



SILVERLAKE AXIS LIMITED

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

ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL IN ISIS INTERNATIONAL PTE LTD (A COMPANY INCORPORATED IN SINGAPORE)

1. INTRODUCTION

The Board of Directors of Silverlake Axis Limited ("**SAL**") wishes to announce that on 28 March 2011, SAL entered into a definitive agreement ("**Agreement**") with Lim Lai Mun ("**Vendor**"), to acquire the entire issued share capital of Isis International Pte Ltd (Company Registration No. 199200691D) ("**Isis**") (which share acquisition is hereinafter referred to as the "**Proposed Acquisition**"). The Proposed Acquisition is conditional upon the fulfillment of conditions precedent including, inter alia, satisfactory due diligence.

Upon the completion of the Proposed Acquisition, Isis shall become a wholly-owned subsidiary of SAL.

2. CONSIDERATION

The purchase consideration to be paid to the Vendor in relation to the Proposed Acquisition is S\$18.0 million comprising cash of 75% to be paid upon completion and the balance cash of 25% to be paid after 24 months from the completion date.

The purchase consideration was arrived at on an arm's length and on a "willing-buyer willing-seller" basis, taking into account factors such as, inter alia, the historical financial position and performance of Isis, the industry conditions, future prospects, brand recognition and customer network for Isis.

The purchase consideration is based upon a price earnings ratio of 12 times of the audited consolidated profit after tax of Isis for the financial year ended 31 December 2010.

The purchase consideration will be financed from SAL's internal resources.

3. INFORMATION ON ISIS

Incorporated in Singapore, Isis with its wholly-owned subsidiaries, Isis Computer Systems Pte Ltd (incorporated in Singapore) and Isis Computers Sdn Bhd (incorporated in Malaysia) are principally engaged in the activities of sale of computer software and related technical support services.

Isis is an established digital economy enabler specialised in payments and integration technology platform represented by their flagship VCOS & EPOne Solutions.

Enterprises leverage Isis as their payments and integration transformation partner for competitive intranet & internet choices and services in the new digital economy market space.

Based on its latest audited accounts as at 31 December 2010, Isis has consolidated net tangible assets and consolidated accumulated losses of S\$220,752 and S\$1,260,247, respectively.

Based on its latest audited accounts, Isis recorded consolidated profit after tax of S\$1,506,566 for the financial year ended 31 December 2010 compared with consolidated profit after tax of S\$1,484,286 for the financial year ended 31 December 2009.

4. RATIONALE FOR THE PROPOSED TRANSACTION

The Proposed Acquisition is aligned to SAL's strategy to expand the breadth and depth of its existing portfolio of software solutions and services with proven enterprise payment and integration platform capabilities. This acquisition will reinforce and enhance SAL's offerings for the banking, payment, retail industries and new digital economy marketplace needs for integrated solutions and services.

The Proposed Acquisition is timely and strategic as SAL expands its base of regional financial services customers and partnerships with conglomerates operating across Asia. The combination of Silverlake Axis's SIBS Core Software offerings with Isis flagship EPOne and VCOS Software platform will position SAL to acquire new business and expand existing business to serve the increasing scale and complexity of digital economy business requirements of customers across Asia and beyond.

5. THE PROPOSED ACQUISITION AS INTERESTED PERSON TRANSACTION

None of SAL's directors and controlling shareholders and/or their associates has any interests, direct or indirect in the Proposed Acquisition.

6. RULE 1006 OF THE SGX-ST'S LISTING MANUAL, SECTION B: RULES OF CATALIST ("CATALIST RULES")

The relative figures computed on the bases set out in Rules 1006(a) to 1006(d) of the Catalist Rules applicable to the Proposed Acquisition are presented as follows:-

		Relative computation
(a)	Consolidated net asset value of Isis as at 31 December 2010, compared with SAL Group's consolidated net asset value as at 30 June 2010	Not Applicable
(b)	Consolidated profit before income tax, minority interest and extraordinary items (" Net Profit ") attributable to Isis for the financial year ended 31 December 2010, compared with SAL Group's consolidated Net Profits for the financial year ended 30 June 2010	5.4% ⁽¹⁾
(c)	The aggregate value of the consideration given, compared with SAL's market capitalisation as at the market day preceding the date of the announcement	2.9% ⁽²⁾
(d)	The number of equity securities issued by SAL as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	No equity securities were issued as consideration

Note:

(1) Computed based on Isis' Net Profit of S\$1,705,764 (equivalent to approximately RM4,059,718 based on the average exchange rate of S\$1:RM2.38) for the financial year ended 31 December 2010 and SAL Group's Net Profit of approximately RM75.2 million for the financial year ended 30 June 2010.

- (2) Computed based on purchase consideration of S\$18.0 million (equivalent to approximately RM43.2 million based on the exchange rate of S\$1:RM2.4) over SAL's market capitalisation based on SAL's issued capital (excluding Treasury Shares) of 2,101,985,108 and share price of S\$0.30 at 25 March 2011 (equivalent to approximately RM1,513.4 million based on the exchange rate of S\$1:RM2.4).

7. FINANCIAL EFFECTS

Assuming the Proposed Acquisition was completed on 1 July 2009 and assuming Isis' financial results for financial year ended 31 December 2010 have been used for the consolidation purposes, the consolidated net earnings per share of SAL for the financial year ended 30 June 2010 would have been RM3.21sen instead of the RM3.04sen recorded and the consolidated net tangible assets per share of SAL Group as at 30 June 2010 would have been approximately RM4.01sen instead of RM6.05sen.

The financial effects described above are for illustrative purposes only and have been computed after making such adjustments as considered appropriate by SAL. No representation is made as to the actual financial position and/or results of SAL immediately after the Proposed Acquisition.

8. DOCUMENT FOR INSPECTION

A copy of the Agreement is available for inspection by shareholders of SAL during normal business hours at the office of SAL's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street, #08-01 Samsung Hub, Singapore 049483, for a period of 3 months from the date of this announcement.

By Order of the Board

Kwong Yong Sin
Managing Director

28 March 2011

This announcement has been prepared by SAL and its contents have been reviewed by the SAL's Sponsor, CIMB Bank Berhad, Singapore Branch, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). SAL's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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