

SILVERLAKE AXIS LTD

Full Year Financial Statements And Dividend Announcement For The Financial Year Ended 30 June 2017

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

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

CONSOLIDATED INCOME STATEMENT

For the full year and fourth quarter ended 30 June 2017

	Financial year ended 30 June			Fourth quarter ended 30 June		
	2017	2016	Change	2017	2016	Change
	RM	RM	%	RM	RM	%
Revenue	506,399,375	636,282,307	(20)	124,943,985	166,938,384	(25)
Cost of sales	(229,215,103)	(252,418,408)	(9)	(67,502,775)	(56,494,075)	19
Gross profit	277,184,272	383,863,899	(28)	57,441,210	110,444,309	(48)
Other items of income						
Finance income	4,241,638	2,140,757	98	2,800,573	387,311	>100
Other income	807,905,860	19,670,186	>100	17,356,948	7,430,604	>100
Other items of expenses						
Selling and distribution costs	(28,889,330)	(23,657,716)	22	(6,079,022)	(4,333,100)	40
Administrative expenses	(103,811,235)	(82,536,054)	26	(27,580,990)	(31,267,901)	(12)
Finance costs	(1,437,678)	(1,110,406)	29	(481,611)	(422,904)	14
Share of (loss)/profit of associates and a joint venture	(7,702,836)	1,848,470	>100	(5,313,575)	(78,019)	>100
Profit before tax	947,490,691	300,219,136	>100	38,143,533	82,160,300	(54)
Income tax expense	(101,493,956)	(26,362,298)	>100	(5,436,357)	(4,961,601)	10
Profit for the year/period	845,996,735	273,856,838	>100	32,707,176	77,198,699	(58)
Profit for the year/period attributable to:						
Owners of the parent	845,991,733	273,848,019	>100	32,696,135	77,196,357	(58)
Non-controlling interests	5,002	8,819	(43)	11,041	2,342	>100
	845,996,735	273,856,838	>100	32,707,176	77,198,699	(58)
Earnings per share attributable to the owners of the parent:						
- Basic (sen)	31.98	10.30	>100	1.24	2.90	(57)
- Diluted (sen)	31.95	10.30	>100	1.23	2.90	(58)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the full year and fourth quarter ended 30 June 2017

	Financial year ended 30 June			Fourth quarter ended 30 June		
	2017	2016	Change	2017	2016	Change
	RM	RM	%	RM	RM	%
Profit for the year/period	845,996,735	273,856,838	>100	32,707,176	77,198,699	(58)
Other comprehensive (loss)/income:						
Items that may be reclassified subsequently to profit or loss:						
Fair value loss on available-for-sale financial assets	(95,598,263)	-	N/M	(95,598,263)	-	N/M
Deferred tax related to fair value changes on available-for-sale financial assets	8,400,824	-	N/M	8,400,824	-	N/M
Foreign currency translation gain/(loss)*	36,379,847	9,089,212	>100	(29,897,630)	5,666,033	>100
Share of foreign currency translation gain of a joint venture	1,419	-	N/M	89,674	-	N/M
	(50,816,173)	9,089,212	>100	(117,005,395)	5,666,033	>100
Item that will not be reclassified to profit or loss:						
Actuarial gain on defined benefit plans	882,823	1,332,048	(34)	882,823	1,329,612	(34)
	882,823	1,332,048	(34)	882,823	1,329,612	(34)
Other comprehensive (loss)/income for the year/period, net of tax	(49,933,350)	10,421,260	>100	(116,122,572)	6,995,645	>100
Total comprehensive income/(loss) for the year/period	796,063,385	284,278,098	>100	(83,415,396)	84,194,344	>100
Total comprehensive income/(loss) for the year/period attributable to:						
Owners of the parent	796,058,383	284,269,279	>100	(83,426,437)	84,192,002	>100
Non-controlling interests	5,002	8,819	(43)	11,041	2,342	>100
	796,063,385	284,278,098	>100	(83,415,396)	84,194,344	>100

N/M = Not Meaningful

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

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

	Financial year ended 30 June			Fourth quarter ended 30 June		
	2017	2016	Change	2017	2016	Change
	RM	RM	%	RM	RM	%
Impairment loss on financial assets - trade receivables	(1,389)	(244,436)	(99)	(1,389)	(244,436)	(99)
Impairment loss on interest in a joint venture	(5,600,000)	-	N/M	(5,600,000)	-	N/M
Amortisation of intangible assets	(14,346,631)	(13,441,922)	7	(3,266,628)	67,868	>100
Depreciation of property, plant and equipment	(3,986,860)	(3,005,608)	33	(1,036,829)	(708,684)	46
Write off of property, plant and equipment	(350,481)	(3,225)	>100	(126,035)	(2,727)	>100
Provision for foreseeable losses	(427,184)	(2,203,506)	(81)	(427,184)	(2,203,506)	(81)
Bad debts written off	(2,407)	-	N/M	(2,407)	-	N/M
Reversal of impairment loss on trade receivables**	973,877	250,653	>100	973,877	(515,925)	>100
Net foreign currency exchange (loss)/gain**:						
- realised	(8,790,810)	(8,179,433)	7	1,908,618	(8,767,687)	>100
- unrealised	11,528,125	14,611,668	(21)	14,027,209	7,487,601	87
Adjustments for over/(under) provision of tax in respect of prior years	709,116	32,962	>100	626,629	(42,462)	>100
Net gain on disposal of property, plant and equipment**	112,986	49,984	>100	23,058	4,717	>100
Gain on redemption of available-for-sale financial assets - money market fund**	413,234	920,016	(55)	118,275	132,787	(11)
Gain on disposal of shares in an associate**	480,365,471	-	N/M	-	-	N/M
Gain on initial recognition of available-for-sale financial assets - quoted equity shares at fair value**	294,787,192	-	N/M	-	-	N/M
(Loss)/Gain** on dilution of interest in an associate arising from issuance of new shares pursuant to employee shares incentive plan	(248,641)	2,907,261	>100	-	-	N/M
Gain on dilution of interest in an associate arising from issuance of new shares as part consideration for its acquisition of a subsidiary and private placements**	18,798,722	-	N/M	-	-	N/M
Performance shares issued	(11,690,196)	(8,154,596)	43	(1,081,029)	(1,095,709)	(1)
Allowance for unutilised leave	(111,735)	(555,555)	(80)	(212,093)	(502,596)	(58)
Allowance for defined benefit liabilities	(1,528,214)	(761,462)	>100	(868,938)	(10,828)	>100
Fair value adjustment arising from subsequent measurement of contingent consideration for business combination	-	(13,401)	(100)	-	-	N/M

