition Share Premium") can be set off against the merger deficit arising from the acquisition. Following the re-domiciliation of the Company from Bermuda to Singapore, the Company applied No Par Value Concept in accordance with Singapore Companies Act 1967 and the set off of Acquisition Share Premium against the merger deficit had been reversed.

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 2023

	Note	Group 2023 RM	Group 2022 RM
Operating activities			
Profit before tax		229,561,758	231,857,613
Adjustments for:			
Amortisation of intangible assets	7, 13	27,253,208	23,725,260
Depreciation of property, plant and equipment	7, 11	3,597,195	3,762,328
Depreciation of right-of-use assets	7, 12	8,549,998	9,221,862
Write off of property, plant and equipment	7	28,943	38,120
Net loss on disposal of property, plant and equipment	7	38,647	-
Net gain on disposal of right-of-use assets	5	(103,490)	(753)
Net gain on lease modifications	5	(173,984)	(59,475)
Derecognition of derivative asset upon expiry of call option	7	-	756,928
Bad debts written off	7	73,007	739,923
Expected credit losses on trade receivables	7	1,948,852	131,816
Expected credit losses on contract assets	7	-	376,688
Reversal of expected credit losses on trade receivables	5	(289,316)	(1,301,330)
Reversal of expected credit losses on contract assets	5	(150,382)	-
Reversal of provision for foreseeable losses	7	(508,068)	-
Dividend income from financial assets - quoted equity shares	5	(63,000)	-
(Gain)/loss on redemption of financial assets - money market fund	5, 7	(861,177)	324,707
Net unrealised foreign currency exchange loss/(gain)	7, 5	3,231,581	(4,198,123)
Fair value adjustment on subsequent measurement of put liability	5	-	(1,461,018)
Loss/(gain) on derivative asset at fair value through profit or loss	7, 5	1,176,968	(1,117,620)
Performance shares issued	8	6,595,272	6,022,312
Waiver of debts	5	(108,112)	(7,646)
Allowance for unutilised leave	8	1,853,268	763,716
Defined benefit obligation	8, 33	590,497	1,846,619
Share of loss of an associate	15	954,267	-
Finance costs	6	8,351,752	2,799,252
Finance income	4	(11,746,754)	(3,079,286)
Total adjustments		50,239,172	39,284,280
Operating cash flows before changes in working capital		279,800,930	271,141,893
Changes in working capital:			
Inventories		21,124	161,342
Trade and other receivables		(56,439,341)	12,130,197
Contract assets/liabilities		(95,887,698)	5,934,851
Amounts due from/to related parties, net		9,621,422	(9,822,918)
Trade and other payables		(9,764,967)	40,011,701
Total changes in working capital		(152,449,460)	48,415,173
Cash flows from operations		127,351,470	319,557,066
Net (placement)/uplift of deposits pledged		(414,937)	655,633
Defined benefits paid	33	(89,886)	-
Income tax paid		(46,142,514)	(48,822,497)
Interest paid		(8,086,832)	(1,094,971)
Net cash flows from operating activities		72,617,301	270,295,231

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 2023

	Note	Group 2023 RM	Group 2022 RM
Investing activities			
Purchases of property, plant and equipment	11	(5,121,089)	(2,035,389)
Purchases of right-of-use assets	(a)	(46,401)	-
Payments for software development expenditure	13	(78,110,516)	(47,463,065)
Payments for other intangible assets	13	(2,131,855)	(2,623,196)
Proceeds from disposal of property, plant and equipment		152,191	507
Proceeds from disposal of right-of-use assets		275,314	10,387
Proceeds from redemption of financial assets - money market fund		27,976,424	1,131,097
Investment in an associate		-	(6,014,064)
Purchases of financial assets - money market fund		-	(28,449,410)
Purchases of financial assets - quoted equity shares	16	-	(735,000)
Interest received		11,209,177	3,037,647
Dividend income received from financial assets - quoted equity shares		63,000	-
Net cash flows used in investing activities		(45,733,755)	(83,140,486)
Financing activities			
Dividends paid	34	(57,570,639)	(42,943,545)
Purchase of treasury shares	25(c)	(5,377,265)	(178,574,019)
Proceeds from revolving credit	38	-	173,852,000
Repayment of term loan and revolving credit	38	(36,582,936)	(246,598)
Payment of upfront fee for revolving credit	38	-	(1,508,250)
Payment of principal portion of lease liabilities	38	(8,265,745)	(9,497,123)
Net cash flows used in financing activities		(107,796,585)	(58,917,535)
Net (decrease)/increase in cash and cash equivalents		(80,913,039)	128,237,210
Effects of exchange rate changes on cash and cash equivalents		26,687,864	13,356,431
Cash and cash equivalents at beginning of the year		548,934,776	407,341,135
Cash and cash equivalents at end of the year	24	494,709,601	548,934,776

(a) Additions of right-of-use assets during the financial year were by way of:

	Group 2023 RM	Group 2022 RM
Cash	46,401	-
Leases	5,167,388	70,092
	5,213,789	70,092

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 2023

1. Corporate information

Silverlake Axis Ltd. (the Company) was an exempt company with limited liability and incorporated in Bermuda. On 23 September 2021, the Company transferred its domicile from Bermuda to Singapore and it is now registered in Singapore.

The Company regards Zezz FundQ Pte. Ltd. ("Zezz"), an exempt private company incorporated in Singapore, as its holding company.

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

The registered office of the Company is located at 80 Robinson Road, #02-00 Singapore 068898.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 14. There have been no significant changes in the nature of these activities during the financial year.

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 Singapore Financial Reporting Standards (International) ("SFRS(I)s") issued by Accounting Standards Council Singapore ("ASC"). SFRS(I)s are equivalent to International Financial Reporting Standards ("IFRSs").

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 SFRS(I) 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 SFRS(I) which is effective 1 July 2022 for the Group and the Company:

Amendments to SFRS(I) 3 – Reference to the Conceptual Framework
Amendments to SFRS(I) 1-16 – Property, Plant and Equipment - Proceeds Before Intended Use
Amendments to SFRS(I) 1-37 – Onerous Contracts - Costs of Fulfilling a Contract
Annual Improvements to SFRS(I)s 2018 - 2020 Cycle

- Amendments to SFRS(I) 1 – First-time Adoption of Singapore Financial Reporting Standards (International) - Subsidiary as A First-time Adopter
- Amendments to SFRS(I) 9 – Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
- Amendments to SFRS(I) 1-41 – Agriculture - Taxation in Fair Value Measurements

The adoption of the above amendments to standards did not have any significant effect on the financial performance or position of the Group and of the Company.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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
SFRS(I) 17	Insurance Contracts	1 January 2023
Amendments to SFRS(I) 1-8	Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-12	International Tax Reform - Pillar Two Model Rules	1 January 2023 or immediately
Amendments to SFRS(I) 1-12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 17	Initial Application of SFRS(I) 17 and SFRS(I) 9 - Comparative Information	1 January 2023
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 1-1	Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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 will have a significant impact on the Group's financial statements.

2.4 Summary of significant accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2023.

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

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

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group reassesses 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 consolidated financial statements 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 in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses 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 resultant gain or loss in profit or loss; and
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained profits, 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, which is measured at acquisition date fair value, 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.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

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

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 remeasured 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 recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

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 reassesses 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 reassessment 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.

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 equity 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 business combination under common control 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(c) Associate

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.

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

The Group's investment in its associate is accounted for using the equity method.

Under the equity method, the investment in an associate 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 since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The income statement reflects the Group's share of the results of operations of the associate. 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, 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 are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate 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.

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 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 associate. At each reporting date, the Group determines whether there is objective evidence that the investment in associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit or loss of an associate' in the income statement.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

(d) Investments in subsidiaries and associate

Investments in subsidiaries and associate are carried at cost less accumulated impairment losses in the Group and the Company's statements 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 and associate, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in the Group and the Company's income statements.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(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 statement 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 of 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.

(f) Foreign currency translation

The Company's functional currency is Singapore Dollar ("SGD"). The Group's consolidated financial statements are presented in RM. 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's 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 rates of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are recognised in income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates 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 measured at fair value is treated in line with the recognition of gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into RM 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 OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to income statement.

Any goodwill arising on the acquisition of a foreign operation 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(g) Revenue recognition

Revenue from contracts with customers

The Group is in the business of providing digital economy solutions such as software licensing, software project services (professional services), maintenance and enhancement services, sale of software and hardware products, insurance ecosystem transactions and services and retail transactions processing. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, since it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.5.

(i) Software licensing

Revenue from software licensing is recognised at a point in time 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, license fees are recognised upon transfer of title to the customer, which takes place upon delivery and customer acceptance.

When there is significant modification required subsequent to the delivery of the software source codes, the performance obligation on software licensing is satisfied over time, where revenue is recognised using the input method in measuring the progress towards complete satisfaction of the performance obligation. Payment is generally due upon completion of customisation and acceptance by the customer.

(ii) Software project services (professional services)

Revenue from the rendering of software project services (professional services) is recognised over time. The Group uses the input method in measuring progress towards complete satisfaction of software project services (professional services), by reference to the actual cost incurred for work performed to date bear to the estimated total costs for each contract, as disclosed in Note 2.4(h).

(iii) Maintenance and enhancement services

The Group provides maintenance and enhancement services that are either sold separately or bundled together with software licensing and software project services (professional services) to a customer.

Contracts for bundled software project services (professional services) and maintenance services comprise multiple performance obligations as the promises to perform the software implementation and to provide maintenance services subsequent to the completion of software implementation are capable of being distinct and separately identifiable. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of each performance obligation.

The Group recognises revenue from maintenance services over the contractual period and enhancement services over time using an input method to measure progress towards complete satisfaction of the service, as the customer simultaneously receives and consumes the benefits provided by the Group.

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(g) Revenue recognition (cont'd)

Revenue from contracts with customers (cont'd)

(iv) Sale of software and hardware products

Revenue from the sale of software and hardware products is recognised at a point in time upon delivery of products and customer acceptance, net of discounts.

When another party is involved in providing the software and hardware to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis when it controls the promised goods or services before transferring them to the customer (e.g. provides services of integrating software and hardware products provided by another party into the specified service for which the customer has contracted). When the Group's role is only to arrange for another party to provide the software and hardware products, the Group is an agent and records revenue at the net amount that it retains for its agency services.

(v) Insurance ecosystem transactions and services

Revenue on insurance ecosystem transactions and services comprises service fee received from customers which are recognised at a point in time and integration services which are recognised over time. The payments for these services are generally due upon rendering of services and acceptance by customers respectively.

(vi) Retail transactions processing

Revenue from retail transactions processing comprises cloud subscriptions received from customers which are recognised over the subscription period. The payment for this service is generally due at the beginning of the subscription period.

The Group considers whether there are other promises in each of the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. options to acquire additional licensing or services at a discount and free man-days or maintenance services for specified period in bundled contract). The Group allocates a portion of the transaction price to each separate performance obligation identified. The revenue allocated to these separate performance obligations are deferred until they are utilised, exercised, expired or lapsed, and presented within contract liabilities when the consideration is received.

Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in Note 2.4(p).

(ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). The accounting policies of financial assets are as disclosed in Note 2.4(p).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(g) Revenue recognition (cont'd)

Contract balances (cont'd)

(iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Other income

(i) Interest income

Interest income is recognised using the effective interest method.

(ii) Dividend income

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

(iii) Commission income

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

(h) Income recognition on contracts

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the progress towards complete satisfaction of a performance obligation in the contract at the reporting date. 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. Contract revenue is adjusted based on the stand-alone selling prices for contracts with bundled services in accordance with the requirements for determining the transaction price in SFRS(I) 15.

The progress towards complete satisfaction of a performance obligation in a contract 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 directly attributable to the acquisition, construction or production of an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs ceases when all activities necessary to prepare the qualifying asset for its intended use or sale are completed.

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is the weighted average of borrowing costs applicable to borrowings that are outstanding during the financial year, other than borrowings made specifically for the purpose of financing a specific qualifying asset, in which case the actual borrowing cost incurred on that borrowing less any investment income on the temporary investment of that borrowings, will be capitalised.

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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(j) Taxes

Current income tax

Current income tax assets and liabilities 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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 associate, 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unutilised 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 unutilised 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 associate, 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 OCI or directly in equity.

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 recognised in profit or loss.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(j) Taxes (cont'd)

Deferred tax (cont'd)

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Sales tax and service tax

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

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

The payable amount of sales and service tax ("SST") in Malaysia is included as part of payables in the statements of financial position.

(k) Current versus non-current classification

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

An asset is current when it is:

- expected to be realised or intended to be 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issuance of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(l) Property, plant and equipment

(i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

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. Such costs also include the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

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.

(ii) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives, as follows:

Furniture and fittings	3 to 10 years
Motor vehicles	5 to 7 years
Office equipment	2 to 10 years

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 Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(m) Leases (cont'd)

Group as a lessee (cont'd)

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Motor vehicles	5 to 7 years
Office equipment	2 to 5 years
Office premises	2 to 6 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The policy for recognition and measurement of impairment losses is in accordance with Note 2.4(o).

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in loans and borrowings as disclosed in Note 28.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an 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 2023

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 rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the income statement due to its operating nature. Initial direct costs incurred in negotiating and arranging 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 rental income 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 use or sell the asset;
- the ability to use or sell the intangible asset generated;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

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 values 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.

Other intangible assets with finite lives are amortised over the economic useful lives 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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

Purchased software	5 to 10 years
Proprietary software	10 years
Customer relationship	2 to 12 years
Customer contracts	2 years

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. 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 has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. 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 different CGUs, including a sensitivity analysis are further explained in Note 2.5.

For assets excluding goodwill, an assessment is made at each reporting date to determine 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 CGU's 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 or CGU'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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

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

Goodwill

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

Impairment of goodwill is determined 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.

Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in those units or groups of units on a pro-rata basis.

(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 SFRS(I) 9 are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under SFRS(I) 15. The accounting policies for recognition of revenue from contracts with customers are as disclosed in Note 2.4(g).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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 and the Company's financial assets comprise financial assets measured at amortised cost, fair value through OCI, and fair value through profit or loss.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

<u>Financial assets at amortised cost (debt instruments)</u>

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amounts due from related parties, amounts due from subsidiaries and loans to subsidiaries.

<u>Financial assets designated at fair value through OCI (equity instruments)</u>

Upon initial recognition, the Group and the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under SFRS(I) 1-32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company elected to classify irrevocably its investment in quoted equity shares under this category.

<u>Financial assets at fair value through profit or loss</u>

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the income statement.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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 (cont'd)

Financial assets at fair value through profit or loss (cont'd)

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative are required to be classified in its entirety as a financial asset at fair value through profit or loss.

The Group's and the Company's financial assets at fair value through profit or loss include investment in money market fund and derivative instrument which the Group and the Company had not irrevocably elected to classify at fair value through OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's and the Company's statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group and the Company have 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 and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have 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 Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have 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 and the Company could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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)

Impairment of financial assets (cont'd)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are past due based on the Group's policy. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's and the Company's financial liabilities include trade and other payables, amounts due to related parties, amounts due to subsidiaries and loans and borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

<u>Financial liabilities at fair value through profit or loss</u>

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by SFRS(I) 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the income statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in SFRS(I) 9 are satisfied. The Group and the Company have no financial liabilities designated or classified at fair value through profit or loss in the current financial year.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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) Financial liabilities (cont'd)

Subsequent measurement (cont'd)

Financial liabilities at amortised cost (loans and borrowings)

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 as 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.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if:

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

(q) Fair value measurement

The Group and the Company measure financial instruments such as quoted investments, money market fund and derivative asset 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 and the Company.

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 and the Company use 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(q) Fair value measurement (cont'd)

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 and the Company determine whether transfers have occurred between levels in the hierarchy by reassessing 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 and the Company have 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 37(e).

(r) Inventories

Inventories are valued at the lower of cost and net realisable value.

The cost of inventories is calculated using the first-in/first-out method, and includes expenditure incurred in bringing the inventories to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

(s) Cash and bank balances

Cash and bank balances in the statements 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, and are subject to an insignificant risk of changes in values, net of pledged deposits.

(t) 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.

(u) 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 equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(v) 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 in exchange 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 in employee benefits expense, together with a corresponding increase in the PSP reserve in equity, over the period in which the performance and/or service conditions are fulfilled. 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 expense or credit in the income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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 vested irrespective of whether 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 grant date fair value of the unmodified award, if the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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.

(w) 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.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. 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.

(x) 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 benefits expense in the period in which the related service is performed, unless they can be capitalised as an asset.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(x) Employee benefits (cont'd)

(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.

(y) Defined benefit plans

The net defined benefit liability 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.

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

Defined benefit costs comprise the following:

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

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

Net interest on the net defined benefit liability is the change in the net defined benefit liability during the period, that arises from the passage of time and determined by applying the discount rate based on high quality corporate bonds to measure the net defined benefit liability. The net interest is recognised in the income statement.

Remeasurements, comprising actuarial gains and losses, are recognised immediately in the statements of financial position with a corresponding debit or credit to retained profits through other comprehensive income in the period in which they arise. Remeasurements are not reclassified to income statement in subsequent periods.

(z) 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.

(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); or
(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).

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(aa) 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 statements of financial position 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.

(ab) 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 40, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.5 Significant accounting estimates and judgements

The preparation of the Group's consolidated 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 require a material adjustment to the carrying amount of the assets or liabilities 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) Measurement of progress towards complete satisfaction of software project services (professional services)

The Group uses the input method in measuring progress towards complete satisfaction of software project services (professional services) in accounting for its contract revenue for rendering of these services where it is probable that contract costs are recoverable. The progress towards complete satisfaction of software project services (professional services) is determined by the proportion that the contract costs incurred to date bear to the estimated total costs for the contract.

Significant judgement is required in determining the progress towards complete satisfaction of software project services (professional services), 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 estimation, the Group evaluates based on its past experience of similar types of contracts.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(a) Measurement of progress towards complete satisfaction of software project services (professional services) (cont'd)

Sensitivity analysis on the estimated remaining contract costs

If the estimated remaining contract costs (excluding sub-contractor fees) for material contracts increase by 10%, the net profit of the Group will decrease by approximately RM1,110,000 (2022: RM942,000).

(b) Capitalisation and economic useful lives of software development expenditure

The Group capitalised costs relating to the development and enhancement of its new and existing software respectively, upon meeting the criteria for capitalisation as disclosed in Note 2.4(n)(i). Amortisation of the software begins when development is complete and the software is available for use over the period of expected future benefit (to the maximum of 10 years). The Group reviews the economic useful lives of the software at least once a year. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised.

Sensitivity analysis on economic lives of software development expenditure

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	
	2023 RM	2022 RM
If economic lives increase by 1 year: Decrease in amortisation	1,645,730	1,364,784
If economic lives decrease by 1 year: Increase in amortisation	(2,011,448)	(1,668,070)

(c) Impairment of goodwill

An impairment exists 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, conducted at arm's length, for 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 flows 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.

The recoverable amounts are most sensitive to the discount rate used for the discounted cash flows 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 13. No further impairment loss on goodwill has been recognised in the current and previous financial years.

(d) Impairment of investments in subsidiaries

The Company assesses, at each reporting date, whether there is an indication that the investments in 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 as at 30 June 2023 was RM2,259,360,871 (2022: RM2,111,538,501) (Note 14).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(d) Impairment of investments in subsidiaries (cont'd)

The carrying value of the Company's investments in subsidiaries has been tested for impairment by discounting the total estimated future cash flows of the subsidiaries' business using long-term growth rate ranging from 2% to 3% (2022: 2% to 3%) and discount rate ranging from 11% to 16% (2022: 12% to 14%), varying in accordance to country and industry, taking into consideration the nature and basis for valuation adjustments and calculations. No impairment loss was recognised on investments in subsidiaries in the current and previous financial years.

Sensitivity analysis on discount rate and terminal growth rate used

On the basis that all other assumptions in the value in use calculation remain constant, an increase of 0.5% in discount rate and a decrease of 0.5% in terminal growth rate would result in potential impairment loss amounting to RM57,668,000 and RM42,578,000 respectively, on investments in two subsidiaries of the Company.

(e) Provision for expected credit losses ("ECLs") of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geographical region).

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. If forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated with the changes in the forward-looking estimates.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs require estimation. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

The carrying amounts of the Group's trade receivables and contract assets at the reporting date are disclosed in Note 19 and Note 20 respectively. The assessment of credit risk and the information about the ECLs on the Group's trade receivables and contract assets are disclosed in Note 37(c).

