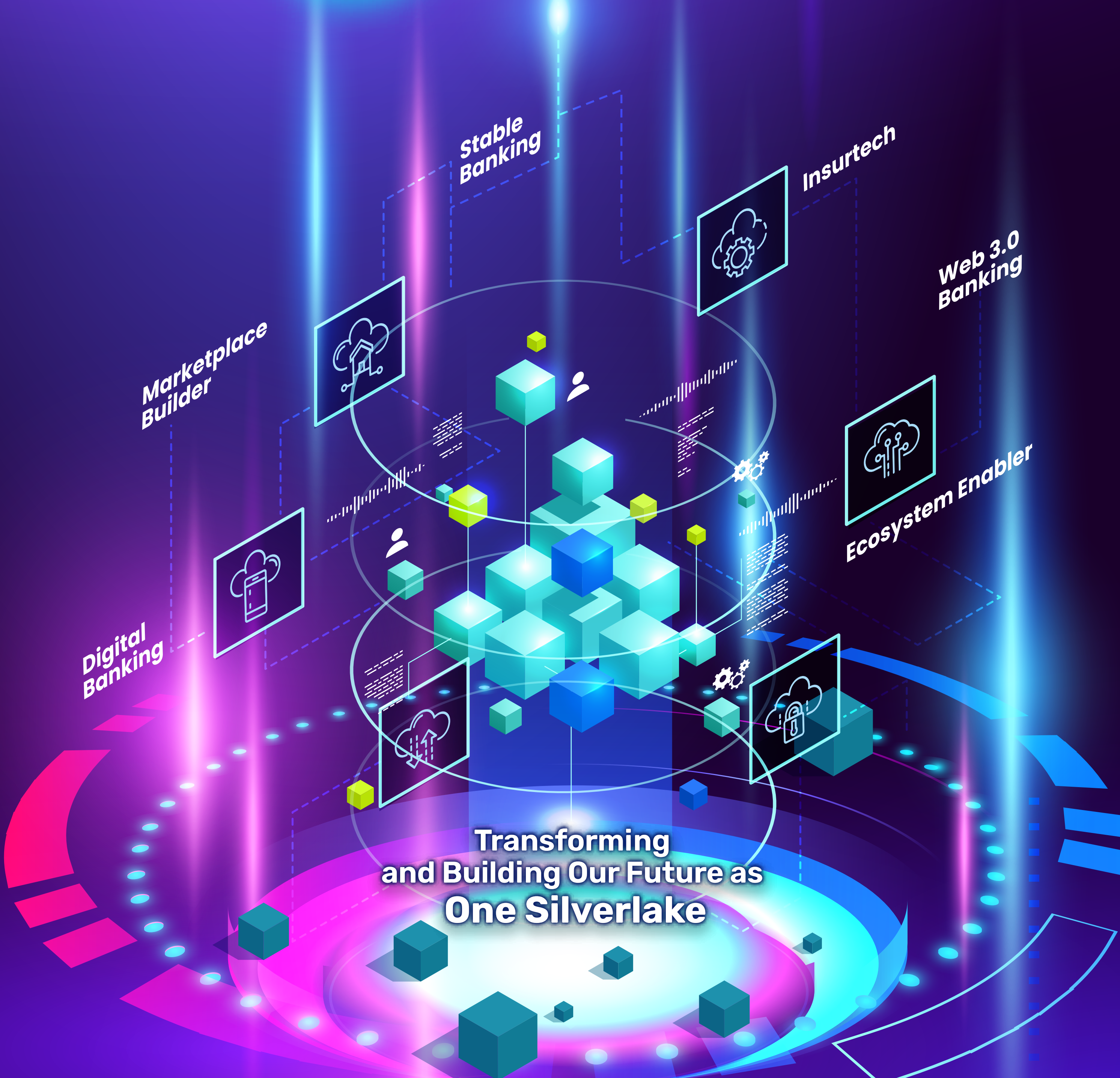
silverlake

SYMMETRY AT WORK



Transforming and Building Our Future as One Silverlake

SILVERLAKE AXIS LTD. ANNUAL REPORT 2022

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

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

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

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

Chee Hin Kooi
Non-Independent Non-Executive Director
(appointed on 1 May 2022)

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,
#14-07, Keppel Bay Tower,
Singapore 098632

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

JOINT COMPANY SECRETARIES

Ang Siew Koon
Kuan Yoke Kay (appointed on 1 September 2022)

AUDITORS

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

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

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

GLOBAL PRESENCE

Partnering clients in over **80** countries across Asia, Europe, Middle East, Africa and Americas

TRACK RECORD

30 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 **370** 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 for the financial year ended 30 June 2022.

REGIONAL ECONOMIC OUTLOOK AND IMPACT TO SILVERLAKE AXIS

The Asian region is going through some interesting yet potentially turbulent times. Barely out of the pandemic crisis, we are now possibly staring at a global recession with headline news on rising interest rates, the war in the Ukraine and supply chain disruptions affecting business operations.

If we were to look back, Asia generally fared well during the COVID-19 pandemic, compared to other regions of the world Between 2021 and 2020, growth in Asia bounced back strongly, led by export-oriented economies in the region.

In 2020, while there was contraction in GDP growth in Asia, this was far less severe compared to deep recessions experienced in matured and other emerging economies.

Post pandemic, Asia's supply disruptions have been less severe and inflationary pressures remained manageable in much of Asia.

Developing economies in Asia have become progressively more resilient over time as they have learned and adapted from previous bouts of crisis. The region has diversified economic structures, sound macroeconomic fundamentals, largely export-oriented and highly integrated to global value chains.

While we expect Asian economies to continue to be resilient, we will not be totally immune to a global slowdown, particularly if it remains persistent and protracted. Of concern are economies in the US and China – if growth falters, this will have an impact to export dependent economies in Asia.

Nevertheless, we are mindful and watchful of global developments and how they will impact our region and in turn, Silverlake Axis as a company. Despite these potential headwinds, we believe we operate from a strong commercial and financial position and this gives us a measure of confidence as we move into FY2023 and beyond. We can and will adjust and transform ourselves as the economic landscape evolves. We shall continue to make necessary provisions for an enduring business for our shareholders and partners.

Key is our focus on executing to our strategy. We believe we have a sound strategy that plays to our relative strengths and combined with rapid transformation by banks and financial services players, we are confident we can continue our growth trajectory.

As an organisation, we are a tested and successful pioneer of the industry with over 30 years' experience and a 100% successful implementation track record of our suite of solutions and platforms.

We have a strong network and reputation in ASEAN and count over 40% of the top 20 banks and 3 of 5 of the largest financial institutions amongst our customers.

We see a bright future for Silverlake Axis, as the ASEAN economies reopen post pandemic. Banks and financial institutions are resuming or accelerating their digital transformations. Our opportunities pipeline remains robust and we recently posted a record order book of over RM600 million going into our new financial year.

In FY2022, we closed over RM500 million worth of deals, which was an increase of over 50% from FY2021. It is this data point that encourages me as it is a strong testament to both our product positioning and our sales strategy which we strongly believe is the right direction we are taking. As travel and business continues to rebound, we are expecting another strong year of closing significant transaction volume.

FY2022 – A YEAR IN REVIEW AND FINANCIAL PERFORMANCE

I am pleased to report an improved set of financial results for FY2022, further testament to the soundness of our strategy and our relentless focus on execution.

From a revenue perspective, it has been a historical achievement for us. We recorded revenue of RM737 million, a growth of 18% over prior year and exceeding the previous high in FY2019 by 8%.

For the year, we added RM111 million more in revenue from the of prior year of RM626 million. All engines of our business segments performed well including our newest digital banking solution MÖBIUS, our core banking SIBS and our insuretech business.

Software licensing revenue had a strong year and grew by 110%.

Demand for our project and professional services were strong and in FY2022, revenue grew by 39%.

Annual recurring revenue comprising maintenance and enhancement services, insurance ecosystem transactions and services, and retail transactions processing grew 6% and this segment continues to be our key revenue driver contributing over 70% of our total Group revenue. Our insurance ecosystem transactions and services business has rebounded to exceed pre-COVID-19 volumes and annual revenue increased 15% compared to the prior year.

Chairman's Statement (cont'd)

As the industry pivots towards Software-as-a-Service ("SaaS") and cloud model, I am pleased to report that SaaS revenue increased by 19% and now constitute 5% of total Group revenue.

And in terms of total Group revenue delivered via cloud computing, this segment increased by 149% compared to prior year and now represent 13% of total Group revenue.

While cost of doing business has visibly increased and with the ongoing war for talent, I am pleased to report that our expense to revenue ratio was 27%, well within tolerable bounds.

Consequently, I am pleased to report an improved set of profitability numbers:

- Net profit attributable to shareholders of RM183 million in FY2022, an increase of 28% as compared to FY2021.
- The Group recorded a gross profit of RM419 million in FY2022, 11% higher than the RM377 million recorded in the prior year and achieved a gross profit margin of 57% in FY2022 as compared to 60% in prior year.
- In aggregate, the Group's Profit Before Tax ("PBT") increased by 24% from RM187 million to RM232 million and achieved a 14% increase in Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") from RM235 million to RM268 million in FY2022.

If I were to look back into the full year FY2022, we started with a relatively slow Q1 but we rapidly picked up momentum Q2 through Q4 largely through the backs of new significant contracts secured as well as a continuing strong base of recurring revenue from our existing core business. Throughout the year, we continued to execute and remain focused on delivering to our five-year plan developed in 2020. The resilience that we continue to build into the business has enabled us to continue to navigate the uncertainties with rigour and confidence, and I have no doubt we are well positioned to take advantage of opportunities going forward.

The main revenue driver of our business is banking which provides 80% of our total Group revenue.

As an organisation providing trusted solutions to banks in the region, we are unique in offering 3 core banking solutions – each with its own value proposition for specific segments of the marketplace:

- SIBS continue to serve a large proportion of our current sites and we continue to upgrade and modernise this solution, now with over 80 licenced sites spread across multiple countries in Asia.
- MÖBIUS, being our newest offering is fast catching on for banks looking to leapfrog into cloud native computing environment and providing new and agile digital banking channel offerings to their clients. On the back of our first win for MÖBIUS in Q4 FY2021, we closed another significant transaction with a large bank in Thailand for our next generation cloud card platform. Prospects for MÖBIUS remains encouraging as the two deployments in Thailand serve as reference sites, and has led to increased participation in proposals and we are optimistic of more deal closures in FY2023.
- Silverlake Symmetri Core Banking Solution and OmniCard solutions are gaining traction in markets such as the Middle East, the Indian subcontinent, and parts of Europe.

Our priority remains that of continuous engagement and to earn the trust of our key banking customers by providing them with workable and proven choices while focussed on maintaining, supporting, and ensuring the Silverlake solutions operate and run in an optimal manner. We work in partnership with our customers to provide them the capability to modernise their core banking platforms and the cutting-edge solutions they need to take them forward into the digital age.

While we continue to nurture and grow our banking business, we are also looking at new areas to grow and expand the Silverlake Axis business.

Insuretech is a key and strategic space for us. Insurance has and was a very natural extension in our planned diversification from purely banking and digital finance. With the launch of Fermion, we are rapidly building our capabilities and forming synergistic partnerships and investments in this area. Today almost all non-life insurance companies that provide motor insurance in Malaysia and Singapore are Silverlake Axis' clients, in Indonesia that number is close to 50%. We aim to continue to grow our business in this area and expand into other non-motor claims insurance sectors. With a digitally savvy middle class rising in this region, we saw an opportunity to tap into a growth market that was previously underserved but could now be accessed with digital technologies.

Our smaller business units in retail technologies and digital identity solutions are also showing strong promise and potential as they re-pivot and focus to their areas of strengths and markets.

I am proud of the accomplishments of our almost 2,000 strong team of "Silverlakers" as they not only adapted but performed admirably during the two challenging years that have just passed. We continue to deliver value to our customers whether on a remote, hybrid or on-premise working arrangements and provide the seamless support as expected by our clients.

Silverlake Axis have been honored this year with several awards and accolades. We have been awarded for the Best Employee Experience Award 2022 and continue to be rated by International Data Corporation ("IDC") as among the Top 100 Fintech companies globally. In addition, we have received awards from The Edge Singapore's "The Centurion Club 2021" with 2 awards for "Most Profitable Company" and "Best in Sector Award (Software and IT Services)" and nominated for the same award in 2022. We have also been awarded by the Global Islamic Finance Awards 2022 for Market Leadership in Islamic Finance Technology Solutions, the Global Brand awards 2021, and SIAS Investors' Choice award 2021. In September's Singapore Corporate Awards, we received the Silver Award for Best Investor Relations in the mid cap category. For the second year in a row, Gartner has rated Silverlake Axis among the Top 5 Core Banking provider in Malaysia, Thailand, Indonesia and Vietnam.

We have also been recognised by our partners winning the 2021 Bank Rakyat Indonesia Partner award, in Indonesia and received an IBM award as Top Power Solutions Provider 2021.

We successfully completed our Equal Access Offer to shareholders in May 2022 wherein we purchased 170 million shares at SGD0.33 per share. We utilised RM177 million of the Company's resources to purchase these shares and offer an alternative to share repurchase which would have been slow to achieve this volume. In this respect, we offered an exit to our shareholders at a premium to market.

The Group's investment in 37.1 million shares (an 8.30% ownership stake) of Global InfoTech Co. Ltd. ("GIT") is valued at RM206 million as at 30 June 2022 and has performed commendably over the volatile period. We remain bullish on the long-term growth and prospects of the IT market in China despite a very volatile year with much new regulation and geopolitical turmoil. We believe there is further potential, and we remain committed to this investment and potential future investments as China continues its quest for independence and global leadership in technology.

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 RM1 million for construction of the Universiti Tunku Abdul Rahman ("UTAR") Hospital, a 350-bed hospital combining western medicine, and traditional and complementary medicine ("TCM") disciplines in Kampar, Malaysia. We also had programs to support the Junior Tennis initiative in Malaysia, sponsored aspiring young golfing professionals representing Malaysia and we continue to support worthwhile and much needed charitable initiatives.

For FY2022, the Board of Directors proposed a final dividend of Singapore 0.70 cents per 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 RM600 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 remain elevated.

PROSPECTS IN FY2023 AND BEYOND

In summary, we ended FY2022 on a positive note with double digit growth in both revenue and profitability. Post pandemic, the banking sector appears more confident to spend and invest in IT-driven business transformation. Over the year, we were well-positioned, from our focus and array of solution offerings, to help Banks drive their transformation agenda and in our existing installed base, there was significant activity around core banking upgrades, modernisation and providing specialist services to help our installed base upgrade to compete digitally.

Our new cloud native digital banking product MÖBIUS continues to have successes, having been chosen as the product of choice by one of the largest Banks in ASEAN and is well on track for adoption by more Banks. More significantly, we are seeing increased MÖBIUS enquiries from non-Silverlake customers.

All our key banking business segments saw significant growth from licence sales to professional project services, maintenance, support, enhancement, and hardware infrastructure upgrades. We expect that this trend will continue to FY2023 as our backlog going into the new year remains strong and the deal flows and momentum are moving in a positive direction. During the year, we formalised partnerships with third parties to further enhance our banking solution offerings in the markets we operate in. We are actively partnering with reputable global consulting and system integrators to extend the reach of our products into a wider market space, particularly MÖBIUS. We also inked a 10-year exclusive partnership with Finastra, one of the largest banking solution providers globally, to OEM their Trade Finance and corporate banking suite to augment our current range of banking products.

In FY2022, we started to embark aggressively into an adjacent market – insurance and insurtech processing. Over the year, we launched Fermion which is a concerted strategy to get us into providing end-to-end insurance processing, solutions, and platforms – beyond just motor insurance claims which historically, we have a stronghold in key markets around the region. We invested into 2 insurtech companies with strong market positions in their respective offerings and they will strongly complement Fermion and extend the scope of our coverage in the insurance insurtech space. Going forward, we will continue to look for suitable investments and acquisitions to grow our scope and offerings in the insurtech industry. Our strategy is to diversify into property & casualty, health & wellness and travel insurance for both conventional and Islamic and to deliver the Fermion brand promise of being a leading insurance ecosystem builder in the region.

Our products innovation roadmap continues to yield success as we innovate and spend >5% of revenue on research and development ("R&D"). We have a dedicated Centre of Excellence ("COE") for product innovation and we can track, deliver, and deploy these solutions maintaining our 100% implementation track record.

For the retail industry segment, we continue to pivot to and develop a cloud and SaaS model that continues to be well received by the market. In Malaysia, on the back of the signing of the largest prescription pharmacy chain to the SaaS model in 2021, we are making progress with our focus going forward to offer this new cloud-based retail solution to the broader SME market in the region.

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 now 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, we have successfully implemented internal projects to modernise, standardise and streamline our financial and management reporting across the Group. Additionally, we have also implemented a sales pipeline management tool which analyses, measures and tracks our pipeline which will enhance our productivity in sales. Our sales organisation has been augmented with key hires in Thailand and Indonesia, and we have a framework and 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 are currently developing an integrated environmental, social and governance ("ESG") strategy combining this with our sustainability and thereby ensuring a focused and holistic program. This ESG program refresh and ongoing initiatives are now a permanent agenda at all our Board meetings in FY2023 as we continue to develop strategies 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 FY2022 Sustainability Report.

With over 30 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 staff for their contributions and for the exceptional set of results that have been produced. They have managed the company well, and engaged customers 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.

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

Goh Peng Ooi
Group Executive Chairman
28 September 2022

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 **370 business entities across Asia, Europe, Middle East, Africa and 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. **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.

Board of Directors

1 **Goh Peng Ooi**
Group Executive Chairman
Member of Nominating Committee

2 **Andrew Tan Teik Wei**
Executive Director
Group Managing Director

3 **Goh Shiou Ling**
Executive Director
Deputy Chief Executive Officer
Chairman of Strategic Investment Committee
Member of Remuneration Committee

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

5 **Ong Kian Min**
Lead Independent Non-Executive Director
Chairman of Audit and Risk Committee
Chairman of Nominating Committee
Member of Remuneration Committee

Board of Directors (cont'd)

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

Chairman of Remuneration Committee
Member of Audit and Risk Committee

7 **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

8 **Yano Satoru**
Independent Non-Executive Director

Member of Strategic Investment Committee

9 **Mah Yong Sun**
Independent Non-Executive Director

Member of Strategic Investment Committee
Member of Audit and Risk Committee

10 **Chee Hin Kooi**
Non-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

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 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 370 large customers who are located in over 80 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 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.

Mr. Goh currently holds directorships in a number of his private investment companies. He does not hold any directorships in other listed companies.

Andrew Tan Teik Wei
Executive Director
Group Managing Director

First appointment as a director: 1 July 2019
Last re-election as a director: 24 October 2019
Due for 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 a 38-year 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

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 is 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: 24 October 2019
Due for re-election as a director: 27 October 2022

Dr. Kwong has 43 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 where 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

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 is currently Chairman of ASEAN Business Advisory Council Malaysia, of CARI Asean Research and Advocacy, of Institute for Capital Market and Research Malaysia (ICMR), as well as President of the Asean Business Club. He also sits on the board of the Institute of Strategic and International Studies (ISIS) Malaysia. He is a Fellow Chartered Banker of the Asian Institute of Chartered Bankers. 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 Holdings Berhad. She is a Council Member of the Asian Institute of Chartered Bankers, a Trustee for Teach For Malaysia Foundation and The Merdeka Awards Trust 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.

Yano Satoru

Independent Non-Executive Director

Member of Strategic Investment Committee

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

Mr. Yano has more than 30 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.

Board of Directors (cont'd)

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

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 inlacing 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 Malaysian telecommunication conglomerates, such as Celcom Axiata Berhad (2010 - 2018), Catcha Digital Berhad (formerly known as Rev Asia Berhad) (2011 - present), 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
Due for re-election as a director: 27 October 2022

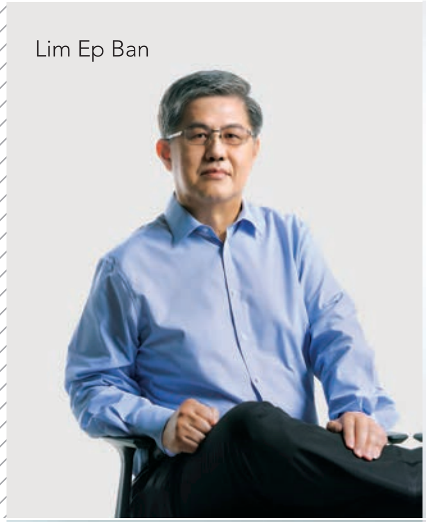
Mr. Chee has over 25 years of experience in the ICT industry. He served the Silverlake Private Group ("SPE Group") from 1998 to 2022, where he held various technical and management positions. He co-founded and was appointed as the Managing Director of SPE's technology R&D entity.

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.

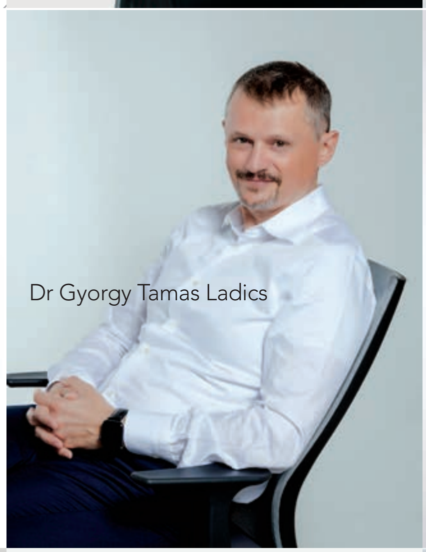
Management Team


Lim Ep Ban


Tan Soo Cheng


Choo Soo Ching

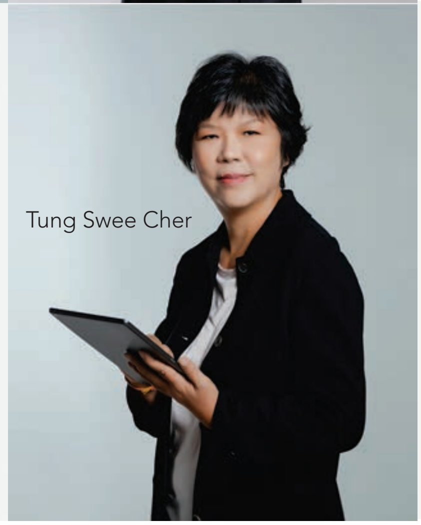

Peter Miller


Dr Gyorgy Tamas Ladics


Yew Yee Ming


Anil Singh Gill


Priscilla Tan


Tung Swee Cher

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 30 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.

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

Ms. Tan started her career in management consulting and has more than 31 years of experience in the banking and financial services industry. Ms Tan is responsible for the operation and strategic direction of application maintenance, enhancements, and recovery support services of Silverlake core banking solutions - Silverlake Axis Integrated Banking Solution (SIBS) - in the region. Ms. Tan leads a large group of SIBS core banking resources and expertise over six (6) countries in the region to meet Silverlake customers' core banking operation efficiency, modernisation and transformation, and to develop their internal IT competency in maintaining and supporting their core banking applications.

Prior to assuming this CEO role in 2016, Ms. Tan was a Director of Consultancy in Silverlake SPRINTS responsible for implementation, project management, programme management (PMO), and strategic planning. Her years of banking and financial services experience includes roles as senior manager in Ernst & Young Malaysia and Commonwealth Bank of Australia. Ms. Tan holds a Bachelor of Science in Computing and Economics along with a Graduate Diploma in Information Technology from Monash University, Australia.

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 the Silverlake MÖBIUS Open Banking Platform from scratch with Cloud Native, Future Proof Digital Core, Digital Channels and Digital Card capabilities.

A former banker, 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 holding various positions in consulting and insurance industry 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 26 years and has lead several influential and successful financial services projects in Asia Pacific, USA, MENA and Eastern Europe.

Dr Gyorgy Tamas Ladics
Chief Executive Officer, Silverlake Symmetri

Dr. Gyorgy Tamas Ladics is a seasoned financial services professional with over 29 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 31 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.

Priscilla Tan

Senior EVP, Finance & Administration Chief Financial Officer

Ms. Tan was appointed to this role in October 2018 and is responsible for the Group's financial and administrative functions. She was also the Joint Company Secretary for the Group until 23 September 2021. 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 23 years of experience in auditing and financial management having trained in professional accounting firms, and worked in a Malaysian regulatory body and commercial sectors. Before taking on this position, she was the Head of Finance for one of the Group's wholly-owned group of companies.

Anil Singh Gill

Senior EVP, Strategic Finance & Risk

Anil has over 22 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 as Head of Risk (CRO) he leads the Enterprise Risk Management function with responsibility for the implementation of strategy and risk management best practices throughout the organisation. He is also responsible for strategic finance which encompasses investor relations, internal reporting, business analytics and strategy.

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 currently serves as Treasurer to the Fintech Association of Malaysia ("FAOM") for the 2022 / 2023 term.

Tung Swee Cher

Senior EVP, Programs & Practices

Ms. Tung has over 32 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. (1)	100%
— Merimen Ventures Sdn. Bhd. (2)	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. (2)	100%
—— Affinities Village Sdn. Bhd.	100%
—— DynaFront Holdings Berhad (3)	3.24%
— Silverlake Fermion Sdn. Bhd.	100%
— Fermion Labs Sdn. Bhd. (4)	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. (3)	8.30%
Silvirture Limited	100%

(1) Formerly known as Silverlake Investment Holding Pte. Ltd.
(2) Refer Note 43 to the financial statements
(3) Public listed company
(4) Formerly known as Merimen Automative Group Sdn. Bhd.

The Dynamic Core Foundation

The **Silverlake Integrated Banking System (SIBS)** is ASEAN's most robust and trusted core banking platform.

Our latest 'Modernised Core' enhancements are designed to help you transform new opportunities into tangible competitive advantages.

In the era of multi-modal banks, we aim to provide bespoke technological, consulting, and collaborative solutions to every client, anytime and anywhere.

Silverlake's Modernised Core Platform provides you with the tools, systems, and support needed to pursue innovation paths that are uniquely your own.

OUR PROMISE

a trusted stable core

anchoring more than half of ASEAN's super-regional bank's core digitalisation initiatives in the last decade.

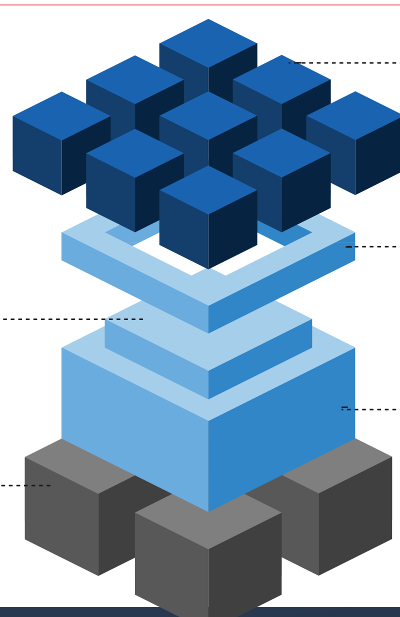
a proven fintech partner

with an undisputed 100% implementation success rate for post-merger and greenfield ventures alike.

a global digital expert

serving 370+ clients in banking, retail, insurance, government, healthcare, hospitality, and logistics in 80 countries.

OUR APPROACH



extensive
Omnichannels

Robust service publication allows the bank to expand its channel portfolio without the need for high-effort custom integrations.

flexible
Containerisation

Highly reusable services are centrally packaged and orchestrated, granting unmatched control and visibility over your operations.

inclusive
Open API Management

Centralised hub for managing internal and external API consumption.

enriched
Components & Microservices

Our catalogue of universal banking atomic services provide all the building blocks required to create a bank that is uniquely yours.

secured
Systems-of-Record

Core databases and mission-critical data are completely abstracted, minimising the risk of any future system changes to business continuity.

YOUR GOALS

GOAL:
Innovate & Transform

GOAL:
Hyper-personalise

GOAL:
Smart Enterprise

GOAL:
Business Growth

YOUR OUTCOMES

Digitalisation

Optimise existing IT footprint using the latest app architecture and abstracted services

Differentiation

Design and rollout highly differentiated products sustainably to secure strategic market niches

Decision Automation

Intelligent, high-volume, high-precision onboarding and servicing for the entire customer journey

Diversified Partnerships

Create novel value propositions through product, data, and channel collaborations across all industries

OUR SOLUTION

PARTNERSHIPS

30+ years of incumbency in multiregional, mission-critical transformation.

- Regional hubbing
- Post-merger consolidation
- Multi-modal banking
- Global re-platform
- Replace & rearchitect
- Digital greenfield

End-to-end support network across ASEAN providing on-demand services.

- Managed services
- Tech advisory & consultation
- Business advisory & consultation
- Training & knowledge management

Cloud-ready core, deployed via financial-grade global service providers.

- IBM Cloud
- AWS
- Microsoft Azure
- Google Cloud
- Alibaba Cloud
- … and more

PRODUCTS

T1 universal banking core, supporting all bank and non-bank financial offerings.

- Retail
- Institutional
- Islamic
- Mass market
- Trade finance
- Microfinance
- Asset management
- Leasing

Turnkey compliance across global and in-country payment standards.

- ISO20022
- Local interbank
- Local RTGS
- Payment Hub
- SWIFT GPI
- Global payment rail integration

Modular, platform-agnostic business process automation for principal core operations.

- Loyalty
- Pricing
- Fraud /AML
- AI & analytics
- ATM Switch
- Branch mobility
- Data lifecycle
- Reporting & BI

TECHNOLOGIES

Digital banking platform for limitless composability and superior speed-to-market.

- Open API gateway
- Curated partners
- IBM i & microservices
- Cloud-agnostic

Market leading performance at 300 million transactions daily, available.

- Active-active provisioning
- Database mirroring
- Day/night-mode full service uptime

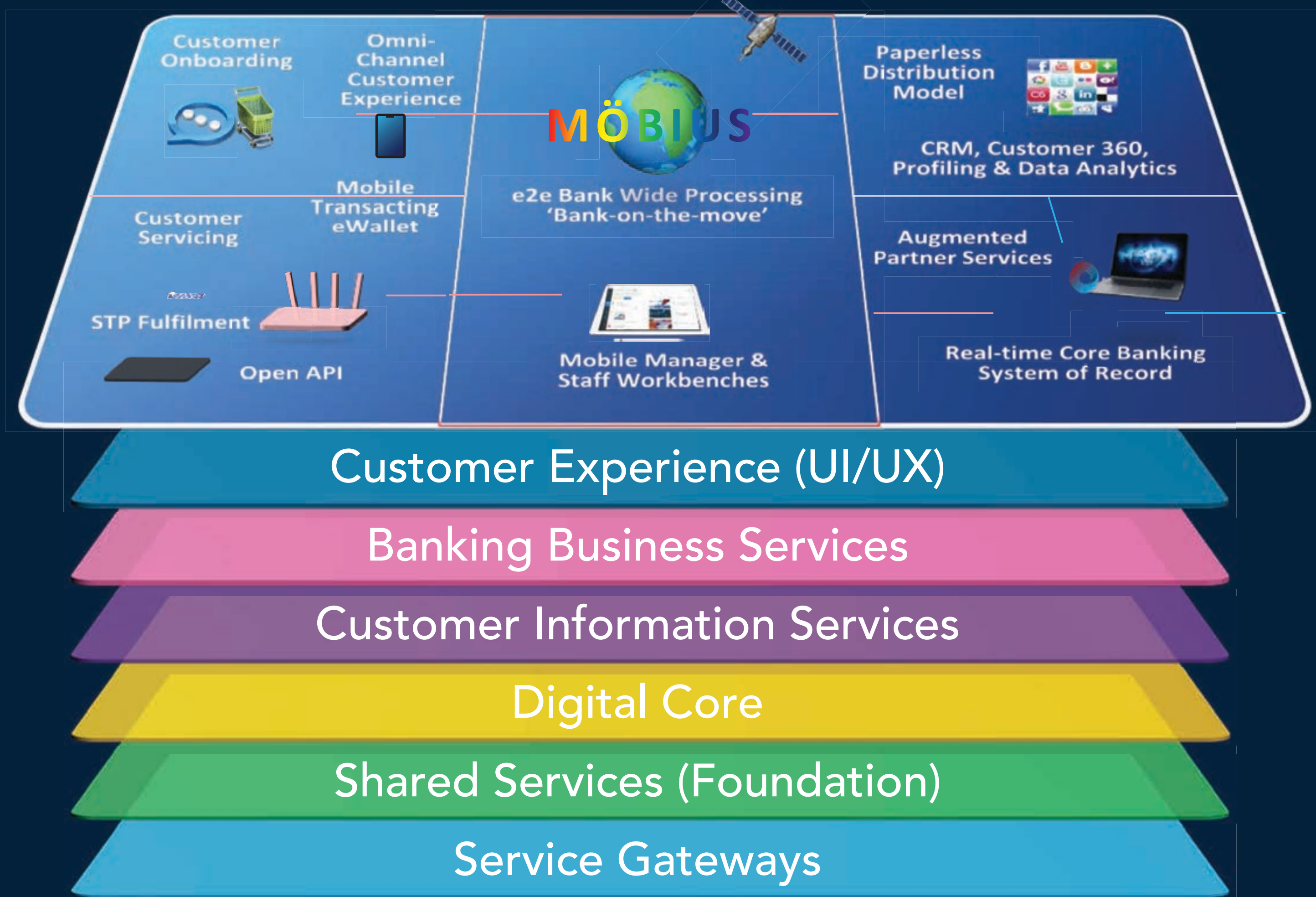
Shared SIBS DNA across all solutions ensures frictionless incremental enhancements

- Unified rules platform
- Universal product factory
- Containerised atomic core services

STRAIGHT THROUGH BANKING

MÖBIUS - OUR STRATEGIC DIGITAL BANKING PLATFORM

The Platform Concept – Unified and Seamless. Certified and Performance Tested with AWS and Ali Cloud



MÖBIUS "OUT-OF-THE-BOX"

- Challenger Bank/ Neo Bank/Virtual Bank
- Bolt-on to existing SIBS or any Core Banking system as the front end Digital Bank
- Migration path from legacy Core Banking System to end-to-end Mobius
- Mobius Bridge to enable coexistence of Mobius end-to-end Digital Bank and existing Core

Silverlake Axis has experience in the management of banks, the delivery of digital experiences and the re-engineering of bank operating models.

As an Asean company operating with more than a hundred local banks, we have the execution knowledge of the integration needs of local financial services ecosystems. Our STB- MOBIUS brings the future of banking into the digital ecosystems seamlessly with our 30 years of proven track record.

We bring this expertise together with experience and execution - to work with your business goals and objective. Together, with our 3Es experience, expertise and execution we create innovative and practical customer journeys and automate differentiated end-end customer propositions.

fermion

WE ARE INSURANCE ECOSYSTEM BUILDERS

Powered by data and ecosystems, we offer a new way to distribute insurance and reach those that need to be protected.

Our Property and Casualty ecosystem supports every class of business from policy origination to claims.

Our Savings and Protection ecosystem connects individuals to corporations and financial institutions to help them find the right financial and protection plan.

Our Health and Wellness ecosystem designs programs that focus on a healthy lifestyle and overall wellbeing.

Our Travel and Lifestyle ecosystem enables travelers to find the right protection for their trip beyond just insurance.

2

Together with Data Owners and by integrating behavioral economics, we help identify solutions that match the customer's lifestyle.

3

Being digital makes it easy to connect the entire insurance journey end-to-end, from understanding customer needs, through to buying policies, making claims and getting customer support.

4

We work with insurers, insurance distributors and partners to extend their digital footprint locally, regionally or even globally.

www.fermion.io

Financial Highlights

18%	11%	1%	14%	28%
Revenue	Gross Profit	Other Income	EBITDA	Net Profit
RM736.5 million	RM418.6 million	RM11.3 million	RM268.3 million	RM182.7 million

Financial Year Ended 30 June	2018	2019	2020	2021	2022
1. Financial Results (RM' million)					
Revenue	541.8	680.8	663.7	626.1	**736.5**
Gross Profit	304.9	426.1	379.6 [2]	376.9	**418.6**
Other income	4.5	55.6 [1]	23.6 [3]	11.5 [4]	**11.3** [5]
EBITDA	167.0	332.5 [1]	266.7 [2][3]	235.3 [4]	**268.3** [5]
Profit Before Tax	147.2	284.7 [1]	201.4 [2][3]	186.7 [4]	**231.9** [5]
Net Profit	134.1	245.6 [1]	184.7 [3]	143.1 [4]	**182.7** [5]
2. Financial Positions (RM' million)					
Share Capital	191.0	191.0	191.0	191.0	**1,845.2**
Shareholders' Fund	523.1	592.3	746.6	1,054.4	**962.1**
Total Assets	1,007.3	1,182.4	1,468.2	1,364.3	**1,492.1**
Total Liabilities	484.1	590.0	721.6	309.8	**516.9**
3. Financial Ratio					
Gross Profit Margin (%)	56%	63%	57% [2]	60%	**57%**
Net Profit Margin (%)	25%	36% [1]	28% [3]	23% [4]	**25%** [5]
Return on Equity (%)	26%	41% [1]	25% [3]	14% [4]	**19%** [5]
Current Assets/Current Liabilities (Times)	3.6	3.8	2.1	4.1	**3.9**
4. Per Share (RM sen)					
Basic Earnings Per Share	5.09	9.27 [1]	7.04 [3]	5.49 [4]	**6.85** [5]
Diluted Earnings Per Share	5.08 [6]	9.27 [1]	7.04 [3]	5.49 [4]	**6.85** [5]
Net Assets Per Share	19.70	22.39	28.83	39.40	**38.32**
5. Dividends					
Dividends Per Share (Singapore cents)	3.00	1.80	0.93	0.52	**0.70**
Dividend Payout (%)	175% [7]	59%	40%	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.