* Included in other operating expenses

** Included in other operating income

N/M = Not Meaningful

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

	As at 30-Jun-17		As at 30-Jun-16	
	Group RM	Company RM	Group RM	Company RM
ASSETS				
Non-current assets				
Property, plant and equipment	19,085,269	-	16,321,337	-
Intangible assets	191,690,631	-	195,875,204	-
Investments in subsidiaries	-	1,863,873,593	-	1,894,873,593
Investments in associates	-	-	106,380,900	482,400
Interest in a joint venture	30,175,732	30,176,361	31,611,357	33,346,002
Deferred tax assets	5,877,391	-	5,790,275	-
	246,829,023	1,894,049,954	355,979,073	1,928,701,995
Current assets				
Amounts due from customers for contract work-in-progress	20,888,447	-	16,916,828	-
Trade and other receivables	144,592,658	29,167	177,845,034	61
Advance maintenance costs	3,559,841	-	2,729,534	-
Prepayments	5,065,685	52,606	4,221,916	45,810
Dividend receivables	-	129,290,101	-	24,315,200
Amount due from a subsidiary	-	-	-	34,902
Amounts due from related parties	13,693,457	-	43,327,704	-
Loan to a subsidiary	-	-	-	9,424,643
Tax recoverable	3,371,722	-	1,670,392	-
Available-for-sale financial assets - quoted equity shares	280,305,198	-	-	-
Available-for-sale financial assets - money market fund	2,312,790	-	4,729,521	-
Cash and bank balances	720,708,154	78,941,196	225,942,723	38,754,126
	1,194,497,952	208,313,070	477,383,652	72,574,742
Total assets	1,441,326,975	2,102,363,024	833,362,725	2,001,276,737

STATEMENTS OF FINANCIAL POSITION (Cont'd)

	As at 30-Jun-17		As at 30-Jun-16	
	Group RM	Company RM	Group RM	Company RM
EQUITY AND LIABILITIES				
Equity				
Share capital	191,040,654	191,040,654	191,040,654	191,040,654
Share premium	232,217,438	1,668,775,194	229,022,558	1,665,580,314
Treasury shares	(86,627,098)	(86,627,098)	(75,442,423)	(75,442,423)
Foreign currency translation reserve	61,959,697	-	25,578,431	-
Capital reserve	466,828	-	466,828	-
Statutory reserve	21,819	-	21,819	-
Performance share plan reserve	10,163,890	10,163,890	5,839,774	5,839,774
Available-for-sale reserve	(87,197,439)	-	-	-
Merger deficit	(119,765,286)	-	(119,765,286)	-
Retained profits	955,660,890	228,794,009	345,766,416	138,129,289
Equity attributable to owners of the parent	1,157,941,393	2,012,146,649	602,528,771	1,925,147,608
Non-controlling interests	85,198	-	80,196	-
Total equity	1,158,026,591	2,012,146,649	602,608,967	1,925,147,608
Non-current liabilities				
Loans and borrowings	1,645,395	-	1,423,891	-
Deferred tax liabilities	38,735,562	-	18,133,849	-
Provision for defined benefit liabilities	7,725,490	-	7,793,902	-
	48,106,447	-	27,351,642	-
Current liabilities				
Amounts due to customers for contract work-in-progress	9,622,418	-	8,170,674	-
Trade and other payables	66,278,036	1,872,156	49,355,794	3,759,359
Provision for defined benefit liabilities	419,939	-	373,822	-
Advance maintenance fees	57,003,287	-	55,772,126	-
Loans and borrowings	89,251,962	88,337,362	73,049,433	72,239,600
Amounts due to subsidiaries	-	6,857	-	17,888
Amounts due to related parties	4,005,145	-	5,926,194	-
Income tax payable	8,613,150	-	10,754,073	112,282
	235,193,937	90,216,375	203,402,116	76,129,129
Total liabilities	283,300,384	90,216,375	230,753,758	76,129,129
Net current assets/(liabilities)	959,304,015	118,096,695	273,981,536	(3,554,387)
Total equity and liabilities	1,441,326,975	2,102,363,024	833,362,725	2,001,276,737

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

Amount repayable in one year or less, or on demand

As at 30-Jun-17		As at 30-Jun-16	
Secured Group RM	Unsecured Group RM	Secured Group RM	Unsecured Group RM
914,600	88,337,362	809,833	72,239,600

Amount repayable after one year

As at 30-Jun-17		As at 30-Jun-16	
Secured Group RM	Unsecured Group RM	Secured Group RM	Unsecured Group RM
1,645,395	-	1,423,891	-