(f) Income tax 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 written-down allowance of intellectual property rights, capital and other tax 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 estimation 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 unutilised tax losses and other tax benefits to the extent that it is probable that taxable profit will be available against which the losses and tax benefits 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 RM12,385,640 (2022: RM9,857,322) of unutilised tax losses carried forward in which no deferred tax assets have been recognised. These losses relate to subsidiaries that have a history of losses and may not be used to offset taxable income elsewhere in the Group. The subsidiaries do not have sufficient 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 these tax losses carried forward.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(f) Income tax and deferred tax (cont'd)

If the Group was able to recognise these unrecognised deferred tax assets, profit and equity would have increased by RM2,715,497 (2022: RM2,091,089). Further details on taxes are disclosed in Note 9 and Note 30.

Judgements made in applying accounting policies

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

(a) 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.

(b) Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(i) Identifying separate performance obligations in a bundled contract

The Group provides software license, software project services (professional services), maintenance and enhancement services that are either sold separately or bundled together to a customer. These promises are part of the negotiated exchange between the Group and the customer.

The Group determined that for software that is to be substantially customised to add significant new functionality to enable the software to interface with other software applications used by the customer, both the license and the implementation services are not capable of being distinct. The contract results in a promise to provide a significant service of integrating the licensed software into the existing software system by performing a customisation. In other words, the Group is using the license and the customisation as inputs to produce the combined output (i.e. a functional and integrated software system). The software is significantly modified and customised by the implementation service.

The Group also determined that the promises to transfer the customised software solution and to provide maintenance services are distinct within the context of the contract. The customised software solution and maintenance services are not inputs to a combined item in the contract. The Group is not providing a significant integration service as the presence of the customised software solution and maintenance services together in this contract do not result in any additional or combined functionality and neither the customised software solution nor the maintenance services modify or customise the other. In addition, the customised software solution and maintenance services are not highly interdependent or highly interrelated since the Group would be able to transfer the customised software solution even if the customer does not engage the Group for the maintenance services.

The Group also identified a small number of maintenance service contracts with customers that contain free man-days and certain contracts that grants options to customers to acquire additional goods or services at discounts. The free man-days and the options that provide the customers material rights are accounted for as separate performance obligations.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Judgements made in applying accounting policies (cont'd)

(b) Revenue from contracts with customers (cont'd)

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers: (cont'd)

(ii) Determining the timing of satisfaction of performance obligations

The Group concluded that revenue from the provision of software implementation services is to be recognised over time because the Group creates or enhances the customised software solution that the customer controls as it is created or enhanced; and the Group's performance does not create a software solution with alternative use and the Group has a right to payment for performance completed to date.

The Group determined that the input method is the appropriate method in measuring progress of the implementation services because there is a direct relationship between the Group's effort and the transfer of implementation service to the customer.

For maintenance services, the Group concluded that revenue is to be recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to re-perform the maintenance services that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

(c) Determining the lease term of contracts with renewal and termination options – Group as a lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

3. Revenue

		Group	
	Note	2023 RM	2022 RM
Sale of goods or rendering of services			
Software licensing	(a)	73,913,899	84,151,905
Software project services (professional services)	(b)	102,014,974	90,947,063
Maintenance and enhancement services	(c)	513,111,353	499,140,446
Sale of software and hardware products	(d)	20,630,038	20,841,268
Insurance ecosystem transactions and services	(e)	52,260,628	39,357,041
Retail transactions processing	(f)	3,984,333	2,103,959
Total revenue from contracts with customers		765,915,225	736,541,682
Timing of revenue recognition			
At a point in time		70,251,568	54,351,467
Over time		695,663,657	682,190,215
Total revenue from contracts with customers		765,915,225	736,541,682

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

3. Revenue (cont'd)

Performance obligations

Information about the Group's performance obligations are summarised below:

(a) Software licensing

The performance obligation is satisfied at a point in time when there are no obligations subsequent to the delivery of the software source codes, and payment is due upon transfer of title to the customer, which takes place upon delivery and acceptance by customer.

When there is significant modification required subsequent to the delivery of the software source codes, the performance obligation on software licensing is satisfied over time, where revenue is recognised using the input method in measuring the progress towards complete satisfaction of the performance obligation. Payment is generally due upon completion of customisation and acceptance by the customer.

Included in software licensing revenue disclosed above is software licensing revenue recognised over time using the input method amounting to RM67,089,232 (2022: RM81,764,728).

(b) Software project services (professional services)

The performance obligation is satisfied over time and payment is generally due upon completion of customisation and acceptance by the customer. For some contracts, short-term advances are required before the customisation service is provided.

In compliance with SFRS(I) 15, software licensing together with software project services (professional services) which involve significant customisation are treated as a single performance obligation. For SFRS(I) 15 disclosure purpose, total software licensing and software project services revenue (professional services) recognised over time amounted to RM169,104,206 (2022: RM172,711,791).

(c) Maintenance and enhancement services

Revenue from maintenance and enhancement services comprise two separate performance obligations i.e. maintenance services and enhancement services, amounting to RM257,314,483 and RM255,796,870 (2022: RM245,594,407 and RM253,546,039) respectively.

Maintenance services are satisfied over time and payment is generally due in advance at the beginning of the maintenance period.

Enhancement services are satisfied over time and payment is generally due upon completion of customisation and acceptance by the customer. For some contracts, short-term advances are required before the customisation service is provided.

(d) Sale of software and hardware products

The performance obligation is satisfied at a point in time and payment is due upon delivery and acceptance by customer.

(e) Insurance ecosystem transactions and services

Revenue from insurance ecosystem comprises service fee received from customers which are recognised at a point in time and integration services which are recognised over time, amounting to RM42,796,863 and RM9,463,765 (2022: RM31,123,022 and RM8,234,019) respectively. Payments for these services are generally due upon rendering of services and acceptance by customer respectively.

(f) Retail transactions processing

This represents cloud subscription received from customers which are recognised over time and payment for this service is generally due at the beginning of the subscription period.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

3. Revenue (cont'd)

Performance obligations (cont'd)

Information about the Group's performance obligations are summarised below: (cont'd)

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June are as follows:

	Group	
	2023 RM	2022 RM
Within one year	354,564,852	321,676,697
More than one year	139,769,154	133,583,565
	494,334,006	455,260,262

The Group applies the practical expedient on the exemption to disclose the information on the remaining performance obligations that have original expected durations of one year or less.

Included in the aggregate amount of remaining performance obligations (unsatisfied or partially unsatisfied) to be recognised within one year are maintenance services contracts with auto-renewal term amounting to RM146,571,303 (2022: RM134,136,884), which is recurring in nature unless notice of termination is made available and mutually agreed before renewal.

The remaining performance obligations expected to be recognised in more than one year relate to the customisation of software solutions to be satisfied within three years (2022: two years) and maintenance services to be satisfied within five years (2022: within five years).

4. Finance income

	Group	
	2023 RM	2022 RM
Interest income from deposits with licensed banks	11,328,559	3,079,286
Unwinding of discount on amounts due from customers (receivables) *	418,195	-
Total finance income	11,746,754	3,079,286

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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

5. Other income

	Group	
	2023 RM	**2022 RM**
Commission income and other incentives	738,715	125,983
Dividend income from financial assets - quoted equity shares	63,000	-
Gain on redemption of financial assets - money market fund	861,177	-
Gain on derivative asset at fair value through profit and loss	-	1,117,620
Net unrealised foreign currency exchange gain	-	4,198,123
Net gain on disposal of right-of-use assets	103,490	753
Net gain on lease modifications	173,984	59,475
Rental income of office premises	241,014	230,465
Fair value adjustment on subsequent measurement of put liability (Note 14)	-	1,461,018
Reversal of expected credit losses on trade receivables (Note 37(c))	289,316	1,301,330
Reversal of expected credit losses on contract assets (Note 37(c))	150,382	-
Rent concessions	-	288,875
Government subsidies	181,651	1,181,627
Waiver of debts	108,112	7,646
Miscellaneous income	472,941	1,351,327
Total other income	3,383,782	11,324,242

6. Finance costs

	Group	
	2023 RM	**2022 RM**
Interest expense on:		
- Revolving credit	7,522,022	333,938
- Lease liabilities (Note 29)	783,878	746,263
- Term loan	5,623	14,770
	8,311,523	1,094,971
Unwinding of discount on put liability for business combination	-	1,704,281
Unwinding of discount on amounts due to customers (payables) *	40,229	-
Total finance costs	8,351,752	2,799,252

* *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 2023

7. Profit before tax

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

	Group	
	2023 RM	2022 RM
Amortisation of intangible assets (Note 13)	27,253,208	23,725,260
Depreciation of property, plant and equipment (Note 11)	3,597,195	3,762,328
Depreciation of right-of-use assets (Note 12)	8,549,998	9,221,862
Write off of property, plant and equipment	28,943	38,120
Derecognition of derivative asset upon expiry of call option	-	756,928
Loss on derivative asset at fair value through profit or loss (Note 17)	1,176,968	-
Net loss on disposal of property, plant and equipment	38,647	-
Loss on redemption of financial assets - money market fund	-	324,707
Bad debts written off	73,007	739,923
Expected credit losses on trade receivables (Note 37(c))	1,948,852	131,816
Expected credit losses on contract assets (Note 37(c))	-	376,688
Reversal of provision for foreseeable losses	(508,068)	-
Net foreign currency exchange loss:		
- Realised	1,179,717	1,402,625
- Unrealised	3,231,581	-
Directors' fees	3,792,202	3,430,473
Employee benefits expense (Note 8)	323,684,694	325,297,056
Audit fees:		
- Auditors of the Company	435,000	376,731
- Other auditors	2,131,000	1,647,149
Non-audit fees:		
- Auditors of the Company	377,089	76,215
- Other auditors	248,989	363,655
Lease expenses (Note 29)	4,651,111	2,716,712

Total software project costs (including employee benefits expense) recognised in cost of sales amounted to RM69,229,292 (2022: RM63,121,986).

8. Employee benefits expense (including directors' remuneration)

	Group	
	2023 RM	2022 RM
Wages and salaries	320,669,339	309,084,019
Defined contribution plans	29,944,413	28,595,054
Defined benefit obligation (Note 33)	590,497	1,846,619
Performance shares issued	6,595,272	6,022,312
Allowance for unutilised leave	1,853,268	763,716
Retirement benefits	216,703	3,846,367
Other employee benefits	7,238,058	6,617,188
	367,107,550	356,775,275
Less: Capitalised under intangible assets (Note 13)	(40,399,897)	(29,605,576)
Less: Capitalised under contract assets (Note 20)	(3,022,959)	(1,872,643)
	323,684,694	325,297,056

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

9. Income tax expense

	Group 2023 RM	Group 2022 RM
Current income tax:		
- Malaysia	36,360,118	31,636,211
- Singapore	4,941,803	3,833,343
- Thailand	3,047,530	2,825,256
- Brunei	1,495,232	1,429,393
- Indonesia	3,900,742	2,629,133
- Philippines	1,310,501	1,081,457
- Slovakia	143,657	349,209
- Others	112,408	32,784
	51,311,991	43,816,786
Deferred tax (Note 30)		
- Origination and reversal of temporary differences	7,492,120	2,612,138
Under/(over) provision in prior financial years:		
- Income tax	(69,394)	(39,286)
- Deferred tax (Note 30)	547,998	34,361
	478,604	(4,925)
Income tax expense for the year	59,282,715	46,423,999
Foreign and withholding tax	-	2,730,129
	59,282,715	49,154,128

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

	2023	2022
Malaysia	24%	24%
Singapore	17%	17%
Thailand	20%	20%
Brunei	19%	19%
Indonesia	22%	22%
Philippines	25%	25%
Slovakia	21%	21%
Other jurisdictions	17% - 31%	17% - 31%

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 2023

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 2023 and 2022 are as follows:

	Group	
	2023 RM	2022 RM
Profit before tax	229,561,758	231,857,613
Tax calculated at a tax rate of:		
- Malaysia 24% (2022: 24%)	34,769,055	36,200,404
- Singapore 17% (2022: 17%)	1,173,743	2,451,563
- Thailand 20% (2022: 20%)	2,958,791	2,766,554
- Brunei 19% (2022: 19%)	1,598,950	1,652,149
- Indonesia 22% (2022: 22%)	4,144,302	2,676,522
- Philippines 25% (2022: 25%)	1,261,057	1,795,683
- Slovakia 21% (2022: 21%)	425,213	(150,624)
- Other jurisdictions 17% - 31% (2022: 17% - 31%)	403,995	(774,818)
Taxation at respective jurisdictions	46,735,106	46,617,433
Tax effect of:		
- Partial exemption and tax relief	(849,464)	(788,670)
- Exempted income under pioneer status [1]	-	(1,772,618)
- Exempted income under Increase in Value of Export Incentive [2]	(1,991,477)	(9,362,143)
- Expenses not deductible for tax purposes:		
Unwinding of discount on put liability for business combination	-	289,728
Derecognition of derivative asset upon expiry of call option	-	128,678
Loss on derivative asset at fair value through profit or loss	200,085	-
Others	18,378,919	19,505,471
- Income not subject to tax	(1,330,317)	(3,036,037)
- Income tax at different tax rate	167,992	871,101
- Others	(139,517)	(146,200)
Utilisation of deferred tax assets on tax allowance claimable in relation to acquired intellectual property (Note 30)	3,494,998	9,239,806
Deferred tax assets not recognised	681,248	67,060
Recognition of deferred tax assets previously not recognised	(63,286)	(688)
Deferred tax on undistributed profits of subsidiaries (Note 30)	2,571,338	(191,645)
Effect of temporary difference originating and reversing during the pioneer period	-	(2,233,157)
Utilisation of previously unrecognised deferred tax assets on capital allowances and tax losses	(51,187)	(17,489)
Utilisation of bilateral tax credit	(9,000,327)	(12,741,706)
Over provision of income tax in prior financial years	(69,394)	(39,286)
Under provision of deferred tax in prior financial years	547,998	34,361
Income tax expense for the year	59,282,715	46,423,999
Foreign and withholding tax	-	2,730,129
	59,282,715	49,154,128

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 2023

9. Income tax expense (cont'd)

1. Two Malaysian subsidiaries of the Group, Silverlake Digital Economy Sdn. Bhd. ("SDE") and Silverlake One Paradigm Sdn. Bhd. ("SOP"), were Multimedia Super Corridor Status Companies and enjoyed the incentives, rights and privileges provided for under the Bill of Guarantees.

   The pioneer period of these subsidiaries were as follows:

Subsidiaries	Commencement date	Expiry date	Extended expiry date
SDE	23 May 2012	22 May 2017	22 May 2022
SOP	23 March 2016	22 March 2021	30 June 2022

   There were no further extension of time for these tax incentives following their expiration in the previous financial year.

2. Five Malaysian subsidiaries of the Group as follows are qualified 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.

   - Silverlake Structured Services Sdn. Bhd.
   - Silverlake Holdings Sdn. Bhd.
   - Silverlake Symmetri (Malaysia) Sdn. Bhd.
   - Silverlake Digitale Sdn. Bhd.
   - Silverlake One Paradigm Sdn. Bhd.

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	
	2023	**2022**
Profit net of tax attributable to owners of the parent (RM)	169,591,931	182,152,841
Weighted average number of ordinary shares for basic earnings per share computation *	2,510,047,364	2,660,008,090
Basic earnings per share (RM sen)	6.76	6.85
Weighted average number of ordinary shares for diluted earnings per share computation	2,510,047,364	2,660,008,090
Diluted earnings per share (RM sen)	6.76	6.85

* 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.

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 2023

11. Property, plant and equipment

Group	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Total RM
At 30 June 2023				
Cost				
At 1 July 2022	8,771,361	1,931,621	15,505,840	26,208,822
Additions	1,409,441	391,229	3,320,419	5,121,089
Disposals	(795,447)	(345,242)	(127,374)	(1,268,063)
Written off	(140,067)	-	(480,324)	(620,391)
Transfer (Note a)	-	365,708	-	365,708
Currency translation differences	271,124	39,635	479,185	789,944
At 30 June 2023	9,516,412	2,382,951	18,697,746	30,597,109
Accumulated depreciation				
At 1 July 2022	3,526,766	928,080	11,578,175	16,033,021
Charge for the year (Note 7)	1,584,452	234,392	1,778,351	3,597,195
Disposals	(605,077)	(345,242)	(126,906)	(1,077,225)
Written off	(114,451)	-	(476,997)	(591,448)
Transfer (Note a)	-	283,423	-	283,423
Currency translation differences	236,454	8,126	394,400	638,980
At 30 June 2023	4,628,144	1,108,779	13,147,023	18,883,946
Net carrying amount	4,888,268	1,274,172	5,550,723	11,713,163
At 30 June 2022				
Cost				
At 1 July 2021	8,072,719	1,217,835	15,479,757	24,770,311
Additions	77,087	561,100	1,397,202	2,035,389
Disposals	-	-	(18,918)	(18,918)
Written off	(5,859)	-	(1,307,130)	(1,312,989)
Transfer (Note a)	750,532	150,187	74,237	974,956
Currency translation differences	(123,118)	2,499	(119,308)	(239,927)
At 30 June 2022	8,771,361	1,931,621	15,505,840	26,208,822
Accumulated depreciation				
At 1 July 2021	1,435,732	646,030	11,095,646	13,177,408
Charge for the year (Note 7)	1,792,069	169,144	1,801,115	3,762,328
Disposals	-	-	(18,411)	(18,411)
Written off	(4,761)	-	(1,270,108)	(1,274,869)
Transfer (Note a)	384,648	114,518	58,631	557,797
Currency translation differences	(80,922)	(1,612)	(88,698)	(171,232)
At 30 June 2022	3,526,766	928,080	11,578,175	16,033,021
Net carrying amount	5,244,595	1,003,541	3,927,665	10,175,801

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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

Company	Office equipment RM
At 30 June 2023	
Cost	
At 1 July 2022	42,008
Currency translation differences	3,724
At 30 June 2023	45,732
Accumulated depreciation	
At 1 July 2022	6,969
Charge for the year	8,096
Currency translation differences	1,019
At 30 June 2023	16,084
Net carrying amount	29,648
At 30 June 2022	
Cost	
At 1 July 2021	7,381
Additions	38,358
Transfer (Note a(ii))	(4,495)
Currency translation differences	764
At 30 June 2022	42,008
Accumulated depreciation	
At 1 July 2021	5,445
Charge for the year	4,742
Transfer (Note a(ii))	(3,371)
Currency translation differences	153
At 30 June 2022	6,969
Net carrying amount	35,039

(a)(i) Transfer of ownership at the end of the lease term
During the financial year, motor vehicles with net carrying amount of RM82,285 (2022: furniture and fittings, motor vehicles and office equipment with net carrying amount of RM418,283) that had been previously used under lease agreement were transferred from right-of-use assets (Note 12) to property, plant and equipment at the end of their lease terms.

(a)(ii) Transfer of assets
In the previous financial year, office equipment with net carrying amount of RM1,124 was transferred to a former director of the Company as retirement gratuity.

The amounts are included in "other employee benefits" in Note 8.

Assets pledged as security for borrowings
Property, plant and equipment of a subsidiary with an aggregate carrying amount of RM322,529 (2022: RM336,148) are pledged to secure the term loan facility of that subsidiary (Note 28). The term loan has been fully settled during the financial year.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

12. Right-of-use assets

Group	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Office premises RM	Total RM
Net carrying amount					
At 1 July 2021	365,884	1,984,533	1,088,189	22,632,645	26,071,251
Additions	-	-	70,092	-	70,092
Charge for the year (Note 7)	-	(620,456)	(294,694)	(8,306,712)	(9,221,862)
Modification	-	-	-	9,066,790	9,066,790
Disposals	-	(1)	(9,633)	-	(9,634)
Transfer (Note a)	(365,884)	(35,669)	(16,730)	-	(418,283)
Currency translation differences	-	(136)	(2,019)	67,871	65,716
At 30 June 2022	-	1,328,271	835,205	23,460,594	25,624,070
At 1 July 2022	-	1,328,271	835,205	23,460,594	25,624,070
Additions	-	483,401	63,358	4,667,030	5,213,789
Charge for the year (Note 7)	-	(535,594)	(312,891)	(7,701,513)	(8,549,998)
Modification	-	-	-	3,492,094	3,492,094
Disposals	-	(166,077)	(5,747)	-	(171,824)
Transfer (Note a)	-	(82,285)	-	-	(82,285)
Currency translation differences	-	19,160	8,031	1,150,827	1,178,018
At 30 June 2023	-	1,046,876	587,956	25,069,032	26,703,864

(a) Transfer of ownership at the end of the lease term
During the financial year, motor vehicles with net carrying amount of RM82,285 (2022: furniture and fittings, motor vehicles and office equipment with net carrying amount of RM418,283) that had been previously used under lease agreement were transferred from right-of-use assets to property, plant and equipment (Note 11) at the end of their lease terms.

Modification of right-of-use assets
The Group has several lease contracts for office premises that contain extension and termination options. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. The right-of-use asset is subsequently adjusted for any remeasurement of the lease liability resulting from reassessments during the financial year.