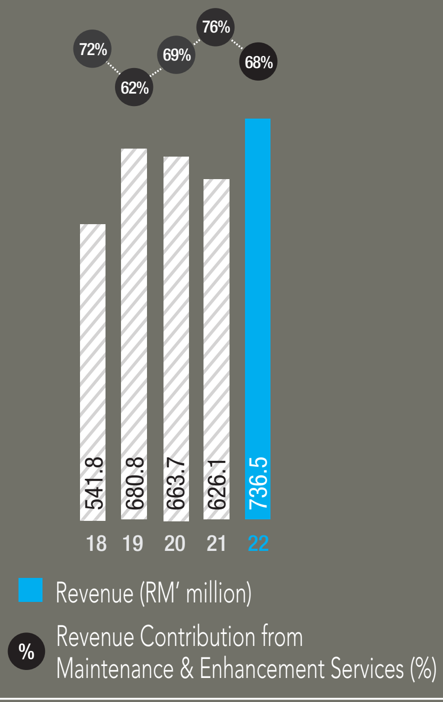
[(4)] In FY2021, the Group recorded non-operational losses of RM15.6 million and RM8.6 million from remeasurement of put liability for put option and remeasurement of derivative asset in relation to call option on the remaining 20% equity interest in XIT Group respectively. The Group received RM4.9 million 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.

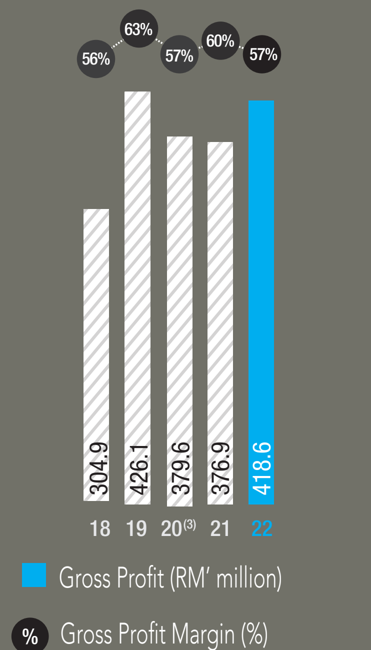
[(5)] In FY2022, the Group recorded RM1.5 million of government subsidies and office rental concessions from Malaysia, Singapore, Thailand and Hong Kong, RM1.1 million gain from the recognition of derivative asset in connection with the call option to acquire the remaining 16.37% equity interest in Ancileo Pte. Ltd., 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.

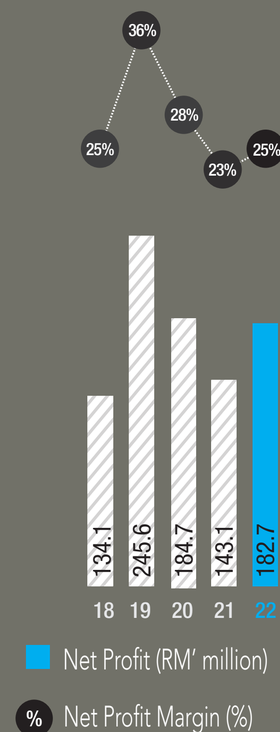
[(6)] Based on the weighted average number of ordinary shares on issue, after adjusting for dilution shares under Silverlake Axis Ltd. Performance Share Plan.

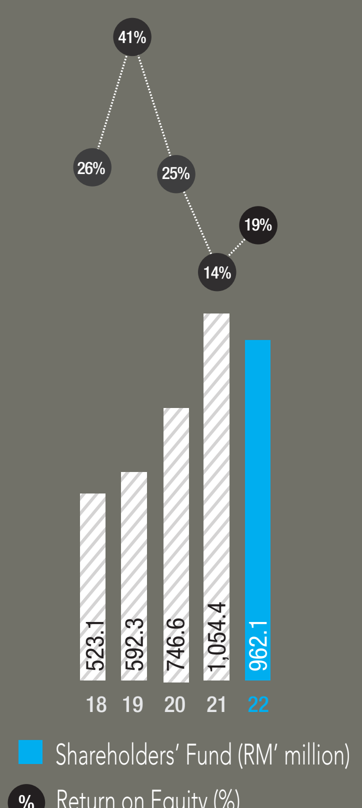
[(7)] The Group declared three special dividends from the GIT share sale proceeds, totalling Singapore 1.8 cents per share for FY2018.

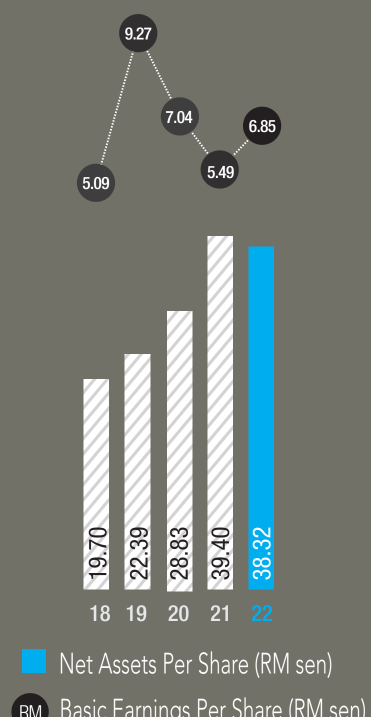
Financial Highlights (cont'd)

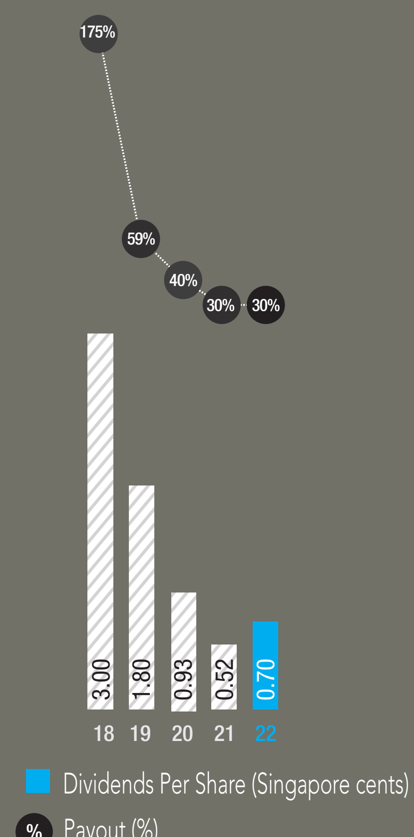












Financial Performance Review

OVERVIEW

Silverlake Axis Ltd. ("SAL" or the "Company") has completed its re-domiciliation from Bermuda to Singapore during the financial year. In conjunction with the re-domiciliation, the Group and the Company adopted Singapore Financial Reporting Standards (International) ("SFRS(I)s") for annual periods beginning on 1 July 2021. SFRS(I)s are equivalent to IFRSs as disclosed in Note 2.1 to the financial statements.

Overall, the Group recorded an 18% increase in revenue from RM626.1 million in FY2021 to RM736.5 million in FY2022. This is the highest revenue for the Group since the Company's listing in Singapore Exchange Securities Trading Limited in 2003. The Group achieved Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") of RM268.3 million and Net Profit of RM182.7 million in FY2022, an increase of 14% and 28% respectively, as compared to FY2021. This increase was contributed by higher revenue from all business segments. Earnings per share was RM6.85 sen as compared to RM5.49 sen in FY2021.

Revenue
RM736.5 million
▲ 18%

EBITDA
RM268.3 million
▲ 14%

Net Profit
RM182.7 million
▲ 28%

Earnings per Share
RM6.85 sen
▲ 25%

Dividends per Share
Singapore 0.70 cents
▲ 35%

Return on Equity
19%
▲ 5%

ACQUISITIONS AND EXPANSION

Acquisitions and expansion are key cornerstones of the Group's Value Creation Plan. The Group has undertaken several acquisitions over the years to broaden its suite of business enterprise software solutions and service offerings to strengthen its market position in both existing and new markets.

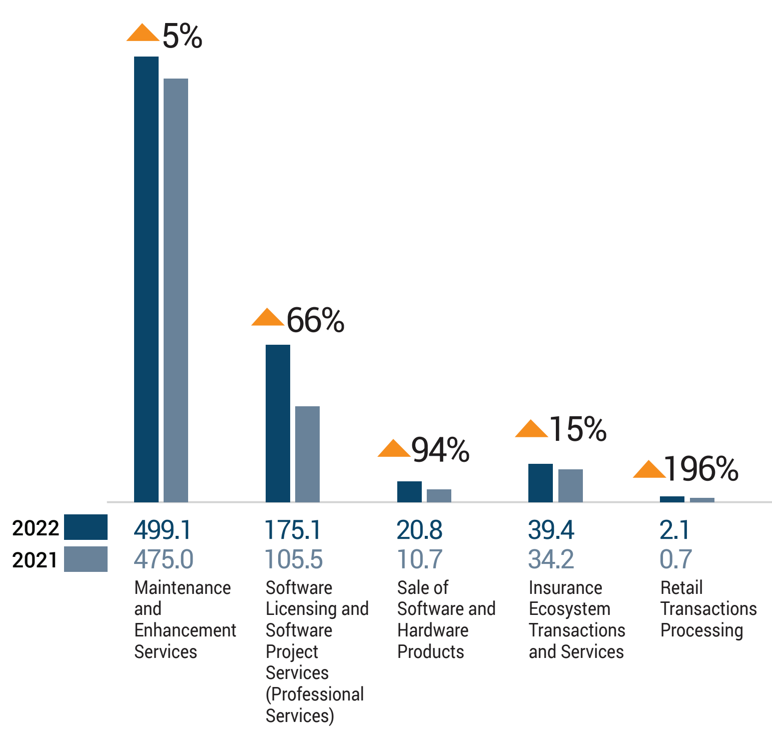
In September 2021, the Group invested in 3.5 million LEAP Market shares of DynaFront Holdings Berhad ("DynaFront") with a cash consideration of RM0.7 million recognised as an investment in quoted equity shares as disclosed in Note 17 to the financial statements. DynaFront is a software development and consulting company specialising in cutting edge IT solutions customised for the regional life insurance industries. It is listed on the LEAP Market of Bursa Malaysia and has presence throughout South East Asia.

In January 2022, a subsidiary of the Company, Fermion Pte. Ltd. ("FPL"), entered into an agreement to acquire 38.05% equity interest in Ancileo Pte. Ltd. ("Ancileo"). In June 2022, FPL entered into an agreement for the execution of the first tranche acquisition of 21.68% equity interest in Ancileo for a cash consideration of SGD1.9 million (equivalent of RM6.1 million). Under the agreement, FPL was granted a right to a call option to acquire the remaining 16.37% equity interest in Ancileo for a cash consideration of SGD2.4 million (equivalent of RM7.6 million) upon satisfaction of the stipulated conditions. Following the completion of the first tranche acquisition on 30 June 2022, Ancileo became an associate of the Group as disclosed in Note 16 to the financial statements. Ancileo engages in the provision of software technology for the insurance ecosystem. The acquisition of Ancileo will complement the expansion of Group's insurance business.

REVENUE

Group revenue was RM736.5 million, an increase of 18% as compared to RM626.1 million last year contributed by all business segments.

Revenue by Business Activities (RM' mil)



Financial Performance Review (cont'd)

RECURRING REVENUE

- Total recurring revenue comprising maintenance and enhancement services, insurance ecosystem transactions and services, and retail transactions processing increased by 6% from RM509.9 million to RM540.6 million in FY2022.

- These recurring revenue segments contributed more than 70% of total Group revenue and remain a key revenue driver for the Group.

Maintenance and Enhancement Services ▲5%	Insurance Ecosystem Transactions and Services ▲15%	Retail Transactions Processing ▲196%
• Maintenance revenue recorded a growth of 8% to RM245.6 million whilst enhancement services revenue continued its momentum with an increase of 2% to RM253.5 million in FY2022. • The increase was from commencement of new maintenance contracts upon completion and cutover of several key implementation projects as well as new enhancement contracts secured from customers who are relying on SAL to modernise their core banking platforms for the digital age from time to time. These new contracts are mainly from banking segments in the ASEAN countries.	• Insurance ecosystem transactions and services revenue increased by 15% from RM34.2 million to RM39.4 million in FY2022. • Revenue from vehicle claims processing activities recorded a significant recovery over the quarters with the phasing out of "lock downs" and the resumption of global business and economic activities in all the countries we operate in. • Revenue from the processing of insurance policy related transactions and TrueSight was also higher as a result of successful onboarding of new customers and active cross-selling of the solutions to existing customers.	• Revenue from SaaS retail transactions processing of RM2.1 million in FY2022 was 196% higher than the revenue recorded in the prior year. • Adoption of AgoraCloud, our latest cloud-based retail solution offering is showing momentum with strong uptakes in the pharmaceutical industry as well as other retail customers in Malaysia and Singapore.

PROJECT RELATED REVENUE

- Project related revenue comprising software licensing and software project services (professional services) increased by 66% from RM105.5 million to RM175.1 million in FY2022.

Software Licensing ▲110%	Software Project Services (Professional Services) ▲39%	Sale of Software and Hardware Products ▲94%
• Software licensing revenue increased by 110% from RM40.0 million to RM84.2 million in FY2022. • The increase was largely contributed by the delivery of new software licensing contracts and banking deals secured in Indonesia and Thailand.	• Software project services (professional services) revenue increased 39% to RM90.9 million in FY2022. • This was mainly due to the ongoing implementation of two new MÖBIUS contracts which accounted for 37% of total project services revenue and progressive revenue contributed from other ongoing projects. • The Group adopts the revenue recognition standard in accordance with SFRS(I)s which mandates recognition of project revenue on a percentage of completion method whereby revenue is recognised based on the progression of actual project completion. Based on this, revenue from recently closed deals and projects will be recognised in future periods as work progresses.	• Sale of software and hardware products recorded higher revenue of RM20.8 million in FY2022 as compared to RM10.7 million in the prior year as customers invested into hardware upgrades to enhance technology delivery. Hardware sales in general are seasonal in nature and dependent on customer requirements.

Financial Performance Review (cont'd)

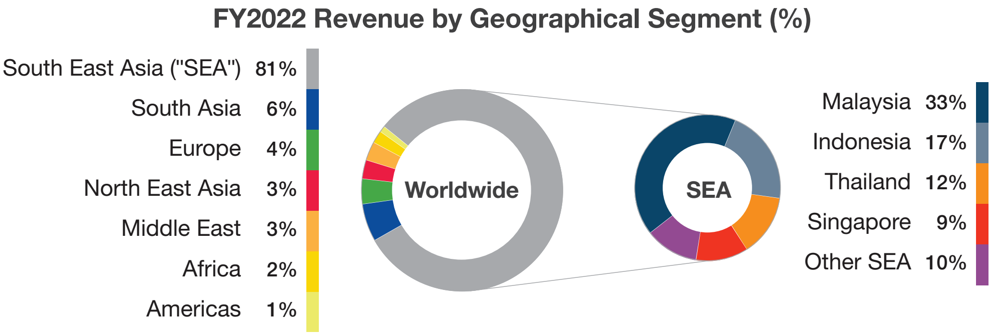
REVENUE DELIVERED THROUGH CLOUD COMPUTING AND SOFTWARE-AS-A-SERVICE ("SAAS")

- RM95.3 million or 13% of total Group revenue was delivered via cloud computing compared to RM38.2 million or 6% in FY2021, a considerable increase of 149% compared to the same period prior year.

- Revenue from SaaS was RM38.0 million, an increase of 19% compared to RM31.8 million in the prior year. SaaS currently constitute 5% of total Group revenue which is at comparable level to last year.

REVENUE BY GEOGRAPHICAL SEGMENT

Group revenue was mainly generated in South East Asia, contributing approximately 80% of total revenue in the current and past year. Malaysia, Indonesia, Thailand and Singapore are the key countries contributors of revenue to the Group. The remaining 20% of the Group revenue was contributed by South Asia, Europe, North East Asia, Middle East, and Africa region.



During the year, the Group entered key partnerships to further enhance our banking solution offerings in the markets the Group operates in. The Group is also actively partnering with reputable global consulting and system integrators to extend the reach of our products into a wider market space, particularly MÖBIUS.

PROFIT PERFORMANCE

GROSS PROFIT

The Group recorded a gross profit of RM418.6 million in FY2022, 11% higher than the RM376.9 million recorded in the prior year and achieved a gross profit margin of 57% in FY2022 as compared to 60% in prior year.

EXPENSES

Total expenses decreased by 1% from RM203.5 million to RM201.2 million. The decrease was mainly due to lower finance costs and administrative expenses which partially offset by higher selling and distribution costs. Total expenses over revenue ratio decreased from 33% to 27%.

Selling and distribution costs increased from RM30.5 million to RM42.1 million in FY2022 mainly due to higher expenses incurred for business development, marketing, presales, corporate social responsibility activities and branding initiatives for FERMION – The Insurance Ecosystem in FY2022 as well as performance incentive pay-outs.

Administrative expenses of RM156.3 million in FY2022 was 2% lower than RM159.9 million recorded in prior year. In FY2022, the Group incurred costs associated with group initiatives for internal improvement projects, performance incentive pay-outs and Silverlake Axis Ltd. Performance Share Plan award.

Finance costs in FY2022 was 79% or RM10.3 million lower as compared to prior year, due to the completion of the unwinding of discount on contingent consideration payable for the acquisition of Silverlake Investment (SG) Pte. Ltd. Group in FY2021.

INCOME TAX

The Group recorded higher tax expense of RM49.2 million in FY2022. This is consistent with the higher profits recorded. The effective tax rate was lower by 2%, at 21% compared to 23% in FY2021, mainly due to higher export incentive claimed by subsidiaries with higher overseas sales as compared to FY2021 and higher bilateral tax relief claimed from foreign income.

NET PROFIT

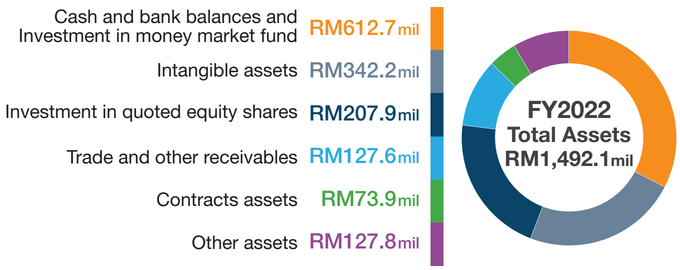
Net Profit increased 28% from RM143.1 million to RM182.7 million mainly contributed by the increase in revenue and gross profit. Due to these factors, the Group's Return on Equity increased from 14% to 19%.

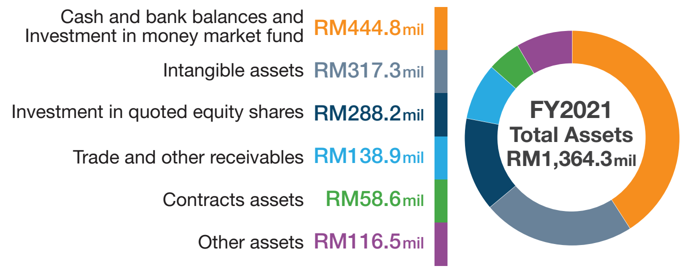
After adjusting for one-off non-operational gains/losses, the Group's Adjusted Net Profit of RM179.4 million would be 11% higher than FY2021 Adjusted Net Profit of RM162.3 million.

Financial Performance Review (cont'd)

FINANCIAL POSITION

ASSETS





Total assets increased by 9% from RM1,364.3 million as at 30 June 2021 to RM1,492.1 million as at 30 June 2022. The increase was mainly due to the increase in cash and bank balances, investment in money market fund and intangible assets, partially offset by the decrease in investment in quoted equity shares.

Cash and bank balances of the Group increased from RM417.1 million as at 30 June 2021 to RM558.1 million as at 30 June 2022 contributed by cash inflow from operating activities which partially offset by cash outflow for dividend payments, share buyback, capital expenditure and acquisition of investments. The Group also increased its investment in money market fund with financial institutions from RM27.7 million in prior year to RM54.7 million as at 30 June 2022.

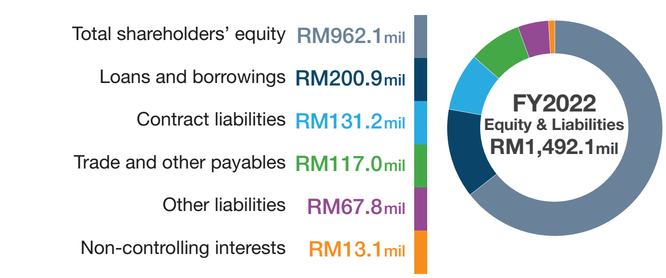
Intangible assets of the Group increased from RM317.3 million as at 30 June 2021 to RM342.2 million as at 30 June 2022 mainly due to the capitalisation of software development expenditure incurred for the development of core and digital banking, fintech and other solutions. The increase was partially offset by the amortisation of intangible assets in FY2022.

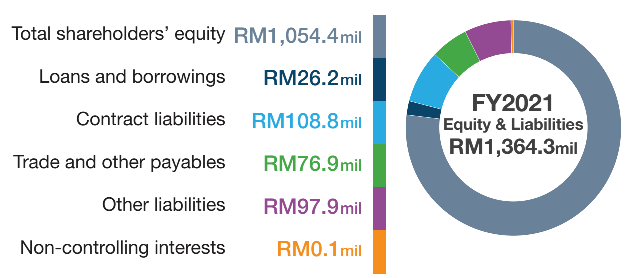
Contract assets of RM73.9 million as at 30 June 2022 was higher as compared to RM58.6 million as at 30 June 2021 mainly due to the timing of billings and revenue recognition for current contracts.

On 30 June 2022, the Group acquired 21.68% equity interest with a call option to the remaining 16.37% ("Call Option") interest in Ancileo Pte. Ltd. ("Ancileo"). This investment was booked as investment in an associate at RM6.1 million as at 30 June 2022 and a derivative asset was recognised for the Call Option exercisable in the financial year ending 30 June 2024 at RM1.1 million.

The Group's investment in quoted equity shares comprises equity interest in Global InfoTech Co. Ltd. ("GIT") and a new investment held by a subsidiary in DynaFront Holdings Berhad in FY2022. The investment decreased by 28% from RM288.2 million to RM207.9 million as at 30 June 2022 due to the decrease in share price of GIT shares to RMB8.51 per unit as at 30 June 2022 (RMB12.14 per unit as at 30 June 2021).

EQUITY AND LIABILITIES





EQUITY

With the completion of off-market equal access purchase of the Company's shares and the fair value loss recorded from investment in quoted equity shares in FY2022, the Group's total equity attributable to owners of the parent decreased by 9% from RM1,054.4 million last year to RM962.1 million as at 30 June 2022.

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 balance increased from RM0.1 million to RM13.1 million as at 30 June 2022 as a result of the deemed disposal of the 20% equity interest in XIT Group by the Company to the minority shareholders during the financial year upon the expiry of the put and call options to acquire the remaining 20% equity interest in XIT Group.

In aggregate, total equity as at 30 June 2022 was RM975.2 million as compared to RM1,054.5 million last year.

LIABILITIES

Total liabilities increased by 67% from RM309.8 million to RM516.9 million as at 30 June 2022. The increase was mainly due to the drawdown of revolving credit facility of RM173.9 million to finance the off-market equal access purchase of the Company's shares during the financial year and increase in trade and other payables.

Loans and borrowings increased from RM26.2 million as at 30 June 2021 to RM200.9 million as at 30 June 2022 mainly due to the drawdown of the revolving credit facility in FY2022 for the settlement of off-market equal access purchase of the Company's shares.

Trade and other payables of the Group amounted to RM117.0 million as at 30 June 2022 as compared to RM76.9 million as at 30 June 2021. The increase was due to higher accruals and the timing differences in payment to vendors.

CASH FLOW

The Group continues to maintain a healthy cash flow position. Cash and cash equivalents of the Group stood at RM548.9 million as at 30 June 2022, up by RM141.6 million or 35% from RM407.3 million as at FY2021.

CASH FROM OPERATING ACTIVITIES

Net cash flow from operating activities in FY2022 was RM270.3 million as compared to RM196.9 million in FY2021 mainly due to the revenue and profit growth in FY2022.

CASH USED IN INVESTING ACTIVITIES

Net cash used in investing activities of RM83.1 million in FY2022 was comparable with FY2021 of RM83.0 million. The Group has 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 was lower in FY2022 at RM58.9 million as compared with RM178.6 million in FY2021. During the 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. The Company has also made a dividend payment of RM42.9 million. Whereas in the prior year, the Company made full repayment of the revolving credit facility in FY2021.

CAPITAL MANAGEMENT

The Group manages its capital structure and optimises debt and equity mix to create value for shareholders. The Group's gross gearing ratio increased in FY2022 to 0.21 from 0.02 in FY2021, whereas the Group's net gearing ratio was zero for both FY2022 and FY2021. The higher gearing is due to the drawdown of revolving credit facility of RM173.9 million to finance the off-market equal access purchase of the Company's shares during the financial year. The Group's interest cover ratio was 82.7 times for FY2022. Overall, the Group continues to maintain a healthy debt leverage level.

Group Debt and Equity	**As at 30 June 2022**	**As at 30 June 2021**
Total debts (RM' mil) *	200.9	26.2
Cash and bank balances (RM' mil)	558.1	417.1
Net debts (RM' mil) **	-	-
Total shareholders' equity (RM' mil)	962.1	1,054.4
Gearing ratio		
Total debts/Equity	0.21	0.02
Net debts/Equity	-	-

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

Financial Performance Review (cont'd)

SHARE CAPITAL

During the financial year, the Company transferred its domicile from Bermuda to Singapore. As a Singapore registered company, the Company adopted the concept of no-par value in accordance with Sections 62A and 62B of the Singapore Companies Act 1967. Accordingly, the Company reclassified the "share premium" of RM1.7 billion to "share capital" during the financial year and reported higher share capital amount of RM1.8 billion as at 30 June 2022 as compared with RM191.0 million as at 30 June 2021.

The number of issued shares remained at 2,696,472,800 shares as at 30 June 2022.

The number of treasury shares increased from 20,569,091 shares to 186,132,479 shares as at 30 June 2022, resulted from the following transactions:

- the buyback of 171,663,388 shares by way of market and off-market purchase in FY2022; partially offset with
- the reissuance of 6,100,000 treasury shares pursuant to the Silverlake Axis Ltd. Performance Share Plan.

BANK BORROWINGS

As at 30 June 2022, the Group has total bank borrowings of RM175.5 million comprising:

(i) Unsecured Committed Revolving Credit Facility of RM175.3 million; and
(ii) Secured Term Loan of RM0.2 million

SHAREHOLDERS' RETURN

EARNINGS PER SHARE ("EPS")

FY2022 basic and diluted EPS were the same at RM6.85 sen as there was no other transaction involving ordinary shares or potential ordinary shares as at 30 June 2022. With higher profitability from both operational and non-operational activities in FY2022 as compared to FY2021, EPS in FY2022 was 25% higher than the RM5.49 sen achieved in FY2021.

Earnings per Share (RM' sen)	FY2022	FY2021
Basic earnings per share	6.85	5.49
Diluted earnings per share	6.85	5.49
Weighted average number of ordinary shares in issue (in million)	2,660.0	2,605.1

DIVIDEND

Subject to the shareholders' approval at the forthcoming Annual General Meeting to be held on 27 October 2022, the Directors proposed a final tax exempt one-tier dividend of Singapore 0.70 cents per share amounting to approximately RM55.5 million to be paid on 16 November 2022 in respect of the financial year ended 30 June 2022. For the previous financial year end, a dividend of Singapore 0.52 cents per share, amounting to RM42.9 million was declared.

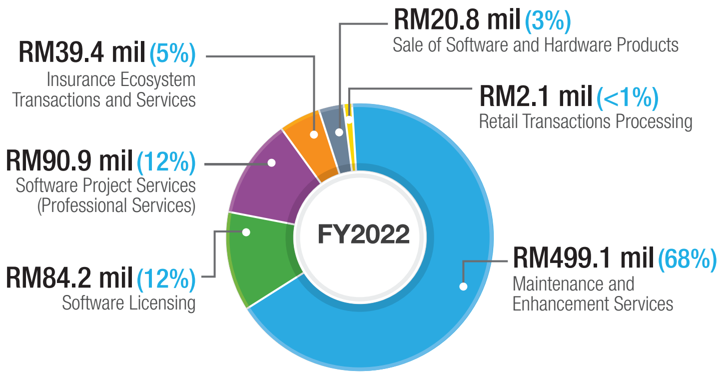
The proposed dividend of Singapore 0.70 cents per share for FY2022 represents:

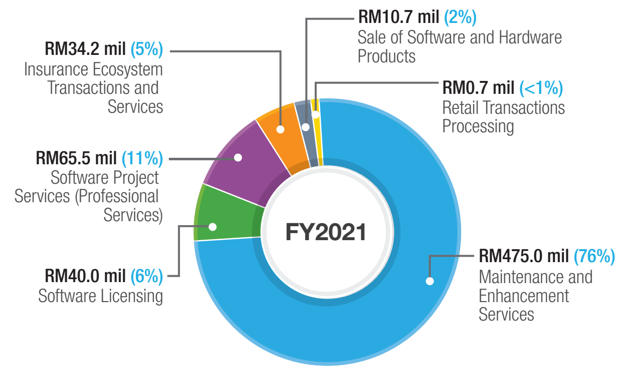
(i) dividend pay-out ratio of 30% based on net profit attributable to shareholders;
(ii) dividend yield of 2.4% based on dividend per share over the average share price of Singapore 29.7 cents traded during the year.

	Dividend per Share (Singapore' cents)	Dividend Amount (RM' mil)	Dividend Payout (%)	Dividend Yield (%)
FY2021	0.52	42.9	30%	1.9%
FY2022	0.70	55.5	30%	2.4%

Operations Review

REVENUE BY SEGMENT





Banking and Retail Segments

Industry Trend in FY2022

Overall market sentiments observed at the end of the financial year indicate a more favourable and more positive outlook to the coming year and market sentiment has improved compared to the previous year. Our positive financial performance for the year was a result of the momentum in deal flow and closures leading to revenue growth.

Barring unforeseen circumstances, the momentum looks to carry through to this coming financial year. Deal activity remains robust and we continue to observe an increase in IT spend planned for the next 12-18 months. However, our customers in general are sensitive to macroeconomic conditions, and positive GDP growth is a key metric predicting growth in financial services. With the risk of recession and geopolitical risk from the ongoing conflict in Ukraine, there are substantial risks to these growth rates that may impact IT spend.

At the close of our financial year 2022 ("FY2022"), there is much optimism driven by the waning of the pandemic and demand being generated especially for digital financial services. FY2022 began slowly with weak momentum and slow growth in our key segments; however as we entered Q2, the prospects improved and this improvement persisted through to the full year. The pandemic and its disruptions meant that financial institutions had to adapt and accelerate their digital transformation and this brought a renewed focus on transforming business models to meet customer demand and deliver customer engagement digitally and without friction. FY2022 was a year where our customers began to operationalise their plans rather than continue to delay and we are seeing a marked increase particularly in large ticket sized transformation deals. In the second half, this trend accelerated and many new customers became interested in new operating models including cloud and Artificial Intelligence ("AI"), Machine Learning and open banking concepts.

This transformation and the digitisation in both processes and engagement are strategic enablers and this quickening will impact us materially in all our business lines. This continued drive towards digital, intensifying connectivity and integration in the industry has enabled the Group to participate in and potentially close a number of large contracts for enhancement to its customers' technology and digital infrastructure in the coming financial year.

The Group's key customers in banking and financial services are strategic to the markets they operate in and globally interconnected. Enquiries have intensified and budgets have been reinstated and the activity has been encouraging as we closed out FY2022 on a strong note. Our customers do not have the luxury of taking a wait and see approach, and we see them accelerating critical decisions across core and complementary platform modernisation.

We are cautiously optimistic in terms of the outlook of the market. The markets we operate in are still facing a myriad of issues both in terms of geopolitical and national issues and while the economies of these markets are operating normally, we will continue to monitor any impact that will bring to our business. Despite the uncertainty in the key markets we serve, we are beginning to close more deals and see increased enquiries in our range of solutions and capabilities for the financial services market sector. Our customers continue to entrust us with maintaining, supporting and providing them the long-term path to core modernisation and greater positioning for the new digital age.

There is strong deal momentum going into FY2023 and our engagement teams are liaising with existing and potential customers to cater to their requirements and provide them with a solution suite that suits their budget to remain competitive.

The industry continues to evolve, the pace of change has accelerated due to the pandemic as banks grapple with complex, monolithic and inflexible systems that have failed to provide business insights and failed to deliver superior customer experience. The costs of maintaining these legacy systems continue to rise and so does the operational risk which is a cause of concern for many regulators and is being monitored closely by them. These industry dynamics form the basis of our value proposition and strategy as we continue to partner with our customers in their transformation.

Digital engagement with customers and regulatory compliance remain top of mind and cloud technology has enabled flexibility in business transformation and provided banks with significant monetary advantages over traditional on-premise models. Our product suite now offers Software-as-a-Service ("SaaS") as an option to host applications and lower the cost of maintaining proprietary infrastructure.

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, Silverlake Digital Banking MÖBIUS Open Banking Platform, Silverlake Delivery Service Processor 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 and NowSuite applications, and SIA X Infotech digital identity and security software solution.

Performance

Software licensing contributed 12% 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 FY2022, we closed a number of large deals in Indonesia and Thailand rebounding from a difficult FY2021. The Group recorded a 110% increase in revenue from this segment to RM84.2 million compared to RM40.0 million in FY2021. This increase is driven predominantly by bank's ongoing IT transformation and digitisation efforts to remain competitive and engage with their customers.

Outlook

License fee is highly dependent on the securing of new contracts and we have noted a significant increase in the sales pipeline and are responding to proposals from our client base.

We are optimistic that many of these deals will be closed in FY2023 and there is strong momentum. There are however significant risks that are difficult to model completely with macro-economic headwinds caused by inflation, Ukraine conflict and recession risks.

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 FY2022, we were able to secure a number of large deals and revenue increased by 39% over FY2021. Revenue was RM90.9 million in FY2022 compared to RM65.5 million in FY2021.

Overall project services contributed 12% to Group revenue.

There is good traction in Thailand and Indonesia, with Malaysian prospects beginning to surface. We have secured two contracts in FY2022 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 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 5% from RM475.0 million in FY2021 to RM499.1 million in FY2022. Overall, this segment accounts for 68% of Group revenue. A number of new incremental enhancement contracts were secured in FY2022 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 is highly dependant to the installed base of our software and maintenance contracts are typically for a five-year period and are recurring in nature. The Group's installed base remains stable and as our customers continue to adapt to digital and their transformation plans are implemented. The pipeline for our services remains robust.

As competition continues to intensify, our customers are deploying new customised and digital solutions quickly and this requires our enhancement expertise. With our strong partnerships with ASEAN's leading banking franchises, the Group is optimistic in getting a good share of wallet from this spend.

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 increased by 94% from RM10.7 million in FY2021 to RM20.8 million in FY2022 and this segment accounts for only 3% of the Group's 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 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 Merimen built platform has processed over US$10 billion in insurance claims and premiums connecting 150+ insurers as part of an ecosystem of 6,000+ workshops, repair centres, lawyers and loss adjusters across 10 markets in Asia. More recent pioneering initiatives from Merimen include TrueSight, a suite of AI based analytics solutions and interactive video tool for instant remote claims surveying.

Performance

FY2021/22 insurance SaaS revenue increased by 15% to RM39.4 million from RM34.2 million with motor-claims related revenue rebounding to pre-pandemic levels in Q4. Merimen's FY2022 performance benefited from increasing traffic volumes as lockdowns eased across the region and the ongoing diversification strategy both in respect of products and new markets gained traction.

Outlook

We anticipate FY2023 being better than FY2022 particularly as the momentum from Q4 FY2022 reflects positively in our insurance line of business. We have a number of strategic initiatives and acquisition completed in FY2022 which will begin to bring results in FY2023 including combining our strengths in banking and insurance and building out the insurance ecosystem platform. The combination of Fermion's platform to serve ecosystems together with our expanded AI and data analytics offerings will enhance our recurring revenue base and set a strong foundation for Fermion's business in FY2023 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 9 different countries globally and a capacity to process 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 FY2022 was RM2.1 million, an increase of 196% over the RM0.7 million achieved in FY2021. This accounts for 15% of total revenue for QR Group.

Outlook

The impact of the COVID-19 pandemic was extreme for the Retail Industry and there have been structural changes to the entire industry that has affected the business. We anticipate a steady pick-up of our business for FY2023. We see positive trends in retail and pharmaceutical industry where many businesses have started to embrace digital innovations to expand their business model. The priority will be to acquire more pharmaceutical chain retailers to offer our Retail PharmacyTech SaaS Platform which will set the foundation of our recurring revenue for the coming years. With the strong collaboration and partnership that we have with our partners, we aim to reach out to more potential customers and connect them into our RetailTech platform ecosystem to set a strong foundation for QR Group's business in FY2023 and beyond.

ABOUT THIS REPORT

As a leading enterprise technology, software, and services company, Silverlake Axis Ltd. ("Silverlake Axis", "Silverlake", "SAL" or "the Group") strives for Environmental, Social, and Governance ("ESG") integration through a culture of transparency, integrity, and corporate governance to create long-term value for the Group and our stakeholders. We achieved this goal by mitigating risk, improving operational efficiency, and identifying new opportunities for our solutions as we applied our technology to the markets.