Details of any collaterals

The secured facilities of the Group comprise hire purchases and leasing which are secured by certain property, plant and equipment and intangible assets of subsidiaries with a total net book value of RM2,909,953 and RM153,477 respectively as at 30 June 2017 (RM9,608,781 and nil respectively as at 30 June 2016). The freehold land pledged to secure the term loan and overdraft facilities of a subsidiary had been discharged during the financial year.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Financial year ended		Fourth quarter ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM	RM	RM	RM
Operating activities:				
Profit before tax	947,490,691	300,219,136	38,143,533	82,160,300
Adjustments for:				
Amortisation of intangible assets	14,346,631	13,441,922	3,266,628	(67,868)
Provision for foreseeable losses	427,184	2,203,506	427,184	2,203,506
Depreciation of property, plant and equipment	3,986,860	3,005,608	1,036,829	708,684
Write off of property, plant and equipment	350,481	3,225	126,035	2,727
Net gain on disposal of property, plant and equipment	(112,986)	(49,984)	(23,058)	(4,717)
Gain on redemption of available-for-sale financial assets - money market fund	(413,234)	(920,016)	(118,275)	(132,787)
Unrealised foreign currency exchange gain	(11,528,125)	(14,611,668)	(14,027,209)	(7,487,601)
Impairment loss on financial assets - trade receivables	1,389	244,436	1,389	244,436
Reversal of impairment loss on trade receivables	(973,877)	(250,653)	(973,877)	515,925
Bad debts written off	2,407	-	2,407	-
Gain on disposal of shares in an associate	(480,365,471)	-	-	-
Allowance for unutilised leave	111,735	555,555	212,093	502,596
Allowance for defined benefit liabilities	1,528,214	761,462	868,938	10,828
Performance shares issued	11,690,196	8,154,596	1,081,029	1,095,709
Fair value adjustment arising from subsequent measurement of contingent consideration for business combination	-	13,401	-	-
Share of loss/(profit) of associates and a joint venture	7,702,836	(1,848,470)	5,313,575	78,019
Loss/(Gain) on dilution of interest in an associate arising from issuance of new shares pursuant to employee shares incentive plan	248,641	(2,907,261)	-	-
Gain on dilution of interest in an associate arising from issuance of new shares as part consideration for its acquisition of a subsidiary and private placements	(18,798,722)	-	-	-
Gain on initial recognition of available-for-sale financial assets - quoted equity shares at fair value	(294,787,192)	-	-	-
Finance costs	1,437,678	1,110,406	481,611	422,904
Finance income	(4,241,638)	(2,140,757)	(2,800,573)	(387,311)
Operating cash flows before changes in working capital	178,103,698	306,984,444	33,018,259	79,865,350
Changes in working capital:				
Trade and other receivables	39,173,004	(54,811,947)	13,020,025	52,137,414
Amounts due from/to customers for contract work-in-progress	(2,750,678)	(7,246,310)	(9,841,490)	(13,769,971)
Amounts due from/to related parties	29,922,491	(16,684,794)	(453,567)	(28,543,490)
Trade and other payables	592,881	11,674,794	5,086,335	(18,538,311)
Cash flows from operations	245,041,396	239,916,187	40,829,562	71,150,992
Net (placement)/uplift of deposit pledged	(3,006,500)	-	974,650	-
Defined benefits paid	(168,405)	(142,804)	(168,405)	(142,804)
Income tax paid	(23,683,277)	(30,050,564)	(4,544,934)	(4,231,204)
Interest paid	(1,279,568)	(596,435)	(323,502)	(226,200)
Net cash flows from operating activities	216,903,646	209,126,384	36,767,371	66,550,784
Investing activities:				
Purchases of property, plant and equipment	(6,000,583)	(2,728,439)	(1,308,017)	(710,948)
Payments for software development expenditure	-	(642,781)	-	(32,535)
Payments for other intangible assets	(4,841,615)	(453,835)	(4,243,455)	(5,202)
Acquisition of subsidiaries, net of cash acquired	-	(68,972,422)	-	(18,689,548)
Advances to a joint venture	(129,650)	(235,254)	(45,170)	-
Proceeds from disposal of property, plant and equipment	158,175	50,265	23,648	4,717
Proceeds from disposal of shares in an associate	556,968,103	-	-	-
Capital gain tax paid relating to the disposal of shares in an associate	(54,150,352)	-	(36,996,783)	-
Proceeds from redemption of available-for-sale financial assets - money market fund	75,759,965	103,515,016	26,620,744	17,737,787
Dividend received from an associate	-	771,106	-	771,106
Purchases of available-for-sale financial assets - money market fund	(72,930,000)	(96,934,521)	(25,805,000)	(16,160,837)
Interest received	2,523,320	2,243,808	1,101,585	252,301
Net (placement)/uplift of short-term deposits	(296,192,469)	3,714,373	199,085,336	-
Net cash flows from/(used in) investing activities	201,164,894	(59,672,684)	158,432,888	(16,833,159)
Financing activities:				
Dividends paid	(236,980,082)	(257,508,843)	(57,446,429)	(51,613,001)
Purchase of treasury shares	(17,471,812)	(69,616,655)	-	-
Proceeds from revolving credit	45,608,752	137,648,900	24,193,192	23,926,400
Repayment of revolving credit	(33,174,790)	(61,798,500)	-	(9,118,500)
Repayment of obligations under finance lease	(865,396)	(865,982)	(251,616)	(201,554)
Net cash flows used in financing activities	(242,883,328)	(252,141,080)	(33,504,853)	(37,006,655)
Net increase/(decrease) in cash and cash equivalents	175,185,212	(102,687,380)	161,695,406	12,710,970
Effects of exchange rate changes on cash and cash equivalents	20,380,050	11,828,496	(13,161,748)	7,054,936
Cash and cash equivalents at beginning of the financial year/period	224,714,029	315,572,913	271,745,633	204,948,123
Cash and cash equivalents at end of the financial year/period	420,279,291	224,714,029	420,279,291	224,714,029

	Financial year ended		Fourth quarter ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM	RM	RM	RM
For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:				
Cash and bank balances per Statements of Financial Position	720,708,154	225,942,723	720,708,154	225,942,723
Less: Short-term deposits with licensed banks with maturity more than 3 months	(296,192,469)	-	(296,192,469)	-
Less: Pledged deposits	(4,236,394)	(1,228,694)	(4,236,394)	(1,228,694)
Cash and cash equivalents at end of the financial year/period	420,279,291	224,714,029	420,279,291	224,714,029

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

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

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Jul-2016	191,040,654	229,022,558	(75,442,423)	25,578,431	466,828	21,819	5,839,774	-	(119,765,286)	345,766,416	602,528,771	80,196	602,608,967
Profit for the year	-	-	-	-	-	-	-	-	-	845,991,733	845,991,733	5,002	845,996,735
Other comprehensive (loss)/ income for the year	-	-	-	36,381,266	-	-	-	(87,197,439)	-	882,823	(49,933,350)	-	(49,933,350)
Purchase of treasury shares	-	-	(15,355,875)	-	-	-	-	-	-	-	(15,355,875)	-	(15,355,875)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	11,690,196	-	-	-	11,690,196	-	11,690,196
Release of shares under Performance Share Plan	-	3,194,880	4,171,200	-	-	-	(7,366,080)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(236,980,082)	(236,980,082)	-	(236,980,082)
As at 30-Jun-2017	191,040,654	232,217,438	(86,627,098)	61,959,697	466,828	21,819	10,163,890	(87,197,439)	(119,765,286)	955,660,890	1,157,941,393	85,198	1,158,026,591

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

Consolidated Statement of Changes in Equity for the financial year ended 30 June 2016