Assets held under finance leases
Right-of-use assets of the Group with net carrying amount of RM1,634,832 (2022: RM2,138,880) are held under finance leases and these assets are pledged as security for the related finance lease liabilities as at the reporting date.

Assets pledged as security for borrowings
Right-of-use assets of a subsidiary with an aggregate carrying amount of RM62,706 (2022: RM82,809) are pledged to secure the term loan facility of that subsidiary (Note 28). The term loan has been fully settled during the financial year.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

13. 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 2023							
Cost							
At 1 July 2022	277,613,317	16,280,881	92,812,645	28,284,539	2,016,000	157,159,207	574,166,589
Additions							
- internal development	78,110,516	-	-	-	-	-	78,110,516
- purchased	-	2,131,855	-	-	-	-	2,131,855
Currency translation differences	5,143,136	1,474,704	6,110,141	1,252,887	-	8,639,681	22,620,549
At 30 June 2023	360,866,969	19,887,440	98,922,786	29,537,426	2,016,000	165,798,888	677,029,509
Accumulated amortisation							
At 1 July 2022	110,462,878	10,017,913	70,514,456	18,415,804	2,016,000	-	211,427,051
Charge for the year (Note 7)	18,103,034	919,749	5,767,686	2,462,739	-	-	27,253,208
Currency translation differences	1,845,796	1,471,534	4,470,020	669,760	-	-	8,457,110
At 30 June 2023	130,411,708	12,409,196	80,752,162	21,548,303	2,016,000	-	247,137,369
Accumulated impairment losses							
At 1 July 2022/30 June 2023	3,569,088	2,962,753	-	-	-	14,056,000	20,587,841
Net carrying amount	226,886,173	4,515,491	18,170,624	7,989,123	-	151,742,888	409,304,299
At 30 June 2022							
Cost							
At 1 July 2021	227,709,748	10,271,513	93,598,475	28,576,427	2,016,000	158,816,976	520,989,139
Additions							
- internal development	47,463,065	-	-	-	-	-	47,463,065
- purchased	-	2,623,196	-	-	-	-	2,623,196
Currency translation differences	2,440,504	3,386,172	(785,830)	(291,888)	-	(1,657,769)	3,091,189
At 30 June 2022	277,613,317	16,280,881	92,812,645	28,284,539	2,016,000	157,159,207	574,166,589
Accumulated amortisation							
At 1 July 2021	94,647,455	6,523,473	63,963,574	15,923,308	2,016,000	-	183,073,810
Charge for the year (Note 7)	15,012,626	103,684	6,141,332	2,467,618	-	-	23,725,260
Currency translation differences	802,797	3,390,756	409,550	24,878	-	-	4,627,981
At 30 June 2022	110,462,878	10,017,913	70,514,456	18,415,804	2,016,000	-	211,427,051
Accumulated impairment losses							
At 1 July 2021/30 June 2022	3,569,088	2,962,753	-	-	-	14,056,000	20,587,841
Net carrying amount	163,581,351	3,300,215	22,298,189	9,868,735	-	143,103,207	342,151,697

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

13. Intangible assets (cont'd)

Software development expenditure
Included in software development expenditure capitalised during the financial year is employee benefits expense amounted to RM40,399,897 (2022: RM29,605,576) (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 as well as the Enterprise Resource Planning ("ERP") system acquired and implemented during the financial year for internal process improvement.

Proprietary software
Proprietary software represents software acquired through the acquisition of SIA X Infotech Group ("XIT") Group, Silverlake Symmetri (Singapore) Pte. Ltd. ("Symmetri") Group, Cyber Village Sdn. Bhd. ("CVSB"), Merimen Ventures Sdn. Bhd. ("Merimen") Group and Symmetric Payments & Integration Holdings Pte. Ltd. ("SPI") Group in prior years.

Customer relationship
Customer relationship acquired through:
(i) the acquisition of XIT Group in financial year 2019 represents the relationships that existed between XIT Group and its major recurring customers in Latvia as at the acquisition date;
(ii) the acquisition of Symmetri Group in financial year 2016 represents the relationships that existed between Symmetri Group and its major recurring customers in Malaysia and Singapore as at the acquisition date;
(iii) the acquisition of CVSB in financial year 2014 represents the relationships that existed between CVSB and its major recurring banking customers in Malaysia as at the acquisition date; and
(iv) the acquisition of Merimen Group in financial year 2013 represents the relationships that existed 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 financial year 2014 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 XIT Group, Symmetri Group, CVSB, Merimen Group and SPI Group.

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

	2023 RM	2022 RM
Payments and integration solution	21,532,381	18,634,389
Insurance ecosystem transactions processing solution	37,894,012	37,894,012
Mobile and internet solution	23,032,343	23,032,343
Silverlake Symmetri retail banking solution	18,899,181	17,854,523
Digital identity and security software solution	50,384,971	45,687,940
	151,742,888	143,103,207

Amortisation expense
The amortisation of intangible assets (other than goodwill) of RM26,354,411 (2022: RM23,671,705) is included in the cost of sales line item in the consolidated income statement.

Impairment testing for intangible assets (other than goodwill)
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 10 years (2022: less than 10 years).

The Group performed a review on the commercial prospects and marketability of software development expenditure and purchased software of subsidiaries. No impairment loss was recognised in the current and previous financial years.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

13. Intangible assets (cont'd)

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 rates applied to the cash flow projections and the forecast growth rates used to extrapolate the cash flows beyond the five-year period are as follows:

	Payments and integration solution		Insurance ecosystem transactions processing solution		Mobile and internet solution		Silverlake Symmetri retail banking solution		Digital identity and security software solution	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Discount rate	13%	14%	13%	13%	12%	12%	13%	13%	13%	13%
Terminal growth rate	2%	2%	3%	3%	3%	3%	3%	3%	3%	3%

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.

Terminal growth rate - Rate is based on management's 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 value in use of the underlying CGU. No impairment loss was recognised in the current and previous financial years.

14. Investments in subsidiaries

	Company	
	2023 RM	2022 RM
Shares at cost, unquoted		
At beginning of the year	2,411,130,014	2,353,459,541
Disposal of subsidiaries	(108,337,291)	-
Contribution to subsidiaries arising from:		
- Internal restructuring	71,036,370	-
- Performance Share Plan granted to key management personnel and contract employee	651,340	2,012,850
Currency translation differences	211,030,641	55,657,623
At end of the year	2,585,511,074	2,411,130,014
Accumulated impairment losses		
At beginning of the year	299,591,513	292,667,283
Currency translation differences	26,558,690	6,924,230
At end of the year	326,150,203	299,591,513
Net carrying amount	2,259,360,871	2,111,538,501

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Proportion of ownership interest held	
			2023 %	2022 %
Held by the Company:				
Silverlake Axis Sdn. Bhd. *	Rendering of software project, maintenance and enhancement services and provision of management services to related companies	Malaysia	100	100
Silverlake Adaptive Applications & Continuous Improvement Services Ltd. *	Dormant	Bermuda	100	100
Silverlake Adaptive Applications & Continuous Improvement Services (SG) Pte. Ltd. ("SAACIS SG") *	Software licensing and the rendering of enhancement services	Singapore	100	100
QR Technology Sdn. Bhd. ("QRT") *	Investment holding	Malaysia	100	100
Silverlake Global Structured Services Pte. Ltd. ("SGSS") *	Investment holding	Singapore	100	100
Silver Team Technology Limited *	Investment holding	Hong Kong	100	100
Symmetric Payments & Integration Holdings Pte. Ltd. ("SPI") *	Investment holding	Singapore	100	100
Silverlake Symmetri (Singapore) Pte. Ltd. ("Symmetri") *	Provision of customised software solutions for banking and financial services industry	Singapore	100	100
Silverlake Investment (SG) Pte. Ltd. ("SISG") *	Investment holding	Singapore	100	100
SIA X Infotech Group ("XIT") ^	Investment holding	Latvia	80	80
Silvirture Limited *	Investment holding	Hong Kong	100	100
Fermion Pte. Ltd. ("FPL") *	Investment holding	Singapore	100	100
Merimen Ventures Sdn. Bhd. ("Merimen") * ##	Investment holding	Malaysia	-	100
Cyber Village Sdn. Bhd. ("CVSB") *##	Provision of internet and mobile services, portal, customer loyalty and e-commerce solutions and services	Malaysia	-	100
Held by SAACIS SG:				
Silverlake Holdings Sdn. Bhd. *	Trading of IBM products in Malaysia, rendering of enhancement services and provision of management services to related companies	Malaysia	100	100
Silverlake Axis MSC Sdn. Bhd. *	Rendering of software project services and provision of enhancement services	Malaysia	100	100

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Proportion of ownership interest held 2023 %	2022 %
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
QR Agoracloud Sdn. Bhd. *	Provision of cloud-based Software-as-a-Service solution for retailers of all sizes	Malaysia	100	100
QR Retail Automation Vietnam Company Limited *	Provision of application management services and software maintenance support services	Vietnam	100	100
Held by SGSS:				
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
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 SPI:				
Symmetric Payments & Integration Pte. Ltd. *	Sales of computer software and provision of technical support services	Singapore	100	100
Symmetric Payments & Integration Sdn. Bhd. *	Sales of computer software and provision of technical support services	Malaysia	100	100
Held by Symmetri:				
Silverlake Symmetri (Malaysia) Sdn. Bhd. *	Provision of card and payment software solution services	Malaysia	100	100
Silverlake Symmetri (Philippines) Enterprises, Inc. *	Provision of services related to designing, selling and installing computer hardware and software	Philippines	100	100
Silverlake Symmetri Pakistan (PVT.) Limited *	Provision of services related to designing, developing, engineering, promoting, exporting, marketing and selling computer related technologies, products and services	Pakistan	100	100
Silverlake Symmetri (Slovakia) spol. s.r.o. *	Provision of services related to designing, developing, engineering, promoting, exporting, marketing and selling computer related technologies, products and services	Slovakia	100	100

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Proportion of ownership interest held 2023 %	2022 %
Held by Symmetri: (cont'd)				
Representative Office of Silverlake Symmetri (Singapore) Pte. Ltd. in Hanoi	Provision of customised software solutions for banking and financial services industry	Vietnam	100	100
Silverlake Symmetri (Singapore) Pte. Ltd. (Dubai Branch) *	Provision of customised software solutions for banking and financial services industry	United Arab Emirates	100	100
Held by SISG:				
Silverlake Digital Economy Sdn. Bhd. *	Marketing of computer equipment and software, licensing of software, and provision of modification, implementation and maintenance services	Malaysia	100	100
Silverlake Digitale Sdn. Bhd. *	Marketing of computer equipment and software, licensing of software, and provision of modification, implementation and maintenance services	Malaysia	100	100
Silverlake One Paradigm Sdn. Bhd. *	Marketing of computer equipment and software, licensing of software, and provision of modification, implementation and maintenance services	Malaysia	100	100
Held by XIT:				
SIA X Infotech ^	Provision of software product development and solution implementation in area of banking and government sector	Latvia	100	100
X-Infotech Africa Limited ^^^	Sale of payments and card systems to government and banking sector, software support and allied services	Kenya	100	100
Held by FPL:				
Silverlake Fermion Sdn. Bhd. *	Investment holding and provision of management services	Malaysia	100	100
Fermion Labs Sdn. Bhd. * #	Provision of solution and services using digital technologies, internet and e-commerce	Malaysia	100	100
Merimen Ventures Sdn. Bhd. ("Merimen") * ##	Investment holding	Malaysia	100	-
Cyber Village Sdn. Bhd. ("CVSB") * ##	Provision of internet and mobile services, portal, customer loyalty and e-commerce solutions and services	Malaysia	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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Proportion of ownership interest held 2023 %	2022 %
Held by Merimen: (cont'd)				
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
Merimen Technologies (Vietnam) Company Limited *	Provision of electronic insurance claim solution services	Vietnam	100	100
Merimen Technologies (Thailand) Co. Ltd. *	Provision of electronic insurance claim solution services	Thailand	100	100
Merimen Technologies Hong Kong Limited *	Provision of electronic insurance claim solution services	Hong Kong	100	100
Merimen Technologies (Malaysia) Sdn. Bhd. *	Develop and commercialise a data science and machine learning product for insurance industry	Malaysia	100	100
Merimen Technologies Japan K. K. ^^	Provision of electronic insurance claim solution services and other services	Japan	100	100
Merimen Technologies - FZE *	Provision of a collaborative and information exchange platform for insurance ecosystem, including portal and software house	United Arab Emirates	100	100
Held by CVSB:				
Affinities Village Sdn. Bhd. *	Provision of innovative insurance and financial services ecosystem solutions including the offers of Software-as-a-Service and licensing of fintech and insurtech platforms	Malaysia	100	100

* Audited by Ernst & Young Global network firm
^ Audited by SIA Deloitte Audits Latvia
^^ Audited by Baker Tilly, Japan
^^^ Audited by Deloitte, Kenya
# 100% issued share capital of Fermion Labs Sdn. Bhd. was transferred from Silverlake Fermion Sdn. Bhd. to Fermion Pte. Ltd. on 8 July 2022.
100% issued share capital of Merimen Ventures Sdn. Bhd. and Cyber Village Sdn. Bhd. were transferred to Fermion Pte. Ltd. on 5 September 2022 and 8 September 2022 respectively.

Contribution to subsidiaries

Internal restructuring

As part of the internal restructuring, the Company has transferred its investments in Merimen Ventures Sdn. Bhd. ("MVSB") and Cyber Village Sdn. Bhd. ("CVSB") to Fermion Pte. Ltd. ("FPL") during the financial year at a consideration mutually agreed by both parties ("Disposal"). FPL is an investment holding company incorporated to support the Group's business expansion for Fermion Insurtech ecosystem.

As a result of the Group's internal restructuring, the Company recognised a resultant loss on Disposal of RM38,157,427 in the income statement and contributed RM71,036,370 in assets to FPL for the financial year ended 30 June 2023.

The internal restructuring which involved the transfer of subsidiaries within the Group did not have any impact to the financial performance and position of the Group.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Contribution to subsidiaries (cont'd)

Performance Share Plan

During the financial year, the Company contributed RM651,340 (2022: RM2,012,850) to subsidiaries as a result of the shares granted and released to a key management personnel (2022: a key management personnel and a contract employee) pursuant to the Silverlake Axis Ltd. Performance Share Plan (Note 25 (d)(ii)).

Acquisition of subsidiaries in financial year ended 30 June 2019

SIA X Infotech Group ("XIT")

On 25 January 2019, the Company acquired 80% equity interest with a call and put options on the remaining 20% equity interest in XIT, a private limited liability company incorporated in Latvia. As of date of acquisition, the Company did not have a present ownership interest in the remaining 20% equity interest in XIT subject to call and put options. At date of acquisition, the Company has chosen to base its accounting policy on SFRS(I) 1-32 Financial instruments: Presentation as the Company intended to acquire 100% equity interest in XIT and had therefore recognised a financial liability on the put option for the non-controlling interest and consolidated 100% of XIT's results.

Consideration for acquisition of XIT Group

The purchase consideration comprises:

(i) an Initial Consideration amounted EUR17,600,000 which comprises an Upfront Amount of EUR12,608,000 (equivalent to RM59,213,472) made on the completion date and a Deferred Amount of EUR4,992,000 payable upon achievement of key financial targets. It was determined that no initial deferred consideration to be paid for the acquisition of 80% equity interest in XIT in the financial year ended 30 June 2020;

(ii) an Earn-Out Consideration ("EOC") payable dependent on whether XIT Group is able to undertake an initial public offering ("IPO") on or before 31 December 2021. It was determined that no EOC to be paid as the condition was not met; and

(iii) put and call options on the remaining 20% equity interest in XIT Group. The seller and the Company did not exercise the put and call options within the stipulated period in the previous financial year.

(a) Upon the expiry of the put and call options

- The put liability was reclassified as non-controlling interests in the consolidated statement of financial position and the resultant gain on deemed disposal of the 20% equity interest in XIT Group to its non-controlling interest of RM4,926,844 has been recognised in retained earnings in the previous financial year.

  As a result of the above, an amount of RM12,514,708 was accounted for as non-controlling interest in the consolidated statement of changes in equity in the previous financial year.

- The derivative asset was derecognised with a corresponding loss of RM756,928 (Note 7) recognised in the "Administrative expenses" line item in the consolidated income statement for the financial year ended 30 June 2022.

(b) Subsequent measurement of financial liability on put option before derecognition

In the previous financial year, the fair value of the put liability has been remeasured with a fair value adjustment of RM1,461,018 (Note 5) recognised in the consolidated income statement.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Interest in a subsidiary with material non-controlling interest ("NCI")

The Group has the following subsidiary that has NCI which is material to the Group.

Name of subsidiary	Principal place of business/Country of incorporation	Proportion of ownership interest held by NCI %	Profit allocated to NCI during the reporting period RM	NCI balance at the end of reporting period RM
2023				
SIA X Infotech Group ("XIT")	Latvia	20	697,623	13,756,148
2022				
SIA X Infotech Group ("XIT")	Latvia	20	543,817	13,058,525

The summarised financial information of the subsidiary is provided below. This information is based on amounts before inter-company eliminations.

(i) Summarised statement of financial position

	XIT	
	2023 RM	**2022 RM**
Non-current assets	10,121,523	8,008,951
Current assets	24,413,514	20,019,999
Total assets	34,535,037	28,028,950
Non-current liabilities	1,602,257	506,529
Current liabilities	25,148,453	24,116,534
Total liabilities	26,750,710	24,623,063
Total equity	7,784,327	3,405,887
Goodwill and intangible assets	60,996,413	61,886,736
Group's carrying amount of the investment	68,780,740	65,292,623
Attributable to:		
Owners of the Company	55,024,592	52,234,098
NCI	13,756,148	13,058,525
	68,780,740	65,292,623

(ii) Summarised statement of comprehensive income

	XIT	
	2023 RM	**2022 RM**
Revenue	30,817,964	8,297,317
Profit before tax	3,493,814	2,723,552
Tax expense	(5,697)	(4,463)
Profit after tax and total comprehensive income	3,488,117	2,719,089
Profit attributable to:		
Owners of the Company	2,790,494	2,175,272
NCI	697,623	543,817
	3,488,117	2,719,089

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

14. Investments in subsidiaries (cont'd)

Interest in a subsidiary with material non-controlling interest ("NCI") (cont'd)

The summarised financial information of the subsidiary is provided below. This information is based on amounts before inter-company eliminations. (cont'd)

(iii) Summarised cash flow information

	XIT	
	2023 RM	2022 RM
Net cash inflows/(outflows) from operating activities	1,221,765	(718,981)
Net cash outflows from investing activities	(2,639,739)	(215,409)
Net cash outflows from financing activities	(887,215)	(194,879)
Net decrease in cash and cash equivalents	(2,305,189)	(1,129,269)

15. Investment in an associate

	Group	
	2023 RM	2022 RM
Shares at cost, unquoted		
At beginning of the year	6,118,674	-
Addition	-	6,118,674
Share of loss for the year	(954,267)	-
Currency translation differences	486,360	-
At end of the year	5,650,767	6,118,674

On 21 January 2022, a subsidiary of the Company, Fermion Pte. Ltd. ("FPL"), entered into a share subscription and purchase agreement ("Share Subscription Agreement") with Ancileo Pte. Ltd. ("Ancileo") and original founder in relation to the subscription and acquisition of shares in the issued and paid-up capital of Ancileo, representing 38.05% equity interest in Ancileo.

On 30 June 2022, the parties entered into a Supplemental Agreement where FPL:

(a) executed and completed the first tranche acquisition of 21.68% equity interest in Ancileo for a cash consideration of SGD1,937,209 (equivalent of RM6,118,674) ("First Tranche Acquisition"); and

(b) was granted by the vendors a right to a call option to acquire the remaining 16.37% equity interest in Ancileo for a cash consideration of SGD2,362,984 upon satisfaction of the conditions stipulated in the Supplemental Agreement (i.e. Second Tranche Acquisition).

Following the completion of the First Tranche Acquisition on 30 June 2022, Ancileo became an associate of the Group.

Ancileo is a private company limited by shares incorporated and principally operating in Singapore, which principally engaged in the provision of software technology for the insurance ecosystem, including technology solutions to enable digital partnerships between insurers and their distribution partners.

The Group's investment in an associate is accounted for using the equity method in the consolidated financial statements. The summarised financial information of the Group's investment in Ancileo is provided below.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

15. Investment in an associate (cont'd)

(i) Summarised statement of financial position

	Unaudited Anciléo	
	2023 RM	2022 RM
Non-current assets	312,898	133,038
Current assets	2,707,728	1,055,925
Current liabilities	(1,232,617)	(435,705)
Total equity	1,788,009	753,258
Group's share in equity	387,571	163,306
Goodwill	5,263,196	5,955,368
Group's carrying amount of the investment	5,650,767	6,118,674

The associate had no contingent liabilities or capital commitments as at 30 June 2023 and 30 June 2022.

