

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For the Fourth Quarter Ended 31 December 2010

(The figures have not being audited)

	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	31-Dec-10 RM'000	31-Dec-09 RM'000	31-Dec-10 RM'000	31-Dec-09 RM'000
Revenue	8,352	17,042	36,036	113,569
Cost of Sales	(6,550)	(12,944)	(24,981)	(98,397)
Gross margin	1,802	4,098	11,055	15,172
Operating Expenses	(2,139)	(5,998)	(7,245)	(12,943)
Other operating income / (expenses)	7	469	254	674
Profit from operations	<u>(330)</u>	<u>(1,432)</u>	<u>4,064</u>	<u>2,903</u>
Finance costs	130	178	(507)	(222)
(Loss) / gain on financial liabilities	(153)	0	258	0
Share of losses in jointly controlled entity	-	(69)	-	(69)
(Loss) / Profit before tax	<u>(353)</u>	<u>(1,323)</u>	<u>3,815</u>	<u>2,612</u>
Income tax expense	1,277	1,134	(1,251)	(846)
Profit / (Loss) after tax	<u><u>924</u></u>	<u><u>(189)</u></u>	<u><u>2,564</u></u>	<u><u>1,766</u></u>
Earnings per share				
- Basic (sen)	0.92	(0.19)	2.56	1.77
- Diluted (sen)	NA	NA	NA	NA
Dividend per share (sen)	NA	NA	NA	NA

Note:

This is prepared based on the consolidated results for the Group for the financial period ended 31 December 2010. The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Group's Audited Financial Statement for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim quarter financial statements.

(The accompanying notes form an integral part of, and should be read in conjunction with, this interim financial report.)

SILVER RIDGE HOLDINGS BHD. (667785-W)
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CONDENSED CONSOLIDATED BALANCE SHEET

As At 31 December 2010

(The figures have not being audited)

	31-Dec-10 RM'000 (Unaudited)	31-Dec-09 RM'000 (Audited)
Assets		
Property, plant and equipment	1,621	2,041
Intangible Assets	862	1,710
Other Investment	94	94
Investment In Subsidiaries / Associates	24	24
	2,601	3,869
Current Assets		
Contract work-in-progress	3,893	1,531
Trade receivables	20,984	53,262
Other receivables and prepayments	5,931	4,851
Financial assets held for trading	2,406	-
Cash and bank balance	9,651	17,112
	42,865	76,756
Current Liabilities		
Trade payables	21,521	62,762
Other payables and accrued expenses	5,234	784
Financial liabilities held for trading	2,148	-
Hire purchase - within 12 months	17	346
Leasing - within 12 month	598	1,935
Bank borrowings	-	-
Tax liabilities	(317)	541
	29,201	66,368
Net Current Assets	13,664	10,388
	16,265	14,257
Represented by:		
Issued capital	10,000	10,000
Share Premium	4,910	4,910
Unappropriated profit/(loss)	708	(1,856)
Shareholders' Equity	15,618	13,054
Deferred tax liabilities	99	100
Long Term Borrowing	-	367
Hire-purchase payables - more than 12 months	548	736
	647	1,203
Net Assets	16,265	14,257
	0.00	
Net assets per share (RM)	0.16	0.14

Note :

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim quarter financial statements.

(The accompanying notes form an integral part of, and should be read in conjunction with, this interim financial report)

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Fourth Quarter Ended 31 December 2010

(The figures have not being audited)

	Issued Capital (RM'000)	Non-Distributable Share Premium (RM'000)	Distributable Unappropriated Profit (RM'000)	Total (RM'000)
Balance as of 1 January 2010	10,000	4,910	(1,856)	13,054
Net profit during the year	-	-	2,564	2,564
Balance as of 31 December 2010	<u>10,000</u>	<u>4,910</u>	<u>708</u>	<u>15,618</u>
Balance as of 1 January 2009	10,000	4,910	(3,622)	11,288
Net profit during the year	-	-	1,766	1,766
Balance as of 31 December 2009	<u>10,000</u>	<u>4,910</u>	<u>(1,856)</u>	<u>13,054</u>

Note:-

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim quarter financial statements

SILVER RIDGE HOLDINGS BHD. (667785-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the Fourth Quarter Ended 31 December 2010

(The figures have not being audited)