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Jul-2015	157,483,159	259,269,373	(7,926,631)	16,489,219	466,828	21,819	5,212,658	-	(119,765,286)	328,095,192	639,346,331	71,377	639,417,708
Profit for the year	-	-	-	-	-	-	-	-	-	273,848,019	273,848,019	8,819	273,856,838
Other comprehensive income for the year	-	-	-	9,089,212	-	-	-	-	-	1,332,048	10,421,260	-	10,421,260
Issuance of bonus shares	33,557,495	(33,557,495)	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(71,732,592)	-	-	-	-	-	-	-	(71,732,592)	-	(71,732,592)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	8,154,596	-	-	-	8,154,596	-	8,154,596
Release of shares under Performance Share Plan	-	3,310,680	4,216,800	-	-	-	(7,527,480)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(257,508,843)	(257,508,843)	-	(257,508,843)
As at 30-Jun-2016	191,040,654	229,022,558	(75,442,423)	25,578,431	466,828	21,819	5,839,774	-	(119,765,286)	345,766,416	602,528,771	80,196	602,608,967

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Company													
As at 1-Jul-2015	157,483,159	1,695,827,129	(7,926,631)	-	-	-	5,212,658	-	-	94,323,242	1,944,919,557	-	1,944,919,557
Profit for the year	-	-	-	-	-	-	-	-	-	301,314,890	301,314,890	-	301,314,890
Issuance of bonus shares	33,557,495	(33,557,495)	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(71,732,592)	-	-	-	-	-	-	-	(71,732,592)	-	(71,732,592)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	8,154,596	-	-	-	8,154,596	-	8,154,596
Release of shares under Performance Share Plan	-	3,310,680	4,216,800	-	-	-	(7,527,480)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(257,508,843)	(257,508,843)	-	(257,508,843)
As at 30-Jun-2016	191,040,654	1,665,580,314	(75,442,423)	-	-	-	5,839,774	-	-	138,129,289	1,925,147,608	-	1,925,147,608

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

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Apr-2017	191,040,654	232,217,438	(86,627,098)	91,767,653	466,828	21,819	9,082,861	-	(119,765,286)	979,528,361	1,297,733,230	74,157	1,297,807,387
Profit for the period	-	-	-	-	-	-	-	-	-	32,696,135	32,696,135	11,041	32,707,176
Other comprehensive (loss)/ income for the period	-	-	-	(29,807,956)	-	-	-	(87,197,439)	-	882,823	(116,122,572)	-	(116,122,572)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,081,029	-	-	-	1,081,029	-	1,081,029
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(57,446,429)	(57,446,429)	-	(57,446,429)
As at 30-Jun-2017	191,040,654	232,217,438	(86,627,098)	61,959,697	466,828	21,819	10,163,890	(87,197,439)	(119,765,286)	955,660,890	1,157,941,393	85,198	1,158,026,591

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

Consolidated Statement of Changes in Equity for the fourth quarter ended 30 June 2016

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group													
As at 1-Apr-2016	191,040,654	228,242,678	(73,326,486)	19,912,398	466,828	21,819	5,523,945	-	(119,765,286)	318,853,448	570,969,998	77,854	571,047,852
Profit for the period	-	-	-	-	-	-	-	-	-	77,196,357	77,196,357	2,342	77,198,699
Other comprehensive income for the period	-	-	-	5,666,033	-	-	-	-	-	1,329,612	6,995,645	-	6,995,645
Purchase of treasury shares	-	-	(2,115,937)	-	-	-	-	-	-	-	(2,115,937)	-	(2,115,937)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,095,709	-	-	-	1,095,709	-	1,095,709
Release of shares under Performance Share Plan	-	779,880	-	-	-	-	(779,880)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(51,613,001)	(51,613,001)	-	(51,613,001)
As at 30-Jun-2016	191,040,654	229,022,558	(75,442,423)	25,578,431	466,828	21,819	5,839,774	-	(119,765,286)	345,766,416	602,528,771	80,196	602,608,967

	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Capital reserve	Statutory reserve	Performance share plan reserve	Available-for-sale reserve	Merger deficit	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Company													
As at 1-Apr-2016	191,040,654	1,664,800,434	(73,326,486)	-	-	-	5,523,945	-	-	137,248,671	1,925,287,218	-	1,925,287,218
Profit for the period	-	-	-	-	-	-	-	-	-	52,493,619	52,493,619	-	52,493,619
Purchase of treasury shares	-	-	(2,115,937)	-	-	-	-	-	-	-	(2,115,937)	-	(2,115,937)
Grant of shares under Performance Share Plan	-	-	-	-	-	-	1,095,709	-	-	-	1,095,709	-	1,095,709
Release of shares under Performance Share Plan	-	779,880	-	-	-	-	(779,880)	-	-	-	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	(51,613,001)	(51,613,001)	-	(51,613,001)
As at 30-Jun-2016	191,040,654	1,665,580,314	(75,442,423)	-	-	-	5,839,774	-	-	138,129,289	1,925,147,608	-	1,925,147,608

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

There have been no changes in the Company's issued and paid-up share capital since the end of the previous financial year.

From 1 July 2016 to 15 July 2016, the Company purchased 9,356,100 shares pursuant to the share purchase mandate approved by shareholders on 26 October 2015. These shares were acquired by way of market acquisition for a total consideration of RM15,355,875 and are held as treasury shares by the Company.

During the financial year, the Company has reissued 2,400,000 treasury shares to its Managing Director pursuant to Silverlake Axis Ltd Performance Share Plan on 5 January 2017.

The number of treasury shares has increased from 42,899,100 as at 30 June 2016 to 49,855,200 as at 30 June 2017.

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

	As at 30-Jun-17	As at 30-Jun-16
Total number of issued shares	2,696,472,800	2,247,543,108
Add: Issuance of bonus shares during the year	-	448,929,692
Total number of issued shares at end of the year	2,696,472,800	2,696,472,800
Less: Treasury shares	(49,855,200)	(42,899,100)
Total number of issued shares excluding treasury shares	2,646,617,600	2,653,573,700

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

	As at 30-Jun-17	As at 30-Jun-16
Number of treasury shares at beginning of the year	42,899,100	2,894,000
Release of treasury shares pursuant to Performance Share Plan	(2,400,000)	(2,400,000)
Purchase of treasury shares	9,356,100	42,405,100
Number of treasury shares at end of the year	49,855,200	42,899,100

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

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

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

Not applicable.