(ii) Summarised statement of comprehensive income

	Unaudited Anciléo	
	2023 RM	2022 RM
Revenue	6,333,714	4,906,149
(Loss)/profit before tax	(4,367,100)	499,428
Tax expense	(35,292)	(45,659)
(Loss)/profit for the year and total comprehensive (loss)/income	(4,402,392)	453,769

16. Financial assets at fair value through other comprehensive income - quoted equity shares

	Group	
	2023 RM	2022 RM
Shares at fair value, quoted		
At beginning of the year	207,895,863	288,154,976
Addition	-	735,000
Subsequent fair value gain/(loss) through other comprehensive income (Note 26(d))	16,994,912	(91,480,413)
Currency translation differences	14,343,633	10,486,300
At end of the year	239,234,408	207,895,863
Presented as:		
Current	236,434,408	206,250,863
Non-current	2,800,000	1,645,000
	239,234,408	207,895,863

At the reporting date, these represent investment in equity interest in Global InfoTech Co. Ltd. and an investment held by a subsidiary in DynaFront Holdings Berhad which have been measured at fair value. The fair values are derived based on Level 1 valuation input under the fair value hierarchy. The investment classified as current asset is available for sale.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

17. Derivative asset

	Group	
	2023 RM	2022 RM
Financial asset at fair value	2,586	1,137,060
Presented as:		
Current	2,586	-
Non-current	-	1,137,060
	2,586	1,137,060

This represents the fair value of call option in connection with the Second Tranche Acquisition of Ancileo Pte. Ltd. as disclosed in Note 15(b), accounted for as a derivative asset in accordance with SFRS(I) 9 Financial Instruments. The derivative asset has been remeasured at the reporting date and the change in fair value of RM1,176,968 (Note 7) was recognised in the "Administrative expenses" line in the consolidated income statement for the financial year ended 30 June 2023.

The derivative asset was reclassified from non-current asset to current asset in the current financial year as the call option will be exercisable by the Company in the financial year ending 30 June 2024.

18. Inventories

	Group	
	2023 RM	2022 RM
Finished products for re-sale	399,155	432,012

Inventories recognised as an expense under "Cost of sales" in the consolidated income statement for the financial year ended 30 June 2023 amounted to RM2,782,969 (2022: RM1,675,530).

19. Trade and other receivables

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade receivables				
Third parties	182,909,280	124,625,632	-	-
Less: Expected credit losses (Note 37(c))	(9,145,593)	(7,634,980)	-	-
Net trade receivables (Note 37(c))	173,763,687	116,990,652	-	-
Other receivables				
Sundry receivables	8,158,435	7,234,733	156,811	46,718
Deposits	3,875,245	3,418,351	-	-
	12,033,680	10,653,084	156,811	46,718
Total trade and other receivables	185,797,367	127,643,736	156,811	46,718
Trade and other receivables	185,797,367	127,643,736	156,811	46,718
Dividend receivable	-	-	41,262,000	-
Amounts due from:				
- Subsidiaries (Note 21)	-	-	145,701,940	152,730,500
- Related parties (Note 21)	7,747,946	16,892,738	-	-
Loans to subsidiaries (Note 22)	-	-	4,865,478	-
Total debt instruments at amortised cost *	193,545,313	144,536,474	191,986,229	152,777,218

* Debt instruments at amortised cost, other than cash and short-term deposits

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

19. Trade and other receivables (cont'd)

Trade receivables
Trade receivables are non-interest bearing and are generally on 30 days to 45 days (2022: 30 days to 45 days) term. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

As at the reporting date, the Group's significant concentration of credit risk is as disclosed in Note 37(c).

Trade receivables that are impaired
Trade receivables that are impaired at the reporting date relate to debtors collectively or individually assessed for expected credit losses in accordance with SFRS(I) 9 Financial Instruments as disclosed in Note 37(c).

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

Other information on financial risks of trade and other receivables are disclosed in Note 37(c).

20. Contract assets/(liabilities)

	Group	
	2023 RM	**2022 RM**
Contract assets		
Amounts due from customers for contract work-in-progress	126,661,624	65,376,171
Advance maintenance costs	11,828,180	7,509,710
Prepaid license and hardware costs	16,368,588	1,610,151
	154,858,392	74,496,032
Less: Expected credit losses (Note 37(c))	(416,773)	(567,013)
Net contract assets	154,441,619	73,929,019
Contract liabilities		
Amounts due to customers for contract work-in-progress	(16,179,439)	(42,090,688)
Advance maintenance fees	(87,134,562)	(77,114,922)
Deferred revenue	(9,664,636)	(11,952,764)
	(112,978,637)	(131,158,374)

Contract assets include amounts due from customers for contract work-in-progress, which are initially recognised for revenue earned from project implementation services and enhancement services as the timing of billing may not coincide with service rendered. Upon acceptance of work progress by the customer and issuance of billing to customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract assets also include advance maintenance costs where billings are received or payments are made in advance for which the maintenance costs will be recognised over the contractual period, as well as prepaid costs where the costs will be recognised when the goods are received from the suppliers or upon sale of licenses or expiry.

Contract liabilities include amounts due to customers for contract work-in-progress where billings have been issued to or amounts collected from customers for work yet to be performed, maintenance fees billed in advance for which revenue will be recognised over the contractual period, as well as deferred revenue where transaction price is allocated to unexpired free man-days and options for the customers to acquire additional goods or services at discounts.

Set out below is the amount of revenue recognised from:

	Group	
	2023 RM	**2022 RM**
Amounts included in contract liabilities at the beginning of the year	124,746,860	101,132,535

Included in contract assets capitalised during the financial year is employee benefits expense amounted to RM3,022,959 (2022: RM1,872,643) (Note 8).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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

	Group		Company	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Amounts due from subsidiaries (Note 19)				
- Current	-	-	93,954	64,981
- Non-current	-	-	145,607,986	152,665,519
	-	-	145,701,940	152,730,500
Amounts due to subsidiaries (Note 31)	-	-	(2,548,370)	(4,069,033)
Amounts due from related parties (Note 19)				
- Trade (Note 37(c))	7,680,326	16,827,599	-	-
- Non-trade	67,620	65,139	-	-
	7,747,946	16,892,738	-	-
Amounts due to related parties (Note 31)				
- Trade	(617,090)	(332,808)	-	-
- Non-trade	(256,334)	(61,466)	-	-
	(873,424)	(394,274)	-	-

Amounts due from/(to) subsidiaries
The non-current amounts due from a subsidiary is non-trade in nature, unsecured and non-interest bearing. The Company does not intend to call for the settlement of this amount within 12 months after the end of the reporting period.

The current amounts due from/(to) subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable in cash on demand.

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 amounting to RM2,226,650 (2022: RM4,298,050) which carry interest at 1.0% (2022: 1.0%) per month for debts past due credit terms. The trade amounts due from related parties have a credit term of 30 days (2022: 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 and repayable in cash on demand.

Further details on related party transactions are disclosed in Note 35(a).

Other information on financial risks of amounts due from/(to) subsidiaries and related parties are disclosed in Note 37.

22. Loans to subsidiaries

	Company	
	2023 RM	**2022 RM**
Loans to subsidiaries	4,865,478	-

Loans to subsidiaries are unsecured, repayable on demand and carry interest at a range of 3.1% to 5.6% per annum.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

23. Financial assets at fair value through profit or loss - money market fund

	Group	
	2023 RM	2022 RM
Money market fund	27,544,302	54,659,549

Financial assets at fair value through profit or loss of the Group represent investment in money market fund with financial institutions. Fair value of this investment is determined by reference to the net asset value of the fund. Any subsequent changes in fair value is recognised in profit or loss.

24. Cash and bank balances

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash at banks and on hand	289,219,959	238,845,124	15,298,782	17,854,114
Short-term deposits with licensed banks	215,029,384	319,211,769	104,857,057	164,490,397
Cash and bank balances	504,249,343	558,056,893	120,155,839	182,344,511

Cash at banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and twelve months (2022: one day and twelve months) depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates. The interest rates of short-term deposits of the Group and of the Company at the reporting date range from 0.05% to 5.10% (2022: 0.05% to 4.25%) and 3.70% to 5.10% (2022: 0.22% to 1.35%) per annum respectively.

As at the reporting date, short-term deposits with licensed banks of the Group amounting to RM9,539,742 (2022: RM9,122,117) 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	
	2023 RM	2022 RM
Cash and bank balances	504,249,343	558,056,893
Less: Pledged deposits	(9,539,742)	(9,122,117)
Cash and cash equivalents	494,709,601	548,934,776

25. 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	
	2023	2022
At beginning of the year	-	5,000,000,000
At end of the year	-	-*

* The Company has re-domiciled from Bermuda to Singapore on 23 September 2021 and the concept of authorised share capital is no longer applicable in Singapore as it has been abolished on 30 January 2006.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

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

(a) Ordinary share capital (cont'd)

(ii) Issued and fully paid

	Group and Company			
	Number of ordinary shares of USD0.02 each		Amount	
	2023	2022	2023 RM	2022 RM
At beginning of the year	2,696,472,800	2,696,472,800	1,845,200,087	191,040,654
Reclassification from share premium (Note b) *	-	-	-	1,654,159,433
At end of the year	2,696,472,800	2,696,472,800	1,845,200,087	1,845,200,087

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.

* Pursuant to Singapore Companies Act 1967 Sections 62A and 62B, there is no par value concept ("No Par Value Concept") after 30 January 2006. Accordingly, the Company reclassified the amount in "share premium" to "share capital" after the re-domiciliation of the Company from Bermuda to Singapore. Any future share issuance shall be credited in full to "share capital" in the statement of financial position of the Company.

(b) Share premium

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At beginning of the year	-	186,497,272	-	1,654,159,433
Arising from:				
- Reclassification to share capital (Note a(ii))	-	(1,654,159,433)	-	(1,654,159,433)
- Reversal of set off against merger deficit (Note 27) *	-	1,467,662,161	-	-
At end of the year	-	-	-	-

* Pursuant to Section 40(1) of Bermuda Companies Act 1981, the share premium from the reissuance of treasury shares for the acquisition of subsidiaries accounted for using the pooling of interest method ("Acquisition Share Premium") can be set off against the merger deficit arising from the acquisition. Following the re-domiciliation of the Company from Bermuda to Singapore, the Company applied No Par Value Concept in accordance with Singapore Companies Act 1967 and the set off of Acquisition Share Premium against the merger deficit had been reversed.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

25. 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 2021	20,569,091	25,769,645
Purchase of treasury shares by way of:		
- Market acquisition (Note (i))	1,432,400	1,309,938
- Off-market acquisition on equal access scheme (Note (ii))	170,230,988	177,264,081
Release of treasury shares pursuant to Performance Share Plan	(6,100,000)	(6,567,961)
At 30 June 2022	186,132,479	197,775,703
At 1 July 2022	186,132,479	197,775,703
Purchase of treasury shares (Note (i))	4,498,700	5,377,265
Release of treasury shares pursuant to Performance Share Plan	(6,000,000)	(6,552,291)
At 30 June 2023	184,631,179	196,600,677

Treasury shares relate to ordinary shares of the Company that are held by the Company.

Purchase of treasury shares

During the financial year, the Company purchased 4,498,700 (2022: 171,663,388) shares pursuant to the share purchase mandate approved by shareholders on 27 October 2022 (2022: 27 October 2021). These shares were acquired as follows:

(i) 4,498,700 (2022: 1,432,400) shares by way of market acquisition for a total consideration of RM5,377,265 (2022: RM1,309,938); and
(ii) in the previous financial year, 170,230,988 shares by way of off-market acquisition on equal access scheme* for a consideration of RM177,264,081.

* An equal access scheme is used when all shareholders are offered the buy-back, in proportion to their shareholding. Offers under the scheme can only relate to ordinary shares.

The percentage of treasury shares over total ordinary shares net treasury shares amounts to 7.4% (2022: 7.4%).

(d) Performance share plan ("PSP")

	Group and Company	
	2023 RM	2022 RM
At beginning of the year	-	-
Grant of PSP	6,513,405	6,139,192
Release of PSP	(6,513,405)	(6,139,192)
At end of the year	-	-

(i) PSP shares granted to Group Managing Director

On 28 February 2023, 5,400,000 (2022: 4,100,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.335 (2022: SGD0.315) per share at grant date, amounted to RM5,862,065 (2022: RM4,126,342) to the Group Managing Director, Andrew Tan Teik Wei, in recognition of his service and contribution to the Group for the financial year ended 30 June 2022 (2022: 30 June 2021).

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.

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

(d) Performance share plan ("PSP") (cont'd)

(ii) PSP shares granted to key management personnel and contract employee

On 28 February 2023, 600,000 (2022: 2,000,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.335 (2022: SGD0.315) per share at grant date, amounted to RM651,340 (2022: RM2,012,850) to a key management personnel (2022: a key management personnel and a contract employee), in recognition of their services and contribution to the Group for the financial year ended 30 June 2022 (2022: 30 June 2021).

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.

During the financial year, the deficit on reissuance of treasury shares of RM38,886 (2022: RM428,769) was recognised in the loss on reissuance of treasury shares reserve.

26. Other reserves

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
Foreign currency translation reserve	(a)	94,381,070	48,551,474	266,112,184	67,786,715
Capital reserve	(b)	466,828	466,828	-	-
Statutory reserve	(c)	141,159	141,159	-	-
Fair value reserve of financial assets at FVOCI	(d)	(96,489,328)	(111,833,934)	-	-
Loss on reissuance of treasury shares	(e)	(467,655)	(428,769)	(467,655)	(428,769)
		(1,967,926)	(63,103,242)	265,644,529	67,357,946

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of all entities within the Group 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

26. Other reserves (cont'd)

(d) Fair value reserve of financial assets at fair value through other comprehensive income ("FVOCI")

Group	Fair value loss/(gain) on financial assets RM	Deferred tax relating to fair value (loss)/gain on financial assets (Note 30) RM	Total RM
At 1 July 2021	32,428,861	(2,846,819)	29,582,042
Remeasurement of financial assets (Note 16)	91,480,413	(9,228,521)	82,251,892
At 30 June 2022	123,909,274	(12,075,340)	111,833,934
At 1 July 2022	123,909,274	(12,075,340)	111,833,934
Remeasurement of financial assets (Note 16)	(16,994,912)	1,650,306	(15,344,606)
At 30 June 2023	106,914,362	(10,425,034)	96,489,328

This represents non-distributable reserve arising from cumulative fair value changes, net of tax, of financial assets until they are disposed of.

(e) Loss on reissuance of treasury shares

This represents the loss arising from purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

(f) Performance share plan reserve

This represents non-distributable reserve arising from performance shares. The movement in this reserve during the current and previous financial year is as shown in Note 25(d) above. As at current and previous reporting dates, there were no outstanding shares awarded.

The above reserves are not available for dividend distribution to shareholders.

27. Merger deficit

	Group	
	2023 RM	2022 RM
At beginning of the year	1,943,942,990	476,280,829
Reclassification from share premium (Note 25(b))	-	1,467,662,161
At end of the year	1,943,942,990	1,943,942,990

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

28. Loans and borrowings

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current				
Unsecured				
Lease liabilities (Note 29)	7,293,999	6,577,967	-	-
Secured				
Lease liabilities (Note 29)	267,361	790,227	-	-
Term loan	-	225,876	-	-
	267,361	1,016,103	-	-
	7,561,360	7,594,070	-	-
Non-current				
Unsecured				
Lease liabilities (Note 29)	18,420,389	17,398,476	-	-
Revolving credit - Committed	152,731,692	175,341,516	152,731,692	175,341,516
	171,152,081	192,739,992	152,731,692	175,341,516
Secured				
Lease liabilities (Note 29)	798,563	587,696	-	-
	171,950,644	193,327,688	152,731,692	175,341,516
Total loans and borrowings (Note 31)	179,512,004	200,921,758	152,731,692	175,341,516

Lease liabilities - fixed rate
This represents the present value of lease payments to be made over the lease term. The details and interest rate of the leases are disclosed in Note 29.

Term loan - fixed rate
This loan was repayable in 60 monthly instalments from the first drawdown on 24 May 2018 and was secured by guarantee provided by Development Finance Institution ALTUM and commercial pledge on property, plant and equipment (Note 11) and right-of-use assets (Note 12) of a subsidiary. The effective interest rate of this loan at the reporting date was 4.0% (2022: 4.0%) per annum. The term loan has been fully settled during the financial year.

Committed and uncommitted revolving credit facility - floating rate

(i) In the previous financial year, the Company secured a 5-year medium term committed revolving credit facility and an uncommitted revolving credit facility. Both facilities are guaranteed by subsidiaries of the Company, can be drawn down for one, three or six months and are repayable on the last day of its interest period. The principal amount of committed revolving credit facility may be rolled over at the discretion of the Company within the availability period, provided that any interest accrued on the facility is paid on the last day of its interest period. The utilisation of the uncommitted revolving credit facility is subject to the lender's review from time to time. The facilities will be due for termination on 2 March 2027.

As at the reporting date, the Company has outstanding balance of committed revolving credit amounting to SGD44,800,000, equivalent to RM152,731,692 (2022: SGD56,000,000, equivalent to RM175,341,516). The average effective interest rate of this committed revolving credit at the reporting date was 4.62% (2022: 1.97%) per annum. There was no amount drawdown from the uncommitted revolving credit facility as at the current and previous reporting dates.

(ii) A subsidiary has an uncommitted revolving credit facility. There was no amount drawdown as at the current and previous reporting dates.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

29. Lease liabilities

The Group has lease contracts for various items of furniture and fittings, motor vehicles, office equipment and office premises. These leases generally have lease terms between two to seven years.

The Group also has certain leases of office premises and office equipment with either lease terms of 12 months or less, or leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Group		
	Unsecured RM	Secured RM	Total RM
At 1 July 2021	23,434,960	2,279,126	25,714,086
Additions (Note 38)	-	70,092	70,092
Modification (Note 38)	9,007,315	-	9,007,315
Accretion of interest (Note 6)	655,517	90,746	746,263
Payments	(9,181,183)	(1,062,203)	(10,243,386)
Currency translation differences	59,834	162	59,996
At 30 June 2022	23,976,443	1,377,923	25,354,366
At 1 July 2022	23,976,443	1,377,923	25,354,366
Additions (Note 38)	4,667,030	500,358	5,167,388
Modification (Note 38)	3,318,110	-	3,318,110
Accretion of interest (Note 6)	700,134	83,744	783,878
Payments	(8,130,870)	(918,753)	(9,049,623)
Currency translation differences	1,183,541	22,652	1,206,193
At 30 June 2023	25,714,388	1,065,924	26,780,312

The maturity analysis of lease liabilities is as follows:

	Group					
	2023			2022		
	Unsecured RM	Secured RM	Total RM	Unsecured RM	Secured RM	Total RM
Future minimum lease payments:						
Not later than one year	8,090,962	311,541	8,402,503	7,123,032	858,148	7,981,180
Later than one year but not later than five years	19,349,408	788,150	20,137,558	17,297,152	626,980	17,924,132
Later than five years but not later than seven years	-	84,435	84,435	967,806	24,211	992,017
Total future minimum lease payments (Note 37(b))	27,440,370	1,184,126	28,624,496	25,387,990	1,509,339	26,897,329
Less: Amounts representing finance charges	(1,725,982)	(118,202)	(1,844,184)	(1,411,547)	(131,416)	(1,542,963)
Present value of lease liabilities	25,714,388	1,065,924	26,780,312	23,976,443	1,377,923	25,354,366
The present value of the lease liabilities may be analysed as follows:						
Not later than one year	7,293,999	267,361	7,561,360	6,577,967	790,227	7,368,194
Later than one year but not later than five years	18,420,389	716,179	19,136,568	16,442,162	563,713	17,005,875
Later than five years but not later than seven years	-	82,384	82,384	956,314	23,983	980,297
	25,714,388	1,065,924	26,780,312	23,976,443	1,377,923	25,354,366
Presented as:						
Current (Note 28)	7,293,999	267,361	7,561,360	6,577,967	790,227	7,368,194
Non-current (Note 28)	18,420,389	798,563	19,218,952	17,398,476	587,696	17,986,172
	25,714,388	1,065,924	26,780,312	23,976,443	1,377,923	25,354,366

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

29. Lease liabilities (cont'd)

The following are the amounts recognised in profit or loss:

	Group	
	2023 RM	2022 RM
Depreciation of right-of-use assets (Note 7 and 12)	8,549,998	9,221,862
Interest expense on lease liabilities (Note 6)	783,878	746,263
Expenses (included in administrative expenses) (Note 7) relating to:		
- Short-term leases	1,047,698	934,655
- Leases of low-value assets	3,603,413	1,782,057
	4,651,111	2,716,712
Total amount recognised in profit or loss	13,984,987	12,684,837

During the financial year, the Group had total cash outflows for leases of RM13,700,734 (2022: RM12,960,098), and non-cash additions to right-of-use assets and lease liabilities of RM5,167,388 (2022: RM70,092).