The Group's fifth annual Sustainability Report presents our progress and concerted efforts to strengthen our environmental, social, and governance initiatives and performance for the financial year ended 30 June 2022 ("FY2022"). This year, we established an ESG framework and adopted 3 United Nations Sustainable Development Goals ("UNSDGs") to better align our ESG strategies and goals with the global sustainable development agenda. We have also introduced Key Performance Indicators ("KPI") to track and measure progress to the Group's ESG agenda.

For this reporting period, our FY2022 Sustainability Report incorporates the Group's commitment towards complying with the Task Force on Climate-related Financial Disclosures ("TCFD") disclosure recommendations and a commitment to improve our performance with respect to climate change strategies year-on-year.

Reporting Scope and Boundaries

Disclosures in this statement comprise the Group's sustainability performance from 1 July 2021 to 30 June 2022 ("FY2022"), encompassing our Malaysia and Singapore business operations under Banking, Fermion Insurtech, Retail Automation, Investment and sector which include Digital Identity and Security Technologies. A comprehensive list of subsidiaries covered in this report can be found on page 17 of the Annual Report.

Reporting Framework

The FY2022 Sustainability Report has been prepared in accordance with the Singapore Exchange ("SGX") Listing Rules 711A and 711B with reference to the Global Reporting Initiative ("GRI") Standards and its latest Universal Standards 2021. 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 as follows:

Accuracy
Report information that is correct and sufficiently detailed to allow an assessment of an organisation's impact.

Balance
Report information in an unbiased way and provide a fair representation of the organisation's negative and positive impacts.

Clarify
Present information in a way that is accessible and understandable.

Comparability
Select, compile and report information consistently to enable an analysis of changes in the organisation's impacts over time and an analysis of these impacts relative to those of other organisations.

Completeness
Providing sufficient information to enable an assessment of the organisation's impact during the reporting period.

Sustainability Context
Report information about its impacts in the wider context of sustainable development.

Timeliness
Report information on a regular schedule and make it available in time for information users to make decisions.

Verifiability
Gather, record, compile and analyse information in such a way that the information can be examined to establish its quality.

In response with greater stakeholder demand and SGX's mandatory disclosure requirements for greater accountability on climate change, we have taken our first steps towards incorporating the TCFD recommendations in this year's Sustainability Report. Silverlake Axis has engaged with external consultants to assist with its implementation into the Group's management and operations.

SGX | TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES | GRI

Assurance

Silverlake Axis recognises the credibility of independent verification to protect reporting integrity. In future reports, we aim to seek external assurance for SAL's annual Sustainability Report by FY2023.

Feedback and Accessibility

Our statement can be accessed through SAL's corporate website at www.silverlakeaxis.com. Please reach out to us should there be any comments and/or suggestions pertaining to our sustainability report via email to investor.relations@silverlakeaxis.com.

SILVERLAKE FY2022 HIGHLIGHT

Our Business

Adopted the **Code of Conduct for Third Parties** to promote ESG amongst business partners and suppliers.

Conducted assessment on bribery and corruption risks in FY2022, with the findings categorised as **low-risk**.

Established a **Data Governance Policy** to uphold best practices when handling sensitive SAL data.

Maintained three (3) strategic pillars to promote innovation and adaptability in the fintech industry.

Our People

Maintained the **Project Starlight** initiative to build a positive work environment and faster future leaders.

Achieved **85%** employee satisfaction rate in our annual Employee Engagement Survey.

Achieved **45%** female representation in positions of director or executive vice president.

Recorded an average of **32.16** training hours per employee, a **175%** increase since FY2021.

Our Stewardship

Reduction in electricity consumption by **52%** when compared to FY2021.

Reduction in petrol consumption by **62%** when compared to FY2021.

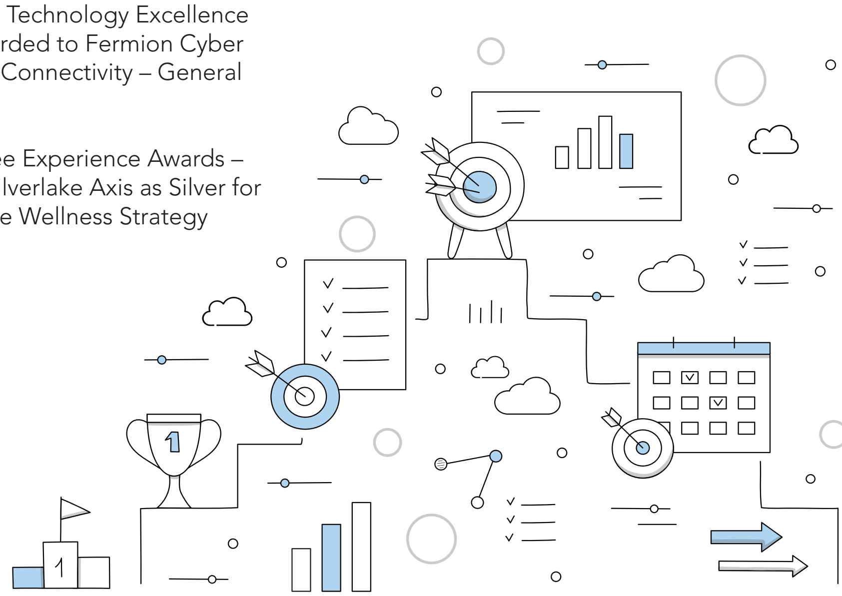
Reduction in carbon emissions intensity by **63%** when compared to FY2021.

A total of **139kg** of e-waste were disposed by licensed contractors.

Key Achievements and Awards

Awards and rankings from reputable third parties give us valuable insights on our corporate initiatives and programmes. The awards and recognition Silverlake Axis received in FY2022 are shown below.

- 2021 Centurion Club, The Edge Singapore – Awarded to Silverlake Axis as the Most Profitable Company & Best in Sector Award for Software & IT Services; Technology Equipment sector
- 2021 Global Brand Awards – Awarded to X Infotech as the Most Trusted e-Identify Solutions Provider
- 2021 SIAS Investors' Choice Award – Awarded to Silverlake Axis as the Runner up of the Most Transparent Company Award (MTCA)
- 2021 Islamic Finance News (IFN) – Awarded to Silverlake Axis as the 2nd Runner Up of Best Islamic Technology Provider with Silverlake Integrated Islamic Banking Solutions (SIIBS)
- 2021 Global Banking Innovation Awards – Awarded to Alliance Bank as the Best Digital Account Opening with Fermion Cyber Village
- 2021 BRI Partner Award – Awarded to Silverlake Axis as Top Core Banking System in the Software Category
- 2021 IBM Awards – Awarded to Silverlake Holdings Sdn Bhd as Top Power Solution Provider
- 2022 Malaysia Technology Excellence Awards – Awarded to Fermion Cyber Village as the Connectivity – General Insurance
- 2022 Employee Experience Awards – Awarded to Silverlake Axis as Silver for Best Employee Wellness Strategy
- 2022 World Digital Economy Distinguished Entrepreneurs Lifetime Achievement Awards – Awarded to Silverlake Axis as the Corporate Excellence Awards



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 group and Materiality Matrix
- Established seven (7) material ESG factors under three 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 key stakeholder groups, to seven (7) in total
- Inclusion of two (2) material ESG factors, to nine (9) in total

FY2021
- Inclusion of four (4) material ESG factors, to thirteen (13) in total
- Conducted materiality re-assessment based on updated ESG factors

FY2022
- Re-evaluation of material ESG factors, from thirteen (13) to twelve (12) in total
- Conducted materiality re-assessment based on updated ESG factors
- Adopted three (3) Sustainable Development Goals and TCFD Recommendations

ESG Framework

To reinforce our commitment to sustainable development this year, we have established an ESG Framework that acts as a guide to drive integration across our business operations of providing digital transformation services. Our framework outlines our corporate objective, vision and mission as a guiding principle and under the three sustainability pillars aligned with the UNSDGs.

Our Sustainability Policy

SAL's Sustainability Policy outlines the Group's commitment towards long-term and responsible business growth. The policy serves as a blueprint to align SAL's initiatives with our sustainability pillars to create meaningful and lasting contributions from an ESG perspective while delivering innovative solutions that exceed our clients' expectations.

We incorporate ESG practises into all aspects of Silverlake's operations through strict ethical standards, consideration for employee well-being, and preservation of our natural environment as indicated in the eight (8) guiding principles below:

1. To comply with, and exceed where practicable, all applicable legislation, regulations and codes of practice.
2. To integrate sustainability considerations into all our business decisions.
3. To provide a healthy, safe, conducive and empowering equal opportunity workplace.
4. To conserve natural resources by optimising re-use and recycling wherever possible.
5. To utilise operational processes that do not adversely impact the environment.
6. 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.
7. 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.
8. To review, annually report and continually strive to improve our sustainability performance.

United Nations Sustainable Development Goals ("UNSDGs")

The UNSDGs consist of 17 interlinked global goals and 169 targets to achieve a better and more sustainable future by year 2030. The goals are tailored to eradicate poverty, protect the planet, and ensure prosperity for all.

Silverlake Axis acknowledges and embraces its roles and responsibilities towards sustainable development by aligning our ESG strategies and goals with the UNSDGs. In FY2022, the Group adopted three (3) UNSDGs which are most relevant to our operations and where we believe our contribution can have the greatest impact and create the most value for our stakeholders as they are an integral part of our sustainability efforts.

- Adopted a **Code of Conduct for Third Parties** for business partners and contractors to align with the Group's ethical business standards.
- **85%** satisfaction rate in annual Employee Engagement Survey.
- Average training hours per employee recorded at **32.16 hours**, up from 11.70 hours in FY2021.

- Strategic partnership with **Finastra** to establish a unified trade platform for existing Trade Finance customers.
- Launch of **MÖBIUS Platform**, a cloud-native banking platform for enhanced customer experience.
- **63%** reduction in greenhouse gas ("GHG") emissions intensity compared to FY2021.
- Organised a **TCFD workshop session** for Silverlake's management.

STAKEHOLDER ENGAGEMENT

To continuously improve our ESG strategies, we communicate our 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.

The seven (7) stakeholder groups have remained unchanged since FY2021. 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	• Project Starlight o Succession planning (page 51) o Talent management (page 51-55) o Compensation and benefits (page 56) o Talent development (page 57-58)	• Employee Management • Human Capital Development
Customers				
• Roadshow activities and events • Technology updates • Roundtable discussions • Account Service Managers • Webinar	Ongoing Ongoing Ongoing Ongoing Quarterly	• Pricing and quality of products and services • Compliance with regulations • Environmental impact	• Research and Development ("R&D") and collaborations (page 47) • Ethical conduct and strong governance (page 43)	• Business Innovation • Customer Satisfaction • Governance • Energy and Emissions
Business Partners				
• Email communication • Meetings and briefings	Ongoing Ongoing	• Increased market presence • Innovation partnerships	• R&D and collaborations (page 47)	• Market Presence • Business Innovation
Regulators				
• Email communications • Meetings • Quarterly reporting	As needed As needed Quarterly	• Compliance with regulations • Anti-corruption • Governance	• Anti-bribery policy (page 43) • Periodic internal assessments (page 43) • Anti-corruption training for employees (page 43) • Ethical conduct and strong governance (page 43)	• Governance
Shareholders				
• Annual General Meeting • Quarterly reporting	Annual Quarterly	• Business sustainability • Share price • Dividends • Compliance with regulations • Transparency	• Economic performance (page 44) • Return on investments • Consistent dividend policies (page 88) • Ethical conduct and strong governance (page 43)	• Economic Performance • Governance
Communities				
• Press releases • Social media	Quarterly As needed	• End-user experience • Corporate social responsibility • Branding	• R&D and collaborations (page 47) • 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 (page 43) • Dialogues with leaders, partners and investors (page 47) • Reliable media reporting and marketing communications	• Market Presence • Governance

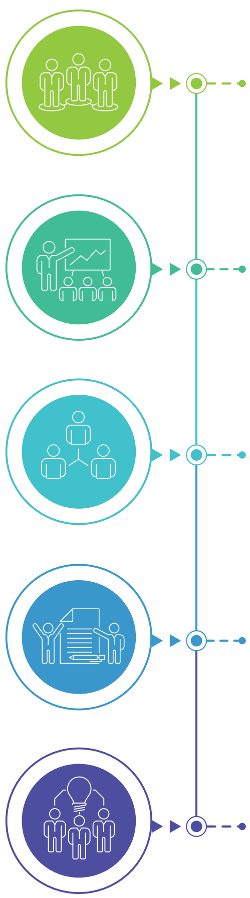
Annual Quarterly As needed Ongoing

SUSTAINABILITY GOVERNANCE STRUCTURE

The ability of a company to build long-term value and maintain stakeholder trust is increasingly dependent on its ability to address ESG challenges. ESG must be integrated at the highest levels of business strategy, governance, and decision-making for this to be accomplished successfully. To achieve our ESG objectives as we continue to deliver innovative solutions and solve customer problems, Silverlake Axis has established the following sustainability governance structure illustrated below.

Our Board of Directors ("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 KPI's and performance. The Board is assisted by the Audit and Risk Committee ("ARC") that reports on the progress of the Group's sustainability agenda including climate-related risks.

For effective ESG implementation at the management and operational levels, the Deputy Chief Executive Officer ("Deputy CEO") of the Group, Ms. Goh Shiou Ling chairs the Sustainability Committee ("SC"), which presents the ESG-related strategies and targets for review and approval. Our SC is supported by the corporate and business functions that submit quarterly reports on SAL's progression to meet our ESG goals and targets. SAL's sustainability governance structure is aligned with TCFD recommendations and SGX's mandate on climate-related disclosures.



Board of Directors
- Ultimately responsible for the sustainability direction of the Group
- Ensure 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 polices, 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

Sustainability Committee
- 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 and sustainability processes and controls

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

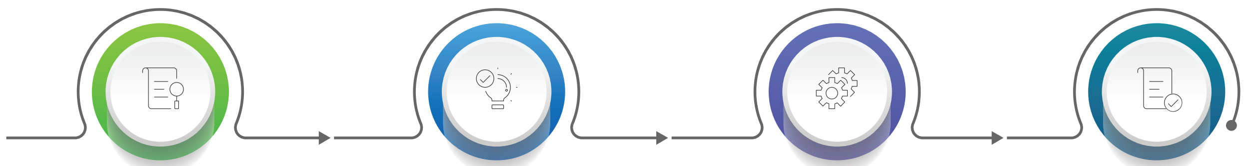
MATERIALITY ASSESSMENT

The GRI Standards and the Singapore Exchange Sustainability Reporting Guide serve as the foundation for our methodology in materiality evaluation. We conduct a materiality assessment annually or whenever a significant change in our business operations has been identified to ensure our matrix remains up to date.

Due to the COVID-19 and the adoption of TCFD Recommendations during this reporting year, we conducted a materiality assessment of our material ESG factors in FY2022, facilitated by an external consultant, to ensure they align with the priorities and expectations of our stakeholders. A total of twelve (12) material ESG factors were deemed relevant to Silverlake Axis, with our findings revealing three (3) ESG factors increasing in importance: 'Data Protection', 'Business Innovation' as well as 'Energy and Climate Change'.

As business operations return to full capacity, the Group has pivoted towards improving its product and service quality to sustain long-term business growth in digital transformation. The assessment findings also reflect the greater emphasis placed on climate-related risks by SAL, with the associated global climate momentum and greater regulatory pressure for companies to take climate action.

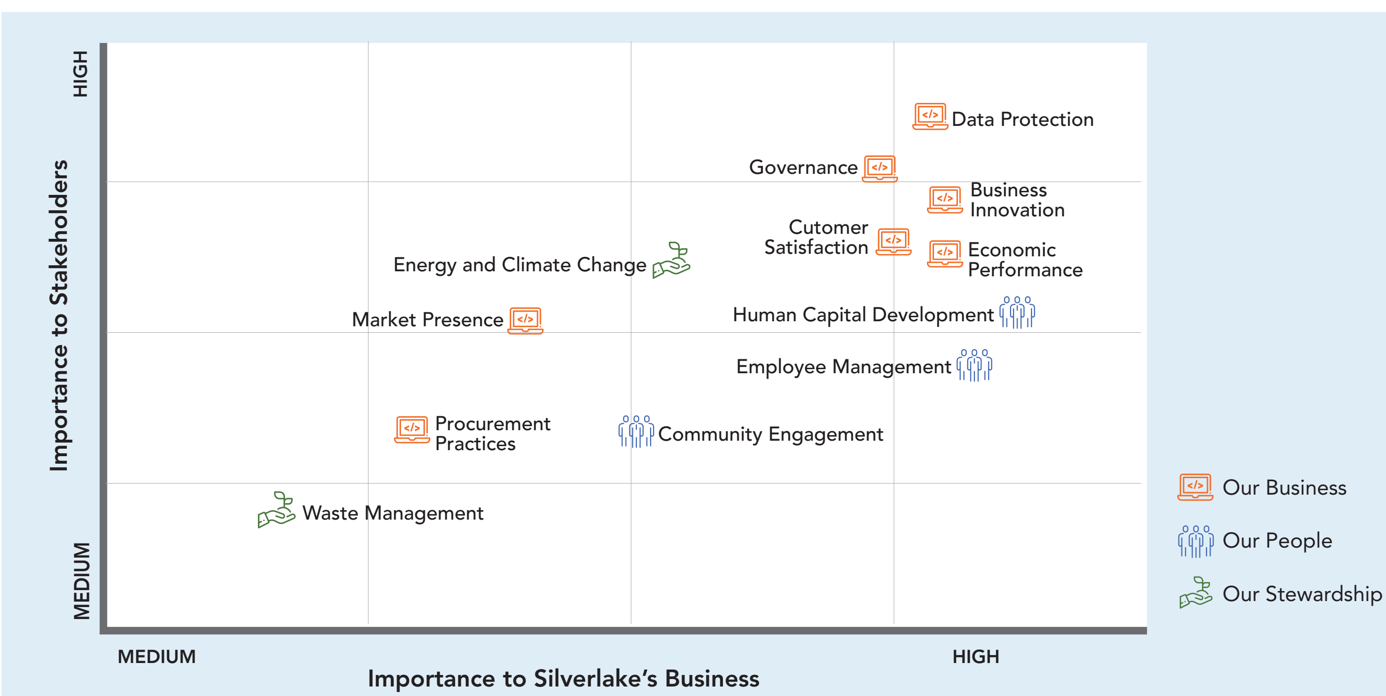
Materiality Assessment Approach



1. **Identification of Material ESG Factors**
   The Sustainability Committee identified the most pressing material ESG factors based on its relevance to the company for this reporting period.
2. **Inputs from Stakeholders**
   Key stakeholders were given an online survey form to rank the material ESG factors in terms of importance to business and stakeholders.
3. **Prioritisation of Material ESG Factors**
   The forms are collected and analysed to form a materiality matrix for effective visualisation of the prioritisation of material ESG factors.
4. **Validation of Materiality Matrix**
   The materiality matrix is presented to the Sustainability Committee and Board of Directors to confirm as well as approve the matrix.

FY2022 Materiality Matrix

The results of the materiality assessment process are plotted in the following materiality matrix for clear illustration on the importance of each material ESG factor.



Mapping Our Material ESG Factors

Material ESG Factors	Stakeholders Impacted	GRI Standards Disclosure	Relevant UNSDGs
Our Business			
Data Protection	• Customers • Business partners • Employees • Shareholders • Regulators • Media	GRI 418: Customer Privacy 2016	
Governance	• All stakeholder groups	GRI 205: Anti-Corruption 2016	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Business Innovation	• All stakeholder groups	Not Applicable ("N/A")	
Customer Satisfaction	• Customers • Communities	N/A	
Economic Performance	• All stakeholder groups	GRI 201: Economic Performance 2016	
Market Presence	• Media • Business partners	GRI 202: Market Presence 2016	
Procurement Practices	• Business partners	N/A	
Our People			
Human Capital Development	• Employees	GRI 404: Training and Education 2016	
Employee Management	• Employees	GRI 401: Employment 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016	8 DECENT WORK AND ECONOMIC GROWTH
Community Engagement	• Communities • Media	GRI 413: Local Communities 2016	
Our Stewardship			
Energy and Climate Change	• Customers • Shareholders • Business partners • Regulators	GRI 302: Energy 2016 GRI 305: Emissions 2016	13 CLIMATE ACTION
Waste Management	• Regulators	GRI 306: Waste 2020	

OUR BUSINESS

Governance

Silverlake Axis conducts business in an ethical manner, guided by our steadfast dedication to honesty and transparency. We have implemented the revised and enhanced Group's Code of Conduct ("the Code") to outline our commitment and expectations in upholding highest level of corporate governance to sustain business continuity and long-term growth. The Code is available in the Employee Handbook and on the corporate intranet. Training on the Code is provided to all new employees during their joiner induction.

All employees are expected to be familiar with and duly abide by the Code throughout their tenure with our Group. The Code underwent minor amendments in FY2022 to ensure it remains relevant to the latest regulatory requirements.

In addition to the Code, the Group also adheres to the Anti-Bribery Policy and Whistle-blowing Policy ("the policies") as illustrated below. Like the Code, the Policies are subject to periodic reviews and any changes to the policy will be communicated by our Head of Risk Department to all parties via email.

Anti-Bribery 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.
Whistle-blowing 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 whistle-blower 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.

To ensure all employees are well-versed with policies and procedures pertaining to anti-corruption, we conduct mandatory annual training on anti-corruption for all employees at every employment level. In FY2021 and FY2020, employee attendance for our anti-corruption training was 90% and 93% of the workforce respectively. The anti-corruption training session for FY2022 was postponed and rescheduled to October 2022.

Our expectation for ethical conduct extends beyond the Group's operations to include all business partners and contractors we engage with. In FY2022, we adopted Code of Conduct for Third Parties that provides guidelines to align with the Group's ethical business standards, which encompasses environmental, health and safety, and labour practises as well as anti-bribery and corruption practices.

For this reporting period, zero cases of corruption were identified across the Group. To further strengthen our initiatives, assessments on bribery and corruption risks are conducted twice annually across the Group and its subsidiaries. We are pleased to announce that the risks identified for FY2022 are categorised as low-risk.

Risk Management

We have identified climate change as a strategic business risk under SAL's Enterprise Risk Management ("ERM") Framework, in recognition that climate-related risks are non-diversifiable and affects nearly all business functions within an organisation. Our ERM framework comes under the purview of the ARC which provide oversight for the Group's risk management system and internal controls, and is ISO 31000 Risk Standards certified. Please see the Corporate Governance Statement in our Annual Report 2022 for more information the Group's ERM Framework.

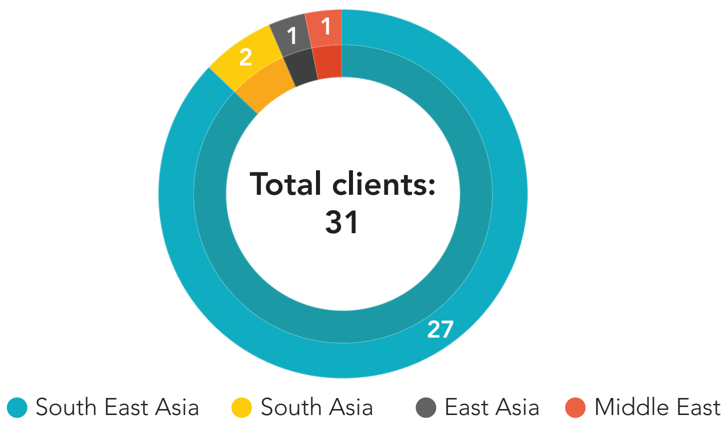
Economic Performance

The COVID-19 pandemic has accelerated the trend towards digitalisation and adaptation of innovative financial services as customers evolve from traditional brick-and-mortar institutions. We are proud of our team's resilience and flexibility to adapt to the changing times and meet clients' expectations. We undertook proactive measures to diversify our customers base and sustain our overall economic performance.

The figure below illustrates SAL's success in securing contracts to deliver innovative digital enhancement solutions to our existing and new customers in FY2022. Due to our diversification efforts, the Group was able to enhance the financial security and mitigate any financial risks caused by COVID-19.

Similar to FY2021, the Group has continued receiving financial assistance from the government in the form of general wage subsidies due to COVID-19. The government's assistance amounted to RM1,181,627 in FY2022.

We continued the practise of strict financial discipline and implemented controls on Group expenses to maintain business stability and sustainability. Our FY2022 revenue of RM736.5 million saw a year-over-year increase of 18%, with approximately RM615.9 million distributed for operating expenditure and the remaining RM135.0 million retained for future investments.



**One client has retail chain across Asia*

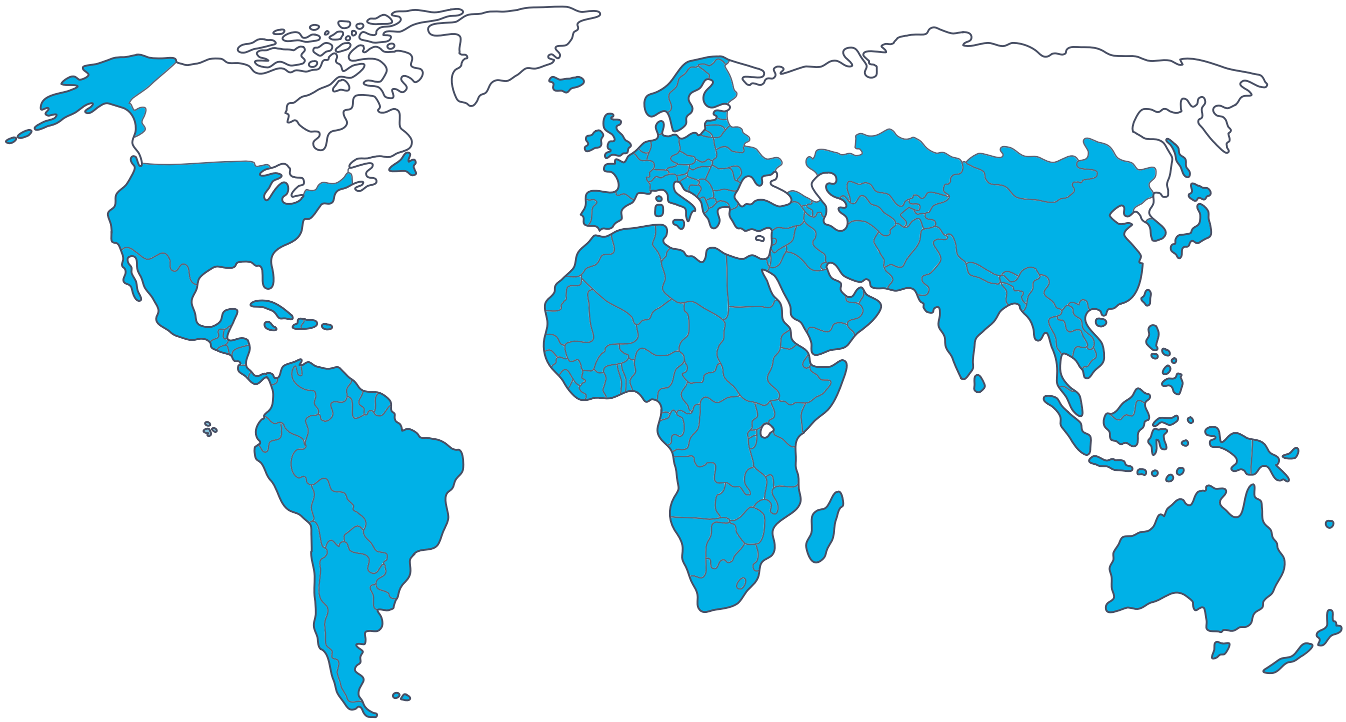
	FY2022	FY2021	Restated FY2020
Economic Value Generated	**750.9**	**639.5**	**692.7**
• Revenue	736.5	626.1	663.7
• Miscellaneous income	11.3	11.5	23.6
• Finance income	3.1	1.9	4.0
• Share of profit of a joint venture	-	-	1.4
Economic Value Distributed	**615.9**	**538.6**	**608.7**
• Operating cost	154.3	132.2	140.1
• Employee wages and benefits	356.8	302.7	310.5
• Payment to capital providers	58.3	56.1	108.9
• Tax payments	46.5	47.6	49.2
Economic Value Retained	**135.0**	**100.9**	**84.0**

For more information of the Group's financial performance, kindly refer to the respective pages in our Annual Report 2022:

• Financial Highlights (page 22-24)
• Financial Performance Review (page 25-30)
• Operations Review (page 31-33)
• Financial Statements (page 94-218)

Market Presence

Silverlake Axis has established a strong global footprint in over 80 countries as a leading company in digital financial solutions, positioning the Group for commercial success. By expanding our global reach, we continue to meet clients' expectations by providing the necessary technology platforms for their business expansion.



Local employment is a priority in our business practises because it contributes to the growth of local communities, and we leverage regional expertise and culture to enhance our customer service and overall business performance. In FY2022, 92% of our total management consists of local hires.

Data Protection

Aligned with our mission to be highly valued by our customers and partners, it is crucial that we adhere to best practises that safeguard the Group's data. Our progression towards becoming a leading financial technology company requires us to manage cybersecurity risk with the highest standards and strictest vigilance.

We maintained our Cybersecurity Policy to guide the Group's procedure to identify and report potential data breaches, theft, and exposure as well as the response plan to confirmed incidents based on the type of data involved. All stakeholders, both internal and external, who work with or on behalf of SAL are subject to the Data Governance and Cybersecurity Policies, and these policies will be communicated to the stakeholders when necessary.

In FY2022, SAL also established a Data Governance Policy that outlines the Group's commitment to uphold best industry practises and international standards when handling sensitive SAL data. The policy offers guidance for methodically directing, supervising, tracking, and controlling governance-related actions in order to achieve secured and well-managed firm information within both physical and digital settings.

We have amended the Code of Conduct for Third Parties to include responsibilities for Third Parties to safeguard all information that are provided and not disclose any confidential information to unauthorised recipients. This is an additional measure that we have taken to protect the information that has been shared with third parties.

Data Protection (cont'd)

In addition to our policies, several cybersecurity initiatives have been implemented to safeguard our customers' data:

SentinelOne	An Advanced Threat Protection ("ATP") platform and Endpoint Detection and Response ("EDR") tool that uses Artificial Intelligence to identify and handle cybersecurity threats, which was implemented throughout Silverlake entities.
Microsoft 365 Defender	An email ATP (Cloud-based email filtering service) provides protection against unknown malware and viruses by providing robust zero-day protection and includes features to safeguard from harmful links in real time. This is implemented for all Silverlake entities that use Microsoft 365-based email. To better secure email accounts and Office 365.
Multi Factor Authentication ("MFA") for Virtual Private Network ("VPN")	MFA for all SAL entities that use VPN Token to access critical data to provide higher degrees of identity assurance of a user attempting to access a resource via VPN.
Windows Server Update Service	Continuous update service is performed on regular/monthly basis for those development/critical servers that are hosting and managed by Private IT.

In FY2022, we invested a total of RM64,200 in organising two (2) cybersecurity-related training programmes (Cybersecurity E-Learning and Social Engineering) to educate our employees on best cybersecurity practises and raise awareness about potential risks such as phishing email and malicious links. Both programmes were attended by 1,664 Silverlake Axis employees and lasted a total of six (6) hours.

Due to our stringent cybersecurity measures, we are proud to announce that SAL did not record any incidents of data breaches in the Group's servers, nor received any complaints concerning loss of customer data in FY2022.

Customer Satisfaction

Silverlake strives to provide excellent services to our customers. We collected feedback and complaints via emails and phone calls in order to better understand customers' expectations and identify areas for improvement. As part of our improved customer service initiative, we are in the midst of implementing an online customer portal to facilitate the process.

Procurement Practices

At Silverlake Axis, we believe our ESG commitment go beyond our organisational boundary and includes our entire supply chain. Implementing best procurement practises in supply chain management helps instil transparency in our supplier assessment process as well as ensure alignment with the Group's sustainability values.

From FY2022 onwards, we will conduct an ad hoc performance evaluation for all new and existing suppliers to monitor their performance when engaging with SAL. Prior to contract award, new suppliers are provided with registration form to determine their feasibility to enter into a business relationship between both parties. Should they fail to meet our stringent criteria, Silverlake Axis may choose not to engage with said supplier.

Our expectations for the conduct of all suppliers are also addressed in the Group's Code of Conduct for Third Parties, where all supply chain partners must acknowledge their compliance with the Code. As mentioned under 'Governance', all third parties engaged with suppliers must uphold certain ESG standards throughout their business tenure with Silverlake Axis.

For FY2022, the Group has engaged with a total of 206 suppliers, 79% of which are local to the respective SAL subsidiary offices. This translated approximately RM30.7 million allocated for local sourcing, which helps build supply chain resilience and supports the local economy.

Business Innovation

Since the beginning of the Digital Age, information technology, computerisation, cloud and artificial intelligence has affected the ways businesses have operated. Digital innovation has become a key factor in boosting business growth, and the rapidly expanding industry is constantly evolving to develop customised financial software solutions. Those who fail to adapt are at significant disadvantage in the evolving landscape. To maintain our competitive edge and avoid stagnation, we strive to differentiate our products and services from our competitors.

We maintained our three (3) strategic pillars to stimulate business innovation across the Group as detailed below:

Strategic Acquisitions and Partnership

- Strategic Partnership with Finastra
  We partnered with Finastra to white label Finastra's Fusion Trade Finance and Fusion Corporate Channel as the Silverlake Vision Trade Finance software. The unified trade finance platform would allow Silverlake Axis to streamline and automate working capital finance. The partnership aims to be part of our end-to-end solutions as well as provide an upgrade path for our existing Trade Finance customers.

Fulfilling Customer Needs

- MÖBIUS Product Development
  The MÖBIUS Platform represents Silverlake's strategic 'open banking offering' for incumbent banks seeking to position themselves for 4th Generation Banking Technology. Developed by Silverlake Axis in 2019, it is a cloud-native banking platform that aims to automate every step of the customer's journey when utilising a bank's service.

  To enhance the customer experience of the MÖBIUS Platform, two software releases have been executed in FY2022: Customer Analytics Engine to provide real-time customer advice and guidance; and MÖBIUS Bridge Project to offer a suite of software tools that enable safe and convenient migration of customers from our Silverlake Axis Integrated Banking Solution ("SIBS") core banking system to the MÖBIUS Platform.

Dialogues with Leaders, Partners and Investors

- Our Group Managing Director has participated in a number of interviews with reputable media outlets (Techwire Asia, Business Times, and The Edge Singapore) to discuss how Silverlake Axis 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.

- In interviews with reputable media outlets (S&P Global Market Intelligence and Dagang News), our CEO of Islamic Banking elucidated how digital banking solutions can assist the nascent Islamic Fintech industry by catering to the Islamic finance market.

OUR STEWARDSHIP

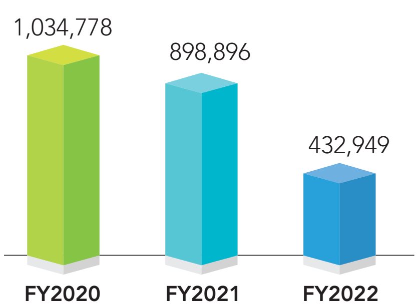
Energy and Climate Change

With the growing awareness of climate change and its detrimental impacts on not only the environment but also people's health and livelihoods, governments and businesses alike have expedited their transition to low-carbon economies. Singapore, being a signatory nation of the Paris Climate Agreement and a participating country in the 2021 United Nations Climate Change Conference ("COP26"), has reviewed its climate targets to more ambitious goals, including reducing emissions intensity by 36% from 2005 levels by 2030. In line with the national commitments, Silverlake is similarly committed to reducing its greenhouse gas ("GHG") emissions intensity through energy efficiency initiatives.

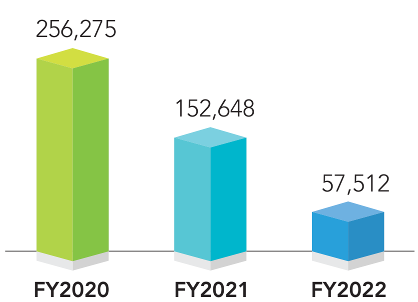
Amidst the growing demand for climate action, Silverlake Axis has begun its journey to integrate the TCFD Recommendations as part of our core report framework. We began by organising a workshop session to educate our management team on TCFD Recommendations and why it is important for corporate adoption. The workshop also serves as a springboard for future climate actions to be undertaken by the Group, such as climate strategies and climate scenario analysis.

Due to the nature of our business operations, our primary energy source is electricity obtained from the grid. We used **432,949 kWh** of electricity in FY2022, a 52% reduction from FY2021. This can be attributed to the shift towards hybrid working conditions and Work-From-Home ("WFH") arrangements. Similarly, we recorded a 62% decrease in petrol consumption from 152,648 litres in FY2021 to **57,512 litres** in FY2022 as a result of using virtual platforms where possible to conduct meetings and conferences. Such measures help to reduce the amount of petrol used while travelling in company vehicles.