	Unaudited	Audited
	31-Dec-10	31-Dec-09
	(RM'000)	(RM'000)
Cash Flows From Operating Activities		
Profit before tax (See notes below)	3,815	2,612
Adjustment for :-		
Depreciation and amortisation of property, plant and equipment	393	637
Amortisation Intangible Assets	389	256
Fixed assets written off	224	-
(Gain) / Loss in financial liabilities	(258)	-
Provision for doubtful debts	400	2,888
Impairment loss on jointly controlled entity	0	240
Realised foreign exchange loss / (gain)	41	(20)
Share of losses of associates	0	69
Net loss / (gain) on disposal of property, plant and equipment	(32)	(8)
Interest Income	(86)	(202)
Finance costs	592	222
Operating Profit Before Working Capital Changes	5,478	6,694
(Decrease) / Increase in :-		
Work In Progress & Inventories	(2,362)	61
Receivables	31,203	15,516
Increase/(Decrease) in:		
Payables	(38,571)	(7,798)
Cash Generated From Operations	(4,252)	14,473
Interest paid	(592)	(222)
Income tax paid	(1,631)	(579)
Net Cash From Operating Activities	(6,475)	13,672
Cash Flows From Investing Activities		
Proceed from disposal of plant & equipment	47	9
Decrease / (Increase) in Intangible assets	848	-
Interest received	86	202
Acquisition of fixed assets	198	(515)
Net Cash Used In Investing Activities	1,179	(304)
Cash Flow From Financing Activities		
Finance from hire purchase payable	56	-
Repayment of bank borrowings	-	(2,792)
Prepayment of hire purchase obligation & lease financing	(2,221)	(1,640)
Net Cash (Used In)/ Generated From Financing Activity	(2,165)	(4,432)
NET DECREASE / (INCREASE) IN CASH AND CASH EQUIVALENTS	(7,461)	8,936
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR	17,112	8,176
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	9,651	17,112
Cash and Cash Equivalents Comprises:		
Cash In Hand and At Banks	4,863	6,811
Deposits With Licensed Banks	4,788	10,301
Bank Overdraft	-	-
	9,651	17,112
	0	0

Note :

The unaudited Condensed Cash Flow Statement should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the fourth quarter financial statements.

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report)

SILVER RIDGE HOLDINGS BHD

(Company No.: 667785-W)

Incorporated in Malaysia

Notes on the quarterly report – 31 DECEMBER 2010

A. EXPLANATORY NOTES AS PER FRS134-INTERIM FINANCIAL REPORTING

A1. Basis of preparation

This fourth quarter financial statements are unaudited and have been prepared in accordance with FRS134-Interim Financial Reporting, and the requirements of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market ("Listing Requirements").

This is the fourth quarterly financial statements on the consolidated results for the financial period ended 31 December 2010 announced by the Company.

There are no changes in the accounting policies and methods of computation adopted in this quarterly report.

A2. Audit report

The preceding year's annual audited financial statements were not subject to any qualification.

A3. Seasonal or cyclical factors

The Group's operations were not affected by any seasonal or cyclical factors.

A4. Unusual items

During the current quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the current quarter under review.

A6. Issuance, cancellations, repurchases, resale and repayments of debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

A7. Dividends paid

There were no dividends paid during the current quarter under review.

A8. Segmental information

The Group currently operates predominantly in one industry, which is in the Information, Communication and Technology ("ICT") Industry and accordingly, there is no segmental reporting to be presented.

SILVER RIDGE HOLDINGS BHD
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Notes on the quarterly report – 31 DECEMBER 2010

A9. Basis of consolidation

The subsidiary companies are consolidated using the merger accounting principles and whereas the associated companies are consolidated using the equity method.

A10. Valuation of property, plant and equipment

The property, plant and equipment of the Group have not been revalued for the current quarter under review.

A11. Materials events subsequent to the balance sheet date

There were no material events subsequent to the end of the current quarter under review that has not been reflected in the financial statements.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A13. Changes in contingent liabilities or contingent assets

As at the date of this report, our Directors are not aware of any contingent liabilities which, upon becoming enforceable, may have a material impact on the profit or net assets value of the Group.

A14. Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statement consist of:

	RM'000
Cash and bank balances	4,788
Deposits with licensed banks	4,863
Cash and Cash Equivalents	<u>9,651</u>

A15. Provision for financial assistance

The financial assistance provided to Bernama TV Synergy Sdn Bhd as at 31 December 2010 is RM4,975,378 for its capital expenditure and working capital purposes. Nevertheless, the Company has ceased to provide any financial assistance to BTM since the date of the Annual General Meeting held on 29 June 2010.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of the Group results for the current quarter ended 31 December 2010

For the quarter under review, the Group recorded revenue of RM8.352 million and pre-tax loss of RM0.353 million as compared to revenue of RM17.042 million and pre-tax loss of RM1.323 million respectively for the preceding year's corresponding quarter ended 31 December 2009. The decrease in revenue is mainly due to overall general market conditions.