The weighted average incremental borrowing rate of unsecured lease liabilities was 3.65% (2022: 2.59%).

The effective interest rates for secured lease liabilities at the reporting date ranged from 1.88% to 4.29% (2022: 1.88% to 3.20%) per annum.

30. Deferred tax

	Group	
	2023 RM	2022 RM
At beginning of the year	(16,519,693)	(10,043,408)
Recognised in income statement (Note 9):		
Provision in current year	7,492,120	2,612,138
Under provision in prior financial years	547,998	34,361
Recognised in other comprehensive income:		
Provision in current year	1,579,516	(9,000,115)
Under provision in prior financial years	-	23,322
Currency translation differences	1,046,176	(145,991)
At end of the year	(5,853,883)	(16,519,693)
Presented after appropriate offsetting as follows:		
Deferred tax assets	(93,241,847)	(82,133,717)
Offsetting	43,257,523	23,946,632
Deferred tax assets (after offsetting)	(49,984,324)	(58,187,085)
Deferred tax liabilities	87,387,964	65,614,024
Offsetting	(43,257,523)	(23,946,632)
Deferred tax liabilities (after offsetting)	44,130,441	41,667,392
Deferred tax	(5,853,883)	(16,519,693)

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 related to income taxes levied by the same tax authority.

30. 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	Property, plant and equipment RM	Right-of-use assets RM	Undistributed profits of subsidiaries (Note 9) RM	Financial assets at fair value through OCI RM	Others RM	Total RM
At 1 July 2021	20,362,758	6,901,514	2,639,310	584,181	3,862,623	6,231,215	28,057,516	10,416	68,649,533
Recognised in income statement:									
Provision in current year	6,597,532	(1,406,776)	(527,526)	72,420	508,116	(191,645)	-	222,814	5,274,935
Under/(over) provision in prior financial years	1,232	-	-	65,845	8,959	-	-	(94,078)	(18,042)
Recognised in other comprehensive income (Note 26(d)):									
Provision in current year	-	-	-	-	-	-	(9,228,521)	-	(9,228,521)
Currency translation differences	13,768	(105,941)	(65,384)	2,469	41,183	46,661	1,011,918	(8,555)	936,119
At 30 June 2022	26,975,290	5,388,797	2,046,400	724,915	4,420,881	6,086,231	19,840,913	130,597	65,614,024
At 1 July 2022	26,975,290	5,388,797	2,046,400	724,915	4,420,881	6,086,231	19,840,913	130,597	65,614,024
Recognised in income statement:									
Provision in current year	14,101,851	(1,536,334)	(525,731)	58,855	(858,432)	2,571,338	-	3,467,611	17,279,158
Under/(over) provision in prior financial years	-	38,613	-	3,583	(114,043)	-	-	(886,990)	(958,837)
Recognised in other comprehensive income (Note 26(d)):									
Provision in current year	-	-	-	-	-	-	1,650,306	-	1,650,306
Currency translation differences	58,457	1,636,734	243,375	10,219	176,070	182,261	1,385,763	110,434	3,803,313
At 30 June 2023	41,135,598	5,527,810	1,764,044	797,572	3,624,476	8,839,830	22,876,982	2,821,652	87,387,964

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

30. Deferred tax (cont'd)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (cont'd)

Deferred tax assets of the Group:

	Provision for defined benefit liabilities RM	Allowance for unutilised leave RM	Contract liabilities RM	Unutilised tax losses RM	Lease liabilities RM	Tax allowance claimable on acquired intellectual property (Note 9) RM	Others RM	Total RM
At 1 July 2021	(2,680,793)	(2,839,982)	(13,673,542)	(20,913,997)	(3,995,339)	(32,224,192)	(2,365,096)	(78,692,941)
Recognised in income statement:								
Provision in current year	(413,948)	(511,620)	(725,476)	(1,935,447)	(399,611)	9,239,806	(7,916,501)	(2,662,797)
(Under)/over provision in prior financial years	(79,133)	463	(365,856)	521,977	(7,113)	-	(17,935)	52,403
Recognised in other comprehensive income (Note 33):								
Provision in current year	228,406	-	-	-	-	-	-	228,406
Under provision in prior financial years	23,322	-	-	-	-	-	-	23,322
Currency translation differences	117,589	1,363	3,393	(470,107)	(42,857)	(601,676)	(89,815)	(1,082,110)
At 30 June 2022	(2,804,557)	(3,349,776)	(14,761,481)	(22,797,574)	(4,444,920)	(23,586,062)	(10,389,347)	(82,133,717)
At 1 July 2022	(2,804,557)	(3,349,776)	(14,761,481)	(22,797,574)	(4,444,920)	(23,586,062)	(10,389,347)	(82,133,717)
Recognised in income statement:								
Provision in current year	(104,546)	(361,911)	(1,853,967)	(13,290,803)	867,041	3,494,998	1,462,150	(9,787,038)
(Under)/over provision in prior financial years	-	(2,872)	(11,212)	101,368	11,484	-	1,408,067	1,506,835
Recognised in other comprehensive income (Note 33):								
Provision in current year	(70,790)	-	-	-	-	-	-	(70,790)
Currency translation differences	(128,663)	(54,618)	(23,613)	(345,660)	(182,668)	(1,917,758)	(104,157)	(2,757,137)
At 30 June 2023	(3,108,556)	(3,769,177)	(16,650,273)	(36,332,669)	(3,749,063)	(22,008,822)	(7,623,287)	(93,241,847)

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

30. Deferred tax (cont'd)

As at reporting date, the deferred tax assets have not been recognised in respect of the following items:

	Group	
	2023 RM	2022 RM
Unutilised tax losses	12,385,640	9,857,322
- Expiring within 1 to 5 years	2,831,673	2,695,012
- Expiring within 6 to 10 years	7,413,499	4,767,682
- No expiry period	2,140,468	2,394,628
Unabsorbed capital allowances	1,383,656	1,370,529
Other deductible temporary differences	773,545	1,052,321
	14,542,841	12,280,172

Tax consequences of proposed dividends
There are no income tax consequences (2022: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 34).

Unutilised tax losses
The use of tax losses of subsidiaries in other countries is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate. The number of years ("Utilisation Period") for which the unutilised tax losses can be carried forward varies for each country and any excess at the end of the Utilisation Period will be disregarded. Deferred tax assets have not been recognised in respect of these losses as it is not probable that future taxable profits will be available in these subsidiaries against which the Group can utilise the benefits. If the Group was able to recognise the unrecognised deferred tax assets, profit would increase by RM2,715,497 (2022: RM2,091,089).

Unrecognised earnings
At 30 June 2023, deferred tax liabilities of RM8,839,830 (2022: RM6,086,231) have been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries. There was no other recognised deferred tax liability for taxes that would be payable on the undistributed earnings of other subsidiaries of the Group as the Group has determined that undistributed profits of other subsidiaries will not be distributed in the foreseeable future. At the reporting date, deferred tax liability on undistributed earnings of other subsidiaries amounting to RM3,073,520 (2022: RM2,547,854) has not been recognised.

31. Trade and other payables

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade payables				
Third parties	14,873,561	6,996,367	-	-
Accrual of sub-contractor fees	9,140,257	12,198,781	-	-
Total trade payables	24,013,818	19,195,148	-	-
Other payables				
Sundry payables and accruals	68,586,005	80,435,424	3,560,926	3,344,044
Allowance for unutilised leave	19,708,985	17,361,972	-	-
Total other payables	88,294,990	97,797,396	3,560,926	3,344,044
Total trade and other payables	112,308,808	116,992,544	3,560,926	3,344,044
Trade and other payables	112,308,808	116,992,544	3,560,926	3,344,044
Loans and borrowings (Note 28)	179,512,004	200,921,758	152,731,692	175,341,516
Amounts due to:				
- Subsidiaries (Note 21)	-	-	2,548,370	4,069,033
- Related parties (Note 21)	873,424	394,274	-	-
Total financial liabilities carried at amortised cost	292,694,236	318,308,576	158,840,988	182,754,593

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

31. Trade and other payables (cont'd)

Trade and other payables
These amounts are non-interest bearing. Trade payables are normally settled on 60 days (2022: 60 days) term while other payables have an average term of 6 months (2022: 6 months).

Other information on financial risks of trade and other payables are disclosed in Note 37.

32. Put liability

	Group
	2022 **RM**
Put liability at acquisition	11,939,294
Unwinding of discount on put liability (cumulative)	4,186,632
Fair value changes recognised in profit or loss (cumulative)	2,776,644
Derecognition of put liability upon expiry	(18,902,570)
Put liability at end of the year	-

This represents the present value of the estimated exercise price for the put option on the remaining 20% equity interest in SIA X Infotech Group ("XIT Group"). Any subsequent changes in the fair value was recognised in profit or loss.

In the previous financial year, the put option granted by the Company to the seller was not being exercised within the stipulated period. Upon the expiry of the put and call options (Note 14), the put liability was reclassified as non-controlling interest in the consolidated statement of financial position and the resultant gain on deemed disposal of the 20% equity interest in XIT Group to its non-controlling interest of RM4,926,844 was recognised in retained earnings in the previous financial year.

33. Provision for defined benefit liabilities

The Group has defined benefit pension plans in Indonesia, Thailand and Philippines respectively, for its employees.

(a) Indonesia plans

Two subsidiaries in Indonesia provide benefits for their employees who achieve the retirement age. The retirement age varies from 57 to 58 years old and will increase gradually for every 3 years until reaching 65 years old (2022:57). The benefits are determined based on Job Creation Law 11/2020 and Government Regulation 35/2021 dated 2 February 2021.

The employee benefits liability is unfunded.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

33. Provision for defined benefit liabilities (cont'd)

(a) Indonesia plans (cont'd)

The details of the defined benefit pension plans for two subsidiaries in Indonesia are as follows:

(i) The employee benefits liability of an Indonesian subsidiary was determined by an independent actuarist in its report dated 5 July 2023 for financial year ended 30 June 2023 and 5 July 2022 for financial year ended 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Indonesia plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	6.75%	7.75%
Salary increment rate	10%	10%
Mortality rate	100% *	100% *
Disability rate	5% *	5% *
Resignation rate	10% to age 35, then decreasing linearly to 0% at Normal Retirement age	10% to age 35, then decreasing linearly to 0% at age 57
Normal Retirement Age	58 years old and will increase gradually for every 3 years until reaching 65 years old	57

* Based on Indonesian Mortality Table 4

(ii) The employee benefits liability of another Indonesian subsidiary was determined by an independent actuarist in its report dated 4 July 2023 for financial year ended 30 June 2023 and 1 July 2022 for financial year ended 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Indonesia plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	7.00%	7.75%
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 57	5% to age 30, then decreasing linearly to 0% at age 57

* Based on Indonesian Mortality Table 4

33. Provision for defined benefit liabilities (cont'd)

(b) Thailand plans

Two subsidiaries in Thailand provide benefits for their employees who achieve the retirement age at 60 based on the provisions of Labour Protection Act (A.D. 2019), on Severance Pay.

The employee benefits liability is unfunded.

The details of the defined benefit pension plans for two subsidiaries in Thailand are as follows:

(i) The employee benefits liability of a Thailand subsidiary was determined by an independent actuarist in its report dated 7 July 2023 for financial year ended 30 June 2023 and 9 July 2021 for financial year ended 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Thailand plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	2.70%	1.90%
Salary increment rate	15% per annum for ages up to 29; 8% per annum for ages 30 to 39; 4% per annum for ages 40 to 49; 2% per annum for ages 50 and above	14% per annum for ages up to 29; 7% per annum for ages 30 to 39; 3% per annum for ages 40 to 49; 1% per annum for ages 50 and above
Mortality rate	Thailand Mortality Ordinary 2017 Table	Thailand Mortality Ordinary 2017 Table
Disability rate	0%	0%
Resignation rate	7% per annum for ages up to 29; 7% per annum for ages 30 to 39; 4% per annum for ages 40 to 49; 0% per annum for ages 50 and above	6% per annum for ages up to 29; 4% per annum for ages 30 to 39; 4% per annum for ages 40 to 49; 0% per annum for ages 50 and above

(ii) The employee benefits liability of another Thailand subsidiary was determined by an independent actuarist in its report dated 26 July 2023 for financial year ended 30 June 2023 and 4 July 2022 for financial year ended 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Thailand plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	3.40%	4.40%
Salary increment rate	10% per annum	10% per annum
Mortality rate	Thailand Mortality Ordinary 2017 Table	Thailand Mortality Ordinary 2017 Table
Disability rate	0%	0%
Resignation rate	15% per annum for ages up to 29; 10% per annum for ages 30 to 39; 5% per annum for ages 40 to 49; 0% per annum for ages 50 and above	15% per annum for ages up to 29; 10% per annum for ages 30 to 39; 5% per annum for ages 40 to 49; 0% per annum for ages 50 and above

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

33. Provision for defined benefit liabilities (cont'd)

(c) Philippines plans

Three subsidiaries in Philippines conform to the minimum regulatory benefit under the Retirement Pay Law (Republic Act No. 7641) and provide retirement benefits equal to 22.5 days pay for every year of credited service for employees who attain the normal retirement age of 60 with at least five years of service. The regulatory benefit is paid in a lump sum upon retirement.

The employee benefits liability is unfunded.

The details of the defined benefit pension plans for three subsidiaries in Philippines are as follows:

(i) The employee benefits liability of a Philippines subsidiary was determined by an independent actuarist in its report dated 1 July 2022 for financial years ended 30 June 2023 and 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Philippines plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	6.18%	6.53%
Salary increment rate	9%	9%
Mortality rate	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table
Disability rate	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)
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

(ii) The employee benefits liability of another Philippines subsidiary was determined by an independent actuarist in its report dated 10 July 2023 for the financial year ended 30 June 2023 and 5 July 2022 for the financial year ended 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Philippines plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	6.24%	6.93%
Salary increment rate	5%	5%
Mortality rate	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table
Disability rate	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)
Resignation rate	8.6% per annum for ages 19 to 24; 10.0% per annum for ages 25 to 29; 18.3% per annum for ages 30 to 34; 13.5% per annum for ages 35 to 39; 3.9% per annum for ages 40 to 44; 4.7% per annum for ages 45 and above	9.4% per annum for ages 19 to 24; 10.9% per annum for ages 25 to 29; 10.9% per annum for ages 30 to 34; 11.7% per annum for ages 35 to 39; 4.3% per annum for ages 40 to 44; 4.4% per annum for ages 45 and above

33. Provision for defined benefit liabilities (cont'd)

(c) Philippines plans (cont'd)

The details of the defined benefit pension plans for three subsidiaries in Philippines are as follows: (cont'd)

(iii) The employee benefits liability of another Philippines subsidiary was determined by an independent actuarist in its report dated 18 May 2023 for the financial year ended 30 June 2023 and 29 July 2022 for the financial year ended 30 June 2022.

The principal assumptions used in determining the employee benefits liability of the Philippines plan are shown below:

Principal actuarial assumptions:

	2023	2022
Discount rate	5.98%	6.32%
Salary increment rate	10%	10%
Mortality rate	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table
Disability rate	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)
Resignation rate	3.8% per annum for ages 19 to 24; 3% per annum for ages 25 to 29; 2.3% per annum for ages 30 to 34; 14% per annum for ages 35 to 39; 1% per annum for ages 40 to 44; 1% per annum for ages 45 to 49; 0.5% per annum for ages 50 to 54; 0.5% per annum for ages 55 and above	3.8% per annum for ages 19 to 24; 3% per annum for ages 25 to 29; 2.3% per annum for ages 30 to 34; 14% per annum for ages 35 to 39; 1% per annum for ages 40 to 44; 1% per annum for ages 45 to 49; 0.5% per annum for ages 50 to 54; 0.5% per annum for ages 55 and above

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

33. Provision for defined benefit liabilities (cont'd)

The following tables summarise the components of employee benefits expense recognised in the consolidated statement of comprehensive income and the amounts recognised in the statements of financial position as employee benefits liabilities.

The details of the net employee benefits liability are as follows:

	Group							
	2023				2022			
	Indonesia Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM	Indonesia Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM
Present Value of the Defined Benefit Obligation ("PVDBO") as at 1 July	3,368,205	3,915,234	5,143,671	12,427,110	2,790,668	3,611,459	5,601,466	12,003,593
Defined benefit obligation (Note 8)	(567,457)	418,770	739,184	590,497	592,310	438,977	815,332	1,846,619
Benefits paid	-	(89,886)	-	(89,886)	-	-	-	-
Gross amount of actuarial loss/(gain)	33,379	(108,155)	346,846	272,070	(14,773)	-	(910,196)	(924,969)
Currency translation differences	-	212,123	351,417	563,540	-	(135,202)	(362,931)	(498,133)
PVDBO as at 30 June	2,834,127	4,348,086	6,581,118	13,763,331	3,368,205	3,915,234	5,143,671	12,427,110
Analysis of funded and unfunded PVDBO								
PVDBO from plans that are wholly unfunded	2,834,127	4,348,086	6,581,118	13,763,331	3,368,205	3,915,234	5,143,671	12,427,110
Analysed as:								
Current	-	-	-	-	-	80,330	-	80,330
Non-current:								
Later than:								
- one year but not later than two years	190,553	-	-	190,553	170,393	120,772	-	291,165
- two years but not later than five years	436,648	1,185,883	428,308	2,050,839	505,140	244,890	-	750,030
- five years	2,206,926	3,162,203	6,152,810	11,521,939	2,692,672	3,469,242	5,143,671	11,305,585
Total non-current	2,834,127	4,348,086	6,581,118	13,763,331	3,368,205	3,834,904	5,143,671	12,346,780
	2,834,127	4,348,086	6,581,118	13,763,331	3,368,205	3,915,234	5,143,671	12,427,110

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

33. Provision for defined benefit liabilities (cont'd)

The following tables summarise the components of employee benefits expense recognised in the consolidated statement of comprehensive income and the amounts recognised in the statements of financial position as employee benefits liabilities. (cont'd)

The details of the net employee benefits expense recognised in operations are as follows:

	Group							
	2023				2022			
	Indonesia Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM	Indonesia Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM
Current service cost	368,059	345,561	389,041	1,102,661	380,807	367,608	524,512	1,272,927
Past service cost	(1,095,095)	-	-	(1,095,095)	-	-	-	-
Interest cost	159,579	73,209	350,143	582,931	211,503	71,369	290,820	573,692
Net employee benefits expense (Note 8)	(567,457)	418,770	739,184	590,497	592,310	438,977	815,332	1,846,619
Total amount recognised in statement of comprehensive income								
Actuarial loss/(gain) arising from changes in financial assumptions	231,098	104,943	391,337	727,378	(24,232)	-	(1,264,600)	(1,288,832)
Actuarial (gain)/loss arising from changes in demographic assumptions	(190,876)	(96,962)	(95,410)	(383,248)	-	-	26,666	26,666
Actuarial (gain)/loss arising from experience adjustments	(6,843)	(116,136)	50,919	(72,060)	9,459	-	327,738	337,197
Gross amount of actuarial loss/(gain)	33,379	(108,155)	346,846	272,070	(14,773)	-	(910,196)	(924,969)
Deferred tax (Note 30)	(7,343)	21,631	(85,078)	(70,790)	26,572	-	225,156	251,728
Net amount of actuarial loss/(gain)	26,036	(86,524)	261,768	201,280	11,799	-	(685,040)	(673,241)
Cumulative amount of actuarial (gain)/loss recognised in statement of comprehensive income	(651,223)	901,390	(2,498,128)	(2,247,961)	(677,259)	987,914	(2,759,896)	(2,449,241)

33. Provision for defined benefit liabilities (cont'd)

Sensitivity analysis:

The sensitivity analysis below have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

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 Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM	Indonesia Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM
Increase/(decrease):								
2023								
Effect on the aggregate current service cost and interest cost	(251,921)	(392,110)	(648,527)	(1,292,558)	286,681	459,526	751,069	1,497,276
Effect on the PVDBO as at 30 June	(251,921)	(406,977)	(683,966)	(1,342,864)	286,681	476,949	791,925	1,555,555
2022								
Effect on the aggregate current service cost and interest cost	(310,903)	(366,818)	(600,016)	(1,277,737)	359,324	433,399	698,889	1,491,612
Effect on the PVDBO as at 30 June	(310,903)	(361,037)	(581,182)	(1,253,122)	359,324	426,569	677,029	1,462,922

33. Provision for defined benefit liabilities (cont'd)

Sensitivity analysis: (cont'd)

The sensitivity analysis below have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another. (cont'd)

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 Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM	Indonesia Plans RM	Thailand Plans RM	Philippines Plans RM	Total RM
Increase/(decrease):								
2023								
Effect on the aggregate current service cost and interest cost	278,084	451,640	767,880	1,497,604	(249,192)	(394,161)	(675,087)	(1,318,440)
Effect on the PVDBO as at 30 June	278,084	468,764	809,820	1,556,668	(249,192)	(409,105)	(712,100)	(1,370,397)
2022								
Effect on the aggregate current service cost and interest cost	351,044	427,474	694,380	1,472,898	(309,468)	(369,813)	(607,815)	(1,287,096)
Effect on the PVDBO as at 30 June	351,044	420,737	672,623	1,444,404	(309,468)	(363,984)	(588,712)	(1,262,164)

Amounts for the current and previous periods are as follows:

	Indonesia Plans		Thailand Plans		Philippines Plans	
	2023 RM	2022 RM	2023 RM	2022 RM	2023 RM	2022 RM
PVDBO	2,834,127	3,368,205	4,348,086	3,915,234	6,581,118	5,143,671
Experience adjustments on plan liabilities	(6,843)	9,459	(120,540)	-	53,847	317,050

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

34. Dividends

	2023		2022	
	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 2022/2021: - Final dividend paid per share, tax exempt (1-tier)	0.0070 / 0.0230	57,570,639	0.0052 / 0.0160	42,943,545
Proposed but not recognised as a liability as at 30 June:				
Final dividend on ordinary shares, subject to shareholders' approval at the Annual General Meeting	0.0060 / 0.0210	51,821,804	0.0070 / 0.0220	55,502,369

35. 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	
	2023 RM	2022 RM
Sale of goods and rendering of services to related parties:		
- Software licensing	597,780	300,000
- Software project services (professional services)	12,774,179	16,212,002
- Maintenance and enhancement services	58,838,318	51,279,489
- Sale of software and hardware products	12,008,586	215,686
Service fees paid to related parties	4,740,698	5,584,019
Administrative expenses paid to related parties	767,307	1,643,206
Data centre and infrastructure support expenses paid to related parties	3,057,488	2,620,044
Other costs reimbursed from related parties	26,239	22,610
Rental paid to related parties	153,664	100,125
Rental paid by related parties	214,775	231,180
Interest income from a related party	168	-
Purchase of property, plant and equipment from related parties	152,152	120,000
Purchase of intangible assets from a related party	31,000	-

Information regarding outstanding balances arising from related party transactions as at reporting date are disclosed in Note 21.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

35. Significant related party transactions (cont'd)

(b) Compensation of key management personnel

	Group	
	2023 RM	**2022 RM**
Salaries and other short-term employee benefits	28,193,312	20,877,350
Performance shares plan	6,595,272	5,015,887
Defined contribution plans	1,603,505	1,408,474
Benefits-in-kind	176,072	325,118
	36,568,161	27,626,829
Comprise amounts paid to:		
- Directors of the Company	18,955,203	14,047,011
- Other key management personnel	17,612,958	13,579,818
	36,568,161	27,626,829

36. Commitments and financial guarantees

(a) Capital commitments

At the reporting date, the Group has commitment of RM920,107 (2022: RM739,403) in relation to purchased software.