Electricity consumption (kWh)

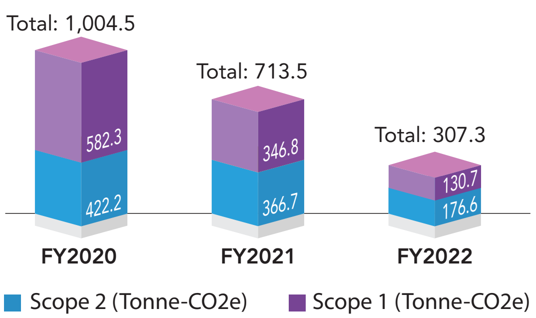


Petrol consumption (litre)

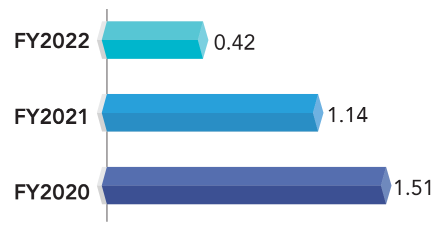


Similar to our reduction in energy consumption, our overall GHG emissions were **307.3 Tonnes-CO2e**[1], a 57% decrease from the previous reporting period. Scope 2 accounts for the majority of emissions at 57.5%, and Scope 1 for the remaining emissions. Our emissions intensity also decreased by 63% in FY2022 to **0.42 Tonnes-CO2e/SGD**.

Total GHG Emissions (Tonne-CO2e)



Emissions Intensity (Tonne-CO2e/SGD)



The Group will continue monitoring its energy and emissions intensity to ensure we are contributing to the global climate change efforts.

[1] The Scope 1 and 2 GHG emissions dataset has been updated due to the change in emissions factor calculation.

Waste Management

The Group properly disposed
139kg
of E-waste generated

According to the United Nations ("UN") 2020 Global E-waste Monitor, e-waste is the fastest growing domestic waste stream, with a growth of 9.2 MT since 2014. E-waste can be harmful, is not biodegradable, and builds up in the land, air, water, and other living things in the environment. Singapore has implemented a national e-waste management system, where specific e-waste items, including information and communication technology ("ICT") equipment, major appliances, and batteries, will be regulated.

As a technology company that relies heavily on electrical and electronic appliances, we acknowledge that our operation contributes to the growing amount of e-waste generated. To ensure proper management of e-waste generated, the Group has adopted an E-waste Policy that outlines disposal methods, management procedures as well as the roles and responsibilities of relevant parties in managing and monitoring our e-waste.

Re-use

- Subsidiaries which have e-waste that can be re-used, it can choose to sell it or donate it to businesses, organisations,or people who will use it again for the original purpose.

Recycling

- Subsidiaries may send their e-waste for recycling, in which case used electrical or electronic parts or equipment are turned into new electrical or electronic products.
- Recycling must be carried out by reputable recycling facilities or scrap dealers who have the necessary procedures and safety measures in place to recycle, recover, or incinerate e-waste that may include hazardous materials.

Disposal

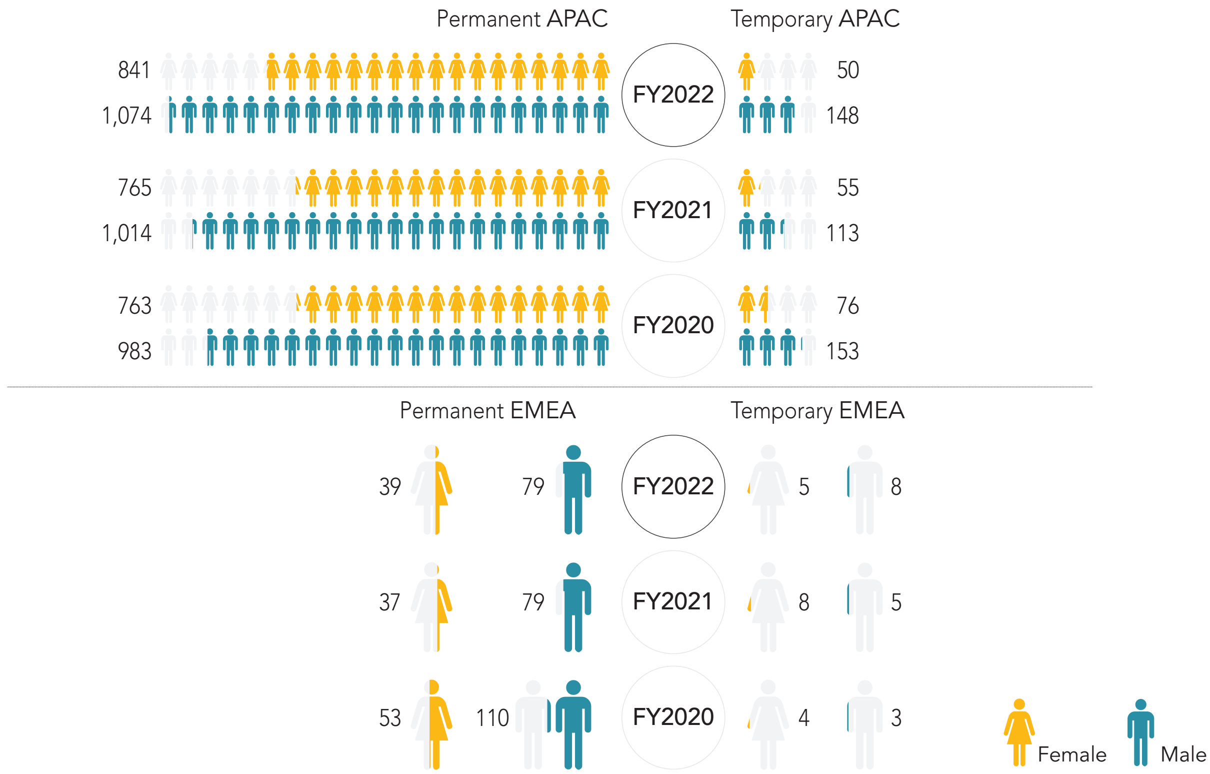
- Subsidiaries with end-of-life e-waste that is prepared for disposal should engage with facilities or disposal service providers to assist with the proper disposal and destruction of these discarded electrical or electronic equipment.
- The disposal must be carried out by reputable disposal service providers or facilities that have the necessary procedures and safety protocols to disassemble, separate, smelt, incinerate, and manage downstream e-waste.

In accordance with this policy, the group engaged with licenced contractors to properly dispose of our e-waste. Silverlake Axis has not recorded any environmental non-compliances, particularly regarding waste-related matters, in this reporting year.

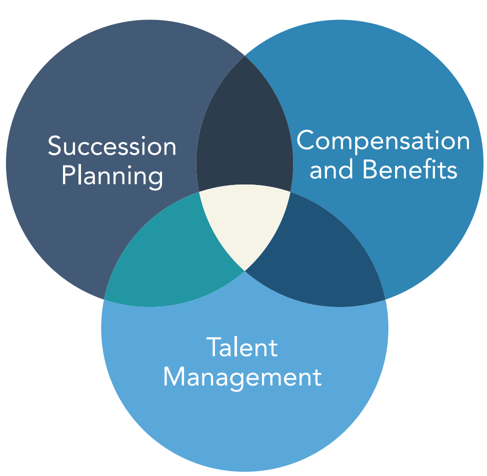
OUR PEOPLE

Employee Management

Employees are our most vital asset and we depend on them to deliver projects and software to our customers. Therefore, it is crucial to foster effective employee management to ensure the organisation's continued success. All employee data disclosed are compiled through our Group People and Organisation processes and systems. Across Silverlake Axis, our 2,244 employees, both permanent and temporary, in APAC and EMEA, are what drive us to greater heights. In FY2022, the Group consisted of 1,309 male and 935 female employees, with the workforce breakdown as follows [2]:



Through the Project Starlight strategic initiatives, Silverlake Axis aims to future proof our people and leadership by helping employees reach their full potential and create a resilient and motivated workforce. Project Starlight demonstrates our initiative and commitment to streamline our people and organisational management as well as provide a positive work environment. The project's primary area of interest is as follows:



To support staff members working internationally and mitigate the risk of cross-border work, the SAL Global Mobility Policy has been established and is ready for implementation. Workshops were conducted prior to the establishment, to gather key stakeholders input and facilitate the transition across the Group.

[2] The breakdown of the workforce for FY2021 and FY2020 was updated for this reporting period to account for the discrepancy identified in the data.

Succession Planning

In this reporting period, the Group will continue to strengthen its commitment to developing young talents for upcoming leadership roles as part of the Succession Planning strategy. In FY2021, the Group launched the Individual Development Programme ("IDP") to train High Potentials ("HIPOs") employees. In FY2022, we are pleased to announce that the IDP has been expanded to Silverlake Global Structured Services Pte. Ltd.

The diagram below shows the progress of Succession Planning implementation across the Group as of FY2022.

Talent Management

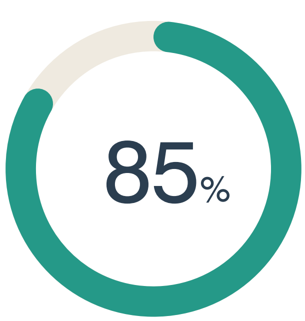
Employee Engagement Survey

At Silverlake Axis, we recognise that employee satisfaction is critical for sustainable business growth. The Group's main channel to facilitate open and transparent communication is through our annual Employee Engagement Survey. The survey invites SAL's entire employee population to provide feedback on the work culture, environment, as well as employee remuneration and training. Findings from the survey will be collated and analysed to identify areas of improvement for Silverlake Axis.

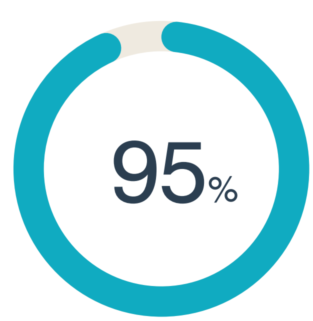
The key areas covered by the survey are as follows:

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

This year, we were successful in many endeavours. The following is a list of highlights from our achievements:



Achieved 85% employee satisfaction rate in FY2022 compared to 83% in FY2021



Achieved 95% participation rate in FY2022 compared to 63% in FY2021

Talent Management (cont'd)

Employee Engagement Survey (cont'd)

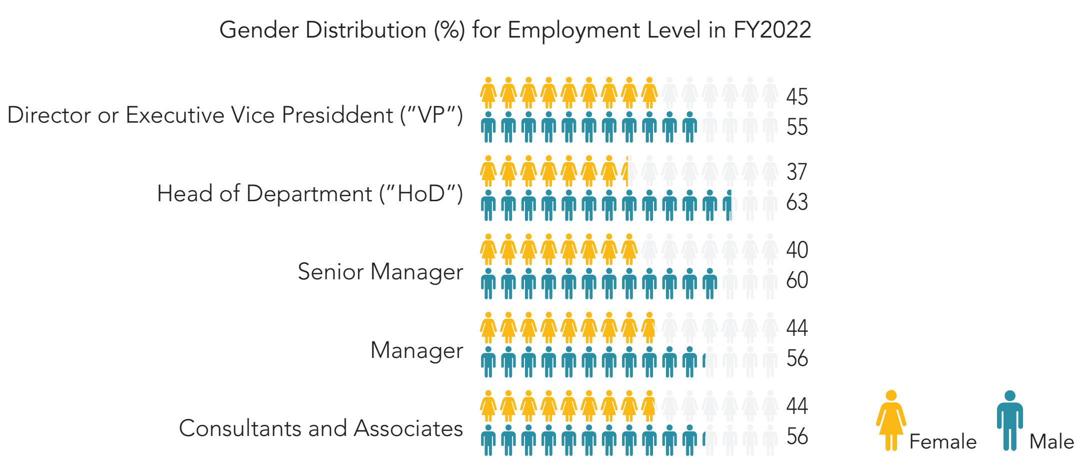
Best Practised Areas	Top 3 Areas of Improvement
Relationship with Immediate Supervisor	Pay Benefits
Work Environment	Training and Development
Corporate Culture and Communication	Employment Experience

Workplace Diversity

Workplace diversity encourages innovation and creates opportunity for corporate growth. With our global presence, we consistently strive to maintain inclusivity and provide equal opportunity for all, regardless of age, gender, race, or ethnicity.

Table below summarises the gender distribution for all employment levels within our Group. The total number of female in management position has increased for this reporting period.

		FY2022	FY2021	FY2020
Director or Executive Vice President ("VP")	Female (%)	**45**	43	37
	Male (%)	**55**	57	63
Head of Department ("HoD")	Female (%)	**37**	35	40
	Male (%)	**63**	65	60
Senior Manager	Female (%)	**40**	41	41
	Male (%)	**60**	59	59
Manager	Female (%)	**44**	44	45
	Male (%)	**56**	56	55
Consultants and Associates	Female (%)	**44**	42	41
	Male (%)	**56**	58	59



Talent Management (cont'd)

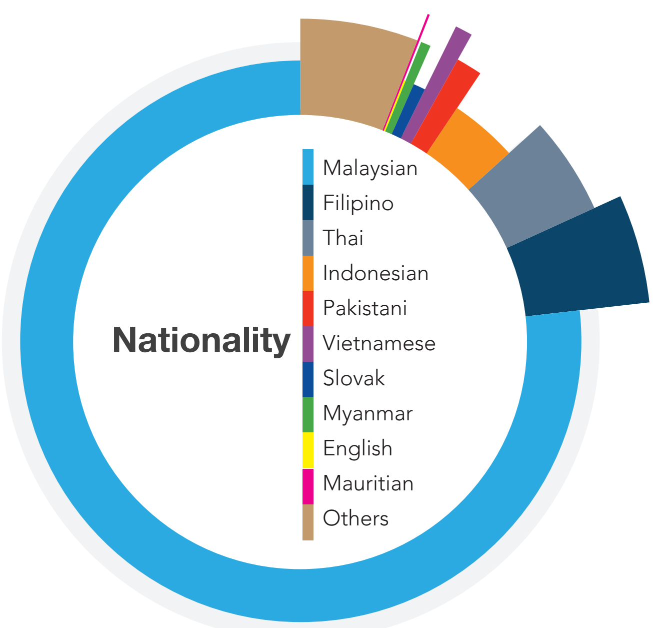
Workplace Diversity (cont'd)

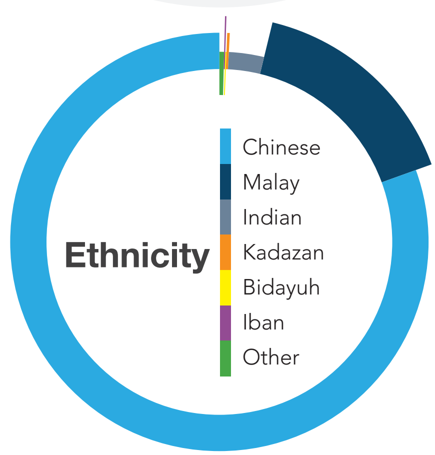
Our diverse staff is primarily composed of people between the ages of 30 and 50. The breakdown and trend of employee categories by age group are summarised below[3].

		FY2022	FY2021	FY2020	FY2022	FY2021	FY2020
	Age Group	Number			Percentage (%)		
Director or Executive VP	Below 30	-	-	-	-	-	-
	30 – 50	**84**	89	43	**4.1**	4.7	2.0
	Above 50	**62**	46	28	**3.0**	2.4	1.3
HoD	Below 30	-	-	-	-	-	-
	30 – 50	**33**	28	37	**1.6**	1.5	1.7
	Above 50	**7**	6	5	**0.3**	0.3	0.2
Senior Manager	Below 30	**1**	-	1	-	-	-
	30 – 50	**244**	225	248	**12.0**	11.9	11.6
	Above 50	**50**	41	51	**2.5**	2.2	2.4
Manager	Below 30	**22**	21	18	**1.1**	1.1	0.8
	30 – 50	**453**	424	420	**22.3**	22.4	19.6
	Above 50	**35**	22	34	**1.7**	1.2	1.6
Consultants and Associates	Below 30	**587**	546	726	**28.9**	28.8	33.9
	30 to 50	**426**	418	490	**21.0**	22.1	22.8
	Above 50	**29**	29	44	**1.5**	1.4	2.1

Silverlake Axis embraces all members of nationality and ethnic backgrounds within the Group. For this reporting period, we recorded zero incidents of discrimination throughout the Group. The summary of our workforce diversity data is illustrated below:

	FY2022	FY2021	FY2020
Nationality	**Percentage (%)**		
Malaysian	**76.8**	76.4	74.4
Filipino	**5.0**	5.7	6.0
Thai	**4.9**	5.5	5.6
Indonesian	**3.9**	4.3	4.9
Pakistani	**1.3**	1.2	1.2
Vietnamese	**0.8**	0.3	0.3
Slovak	**0.7**	1.1	1.5
Myanmar	**0.5**	0.4	0.6
English	**0.1**	0.1	0.1
Mauritian	**0.1**	0.1	0.1
Others	**5.9**	5.1	5.3
Ethnicity	**Percentage (%)**		
Chinese	**80.5**	84.4	85.2
Malay	**15.7**	12.2	12.1
Indian	**3.0**	2.4	2.3
Iban	**0.2**	0.2	0.2
Kadazan	**0.1**	0.1	0.1
Bidayuh	**0.1**	0.1	0.1
Others	**0.4**	0.6	0.0





[3] FY2020 data includes both permanent and temporary employees, whilst FY2021 and FY2022 includes permanent employees only.

Talent Management (cont'd)

Talent Retention

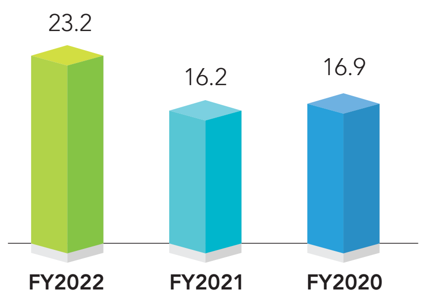
Retaining top talent is the key to the long-term success of a business. At Silverlake, we work to reduce employee turnover through a series of initiatives as follows:

- Employee Recognition Program as part of our strategies to appreciate and reward employee's contribution and efforts
- Participated in Mercer 2022 High Tech Remuneration & Benefits Benchmarking Survey for Malaysian and Singapore entities to ensure attractive and market compensations schemes
- Set up SAL Recruitment Team in Quarter 2 of FY2022 to reach out to more talents by exploring more recruiting channels
- Participated in HR Asia Best Companies to Work for in Asia Awards 2021 (November 2021) and Employee Experience Awards Malaysia 2022 (June 2022) to improve SAL employer branding and attract more top talent that matched our requirement
- Won Best Employee Wellness Strategy in Employee Experience Award 2022

The new hire rate for FY2022 was 23.2% as opposed to 16.2% in FY2021; nevertheless, the Group's turnover rate was recorded at 18.1% during this period, higher than that of FY2021 at 13.8%.

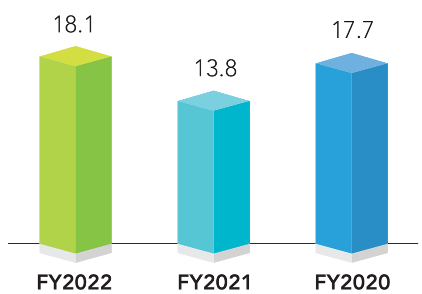
Age Group		FY2022	FY2021	FY2020
Below 30	Male	206	132	142
	Female	117	70	89
30 – 50	Male	94	59	65
	Female	73	55	55
Above 50	Male	17	13	5
	Female	14	7	6
Region	APAC	506	322	351
	EMEA	17	14	11

Rate of New Hires (%)



Age Group		FY2022	FY2021	FY2020
Below 30	Male	69	74	114
	Female	52	34	76
30 – 50	Male	97	62	95
	Female	73	48	73
Above 50	Male	15	7	21
	Female	4	8	14
Region	APAC	287	219	339
	EMEA	23	14	54

Turnover Rate (%)



Talent Management (cont'd)

Employee Wellness

The responsibility to promote a healthy work-life balance is delegated to the respective subsidiary as each entity is more familiar with their workforce and resource allocation. As a whole, the initiatives can be categorised as follow:

Categories	Initiatives
Working Arrangement	Flexible and remote working during pandemic
Fitness and Wellness Programme	DEBI Wellness Programme which includes: • Virtual fitness classes during the pandemic such as Yoga, Zumba, Nirvana Breathe and Pilates • Wellness talks such as Digital Eye Strain, Risk and Prevention of Heart Attack and Stroke, Managing Stress and Burnout to increase health awareness among employees • Actxa Wellness Programme to improve employee wellbeing
Employee Engagement	• Virtual team lunch • Annual dinner • Day out at Sunway Lagoon theme park • Recreational activities (Karaoke, Pool table, Badminton etc.) • Distribution of care packs and fruit boxes to employees

DEBI Wellness Programme

Karaoke Session

Compensation and Benefits

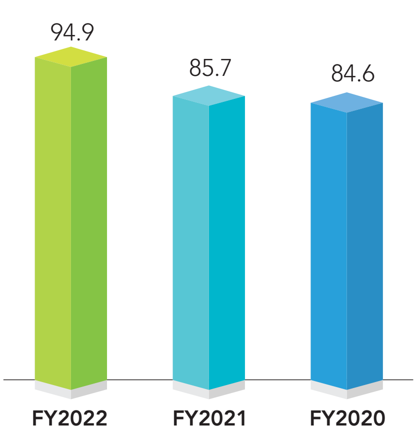
As a responsible employer, we place great emphasis on investing in our employees to ensure the future of our company and are committed to creating a company culture where everyone strives for greatness. We provide our employees with fair remuneration packages. The benefits available to our full-time employees at our Malaysia and Singapore operations are listed below.

- Annual, parental, marriage, childcare, compassionate, sick and hospitalisation leave
- Outpatient, hospitalisation, maternity health screening with delivery charges and dental coverage
- Group term life and Group personal accident
- Business travel, office parking, mileage, taxi and outstation claims, accommodation, per diem, renewal of passport and telephone charges
- Overtime, meal, winter clothing, outstation allowance, broadband, travel, transportation, entertainment and support allowance

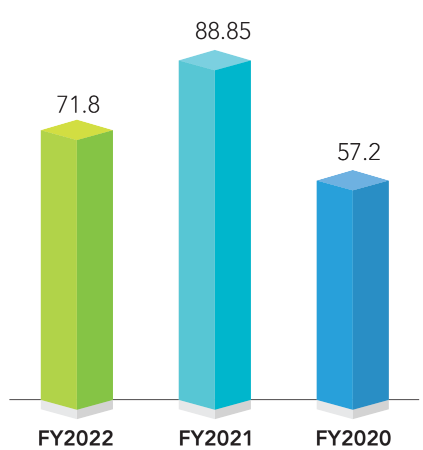
All of our employees are entitled to parental leave. In FY2022, 30 fathers and 29 mothers took parental leave with an average of 95% in return to work rate and 72% in retention rates recorded across the Group.

Number of employees who:	FY2022		FY2021		FY2020	
	Male	Female	Male	Female	Male	Female
Are entitled to parental leave	**700**	**402**	739	549	762	590
Who took parental leave	**30**	**29**	36	49	30	51
Returned to work in the reporting period after parental leave ended	**30**	**26**	36	35	29	37
Returned to work after parental leave ended who were still employed 12 months after their return to work	**26**	**25**	28	30	25	30
Return to work rates (%)	**100**	**89.7**	100	71.4	96.7	72.5
Retention rates (%)	**72.2**	**71.4**	87.5	88.2	75.8	71.4

Return to Work Rate (%)



Retention Rate (%)



Human Capital Development

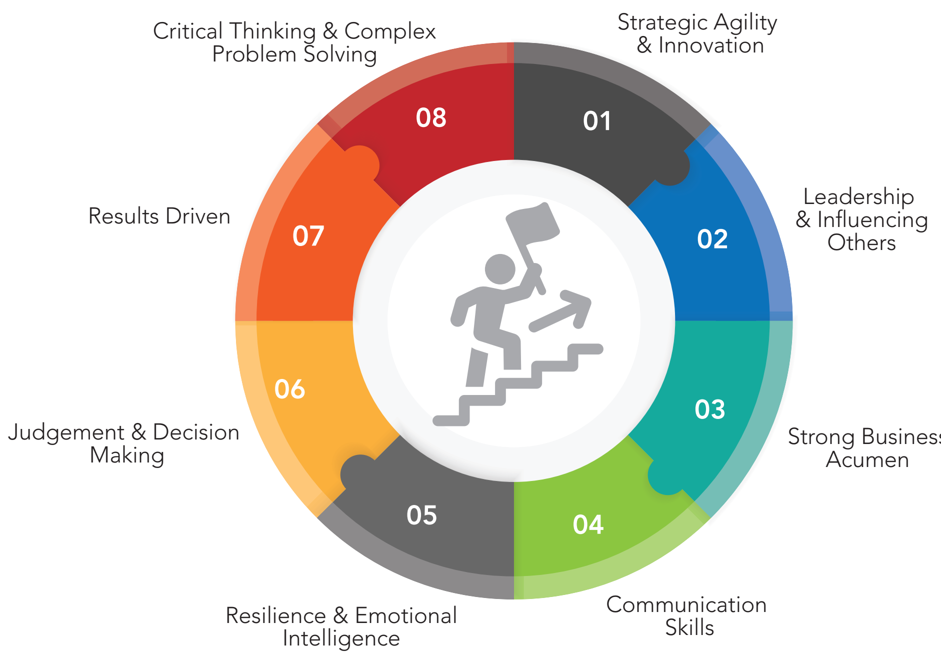
Training and development programmes give employees the chance to hone their skills while boosting worker productivity and strengthening corporate culture. We are guided by the Group's Training and Development Policy to ensure that our people have the essential skills to execute our corporate strategy and meet the challenges posed by a competitive industry. SAL conducts annual performance appraisals for its employees in order to review their work performance and identify skill gaps. In FY2022, 100% of employees received performance evaluations.

Our measures from FY2021 to enhance employee skillsets have been maintained to avoid diluting corporate resources and improve on existing initiatives. Our integrated approaches to talent development includes:

Leadership Development Programme

Through this programme, we aim to equip middle-to-senior management staff 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.

In FY2022, a total of 142 employees were trained under the Leadership Development Programme. The diagram below illustrates the 8 Key Leadership Competencies Trait in developing future leaders.



Graduate Development Programme

Our Graduate Programme provides recent graduates with a structured and tailored route into the industry, allowing them to broaden their commercial knowledge and professional networks. The programme is mutually beneficial for the Group because it allows our mentors to hone their mentoring skills while engaging with the participants.

A progress evaluation will be conducted to assess both participant and mentor learning progress in key criteria such as communication skills and teamwork. As of FY2022, there are 22 graduates enrolled in the programme.

LinkedIn Learning Solution

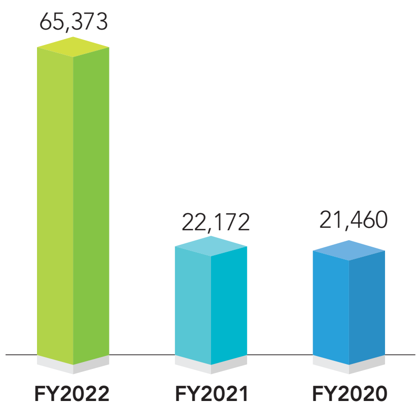
LinkedIn Learning is an online learning platform that offers more than 5,000 courses and personalised recommendations. Through an annual subscription, we are able to provide customised training materials in accordance with the Individual Training Plan ("ITP") and collect feedback to improve the feasibility of remote training. The LinkedIn Learning Solution recorded a total of 12,235 training hours.

A total of RM 3,594,800 was invested for the training and development programmes and, as a result, the total training hours recorded was 65,373 hours as compared to 22,172 hours in FY2021. The average training hours has also increased from 11.70 hours to 32.16 hours per employee[4].

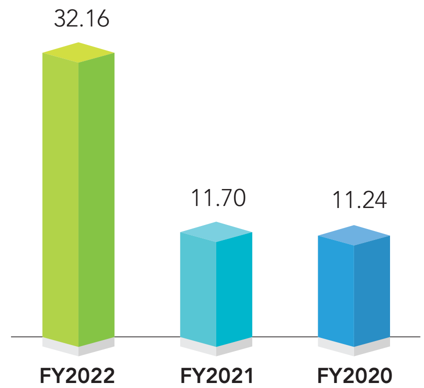
[4] Calculation for average training hours and its breakdown by gender and employee category is based on total employee headcount under 'Workforce Diversity' in page 53.

LinkedIn Learning Solution (cont'd)

Total Training Hours



Average Training Hour per Employee



<u>Targets and Performance</u>

	Entity	FY2022 Target	FY2022 Performance
Training Hours	Merimen	To achieve average of 35 training hours per employee	22 training hours achieved in FY2022

Community Engagement

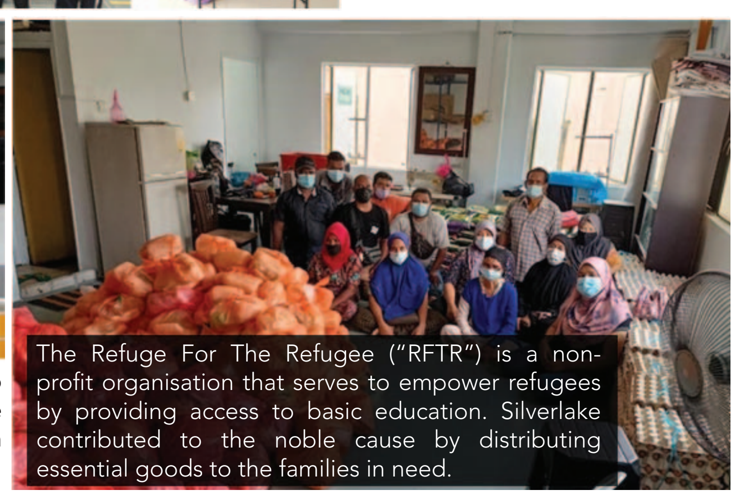
We recognise the importance of corporate social responsibility ("CSR") and work to better the lives of the communities in which we operate. Due to the COVID-19 pandemic and subsequent movement restrictions, majority of our Group-wide CSR initiatives in FY2022 have been moved to FY2023.

Despite the setback, the Group has conducted the following CSR programmes:

Silverlake is a sponsor of the Association of Malaysian Economics Undergraduates ("AMEU") and served as a judge in the AMEU Case Competition. Participants were required to apply their academic knowledge to solve real world business scenarios, while also networking with industry leaders and experts to gain valuable insights.

In line with the Group's drive to enhance education amongst youth, Silverlake is a sponsor for Kuntum, a popular edutainment magazine catered to children aged between 6 – 12 years.

In July 2022, the Hope Branch organised a charitable event to help people affected by the COVID-19 pandemic. Silverlake and Pop Meals collaborated to sponsor 1,666 free meals, with Silverlake donating RM10,000 to pay for 833 meals.



The Refuge For The Refugee ("RFTR") is a non-profit organisation that serves to empower refugees by providing access to basic education. Silverlake contributed to the noble cause by distributing essential goods to the families in need.

GRI Content Index

GRI Standards	Disclosure		Reference
		General Disclosures	
GRI 2: General Disclosures 2021	2-1	Organisational details	02-21
	2-2	Entities included in the organisation's sustainability reporting	17
	2-3	Reporting period, frequency and contact point	34
	2-4	Restatement of information	44, 48, 50, 53, 57
	2-5	External assurance	35
	2-6	Activities, value chain and other business relationships	03, 07, 20-21, 31-33
	2-7	Employees	50-58
	2-9	Governance structure and composition	40
	2-14	Role of highest governance body in sustainability reporting	40
	2-23	Policy commitments	38, 43, 46, 49, 50, 57
	2-24	Embedding policy commitments	38, 43, 46, 49, 50, 57
	2-26	Mechanisms for seeking advice and raising concerns	43
	2-27	Compliance with laws and regulations	49
	2-29	Approach to stakeholder engagement	39
		Material Topics	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	41
	3-2	List of material topics	42
Data Protection			
GRI 3: Material Topics 2021	3-3	Management of material topics	45-46
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	46
Governance			
GRI 3: Material Topics 2021	3-3	Management of material topics	43
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	43
	205-2	Communication and training about anti-corruption policies and procedures	43
	205-3	Confirmed incidents of corruption and actions taken	43
Business Innovation			
GRI 3: Material Topics 2021	3-3	Management of material topics	47
Customer Satisfaction			
GRI 3: Material Topics 2021	3-3	Management of material topics	46
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	44
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	44
	201-4	Financial assistance received from government	44
Market Presence			
GRI 3: Material Topics 2021	3-3	Management of material topics	45
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	45

GRI Content Index (cont'd)

GRI Standards	Disclosure		Reference
General Disclosures			
Procurement Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	46
Human Capital Development			
GRI 3: Material Topics 2021	3-3	Management of material topics	57-58
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	57-58
	404-2	Programs for upgrading employee skills and transition assistance programs	57-58
	404-3	Percentage of employees receiving regular performance and career development reviews	57
Employee Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	50-56
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	54
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	56
	401-3	Parental leave	56
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	52-54
GRI 406: Non-discriminations 2016	406-1	Incidents of discrimination and corrective actions	53
Community Engagement			
GRI 3: Material Topics 2021	3-3	Management of material topics	58
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessment and development programs	58
Energy and Climate Change			
GRI 3: Material Topics 2021	3-3	Management of material topics	48
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	48
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	48
	305-2	Energy indirect (Scope 2) GHG emissions	48
	305-4	GHG emissions intensity	48
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	49
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	49
	306-3	Waste generated	49

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 2022 ("FY2022"), 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, 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.

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

Re-domiciliation of SAL from Bermuda to Singapore
The Company has undertaken the decision to transfer the domicile of the Company from Bermuda to Singapore by way of a discontinuance out of Bermuda and continuance and registration in Singapore under the Re-Domiciliation Regime of Singapore ("Re-Domiciliation") for the following reasons:

- Align the Company's country of registration with its country of listing;
- Increased administrative and operational efficiency;
- Increased flexibility for future corporate actions.

Details of the Re-domiciliation were announced on the SGXNet via the Company's Circular to Shareholders dated 27 May 2021. The shareholders of the Company had approved the Proposed Re-Domiciliation at the Company's Special General Meeting ("SGM") held on 25 June 2021. The Company has then submitted the application to Accounting and Corporate Regulatory Authority of Singapore ("ACRA") and ACRA's approval was obtained on 23 September 2021.

With effect from 23 September 2021 ("Re-Domiciliation Effective Date"), the Company is registered in Singapore and has adopted the New Constitution which provisions are compliant with Singapore company laws and the prevailing rules of the Singapore Exchange Securities Trading Limited.

Appointment of Deputy Chief Executive Officer
Ms. Goh Shiou Ling ("Ms. Goh") was appointed as the Company's Deputy Chief Executive Officer ("Deputy CEO") effective 1 May 2022. Ms. Goh has been on the SAL Board since 1 June 2015 and was designated as Executive Director in April 2018 with responsibility over strategic acquisitions and investments. During her tenure as Executive Director, she has restructured and led the Group's Mergers and Acquisition function and enhanced value for the Group. She was appointed as a member of Strategic Investment Committee in 2019 and appointed as the Chairman in 2020.

As Deputy CEO, Ms. Goh will support the Group Managing Director, Mr. Andrew Tan Teik Wei in the following key areas:

- Provide leadership and have responsibility over the non-banking business operations and initiatives;
- Identify and lead new business initiatives that will be accretive and beneficial to the growth of our existing business franchise;
- She will also lead the implementation of internal initiatives to bring synergy from the businesses within the Group;
- She will continue to oversee the Strategic Investment Committee for the Group.

The following changes to the Board were announced on SGXNet:

27 Oct 2021
Retirement of Mr. See Chuang Thuan as an Independent Non-Executive Director.

1 May 2022
Appointment of Mr. Chee Hin Kooi as a Non-Independent Non-Executive Director.

1 May 2022
Appointment of Ms. Goh Shiou Ling as the Deputy Chief Executive Officer.

1 July 2022
Redesignation of Dr. Kwong Yong Sin to Non-Independent Non-Executive Director from Executive Director.

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 Company 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;
- Ensuring 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 process. This policy applies to all the Board Committees as well.

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 in ensuring that their decisions are objective and in the best interests of the Company.

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 and updates on 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. In addition, 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 they 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 FY2022, the training programmes attended by Directors were as follows:
- SID Listed Entity Director Programmes ("LED");
- ACRA-SGX-SID Audit Committee Seminar 2022;
- SID Directors Conference;
- SID – The Board in Strategy Formulation;
- SID CTP 9 – Executive and Director Remuneration;
- SID CTP 12 – Global Virtual Roundtable – Innovation in the Boardroom;
- SID Corporate Governance Roundup 2021;
- SID – Singapore Governance and Transparency Forum;
- SID LED – Environmental, Social and Governance Essentials (Core).

On 15 Dec 2021, SGX has unveiled its road map for listed entities to provide climate-related disclosures based on the Task Force on Climate-Related Financial Disclosures ("TCFD"). Effective 1 January 2022, listed entities are subject to new compliance requirements following the amendments to SGX Listing Rules on climate disclosures. The SID Listed Entity Director Programme has launched a new module namely, LED – Environmental, Social and Governance ("ESG") 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 strategy. All of the SAL Directors have registered for the programme, and 7 of them have attended the course as at September 2022.

The newly appointed Director, Mr. Chee Hin Kooi, has completed LED 1 to LED 6, and LED-ESG Core conducted by SID as at September 2022.

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 FY2022 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 2021 and for the full year ended 30 June 2022;
- Review and approve the financial highlights and business update announcements of the Group for the first quarter ended 30 September 2021 and third quarter ended 31 March 2022;
- 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;
- Environment, Social and Governance ("ESG") considerations;
- Review of anti-bribery and anti-corruption framework and whistleblowing policy.

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 subjected to the approval of the Board. The composition of the Board and Board Committees were reviewed in August 2022.