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

The Group's audited annual financial statements for the financial year ended 30 June 2016 were prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements as at 30 June 2016 except that the Group has adopted the following new IFRS which became effective for the period beginning on or after 1 July 2016.

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception
Amendments to IAS 27 Equity Method in Separate Financial Statements
Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants
Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations
Amendments to IAS 1 Disclosure Initiative
Annual Improvements to IFRSs 2012 - 2014 Cycle
IFRS 14 Regulatory Deferral Accounts

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

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

Description	Effective for annual periods beginning on or after
Amendments to IAS 7 Disclosure Initiative	1 January 2017
Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Annual Improvements to IFRSs 2014 - 2016 Cycle	
- Amendments to IFRS 12 Disclosure of Interests in Other Entities	1 January 2017
- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards	1 January 2018
- Amendments to IAS 28 Investment in Associates and Joint Ventures	1 January 2018
Amendments to IFRS 2 Classification and Measurement of Share-Based Payment Transactions	1 January 2018
Amendments to IAS 40 Transfers of Investment Property	1 January 2018
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018

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

Description	Effective for annual periods beginning on or after
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 9 Financial Instruments	1 January 2018
IFRS 16 Leases	1 January 2019
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

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

Not applicable.

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

	Group		Group	
	Financial year ended		Fourth quarter ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	Sen	Sen	Sen	Sen
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	31.98	10.30	1.24	2.90
Based on a fully diluted basis ⁽²⁾	31.95	10.30	1.23	2.90

⁽¹⁾ The weighted average number of ordinary shares on issue has taken into account the weighted average effect of changes in ordinary shares and treasury shares transactions during the financial year ended 30 June 2017 of 2,645,626,429 (30 June 2016 of 2,657,553,863) of USD0.02 each.

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

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

	As at 30-Jun-17		As at 30-Jun-16	
	Group Sen	Company Sen	Group Sen	Company Sen
Net asset value per ordinary share ⁽¹⁾	43.75	76.03	22.71	72.55

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

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

(a)(i) INCOME STATEMENT REVIEW – Fourth quarter ended 30 June 2017 ("Q4 FY2017") vs Fourth quarter ended 30 June 2016 ("Q4 FY2016")

Overview

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

From FY2011 to FY2016, the Group has successfully undertaken 5 acquisitions to broaden the suite of business enterprise software solutions and services offerings and strengthen its market position in new markets in New Zealand, Australia, South Asia and Europe. With expanded capabilities, the Group is well positioned to empower its customers to compete effectively in the digital economy ecosystem. Buoyed by continual investments in Information Technology ("IT") by Asian financial institutions and corporations to improve their competitive edge, the Group continues to achieve steady growth in market share.

In Q4 FY2017, Group revenue decreased by 25% compared with the previous corresponding period and recorded a net profit attributable to shareholders of RM32.7 million or 58% lower than Q4 FY2016.

Revenue

By Business Activities

	1-4-17 to 30-6-17 Group RM	1-4-16 to 30-6-16 Group RM	Change %
Revenue			
Software licensing	5,112,719	42,488,742	(88)
Software project services	18,097,588	12,279,250	47
Maintenance and enhancement services	87,634,951	98,086,658	(11)
Sale of software and hardware products	1,378,535	2,718,412	(49)
Credit and cards processing	4,561,957	4,306,182	6
Insurance processing	8,158,235	7,059,140	16
	124,943,985	166,938,384	(25)

For Q4 FY2017, Group revenue of RM124.9 million was 25% lower compared with Q4 FY2016. The decrease in Group revenue was due to lower contributions from software licensing, maintenance and enhancement services and sale of software and hardware products. This was partially offset by the increase in revenue from software project services, insurance processing and credit and cards processing.

Revenue from software licensing was lower compared with Q4 FY2016 due to lower value of software licensing contracts delivered in Q4 FY2017 compared with the significantly higher value of software licensing contracts implemented in Malaysia in Q4 FY2016. However, software project services revenue recorded a 47% growth in Q4 FY2017 with new projects secured in Malaysia and Thailand during the quarter.

Revenue from maintenance and enhancement services of RM87.6 million in Q4 FY2017 was 11% lower compared with the previous corresponding period due to lower progressive revenue recognition of high value enhancement contracts in Q4 FY2017 compared with Q4 FY2016.

Lower sale of software and hardware products was registered in Q4 FY2017 compared with Q4 FY2016 due to lower number of sales in Q4 FY2017.

With new customers secured in Thailand, Vietnam, Singapore, Malaysia and Philippines as well as the appreciation of Indonesia Rupiah ("IDR") and Singapore Dollar ("SGD") against Ringgit Malaysia ("RM"), the recurrent revenue base of insurance processing was 16% higher in Q4 FY2017 compared with Q4 FY2016.

Profitability

The Group recorded a gross profit of RM57.4 million in Q4 FY2017 compared with RM110.4 million in Q4 FY2016. The Group's gross profit margin of 46% in Q4 FY2017 was lower compared with 66% in Q4 FY2016 mainly due to the change in revenue mix with lower proportion of revenue recorded from higher margin software licensing.

Finance income of RM2.8 million was significantly higher in Q4 FY2017 compared with RM0.4 million in Q4 FY2016 due to higher deposits placement with financial institutions.

Higher other income in Q4 FY2017 was mainly due to higher unrealised and realised foreign currency exchange gains recorded in Q4 FY2017 from the translation of bank balances denominated in foreign currencies.

Compared with Q4 FY2016, selling and distribution expenses increased from RM4.3 million to RM6.1 million in Q4 FY2017 due to higher expenses incurred for marketing and research activities in Q4 FY2017.

The administrative expenses of RM27.6 million in Q4 FY2017 was lower compared with RM31.3 million in Q4 FY2016. The Group recorded higher realised foreign currency exchange loss of RM8.8 million in Q4 FY2016 from the translation of receivables, bank balances and contracts with customers and subcontractors denominated in foreign currencies. The decrease was partially offset by higher professional fees accrued for potential acquisition in Q4 FY2017.