As at the previous financial year, the Group had commitment of RM13,203,000 for an exclusive reseller rights.

(b) Finance lease commitments

The Group has finance leases for its furniture and fittings, motor vehicles and office equipment (Note 12).

Future minimum lease payment under finance leases together with the present value of net minimum lease payments are disclosed in Note 29.

(c) Guarantees

At the reporting date, the Group has provided bank guarantees to third parties amounting to RM23,763,834 (2022: RM24,570,101). No liability is expected to arise.

At the reporting date, the Company has provided corporate guarantee to its subsidiaries amounting to RM59,926,500 (2022: RM57,609,000). No liability is expected to arise.

37. 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 and Risk 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

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.

(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 borrowings 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 or money market fund to generate interest income. The Group has no significant net exposure to interest rate risk.

Sensitivity analysis for interest rate risk
The Group's revolving credit at variable rate is denominated in Singapore Dollar (SGD). At the 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 RM1,527,317 (2022: RM1,753,415) arising mainly as a result of higher/lower interest expense on these revolving credit.

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 financial liabilities at the reporting date based on contracted undiscounted repayment obligations.

Group	Less than 1 year RM	Between 1 and 5 years RM	Over 5 years RM	Total RM
At 30 June 2023				
Trade and other payables (Note 31)	112,308,808	-	-	112,308,808
Amounts due to related parties (Note 21)	873,424	-	-	873,424
Revolving credit	-	178,670,682	-	178,670,682
Lease liabilities (Note 29)	8,402,503	20,137,558	84,435	28,624,496
	121,584,735	198,808,240	84,435	320,477,410
At 30 June 2022				
Trade and other payables (Note 31)	116,992,544	-	-	116,992,544
Amounts due to related parties (Note 21)	394,274	-	-	394,274
Revolving credit	-	191,390,703	-	191,390,703
Term loan	230,419	-	-	230,419
Lease liabilities (Note 29)	7,981,180	17,924,132	992,017	26,897,329
	125,598,417	209,314,835	992,017	335,905,269

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contracted undiscounted repayment obligations.

Company	Less than 1 year RM	Between 1 and 5 years RM	Total RM
At 30 June 2023			
Trade and other payables (Note 31)	3,560,926	-	3,560,926
Amounts due to subsidiaries (Note 21)	2,548,370	-	2,548,370
Revolving credit	-	178,670,682	178,670,682
	6,109,296	178,670,682	184,779,978
At 30 June 2022			
Trade and other payables (Note 31)	3,344,044	-	3,344,044
Amounts due to subsidiaries (Note 21)	4,069,033	-	4,069,033
Revolving credit	-	191,390,703	191,390,703
	7,413,077	191,390,703	198,803,780

(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, contract assets and amounts due from related parties. For other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises primarily from amounts due from subsidiaries and loans to subsidiaries.

Exposure to credit risk profile
At the reporting date, the Group has a significant concentration of credit risk in the form of outstanding balances due from 16 (2022: 12) customers, representing 63% (2022: 62%) of the Group's trade receivables and amounts due from related parties (trade).

Trade receivables and contract assets
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.

Other receivables
Credit risks on other receivables are mainly arising from deposits paid for office premises and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

At the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position and the Group did not recognise any expected credit losses.

Cash and bank balances and money market fund
Cash and deposits are placed with reputable licensed banks. At the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These reputable licensed banks have low credit risks. In addition, some of the bank balances are insured by government agencies. Accordingly, the Group and the Company are of the view that the expected credit loss is minimal.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Amounts due from subsidiaries and loans to subsidiaries
These represents payment on behalf and loans given to in support of subsidiaries' principal activities. At the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

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			
	2023 RM	%	2022 RM	%
By geographical areas				
South East Asia	130,131,091	72%	103,139,708	78%
North East Asia	3,619,125	2%	2,601,702	2%
South Asia	19,567,258	11%	17,952,670	13%
Middle East	13,609,538	8%	1,682,237	1%
Americas	1,241,427	-*	52,847	-*
Africa	7,722,029	4%	5,568,244	4%
Europe	5,553,545	3%	2,820,843	2%
	181,444,013	100%	133,818,251	100%

* Less than 1%

	Group	
	2023 RM	2022 RM
Represented by:		
Trade receivables - third parties (Note 19)	173,763,687	116,990,652
Amounts due from related parties - trade (Note 21)	7,680,326	16,827,599
	181,444,013	133,818,251

An impairment analysis is performed at the reporting date using a provision matrix to measure expected credit losses ("ECLs"). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by geographical region). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables past due more than one year are subjected to further assessment for impairment and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 19 and Note 21.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is an estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work-in-progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Credit risk concentration profile (cont'd)

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

Group	Expected credit loss rate %	Gross carrying amount: Trade receivables (including related parties) RM	Gross carrying amount: Contract assets RM	Expected credit losses: Collectively assessed RM	Expected credit losses: Individually assessed RM	Net balance RM
2023						
Current	0.18%	87,693,817	154,858,392	(440,362)	-	242,111,847
Past due 0 to 1 month	0.08%	34,839,588	-	(29,497)	-	34,810,091
Past due 1 to 2 months	0.19%	12,105,653	-	(23,386)	-	12,082,267
Past due 2 to 3 months	0.03%	19,439,386	-	(5,476)	-	19,433,910
Past due 3 to 6 months	2.74%	15,930,407	-	(437,161)	-	15,493,246
Past due over 6 months	41.92%	20,580,755	-	(1,478,306)	(7,148,178)	11,954,271
		190,589,606	154,858,392	(2,414,188)	(7,148,178)	335,885,632
2022						
Current	0.39%	80,254,321	74,496,032	(606,521)	-	154,143,832
Past due 0 to 1 month	0.16%	19,410,327	-	(31,322)	-	19,379,005
Past due 1 to 2 months	0.14%	8,310,937	-	(11,957)	-	8,298,980
Past due 2 to 3 months	0.31%	7,206,564	-	(22,598)	-	7,183,966
Past due 3 to 6 months	0.33%	10,844,865	-	(36,274)	-	10,808,591
Past due over 6 months	48.58%	15,426,217	-	(135,111)	(7,358,210)	7,932,896
		141,453,231	74,496,032	(843,783)	(7,358,210)	207,747,270

The movement of the loss allowance accounts used to record the impairment are as follows:

Group	Trade receivables (including related parties): Expected credit losses (collectively assessed) RM	Trade receivables (including related parties): Expected credit losses (individually assessed) RM	Trade receivables (including related parties): Total (Note 19) RM	Contract assets: Expected credit losses (collectively assessed) (Note 20) RM
2023				
At beginning of the year	276,770	7,358,210	7,634,980	567,013
Charge for the year (Note 7)	1,709,482	239,370	1,948,852	-
Reversal (Note 5)	-	(289,316)	(289,316)	(150,382)
Written off	-	(551,083)	(551,083)	-
Currency translation differences	11,163	390,997	402,160	142
At end of the year	1,997,415	7,148,178	9,145,593	416,773
2022				
At beginning of the year	1,208,069	7,916,549	9,124,618	190,346
Charge for the year (Note 7)	-	131,816	131,816	376,688
Reversal (Note 5)	(931,957)	(369,373)	(1,301,330)	-
Written off	-	(29,260)	(29,260)	-
Currency translation differences	658	(291,522)	(290,864)	(21)
At end of the year	276,770	7,358,210	7,634,980	567,013

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

(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), United States Dollar (USD) and Thailand Baht (Baht).

The Group holds short-term deposits denominated in USD and SGD 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 RM, the Group's presentation currency. 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.

Sensitivity analysis for foreign currency risk
The following table demonstrates the sensitivity of the Group's profit net of tax and equity to a reasonably possible change in the SGD, USD, Baht, Hong Kong Dollar (HKD), Chinese Renminbi (RMB) and Brunei Dollar (BND) exchange rates against the respective functional currencies of the Group entities and the Group's presentation currency, with all other variables including tax rate being held constant.

	Group			
	Profit net of tax		Equity	
	2023 RM	2022 RM	2023 RM	2022 RM
SGD/RM				
- strengthened by 9% (2022: 2%)	2,099,554	241,478	242,573,566	48,819,931
- weakened by 9% (2022: 2%)	(2,099,554)	(241,478)	(242,573,566)	(48,819,931)
USD/RM				
- strengthened by 6% (2022: 6%)	9,103,692	10,675,485	17,241,643	17,688,021
- weakened by 6% (2022: 6%)	(9,103,692)	(10,675,485)	(17,241,643)	(17,688,021)
Baht/RM				
- strengthened by 5% (2022: 4%)	11,177	175,706	1,799,312	1,064,196
- weakened by 5% (2022: 4%)	(11,177)	(175,706)	(1,799,312)	(1,064,196)
HKD/RM				
- strengthened by 7% (2022: 5%)	8,804	43,770	15,004,633	9,359,082
- weakened by 7% (2022: 5%)	(8,804)	(43,770)	(15,004,633)	(9,359,082)
RMB/RM				
- strengthened by 2% (2022: 2%)	(86,872)	(95,254)	4,641,816	4,029,763
- weakened by 2% (2022: 2%)	86,872	95,254	(4,641,816)	(4,029,763)
BND/RM				
- strengthened by 9% (2022: 2%)	94,521	65,826	1,818,781	566,281
- weakened by 9% (2022: 2%)	(94,521)	(65,826)	(1,818,781)	(566,281)

The changes in exchange rates of other foreign currencies will not have a material impact on the financial statements of the Group.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk (cont'd)
The following table demonstrates the sensitivity of the Company's profit net of tax and equity to a reasonably possible change in the SGD and USD exchange rates against the functional and presentation currencies of the Company, with all other variables including tax rate being held constant.

	Company			
	Profit net of tax		Equity	
	2023 RM	2022 RM	2023 RM	2022 RM
SGD/RM				
- strengthened by 9% (2022: 2%)	-	-	217,110,540	45,280,451
- weakened by 9% (2022: 2%)	-	-	(217,110,540)	(45,280,451)
USD/RM				
- strengthened by 6% (2022: 6%)	4,239,323	4,401,727	4,239,323	4,401,727
- weakened by 6% (2022: 6%)	(4,239,323)	(4,401,727)	(4,239,323)	(4,401,727)

The changes in exchange rates of other foreign currencies will not have a material impact on the financial statements of the Company.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. 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 2023	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Philippine Peso RM	Chinese Renminbi RM	Thailand Baht RM	Brunei Dollar RM	Indonesia Rupiah RM	Euro RM	Hong Kong Dollar RM	Others RM	Total RM
Financial assets												
Financial assets at fair value through other comprehensive income - quoted equity shares	2,800,000	-	-	-	236,434,408	-	-	-	-	-	-	239,234,408
Financial assets at fair value through profit or loss - money market fund	27,544,302	-	-	-	-	-	-	-	-	-	-	27,544,302
Cash and bank balances	96,735,797	135,709,702	149,841,128	4,748,518	67,598	25,786,366	21,333,713	54,084,704	4,477,861	2,122,061	9,341,895	504,249,343
Trade receivables	59,985,372	12,621,987	54,816,576	145,032	222,124	16,421,095	9,975,884	9,177,953	8,431,597	338,273	1,627,794	173,763,687
Other receivables	3,267,156	1,218,305	784,949	724,660	-	1,596,193	8,837	3,107,549	551,032	28,532	746,467	12,033,680
Amounts due from related parties	6,628,390	67,620	-	-	981,025	-	-	-	-	70,911	-	7,747,946
Derivative asset	-	2,586	-	-	-	-	-	-	-	-	-	2,586
	196,961,017	149,620,200	205,442,653	5,618,210	237,705,155	43,803,654	31,318,434	66,370,206	13,460,490	2,559,777	11,716,156	964,575,952
Financial liabilities												
Loans and borrowings	8,568,244	164,255,325	114,859	-	-	1,028,908	-	1,821,991	2,915,190	-	807,487	179,512,004
Trade payables	12,458,200	699,840	8,478,025	28,529	105,837	750,580	560,677	99,287	793,444	35,316	4,083	24,013,818
Other payables	45,937,766	10,717,148	1,921,062	2,984,841	5,508,539	5,248,262	1,204,009	2,655,155	7,046,563	366,154	4,705,491	88,294,990
Amounts due to related parties	611,099	-	-	8,381	-	184,486	69,458	-	-	-	-	873,424
	67,575,309	175,672,313	10,513,946	3,021,751	5,614,376	7,212,236	1,834,144	4,576,433	10,755,197	401,470	5,517,061	292,694,236
Net financial assets/ (liabilities)	129,385,708	(26,052,113)	194,928,707	2,596,459	232,090,779	36,591,418	29,484,290	61,793,773	2,705,293	2,158,307	6,199,095	671,881,716
Less: Net financial position denominated in the respective entities' functional currencies	(125,759,354)	49,380,495	(43,200,515)	(2,596,459)	-	(36,367,879)	(28,418,058)	(61,491,179)	(699,688)	(2,032,542)	(4,903,050)	(256,088,229)
Currency exposure	3,626,354	23,328,382	151,728,192	-	232,090,779	223,539	1,066,232	302,594	2,005,605	125,765	1,296,045	415,793,487

37. 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 2022	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Philippine Peso RM	Chinese Renminbi RM	Thailand Baht RM	Brunei Dollar RM	Indonesia Rupiah RM	Euro RM	Hong Kong Dollar RM	Others RM	Total RM
Financial assets												
Financial assets at fair value through other comprehensive income - quoted equity shares	1,645,000	-	-	-	206,250,863	-	-	-	-	-	-	207,895,863
Financial assets at fair value through profit or loss - money market fund	54,659,549	-	-	-	-	-	-	-	-	-	-	54,659,549
Cash and bank balances	120,637,585	162,885,862	182,134,417	6,365,428	68,647	21,065,263	21,451,192	35,394,473	2,567,188	539,067	4,947,771	558,056,893
Trade receivables	34,288,931	5,416,547	35,124,388	132,624	47,083	13,810,421	14,560,916	6,909,243	4,266,427	200,293	2,233,779	116,990,652
Other receivables	2,488,914	925,763	501,167	1,386,722	-	2,015,798	7,896	1,851,950	597,286	40,593	836,995	10,653,084
Amounts due from related parties	15,897,325	60,901	-	-	-	-	-	-	-	934,512	-	16,892,738
Derivative asset	-	1,137,060	-	-	-	-	-	-	-	-	-	1,137,060
	229,617,304	170,426,133	217,759,972	7,884,774	206,366,593	36,891,482	36,020,004	44,155,666	7,430,901	1,714,465	8,018,545	966,285,839
Financial liabilities												
Loans and borrowings	10,367,244	188,379,303	-	-	-	113,384	-	-	1,571,228	-	490,599	200,921,758
Trade payables	14,591,495	649,258	2,299,137	27,195	-	356,010	953,140	60,026	160,439	64,907	33,541	19,195,148
Other payables	53,273,047	13,025,339	1,573,229	3,527,103	4,878,445	5,083,372	297,930	1,369,244	9,079,504	381,221	5,308,962	97,797,396
Amounts due to related parties	394,274	-	-	-	-	-	-	-	-	-	-	394,274
	78,626,060	202,053,900	3,872,366	3,554,298	4,878,445	5,552,766	1,251,070	1,429,270	10,811,171	446,128	5,833,102	318,308,576
Net financial assets/ (liabilities)	150,991,244	(31,627,767)	213,887,606	4,330,476	201,488,148	31,338,716	34,768,934	42,726,396	(3,380,270)	1,268,337	2,185,443	647,977,263
Less: Net financial position denominated in the respective entities' functional currencies	(145,568,959)	43,701,667	(35,962,854)	(4,330,476)	-	(26,946,056)	(31,986,673)	(42,663,964)	4,865,586	(392,928)	(2,868,257)	(242,152,914)
Currency exposure	5,422,285	12,073,900	177,924,752	-	201,488,148	4,392,660	2,782,261	62,432	1,485,316	875,409	(682,814)	405,824,349

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. 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 2023	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Hong Kong Dollar RM	Total RM
Financial assets					
Cash and bank balances	4,753,438	44,841,954	70,560,447	-	120,155,839
Dividend receivable	-	41,262,000	-	-	41,262,000
Other receivables	-	61,875	94,936	-	156,811
Loans to subsidiaries	3,490,078	1,375,400	-	-	4,865,478
Amounts due from subsidiaries	-	145,607,986	-	93,954	145,701,940
	8,243,516	233,149,215	70,655,383	93,954	312,142,068
Financial liabilities					
Loans and borrowings	-	152,731,692	-	-	152,731,692
Other payables	703,135	2,857,791	-	-	3,560,926
Amounts due to subsidiaries	2,536,291	12,079	-	-	2,548,370
	3,239,426	155,601,562	-	-	158,840,988
Net financial assets	5,004,090	77,547,653	70,655,383	93,954	153,301,080
Less: Net financial position denominated in the functional currency	-	(77,547,653)	-	-	(77,547,653)
Currency exposure	5,004,090	-	70,655,383	93,954	75,753,427
At 30 June 2022					
Financial assets					
Cash and bank balances	3,723,862	105,213,531	73,407,118	-	182,344,511
Other receivables	-	46,279	439	-	46,718
Amounts due from subsidiaries	8,112	152,665,519	-	56,869	152,730,500
	3,731,974	257,925,329	73,407,557	56,869	335,121,729
Financial liabilities					
Loans and borrowings	-	175,341,516	-	-	175,341,516
Other payables	747,644	2,550,961	45,439	-	3,344,044
Amounts due to subsidiaries	4,049,912	13,623	-	5,498	4,069,033
	4,797,556	177,906,100	45,439	5,498	182,754,593
Net financial (liabilities)/assets	(1,065,582)	80,019,229	73,362,118	51,371	152,367,136
Less: Net financial position denominated in the functional currency	-	(80,019,229)	-	-	(80,019,229)
Currency exposure	(1,065,582)	-	73,362,118	51,371	72,347,907

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. 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 dependent 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.