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
Non-Executive Directors					
<u>Non-Independent</u>					
Dr. Kwong Yong Sin [(1)]	Member	-	-	-	-
Chee Hin Kooi [(2)]	Member	-	-	-	-
<u>Independent</u>					
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

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

(2) Mr. Chee Hin Kooi was appointed as Non-Independent Non-Executive Director with effect from 1 May 2022.

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

Strategic Investment Committee ("SIC")

In accordance with its TOR, the SIC shall comprise at least three (3) Directors. Currently, the SIC consists of four (4) Directors, with Ms. Goh Shiou Ling as the Chairman and Datuk Yvonne Chia, Mr. Yano Satoru and Mr. Mah Yong Sun as members. Majority of the SIC members are Independent Non-Executive Directors ("INEDs").

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 broader 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.

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

Provision 1.4: Delegations by the Board (cont'd)
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;
- To carry out the oversight function of Transformation Executive Committee.

The key activities carried out by the SIC during FY2022 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 ongoing and investments in the pipeline;
- Receive updates from Transformation Executive Committee;
- Review the excerpt of corporate governance statement on SIC; and
- Review SIC TOR incorporating its expanded roles and responsibilities.

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 seven (7) Board meetings including the Business Plan and Budget meeting and a Strategy meeting with Management, four (4) ARC meetings, four (4) RC meetings, one (1) NC meeting and seven (7) SIC meetings were held during FY2022. The Strategy meeting was conducted off-site in May 2022. The session was moderated by an external management consultant focusing on the Future Proof Organisation Strategy.

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 FY2022 are set out below:

	Attendance Record of Meetings in FY2022				
Director	**Board[5]**	**ARC**	**RC**	**NC**	**SIC**
Executive Directors					
Goh Peng Ooi	7	-	-	1	-
Andrew Tan Teik Wei	7	-	-	-	-
Goh Shiou Ling	7	-	4	-	7
Dr. Kwong Yong Sin [1]	7	-	-	-	-
Non-Executive Directors					
Non-Independent					
Chee Hin Kooi [2]	3	-	-	-	-
Independent					
Ong Kian Min	7	4	4	1	-
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	7	3	4	-	-
Datuk Yvonne Chia	6	-	3	1	7
See Chuang Thuan [3]	1	1	-	-	-
Yano Satoru	6	-	-	-	7
Mah Yong Sun	7	3[4]	-	-	7

(1) Dr. Kwong Yong Sin was re-designated to Non-Executive Director from Executive Director with effect from 1 July 2022.
(2) Mr. Chee Hin Kooi was appointed as Non-Independent Non-Executive Director with effect from 1 May 2022.
(3) Mr. See Chuang Thuan has retired as Independent Non-Executive Director and ceased to be a member of ARC with effect from 27 October 2021.
(4) Mr. Mah Yong Sun was appointed to be a member of ARC with effect from 28 October 2021.
(5) All Board members who held office then, also attended Business Plan and Budget meeting and an off-site Strategy Meeting with the Management.

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.

In conjunction with the digitalisation of board management system, the Company has in FY2022 implemented a digital board portal which enabled board meetings to be conducted virtually and board were shared in a secured environment. Each of the Directors was given an electronic device by the Company and provided with appropriate trainings to ensure maximisation and efficient use of the digitalised board portal. 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.

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

Provision 1.7: Independent Access

The Board, its 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.

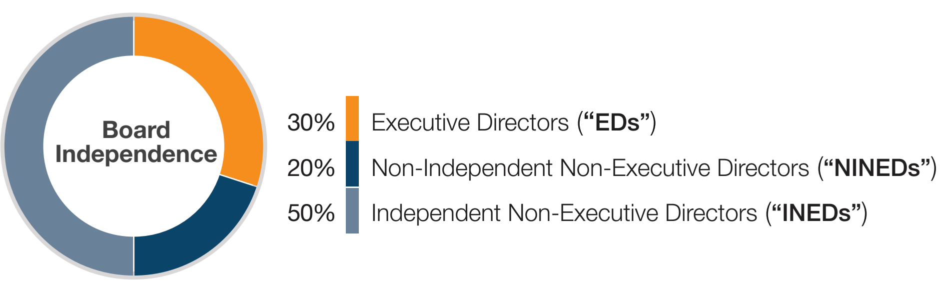
Should Directors, whether as a group or individually, require independent professional advice in the furtherance of their duties, professional consultants may be appointed upon direction by the Board. The cost of such professional services will be borne by the Company.

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 rigorously reviews the independence of each Independent Director annually and as and when required. An Independent Director 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 70% 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 ten (10) members of which three (3) or 30% are Executive Directors ("EDs"), two (2) or 20% are Non-Independent Non-Executive Directors ("NINEDs") and, five (5) or 50% are Independent Non-Executive Directors ("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 of the Board are Independent Directors. As the Group Executive Chairman, Mr. Goh Peng Ooi is not an Independent Director, the NC is aware that the requirement of Provision 2.2 of the Corporate Governance Code requiring Independent Directors to make up a majority of the Board where Chairman is not independent, is not met. The NC and the Board are mindful and thus, have agreed that the Company will work towards compliance of this provision in the next 1 to 2 years in line with the board renewal and succession plan. The NC and Board concluded that no immediate addition will be made to the current total of Independent Directors as an eleven (11)-member Board would be too large for the size of the Company.

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 impact on his/her independence is required to immediately declare his/her interest or relationship to the Board.

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
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 chief executive office (and their associates). The above Rule came into effect on 1 January 2022.

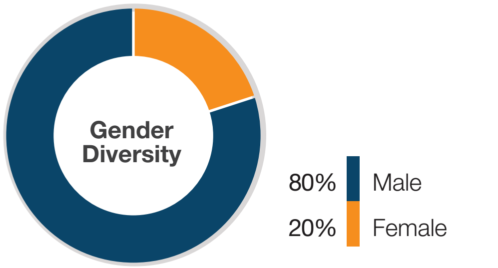
The Board also recognises that Independent Directors may over time develop significant relationship with other Directors and Management but at the same time have valuable insights into the Group's business and can continue to provide considerable and useful contribution objectively to the Board. When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

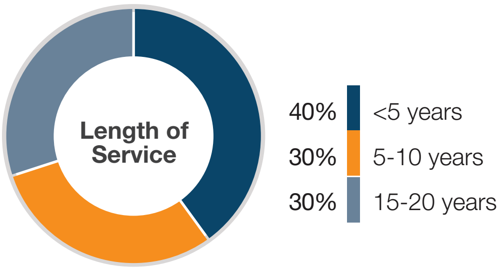
Mr. Ong Kian Min has served as INED of the Company beyond nine (9) years from the date of his first appointment to the Board. The NC (save for Mr. Ong Kian Min who abstained from deliberation in the matter) had performed a stringent review to assess the independence of Mr. Ong Kian Min. The NC is satisfied that Mr. Ong Kian Min had maintained an appropriate degree of independence when fulfilling his role as an independent director. 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.

During the AGM held in October 2021, the re-appointment of Mr. Ong Kian Min as INED of the Company was sought via the 2-tier voting process in accordance to Rule 210(5)(iii)(a) and Rule 210(5)(d)(iii)(b). 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, (i.e. AGM in October 2024).

In FY2022, the NC has assessed the independence of the five (5) INEDs, namely Mr. Ong Kian Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Datuk Yvonne Chia, Mr. Yano Satoru and Mr. Mah Yong Sun, 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 SAL Group or the Group's Management which would impair their independent judgement. Each Independent Director 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. This led to the formalisation of the Company's diversity practices by the adoption by the Board of 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.

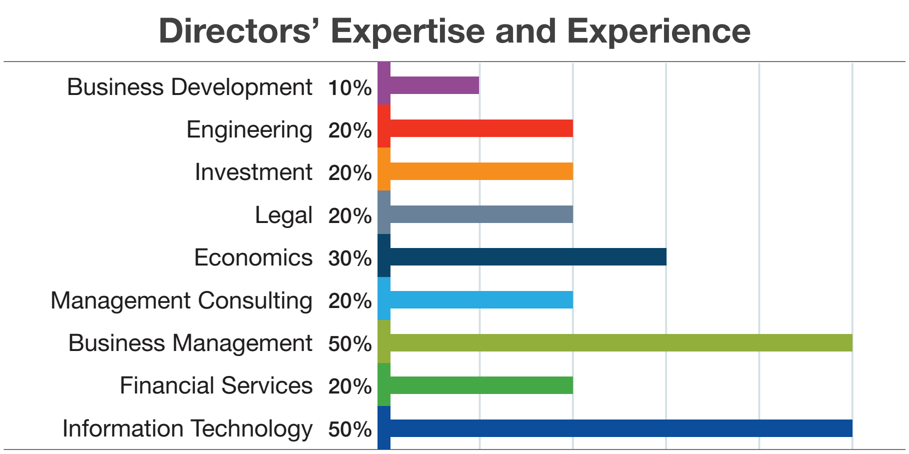




On the review and recommendation of the NC, Mr. Chee Hin Kooi was appointed as the NINED with effect from 1 May 2022. With his experience in the Information and Communications Technology ("ICT") industry, he is familiar and has valuable insights of the Company's business. Dr. Kwong Yong Sin who has attained the retirement age of 65 years and relinquished his current executive role in the Company, the Board agreed to his redesignation as NINED with effect from 1 July 2022, given his qualification and intimate knowledge of the business of the Group.

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 Company's operations, the Board is of the view that the existing board size of ten (10) Directors is sufficient for its purpose. Collectively, the Directors' skills, expertise and experience span different industries, markets and professions. Their core competencies include information technology, financial services, business management, management consulting, economics, legal, investing, 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, which 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 independent directors to the Board of principal subsidiaries.

Provision 2.5: Non-Executive Directors
Non-EDs and Independent Directors, led by the Lead Independent Director ("Lead ID") shall meet regularly without the presence of Management. The Chairman will provide feedback to the Board and/or Chairman as appropriate. The Non-Executive Directors 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 Chief Executive Officer ("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 and 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, the Group Executive Chairman, and Mr. Andrew Tan Teik Wei, the Group MD, 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 role includes:

- 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.
- 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.
- 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.
- Establishes and maintains good corporate governance practices, promotes high standards of probity and integrity across the Group.
- 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 role includes:

- Provides strategic guidance or advice and execute the Group's business strategies in order to achieve the Group's mission and objectives.
- Ensures that the chair 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.
- Develops and implement comprehensive business plans, frameworks and policies to plan and facilitate cost-effective business activities.
- Ensures that all company policies are communicated and implemented throughout the company and that they are compliant with the legal guidelines or statutory regulations.
- Maintain trust and positive relationships with shareholders, business partners as well as regulatory authorities. 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 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 Independent Directors 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
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.

Currently, the NC comprises three (3) members, two of whom are Independent Directors. The NC is chaired by Mr. Ong Kian Min who is the Lead ID and the NC members are Mr. Goh Peng Ooi and Datuk Yvonne Chia.

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, the Group MD and KMP;
- The process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;
- The review of training and professional development programmes for the Board and KMP;
- 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 FY2022 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, the 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 2022;
- Review the NC TOR to ensure that it is aligned with the principles and provisions of the Code.

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.

Principle 4: Board Membership (cont'd)

Provision 4.3: Process of Selection, Appointment and Re-election of Directors (cont'd)
During FY2022, Mr. Chee Hin Kooi was appointed to the Board in May 2022. The NC confirmed that it had observed the due process enumerated above in relation to the appointment of Mr. Chee Hin Kooi.

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 in 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. Andrew Tan Teik Wei, Dr. Kwong Yong Sin and Mr. Yano Satoru 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 Director since the last AGM, namely Mr. Chee Hin Kooi, is also due for re-election at the forthcoming AGM pursuant to Regulation 107 of the Company's Constitution.

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 Independent Director 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 Independent Director as and when warranted.

Provision 4.5: Commitment of Directors with Multiple Board Representations
The NC and the Board conduct 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.

In FY2022, none of the Directors hold more than four (4) directorships in other listed companies. Going forward, with the recommendation of the NC, 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 appointment which exceeds this guide.

Principle 4: Board Membership (cont'd)

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

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 • Press Metal Aluminium Holdings Berhad
Mah Yong Sun	• Catcha Digital Berhad (formerly known as Rev Asia 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 FY2022 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, Company'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 FY2022 in August 2022 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.

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
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.

Currently, the RC consists of four (4) members, three of whom are INEDs including the RC Chairman. The RC is chaired by Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and its members are Mr. Ong Kian Min, Datuk Yvonne Chia and Ms. Goh Shiou Ling. 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 (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 FY2022 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 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 FY2023;
- 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 the Group Term Life insurance coverage for KMP;
- Review and approve the PSP Award for Group MD in FY2021;
- 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 2022.

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 FY2022, 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	**FY2022**	**FY2021**	**FY2022**	**FY2021**
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 for 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.

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 FY2022. 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.

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 FY2022 is set out below:

Name	Directors' Fees S$	Salary (1) S$	Benefits (2) S$	Bonus S$	Fair value of Share Plan (3) S$	Total S$
Executive Directors						
Goh Peng Ooi	140,000	80,399	15,970	-	-	236,369
Andrew Tan Teik Wei	60,000	724,561	19,101	265,743	1,291,500	2,360,905
Goh Shiou Ling	140,000	527,875	-	-	-	667,875
Dr. Kwong Yong Sin (4)	60,000	475,937	18,638	-	-	554,575
Independent Non-Executive Directors						
Non-Independent						
Chee Hin Kooi (5)	10,000	-	-	-	-	10,000
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
See Chuang Thuan (6)	31,667	-	-	-	-	31,667
Yano Satoru	90,000	-	-	-	-	90,000
Mah Yong Sun	113,333	-	-	-	-	113,333
Total Directors' Remuneration	1,105,000	1,808,772	53,709	265,743	1,291,500	4,524,724

Note:

(1) Salary includes Provident Fund contributions.
(2) Benefits include car benefits, leave passage and club membership.
(3) 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 26(d) to the financial statements.
(4) Dr. Kwong Yong Sin was redesignated from ED to Non-ED with effect from 1 July 2022.
(5) Mr. Chee Hin Kooi was appointed as Director with effect from 1 May 2022.
(6) Mr. See Chuang Thuan retired as INED on 27 October 2021.

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 nine (9) KMP (who are not Directors of the Company) in the Group in FY2022. 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 talent and in the interest of maintaining good morale within the Group. The band of remuneration and mix of remuneration by percentage (%) paid to the five top-earning KMP for 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)
S$250,001 to S$500,000		
Peter Miller	100%	-
Tung Swee Cher	89%	11%
S$500,001 to S$750,000		
Choo Soo Ching	60%	40%
Lim Ep Ban	96%	4%
Dr. Gyorgy Tamas Ladics	83%	17%

The annual aggregate remuneration paid to all the above mentioned KMP of the Group in FY2022 amounted to RM9,214,132 equivalent to S$2,967,992 (FY2021: RM8,883,611, equivalent to S$2,901,908).

The RC has reviewed the level and mix of remuneration for the Directors and KMPs of the Company for FY2022 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 PSP was approved by the Company's shareholders at the SGM held on 28 October 2010, subject to a maximum period of 10 years from the date it was adopted ("2010 PSP"), under which awards ("Awards") of fully paid shares will be issued free of charge to eligible employees, EDs and Non-EDs of the Company and its subsidiaries, provided certain prescribed performance targets are met. The PSP serves as long-term incentive tool to reward, retain and motivate employees to improve their performance. The aggregate number of shares which may be available for Awards under the PSP, when aggregated with the aggregate number of shares available under any other share-based schemes of the Company, will not exceed 5% of the total issued shares of the Company (excluding treasury shares) from time to time. The 2010 PSP was accordingly expired and lapsed on 28 October 2020.

Principle 8: Disclosure on Remuneration (cont'd)

Provision 8.3: Employee Share Scheme (cont'd)

Performance Share Plan ("PSP") (cont'd)
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. The SAL PSP shall take effect from the date of the SGM, subject to a maximum period of 10 years from the date it was approved.

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.

The SAL PSP shall continue to be in force at the discretion of the RC, subject to the maximum period of 10 years commencing on 27 October 2020.

PSP shares granted to Group Managing Director
On 2 June 2022, 4,100,000 (2021: 4,500,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.315 (2021: SGD0.27) per share at grant date, amounted to RM4,126,342 (2021: RM3,697,246) 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 2021 (2021: 30 June 2019 and 2020). 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 2 June 2022, 2,000,000 PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.315 per share at grant date, amounted to RM2,012,850 to 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 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 Note26(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 the governance of risk and ensures that Management maintains to safeguard the interest of the company and its shareholders.

The Management has established and implemented an effective Enterprise Risk Management (ERM) framework that also integrates with an Internal Control Framework.

The ERM management 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.

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 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;
- 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 Anti-Bribery and Anti-Corruption 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 instils 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 strategy, reputation or long-term viability;
- Receiving assurance regarding the effectiveness of the risk management process;
- 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 objectives. The Group 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, minimize 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 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 are at, and 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 rigour 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.

- **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.

Managing the Effects of the COVID-19 Pandemic
The COVID-19 pandemic has caused unprecedented challenges to the Company. The ARC and the Board, together with Management, are actively monitoring and responding to the ongoing and evolving impact of COVID-19 to the short- and medium-term prospects of the Company's business and employees. Management undertakes the necessary assessments as per the guidelines issued by SGX in April 2020 on material information and on how the Company deals with the effects of COVID-19 on its businesses. Based on the outcome of the assessment, the ARC and the Board concluded that nothing has come to their attention which may affect the Group's ability to continue as going concern due to the COVID-19 pandemic.

A COVID-19 Task Force has been established to ensure business continuity and the necessary measures, actions and prevention is in place to protect the employees and customers. In addition, shareholders were updated on the potential COVID-19 impact to the Company during the start of the pandemic via SGXNet.

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 FY2022, the Board had received assurance from the Group MD and:

- the Chief Financial Officer 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 Head of Risk Management 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 FY2022 to address financial, operational and compliance risks including information technology controls and risk management system, in which the Group consider 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")

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.

Currently, the ARC comprises three (3) members, all of whom are INEDs. The ARC is chaired by Mr. Ong Kian Min and its members are Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and Mr. Mah Yong Sun. Mr. See Chuang Thuan ceased to be ARC member on 27 October 2021 and Mr. Mah Yong Sun was appointed as an ARC member with effect from 28 October 2021.

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, External Auditors and Internal Auditors on matters arising from external and internal 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 Chief Financial Officer 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 Internal Auditors comply with the standards set by nationally or internationally recognised professional bodies;
- 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;

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 review Interested Person Transactions ("IPT") in accordance with the requirements of the Listing Manual of the SGX-ST;
- To review the effectiveness of the Group's whistle-blowing policy, arrangements and the matters raised via the whistle blowing channel.

The key activities of the ARC during FY2022 include, but are not limited to, the following:
- Review draft financial results announcement 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 reappointment as external auditors of the Company for the following financial year;
- Meet and discuss with the External Auditors 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 FY2022 and to fix dates for books closure and dividend payment;
- Review the banking facility compliance matter;
- 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 whistle blowing Report (if any);
- Review the excerpt of corporate governance statement on ARC for disclosure in the Annual Report 2022.

In the review of the financial statements for FY2022, 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 98 to 101 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.
Pricing and disclosure of related parties and related party transactions	The ARC reviewed interested/related party transactions on a quarterly basis and as and when required to ensure compliance with mandates granted by the shareholders, including the appropriate disclosures in quarterly results announcement and annual report. The Group has processes and controls in place to identify related parties and related party transactions to ensure compliance with mandates granted by the shareholders.
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 rate and discount rate.

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 FY2022 were RM2,023,880 and RM439,870 (FY2021: RM2,112,041 and RM631,471) 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") at the SGM held on 25 June 2021, which the shareholders approved the appointment of EY Singapore in place of the outgoing Auditor EY Malaysia. 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")

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 2021.

Whistle-blowing Policy

The ARC has incorporated a whistle-blowing 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. 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 whistle-blowers. The whistle-blowing contact email is whistleblower@silverlakeaxis.com and can be found on the Company's website.

There was no reported incident pertaining to whistle-blowing in FY2022.

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.

Principle 10: Audit Committee (cont'd)

Provision 10.4: Internal Audit Function (cont'd)

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 to fifteen 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.

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 of 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 FY2022, the ARC met four (4) times. The ARC also had one (1) meeting with external auditors 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.

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 2021
The Company held its FY2021 AGM on 27 October 2021 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".

The Company subjected all resolutions to voting by poll and shareholders are informed of the applicable rules and voting procedures. The shareholders are advised to submit their questions in relation to any agenda items of the notice of AGM to the Company via email in advance on 19 October 2021. A dedicated email is provided in the notice for this purpose. The questions received together with the respective responses were announced on 22 October 2021 via SGXNet.

At the start of the virtual AGM, the Group MD gave a presentation on the Group's performance for FY2021, position and prospects of the Group as well as the business strategy post COVID-19. 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 2021.

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 2021 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 annual general meeting 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 proxies to attend and vote on their behalf. Pursuant to the introduction of the multiple proxy's regime under the Singapore Companies Act 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 proxies to attend, speak and vote at the general meetings.

During the virtual AGM Oct 2021 , voting was only through the submission of proxy form appointing the Chairman of the Meeting as their proxy in accordance to the SGX guidance in view of the pandemic situation. The voting instructions were clearly spelled out in the notice of the respective general meetings.

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 AGM Oct 2021 on SGXNet on the 12th of November 2021.

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

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 pay-outs 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 2022, the declaration of a final tax exempt one-tier dividend of Singapore 0.70 cents per ordinary share in respect of the FY2022. The proposed dividend, when approved by shareholders at the AGM, shall be paid on 16 November 2022.

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 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 Relation 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.

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.

Principle 12: Engagement with Shareholders (cont'd)

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

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 stakeholder groups identified have remained unchanged since FY2021. The Group's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2022 can be found under "Sustainability Report" section of this Annual Report.

In FY2022, a 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. In interviews with reputable media outlets (S&P Global Market Intelligence and Dagang News), our CEO of Islamic Banking elucidated how digital banking solutions can assist the nascent Islamic Fintech industry by catering to the Islamic finance market.

Principle 13: Engagement with Stakeholders (cont'd)

Provision 13.2 Sustainability Report
The Sustainability Report comprises the Group's sustainability performance from 1 July 2021 to 30 June 2022 ("FY2022"), encompassing our Malaysia and Singapore business operations under Banking, Fermion Insurtech, Investment and others sectors which include Retail Automation as well as Digital Identity and Security Technologies.

The FY2022 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. 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 our first steps towards incorporating the Task Force on Climate-related Financial Disclosure ("TCFD") recommendations in this year's 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 KPI's and performance. The Board is assisted by the ARC that reports on the progress of the Group's sustainability agenda including climate-related risks.

For effective ESG implementation at the management and operational levels, the Deputy CEO of the Group, Ms. Goh Shiou Ling chairs the Sustainability Committee ("SC"), which presents the ESG-related strategy and targets for review and approval. The SC 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 sustainability governance structure is aligned with TCFD recommendations and SGX's mandate on climate-related disclosures.

Please refer to the Sustainability Report on page 34 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 mission and vision statement are stated in the website for all to view.

Our corporate website has been refreshed and relaunched on 26 August 2020.

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 weeks before the announcement of the Group's quarterly financial results and one 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 weeks before the announcement of the first and third quarter voluntary announcement and its first half yearly announcement and one 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 FY2022 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 2021. The review procedures for IPTs are disclosed in the Company's Circular to Shareholders dated 11 October 2022.

The aggregate value of recurrent IPT of revenue or trading nature conducted during FY2022 by the Group were as follows:

Interested Person(s) [1]	**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)**
	01-07-2021 to 30-06-2022 RM	**01-07-2021 to 30-06-2022 RM**
Associates of Mr. Goh Peng Ooi ("Silverlake Entities")		
- **IPT Mandate** [2]		
Revenue from Silverlake Entities	-	67,657,908
Service fees to Silverlake Entities	-	(4,970,683)
- **Non-Mandate Transactions** [3]		
Revenue from Silverlake Entities	349,269	-
Service fees to Silverlake Entities	(613,336)	-

[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 maintenance services and sale of software products by Silverlake Holdings Sdn. Bhd. and Cyber Village Sdn. Bhd. to Silverlake Entities; and provision of maintenance services by Silverlake Entities to Silverlake Structured Services Ltd.

The total IPT revenue and IPT service fees of RM68,007,177 and RM5,584,019 (2021: RM50,267,191 and RM6,419,436) accounted for 9% and 2% (2021: 8% and 3%) of the Group's total revenue and total cost of sales respectively. Further details of IPT are disclosed in Note 36(a) to the financial statements.

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

The ageing of amounts owing from the Silverlake Entities as at 30 June 2022 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
Transactions conducted under IPT Mandate						
Silverlake Entities [1]	16,566,340	15,199,030	1,144,650	120,420	102,240	-
Non-Mandate Transactions						
Silverlake Entities	261,259	261,259	-	-	-	-
Non-Trade Transactions						
Silverlake Entities	65,139	64,311	828	-	-	-
Grand Total	**16,892,738**	**15,524,600**	**1,145,478**	**120,420**	**102,240**	**-**

[1] The Audit and Risk Committee confirms that collections from the Silverlake 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 FY2022.

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 2022.

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
Dr. Kwong Yong Sin
Ong Kian Min
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid
Datuk Yvonne Chia
Yano Satoru
Mah Yong Sun
Chee Hin Kooi (appointed on 1 May 2022)

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 end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Goh Peng Ooi	-	-	1,834,022,168	1,862,760,568
Andrew Tan Teik Wei	4,500,000	8,600,000	-	-
Goh Shiou Ling	630,400	630,400	-	-
Dr. Kwong Yong Sin	18,972,000	18,972,000	2,150,000	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	500,000	200,000	110,000	410,000
*Ordinary shares of the holding company (Intelligentsia Holding Ltd.)**				
Goh Peng Ooi	3,882,254	3,882,254	-	-
(Zezz FundQ Pte. Ltd.)				
Goh Peng Ooi	2*	602,996,927	-	-

* Intelligentsia Holding Ltd. transferred its investment in the Company's shares to Zezz FundQ Pte. Ltd. ("Zezz"), with effect from 24 November 2021, thereafter Zezz became the holding company of the Company.

There was no change in any of the abovementioned interests between the end of the financial year and 21 July 2022.

Directors' Report (cont'd)

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 which 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 2 June 2022, 4,100,000 (2021: 4,500,000) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.315 (2021: SGD0.27) per share at grant date, amounting to RM4,126,342 (2021: RM3,697,246) 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 2021 (2021: 30 June 2019 and 2020).

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 2 June 2022, 2,000,000 PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.315 per share at grant date, amounting to RM2,012,850 to a key management personnel and a contract employee, in recognition of their service and contribution to the Group for the financial year ended 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 26(d) to the financial statements.

6. Treasury shares

On 2 June 2022, 6,100,000 (2021: 4,500,000) treasury shares were released at the price of SGD0.315 (2021: SGD0.27) each, which reflected the fair values of shares at release date, for the purposes of award of shares to the Group Managing Director, key management personnel and contract employee under the PSP.

During the financial year, the Company purchased 171,663,388 (2021: 23,874,400) shares pursuant to the share purchase mandate approved by shareholders on 27 October 2021 (2021: 27 October 2020). These shares were acquired and are held as treasury shares by the Company, as follows:

(a) 1,432,400 (2021: 23,874,400) shares by way of market acquisition for a total consideration of RM1,309,938 (2021: RM20,424,812); and
(b) 170,230,988 (2021: Nil) shares by way of off-market acquisition on equal access scheme for a consideration of RM177,264,081 (2021: Nil).

Further details of the treasury shares are disclosed in Note 26(c) to the financial statements.

7. Significant events during the financial year

Details of significant events during the financial year are disclosed in Note 42 to the financial statements.

8. Significant event after the financial year end

Details of significant event after the financial year end is disclosed in Note 43 to the financial statements.

9. Board opinion on the adequacy of risk management and internal controls addressing financial, operational and compliance risks (including 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 systems, addressing financial, operational and compliance risks, including information technology risks, which the Group considers relevant and material to its operations, were adequate for the financial year ended 30 June 2022.

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

28 September 2022

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 2022 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

28 September 2022

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 2022, 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) ("SFRSs(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2022 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 ("ACRA") 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 2022, the Group's revenue from the provision of software licensing and software project services (professional services), amounted to RM84 million and RM91 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.

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 read the project management meeting minutes to obtain an understanding of the performance and progress of the contracts;

(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 2.5(c) - Key sources of estimation uncertainty, Note 13 - Intangible assets)

As at 30 June 2022, the carrying amount of goodwill recognised by the Group amounted to RM143 million, representing 32% and 10% 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) Pricing and disclosure of related parties and related party transactions

(Refer to Note 22 - Amounts due from/(to) subsidiaries and related parties, Note 36 - Significant related party transactions)

The Group has significant related party transactions which include sales of goods and rendering of services to Silverlake Private Entities ("SPEs").

We identified this as an area of audit focus due to the significance of the amounts and the volume of such transactions. Specifically, we focused our audit efforts to determine whether the transactions with SPEs were authorised and entered into at rates and terms approved by the Audit and Risk Committee; and whether disclosures in the financial statements are in accordance with SFRS(I) 1-24 Related Party Disclosures.

Our audit response:

In addressing this area of audit focus, we performed, amongst others, the following procedures:

(a) we inquired management (including Internal Audit) and obtained understanding of the processes and controls that the Group has in:
(i) identifying, accounting for, and disclose related party relationships ("RPR") and related party transactions ("RPT");
(ii) authorising and approving significant RPT with related parties; and
(iii) authorising and approving significant RPT outside the normal course of business;

(b) we obtained the lists of RPR and RPT to assess:
(i) the completeness of the lists;
(ii) whether significant RPT are duly approved by Audit and Risk Committee; and
(iii) whether significant RPT outside the normal course of business are duly approved by Audit and Risk Committee;

(c) we read contracts and agreements with related parties to understand the nature and terms of the transactions;

(d) we re-computed the RPT amounts based on the rates approved by the Audit and Risk Committee; and

(e) we assessed the completeness of disclosures of RPT in the financial statements.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (cont'd)

(4) Impairment assessment on investments in subsidiaries

(Refer to Note 2.5(d) - Key sources of estimation uncertainty, Note 14 - Investments in subsidiaries)

As at 30 June 2022, the carrying amount of the Company's investments in subsidiaries amounted to RM2,112 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 investment 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;

(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.

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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statement that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting 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 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.

- 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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' responsibilities for the audit of the financial statements (cont'd)

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
28 September 2022

Consolidated Income Statement

For the financial year ended 30 June 2022

	Note	Group 2022 RM	Group 2021 RM
Revenue	3	736,541,682	626,122,804
Cost of sales		(317,927,616)	(249,193,694)
Gross profit		418,614,066	376,929,110
Other items of income			
Finance income	4	3,079,286	1,865,335
Other income	5	11,324,242	11,464,145
Other items of expenses			
Selling and distribution costs		(42,094,581)	(30,510,800)
Administrative expenses		(156,266,148)	(159,892,297)
Finance costs	6	(2,799,252)	(13,117,885)
Share of loss of a joint venture	15	-	(565)
Profit before tax	7	231,857,613	186,737,043
Income tax expense	9	(49,154,128)	(43,658,404)
Profit for the year		182,703,485	143,078,639
Profit for the year attributable to:			
Owners of the parent		182,152,841	143,086,927
Non-controlling interests		550,644	(8,288)
		182,703,485	143,078,639
Earnings per share attributable to the owners of the parent:			
- Basic (sen)	10	6.85	5.49
- Diluted (sen)	10	6.85	5.49

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 2022

	Note	Group 2022 RM	Group 2021 RM
Profit for the year		182,703,485	143,078,639
Other comprehensive income/(loss):			
Items that may be reclassified to profit or loss in the subsequent periods:			
- Foreign currency translation gain/(loss)		17,522,000	(11,535,960)
- Share of foreign currency translation loss of a joint venture	15	-	(22)
		17,522,000	(11,535,982)
Items that will not be reclassified to profit or loss in the subsequent periods:			
- Fair value loss on financial assets - quoted equity shares	27(d)	(91,480,413)	(11,858,296)
- Deferred tax relating to fair value loss on financial assets - quoted equity shares	31	9,228,521	1,257,472
- Actuarial gain on defined benefit plans	34	924,969	1,031,450
- Deferred tax relating to actuarial gain on defined benefit plans	31	(251,728)	(194,113)
		(81,578,651)	(9,763,487)
Other comprehensive loss for the year, net of tax		(64,056,651)	(21,299,469)
Total comprehensive income for the year		118,646,834	121,779,170
Total comprehensive income for the year attributable to:			
Owners of the parent		118,096,190	121,787,458
Non-controlling interests		550,644	(8,288)
		118,646,834	121,779,170

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Financial Position

As at 30 June 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Assets					
Non-current assets					
Property, plant and equipment	11	10,175,801	11,592,903	35,039	1,936
Right-of-use assets	12	25,624,070	26,071,251	-	-
Intangible assets	13	342,151,697	317,327,488	-	-
Investments in subsidiaries	14	-	-	2,111,538,501	2,060,792,258
Investment in an associate	16	6,118,674	-	-	-
Financial assets at fair value through other comprehensive income - quoted equity shares	17	1,645,000	-	-	-
Amount due from a subsidiary	22	-	-	152,665,519	-
Derivative asset	18	1,137,060	-	-	-
Deferred tax assets	31	58,187,085	60,210,484	-	-
		445,039,387	415,202,126	2,264,239,059	2,060,794,194
Current assets					
Inventories	19	432,012	622,071	-	-
Trade and other receivables	20	127,643,736	138,917,765	46,718	3,553
Contract assets	21	73,929,019	58,594,091	-	-
Prepayments		3,293,945	3,340,056	91,760	112,210
Amounts due from subsidiaries	22	-	-	64,981	203,662,763
Amounts due from related parties	22	16,892,738	8,035,057	-	-
Loan to a subsidiary	23	-	-	-	29,157,975
Tax recoverable		5,897,617	5,854,048	-	-
Financial assets at fair value through other comprehensive income - quoted equity shares	17	206,250,863	288,154,976	-	-
Financial assets at fair value through profit or loss - money market fund	24	54,659,549	27,665,942	-	-
Derivative asset	18	-	752,296	-	752,296
Cash and bank balances	25	558,056,893	417,118,185	182,344,511	72,936,631
		1,047,056,372	949,054,487	182,547,970	306,625,428
Total assets		1,492,095,759	1,364,256,613	2,446,787,029	2,367,419,622

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Financial Position as at 30 June 2022 (cont'd)

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Equity and liabilities					
Equity					
Share capital	26(a)	1,845,200,087	191,040,654	1,845,200,087	191,040,654
Share premium	26(b)	-	186,497,272	-	1,654,159,433
Treasury shares	26(c)	(197,775,703)	(25,769,645)	(197,775,703)	(25,769,645)
Other reserves	27	(63,103,242)	2,055,419	67,357,946	12,090,091
Merger deficit	28	(1,943,942,990)	(476,280,829)	-	-
Retained profits		1,321,682,810	1,176,873,429	549,240,210	532,259,060
Equity attributable to owners of the parent		962,060,962	1,054,416,300	2,264,022,540	2,363,779,593
Non-controlling interests		13,117,540	52,188	-	-
Total equity		975,178,502	1,054,468,488	2,264,022,540	2,363,779,593
Non-current liabilities					
Loans and borrowings	29	193,327,688	16,831,002	175,341,516	-
Deferred tax liabilities	31	41,667,392	50,167,076	-	-
Provision for defined benefit liabilities	34	12,346,780	11,886,913	-	-
		247,341,860	78,884,991	175,341,516	-
Current liabilities					
Trade and other payables	32	116,992,544	76,922,903	3,344,044	1,875,542
Contract liabilities	21	131,158,374	108,820,801	-	-
Loans and borrowings	29	7,594,070	9,380,879	-	-
Put liability	33	-	18,659,307	-	-
Provision for defined benefit liabilities	34	80,330	116,680	-	-
Amounts due to subsidiaries	22	-	-	4,069,033	1,640,659
Amounts due to related parties	22	394,274	1,367,305	-	123,828
Tax payable		13,355,805	15,635,259	9,896	-
		269,575,397	230,903,134	7,422,973	3,640,029
Total liabilities		516,917,257	309,788,125	182,764,489	3,640,029
Net current assets		777,480,975	718,151,353	175,124,997	302,985,399
Total equity and liabilities		1,492,095,759	1,364,256,613	2,446,787,029	2,367,419,622

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 2022

2022 Group	Note	Attributable to owners of the parent: Share capital (Note 26(a)) RM	Non-distributable: Share premium (Note 26(b)) RM	Non-distributable: Treasury shares (Note 26(c)) RM	Non-distributable: Other reserves (Note 27) RM	Non-distributable: Merger deficit (Note 28) 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	26(c)	-	-	(178,574,019)	-	-	-	(178,574,019)	-	(178,574,019)
Reclassification of share premium upon re-domiciliation - transition to no par value concept *	26(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 **	26(b),28	-	1,467,662,161	-	-	(1,467,662,161)	-	-	-	-
Grant of shares under Performance Share Plan	26(d)	-	-	-	6,139,192	-	-	6,139,192	-	6,139,192
Release of shares under Performance Share Plan	26(c),(d)	-	-	6,567,961	(6,567,961)	-	-	-	-	-
Gain on deemed disposal of 20% equity interest in a subsidiary without loss of control	14(a)	-	-	-	-	-	4,926,844	4,926,844	12,514,708	17,441,552
Dividends on ordinary shares	35	-	-	-	-	-	(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 Changes in Equity (cont'd)
For the financial year ended 30 June 2022

