

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not being audited)

	CURRENT QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	30-Sep-2015 RM'000	30-Sep-2014 RM'000	30-Sep-2015 RM'000	30-Sep-2014 RM'000
REVENUE	8,109	6,961	26,471	21,435
Cost of sales	(5,014)	(5,578)	(20,111)	(15,508)
GROSS PROFIT	<u>3,095</u>	<u>1,383</u>	<u>6,360</u>	<u>5,927</u>
Other operating Income	32	121	97	228
Administrative expenses	(647)	(553)	(1,827)	(1,775)
Other operating expenses	(1,891)	(1,475)	(5,164)	(4,235)
OPERATING PROFIT/(LOSS)	<u>589</u>	<u>(524)</u>	<u>(534)</u>	<u>145</u>
Finance costs	(172)	(172)	(475)	(429)
PROFIT/(LOSS) BEFORE TAXATION	<u>417</u>	<u>(696)</u>	<u>(1,009)</u>	<u>(284)</u>
Taxation	-	151	-	(79)
PROFIT/(LOSS) FOR THE PERIOD	<u>417</u>	<u>(545)</u>	<u>(1,009)</u>	<u>(363)</u>
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD	<u>417</u>	<u>(545)</u>	<u>(1,009)</u>	<u>(363)</u>
Attributable to:				
Equity holders of the Company	417	(545)	(1,009)	(363)
Minority interests	-	-	-	-
	<u>417</u>	<u>(545)</u>	<u>(1,009)</u>	<u>(363)</u>
Earnings per share				
- Basic (sen)	0.34	(0.48)	(0.83)	(0.32)
- Diluted (sen)	Note	Note	Note	Note
Dividend per share (sen)	NA	NA	NA	NA

Note:

Fully diluted earnings per share for the current quarter has not been disclosed as the average exercise price of the share options granted pursuant to the warrant is above the average fair value of the Company's shares during the current quarter. The potential effect of the conversion of warrants would be anti-dilutive.

This is prepared based on the consolidated results for the Group for the financial period ended 30 September 2015. The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim 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 STATEMENT OF FINANCIAL POSITION

As at 30-Sep-2015

(The figures have not being audited)

	30-Sep-2015 RM'000 UNAUDITED	31-Dec-2014 RM'000 AUDITED
ASSETS		
Non Current Assets		
Property, plant and equipment	2,463	1,677
Intangible assets	17	23
Other investment	94	94
Investment in associates	4	4
Investment in jointly controlled entities	425	425
Other receivables	7,001	7,061
	10,004	9,284
Current Assets		
Inventories	1,508	801
Amount due from customers for contract works	14,877	16,002
Trade receivables	6,413	7,355
Other receivables, deposits and prepayments	1,811	5,821
Amount owing by associates	2	2
Tax recoverable	692	185
Fixed deposits placed with licensed banks	5,500	5,713
Cash and bank balances	778	662
	31,581	36,541
Current Liabilities		
Trade payables	8,528	13,179
Other payables, deposits and accruals	6,761	2,110
Amount owing to associates	83	83
Bank borrowings	3,989	5,871
Redeemable preference shares	1,600	1,600
Hire purchase - within 12 months	716	702
	21,677	23,545
Net Current Assets	9,904	12,996
	19,908	22,280
Represented by:		
Issued capital	12,100	12,100
Reserves	4,763	5,772
Shareholders' Equity	16,863	17,872
Redeemable preference shares	1,467	2,667
Hire-purchase payables	1,082	1,472
Deferred tax liabilities	89	89
Other Payables	407	180
	3,045	4,408
	19,908	22,280
Net assets per share (RM)	0.14	0.15

Note :

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim 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 STATEMENT OF CHANGES IN EQUITY

For the 2nd Quarter Ended 30-Sep-15
(The figures have not being audited)

	Issued Capital (RM'000)	Non-Distributable Share Premium (RM'000)	Distributable Unappropriated Profit/(Loss) (RM'000)	Total (RM'000)
Balance as of 1 January 2015	12,100	6,757	(985)	17,872
Total comprehensive loss for the period	-	-	(1,009)	(1,009)
Balance as of 30 September 2015	<u>12,100</u>	<u>6,757</u>	<u>(1,994)</u>	<u>16,863</u>
Balance as of 1 January 2014	11,000	6,040	(483)	16,557
Issuance of shares	450	314	-	764
Total comprehensive income for the period	-	-	(363)	(363)
Balance as of 30 September 2014	<u>11,450</u>	<u>6,354</u>	<u>(846)</u>	<u>16,958</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 2014 and the accompanying explanatory notes attached to the interim financial statements