The Group's share of loss of associates and a joint venture was RM5.3 million in Q4 FY2017 compared with RM0.1 million in Q4 FY2016 due to the impairment loss of RM5.6 million on the Group's interest in a joint venture, Silverlake HGH Limited ("SHGH"), which holds the investment in Finzsoft Solution Limited ("Finzsoft"). The impairment loss was determined by reference to the market price of Finzsoft on the New Zealand Stock Exchange ("NZX") as at 30 June 2017.

With lower gross profit and the recognition of an impairment loss on interest in a joint venture, mitigated by higher finance income and other income, the Group recorded a profit before tax of RM38.1 million in Q4 FY2017 or 54% lower than Q4 FY2016.

Income tax expense increased from RM5.0 million in Q4 FY2016 to RM5.4 million in Q4 FY2017 mainly due to higher withholding tax on overseas revenue in Q4 FY2017.

The Group reported a profit after tax attributable to shareholders of RM32.7 million in Q4 FY2017.

(a)(ii) INCOME STATEMENT REVIEW – Full year ended 30 June 2017 ("FY2017") vs Full year ended 30 June 2016 ("FY2016")

Overview

In FY2017, Group revenue decreased by 20% compared with the previous corresponding financial year. With the gains and tax expenses related to the disposal of shares in Global InfoTech Co. Ltd. ("GIT") and mark-to-market accounting gain on the remaining 9% interest in GIT in FY2017 amounting to RM685.3 million, net profit attributable to shareholders rose to RM846.0 million.

Revenue

By Business Activities

	1-7-16 to 30-6-17 Group RM	1-7-15 to 30-6-16 Group RM	Change %
<u>Revenue</u>			
Software licensing	26,789,716	127,903,481	(79)
Software project services	39,088,430	100,133,849	(61)
Maintenance and enhancement services	388,665,977	346,169,980	12
Sale of software and hardware products	3,429,527	16,728,382	(79)
Credit and cards processing	18,750,597	20,101,583	(7)
Insurance processing	29,675,128	25,245,032	18
	506,399,375	636,282,307	(20)

For FY2017, Group revenue of RM506.4 million was 20% lower compared with FY2016. The decrease in Group revenue was due to lower contributions from project related revenue segments such as software licensing, software project services and sale of software and hardware products whereas maintenance and enhancement services and insurance processing, the recurrent revenue segments, making up approximately 83% of Group revenue for the year, continued to grow.

Revenue from software licensing was significantly lower compared with FY2016 due to lower value software licensing contracts delivered in FY2017, partly attributable to reduced capital expenditure spending by customers in FY2017. Higher value software licensing contracts were implemented in China, Malaysia, Indonesia and Brunei in FY2016. Higher revenue recognition is expected to take place in the subsequent quarters with the progressive delivery of ongoing software licensing contracts and new contracts secured from customers.

Software project services revenue decreased significantly to RM39.1 million compared with RM100.1 million for FY2016 due to deferment and slowdown of customers' capital expenditures and the completion of higher value contracts secured and implemented in China, Indonesia and Brunei during FY2016. This was partially offset by progressive revenue recognition from ongoing implementation contracts, new contracts secured from existing and new customers as well as the consolidation of Symmetri Group's projects on hand for full year in FY2017 compared with three quarters in FY2016 following its acquisition on 1 October 2015.

Lower revenue was recorded from sale of software and hardware products as there were lower number of high value sales in FY2017 compared with FY2016.

Revenue from maintenance and enhancement services increased 12% to RM388.7 million in FY2017 with more maintenance and enhancement contracts secured from customers in Malaysia, Singapore and Ghana after the completion of software implementation contracts as well as the consolidation of Symmetri Group's full year maintenance and enhancement revenue in FY2017 compared to three quarters in FY2016. Since the second half of the previous financial year, customers have been deferring their capital expenditures on new IT projects and instead have been shifting their spending to enhance their existing IT systems. This shift in spending has contributed to the segment's growth.

Following the expansion of business activities into Thailand and Vietnam as well as winning new customers in Malaysia, Singapore, Philippines and Indonesia coupled with the appreciation of IDR and SGD against RM, the recurrent revenue base of insurance processing was 18% higher in FY2017 compared with FY2016. Lesser enhancement contracts from a major customer led to lower credit and cards processing revenue in FY2017.

Profitability

The Group recorded a reduced gross profit of RM277.2 million in FY2017 compared with RM383.9 million in FY2016. The Group's gross profit margin of 55% in FY2017 was lower compared with 60% in FY2016 mainly due to the change in revenue mix, with a lower proportion of revenue recorded from higher margin project related revenue segments.

Other Income was markedly higher in FY2017 compared with FY2016 mainly due to the gain on disposal of 34.9 million shares in GIT of RM480.4 million and the mark-to-market accounting gain of RM294.8 million on the reclassification of the remaining 9% interest in GIT from investment in associate to available-for-sale financial assets upon the Group's cessation of significant influence over GIT on 29 March 2017.

Selling and distribution expenses increased from RM23.7 million in FY2016 to RM28.9 million in FY2017 due to higher expenses incurred for marketing and research activities in FY2017 and additional expenses from the consolidation of Symmetri Group's full year results in FY2017 compared to three quarters in FY2016.

Compared with FY2016, administrative expenses increased by 26% from RM82.5 million to RM103.8 million in FY2017 due to additional expenses from the consolidation of Symmetri Group's full year results, higher charge on share awards granted pursuant to Silverlake Axis Ltd Performance Share Plan in FY2017 and increase in staff related costs. This was partially offset by the non-recurring professional fees incurred for special independent review on interested person transactions and acquisitions in FY2016.

The Group's share of loss of associates and a joint venture was RM7.7 million in FY2017 compared with share of profit of associates and a joint venture of RM1.8 million in FY2016. The Group recognised an impairment loss on interest in a joint venture of RM5.6 million in FY2017, determined by reference to the market price of Finzsoft on NZX as at 30 June 2017. Contribution from associates was also lower due to the reduced shareholding in GIT from 20.01% as at 30 June 2016 to 9.18% as at 29 March 2017 and the cessation of GIT as the Group's associate effective 29 March 2017. These were partially offset by higher profit contribution from SHGH in FY2017.

With the gain on disposal of shares in GIT and mark-to-market accounting gain on the remaining 9% interest in GIT as financial asset at fair value, offset by an increase in selling and administrative expenses, the Group recorded a profit before tax of RM947.5 million in FY2017 compared with RM300.2 million in FY2016.