There were no transfers between Level 1, Level 2 and Level 3 during the current and previous financial years.

(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 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 and liabilities measured at fair value				
2023				
Financial assets:				
Non-current asset				
Financial assets at fair value through other comprehensive income - quoted equity shares	2,800,000	-	-	2,800,000
Current assets				
Financial assets at fair value through other comprehensive income - quoted equity shares	236,434,408	-	-	236,434,408
Financial assets at fair value through profit or loss - money market fund	-	27,544,302	-	27,544,302
Derivative asset	-	-	2,586	2,586
	236,434,408	27,544,302	2,586	263,981,296
Financial assets as at 30 June 2023	239,234,408	27,544,302	2,586	266,781,296

There is no financial liability of the Group measured at fair value at the current reporting date.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. Financial risk management objectives and policies (cont'd)

(e) Fair values of financial instruments (cont'd)

(i) Assets and liabilities measured at fair value (cont'd)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period: (cont'd)

Group	Fair value measurements 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	Total RM
Assets and liabilities measured at fair value				
2022				
Financial assets:				
Non-current assets				
Financial assets at fair value through other comprehensive income - quoted equity shares	1,645,000	-	-	1,645,000
Derivative asset	-	-	1,137,060	1,137,060
	1,645,000	-	1,137,060	2,782,060
Current assets				
Financial assets at fair value through other comprehensive income - quoted equity shares	206,250,863	-	-	206,250,863
Financial assets at fair value through profit or loss - money market fund	-	54,659,549	-	54,659,549
	206,250,863	54,659,549	-	260,910,412
Financial assets as at 30 June 2022	207,895,863	54,659,549	1,137,060	263,692,472

There is no financial liability of the Group measured at fair value at the previous reporting date.

There is no financial asset or liability of the Company measured at fair value at the current and previous reporting dates.

(ii) The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

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

  Quoted equity shares are determined by reference to their published market closing price or the quoted closing bid price at the reporting date.

- **Financial assets at fair value through profit or loss - money market fund**

  Unquoted money market funds are valued based on the published Net Asset Value ("NAV") of the funds.

- **Cash and cash equivalents, other receivables, other payables, amounts due from/to subsidiaries/related parties, and loans to subsidiaries**

  The carrying amounts approximate fair values due to the relatively short-term maturity of these financial instruments.

  The fair value of a particular amount due from a subsidiary was estimated by discounting the expected future payouts at intercompany loan interest rate, which approximates market interest rate, at the reporting date.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

37. 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: (cont'd)

- **Trade receivables and trade payables**

  The carrying amounts approximate fair values because these are subject to normal trade credit terms.

- **Loans and borrowings (non-current)**

  The fair values of the lease liabilities 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 leases at the reporting date.

  The fair values of the revolving credit approximate their carrying amounts as they are floating rate instruments that are re-priced to market interest rate on or near the reporting date.

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 30 June 2023 and 2022 are shown below:

	Valuation technique	Significant unobservable inputs	Range (Weighted average)	Sensitivity of the input to fair value
Group				
Derivative asset - Call option (FPL)	Binomial option pricing model	Expected volatility	**2023:** 30.97% - 32.97% (31.97%)	No material effect expected.
			2022: 25.0% - 35.1% (30.1%)	1% decrease would result in a decrease in fair value by RM33,227; 1% increase would result in an increase in fair value by RM33,177.
		Risk-free interest rate	**2023:** 2.95% - 4.95% (3.95%)	No material effect expected.
			2022: 2.3% - 2.7% (2.4%)	1% decrease would result in a decrease in fair value by RM44,781; 1% increase would result in an increase in fair value by RM45,628.

(f) Collateral

Other than part of short-term deposits pledged with banks as disclosed in Note 24, the Group has no other significant terms and conditions associated with the use of collateral.

The Group did not hold collateral as at current and previous reporting dates.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

38. Changes in liabilities arising from financing activities

Group	Dividends (Note 34) RM	Loans and borrowings (Note 28) RM	Total liabilities from financing activities RM
At 1 July 2021	-	26,211,881	26,211,881
Dividends declared during the year	42,943,545	-	42,943,545
Dividends paid	(42,943,545)	-	(42,943,545)
Proceeds from revolving credit	-	173,852,000	173,852,000
Repayment of term loan and revolving credit	-	(246,598)	(246,598)
Payment of upfront fee for revolving credit	-	(1,508,250)	(1,508,250)
Additions of leases during the year (Note 29)	-	70,092	70,092
Modification of leases during the year (Note 29)	-	9,007,315	9,007,315
Payment of principal portion of lease liabilities	-	(9,497,123)	(9,497,123)
Others	-	3,032,441	3,032,441
At 30 June 2022	-	200,921,758	200,921,758
At 1 July 2022	-	200,921,758	200,921,758
Dividends declared during the year	57,570,639	-	57,570,639
Dividends paid	(57,570,639)	-	(57,570,639)
Repayment of term loan and revolving credit	-	(36,582,936)	(36,582,936)
Additions of leases during the year (Note 29)	-	5,167,388	5,167,388
Modification of leases during the year (Note 29)	-	3,318,110	3,318,110
Payment of principal portion of lease liabilities	-	(8,265,745)	(8,265,745)
Others	-	14,953,429	14,953,429
At 30 June 2023	-	179,512,004	179,512,004

The 'Others' line item includes the effect of foreign currency translation on loans and borrowings denominated in foreign currencies. The Group classifies interest paid as cash flows from operating activities.

39. 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 2023 and 2022.

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 2023 is RM1,149,995,968 (2022: RM975,178,502).

The Group and its subsidiaries are not subject to any externally imposed capital requirements.

40. Segment information

For management purposes, the Group is organised into segments as follows:

Operating and non-operating segments

(i) Software licensing – provision of digital economy solutions to banks and corporations engaged in banking, insurance, government, retail, payment and logistics industries.

(ii) Software project services (professional services) – provision of software customisation and implementation services to deliver end-to-end core banking, payment, retail, digital identity and security software solutions.

(iii) Maintenance and enhancement services – provision of round-the-clock software maintenance support and software enhancement services.

(iv) Sale of software and hardware products – sale of software and hardware products to meet customers' software and hardware needs.

(v) Insurance ecosystem transactions and services – provision of cloud computing Software-as-a-Service collaborative platform for policy origination and insurance claim processing.

(vi) Retail transactions processing – provision of Software-as-a-Service subscription version of retail automation solution.

(vii) Others – comprising investment holding and corporate activities which costs cannot be directly attributable to the operating segments.

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 aspect as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

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 and deferred taxes 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 2023

40. 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 2023 and 2022 and assets, liabilities and other segment information regarding the Group's segments as at 30 June 2023 and 30 June 2022.

2023	Software licensing RM	Software project services (professional services) RM	Maintenance and enhancement services RM	Sale of software and hardware products RM	Insurance ecosystem transactions and services RM	Retail transactions processing RM	Others RM	Adjustments and eliminations RM	Notes	Per consolidated financial statements RM
Revenue:										
External customers	73,913,899	102,014,974	513,111,353	20,630,038	52,260,628	3,984,333	-	-		765,915,225
At a point in time	6,824,667	-	-	20,630,038	42,796,863	-	-	-		70,251,568
Over time	67,089,232	102,014,974	513,111,353	-	9,463,765	3,984,333	-	-		695,663,657
Inter-segment	-	-	-	-	-	-	98,941,240	(98,941,240)	A	-
Results:										
Finance income	623,805	1,071,641	4,473,851	198,291	521,756	50,854	4,806,556	-		11,746,754
Finance costs	(82,934)	(119,822)	(564,818)	(17,764)	8,422	(21,423)	(7,553,413)	-		(8,351,752)
Selling and distribution costs	(4,761,894)	(7,598,427)	(23,355,809)	(1,593,688)	(3,254,017)	(547,907)	(9,146,582)	-		(50,258,324)
Depreciation of property, plant and equipment	(253,863)	(539,216)	(1,871,745)	(65,103)	(605,237)	(71,157)	(190,874)	-		(3,597,195)
Depreciation of right-of-use assets	(759,347)	(1,324,421)	(5,348,743)	(150,433)	(489,151)	(74,944)	(402,959)	-		(8,549,998)
Amortisation of intangible assets	(22,607,988)	-	(1,746,454)	-	(1,577,467)	(422,502)	(898,797)	-		(27,253,208)
Share of loss of an associate	-	-	-	-	-	-	(954,267)	-		(954,267)
Reversal of provision for foreseeable losses	-	508,068	-	-	-	-	-	-		508,068
Loss on derivative asset at fair value through profit or loss	-	-	-	-	-	-	(1,176,968)	-		(1,176,968)
Other non-cash (expenses)/income	(190,870)	(1,812,519)	(4,482,091)	(32,646)	849,308	25,050	(6,966,838)	-	B	(12,610,606)
Segment profit/(loss)	37,199,502	21,871,613	303,743,478	285,439	30,007,515	386,562	(163,932,351)	-		229,561,758
Assets:										
Capital expenditure	76,839,832	1,297,361	6,003,917	41,988	2,668,712	4,046	3,721,393	-	C	90,577,249
Segment assets	141,773,001	270,735,242	652,750,039	19,701,386	92,599,003	5,759,975	393,470,696	56,417,541	D	1,633,206,883
Segment liabilities	10,948,884	10,643,946	212,150,078	4,054,494	11,941,210	800,220	168,897,372	63,774,711	E	483,210,915

40. Segment information (cont'd)

(a) Business information (cont'd)

The following table presents the revenue and results information regarding the Group's business segments for the financial years ended 30 June 2023 and 2022 and assets, liabilities and other segment information regarding the Group's segments as at 30 June 2023 and 30 June 2022. (cont'd)

2022	Software licensing RM	Software project services (professional services) RM	Maintenance and enhancement services RM	Sale of software and hardware products RM	Insurance ecosystem transactions and services RM	Retail transactions processing RM	Others RM	Adjustments and eliminations RM	Notes	Per consolidated financial statements RM
Revenue:										
External customers	84,151,905	90,947,063	499,140,446	20,841,268	39,357,041	2,103,959	-	-		736,541,682
At a point in time	2,387,177	-	-	20,841,268	31,123,022	-	-	-		54,351,467
Over time	81,764,728	90,947,063	499,140,446	-	8,234,019	2,103,959	-	-		682,190,215
Inter-segment	-	-	-	-	-	-	101,106,222	(101,106,222)	A	-
Results:										
Finance income	210,239	427,375	1,877,596	69,749	161,517	17,951	314,859	-		3,079,286
Finance costs	(370,446)	(912,694)	(1,021,009)	(33,122)	(72,296)	(6,796)	(382,889)	-		(2,799,252)
Selling and distribution costs	(5,137,892)	(5,549,771)	(22,775,160)	(1,002,683)	(2,566,028)	(332,020)	(4,731,027)	-		(42,094,581)
Depreciation of property, plant and equipment	(340,692)	(482,753)	(2,023,824)	(63,273)	(668,311)	(47,372)	(136,103)	-		(3,762,328)
Depreciation of right-of-use assets	(1,219,832)	(1,540,987)	(5,315,768)	(259,633)	(539,255)	(49,036)	(297,351)	-		(9,221,862)
Amortisation of intangible assets	(19,878,705)	-	(1,751,351)	-	(1,862,067)	(179,582)	(53,555)	-		(23,725,260)
Fair value adjustment on subsequent measurement of put liability	-	-	-	-	-	-	1,461,018	-		1,461,018
Gain on derivative asset at fair value through profit or loss	-	-	-	-	-	-	1,117,620	-		1,117,620
Derecognition of derivative asset upon expiry of call option	-	-	-	-	-	-	(756,928)	-		(756,928)
Other non-cash (expenses)/income	(266,681)	(669,176)	267,548	139,407	(1,683)	4,578	(4,150,567)	-	B	(4,676,574)
Segment profit/(loss)	43,569,952	17,984,226	281,542,469	3,298,879	19,144,331	(25,264)	(133,656,980)	-		231,857,613
Assets:										
Capital expenditure	45,232,846	216,226	1,728,954	45,358	1,696,244	3,239	3,268,875	-	C	52,191,742
Segment assets	160,335,350	169,918,862	562,817,587	26,077,649	87,361,907	3,752,711	417,746,991	64,084,702	D	1,492,095,759
Segment liabilities	53,442,432	12,054,466	188,311,702	4,968,649	10,706,606	847,112	191,563,093	55,023,197	E	516,917,257

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

40. 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 Inter-segment dividend is eliminated on consolidation.

B Other non-cash (expenses)/income consist of write off of property, plant and equipment, net gain on disposal of right-of-use assets, net loss on disposal of property, plant and equipment, net gain on lease modifications, (loss)/gain on redemption of financial assets - money market fund, reversal of/(provision for) expected credit losses on trade receivables and contract assets, reversal of provision for foreseeable losses, dividend income from financial assets - quoted equity shares, bad debts written off, waiver of debts, net unrealised foreign currency exchange (loss)/gain, allowance for unutilised leave, defined benefits obligations and performance shares issued as presented in the respective notes to the financial statements.

C Capital expenditure consists of additions to property, plant and equipment, right-of-use assets, and intangible assets.

D The following tax items are managed on a group basis and are not allocated to individual segment, and are herein added to segment assets to arrive at total assets reported in consolidated statement of financial position:

	2023 RM	2022 RM
Tax recoverable	6,433,217	5,897,617
Deferred tax assets	49,984,324	58,187,085
	56,417,541	64,084,702

E The following tax items are managed on a group basis and are not allocated to individual segment, and are herein added to segment liabilities to arrive at total liabilities reported in consolidated statement of financial position:

	2023 RM	2022 RM
Tax payable	19,644,270	13,355,805
Deferred tax liabilities	44,130,441	41,667,392
	63,774,711	55,023,197

(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 (professional services); maintenance and enhancement services; sale of software and hardware products; insurance ecosystem transactions and services; and retail transactions processing.

- North East Asia – the operations in this area are principally software licensing; rendering of software project services (professional services); maintenance and enhancement services; and insurance ecosystem transactions and services.

- South Asia – the operations in this area are principally software licensing; rendering of software project services (professional services); and maintenance and enhancement services.

- Middle East – the operations in this area are principally software licensing; rendering of software project services (professional services); maintenance and enhancement services; and insurance ecosystem transactions and services.

- Americas – the operations in this area are principally software licensing; rendering of software project services (professional services); maintenance services; and sale of software and hardware products.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

40. Segment information (cont'd)

(b) Geographical information (cont'd)

The Group's six main business segments operate in seven main geographical regions: (cont'd)

- Africa – the operations in this area are principally software licensing; rendering of software project services (professional services); maintenance and enhancement services; and sale of software and hardware products.

- Europe – the operations in this area are principally software licensing; rendering of software project services (professional services); maintenance and enhancement services; and sale of software and hardware products.

Revenue, trade receivables, contract assets 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.

	Group	
	2023 RM	**2022 RM**
Revenue		
South East Asia	613,613,838	597,305,583
North East Asia	25,749,873	24,699,830
South Asia	39,878,255	44,739,361
Middle East	44,983,701	22,209,300
Americas	4,312,143	4,540,301
Africa	16,466,634	16,733,687
Europe	20,910,781	26,313,620
	765,915,225	736,541,682
Capital expenditure		
South East Asia	87,545,535	50,170,816
North East Asia	5,196	10,024
South Asia	25,587	16,468
Middle East	35,150	5,628
Africa	1,492	12,625
Europe	2,964,289	1,976,181
	90,577,249	52,191,742
Segmental assets		
South East Asia	1,209,124,782	1,144,258,395
North East Asia	252,803,124	216,331,488
South Asia	30,743,621	26,257,334
Middle East	27,528,398	2,947,950
Americas	1,740,147	481,404
Africa	14,395,537	12,904,414
Europe	96,871,274	88,914,774
	1,633,206,883	1,492,095,759

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2023

40. 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:

	Group	
	2023 RM	2022 RM
Revenue		
Malaysia	264,844,270	243,996,981
Indonesia	118,303,692	122,415,917
Singapore	80,399,906	68,627,757
Thailand	77,059,895	87,577,457
Non-current assets *		
Malaysia	251,907,535	194,938,832
Singapore	100,094,232	97,034,018
Latvia	81,625,588	76,232,915

* Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, and intangible assets.

Information about major customers
In the previous financial year, there was one customer that contributed more than 10% of the total Group's revenue amounting to RM79,833,324. Revenue from the major customer arose from software licensing and maintenance and enhancement services. There is no such major customer during the financial year.

41. Significant event during the financial year

Internal restructuring

The Company incorporated Fermion Pte. Ltd. ("FPL") with a subsidiary, Silverlake Fermion Sdn. Bhd. ("SFSB"), on 15 March 2021 and 8 June 2021 respectively. FPL is an investment holding company incorporated to support the Group's business expansion for Fermion Insurtech ecosystem. As part of the internal restructuring, the Company entered into a share sale agreement with FPL on 4 July 2022 to transfer its investments in Merimen Ventures Sdn. Bhd. ("MVSB") and Cyber Village Sdn. Bhd. ("CVSB") to FPL at a consideration mutually agreed by both parties ("Disposal"). The shares transfer of MVSB and CVSB were completed on 5 September 2022 and 8 September 2022 respectively.

The internal restructuring which involved the transfer of subsidiaries within the Group did not have any impact to the financial performance and position of the Group.

42. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on 26 September 2023.

Statistics of Shareholdings

AS AT 15 SEPTEMBER 2023

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	:	184,631,179
Percentage of treasury shares against total number of issued ordinary shares (excluding treasury shares)	:	7.35%
Subsidiary holdings	:	No shares issued in the share capital of the Company was held by the Company's subsidiaries.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	34	0.92	1,398	0.00
100 - 1,000	190	5.12	106,203	0.00
1,001 - 10,000	1,340	36.15	8,334,578	0.33
10,001 - 1,000,000	2,092	56.43	136,071,580	5.42
1,000,001 AND ABOVE	51	1.38	2,367,327,862	94.25
TOTAL	**3,707**	**100.00**	**2,511,841,621**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	ZEZZ FUNDQ PTE. LTD.	1,862,760,568	74.16
2	CITIBANK NOMINEES SINGAPORE PTE LTD	125,973,349	5.02
3	DBSN SERVICES PTE. LTD.	47,179,098	1.88
4	DBS NOMINEES (PRIVATE) LIMITED	40,351,767	1.61
5	SEE CHUANG THUAN OR LOI PEK KEAW	32,000,000	1.27
6	RAFFLES NOMINEES (PTE.) LIMITED	23,157,839	0.92
7	MAYBANK SECURITIES PTE. LTD.	22,726,340	0.90
8	KWONG YONG SIN	18,972,000	0.76
9	OCBC SECURITIES PRIVATE LIMITED	18,123,642	0.72
10	PHILLIP SECURITIES PTE LTD	15,805,796	0.63
11	HSBC (SINGAPORE) NOMINEES PTE LTD	15,488,382	0.62
12	TAN TEIK WEI	14,000,000	0.56
13	SAN TAI CONSTRUCTION (S) PTE LTD	11,258,000	0.45
14	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	10,280,913	0.41
15	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	9,686,400	0.39
16	LIM EP BAN	9,337,713	0.37
17	WONG HORN LIM	8,764,713	0.35
18	UOB KAY HIAN PRIVATE LIMITED	7,103,500	0.28
19	TAN BIEN CHUAN	6,600,000	0.26
20	IFAST FINANCIAL PTE. LTD.	6,118,000	0.24
TOTAL		**2,305,688,020**	**91.80**

Statistics of Shareholdings (cont'd)

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders of the Company as at 15 September 2023 are as follows:

	No. of Ordinary Shares of USD0.02 each			
	Direct Interest	%	Deemed Interest	%
Zezz FundQ Pte. Ltd.	1,862,760,568	74.16%	-	-
Goh Peng Ooi	-	-	1,862,760,568	74.16%

Note:

Zezz FundQ Pte. Ltd. is wholly-owned by Mr. Goh Peng Ooi. As such, Mr. Goh Peng Ooi is deemed to have an interest in the 1,862,760,568 shares held by Zezz FundQ Pte. Ltd.