The main telecommunication projects that SRSB is undertaking in the current quarter are Multi Service Access Network ("MSAN"), Digital Subscriber Line System ("DSLAM") and Small Capacity Multiplexer ("MINIMUX") and High-Speed Broadband ("HSBB") projects which were awarded by Telekom Malaysia Berhad.

B2. Variation of results against immediate preceding quarter

	Current Quarter RM'000	Immediate Preceding Quarter RM'000
Revenue	8,352	12,727
(Loss)/Profit before tax	(353)	3,817
Profit after tax	924	2,859

For the quarter under review, the Group recorded revenue of RM8.352 million representing an decrease of 34% compared with RM12.727 million recorded in the immediate preceding quarter.

The Group achieved pre-tax loss of RM0.353 million in the current quarter as compared to pre-tax profit of RM3.817 million in the immediate preceding quarter. The substantial increase in pre-tax loss is contributed by the lower revenue from the projects currently being undertaken by the Group. The Group is continuing to source for new projects whilst managing costs through optimization of resources.

B3. Prospects

The management foresees that the prospects of the Telecommunication Infrastructure Industry will focus mainly on cellular coverage and optimization, broadband as well as high speed data packet access for this year, especially from the rollout of HSBB and WiMax services nationwide, as Malaysia continues with its aim to achieve 50 percent broadband penetration of households in 2011. Management also foresees continuing business and marketing prospects with the extension of the tax incentives to subscribers for broadband network facilities and import duty and sales tax exemption on broadband and consumer access devices.

Notes on the quarterly report – 31 DECEMBER 2010

B4. Profit forecast

There was no profit forecast or profit guarantee issued by the Group and the Company for the current quarter.

B5. Tax expense

Income tax (credit) / expense comprises the following:-

	Current quarter ended 31 December 2010 RM'000	Current year-to-date 31 December 2010 RM'000
In respect of the current period		
Income tax	(1,277)	1,251
Deferred tax	-	-
	<u>(1,277)</u>	<u>1,251</u>

B6. Sale of unquoted investments and/or properties

There was no disposal of unquoted investments or properties during the current quarter under review and the current financial year to date.

B7. Quoted and marketable securities

There were no purchase or disposal of quoted and marketable securities during the current quarter under review.

B8. Status of corporate proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

B9. Borrowings

The Group's unsecured borrowings are as follows:-

	31 December 2010 RM'000
Payable within 12 months:	
Borrowings – Project financing	-
Hire purchase and leasing	615
	<u>615</u>
Payable after 12 months:	
Hire purchase	548
	<u>1,163</u>

The Group does not have any foreign currency borrowings for the fourth quarter ended 31 December 2010.

SILVER RIDGE HOLDINGS BHD*(Company No.: 667785-W)*

Incorporated in Malaysia

Notes on the quarterly report – 31 DECEMBER 2010

B10. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at the date of this report.

B11. Material litigation

There was no material litigation during the quarter under review, save for the following on-going case:-

1. Silver Ridge Sdn Bhd ("SRSB") has through its solicitors filed the Writ of Summon and Statement of Claim on 26 August 2009. On 6 October 2009, Izzinet Sdn Bhd filed their Statement of Defence and Counter Claim. Thereafter, on 11 November 2009, SRSB submitted a Reply to the Statement of Defence and Counter Claim. On 11 May 2010, SRSB obtained consent judgement whereby Izzinet Sdn Bhd was required to deposit with their solicitors, 12 post dated cheques of RM100,000 each, to be paid to SRSB commencing on 30 July 2010. To date, only the first payment of RM100,000 was received by SRSB. In view of the breach of the terms of the Consent Judgement, SRSB through its solicitors filed an application for Summary Judgement pursuant to Order 14 of the High Court Rules 1980 to demand for full settlement of the balance the judgement sums due on 22 November 2010. The Kuala Lumpur High Court granted "Order in Terms" against the Defendant for the breach of Consent Judgement for the outstanding RM200,000 as at 22 November 2010 on 7 January 2011. The fair copy of the Order 14 has been filed on 22 January 2011 pending extraction of the same from the Kuala Lumpur High Court's registry. A full trial for the disputed amount of RM355,322.22 has been scheduled in the Kuala Lumpur High Court on 30 and 31 March 2011 respectively and both parties has to comply the Court's direction to file the cause papers for the preparation of the full trial latest by 28 February 2011.

B12. Dividends

There were no dividends declared during the quarter under review.

B13. Earnings per share

	Current quarter ended	Current year to date
	31 December 2010	31 December 2010
Basic earnings per share		
Net earnings for the year (RM'000)	924	2,564
Number of shares in issue ('000)	100,000	100,000
Basic earnings per share (sen)	<u>0.92</u>	<u>2.56</u>