Income tax expense increased from RM26.4 million in FY2016 to RM101.5 million in FY2017 and the effective tax rate increased from 9% in FY2016 to 11% in FY2017. The increase in tax expense was mainly due to the withholding tax on disposal of GIT shares and the provision of deferred capital gains tax on the remaining 9% interest in GIT. Excluding the gains and tax expenses on the disposal of GIT shares and the mark-to-market accounting gain on the remaining 9% interest in GIT, the effective tax rate remained at 9% in both FY2017 and FY2016.

The Group reported a profit after tax attributable to shareholders of RM846.0 million in FY2017. Excluding the gains and tax expenses associated with disposal of GIT shares of RM426.2 million and the mark-to-market accounting gain on the remaining 9% interest in GIT of RM259.1 million, the Group reported a profit after tax attributable to shareholders of RM160.7 million in FY2017 compared with RM273.9 million in FY2016.

(b) STATEMENTS OF FINANCIAL POSITION REVIEW

Property, plant and equipment

The increase in property, plant and equipment from RM16.3 million as at 30 June 2016 to RM19.1 million as at 30 June 2017 was mainly due to office renovation and purchase of furniture and fittings in FY2017.

Intangible assets

The decrease in intangible assets from RM195.9 million as at 30 June 2016 to RM191.7 million as at 30 June 2017 was mainly due to the amortisation of intangible assets for FY2017, partially offset with higher foreign currency translation gain on intangibles attributable to the appreciation of United States Dollar ("USD") and SGD against RM and new software purchased in FY2017.

Investments in associates

The decrease in investments in associates from RM106.4 million as at 30 June 2016 to nil as at 30 June 2017 was due to the following:

(i) Disposal of 34.9 million GIT shares in several block trades on ChiNext of the Shenzhen Stock Exchange following the expiry of the Moratorium Period for the Group's shares in GIT on 1 June 2016. The gain on disposal of RM480.4 million was recognised under Other Income in the consolidated income statement;

(ii) Issuance of new shares by GIT under its restricted employee shares incentive plan, diluting the Group's interest in GIT from 14.08% to 13.99%. The accounting loss on dilution of interest of RM0.2 million was recognised under Administrative Expenses in the consolidated income statement;

(iii) Issuance of new shares by GIT for its acquisition of Shanghai RuiMin Internet Technology Co. Ltd., diluting the Group's interest in GIT from 12.43% to 11.92%. The accounting gain on dilution of RM18.8 million was recognised under Other Income in the consolidated income statement; and

(iv) On 29 March 2017, the Group ceased to have significant influence over GIT with the resignation of SAL's board representative in GIT. The Group's remaining interest in GIT of 9.18% comprising 41.6 million shares ceased to be equity accounted for as investment in associate and is reclassified as available-for-sale financial assets measured at market value. The mark-to-market accounting gain of RM294.8 million was recognised under Other Income in the consolidated income statement.

Trade and other receivables

Trade and other receivables decreased from RM177.8 million as at 30 June 2016 to RM144.6 million as at 30 June 2017 as a result of improved collection from customers.

Amounts due from/(to) related parties

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

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

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

The net amount due from customers for contract work-in-progress as at 30 June 2017 was RM11.3 million compared with RM8.7 million as at 30 June 2016 and this was mainly due to the timing of billings and revenue recognition for the contracts on hand.

Available-for-sale financial assets - quoted equity shares

This represents the Group's remaining 9.18% interest in GIT as at 29 March 2017 when GIT ceased to be the Group's associate. The 41.6 million shares were valued at market value at RM382.2 million on 29 March 2017 and remeasured at RM280.3 million as at 30 June 2017, with the unrealised fair value loss of RM95.6 million recognised in Other Comprehensive Income.

As at 30 June 2017, the Group's effective interest in GIT changed from 9.18% to 9.24% due to GIT's share capital changes.

Deferred tax liabilities

Deferred tax liabilities increased from RM18.1 million as at 30 June 2016 to RM38.7 million as at 30 June 2017 mainly due to the provision of deferred capital gains tax on the remaining 9% interest in GIT.

Trade and other payables

Trade and other payables increased from RM49.4 million as at 30 June 2016 to RM66.3 million as at 30 June 2017 mainly due to the accruals of value-added tax on disposal of shares in an associate in FY2017, partially offset with lower accruals of sub-contractor fees and payment made for purchase of treasury shares accrued in FY2016.

Total current and non-current loans and borrowings

Loans and borrowings increased from RM74.5 million as at 30 June 2016 to RM90.9 million as at 30 June 2017. The borrowings drawn down during the financial year was mainly used for purchase of treasury shares.

Cash and bank balances

Cash and bank balances increased from RM225.9 million as at 30 June 2016 to RM720.7 million as at 30 June 2017 mainly due to cash inflow from investing activities attributable to sale proceeds from disposal of shares in GIT of RM502.8 million, net of capital gain tax paid and net cash inflow from operating activities of RM216.9 million; partially offset by cash outflow from financing activities from payment of dividends to shareholders of RM237.0 million and purchase of treasury shares of RM17.5 million. The Group is progressively repatriating the GIT shares sale proceeds, subject to regulatory approvals in the People's Republic of China.

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

Not applicable.

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

Following a period of slowdown in IT capital expenditures by banks in 2016, the situation has improved gradually in 2017 as customers are starting to prioritise IT capital expenditures for digital banking and deferred core system upgrades. Since the beginning of the year, the Group has been more active in responding to requests for proposals and is engaging existing and potential customers for core IT replacements and digital banking upgrades. Based on the current order book for projects, the Group is expected to see an improvement in project related licensing and services revenue in FY2018.

In FY2017, the Group started to monetise its investment in GIT and reduced its stake from 20.01% to 9.24%. In this process, the Group raised approximately RM502.8 million in proceeds from the sale of GIT shares (net of capital gain tax). The majority balance of these sale proceeds is expected to be repatriated from China in FY 2018 and this will allow the Group to deploy the proceeds towards payment of special dividends as well as acquisitions to expand its portfolio of Fintech and Insuretech software products and services to address the growing demand for transformational digital banking and insurance offerings. The payment of the special dividend of 1.30 Singapore cents in July 2017 is equivalent to approximately 21% of the GIT's sale proceeds (net of capital gain tax).