		Attributable to owners of the parent								
			<--------- Non-distributable -------->							
2021 **Group**	**Note**	**Share capital (Note 26(a)) RM**	**Share premium (Note 26(b)) RM**	**Treasury shares (Note 26(c)) RM**	**Other reserves (Note 27) RM**	**Merger deficit (Note 28) RM**	**Distributable retained profits RM**	**Total RM**	**Non-controlling interests RM**	**Total equity RM**
At 1 July 2020		191,040,654	236,820,722	(138,541,079)	24,072,885	(476,280,829)	909,494,306	746,606,659	60,476	746,667,135
Profit for the year		-	-	-	-	-	143,086,927	143,086,927	(8,288)	143,078,639
Other comprehensive (loss)/income for the year		-	-	-	(22,136,806)	-	837,337	(21,299,469)	-	(21,299,469)
Total comprehensive (loss)/income for the year		-	-	-	(22,136,806)	-	143,924,264	121,787,458	(8,288)	121,779,170
Transfer to statutory reserve fund		-	-	-	119,340	-	(119,340)	-	-	-
Transactions with owners										
Purchase of treasury shares	26(c)	-	-	(20,424,812)	-	-	-	(20,424,812)	-	(20,424,812)
Grant of shares under Performance Share Plan	26(d)	-	-	-	3,697,246	-	-	3,697,246	-	3,697,246
Release of shares under Performance Share Plan	26(b),(c),(d)	-	(1,848,623)	5,545,869	(3,697,246)	-	-	-	-	-
Fair value adjustment on contingent consideration for business combination	26(c)	-	-	-	-	-	149,414,493	149,414,493	-	149,414,493
Release of treasury shares for payment of contingent consideration for business combination	26(b),(c)	-	(48,474,827)	127,650,377	-	-	-	79,175,550	-	79,175,550
Dividends on ordinary shares	35	-	-	-	-	-	(25,840,294)	(25,840,294)	-	(25,840,294)
Total transactions with owners in their capacity as owners		-	(50,323,450)	112,771,434	-	-	123,574,199	186,022,183	-	186,022,183
At 30 June 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

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 2022

	Note	Group 2022 RM	Group 2021 RM
Operating activities			
Profit before tax		231,857,613	186,737,043
Adjustments for:			
Amortisation of intangible assets	7, 13	23,725,260	23,612,279
Depreciation of property, plant and equipment	7, 11	3,762,328	3,290,537
Depreciation of right-of-use assets	7, 12	9,221,862	10,396,301
Write off of property, plant and equipment	7	38,120	17,108
Net gain on disposal of property, plant and equipment	5	-	(7,543)
Net gain on disposal of right-of-use assets	5	(753)	(99,131)
Net (gain)/loss on lease modifications	5, 7	(59,475)	212,989
Net distribution from a joint venture upon liquidation	5	-	(1,026)
Loss on liquidation of a subsidiary	7	-	1,405,629
Derecognition of derivative asset upon expiry of call option	7, 18	756,928	-
Inventories written off	7	-	11,679
Bad debts written off	7	739,923	12,959
Expected credit losses on trade receivables	7	131,816	1,621,322
Expected credit losses on contract assets	7	376,688	26,697
Reversal of expected credit losses on trade receivables	5	(1,301,330)	(2,254,324)
Reversal of provision for foreseeable losses	7	-	(1,243,712)
Dividend income from financial assets - quoted equity shares	5	-	(969,424)
Loss/(gain) on redemption of financial assets - money market fund	7, 5	324,707	(539,628)
Net unrealised foreign currency exchange (gain)/loss	5, 7	(4,198,123)	1,866,577
Fair value adjustment on subsequent measurement of put liability	5, 7	(1,461,018)	15,575,922
(Gain)/loss on derivative asset at fair value through profit or loss	5, 7	(1,117,620)	8,566,852
Performance shares issued	8	6,022,312	3,719,480
Waiver of debts	5	(7,646)	-
Allowance for unutilised leave	8	763,716	1,785,205
Defined benefit liabilities	8, 34	1,846,619	947,389
Share of loss of a joint venture	15	-	565
Finance costs	6	2,799,252	13,117,885
Finance income	4	(3,079,286)	(1,865,335)
Total adjustments		39,284,280	79,207,252
Operating cash flows before changes in working capital		271,141,893	265,944,295
Changes in working capital:			
Inventories		161,342	442,167
Trade and other receivables		12,130,197	(3,502,854)
Contract assets/liabilities		5,934,851	(7,554,385)
Amounts due from/to related parties, net		(9,822,918)	(2,242,211)
Trade and other payables		40,011,701	(6,220,122)
Total changes in working capital		48,415,173	(19,077,405)
Cash flows from operations		319,557,066	246,866,890
Net uplift/(placement) of deposits pledged		655,633	(166,755)
Defined benefits paid	34	-	(380,946)
Income tax paid		(48,822,497)	(47,241,069)
Interest paid		(1,094,971)	(2,173,705)
Net cash flows from operating activities		270,295,231	196,904,415

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 2022

	Note	Group 2022 RM	Group 2021 RM
Investing activities			
Purchases of property, plant and equipment	11	(2,035,389)	(1,379,563)
Purchases of right-of-use assets	(a)	-	(62,137)
Payments for software development expenditure	13	(47,463,065)	(39,417,090)
Payments for other intangible assets	13	(2,623,196)	(723,915)
Investment in an associate	16	(6,014,064)	-
Proceeds from distribution from a joint venture upon liquidation		-	1,142
Proceeds from disposal of property, plant and equipment		507	9,729
Proceeds from disposal of right-of-use assets		10,387	160,818
Proceeds from redemption of financial assets - money market fund		1,131,097	35,342,975
Payment of contingent consideration for business combination	14(b)	-	(57,401,360)
Purchases of financial assets - money market fund		(28,449,410)	(32,822,589)
Purchases of financial assets - quoted equity share		(735,000)	-
Interest received		3,037,647	1,978,424
Dividend income received		-	969,424
Net uplift of short-term deposits		-	10,376,250
Net cash flows used in investing activities		(83,140,486)	(82,967,892)
Financing activities			
Dividends paid	35	(42,943,545)	(25,840,294)
Purchase of treasury shares	26(c)	(178,574,019)	(20,424,812)
Proceeds from revolving credit	39	173,852,000	1,989,845
Repayment of term loan and revolving credit	39	(246,598)	(123,516,357)
Payment of upfront fee for revolving credit	39	(1,508,250)	-
Payment of principal portion of lease liabilities	39	(9,497,123)	(10,804,307)
Net cash flows used in financing activities		(58,917,535)	(178,595,925)
Net increase/(decrease) in cash and cash equivalents		128,237,210	(64,659,402)
Effects of exchange rate changes on cash and cash equivalents		13,356,431	(4,423,479)
Cash and cash equivalents at beginning of the year		407,341,135	476,424,016
Cash and cash equivalents at end of the year	25	548,934,776	407,341,135

(a) Additions of right-of-use assets during the financial year were by way of:

	Group 2022 RM	Group 2021 RM
Cash	-	62,137
Leases	70,092	2,015,534
	70,092	2,077,671

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 2022

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. Upon the registration in Singapore, the address of its registered office has been changed to 80 Robinson Road, #02-00 Singapore 068898.

The holding company was Intelligentsia Holding Ltd. ("IHL"), a corporation incorporated in Bermuda. On 24 November 2021, IHL disposed its entire investment in the Company to Zezz FundQ Pte. Ltd. ("Zezz"). Zezz, an exempt private company incorporated in Singapore, which is now regarded as the holding company of the Company.

The Company is listed on the Mainboard of Singapore Exchange Securities Trading Limited (SGX-ST).

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") for annual periods beginning on 1 July 2021 in conjunction with the re-domiciliation of the Company. 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 became effective as of 1 July 2021:

Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 - Interest Rate Benchmark Reform - Phase 2
Amendments to SFRS(I) 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021

The adoption of the above amendments to standards did not have any 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 2022

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
Amendments to SFRS(I) 3	Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16	Property, Plant and Equipment - Proceeds Before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37	Onerous Contracts - Costs of Fulfilling a Contract	1 January 2022
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	1 January 2022
• Amendments to SFRS(I) 9	Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities	1 January 2022
• Amendments to SFRS(I) 1-41	Agriculture - Taxation in Fair Value Measurements	1 January 2022
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2023
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	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) 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 2022.

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.

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 re-assesses 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 2022

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 re-measured 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 re-measured 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 re-assesses 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 re-assessment 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.

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(c) Associate and joint venture

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.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture 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 or joint venture since the acquisition date. Goodwill relating to the associate or joint venture 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 or joint venture. 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 or joint venture, 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 or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate or a joint venture 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 or joint venture.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture respectively, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or the joint venture.

The financial statements of the associate or joint venture 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 or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit or loss of an associate or a joint venture' in the income statement.

If the Group's ownership interest in an associate or a joint venture 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 or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control respectively and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(d) Investments in subsidiaries, associate and joint venture

Investments in subsidiaries, associate and joint venture are carried at cost less accumulated impairment losses in the Group and the Company's statement of financial positions. 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, associate and joint venture, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in the Group and the Company's income statements.

(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).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Foreign currency translation (cont'd)

(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 subsequent to 1 July 2010 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.

Prior to 1 July 2010, the Group treated goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition, as assets and liabilities of the parent. Therefore, those assets and liabilities are already expressed in the functional currency or are non-monetary items and no further translation differences occur.

(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 for work performed to date bear to the estimated total costs for each contract, as disclosed in Note 2.4(h).

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)

(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.

(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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(g) Revenue recognition (cont'd)

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).

(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, when the outcome of a contract can be estimated reliably. When the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable and contract costs are recognised as expense in the period in which they are incurred. 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(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.

(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, associate and interest in joint venture, 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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(j) Taxes (cont'd)

Deferred tax (cont'd)

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: (cont'd)

- in respect of deductible temporary differences associated with investments in subsidiaries, associate and interest in joint venture, 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 re-assessed 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.

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.

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(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.

(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	5 to 10 years
Motor vehicles	7 years
Office equipment	3 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.

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(l) Property, plant and equipment (cont'd)

(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.

(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:

Furniture and fittings	5 to 7 years
Motor vehicles	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).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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)

(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 29.

(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.

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(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.

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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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)

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 CGUs' 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 CGUs' 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.

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(o) Impairment of non-financial assets (cont'd)

Goodwill (cont'd)

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 2022

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

Financial assets at amortised cost (debt instruments)

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 loan to a subsidiary.

Financial assets designated at fair value through OCI (equity instruments)

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.

Financial assets at fair value through profit or loss

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.

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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

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.

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, put liability 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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 fair value through profit or loss (cont'd)

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's and the Company's financial liabilities designated at fair value through profit or loss are contingent consideration for business combination and put liability.

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(q) Fair value measurement

The Group and the Company measure financial instruments such as quoted investments, money market funds, derivative asset and put liability at fair value 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.

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 re-assessing 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 38(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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(r) Inventories (cont'd)

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.

(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 as consideration 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(v) Share-based payment transactions (cont'd)

Equity-settled transactions - Performance share plan ("PSP") (cont'd)

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.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of:

- the amount that would be recognised in accordance with the general requirements for provisions above; or
- the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

(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.

(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.

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(y) Defined benefit plans

The net defined benefit liability or asset 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 reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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 or asset
- Remeasurements of net defined benefit liability or asset

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 or asset is the change in the net defined benefit liability or asset 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 or asset. The net interest is recognised as expense or income in income statement.

Remeasurements, comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability), 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.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognised as a separate asset at fair value when and only when reimbursement is virtually certain.

(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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(z) Related parties (cont'd)

A related party is defined as follows: (cont'd)

(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).
(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).

(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.

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 41, including the factors used to identify the reportable segments and the measurement basis of segment information.

2. Significant accounting policies (cont'd)

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 software project services (professional 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.

<u>Sensitivity analysis on the estimated remaining contract costs</u>

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 RM942,000 (2021: RM836,000).

(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.

<u>Sensitivity analysis on economic lives of software development expenditure</u>

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	
	2022 RM	**2021 RM**
If economic lives increase by 1 year:		
Decrease in amortisation	1,364,784	1,068,960
If economic lives decrease by 1 year:		
Increase in amortisation	(1,668,070)	(1,306,506)

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(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 in arm's length transactions of 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 performance of the asset or 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 2022 was RM2,111,538,501 (2021: RM2,060,792,258) (Note 14).

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% (2021: 0% to 4%) and discount rate ranging from 12% to 14% (2021: 12% to 13%), varying in accordance to country and industry, taking into consideration the nature and basis for valuation adjustments and calculations. In the previous financial year, investment in a subsidiary had been impaired by RM182,094,493 (Note 14) to its recoverable amount subsequent to its declaration of a dividend of RM182,653,995, following the completion of the Group's internal restructuring. The subsidiary has ceased operations and is expected to remain dormant for the foreseeable future.

The Company estimated that no reasonable possible change in the underlying key assumptions may cause its investments in subsidiaries to be further impaired.

(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 20 and Note 21 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 38(c).

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

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 RM5,907,061 (2021: RM6,214,047) 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.

If the Group was able to recognise these unrecognised deferred tax assets, profit and equity would have increased by RM1,159,190 (2021: RM1,216,631). Further details on taxes are disclosed in Note 9 and Note 31.

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), enhancement and maintenance 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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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)

(i) Identifying separate performance obligations in a bundled contract (cont'd)

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.

(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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

2. Significant accounting policies (cont'd)

2.5 Significant accounting estimates and judgements (cont'd)

Judgements made in applying accounting policies (cont'd)

(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	2022 RM	2021 RM
Sale of goods or rendering of services			
Software licensing	(a)	84,151,905	40,014,462
Software project services (professional services)	(b)	90,947,063	65,408,752
Maintenance and enhancement services	(c)	499,140,446	475,026,409
Sale of software and hardware products	(d)	20,841,268	10,735,338
Insurance ecosystem transactions and services	(e)	39,357,041	34,228,154
Retail transactions processing	(f)	2,103,959	709,689
Total revenue from contracts with customers		736,541,682	626,122,804
Timing of revenue recognition			
At a point in time		54,351,467	48,189,909
Over time		682,190,215	577,932,895
Total revenue from contracts with customers		736,541,682	626,122,804

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 RM81,764,728 (2021: RM29,619,430).

3. Revenue (cont'd)

Performance obligations (cont'd)

Information about the Group's performance obligations are summarised below: (cont'd)

(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 (professional services) revenue recognised over time amounted to RM172,711,791 (2021: RM95,028,182).

(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 RM245,594,407 and RM253,546,039 (2021: RM227,481,628 and RM247,544,781) 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 RM31,123,022 and RM8,234,019 (2021: RM27,059,539 and RM7,168,615) 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.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June are as follows:

	Group	
	2022 RM	**2021 RM**
Within one year	321,676,697	226,456,435
More than one year	133,583,565	100,635,661
	455,260,262	327,092,096

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

3. Revenue (cont'd)

Performance obligations (cont'd)

Information about the Group's performance obligations are summarised below: (cont'd)

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 RM134,136,884 (2021: RM130,092,978), 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 two years (2021: two years) and maintenance services to be satisfied within five years (2021: within five years).

4. Finance income

	Group	
	2022 RM	2021 RM
Interest income from deposits with licensed banks	3,079,286	1,865,335

5. Other income

	Group	
	2022 RM	2021 RM
Commission income and other incentives	125,983	215,634
Dividend income from financial assets - quoted equity shares	-	969,424
Net distribution from a joint venture upon liquidation	-	1,026
Gain on redemption of financial assets - money market fund	-	539,628
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 property, plant and equipment	-	7,543
Net gain on disposal of right-of-use assets	753	99,131
Net gain on lease modifications	59,475	-
Rental income of office premises	230,465	898,199
Fair value adjustment on subsequent measurement of put liability (Note 14(a))	1,461,018	-
Reversal of expected credit losses on trade receivables (Note 38(c))	1,301,330	2,254,324
Rent concessions	288,875	360,087
Government subsidies	1,181,627	4,531,000
Waiver of debts	7,646	-
Miscellaneous income	1,351,327	1,588,149
Total other income	11,324,242	11,464,145

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

6. Finance costs

	Group	
	2022 RM	2021 RM
Interest expense on:		
- Revolving credit	333,938	1,050,051
- Lease liabilities (Note 30)	746,263	1,056,833
- Term loan	14,770	25,078
- Advances from previous owners	-	41,743
	1,094,971	2,173,705
Unwinding of discount on contingent consideration (other payables) and put liability for business combination	1,704,281	10,944,180
Total finance costs	2,799,252	13,117,885

7. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2022 RM	2021 RM
Amortisation of intangible assets (Note 13)	23,725,260	23,612,279
Depreciation of property, plant and equipment (Note 11)	3,762,328	3,290,537
Depreciation of right-of-use assets (Note 12)	9,221,862	10,396,301
Write off of property, plant and equipment	38,120	17,108
Net loss on lease modifications	-	212,989
Fair value adjustment on subsequent measurement of put liability (Note 14(a))	-	15,575,922
Derecognition of derivative asset upon expiry of call option (Note 18)	756,928	-
Loss on derivative asset at fair value through profit or loss	-	8,566,852
Loss on liquidation of a subsidiary	-	1,405,629
Loss on redemption of financial assets - money market fund	324,707	-
Inventories written off	-	11,679
Bad debts written off	739,923	12,959
Expected credit losses on trade receivables (Note 38(c))	131,816	1,621,322
Expected credit losses on contract assets (Note 38(c))	376,688	26,697
Reversal of provision for foreseeable losses	-	(1,243,712)
Net foreign currency exchange loss:		
- Realised	1,402,625	2,391,359
- Unrealised	-	1,866,577
Directors' fees	3,430,473	3,525,597
Employee benefits expense (Note 8)	325,297,056	270,144,107
Audit fees:		
- Auditors of the Company	376,731	366,187
- Other auditors	1,647,149	1,745,854
Non-audit fees:		
- Auditors of the Company	76,215	154,443
- Other auditors	363,655	477,028
Lease expenses (Note 30)	2,716,712	2,973,690

Total software project costs (including employee benefits expense) recognised in cost of sales amounted to RM63,121,986 (2021: RM41,014,711).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

8. Employee benefits expense (including directors' remuneration)

	Group	
	2022 RM	**2021 RM**
Wages and salaries	309,084,019	266,701,862
Defined contribution plans	28,595,054	23,184,888
Defined benefit obligation (Note 34)	1,846,619	947,389
Performance shares issued	6,022,312	3,719,480
Allowance for unutilised leave	763,716	1,785,205
Retirement benefits	3,846,367	-
Other employee benefits	6,617,188	6,317,472
	356,775,275	302,656,296
Less: Capitalised under intangible assets (Note 13)	(29,605,576)	(31,715,468)
Less: Capitalised under contract assets (Note 21)	(1,872,643)	(796,721)
	325,297,056	270,144,107

9. Income tax expense

	Group	
	2022 RM	**2021 RM**
Current income tax:		
- Malaysia	31,636,211	35,640,991
- Singapore	3,833,343	3,992,478
- Thailand	2,825,256	3,182,435
- Brunei	1,429,393	802,974
- Indonesia	2,629,133	2,452,088
- Philippines	1,081,457	1,749,679
- Slovakia	349,209	348,041
- Others	32,784	165,316
	43,816,786	48,334,002
Deferred tax (Note 31)		
- Origination and reversal of temporary differences	2,612,138	(2,215,366)
(Over)/under provision in prior financial years:		
- Income tax	(39,286)	(3,717,876)
- Deferred tax (Note 31)	34,361	(1,686,454)
	(4,925)	(5,404,330)
Income tax expense for the year	46,423,999	40,714,306
Foreign and withholding tax	2,730,129	2,944,098
	49,154,128	43,658,404

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

9. Income tax expense (cont'd)

The corporate income tax rates applicable to companies within the Group are as follows:

	2022	2021
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.

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 2022 and 2021 are as follows:

	Group	
	2022 RM	**2021 RM**
Profit before tax	231,857,613	186,737,043
Tax calculated at a tax rate of:		
- Malaysia 24% (2021: 24%)	36,200,404	37,441,669
- Singapore 17% (2021: 17%)	2,451,563	(2,082,907)
- Thailand 20% (2021: 20%)	2,766,554	3,370,760
- Brunei 19% (2021: 19%)	1,652,149	891,549
- Indonesia 22% (2021: 22%)	2,676,522	2,635,690
- Philippines 25% (2021: 25%)	1,795,683	1,520,282
- Slovakia 21% (2021: 21%)	(150,624)	132,745
- Other jurisdictions 17% - 31% (2021: 17% - 31%)	(774,818)	197,992
Taxation at respective jurisdictions	46,617,433	44,107,780

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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 2022 and 2021 are as follows: (cont'd)

	Group	
	2022 RM	2021 RM
Taxation at respective jurisdictions (cont'd)	46,617,433	44,107,780
Tax effect of:		
- Share of loss of a joint venture	-	158
- Partial exemption and tax relief	(788,670)	(787,706)
- Exempted income under pioneer status [1]	(1,772,618)	(1,771,645)
- Exempted income under increase in value of export incentive [2]	(9,362,143)	(1,479,513)
- Expenses not deductible for tax purposes:		
Net foreign currency exchange loss	247,708	1,173,904
Unwinding of discount on contingent consideration (other payables) and put liability for business combination	289,728	1,860,511
Fair value adjustment on subsequent measurement of put liability	-	2,647,907
Derecognition of derivative asset upon expiry of call option	128,678	-
Loss on derivative asset at fair value through profit or loss	-	1,456,365
Others	19,505,471	14,937,279
- Income not subject to tax	(3,283,745)	(3,512,129)
- Income tax at different tax rate	871,101	-
- Others	(146,200)	111,044
Utilisation of deferred tax assets on tax allowance claimable in relation to acquired intellectual property (Note 31)	9,239,806	103,511
Deferred tax assets not recognised	67,060	804,654
Recognition of deferred tax assets previously not recognised	(688)	(6,551,684)
Deferred tax on undistributed profits of subsidiaries (Note 31)	(191,645)	(329,154)
Effect of temporary difference originating and reversing during the pioneer period	(2,233,157)	1,505,685
Utilisation of tax losses previously not recognised	(17,489)	(143,741)
Utilisation of bilateral tax credit	(12,741,706)	(5,610,886)
Expiration of tax losses previously not recognised	-	(2,403,704)
Over provision of income tax in prior financial years	(39,286)	(3,717,876)
Under/(over) provision of deferred tax in prior financial years	34,361	(1,686,454)
Income tax expense for the year	46,423,999	40,714,306
Foreign and withholding tax	2,730,129	2,944,098
	49,154,128	43,658,404

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 2022

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"), are Multimedia Super Corridor Status Companies and enjoy the incentives, rights and privileges provided for under the Bill of Guarantees.

The pioneer period of these subsidiaries are 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

2. Seven 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.

- QR Retail Automation (Asia) Sdn. Bhd.
- Silverlake Structured Services Sdn. Bhd.
- Silverlake Axis MSC 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	
	2022	**2021**
Profit net of tax attributable to owners of the parent (RM)	182,152,841	143,086,927
Weighted average number of ordinary shares for basic earnings per share computation *	2,660,008,090	2,605,099,947
Basic earnings per share (RM sen)	6.85	5.49
Weighted average number of ordinary shares for diluted earnings per share computation	2,660,008,090	2,605,099,947
Diluted earnings per share (RM sen)	6.85	5.49

* 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 2022

11. Property, plant and equipment

Group	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Total RM
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 2022

11. Property, plant and equipment (cont'd)

Group	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Total RM
At 30 June 2021				
Cost				
At 1 July 2020	7,861,755	1,013,692	15,426,841	24,302,288
Additions	271,627	202,939	904,997	1,379,563
Disposals	(47,383)	-	(15,883)	(63,266)
Written off	(1,320)	-	(819,086)	(820,406)
Transfer (Note a)	-	-	(9,069)	(9,069)
Currency translation differences	(11,960)	1,204	(8,043)	(18,799)
At 30 June 2021	8,072,719	1,217,835	15,479,757	24,770,311
Accumulated depreciation				
At 1 July 2020	295,540	506,616	9,915,263	10,717,419
Charge for the year (Note 7)	1,159,123	139,310	1,992,104	3,290,537
Disposals	(28,245)	-	(13,697)	(41,942)
Written off	(6,592)	-	(796,706)	(803,298)
Transfer (Note a)	-	-	(8,879)	(8,879)
Currency translation differences	15,906	104	7,561	23,571
At 30 June 2021	1,435,732	646,030	11,095,646	13,177,408
Accumulated impairment losses				
At 1 July 2020	19,602	-	-	19,602
Disposals	(19,138)	-	-	(19,138)
Currency translation differences	(464)	-	-	(464)
At 30 June 2021	-	-	-	-
Net carrying amount	6,636,987	571,805	4,384,111	11,592,903

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

11. Property, plant and equipment (cont'd)

Company	Office equipment RM
At 30 June 2022	
Cost	
At 1 July 2021	7,381
Additions	38,358
Transfer (Note a)	(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)	(3,371)
Currency translation differences	153
At 30 June 2022	6,969
Net carrying amount	35,039
At 30 June 2021	
Cost	
At 1 July 2020	7,347
Currency translation differences	34
At 30 June 2021	7,381
Accumulated depreciation	
At 1 July 2020	4,531
Charge for the year	886
Currency translation differences	28
At 30 June 2021	5,445
Net carrying amount	1,936

(a)(i) Transfer of assets

During the financial year, office equipment with net carrying amount of RM1,124 (2021: RM190) was transferred to a former director of the Company (2021: Two former key management personnel of the Group) as retirement gratuity.

The amounts are included in "other employee benefits" in Note 8.

(a)(ii) Transfer of ownership at the end of the lease term

During the financial year, furniture and fittings, motor vehicle and office equipment with net carrying amount of RM418,283 (2021: Nil) 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 the lease term.

Assets pledged as security for borrowings

Property, plant and equipment of a subsidiary with an aggregate carrying amount of RM336,148 (2021: RM264,002) are pledged to secure the term loan facility of that subsidiary (Note 29).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

12. Right-of-use assets

Group	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Office premises RM	Total RM
At 30 June 2022					
Cost					
At 1 July 2021	750,532	4,278,347	1,466,368	56,164,039	62,659,286
Additions	-	-	70,092	-	70,092
Modification/Remeasurement	-	-	-	4,636,937	4,636,937
Disposals	-	(299,911)	(24,001)	-	(323,912)
Expiration of the lease contract	-	-	-	(26,566)	(26,566)
Transfer (Note a)	(750,532)	(150,187)	(78,732)	-	(979,451)
Currency translation differences	-	(34,792)	(5,724)	(228,848)	(269,364)
At 30 June 2022	-	3,793,457	1,428,003	60,545,562	65,767,022
Accumulated depreciation					
At 1 July 2021	384,648	2,293,814	378,179	33,531,394	36,588,035
Charge for the year (Note 7)	-	620,456	294,694	8,306,712	9,221,862
Modification/Remeasurement	-	-	-	(4,429,853)	(4,429,853)
Disposals	-	(299,910)	(14,368)	-	(314,278)
Expiration of the lease contract	-	-	-	(26,566)	(26,566)
Transfer (Note a)	(384,648)	(114,518)	(62,002)	-	(561,168)
Currency translation differences	-	(34,656)	(3,705)	(296,719)	(335,080)
At 30 June 2022	-	2,465,186	592,798	37,084,968	40,142,952
Net carrying amount	-	1,328,271	835,205	23,460,594	25,624,070

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

12. Right-of-use assets (cont'd)

Group	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Office premises RM	Total RM
At 30 June 2021					
Cost					
At 1 July 2020	750,532	4,713,489	222,807	55,026,417	60,713,245
Additions	-	415,137	1,247,364	415,170	2,077,671
Modification/Remeasurement	-	-	-	570,207	570,207
Disposals	-	(413,508)	(6,456)	-	(419,964)
Transfer (Note a)	-	(457,440)	-	-	(457,440)
Currency translation differences	-	20,669	2,653	152,245	175,567
At 30 June 2021	750,532	4,278,347	1,466,368	56,164,039	62,659,286
Accumulated depreciation					
At 1 July 2020	272,068	2,247,351	98,360	29,304,063	31,921,842
Charge for the year (Note 7)	112,580	659,050	281,805	9,342,866	10,396,301
Modification/Remeasurement	-	-	-	(5,255,266)	(5,255,266)
Disposals	-	(354,639)	(3,638)	-	(358,277)
Transfer (Note a)	-	(270,247)	-	-	(270,247)
Currency translation differences	-	12,299	1,652	139,731	153,682
At 30 June 2021	384,648	2,293,814	378,179	33,531,394	36,588,035
Net carrying amount	365,884	1,984,533	1,088,189	22,632,645	26,071,251

(a)(i) Transfer of assets

In the previous financial year, motor vehicles with net carrying amount of RM187,193 were transferred to two former key management personnel of the Group as retirement gratuity.

The amounts are included in "other employee benefits" in Note 8.

(a)(ii) Transfer of ownership at the end of the lease term

During the financial year, furniture and fittings, motor vehicle and office equipment with net carrying amount of RM418,283 (2021: Nil) 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 the lease term.

Remeasurement 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

The carrying amount of right-of-use assets of the Group held under finance leases as at the reporting date were RM2,138,880 (2021: RM3,279,082), of which RM2,138,880 (2021: RM2,913,198) are pledged as security for the related finance lease liabilities.

Assets pledged as security for borrowings

Right-of-use assets of a subsidiary with an aggregate carrying amount of RM82,809 (2021: RM211,510) are pledged to secure the term loan facility of that subsidiary (Note 29).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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 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 2022

13. Intangible assets (cont'd)

Group	Software development expenditure RM	Purchased software RM	Proprietary software RM	Customer relationship RM	Customer contracts RM	Goodwill RM	Total RM
At 30 June 2021							
Cost							
At 1 July 2020	189,219,840	9,479,498	93,002,393	28,530,672	2,016,000	157,994,923	480,243,326
Additions							
- internal development	39,417,090	-	-	-	-	-	39,417,090
- purchased	-	723,915	-	-	-	-	723,915
Currency translation differences	(927,182)	68,100	596,082	45,755	-	822,053	604,808
At 30 June 2021	227,709,748	10,271,513	93,598,475	28,576,427	2,016,000	158,816,976	520,989,139
Accumulated amortisation							
At 1 July 2020	83,219,052	6,385,777	54,506,505	13,498,837	2,016,000	-	159,626,171
Charge for the year (Note 7)	11,758,557	67,516	9,312,570	2,473,636	-	-	23,612,279
Currency translation differences	(330,154)	70,180	144,499	(49,165)	-	-	(164,640)
At 30 June 2021	94,647,455	6,523,473	63,963,574	15,923,308	2,016,000	-	183,073,810
Accumulated impairment losses							
At 1 July 2020/30 June 2021	3,569,088	2,962,753	-	-	-	14,056,000	20,587,841
Net carrying amount	129,493,205	785,287	29,634,901	12,653,119	-	144,760,976	317,327,488

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

13. Intangible assets (cont'd)

Software development expenditure
Included in software development expenditure capitalised during the financial year is employee benefits expense amounted to RM29,605,576 (2021: RM31,715,468) (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.

Proprietary software
Proprietary software represents software acquired through the acquisition of SIA X Infotech Group ("XIT") Group (Note 14(a)), 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:

	2022 RM	2021 RM
Payments and integration solution	18,634,389	17,878,841
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	17,854,523	16,838,263
Digital identity and security software solution	45,687,940	49,117,517
	143,103,207	144,760,976

13. Intangible assets (cont'd)

Amortisation expense
The amortisation of intangible assets (other than goodwill) of RM23,725,260 (2021: RM23,612,279) (Note 7) 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 (2021: 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.

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	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Discount rate	14%	13%	13%	13%	12%	12%	13%	13%	13%	12%
Terminal growth rate	2%	2%	3%	4%	3%	4%	3%	4%	3%	4%

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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

14. Investments in subsidiaries

	Company 2022 RM	Company 2021 RM
Shares at cost, unquoted		
At beginning of the year	2,353,459,541	2,358,991,046
Incorporation of a subsidiary and additional investment	-	918,390
Contribution to a subsidiary	2,012,850	-
Liquidation of a subsidiary	-	(17,191,355)
Currency translation differences	55,657,623	10,741,460
At end of the year	2,411,130,014	2,353,459,541
Accumulated impairment losses		
At beginning of the year	292,667,283	125,880,513
Impairment loss for the year	-	182,094,493
Liquidation of a subsidiary	-	(17,191,355)
Currency translation differences	6,924,230	1,883,632
At end of the year	299,591,513	292,667,283
Net carrying amount	2,111,538,501	2,060,792,258

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Proportion of ownership interest held 2022 %	Proportion of ownership interest held 2021 %
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. ("SAACIS") *	Software licensing and the rendering of enhancement services	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 ("STTL") *	Investment holding	Hong Kong	100	100
Symmetric Payments & Integration Holdings Pte. Ltd. ("SPI") *	Investment holding, sales of computer software and support services	Singapore	100	100

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Country of incorporation	Proportion of ownership interest held 2022 %	2021 %
Held by the Company: (cont'd)				
Merimen Ventures Sdn. Bhd. ("Merimen") *#	Investment holding and provision of electronic insurance claim solution services	Malaysia	100	100
Cyber Village Sdn. Bhd. ("CVSB") *	Provision of internet and mobile services, portal, customer loyalty and e-commerce solutions and services	Malaysia	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") (Note b) *	Investment holding	Singapore	100	100
SIA X Infotech Group ("XIT") (Note a) ^	Investment holding	Latvia	80	80
Silvirture Limited *	Investment holding	Hong Kong	100	100
Fermion Pte. Ltd. ("FPL") * (formerly known as Silverlake Investment Holding Pte. Ltd.)	Investment holding	Singapore	100	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
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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Country of incorporation	Proportion of ownership interest held 2022 %	2021 %
Held by SGSS: (cont'd)				
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 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
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 Automotive Group Sdn. Bhd. *#	Investment holding for the commercialisation of Software-as-a-Service solutions for automotive industry	Malaysia	-	100
Merimen Technologies Japan K. K. ^^	Provision of electronic insurance claim solution services and other services	Japan	100	100

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Country of incorporation	Proportion of ownership interest held 2022 %	2021 %
Held by Merimen: (cont'd)				
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
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 (Thailand) Limited ^^^	Dormant	Thailand	-	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
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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

14. Investments in subsidiaries (cont'd)

Name of subsidiaries	Principal activities	Country of incorporation	Proportion of ownership interest held 2022 %	2021 %
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 management services	Malaysia	100	100
Fermion Labs Sdn. Bhd. *# (formerly known as Merimen Automotive Group Sdn. Bhd.)	Investment holding for the commercialisation of Software-as-a-Service solutions for automotive industry	Malaysia	100	-

* Audited by Ernst & Young Global network firm
^ Audited by SIA Deloitte Audits Latvia
^^ Audited by Baker Tilly, Japan
^^^ Audited by PricewaterhouseCoopers, Thailand. Dissolved on 15 October 2021
^^^^ Audited by Deloitte, Kenya
\# 100% issued share capital of Merimen Automotive Group Sdn. Bhd. ("MAGSB") was transferred from Merimen Ventures Sdn. Bhd. to Silverlake Fermion Sdn. Bhd. on 20 October 2021, and MAGSB had subsequently changed its name to Fermion Labs Sdn. Bhd. ("FLSB"). Subsequent to the financial year end, 100% issued share capital of FLSB was transferred to Fermion Pte. Ltd. on 8 July 2022.

Acquisition of subsidiaries

Financial year ended 30 June 2019

(a) 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.

14. Investments in subsidiaries (cont'd)

Acquisition of subsidiaries (cont'd)

Financial year ended 30 June 2019 (cont'd)

(a) SIA X Infotech Group ("XIT") (cont'd)

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 current financial year. 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 current financial year; and
- 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.

Subsequent measurement of financial liability on put option before derecognition

XIT Group achieved a FY2021 Adjusted NPAT that was higher than that estimated in the previous financial year. Accordingly, the fair value of the put liability had been remeasured at a discount rate of 12% with a fair value adjustment of RM15,575,922 (Note 7) recognised in the consolidated income statement for the financial year ended 30 June 2021. Subsequently during the 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. As mentioned in (a)(iii) above, this put option has lapsed.

Financial year ended 30 June 2018

(b) Silverlake Investment (SG) Pte. Ltd. ("SISG")

On 18 April 2018, the Company acquired 100% equity interest in Silverlake Investment Ltd. ("SIL"), a private company incorporated in Bermuda. SIL had been redomiciled and transferred its company registration to Singapore in accordance with Section 359(1) of the Singapore Companies Act 1967 under the name of Silverlake Investment (SG) Pte. Ltd. ("SISG") in the financial year ended 30 June 2020.

Consideration for acquisition of SISG Group

The purchase consideration comprises:

(i) a Base Consideration of RM154,915,719 (equivalent to SGD49,776,916) satisfied by the reissuance of 70,108,332 treasury shares of the Company, at the agreed issue price of SGD0.71 per share ("Agreed Issue Price"), amounting to RM123,811,314 upon completion in the financial year ended 30 June 2018 ("FY2018"); and

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

14. Investments in subsidiaries (cont'd)

Acquisition of subsidiaries (cont'd)

Financial year ended 30 June 2018 (cont'd)

(b) Silverlake Investment (SG) Pte. Ltd. ("SISG") (cont'd)

Consideration for acquisition of SISG Group (cont'd)

The purchase consideration comprises: (cont'd)

(ii) an Earn-Out Consideration ("Contingent consideration") recognised in FY2018 and settled in cash and/or shares in the previous financial year, as summarised below:

	Group and Company
	2021 **RM**
Contingent consideration at the acquisition date	233,743,461
Unwinding of discount on contingent consideration payable (cumulative)	64,562,877
Fair value changes recognised in profit or loss (cumulative)	(11,334,351)
Fair value changes recognised in equity (Note 26(c)(ii))	(149,414,493)
Settlement by way of:	
- Cash payment	(57,401,360)
- Release of treasury shares (Note 26(c)(ii))	(79,175,550)
Currency translation differences	(980,584)
Contingent consideration payable at end of the year	-

Contribution to a subsidiary

During the financial year, the Company provided capital contribution of RM2,012,850 to a subsidiary pursuant to the Silverlake Axis Ltd. Performance Share Plan (Note 26(d)(ii)).