FREE FLOAT

As at 15 September 2023 , approximately 23.34% 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 ("AGM") of SILVERLAKE AXIS LTD. (the "Company") will be convened and held at Banquet Suite, Level 10, M Hotel Singapore, 81 Anson Road, Singapore 079908 on Thursday, 26 October 2023 at 2.00 p.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2023 together with the Directors' Statement and Auditors' Report thereon. **Ordinary Resolution 1**

2. To declare a final tax exempt 1-tier dividend of Singapore 0.60 cents per ordinary share for the financial year ended 30 June 2023 as recommended by the Directors. **Ordinary Resolution 2**

3. To approve the payment of Directors' Fees of S$1,100,000 (2022: S$1,200,000) for the financial year ending 30 June 2024, to be paid quarterly in arrears. **Ordinary Resolution 3**

4. To re-elect Mr. Goh Peng Ooi, a director retiring pursuant to Regulation 108(1) of the Company's Constitution. **Ordinary Resolution 4**

   [See Explanatory Note (i)(a)]

5. To re-elect Ms. Goh Shiou Ling, a director retiring pursuant to Regulation 108(1) of the Company's Constitution. **Ordinary Resolution 5**

   [See Explanatory Note (i)(b)]

6. To record the retirement of Tan Sri Dato' Dr. Mohd Munir Bin Abdul Majid as Director pursuant to Regulation 108(1) of the Company's Constitution at the conclusion of the AGM.

   [See Explanatory Note (i)(c)]

7. To re-elect Mr. Mah Yong Sun, a director retiring pursuant to Regulation 108(1) of the Company's Constitution. **Ordinary Resolution 6**

   [See Explanatory Note (i)(d)]

8. To re-elect Mr. Chee Chin Leong, a director retiring pursuant to Regulation 107 of the Company's Constitution. **Ordinary Resolution 7**

   [See Explanatory Note (i)(e)]

9. To re-elect Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik, a director retiring pursuant to Regulation 107 of the Company's Constitution. **Ordinary Resolution 8**

   [See Explanatory Note (i)(f)]

10. To re-appoint Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 9**

11. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions (with or without amendments):

12. **AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES** **Ordinary Resolution 10**

    "THAT pursuant to the Section 161 of the Companies Act 1967 of Singapore (the "**Act**") and Rule 806 of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

    (a) (i) allot and issue shares in the Company ("**Shares**"), whether by way of rights, bonus or otherwise; and/or

    (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

    at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and,

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while such authority was in force,

provided that:

(1) the aggregate number of Shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

   (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;

   (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

   (c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the rules, measures, guidelines, practice notes and other materials issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), in particular the SGX-ST Listing Manual and the Company's Constitution for the time being; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (ii)]

13. **RENEWAL OF SHARE PURCHASE MANDATE** **Ordinary Resolution 11**

"THAT:

(a) for the purposes of Sections 76C and 76E of the 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:

   (1) on-market purchases (each a "**Market Purchase**") on the SGX-ST; and/or

   (2) 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**");

(b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors of the Company, either be cancelled or held in treasury and dealt with in accordance with the Act;

(c) 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 earliest of:

   (1) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or

(2) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(d) In this Resolution:

"**Prescribed Limit**" means that number of issued Shares representing 10% of the total number of issued Shares of the Company as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings) unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the relevant period in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, commission, clearance fees, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(1) in the case of a Market Purchase, 105% of the Average Closing Price; and

(2) in the case of an Off-Market Purchase, 120% of the Average Closing Price,

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days on which Shares were transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of making the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-market day period and on the day on which the purchases are made;

"**date of the making of the offer**" means the date on which the Company makes or announces its intention to make (as the case may be) an offer for the purchase or acquisition 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;

"**market day**" means a day on which the SGX-ST is open for trading in securities; and

(e) 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 (iii)]

14. **RENEWAL OF, AND AMENDMENTS TO, THE INTERESTED PERSONS TRANSACTIONS ("IPT") GENERAL MANDATE** **Ordinary Resolution 12**

"THAT:

(a) 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 categories of interested persons transactions set out in the Company's Circular to Shareholders dated 11 October 2023 ("**Circular**") with interested persons set out in the Circular, provided that such interested persons transactions are carried out on normal commercial terms and in accordance with the review procedures for the interested persons transactions as set out in the Circular ("**Expanded IPT General Mandate**");

(b) the Expanded IPT 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, or when the next Annual General Meeting is required by law to be held, whichever is earlier;

(c) the Audit and Risk Committee of the Company be and is hereby authorised to take such actions as it deems proper in respect of the methods and procedures for the Expanded IPT General Mandate and/or to modify or implement such methods and procedures as may be necessary to take into consideration any amendments to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and

(d) the Directors of the Company and each of them be and are 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 Expanded IPT General Mandate and/or this Resolution."

[See Explanatory Note (iv)]

Notice of Annual General Meeting (cont'd)

15. **AUTHORITY TO OFFER AND GRANT AWARDS AND ALLOT AND ISSUE SHARES UNDER THE SILVERLAKE AXIS LTD. PERFORMANCE SHARE PLAN** **Ordinary Resolution 13**

"THAT, pursuant to Section 161 of the Act, the Directors of the Company be and are hereby authorised and empowered to offer and grant awards ("**Awards**") in accordance with the provisions of the Silverlake Axis Ltd. Performance Share Plan (the "**PSP**") and to allot and issue or transfer from time to time such number of fully paid-up new Shares as may be required to be allotted and delivered pursuant to the vesting of the Awards granted by the Company under the PSP, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of Shares to be issued pursuant to the PSP shall not exceed ten per centum (10%) of the total issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (v)]

BY ORDER OF THE BOARD

Tong Shan
Company Secretary
Singapore

Date: 11 October 2023

Explanatory Notes:

(i) (a) Mr. Goh Peng Ooi, if re-elected under **Resolution 4** above, will remain as the Group Executive Chairman and member of Nominating Committee. Detailed information on Mr. Goh Peng Ooi can be found on page 10 of the Annual Report.

(b) Ms. Goh Shiou Ling, if re-elected under **Resolution 5** above, will remain as the Deputy Chief Executive Officer, the Chairman of Strategic Investment Committee and member of Remuneration Committee. Detailed information on Ms. Goh Shiou Ling can be found on page 11 of the Annual Report.

(c) Tan Sri Dato' Dr. Mohd Munir Bin Abdul Majid, who retires under Regulation 108(1) of the Company's Constitution, although eligible, has expressed his intention to retire at the AGM and will not be seeking for re-election. Tan Sri Dato' Dr. Mohd Munir Bin Abdul Majid will retire from the Board of Directors at the conclusion of the AGM and will concurrently cease to be Chairman of the Remuneration Committee and a member of the Audit and Risk Committee.

(d) Mr. Mah Yong Sun, if re-elected under **Resolution 6** above, will remain as an Independent Non-Executive Director, member of the Audit and Risk Committee and Strategic Investment Committee. Detailed information on Mr. Mah Yong Sun can be found on page 13 of the Annual Report.

(e) Mr. Chee Chin Leong, if re-elected under **Resolution 7** above, will remain as an Executive Director. Detailed information on Mr. Chee Chin Leong can be found on page 14 of the Annual Report.

(f) Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik, if re-elected under **Resolution 8** above, will remain as an Independent Non-Executive Director. Detailed information on Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik can be found on page 14 of the Annual Report.

(ii) **Resolution 10** above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares and make or grant Instruments convertible into Shares and to issue shares pursuant to such Instruments, up to a maximum of fifty per centum (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 per centum (20%) of the issued share capital of the Company) for such purposes as they consider would be in the interests of the Company.

(iii) Please refer to the Company's Circular to Shareholders dated 11 October 2023 for more details on the renewal of Share Purchase Mandate.

(iv) Please refer to the Company's Circular to Shareholders dated 11 October 2023 for more details on the renewal of, and amendments to, the IPT General Mandate.

(v) **Resolution 13** proposed above is to authorise the Directors to grant share awards and to issue shares under the PSP approved by the shareholders of the Company at the Special General Meeting of the Company held on 27 October 2020.

Record Date and Payment Date for Final Dividend

Subject to the approval of members at the forthcoming AGM, the Register of Members and the Transfer Books of the Company will be closed from 5.00 p.m. on Tuesday, 7 November 2023 for the purpose of preparing dividend warrants for the final dividend ("**Dividend**").

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on Tuesday, 7 November 2023 (the "**Record Date**") will be registered to determine members' entitlements to the Dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Record Date will be entitled to the Dividend.

The Dividend, if approved by the members at the AGM, will be paid on Thursday, 16 November 2023.

Important Notes:

Format of Meeting

1. The AGM will be held in a wholly physical format, at the venue, date and time stated above. **There will be no option for members to participate virtually**.

2. Printed copies of this Notice of AGM and the accompanying Proxy Form will be sent by post to members. These documents will also be published on the Company's corporate website at URL https://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2023 and SGXNet at the URL https://www.sgx.com/securities/company-announcements.

3. Members, including CPF and SRS investors, are able to ask questions and vote at the AGM in person, or by appointing proxy(ies) and representative(s) to do so on their behalf.

Appointment of Proxy(ies)

4. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's instrument appointing proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

5. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Act.

6. A proxy may but need not be a member of the Company. A member may appoint the Chairman of the AGM as his/her proxy.

7. Members are advised to give specific instructions as to voting or abstentions from voting on the resolutions set out in the Proxy Form. The Proxy Form attached to the Notice of AGM can be downloaded from the Company's corporate website at URL https://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2023 and SGXNet at the URL https://www.sgx.com/securities/company-announcements.

8. Members must submit the completed and signed Proxy Form by **2.00 p.m.** on **Monday, 23 October 2023** (being not less than seventy-two (72) hours before the time fixed for the AGM) either:

   (i) **by email** to SAL2023AGM@boardroomlimited.com; or

   (ii) **by post** to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

Notice of Annual General Meeting (cont'd)

9. The deposit of an instrument of proxy does not preclude a member concerned from attending and voting in person at the meeting, as well as for any adjournment of the meeting to which it relates. In such an event, the appointment of the proxy(ies) is deemed to be revoked by the member concerned at the point when the member attends the AGM.

10. Investors, including CPF/SRS investors, who hold shares through their relevant intermediaries (as defined in Section 181 of the Act), which would include in the case of CPF/SRS investors, their respective CPF Agent Banks/SRS Operators, may:

    (a) vote at the AGM if they are appointed as proxies by their relevant intermediaries (including CPF Agent Banks or SRS Operators) and should contact them if they have any queries regarding their appointment as proxies; or

    (b) appoint the Chairman of the AGM as proxy to vote on their behalf;

    in which case, they should approach their relevant intermediaries to submit their voting instructions by **2.00 p.m.** on **Tuesday, 17 October 2023**, being at least seven (7) working days before the AGM.

11. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing proxy(ies) (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing proxy(ies)). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing proxy lodged if such members are not shown to have shares entered against their names in the Depository Register as at seventy-two (72) hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Submission of Questions

12. Members, including CPF and SRS investors, may submit substantial and relevant questions relating to the business of the AGM in advance and in any case, not later than **2.00 p.m.** on **Wednesday, 18 October 2023** through any of the following means:

    (a) **by email** to FY2023AGM@silverlakeaxis.com; or

    (b) **by post** to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632.

13. When submitting questions by post or via email, members should also provide the following details: (i) the member's full name; (ii) the member's address; and (iii) the manner in which the member holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes.

14. The Company will address all substantial and relevant questions received from members by publishing its responses to such questions on the SGXNet and the Company's website at least 48 hours prior to the deadline for submission of the Proxy Forms.

    Should there be subsequent clarification sought or follow-up questions after the deadline of the submission of questions, the Company will address those substantial and relevant questions either within a reasonable timeframe before the AGM, or at the AGM itself.

    Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

Access to Documents

15. The Annual Report 2023, Circular to Shareholders dated 11 October 2023, Notice of AGM and the Proxy Form for the AGM can be accessed from the Company's website at the URL https://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2023 and SGXNet at the URL https://www.sgx.com/securities/company-announcements.

16. Members may request for printed copies of the Annual Report 2023 and Circular to Shareholders dated 11 October 2023 by submitting your request to Boardroom Corporate & Advisory Services Pte Ltd no later than **Tuesday, 17 October 2023**, either by:

    (i) completing the Request Form sent by post together with printed copies of this Notice and the accompanying Proxy Form; or

    (ii) via https://bit.ly/SAL-Request2023

Notice of Annual General Meeting (cont'd)

Scan To Request for Annual Report & Circular to Shareholders

Personal data privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the AGM 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (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 members have 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 members 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.

Additional information on Directors seeking for re-election:

Name of Director	Goh Peng Ooi	Goh Shiou Ling	Mah Yong Sun	Chee Chin Leong	Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik
Date of appointment	23 August 2002	1 June 2015	27 August 2020	14 February 2023	1 October 2023
Date of last re-election (if applicable)	27 October 2021	27 October 2020	27 October 2020	-	-
Age	69	36	61	64	62
Country of principal residence	Malaysia	Malaysia	Singapore	Malaysia	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Please refer to the Corporate Governance section in the Company's 2023 Annual Report.				
Whether appointment is executive, and if so, the area of responsibility	Executive. Provide top-level leadership and leads in setting the values and standards of the Company, instilling good corporate governance practices and playing a pivotal role in fostering effectiveness of the Board apart from overseeing the Group's business, focusing on strategic matters.	Executive. Leads the strategic investment team to contribute to the growth and value creation of the Company.	Non-Executive	Executive. Leads the upgrade of Partnership Programme.	Non-Executive

Notice of Annual General Meeting (cont'd)

Name of Director	Goh Peng Ooi	Goh Shiou Ling	Mah Yong Sun	Chee Chin Leong	Emeritus Professor Tan Sri Dato' Dr. Chuah Hean Teik
Job title	• Group Executive Chairman • Nominating Committee member	• Deputy Chief Executive Officer • Strategic Investment Committee Chairman • Remuneration Committee member	• Independent Non-Executive Director • Audit & Risk Committee member • Strategic Investment Committee member	• Executive Director	• Independent Non-Executive Director
Professional qualifications	Please refer to the Board of Directors section in the Company's 2023 Annual Report.				
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2023 Annual Report.				
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest: 1,862,760,568 shares in the Company	Deemed interest: 630,400 shares in the Company	-	Direct interest: 120,000 shares in the Company	-
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes. Zezz FundQ Pte. Ltd., a substantial shareholder of the Company, is wholly-owned by Mr. Goh. He is also the father of Ms. Goh Shiou Ling, the Deputy Chief Executive Officer of the Company.	Yes. Ms Goh is the daughter of Mr. Goh Peng Ooi, who is the Group Executive Chairman and substantial shareholder of the Company.	No	No	No
Conflict of interest (including any competing business)	None	None	None	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the Mainboard Rules has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes
Items (a) to (k) of Appendix 7.4.1 of the Mainboard Rules	All items have been declared as "No".	All items have been declared as "No".	All items have been declared as "No".	All items have been declared as "No".	All items have been declared as "No".

Proxy Form

2023 ANNUAL GENERAL MEETING

SILVERLAKE AXIS LTD.
(Company Registration No. 202133173M)
(Registered in Singapore)

IMPORTANT:
1. The 2023 Annual General Meeting of Silverlake Axis Ltd. (the "**Company**") ("**AGM**" or the "**Meeting**") will be held in a wholly physical format on Thursday, 26 October 2023 at Banquet Suite, Level 10, M Hotel Singapore, 81 Anson Road, Singapore 079908 at 2.00 p.m. **There will be no option for members to participate virtually.**
2. This Proxy Form is not valid for use by investors holding shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including CPF and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Investors (including CPF and SRS investors) who wish to vote should instead approach their relevant intermediaries (including CPF Agent Banks or SRS Operators) as soon as possible to submit their voting instructions by **2.00 p.m.** on **Tuesday, 17 October 2023**, being at least seven (7) working days before the AGM.
4. By submitting an instrument on the appointment of proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice.
5. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies) by members.**

This Proxy Form has been made available on the corporate website of the Company and SGXNet and may be accessed at the URLs https://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2023 and https://www.sgx.com/securities/company-announcements.

I/We, ____(Name) ________________________________(NRIC/Passport/Co. Registration No.) of

____(address)

being a Member/Members of SILVERLAKE AXIS LTD. (the "Company") hereby appoint:-

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or*

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing him/her*, the Chairman of the 2023 AGM as *my/our proxy to attend, speak and vote for *me/us on *my/our behalf at the 2023 AGM of the Company to be held on Thursday, 26 October 2023 at Banquet Suite, Level 10, M Hotel Singapore, 81 Anson Road, Singapore 079908 and at any adjournment thereof.

Voting will be conducted by poll. If you wish for your proxy(ies) to exercise all your votes "For" or "Against" the relevant resolution, please tick "√ " within the relevant box provided. Alternatively, please indicate the number of votes "For" or "Against" each resolution. If you wish for your proxy to abstain from voting on a resolution, please indicate with a "√ " in the "Abstain" box or indicate the number of shares that your proxy is directed to abstain from voting.
If no specific direction as to voting is given, the proxy(ies) will vote or abstain from voting at his/her* discretion, and on any matter arising at the Meeting.

No.	**Resolutions relating to:**	**For**	**Against**	**Abstain**
Ordinary Business				
1.	**Ordinary Resolution 1** To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2023 together with the Directors' Statement and Auditors' Report thereon.			
2.	**Ordinary Resolution 2** To declare a final tax exempt 1-tier dividend of Singapore 0.60 cents per ordinary share for the financial year ended 30 June 2023 as recommended by the Directors.			
3.	**Ordinary Resolution 3** To approve the payment of Directors' Fees of S$1,100,000 (2022: S$1,200,000) for the financial year ending 30 June 2024, to be paid quarterly in arrears.			
4.	**Ordinary Resolution 4** To re-elect Mr. Goh Peng Ooi, a director retiring pursuant to Regulation 108(1) of the Company's Constitution.			
5.	**Ordinary Resolution 5** To re-elect Ms. Goh Shiou Ling, a director retiring pursuant to Regulation 108(1) of the Company's Constitution.			
6.	**Ordinary Resolution 6** To re-elect Mr. Mah Yong Sun, a director retiring pursuant to Regulation 108(1) of the Company's Constitution.			
7.	**Ordinary Resolution 7** To re-elect Mr. Chee Chin Leong, a director retiring pursuant to Regulation 107 of the Company's Constitution.			

No.	Resolutions relating to:	For	Against	Abstain
Ordinary Business				
8.	**Ordinary Resolution 8** To re-elect Emeritus Professor Tan Sri Dato' Dr. Chuan Hean Teik, a director retiring pursuant to Regulation 107 of the Company's Constitution.			
9.	**Ordinary Resolution 9** To re-appoint Ernst & Young LLP, as auditors of the Company and to authorise the Directors to fix their remuneration.			
Special Business				
10.	**Ordinary Resolution 10** To authorise Directors to allot and issue shares.			
11.	**Ordinary Resolution 11** To approve the proposed renewal of Share Purchase Mandate.			
12.	**Ordinary Resolution 12** To approve the proposed renewal of, and amendments to, the Interested Persons Transactions General Mandate.			
13.	**Ordinary Resolution 13** To authorise Directors to offer and grant Awards and allot and issue shares under Silverlake Axis Ltd. Performance Share Plan.			

* delete accordingly

Dated this__________________day of________________________2023

Total No. of shares held in	
CDP Register	
Register of Members	

Signature(s) of Member(s) / Common Seal of Corporate Shareholder

Contact No. / Email Address of Member

IMPORTANT: PLEASE READ NOTES CAREFULLY BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing proxy(ies) shall be deemed to relate to all the Shares held by you.

2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's instrument appointing proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.
   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A proxy may but need not be a member of the Company. A member may appoint the Chairman of the AGM as his/her proxy.

4. The instrument appointing proxy(ies) must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. Where an instrument appointing proxy(ies) is signed and authorised on behalf of the appointor by an attorney, the letter of power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

5. Members must submit the completed and signed Proxy Form by **2.00 p.m.** on **Monday, 23 October 2023** (being not less than seventy-two (72) hours before the time fixed for the AGM) either :
   (i) **by email** to SAL2023AGM@boardroomlimited.com; or
   (ii) **by post** to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

6. The deposit of an instrument of proxy does not preclude a member concerned from attending and voting in person at the meeting, as well as for any adjournment of the meeting to which it relates. In such an event, the appointment of the proxy(ies) is deemed to be revoked by the member concerned at the point when the member attends the AGM.

7. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing proxy(ies) (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing proxy(ies)).

   In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing proxy(ies) lodged if such members are not shown to have shares entered against their names in the Depository Register as at seventy-two (72) hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of 2023 AGM dated 11 October 2023.

PAPERS USED

In line with Silverlake Axis' continuing efforts to promote environmental sustainability, the papers used in this Annual Report are made from chlorine-free recycled and virgin pulps.
Cover – Novoluxe Nordic White, 235gsm
Review pages – Munken Kristall, 150gsm
Financial pages – Green Forest, 100 gsm

Soft copies of this Annual Report may be downloaded from www.silverlakeaxis.com in document format (PDF) so as to reduce consumption of resources from printing and distributing hard copies.

Reduce, Reuse and Recycle

You can do your part for the environment by recycling this Annual Report after reading.

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