11. If a decision regarding dividend has been made:

(a) Current Financial Period Reported On

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

Name of Dividend	First Interim	Second Interim	Third Interim and Special	Final and Special
Dividend Type	Cash	Cash	Cash	Cash
Dividend Rate	Singapore cents 0.50 per ordinary share	Singapore cents 0.70 per ordinary share	Interim: Singapore cents 0.70; and Special: Singapore cents 1.30 per ordinary share	Final: Singapore cents 0.30; and Special: Singapore cents 1.00 per ordinary share
Par Value of Shares	USD0.02	USD0.02	USD0.02	USD0.02
Tax Rate	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	First Interim	Second Interim	Third Interim	Final
Dividend Type	Cash	Cash	Cash	Cash
Dividend Rate	Singapore cents 0.60 per ordinary share	Singapore cents 0.75 per ordinary share	Singapore cents 0.65 per ordinary share	Singapore cents 1.00 per ordinary share
Par Value of Shares	USD0.02	USD0.02	USD0.02	USD0.02
Tax Rate	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier	Tax exempt 1-tier

Total dividends declared for FY2017 amounted to Singapore 4.50 cents compared with Singapore 3.00 cents declared for FY2016.

(c) Date payable

The Directors have proposed a tax exempt (one-tier) final dividend of Singapore cents 0.30 and special dividend of Singapore cents 1.00 per ordinary share. The final and special dividends, if approved by the shareholders at the forthcoming Annual General Meeting of the Company, will be payable on 17 November 2017.

(d) Books closure date

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 7 November 2017 for the purpose of determining shareholders' entitlements to the proposed final and special dividends. Duly completed transfers received by the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to 5.00 p.m., on 6 November 2017 will be registered before entitlements to the dividends are determined.

Shareholders (being depositors) whose securities accounts with the Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 6 November 2017 will be entitled to the proposed final and special dividends.

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

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

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

By Business Activities

	1-7-16 to 30-6-17 Group	1-7-15 to 30-6-16 Group
	RM	RM
Revenue		
Software licensing	26,789,716	127,903,481
Software project services	39,088,430	100,133,849
Maintenance and enhancement services	388,665,977	346,169,980
Sale of software and hardware products	3,429,527	16,728,382
Credit and cards processing	18,750,597	20,101,583
Insurance processing	29,675,128	25,245,032
	506,399,375	636,282,307

By Geographical Segments

	1-7-16 to 30-6-17 Group	1-7-15 to 30-6-16 Group
	RM	RM
Revenue		
South East Asia	401,103,629	459,652,017
North East Asia	30,995,710	120,318,382
South Asia	31,886,750	21,123,746
Middle East	9,919,862	11,349,184
Africa	13,775,944	5,907,178
Europe	18,717,480	17,931,800
	506,399,375	636,282,307

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

Please refer to paragraph 8 above.

15. A breakdown of sales

	Financial year ended 30 June		
	2017	2016	Change
	Group RM	Group RM	%
Sales reported for the first half of the financial year	254,547,516	313,055,962	(19)
Operating profit after tax before deducting non-controlling interests reported for the first half of the financial year	414,889,643	135,199,032	>100
Sales reported for the second half of the financial year	251,851,859	323,226,345	(22)
Operating profit after tax before deducting non-controlling interests reported for the second half of the financial year	431,107,092	138,657,806	>100

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

	Latest Full Year	Previous Full Year
	RM	RM
Ordinary		
First interim dividend paid by the Company	41,154,609	48,215,157
Second interim dividend paid by the Company	58,595,061	59,426,889
Third interim dividend paid by the Company	57,446,428	51,613,001
Special dividend paid by the Company	107,339,936	-
Final and special dividends *	107,133,492	79,783,984
Total	371,669,526	239,039,031

* This proposed final and special dividends in relation to financial year ended 30 June 2017 are subject to approval by shareholders at the forthcoming Annual General Meeting. The dividends payable are computed based on the exchange rate of SGD equivalent to RM3.1138 as at 30 June 2017. The total amount to be paid to shareholders in relation to the proposed final and special dividends will amount to SGD34,406,029.

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

The aggregate value of recurrent Interested Person Transactions ("IPT") of revenue or trading nature conducted during the financial year ended 30 June 2017 by the Group in accordance with the shareholders' mandates were as follow:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	1-7-16 to 30-6-17	1-7-16 to 30-6-17
	RM	RM
Companies associated to Mr. Goh Peng Ooi ("Silverlake Entities")		
- Old IPT Mandate ⁽¹⁾		
Revenue from Silverlake Entities	-	1,176,202
- New IPT Mandate ⁽²⁾		
Revenue from Silverlake Entities	-	69,109,134
Service fees to Silverlake Entities	-	(41,943,605)
- Non-Mandate Transactions ⁽³⁾		
Revenue from Silverlake Entities	633,047	-

⁽¹⁾ The Old IPT Mandate was approved by the shareholders on 31 October 2007 and was subsequently replaced by the New IPT Mandate, as approved by the Shareholders on 24 October 2008. The New IPT Mandate was approved on terms that it did not affect existing license and/or services agreements previously entered into under the Old IPT Mandate.

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

⁽³⁾ The Non-Mandate revenue was mainly revenue from sale of hardware and provision of enhancement services between Silverlake Holdings Sdn. Bhd. and Silverlake Entities.

18. Ageing for amounts owing from related parties

The ageing for amounts owing from related parties as at 30 June 2017 was as follows:

Name of related parties	Total Due RM	0-30 days RM	31-60 days RM	61-90 days RM	91-180 days RM	> 180 days RM
<u>Transactions conducted under the New IPT Mandate: -</u>						
Silverlake Entities ⁽¹⁾	13,588,139	13,316,372	271,767	-	-	-
<u>Non-Trade Transactions</u>						
Silverlake Entities	105,318	102,586	2,732	-	-	-
Grand Total	13,693,457	13,418,958	274,499	-	-	-

(Note 2)

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

⁽²⁾ As at 25 August 2017, the amounts due from Silverlake Entities between 31 - 60 days have been fully collected.

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

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

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

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

BY ORDER OF THE BOARD

KWONG YONG SIN
Group Managing Director

25 August 2017