Impairment testing of investments in subsidiaries

In the previous financial year, investment in a subsidiary was impaired by RM182,094,493 to its recoverable amount subsequent to its declaration of a dividend of RM182,653,995, following the completion of the Group's internal restructuring exercise in respect of this entity. The subsidiary has ceased operations and is expected to remain dormant for the foreseeable future.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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 that is material to the Group.

Name of subsidiary	Principal place of business	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
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 2022 RM
Non-current assets	8,008,951
Current assets	20,019,999
Total assets	28,028,950
Non-current liabilities	506,529
Current liabilities	24,116,534
Total liabilities	24,623,063
Total equity	3,405,887
Goodwill and intangible assets	61,886,736
Group's carrying amount of the investment	65,292,623
Attributable to:	
Owners of the Company	52,234,098
NCI	13,058,525
	65,292,623

(ii) Summarised statement of comprehensive income after the expiry of put and call option

	XIT 2022 RM
Revenue	8,297,317
Profit before tax	2,723,552
Tax expense	(4,463)
Profit after tax and total comprehensive income	2,719,089
Profit attributable to:	
Owners of the Company	2,175,272
NCI	543,817
	2,719,089

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

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 after the expiry of put and call option

	XIT 2022 RM
Net cash outflows from operating activities	(718,981)
Net cash outflows from investing activities	(215,409)
Net cash outflows from financing activities	(194,879)
Net decrease in cash and cash equivalents	(1,129,269)

* During the financial year, the put option granted by the Company to the seller and the call option granted by the seller to the Company were not exercised within the stipulated period. Upon the expiry of the put and call option, 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 has been recognised in retained earnings in the current 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.

15. Interest in a joint venture

	Group
	2021 RM
At beginning of the year	696
Liquidation of investment	(116)
Share of loss for the year	(565)
Share of other comprehensive loss	(22)
Currency translation differences	7
At end of the year	-

The Group's interest in the joint venture, Silverlake HGH Limited ("SHGH"), a corporation incorporated in New Zealand, was accounted for using the equity method in the consolidated financial statements. SHGH was liquidated in the previous financial year.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

16. Investment in an associate

	Group	
	2022 RM	**2021 RM**
Shares at cost, at end of the year	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 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. No share of post-acquisition reserves has been recognised in the current financial year. The summarised financial information of the Group's investment in Ancileo is provided below.

(i) Summarised statement of financial position

	Unaudited Ancileo 2022 RM
Non-current assets	133,038
Current assets	1,055,925
Current liabilities	(435,705)
Total equity	753,258
Group's share in equity	163,306
Goodwill	5,955,368
Group's carrying amount of the investment	6,118,674

The associate had no contingent liabilities or capital commitments as at 30 June 2022.

(ii) Summarised statement of comprehensive income

	Unaudited Ancileo 2022 RM
Revenue	4,906,149
Profit before tax	499,428
Tax expense	(45,659)
Profit for the year and total comprehensive income	453,769

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

17. Financial assets at fair value through other comprehensive income - quoted equity shares

	Group	
	2022 RM	2021 RM
Shares at fair value, quoted		
At beginning of the year	288,154,976	310,166,620
Addition	735,000	-
Subsequent fair value loss through other comprehensive income (Note 27(d))	(91,480,413)	(11,858,296)
Currency translation differences	10,486,300	(10,153,348)
At end of the year	207,895,863	288,154,976
Presented as:		
Current	206,250,863	288,154,976
Non-current	1,645,000	-
	207,895,863	288,154,976

At the reporting date, these represent investment in equity interest in Global InfoTech Co. Ltd. and a new 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.

18. Derivative asset

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Financial asset at fair value	1,137,060	752,296	-	752,296
Presented as:				
Current	-	752,296	-	752,296
Non-current	1,137,060	-	-	-
	1,137,060	752,296	-	752,296

Current assets
This represents the fair value of call option in connection with the acquisition of the remaining 20% equity interest in SIA X Infotech Group ("XIT Group"), accounted for as a derivative asset in accordance with SFRS(I) 9 Financial Instruments. As the Company did not exercise the call option within the stipulated period in current 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.

Non-current assets
This represents the fair value of call option in connection with the Second Tranche Acquisition of Ancileo Pte. Ltd. as disclosed in Note 16(b), accounted for as a derivative asset in accordance with SFRS(I) 9 Financial Instruments. The derivative asset is exercisable in the financial year ending 30 June 2024 and any subsequent changes in fair value shall be recognised in profit or loss.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

19. Inventories

	Group	
	2022 RM	**2021 RM**
Finished products for re-sale	432,012	622,071

Inventories recognised as an expense under "Cost of sales" in the consolidated income statement for the financial year ended 30 June 2022 amounted to RM1,675,530 (2021: RM2,037,369).

20. Trade and other receivables

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Trade receivables				
Third parties	124,625,632	139,354,331	-	-
Less: Expected credit losses (Note 38(c))	(7,634,980)	(9,124,618)	-	-
Net trade receivables (Note 38(c))	116,990,652	130,229,713	-	-
Other receivables				
Sundry receivables	7,234,733	5,353,127	46,718	3,553
Deposits	3,418,351	3,334,925	-	-
	10,653,084	8,688,052	46,718	3,553
Total trade and other receivables	127,643,736	138,917,765	46,718	3,553
Trade and other receivables	127,643,736	138,917,765	46,718	3,553
Amounts due from:				
- Subsidiaries (Note 22)	-	-	152,730,500	203,662,763
- Related parties (Note 22)	16,892,738	8,035,057	-	-
Loan to a subsidiary (Note 23)	-	-	-	29,157,975
Total debt instruments at amortised cost *	144,536,474	146,952,822	152,777,218	232,824,291

* Debt instruments at amortised cost, other than cash and short-term deposits

Trade receivables
Trade receivables are non-interest bearing and are generally on 30 days to 45 days (2021: 30 days to 45 days) term. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

As at 30 June 2022, the Group's significant concentration of credit risk is as disclosed in Note 38(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 38(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 38(c).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

21. Contract assets/(liabilities)

	Group	
	2022 RM	**2021 RM**
Contract assets		
Amounts due from customers for contract work-in-progress	65,376,171	49,971,123
Advance maintenance costs	7,509,710	7,280,647
Prepaid license and hardware costs	1,610,151	1,532,667
	74,496,032	58,784,437
Less: Expected credit losses (Note 38(c))	(567,013)	(190,346)
Net contract assets	73,929,019	58,594,091
Contract liabilities		
Amounts due to customers for contract work-in-progress	(42,090,688)	(16,437,686)
Advance maintenance fees	(77,114,922)	(82,070,719)
Deferred revenue	(11,952,764)	(10,312,396)
	(131,158,374)	(108,820,801)

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.

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	
	2022 RM	**2021 RM**
Amounts included in contract liabilities at the beginning of the year	101,132,535	104,032,658

Included in contract assets capitalised during the financial year is employee benefits expense amounted to RM1,872,643 (2021: RM796,721) (Note 8).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

22. Amounts due from/(to) subsidiaries and related parties

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amounts due from subsidiaries (Note 20)				
- Current	-	-	64,981	203,662,763
- Non-current	-	-	152,665,519	-
	-	-	152,730,500	203,662,763
Amounts due to subsidiaries (Note 32)	-	-	(4,069,033)	(1,640,659)
Amounts due from related parties (Note 20)				
- Trade (Note 38(c))	16,827,599	7,961,527	-	-
- Non-trade	65,139	73,530	-	-
	16,892,738	8,035,057	-	-
Amounts due to related parties (Note 32)				
- Trade	(332,808)	(769,130)	-	-
- Non-trade	(61,466)	(598,175)	-	(123,828)
	(394,274)	(1,367,305)	-	(123,828)

Amounts due from/(to) subsidiaries
The non-current 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 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 RM4,298,050 (2021: RM1,289,230) which carry interest at 1.0% (2021: 1.0%) per month for debts past due credit terms. The trade amounts due from related parties have a credit term of 30 days (2021: 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 36(a).

Other information on financial risks of amounts due from/(to) subsidiaries and related parties are disclosed in Note 38.

23. Loan to a subsidiary

	Company
	2021 RM
Loan to a subsidiary	29,157,975

Loan to a subsidiary was unsecured, repayable on demand and bore interest at 3.5% per annum as at the previous financial year end.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

24. Financial assets at fair value through profit or loss - money market fund

	Group	
	2022 RM	2021 RM
Money market fund	54,659,549	27,665,942

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.

25. Cash and bank balances

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash at banks and on hand	238,845,124	252,992,527	17,854,114	10,856,371
Short-term deposits with licensed banks	319,211,769	164,125,658	164,490,397	62,080,260
Cash and bank balances	558,056,893	417,118,185	182,344,511	72,936,631

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 (2021: one day and twelve months) depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates. As at 30 June 2022, the interest rates of short-term deposits of the Group and of the Company at the reporting date range from 0.05% to 4.25% (2021: 0.01% to 5.50%) and 0.22% to 1.35% (2021: 0.01% to 0.15%) per annum respectively.

As at 30 June 2022, short-term deposits with licensed banks of the Group amounting to RM9,122,117 (2021: RM9,777,050) 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	
	2022 RM	2021 RM
Cash and bank balances	558,056,893	417,118,185
Less: Pledged deposits	(9,122,117)	(9,777,050)
Cash and cash equivalents	548,934,776	407,341,135

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

26. 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	
	2022	2021
At beginning of the year	5,000,000,000	5,000,000,000
At end of the year *	-	5,000,000,000

* 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.

(ii) Issued and fully paid

	Group and Company			
	Number of ordinary shares of USD0.02 each		Amount	
	2022	2021	2022 RM	2021 RM
At beginning of the year	2,696,472,800	2,696,472,800	191,040,654	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	191,040,654

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	
	2022 RM	2021 RM	2022 RM	2021 RM
At beginning of the year	186,497,272	236,820,722	1,654,159,433	1,704,482,883
Arising from:				
- Release of treasury shares pursuant to Performance Share Plan (Note d)	-	(1,848,623)	-	(1,848,623)
- Release of treasury shares for payment of contingent consideration for business combination (Note c(ii))	-	(48,474,827)	-	(48,474,827)
- Reversal of set off against merger deficit (Note 28) *	1,467,662,161	-	-	-
- Reclassification to share capital (Note a(ii))	(1,654,159,433)	-	(1,654,159,433)	-
At end of the year	-	186,497,272	-	1,654,159,433

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

26. Share capital, share premium, treasury shares and performance share plan (cont'd)

(b) Share premium (cont'd)

* 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.

(c) Treasury shares

	Group and Company	
	Number of treasury shares	**RM**
At 1 July 2020	107,115,868	138,541,079
Purchase of treasury shares (Note (i)(a))	23,874,400	20,424,812
Release of treasury shares pursuant to Performance Share Plan (Note d)	(4,500,000)	(5,545,869)
Release of treasury shares for payment of contingent consideration for business combination (Note (ii))	(105,921,177)	(127,650,377)
At 30 June 2021	20,569,091	25,769,645
At 1 July 2021	20,569,091	25,769,645
Purchase of treasury shares by way of:		
- Market acquisition (Note (i)(a))	1,432,400	1,309,938
- Off-market acquisition on equal access scheme (Note (i)(b))	170,230,988	177,264,081
Release of treasury shares pursuant to Performance Share Plan (Note d)	(6,100,000)	(6,567,961)
At 30 June 2022	186,132,479	197,775,703

Treasury shares relate to ordinary shares of the Company that are held by the Company.

(i) Purchase of treasury shares

During the financial year, the Company purchased 171,663,388 (2021: 23,874,400) shares pursuant to the share purchase mandate approved by shareholders on 27 October 2021 (2021: 27 October 2020). These shares were acquired as follows:

(a) 1,432,400 (2021: 23,874,400) shares by way of market acquisition for a total consideration of RM1,309,938 (2021: RM20,424,812); and
(b) 170,230,988 (2021: Nil) shares by way of off-market acquisition on equal access scheme* for a consideration of RM177,264,081 (2021: Nil).

* 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.

(ii) Release of treasury shares for payment of contingent consideration for business combination

On 31 March 2021, the Company settled the Earn-Out Consideration ("EOC") for the acquisition of Silverlake Investment (SG) Pte. Ltd. ("SISG Group") as follows:

(a) 20% of EOC by way of cash payment of RM57,401,360; and
(b) the remaining 80% of EOC with the Company's shares ("EOC Shares").

Accordingly, 105,921,177 shares were released from the Company's existing treasury shares to the vendors. As the fair value of the EOC Shares, at SGD0.245 per share on date of settlement, was lower than the agreed issue price of SGD0.71 per share as stipulated in the share sale and purchase agreement, a gain of RM149,414,493 (Note 14(b)(ii)) was recognised in equity in the previous financial year. The deficit on reissuance of treasury shares of RM48,474,827 was recognised in the share premium account (Note b).

The percentage of treasury shares over total ordinary shares net treasury shares amounts to 7.4% (2021: 0.8%).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

26. Share capital, share premium, treasury shares and performance share plan (cont'd)

(d) Performance share plan ("PSP")

	Group and Company	
	2022 RM	2021 RM
At beginning of the year	-	-
Grant of PSP	6,139,192	3,697,246
Release of PSP	(6,139,192)	(3,697,246)
At end of the year	-	-

(i) PSP shares granted to Group Managing Director

On 2 June 2022, 4,100,000 (2021: 4,500,000) (Note c) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.315 (2021: SGD0.27) per share at grant date, amounted to RM4,126,342 (2021: RM3,697,246) to the Group Managing Director, Andrew Tan Teik Wei, in recognition of his service and contribution to the Group for the financial years ended 30 June 2021 (2021: 30 June 2019 and 2020).

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 2 June 2022, 2,000,000 (Note c) PSP shares were awarded and released from the Company's existing treasury shares at the market price of SGD0.315 per share at grant date, amounted to RM2,012,850 to 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 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 deficit on reissuance of treasury shares of RM428,769 (2021: RM1,848,623) was recognised in the loss on reissuance of treasury shares reserve (Note 27(e)) (2021: Share premium account (Note b)).

27. Other reserves

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Foreign currency translation reserve	(a)	48,551,474	31,029,474	67,786,715	12,090,091
Capital reserve	(b)	466,828	466,828	-	-
Statutory reserve	(c)	141,159	141,159	-	-
Fair value reserve of financial assets at FVOCI	(d)	(111,833,934)	(29,582,042)	-	-
Loss on reissuance of treasury shares	(e)	(428,769)	-	(428,769)	-
		(63,103,242)	2,055,419	67,357,946	12,090,091

(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.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

27. Other reserves (cont'd)

(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.

(d) Fair value reserve of financial assets at fair value through other comprehensive income ("FVOCI")

	Fair value loss on financial assets RM	Deferred tax relating to fair value loss on financial assets (Note 31) RM	Total RM
Group			
At 1 July 2020	20,570,565	(1,589,347)	18,981,218
Remeasurement of financial assets (Note 17)	11,858,296	(1,257,472)	10,600,824
At 30 June 2021	32,428,861	(2,846,819)	29,582,042
At 1 July 2021	32,428,861	(2,846,819)	29,582,042
Remeasurement of financial assets (Note 17)	91,480,413	(9,228,521)	82,251,892
At 30 June 2022	123,909,274	(12,075,340)	111,833,934

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 26(d) above. As at current and previous reporting date, there were no outstanding shares awarded.

The above reserves are not available for dividend distribution to shareholders.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

28. Merger deficit

	Group	
	2022 RM	2021 RM
At beginning of the year	476,280,829	476,280,829
Reclassification from share premium (Note 26(b))	1,467,662,161	-
At end of the year	1,943,942,990	476,280,829

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.

29. Loans and borrowings

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Current				
Unsecured				
Lease liabilities (Note 30)	6,577,967	8,156,946	-	-
	6,577,967	8,156,946	-	-
Secured				
Lease liabilities (Note 30)	790,227	968,970	-	-
Term loan	225,876	254,963	-	-
	1,016,103	1,223,933	-	-
	7,594,070	9,380,879	-	-
Non-current				
Unsecured				
Lease liabilities (Note 30)	17,398,476	15,278,014	-	-
Revolving credit - Committed	175,341,516	-	175,341,516	-
	192,739,992	15,278,014	175,341,516	-
Secured				
Lease liabilities (Note 30)	587,696	1,310,156	-	-
Term loan	-	242,832	-	-
	587,696	1,552,988	-	-
	193,327,688	16,831,002	175,341,516	-
Total loans and borrowings (Note 32)	200,921,758	26,211,881	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 30.

Term loan - fixed rate
This loan is 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% (2021: 4.0%) per annum.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

29. Loans and borrowings (cont'd)

Committed and uncommitted revolving credit facility - floating rate

(i) During the financial year, the Company has 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 SGD56,000,000, equivalent to RM175,341,516. The average effective interest rate of this committed revolving credit at the reporting date was 1.97% per annum. There was no amount drawdown from the uncommitted revolving credit facility as at the reporting date.

(ii) A subsidiary has an uncommitted revolving credit facility. There was no amount drawdown as at the current and previous reporting date.

30. 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 2020	26,093,303	2,349,220	28,442,523
Additions (Note 39)	415,170	1,600,364	2,015,534
Modification/Remeasurement (Note 39)	6,038,462	-	6,038,462
Accretion of interest (Note 6)	933,356	123,477	1,056,833
Payments	(10,069,038)	(1,792,102)	(11,861,140)
Currency translation differences	23,707	(1,833)	21,874
At 30 June 2021	23,434,960	2,279,126	25,714,086
At 1 July 2021	23,434,960	2,279,126	25,714,086
Additions (Note 39)	-	70,092	70,092
Modification/Remeasurement (Note 39)	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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

30. Lease liabilities (cont'd)

The maturity analysis of lease liabilities is as follows:

	Group					
	2022			2021		
	Unsecured RM	Secured RM	Total RM	Unsecured RM	Secured RM	Total RM
Future minimum lease payments:						
Not later than one year	7,123,032	858,148	7,981,180	8,807,494	1,059,665	9,867,159
Later than one year but not later than five years	17,297,152	626,980	17,924,132	15,903,210	1,417,015	17,320,225
Later than five years but not later than seven years	967,806	24,211	992,017	-	24,212	24,212
Total future minimum lease payments (Note 38(b))	25,387,990	1,509,339	26,897,329	24,710,704	2,500,892	27,211,596
Less: Amounts representing finance charges	(1,411,547)	(131,416)	(1,542,963)	(1,275,744)	(221,766)	(1,497,510)
Present value of lease liabilities	23,976,443	1,377,923	25,354,366	23,434,960	2,279,126	25,714,086
The present value of the lease liabilities may be analysed as follows:						
Not later than one year	6,577,967	790,227	7,368,194	8,156,946	968,970	9,125,916
Later than one year but not later than five years	16,442,162	563,713	17,005,875	15,278,014	1,286,172	16,564,186
Later than five years but not later than seven years	956,314	23,983	980,297	-	23,984	23,984
	23,976,443	1,377,923	25,354,366	23,434,960	2,279,126	25,714,086
Presented as:						
Current (Note 29)	6,577,967	790,227	7,368,194	8,156,946	968,970	9,125,916
Non-current (Note 29)	17,398,476	587,696	17,986,172	15,278,014	1,310,156	16,588,170
	23,976,443	1,377,923	25,354,366	23,434,960	2,279,126	25,714,086

The following are the amounts recognised in profit or loss:

	Group	
	2022 RM	2021 RM
Depreciation of right-of-use assets (Note 7 and 12)	9,221,862	10,396,301
Interest expense on lease liabilities (Note 6)	746,263	1,056,833
Expenses (included in administrative expenses) (Note 7) relating to:		
- Short-term leases	934,655	886,043
- Leases of low-value assets	1,782,057	2,087,647
	2,716,712	2,973,690
Total amount recognised in profit or loss	12,684,837	14,426,824

The Group had total cash outflows for leases of RM12,960,098 (2021: RM14,834,830), and non-cash additions to right-of-use assets and lease liabilities of RM70,092 (2021: RM2,015,534) for the financial year ended 30 June 2022.

The weighted average incremental borrowing rate of unsecured lease liabilities was 2.59% (2021: 3.39%).

The effective interest rates for secured lease liabilities at the reporting date ranged from 1.88% to 3.20% (2021: 1.88% to 4.60%) per annum.

31. Deferred tax

	Group	
	2022 **RM**	**2021** **RM**
At beginning of the year	(10,043,408)	(4,547,721)
Recognised in income statement (Note 9):		
Provision in current year	2,612,138	(2,215,366)
Under/(over) provision in prior financial years	34,361	(1,686,454)
Recognised in other comprehensive income:		
Provision in current year	(9,000,115)	(997,809)
Under/(over) provision in prior financial years	23,322	(65,550)
Currency translation differences	(145,991)	(530,508)
At end of the year	(16,519,693)	(10,043,408)
Presented after appropriate offsetting as follows:		
Deferred tax assets	(82,133,717)	(78,692,941)
Offsetting	23,946,632	18,482,457
Deferred tax assets (after offsetting)	(58,187,085)	(60,210,484)
Deferred tax liabilities	65,614,024	68,649,533
Offsetting	(23,946,632)	(18,482,457)
Deferred tax liabilities (after offsetting)	41,667,392	50,167,076
Deferred tax	(16,519,693)	(10,043,408)

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.

31. 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 2020	15,342,088	8,772,520	3,155,229	680,579	4,823,066	6,555,008	30,307,574	110,151	69,746,215
Recognised in income statement:									
Provision in current year	5,356,398	(2,024,109)	(528,790)	(66,373)	(962,923)	(329,154)	-	(63,476)	1,381,573
(Over)/under provision in prior financial years	(336,653)	-	-	(29,929)	7,458	-	-	(34,661)	(393,785)
Recognised in other comprehensive income (Note 27(d)):									
Provision in current year	-	-	-	-	-	-	(1,257,472)	-	(1,257,472)
Currency translation differences	925	153,103	12,871	(96)	(4,978)	5,361	(992,586)	(1,598)	(826,998)
At 30 June 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
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 27(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

31. 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 RM	Others RM	Total RM
At 1 July 2020	(3,295,672)	(2,542,338)	(14,428,747)	(16,065,663)	(5,033,745)	(32,208,029)	(719,742)	(74,293,936)
Recognised in income statement:								
Provision in current year	234,517	(302,678)	682,029	(5,261,979)	1,045,773	103,511	(98,112)	(3,596,939)
Over/(under) provision in prior financial years	274,002	1,781	67,266	(81,029)	(12,791)	-	(1,541,898)	(1,292,669)
Recognised in other comprehensive income (Note 34):								
Provision in current year	259,663	-	-	-	-	-	-	259,663
Under provision in prior financial years	(65,550)	-	-	-	-	-	-	(65,550)
Currency translation differences	(87,753)	3,253	5,910	494,674	5,424	(119,674)	(5,344)	296,490
At 30 June 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)
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 34):								
Provision in current year	228,406	-	-	-	-	-	-	228,406
Over 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)

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

31. Deferred tax (cont'd)

As at reporting date, the deferred tax assets have not been recognised in respect of the following items:

	Group	
	2022 RM	**2021 RM**
Unutilised tax losses	5,907,061	6,214,047
Unabsorbed capital allowances	992,111	992,915
Other deductible temporary differences	1,224,822	572,109
	8,123,994	7,779,071

Tax consequences of proposed dividends
There are no income tax consequences (2021: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 35).

Unutilised tax losses
The above unutilised tax losses are subject to agreement with the Inland Revenue Board. 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 RM1,159,190 (2021: RM1,216,631).

Unrecognised earnings
At 30 June 2022, deferred tax liabilities of RM6,086,231 (2021: RM6,231,215) 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 RM2,547,854 (2021: RM1,819,284) has not been recognised.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

32. Trade and other payables

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Trade payables				
Third parties	6,996,367	4,403,686	-	-
Accrual of sub-contractor fees	12,198,781	12,023,373	-	-
Total trade payables	19,195,148	16,427,059	-	-
Other payables				
Sundry payables and accruals	80,435,424	43,813,386	3,344,044	1,875,542
Allowance for unutilised leave	17,361,972	16,682,458	-	-
Total other payables	97,797,396	60,495,844	3,344,044	1,875,542
Total trade and other payables	116,992,544	76,922,903	3,344,044	1,875,542
Trade and other payables	116,992,544	76,922,903	3,344,044	1,875,542
Loans and borrowings (Note 29)	200,921,758	26,211,881	175,341,516	-
Amounts due to:				
- Subsidiaries (Note 22)	-	-	4,069,033	1,640,659
- Related parties (Note 22)	394,274	1,367,305	-	123,828
Total financial liabilities carried at amortised cost	318,308,576	104,502,089	182,754,593	3,640,029

Trade and other payables
These amounts are non-interest bearing. Trade payables are normally settled on 60 days (2021: 60 days) term while other payables have an average term of 6 months (2021: 6 months).

Other information on financial risks of trade and other payables are disclosed in Note 38.

33. Put liability

	Group	
	2022 RM	**2021 RM**
Put liability at acquisition	11,939,294	11,939,294
Unwinding of discount on put liability (cumulative)	4,186,632	2,482,351
Fair value changes recognised in profit or loss (cumulative)	2,776,644	4,237,662
Derecognition of put liability upon expiry	(18,902,570)	-
Put liability at end of the year	-	18,659,307

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.

During the 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 has been recognised in retained earnings in the current financial year.

Other information on financial risks of put liability are disclosed in Note 38.

34. 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 at 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.

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 2022 for financial year ended 30 June 2022 and 9 July 2021 for financial year ended 30 June 2021.

The principal assumptions used in determining the employee benefits liability of the Indonesia plan are shown below:

Principal actuarial assumptions:

	2022	2021
Discount rate	7.75%	7.50%
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 age 57	10% to age 35, then decreasing linearly to 0% at age 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 1 July 2022 for financial year ended 30 June 2022 and 1 July 2021 for financial year ended 30 June 2021.

The principal assumptions used in determining the employee benefits liability of the Indonesia plan are shown below:

Principal actuarial assumptions:

	2022	2021
Discount rate	7.75%	8.00%
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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

34. 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 9 July 2021 for financial years ended 30 June 2022 and 30 June 2021.

The principal assumptions used in determining the employee benefits liability of the Thailand plan are shown below:

Principal actuarial assumptions:

	2022	2021
Discount rate	1.90%	1.90%
Salary increment rate	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	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	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	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 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:

	2022
Discount rate	4.40%
Salary increment rate	10% per annum
Mortality rate	Thailand Mortality Ordinary 2017 Table
Disability rate	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

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

34. 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 year ended 30 June 2022 and 3 July 2020 for financial year ended 30 June 2021.

The principal assumptions used in determining the employee benefits liability of the Philippines plan are shown below:

Principal actuarial assumptions:

	2022	2021
Discount rate	6.53%	4.80%
Salary increment rate	9%	8%
Mortality rate	2017 Philippine Intercompany Mortality Table	The 2001 CSO Table - Generational (Scale AA, Society of Actuaries)
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 5 July 2022 for the financial year ended 30 June 2022 and 2 July 2021 for the financial year ended 30 June 2021.

The principal assumptions used in determining the employee benefits liability of the Philippines plan are shown below:

Principal actuarial assumptions:

	2022	2021
Discount rate	6.93%	4.82%
Salary increment rate	5%	5%
Mortality rate	2017 Philippine Intercompany Mortality Table	The 2001 CSO Table - Generational (Scale AA, Society of Actuaries)
Disability rate	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)	The Disability Study, Period 2 Benefit 5 (Society of Actuaries)
Resignation rate	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	10.3% per annum for ages 19 to 24; 12.0% per annum for ages 25 to 29; 12.0% per annum for ages 30 to 34; 10.5% per annum for ages 35 to 39; 4.1% per annum for ages 40 to 44; 4.4% per annum for ages 45 and above

34. 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 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:

	2022
Discount rate	6.32%
Salary increment rate	10%
Mortality rate	2017 Philippine Intercompany Mortality Table
Disability rate	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

34. 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							
	2022				2021			
	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	2,790,668	3,611,459	5,601,466	12,003,593	3,145,403	3,747,494	5,866,075	12,758,972
Defined benefit obligation (Note 8)	592,310	438,977	815,332	1,846,619	(94,236)	342,976	698,649	947,389
Benefits paid	-	-	-	-	-	(380,946)	-	(380,946)
Gross amount of actuarial (gain)/loss	(14,773)	-	(910,196)	(924,969)	(260,499)	156,937	(927,888)	(1,031,450)
Currency translation differences	-	(135,202)	(362,931)	(498,133)	-	(255,002)	(35,370)	(290,372)
PVDBO as at 30 June	3,368,205	3,915,234	5,143,671	12,427,110	2,790,668	3,611,459	5,601,466	12,003,593
Analysis of funded and unfunded PVDBO								
PVDBO from plans that are wholly unfunded	3,368,205	3,915,234	5,143,671	12,427,110	2,790,668	3,611,459	5,601,466	12,003,593
Analysed as:								
Current	-	80,330	-	80,330	-	116,680	-	116,680
Non-current:								
Later than:								
- one year but not later than two years	170,393	120,772	-	291,165	-	83,288	-	83,288
- two years but not later than five years	505,140	244,890	-	750,030	393,619	125,220	-	518,839
- five years	2,692,672	3,469,242	5,143,671	11,305,585	2,397,049	3,286,271	5,601,466	11,284,786
Total non-current	3,368,205	3,834,904	5,143,671	12,346,780	2,790,668	3,494,779	5,601,466	11,886,913
	3,368,205	3,915,234	5,143,671	12,427,110	2,790,668	3,611,459	5,601,466	12,003,593

34. 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							
	2022				2021			
	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	380,807	367,608	524,512	1,272,927	359,536	291,228	474,438	1,125,202
Past service cost	-	-	-	-	(701,416)	-	-	(701,416)
Interest cost	211,503	71,369	290,820	573,692	247,644	51,748	224,211	523,603
Net employee benefits expense (Note 8)	592,310	438,977	815,332	1,846,619	(94,236)	342,976	698,649	947,389
Total amount recognised in statement of comprehensive income								
Actuarial (gain)/loss arising from changes in financial assumptions	(24,232)	-	(1,264,600)	(1,288,832)	146,279	(123,996)	(1,040,809)	(1,018,526)
Actuarial loss arising from changes in demographic assumptions	-	-	26,666	26,666	-	-	221,992	221,992
Actuarial loss/(gain) arising from experience adjustments	9,459	-	327,738	337,197	(406,778)	280,933	(109,071)	(234,916)
Gross amount of actuarial (gain)/loss	(14,773)	-	(910,196)	(924,969)	(260,499)	156,937	(927,888)	(1,031,450)
Deferred tax (Note 31)	26,572	-	225,156	251,728	12,939	(31,387)	212,561	194,113
Net amount of actuarial loss/(gain)	11,799	-	(685,040)	(673,241)	(247,560)	125,550	(715,327)	(837,337)
Cumulative amount of actuarial (gain)/loss recognised in statement of comprehensive income	(677,259)	987,914	(2,759,896)	(2,449,241)	(689,058)	987,914	(2,074,856)	(1,776,000)

34. 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):								
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
2021								
Effect on the aggregate current service cost and interest cost	(281,898)	(372,664)	(782,238)	(1,436,800)	327,586	438,538	928,174	1,694,298
Effect on the PVDBO as at 30 June	(281,898)	(360,418)	(786,828)	(1,429,144)	327,586	424,127	933,622	1,685,335

34. 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):								
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)
2021								
Effect on the aggregate current service cost and interest cost	319,272	433,548	822,655	1,575,475	(280,065)	(376,358)	(709,812)	(1,366,235)
Effect on the PVDBO as at 30 June	319,272	419,301	827,484	1,566,057	(280,065)	(363,990)	(713,977)	(1,358,032)

Amounts for the current and previous periods are as follows:

	Indonesia Plans		Thailand Plans		Philippines Plans	
	2022 RM	2021 RM	2022 RM	2021 RM	2022 RM	2021 RM
PVDBO	3,368,205	2,790,668	3,915,234	3,611,459	5,143,671	5,601,466
Experience adjustments on plan liabilities	9,459	(406,778)	-	271,702	317,050	(109,711)

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

35. Dividends

	2022		2021	
	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 2021/2020: - Final dividend paid per share, tax exempt (1-tier)	0.0052 / 0.0160	42,943,545	0.0033 / 0.0100	25,840,294
Proposed but not recognised as a liability as at 30 June:				
Final dividend on ordinary shares, subject to shareholders' approval at the AGM	0.0070 / 0.0220	55,502,369	0.0052 / 0.0160	42,933,805

36. 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	
	2022 RM	2021 RM
Sale of goods and rendering of services to related parties:		
- Software licensing	300,000	9,685,925
- Software project services (professional services)	16,212,002	16,537,897
- Maintenance and enhancement services	51,279,489	23,570,369
- Sale of software and hardware products	215,686	473,000
Service fees paid to related parties	5,584,019	6,419,436
Accounting and administrative expenses paid to related parties	1,643,206	2,514,558
Data centre and infrastructure support expenses paid to related parties	2,620,044	1,482,680
Other costs reimbursed from related parties	22,610	63,089
Rental paid to related parties	100,125	94,937
Rental paid by related parties	231,180	280,820
Purchase of property, plant and equipment from a related party	120,000	32,691
Purchase of intangible assets from a related party	-	3,180,000

Information regarding outstanding balances arising from related party transactions as at reporting date are disclosed in Note 22.

The parent
There were no transactions other than dividends paid, between the Group and Zezz FundQ Pte. Ltd. during the financial year. In the previous financial year, no transactions other than dividends paid, between the Group and former parent company, Intelligentsia Holding Ltd.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

36. Significant related party transactions (cont'd)

(b) Compensation of key management personnel

	Group	
	2022 RM	**2021 RM**
Salaries and other short-term employee benefits	20,877,350	20,913,208
Performance shares plan	5,015,887	3,719,480
Defined contribution plans	1,408,474	1,586,925
Benefits-in-kind	325,118	242,645
	27,626,829	26,462,258
Comprise amounts paid to:		
- Directors of the Company	14,047,011	12,210,351
- Other key management personnel	13,579,818	14,251,907
	27,626,829	26,462,258

37. Commitments and contingencies

(a) Capital commitments

At the reporting date, the Group has commitment of RM13,203,000 (2021: Nil) for an exclusive reseller rights and RM739,403 (2021: RM2,596,320) in relation to the purchased software.

(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 30.

(c) Guarantees

At the reporting date, the Group has provided bank guarantees to third parties amounting to RM24,570,101 (2021: RM29,268,639). No liability is expected to arise.

At the reporting date, the Company has provided corporate guarantee to its subsidiaries amounting to RM57,609,000 (2021: RM55,354,500). No liability is expected to arise.

38. 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 2022

38. 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 current 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 RM1,753,415 (2021: Nil) arising mainly as a result of higher/lower interest expense on these revolving credit.

The Group's term loan at variable rate is denominated in Euro. 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 RM2,259 (2021: RM4,978) arising mainly as a result of higher/lower interest expense on this term loan.

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.

	Less than 1 year RM	Between 1 and 5 years RM	Over 5 years RM	Total RM
Group				
At 30 June 2022				
Trade and other payables (Note 32)	116,992,544	-	-	116,992,544
Amounts due to related parties (Note 22)	394,274	-	-	394,274
Revolving credit	-	191,390,703	-	191,390,703
Term loan	230,419	-	-	230,419
Lease liabilities (Note 30)	7,981,180	17,924,132	992,017	26,897,329
	125,598,417	209,314,835	992,017	335,905,269
At 30 June 2021				
Trade and other payables (Note 32)	76,922,903	-	-	76,922,903
Put liability	20,363,588	-	-	20,363,588
Amounts due to related parties (Note 22)	1,367,305	-	-	1,367,305
Term loan	270,235	247,716	-	517,951
Lease liabilities (Note 30)	9,867,159	17,320,225	24,212	27,211,596
	108,791,190	17,567,941	24,212	126,383,343

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

38. 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.

	Less than 1 year RM	Between 1 and 5 years RM	Total RM
Company			
At 30 June 2022			
Trade and other payables (Note 32)	3,344,044	-	3,344,044
Amounts due to subsidiaries (Note 22)	4,069,033	-	4,069,033
Revolving credit	-	191,390,703	191,390,703
	7,413,077	191,390,703	198,803,780
At 30 June 2021			
Trade and other payables (Note 32)	1,875,542	-	1,875,542
Amounts due to subsidiaries (Note 22)	1,640,659	-	1,640,659
Amount due to a related party (Note 22)	123,828	-	123,828
	3,640,029	-	3,640,029

(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 loan to a subsidiary.

Exposure to credit risk profile
As at reporting date, the Group has a significant concentration of credit risk in the form of outstanding balances due from 12 (2021: 13) customers, representing 62% (2021: 54%) 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 buildings 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 2022

38. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Loan to a subsidiary
Loan is given to a subsidiary in support of its principal activities. At the previous reporting date, the maximum exposure to credit risk is represented by its carrying amount 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			
	2022 RM	%	2021 RM	%
By geographical areas				
South East Asia	103,139,708	78%	101,790,598	74%
North East Asia	2,601,702	2%	6,630,447	5%
South Asia	17,952,670	13%	16,971,200	12%
Middle East	1,682,237	1%	1,459,852	1%
Americas	52,847	-*	26,226	-*
Africa	5,568,244	4%	7,432,610	5%
Europe	2,820,843	2%	3,880,307	3%
	133,818,251	100%	138,191,240	100%

* Less than 1%

	Group	
	2022 RM	2021 RM
Represented by:		
Trade receivables - third parties (Note 20)	116,990,652	130,229,713
Amounts due from related parties - trade (Note 22)	16,827,599	7,961,527
	133,818,251	138,191,240

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 20 and Note 22.

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 2022

38. 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:

		Gross carrying amount		Expected credit losses		Net balance
Group	Expected credit loss rate %	Trade receivables (including related parties) RM	Contract assets RM	Collectively assessed RM	Individually assessed RM	RM
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
2021						
Current	0.33%	92,682,657	58,784,437	(472,948)	(29,074)	150,965,072
Past due 0 to 1 month	0.04%	16,645,406	-	(6,924)	-	16,638,482
Past due 1 to 2 months	1.67%	4,135,678	-	(69,092)	-	4,066,586
Past due 2 to 3 months	0.06%	8,939,765	-	(5,670)	-	8,934,095
Past due 3 to 6 months	1.34%	7,919,649	-	(106,211)	-	7,813,438
Past due over 6 months	50.76%	16,992,703	-	(737,570)	(7,887,475)	8,367,658
		147,315,858	58,784,437	(1,398,415)	(7,916,549)	196,785,331

The movement of the loss allowance accounts used to record the impairment are as follows:

	Trade receivables (including related parties)			Contract assets
Group	Expected credit losses (collectively assessed) RM	Expected credit losses (individually assessed) RM	Total (Note 20) RM	Expected credit losses (collectively assessed) (Note 21) RM
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
2021				
At beginning of the year	343,256	10,494,824	10,838,080	163,431
Charge for the year (Note 7)	863,368	757,954	1,621,322	26,697
Reversal (Note 5)	-	(2,254,324)	(2,254,324)	-
Written off	-	(999,167)	(999,167)	-
Currency translation differences	1,445	(82,738)	(81,293)	218
At end of the year	1,208,069	7,916,549	9,124,618	190,346

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

38. 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 Ringgit Malaysia (RM), United States Dollar (USD) and Thailand Baht (Baht).

The Group holds short-term deposits denominated in RM, USD, Baht, Indonesia Rupiah (IDR), Philippine Peso (PESO) and Chinese Renminbi (RMB) 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 Singapore Dollar (SGD), USD, Baht, Hong Kong Dollar (HKD) and RMB 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	
	2022 RM	2021 RM	2022 RM	2021 RM
SGD/RM				
- strengthened by 2% (2021: -*)	241,478	74,558	48,819,931	9,254,066
- weakened by 2% (2021: -*)	(241,478)	(74,558)	(48,819,931)	(9,254,066)
USD/RM				
- strengthened by 6% (2021: 3%)	10,675,485	2,446,173	17,688,021	5,418,725
- weakened by 6% (2021: 3%)	(10,675,485)	(2,446,173)	(17,688,021)	(5,418,725)
Baht/RM				
- strengthened by 4% (2021: 7%)	175,706	105,882	1,064,196	1,839,067
- weakened by 4% (2021: 7%)	(175,706)	(105,882)	(1,064,196)	(1,839,067)
HKD/RM				
- strengthened by 5% (2021: 3%)	43,770	67,501	9,359,082	7,867,925
- weakened by 5% (2021: 3%)	(43,770)	(67,501)	(9,359,082)	(7,867,925)
RMB/RM				
- strengthened by 2% (2021: 6%)	(95,254)	(142,232)	4,029,763	17,147,067
- weakened by 2% (2021: 6%)	95,254	142,232	(4,029,763)	(17,147,067)

* Less than 1%

The changes in exchange rates of other foreign currencies will not have a material impact of the financial statements of the Group.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

38. 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	
	2022 RM	2021 RM	2022 RM	2021 RM
SGD/RM				
- strengthened by 2% (2021: -*)	-	-	45,280,451	8,843,027
- weakened by 2% (2021: -*)	-	-	(45,280,451)	(8,843,027)
USD/RM				
- strengthened by 6% (2021: 3%)	4,401,727	53,746	4,401,727	53,746
- weakened by 6% (2021: 3%)	(4,401,727)	(53,746)	(4,401,727)	(53,746)

* Less than 1%

The changes in exchange rates of other foreign currencies will not have a material impact of the financial statements of the Company.

38. 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 2022	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Philippine Peso RM	Chinese Renminbi RM	Japanese Yen 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	261,911	21,065,263	21,451,192	35,394,473	2,567,188	539,067	4,685,860	558,056,893
Trade receivables	34,288,931	5,416,547	35,124,388	132,624	47,083	41,263	13,810,421	14,560,916	6,909,243	4,266,427	200,293	2,192,516	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	303,174	36,891,482	36,020,004	44,155,666	7,430,901	1,714,465	7,715,371	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	169,186	5,083,372	297,930	1,369,244	9,079,504	381,221	5,139,776	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	169,186	5,552,766	1,251,070	1,429,270	10,811,171	446,128	5,663,916	318,308,576
Net financial assets/ (liabilities)	150,991,244	(31,627,767)	213,887,606	4,330,476	201,488,148	133,988	31,338,716	34,768,934	42,726,396	(3,380,270)	1,268,337	2,051,455	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)	-	(133,988)	(26,946,056)	(31,986,673)	(42,663,964)	4,865,586	(392,928)	(2,734,269)	(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

38. 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 2021	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Philippine Peso RM	Chinese Renminbi RM	Japanese Yen 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	-	-	-	-	288,154,976	-	-	-	-	-	-	-	288,154,976
Financial assets at fair value through profit or loss - money market fund	27,665,942	-	-	-	-	-	-	-	-	-	-	-	27,665,942
Cash and bank balances	135,606,607	120,471,689	78,501,096	5,093,026	67,295	138,582	26,408,111	16,277,368	25,287,454	5,011,202	860,488	3,395,267	417,118,185
Trade receivables	41,706,623	6,840,449	42,668,998	242,661	2,187,465	19,189	16,823,362	4,342,342	6,094,192	7,707,320	190,772	1,406,340	130,229,713
Other receivables	2,233,869	908,243	106,906	2,149,839	25,364	-	1,240,515	7,714	1,086,966	504,071	20,326	404,239	8,688,052
Amounts due from related parties	5,637,542	73,530	-	-	-	-	-	-	-	-	2,323,985	-	8,035,057
Derivative asset	-	-	-	-	-	-	-	-	-	752,296	-	-	752,296
	212,850,583	128,293,911	121,277,000	7,485,526	290,435,100	157,771	44,471,988	20,627,424	32,468,612	13,974,889	3,395,571	5,205,846	880,644,221
Financial liabilities													
Loans and borrowings	13,501,043	7,880,658	-	-	-	-	556,828	-	416,117	3,184,813	-	672,422	26,211,881
Trade payables	7,027,938	177,137	1,589,446	30,169	-	-	2,158,508	302,869	4,895,628	164,409	55,358	25,597	16,427,059
Other payables	28,808,520	6,045,422	748,021	3,847,125	4,650,651	189,672	2,619,530	300,885	1,406,371	8,524,635	220,207	3,134,805	60,495,844
Amounts due to related parties	840,751	-	-	-	-	-	213,545	313,009	-	-	-	-	1,367,305
Put liability	-	-	-	-	-	-	-	-	-	18,659,307	-	-	18,659,307
	50,178,252	14,103,217	2,337,467	3,877,294	4,650,651	189,672	5,548,411	916,763	6,718,116	30,533,164	275,565	3,832,824	123,161,396
Net financial assets/ (liabilities)	162,672,331	114,190,694	118,939,533	3,608,232	285,784,449	(31,901)	38,923,577	19,710,661	25,750,496	(16,558,275)	3,120,006	1,373,022	757,482,825
Less: Net financial position denominated in the respective entities' functional currencies	(158,932,594)	(94,261,006)	(37,400,421)	(3,608,232)	-	(5,310)	(37,410,970)	(18,796,320)	(25,679,407)	19,898,794	(869,980)	(1,692,783)	(358,758,229)
Currency exposure	3,739,737	19,929,688	81,539,112	-	285,784,449	(37,211)	1,512,607	914,341	71,089	3,340,519	2,250,026	(319,761)	398,724,596

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

38. 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 2022	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Hong Kong Dollar RM	Total RM
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 2022

38. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

The Company's currency exposure is as follows: (cont'd)

At 30 June 2021	Ringgit Malaysia RM	Singapore Dollar RM	United States Dollar RM	Hong Kong Dollar RM	Japanese Yen RM	Euro RM	Total RM
Financial assets							
Cash and bank balances	5,229,358	65,915,732	1,791,541	-	-	-	72,936,631
Other receivables	-	3,553	-	-	-	-	3,553
Loan to a subsidiary	-	29,157,975	-	-	-	-	29,157,975
Amounts due from subsidiaries	5,612	203,648,807	-	8,344	-	-	203,662,763
Derivative asset	-	-	-	-	-	752,296	752,296
	5,234,970	298,726,067	1,791,541	8,344	-	752,296	306,513,218
Financial liabilities							
Other payables	80,756	1,757,575	-	-	37,211	-	1,875,542
Amounts due to subsidiaries	1,423,509	217,150	-	-	-	-	1,640,659
Amount due to a related company	123,828	-	-	-	-	-	123,828
	1,628,093	1,974,725	-	-	37,211	-	3,640,029
Net financial assets/ (liabilities)	3,606,877	296,751,342	1,791,541	8,344	(37,211)	752,296	302,873,189
Less: Net financial position denominated in the functional currency	-	(296,751,342)	-	-	-	-	(296,751,342)
Currency exposure	3,606,877	-	1,791,541	8,344	(37,211)	752,296	6,121,847

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

38. 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 year.

(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			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	RM	RM	RM	RM
Group				
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 current reporting date.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

38. 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)

	Fair value measurements using			
	Quoted prices in active markets for identical instruments (Level 1)	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RM	**RM**	**RM**	**RM**
Group				
Assets and liabilities measured at fair value				
2021				
Financial assets:				
<u>Current assets</u>				
Financial assets at fair value through other comprehensive income - quoted equity shares	288,154,976	-	-	288,154,976
Financial assets at fair value through profit or loss - money market fund	-	27,665,942	-	27,665,942
Derivative asset	-	-	752,296	752,296
Financial assets as at 30 June 2021	288,154,976	27,665,942	752,296	316,573,214
Financial liability:				
<u>Current liability</u>				
Put liability	-	-	18,659,307	18,659,307
Financial liability as at 30 June 2021	-	-	18,659,307	18,659,307
Company				
Assets and liabilities measured at fair value				
2021				
Financial asset:				
<u>Current asset</u>				
Derivative asset	-	-	752,296	752,296

There is no financial assets or liabilities of the Company measured at fair value at the current reporting date.

38. 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:

- **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, and amounts due from/to subsidiaries/related parties**

  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 current reporting date.

- **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 term loan and 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.

38. Financial risk management objectives and policies (cont'd)

(e) Fair values of financial instruments (cont'd)

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 2022 and 2021 are shown below:

	Valuation technique	Significant unobservable inputs	Range (Weighted average)	Sensitivity of the input to fair value
Group				
Put liability	Discounted cash flow ("DCF") method	Weighted average cost of capital ("WACC")	**2022:** 11% - 13% (12%) **2021:** 11% - 13% (12%)	Not applicable, as the put liability has expired during the current financial year
Derivative asset - Call option (FPL)	Binomial option pricing model	Expected volatility	**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	**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
Group and Company				
Derivative asset - Call option (XIT Group)	Black Scholes model	Long-term growth rate for cash flows for subsequent years	**2022:** - **2021:** 1% - 3% (2%)	Not applicable, as the call option has expired during the current financial year
		Weighted average cost of capital ("WACC")	**2022:** - **2021:** 11% - 13% (12%)	Not applicable, as the call option has expired during the current financial year

(f) Collateral

Other than part of short-term deposits pledged with banks as disclosed in Note 25, the Group has no other significant terms and conditions associated with the use of collateral.

The Group did not hold collateral as at 30 June 2022 (2021: Nil).

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

39. Changes in liabilities arising from financing activities

	Dividends (Note 35) RM	Loans and borrowings (Note 29) RM	Total liabilities from financing activities RM
Group			
At 1 July 2020	-	150,920,974	150,920,974
Dividends declared during the year	25,840,294	-	25,840,294
Dividends paid	(25,840,294)	-	(25,840,294)
Proceeds from revolving credit	-	1,989,845	1,989,845
Repayment of term loan and revolving credit	-	(123,516,357)	(123,516,357)
Additions of leases during the year (Note 30)	-	2,015,534	2,015,534
Modification/Remeasurement of leases during the year (Note 30)	-	6,038,462	6,038,462
Payment of principal portion of lease liabilities	-	(10,804,307)	(10,804,307)
Others	-	(432,270)	(432,270)
At 30 June 2021	-	26,211,881	26,211,881
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 30)	-	70,092	70,092
Modification/Remeasurement of leases during the year (Note 30)	-	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

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.

40. 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 2022 and 2021.

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 2022 is RM975,178,502 (2021: RM1,054,468,488).

The Group and its subsidiaries are not subject to any externally imposed capital requirements.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

41. 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 in banking, retail, government, 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.

41. 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 2022 and 2021 and assets, liabilities and other segment information regarding the Group's segments as at 30 June 2022 and 30 June 2021.

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)	-	C	231,857,613
Assets:										
Capital expenditure	45,232,846	216,226	1,728,954	45,358	1,696,244	3,239	3,268,875	-	D	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	E	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	F	516,917,257

41. 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 2022 and 2021 and assets, liabilities and other segment information regarding the Group's segments as at 30 June 2022 and 30 June 2021. (cont'd)

2021	Software licensing RM	Software project 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	40,014,462	65,408,752	475,026,409	10,735,338	34,228,154	709,689	-	-		626,122,804
At a point in time	10,395,032	-	-	10,735,338	27,059,539	-	-	-		48,189,909
Over time	29,619,430	65,408,752	475,026,409	-	7,168,615	709,689	-	-		577,932,895
Inter-segment	-	-	-	-	-	-	421,166,869	(421,166,869)	A	-
Results:										
Finance income	64,280	207,887	1,196,872	6,862	88,539	1,839	299,056	-		1,865,335
Finance costs	(96,221)	(125,242)	(790,041)	(35,119)	(38,030)	(2,768)	(12,030,464)	-		(13,117,885)
Selling and distribution costs	(3,181,492)	(4,020,046)	(19,198,154)	(1,089,188)	(2,750,106)	(168,100)	(103,714)	-		(30,510,800)
Depreciation of property, plant and equipment	(401,292)	(402,916)	(2,215,561)	(130,238)	(55,331)	(17,725)	(67,474)	-		(3,290,537)
Depreciation of right-of-use assets	(828,664)	(1,204,669)	(7,308,135)	(223,726)	(535,975)	(17,818)	(277,314)	-		(10,396,301)
Amortisation of intangible assets	(19,883,259)	(109,537)	(1,757,416)	-	(1,862,067)	-	-	-		(23,612,279)
Share of loss of a joint venture	-	-	-	-	-	-	(565)	-		(565)
Reversal of provision for foreseeable losses	-	1,243,712	-	-	-	-	-	-		1,243,712
Fair value adjustment on subsequent measurement of put liability	-	-	-	-	-	-	(15,575,922)	-		(15,575,922)
Loss on derivative asset at fair value through profit or loss	-	-	-	-	-	-	(8,566,852)	-		(8,566,852)
Loss on liquidation of a subsidiary	-	-	-	-	-	-	(1,405,629)	-		(1,405,629)
Dividend income from financial assets - quoted equity shares	-	-	-	-	-	-	969,424	-		969,424
Other non-cash income/(expenses)	259,443	(79,602)	(3,007,637)	289,941	(913,306)	(14,906)	(3,853,686)	-	B	(7,319,753)
Segment profit/(loss)	13,602,111	17,986,984	276,447,605	3,325,672	17,146,738	(9,364)	(323,857,196)	182,094,493	C	186,737,043
Assets:										
Capital expenditure	35,586,286	544,265	4,016,857	164,502	1,618,744	44,515	1,623,070	-	D	43,598,239
Segment assets	126,672,040	132,596,922	561,234,913	15,909,727	83,325,499	1,216,010	377,236,970	66,064,532	E	1,364,256,613
Segment liabilities	14,525,929	12,686,200	177,639,221	2,876,227	7,646,921	302,632	28,308,660	65,802,335	F	309,788,125

41. 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 gain on disposal of property, plant and equipment, net (loss)/gain on lease modifications, (loss)/gain on redemption of financial assets - money market fund, gain/(loss) on derivative asset at fair value through profit and loss, fair value adjustment on subsequent measurement of put liability, reversal of/(provision for) expected credit losses on trade receivables and contract assets, reversal of provision for foreseeable losses, inventories written off, bad debts written off, waiver of debts, net unrealised foreign currency exchange gain/(loss), allowance for unutilised leave, defined benefits liabilities and performance shares issued as presented in the respective notes to the financial statements.

C The following items are eliminated on consolidation to arrive at "Profit before tax" presented in the consolidated income statement, as these items have been included in the segment profit/(loss) of the corporate and others segment:

	2022 RM	2021 RM
Elimination of impairment loss in investment in a subsidiary	-	182,094,493

D Capital expenditure consists of additions to property, plant and equipment, right-of-use assets, and intangible assets.

E 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:

	2022 RM	2021 RM
Tax recoverable	5,897,617	5,854,048
Deferred tax assets	58,187,085	60,210,484
	64,084,702	66,064,532

F 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:

	2022 RM	2021 RM
Tax payable	13,355,805	15,635,259
Deferred tax liabilities	41,667,392	50,167,076
	55,023,197	65,802,335

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

41. Segment information (cont'd)

(b) Geographical information

The Group's seven 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 rendering of software project services (professional services) and maintenance and enhancement services.
- South Asia – 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.
- 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.
- 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	
	2022 RM	2021 RM
Revenue		
South East Asia	597,305,583	488,258,209
North East Asia	24,699,830	22,378,160
South Asia	44,739,361	44,274,073
Middle East	22,209,300	22,337,585
Americas	4,540,301	1,699,367
Africa	16,733,687	24,083,946
Europe	26,313,620	23,091,464
	736,541,682	626,122,804
Capital expenditure		
South East Asia	50,170,816	41,363,933
North East Asia	10,024	10,829
South Asia	16,468	184,752
Middle East	5,628	4,238
Africa	12,625	11,345
Europe	1,976,181	2,023,142
	52,191,742	43,598,239

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

41. Segment information (cont'd)

(b) Geographical information (cont'd)

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. (cont'd)

	Group	
	2022 RM	**2021 RM**
Segmental assets		
South East Asia	1,144,258,395	921,450,489
North East Asia	216,331,488	297,000,515
South Asia	26,257,334	27,310,222
Middle East	2,947,950	2,200,419
Americas	481,404	639,639
Africa	12,904,414	13,209,737
Europe	88,914,774	102,445,592
	1,492,095,759	1,364,256,613

No other individual country contributed more than 10% of consolidated revenue and non-current assets, except for:

	Group	
	2022 RM	**2021 RM**
Revenue		
Malaysia	243,996,981	232,305,913
Indonesia	122,415,917	71,607,840
Singapore	68,627,757	80,143,724
Thailand	87,577,457	46,510,714
Non-current assets *		
Malaysia	194,938,832	173,072,692
Singapore	97,034,018	83,514,426
Latvia	76,232,915	86,472,337

* Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, and intangible assets.

<u>Information about major customers</u>
One major customer (2021: Nil) contributed more than 10% of the total Group's revenue amounting to RM79,833,324 (2021: Nil). Revenue from the major customer arose from software licensing and maintenance and enhancement services.

42. Significant events during the financial year

(i) Re-domiciliation of the Company from Bermuda to Singapore

On 25 June 2021, the Company obtained shareholders' approval for the proposed re-domiciliation of the Company from Bermuda to Singapore ("Proposed Re-Domiciliation") and the proposed adoption of the New Constitution (collectively, the "Proposed Re-Domiciliation Related Resolutions") at the Special General Meeting of the Company.

(a) Confirmation of Registration in Singapore by the Accounting and Corporate Regulatory Authority ("ACRA")

On 23 September 2021, Accounting and Corporate Regulatory Authority ("ACRA") approved the Company's application in relation to the Proposed Re-Domiciliation. Accordingly, pursuant to the Certificate Confirming Registration by Transfer of Company issued by ACRA to the Company ("Instrument of Continuance"), the Company is registered in Singapore with effect from 23 September 2021 ("Re-Domiciliation Effective Date").

The Company subsequently submitted the Instrument of Continuance to the Bermuda Registrar of Companies to receive a certificate of discontinuance, which was submitted to ACRA to complete the re-domiciliation process.

The Company also adopted the New Constitution which provisions are compliant with Singapore company laws and the prevailing rules of the Singapore Exchange Securities Trading Limited.

(b) Adoption of Singapore Financial Reporting Standards (International) ("SFRS(I)s")

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") for annual periods beginning on 1 July 2021 in conjunction with the re-domiciliation of the Company. SFRS(I)s are equivalent to International Financial Reporting Standards ("IFRSs").

(c) No Concept of Par Value in accordance with Singapore Companies Act 1967

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.

There is no impact to the net asset value of the Group and the Company.

(ii) Acquisition of an associate

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. Details of the financial impact are as disclosed in Note 16.

Notes to the Financial Statements (cont'd)
For the financial year ended 30 June 2022

43. Significant event after the financial year end

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 restructuring, the Company has transferred its investments in Merimen Ventures Sdn. Bhd. ("MVSB") and Cyber Village Sdn. Bhd. ("CVSB") to FPL after the current financial year end at a consideration mutually agreed by both parties.

The share sale agreement has been authorised and executed on 4 July 2022, and the share transfer has subsequently completed in September 2022.

44. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2022 were authorised for issue in accordance with a resolution of the directors on 28 September 2022.

Statistics of Shareholdings

AS AT 19 SEPTEMBER 2022

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	:	186,132,479
Percentage of treasury shares against total number of issued ordinary shares (excluding treasury shares)	:	7.41%
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	27	0.71	1,083	0.00
100 - 1,000	187	4.95	105,530	0.00
1,001 - 10,000	1,402	37.07	8,737,294	0.35
10,001 - 1,000,000	2,119	56.03	133,991,594	5.34
1,000,001 AND ABOVE	47	1.24	2,367,504,820	94.31
TOTAL	**3,782**	**100.00**	**2,510,340,321**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	ZEZZ FUNDQ PTE. LTD.	1,862,760,568	74.20
2	CITIBANK NOMINEES SINGAPORE PTE LTD	94,683,265	3.77
3	RAFFLES NOMINEES (PTE.) LIMITED	73,729,866	2.94
4	DBSN SERVICES PTE. LTD.	45,241,916	1.80
5	DBS NOMINEES (PRIVATE) LIMITED	39,674,132	1.58
6	SEE CHUANG THUAN OR LOI PEK KEAW	32,000,000	1.27
7	HSBC (SINGAPORE) NOMINEES PTE LTD	18,972,694	0.76
8	KWONG YONG SIN	18,972,000	0.76
9	MAYBANK SECURITIES PTE. LTD.	18,686,540	0.74
10	OCBC SECURITIES PRIVATE LIMITED	18,336,142	0.73
11	PHILLIP SECURITIES PTE LTD	14,988,900	0.60
12	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	10,025,813	0.40
13	LIM EP BAN	9,539,713	0.38
14	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	9,252,500	0.37
15	SAN TAI CONSTRUCTION (S) PTE LTD	8,800,000	0.35
16	WONG HORN LIM	8,764,713	0.35
17	TAN TEIK WEI	8,600,000	0.34
18	TAN BIEN CHUAN	6,600,000	0.26
19	UOB KAY HIAN PRIVATE LIMITED	5,892,500	0.23
20	IFAST FINANCIAL PTE. LTD.	5,814,600	0.23
TOTAL		**2,311,335,862**	**92.06**

Statistics of Shareholdings (cont'd)

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders of the Company as at 19 September 2022 are as follows:

	No. of Ordinary Shares of USD0.02 each			
	Direct Interest	**%**	**Deemed Interest**	**%**
Zezz FundQ Pte. Ltd.	1,862,760,568	74.20%	-	-
Goh Peng Ooi	-	-	1,862,760,568	74.20%

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 19 September 2022, approximately 23.54% 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 by way of electronic means via a live audio-visual webcast or live audio-only stream ("**Live Webcast**") on Thursday, 27 October 2022 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 2022 together with the Directors' Statement and Auditors' Report thereon. **Ordinary Resolution 1**

2. To declare a final tax exempt 1-tier dividend of Singapore 0.70 cents per ordinary share for the financial year ended 30 June 2022 as recommended by the Directors. **Ordinary Resolution 2**

3. To approve the payment of Directors' Fees of S$1,200,000 (2021: S$1,200,000) for the financial year ending 30 June 2023, to be paid quarterly in arrears. **Ordinary Resolution 3**

4. To re-elect Mr. Andrew Tan Teik Wei, 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 Dr. Kwong Yong Sin, a director retiring pursuant to Regulation 108(1) of the Company's Constitution. **Ordinary Resolution 5**

   [See Explanatory Note (i)(b)]

6. To re-elect Mr. Yano Satoru, a director retiring pursuant to Regulation 108(1) of the Company's Constitution. **Ordinary Resolution 6**

   [See Explanatory Note (i)(c)]

7. To re-elect Mr. Chee Hin Kooi, a director retiring pursuant to Regulation 107 of the Company's Constitution. **Ordinary Resolution 7**

   [See Explanatory Note (i)(d)]

8. To re-appoint Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

9. 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):

10. **AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES** **Ordinary Resolution 9**

    "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 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)]

11. **RENEWAL OF SHARE PURCHASE MANDATE** **Ordinary Resolution 10**

"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)]

12. **RENEWAL OF INTERESTED PERSONS TRANSACTIONS GENERAL MANDATE** **Ordinary Resolution 11**

"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 types of the interested persons transactions ("**Recurrent Transactions**") set out in the Company's Circular to Shareholders dated 2 October 2008 ("**Circular**"), with any party who is of the classes of Interested Persons described in the Circular, provided that such interested persons transactions are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions as set out in the Circular ("**General Mandate**");

(b) the 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 of the Company;

(c) the Audit and Risk Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such 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 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 General Mandate and/or this Resolution."

[See Explanatory Note (iv)]

13. **AUTHORITY TO OFFER AND GRANT AWARDS AND ALLOT AND ISSUE SHARES UNDER THE SILVERLAKE AXIS LTD. PERFORMANCE SHARE PLAN** **Ordinary Resolution 12**

"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

Ang Siew Koon
Kuan Yoke Kay
Joint Company Secretaries
Singapore

Date: 11 October 2022

Explanatory Notes:

(i) (a) Mr. Andrew Tan Teik Wei, if re-elected under Resolution 4 above, will remain as the Group Managing Director. Detailed information on Mr. Andrew Tan Teik Wei can be found on page 10 of the Annual Report.

(b) Dr. Kwong Yong Sin, if re-elected under Resolution 5 above, will remain as a Non-Independent Non-Executive Director. Detailed information on Dr. Kwong Yong Sin can be found on page 11 of the Annual Report.

(c) Mr. Yano Satoru, if re-elected under Resolution 6 above, will remain as an Independent Non-Executive Director, and a member of Strategic Investment Committee. Detailed information on Mr. Yano Satoru can be found on page 12 of the Annual Report.

(d) Mr. Chee Hin Kooi, if re-elected under Resolution 7 above, will remain as a Non-Independent Non-Executive Director. Detailed information on Mr. Chee Hin Kooi can be found on page 13 of the Annual Report.

(ii) Resolution 9 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 Letter to Shareholders dated 11 October 2022 ("**Letter**") for more details on the renewal of Share Purchase Mandate.

(iv) Please refer to the Letter for more details on the renewal of Interested Persons Transactions General Mandate.

(v) Resolution 12 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 Annual General Meeting, the Register of Members and the Transfer Books of the Company will be closed on Tuesday, 8 November 2022 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 Monday, 7 November 2022 (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 Wednesday, 16 November 2022.

Important Notes:

1. **Pre-Registration:**

   The AGM is being convened, and will be held, 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 this notice of AGM.
   This notice of AGM may be accessed at the URLs https://www.sgx.com/securities/company-announcements and http://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2022.

   Members will not be able to attend the AGM physically. The AGM proceedings will be carried out via a live audio-visual webcast or live audio-only stream ("**Live Webcast**"). In order to participate at the AGM, members must pre-register their details including full name (as per CDP record), NRIC/Passport/Company Registration No., contact number and email address on the Company's AGM pre-registration website at the URL https://conveneagm.sg/SilverlakeAxisAGM2022 before **2.00 p.m.** on **Monday, 24 October 2022** ("**Registration Deadline**") for the Company to verify their status as members.

   A corporate member which has authorised an individual to act as its corporate representative to attend, speak and vote at the AGM must similarly pre-register such individual and submit the certificate of appointment / proxy form accordingly.

   Verified members will receive an email by **2.00 p.m.** on **Wednesday, 26 October 2022** containing instructions to access the Live Webcast. Members must not forward the link or their log-in details to third persons who are not members or who are not entitled to attend the AGM proceedings.

   Members who do not receive an email by **2.00 p.m.** on **Wednesday, 26 October 2022** but have registered before the Registration Deadline should contact our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. by email at srs.teamc@boardroomlimited.com or call the general telephone number at +65 6536 5355 during office hours.

2. **Submission of Questions:**

   Members who have registered and are verified to attend the AGM will be able to ask questions relating to the resolutions to be tabled for approval at the AGM by submitting text-based questions through real-time electronic communication during the AGM within a prescribed time limit. The Company will endeavour to respond to questions as far as are reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions and consequently not all questions may be individually addressed.

   Members who have any substantial and relevant questions in relation to any agenda item of this Notice, may also send their queries to the Company in advance by **2.00 p.m.** on **Wednesday, 19 October 2022** through the pre-registration website at the URL https://conveneagm.sg/SilverlakeAxisAGM2022.

   The Company will upload the Company's responses to substantial and relevant queries from members on the SGXNet and the Company's website by **Friday, 21 October 2022.**

3. **Submission of Proxy Form:**

(a) **Live Voting:** Members may cast their votes for each resolution through real-time remote electronic voting at the AGM. Unique access details for live voting will be provided to Members who have registered and are verified to attend the AGM.

(b) **Voting by Proxy:** Members can vote at the AGM themselves, or

(i) through their duly appointed proxy(ies) (other than the Chairman). A member may 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.

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 announcement on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL http://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2022.

Investors, including CPFIS/SRS investors, who hold shares through their relevant intermediaries (as defined in Section 181 of the Act), which would include in the case of CPFIS/SRS investors, their respective CPF Agent Banks/SRS Operators, may:

(a) vote at the AGM if they are appointed as proxies by their CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators 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 at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least seven (7) working days before the AGM, i.e. by **2.00 p.m.** on **Tuesday, 18 October 2022**.

Completed and signed proxy form must be submitted by **2.00 p.m.** on **Monday, 24 October 2022** (being not less than seventy-two (72) hours before the time fixed for the AGM) either:

(i) **by email** to srs.teamc@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.

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.

In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy forms electronically via email.

4. **Annual Report and other documents:**

The annual report for the financial year ended 30 June 2022, this Notice of AGM and the proxy form for the AGM can be accessed from the SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL http://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2022.

Personal data privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder'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 Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (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 shareholders disclose the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholders 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 shareholders will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

Notice of Annual General Meeting (cont'd)

Additional information on Directors seeking for re-election:

Name of Director	Andrew Tan Teik Wei	Dr. Kwong Yong Sin	Yano Satoru	Chee Hin Kooi
Date of appointment	1 July 2019	20 August 2004	24 October 2019	1 May 2022
Date of Last Re-election (if applicable)	24 October 2019	24 October 2019	-	-
Age	64	66	60	52
Country of principal residence	Malaysia	Malaysia	Singapore	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 2022 Annual Report.			
Whether appointment is executive, and if so, the area of responsibility	Executive. Responsible for the overall planning of the business direction and development of the Group.	Non-Executive	Non-Executive	Non-Executive
Job title	• Group Managing Director	• Non-Independent Non-Executive Director	• Independent Non-Executive Director • Strategic Investment Committee member	• Non-Independent Non-Executive Director
Professional qualifications	Please refer to the Board of Directors section in the Company's 2022 Annual Report.			
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2022 Annual Report.			
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 8,600,000 shares in the Company	Direct interest: 18,972,000 shares in the Company Deemed interest: 2,275,000 shares in the Company through his spouse	-	-
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	No	No	No	No
Conflict of interest (including any competing business)	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
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".

SILVERLAKE AXIS LTD.

(Company Registration No. 202133173M)
(Registered in Singapore)

Proxy Form

2022 ANNUAL GENERAL MEETING

IMPORTANT:

1. The 2022 Annual General Meeting of Silverlake Axis Ltd. (the "**Company**") ("**AGM**" or the "**Meeting**") is being convened, and will be held, 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**") which has been uploaded on SGXNet and the Company's website.
2. A member will not be able to attend the AGM physically. A member will be 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. Members who wish to exercise their votes without attending the AGM should submit a proxy form to appoint their proxy(ies) or the Chairman of the Meeting as their proxy to cast votes on their behalf.
3. 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 ("**Investor**") (including investors, holding through Central Provident Fund Investment Scheme ("**CPFIS**") or Supplementary Retirement Scheme ("**SRS**") ("**CPFIS/SRS Investor**") and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instruction. A CPFIS/SRS Investor who wishes to appoint Chairman of the Meeting as their proxy should approach his/her CPF Agent Banks or SRS Operators by 2.00 p.m. on Tuesday, 18 October 2022, being seven (7) working days before the AGM to submit his/her voting instructions.
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 form of proxy has been made available on SGXNet and the website of the Company and may be accessed at the URLs https://www.sgx.com/securities/company-announcements and http://www.silverlakeaxis.com/investor-relation/shareholders-meetingsFY2022.

*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.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

and/or (delete as appropriate)

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

or failing him/her*, the Chairman of the 2022 AGM as *my/our proxy to vote for *me/us on *my/our behalf at the 2022 AGM to be held by way of electronic means via a live audio-visual webcast or live audio-only stream ("**Live Webcast**") on Thursday, 27 October 2022 at 2.00 p.m. and at any adjournment thereof.

(Voting will be conducted by poll. If you wish for your proxy 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.)

No.	Resolutions relating to:	For	Against	Abstain
As Ordinary Business				
1.	**Ordinary Resolution 1** To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2022 together with the Directors' Statement and Auditors' Report thereon.			
2.	**Ordinary Resolution 2** To declare a final tax exempt 1-tier dividend of Singapore 0.70 cents per ordinary share for the financial year ended 30 June 2022 as recommended by the Directors.			
3.	**Ordinary Resolution 3** To approve the payment of Directors' Fees of S$1,200,000 (2021: S$1,200,000) for the financial year ending 30 June 2023, to be paid quarterly in arrears.			
4.	**Ordinary Resolution 4** To re-elect Mr. Andrew Tan Teik Wei, a director retiring pursuant to Regulation 108(1) of the Company's Constitution.			
5.	**Ordinary Resolution 5** To re-elect Dr. Kwong Yong Sin, a director retiring pursuant to Regulation 108(1) of the Company's Constitution.			

No.	Resolutions relating to:	For	Against	Abstain
6.	**Ordinary Resolution 6** To re-elect Mr. Yano Satoru, a director retiring pursuant to Regulation 108(1) of the Company's Constitution.			
7.	**Ordinary Resolution 7** To re-elect Mr. Chee Hin Kooi, a director retiring pursuant to Regulation 107 of the Company's Constitution.			
8.	**Ordinary Resolution 8** To re-appoint Ernst & Young LLP, as auditors of the Company and to authorise the Directors to fix their remuneration.			
As Special Business				
9.	**Ordinary Resolution 9** Authority to Directors to allot and issue shares.			
10.	**Ordinary Resolution 10** Renewal of Share Purchase Mandate.			
11.	**Ordinary Resolution 11** Renewal of Interested Persons Transactions General Mandate.			
12.	**Ordinary Resolution 12** Authority to Offer and Grant Awards and Allot and Issue Shares under Silverlake Axis Ltd. Performance Share Plan.			

* delete accordingly

Dated this__________________day of________________________2022.

Total No. of shares held in

CDP Register	
Register of Members	

Signature(s) of Member(s)/Common Seal

Contact Number/Email Address of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF 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 proxy need not be a member of the Company.
3. 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.
4. 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. The instrument appointing proxy(ies) duly executed (completed and signed), must be submitted to the Company's Share Registrar not less than seventy-two (72) hours before the time appointed for the holding of the AGM, either by post to Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or scanning and sending by email to srs.teamc@boardroomlimited.com.
   In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy form via email to the email address provided above.
6. The Company shall be entitled to reject the instrument appointing proxy(ies) 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). In addition, in the case of the members of the Company 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 holding 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 2022 AGM dated 11 October 2022.

SYMMETRY AT WORK
6 Raffles Quay, #18-00,
Singapore 048580
investor.relations@silverlakeaxis.com