SILVER RIDGE HOLDINGS BHD. (667785-W)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the 3rd Quarter Ended 30-Sep-15

(The figures have not being audited)

	Unaudited 30-Sep-15 (RM'000)	Unaudited 30-Sep-14 (RM'000)
Cash Flows From Operating Activities		
Loss before tax	(1,009)	(284)
Adjustment for :-		
Amortisation of intangible assets	6	20
Depreciation of property, plant and equipments	344	316
Gain on disposal of property, plant and equipment	-	(21)
Interest expense	475	429
Interest income	(97)	(123)
Operating (Loss)/Profit Before Working Capital Changes	(281)	337
Changes in working capital		
Inventories	(707)	(663)
Receivables	6,136	2,964
Payables	306	943
Cash Generated From Operations	5,454	3,581
Tax paid	(585)	(536)
Net Cash From Operating Activities	4,869	3,045
Cash Flows From Investing Activities		
Fixed deposits placed as security value	-	(994)
Proceed from disposal of property, plant & equipment	-	21
Interest received	97	123
Acquisition of property, plant & equipment	(1,050)	(221)
Net Cash Used In Investing Activities	(953)	(1,071)
Cash Flow From Financing Activities		
Interest paid	(474)	(429)
Proceeds from issuance of shares	-	763
Redemption of redeemable preference shares	(1,200)	(1,200)
Repayment of hire purchase	(457)	(830)
Net Cash Used In Financing Activities	(2,131)	(1,696)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,785	278
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	(3,425)	(5,014)
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	(1,640)	(4,736)
Cash and Cash Equivalents Comprises:		
Cash In Hand and At Banks	778	78
Deposits With Licensed Banks	5,500	6,677
Bank overdraft	(3,989)	(6,114)
	2,289	641
Deposits With Financial Institutions as security for Facilities	(3,930)	(5,378)
	(1,641)	(4,736)

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 2014 and the accompanying explanatory notes attached to the financial statements for the current quarter.

SILVER RIDGE HOLDINGS BHD

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Notes on the quarterly report – 30th September 2015

A. EXPLANATORY NOTES AS PER FRS134-INTERIM FINANCIAL REPORTING

A1. Basis of preparation & Changes in Accounting Policies

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

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

A2. Audit report

The annual audited accounts for the year ended 31 December 2014 of the Group's was qualified because the Auditors were unable to obtain sufficient and appropriate audit evidence on the recoverability of the long outstanding balance of trade receivable amounted to RM890,627. The subsidiary of the Group continues to pursue the recovery of the said trade receivable.

A3. Seasonal or cyclical factors

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

A4. Material and unusual items affecting assets, liabilities, equity, net income or cash flow

There were no material and unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period.

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 the Information, Communication and Technology ("ICT") Industry and accordingly, there is no segmental reporting to be presented.

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A9. Basis of consolidation

The subsidiary companies are consolidated using the merger accounting principles and 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 financial period under review that have not been reflected.

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. Capital commitments

There were no material capital commitments for the purchase of property, plant and equipment that were not provided for in the interim financial statements as at the end of the financial period.

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Notes on the quarterly report – 30th September 2015

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of the Group results for the current quarter ended 30 September 2015

For the current quarter ended 30 September 2015, the Group recorded revenue of RM8.10 million and pre-tax profit of RM0.42 million compared to revenue of RM6.96 million and pre-tax loss of RM0.55 million respectively, for the preceding year's corresponding quarter ended 30 September 2015.

The higher revenue recorded was due mainly to higher progress billings during the current quarter.

B2. Variation of results against immediate preceding quarter

For the current quarter ended 30 September 2015, the Group recorded revenue of RM8.10 million as compared to revenue of RM7.69 million recorded in the immediate preceding quarter.

The Group recorded a pre-tax profit of RM0.42 million in the current quarter compared to a pre-tax profit of RM0.32 million in the immediate preceding quarter.

B3. Prospects

The management expects the Telecommunications Industry to continue to grow due to strong expansion in the data, high speed broadband ("HSBB") and fourth-generation ("4G") segments. The Group is expected to benefit from the increase projects coming out from the networks expansion undertaken by telecommunication companies.

Based on the projects in hand secured by the Group, the Board of Directors is cautiously optimistic of increased revenue in the final quarter of the year. Nevertheless, the Group's profitability may be affected by the continued weakness of Ringgit as imported material cost is expected to increase thus affecting the margin of the projects

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

There was no income tax expense during the quarter.

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Notes on the quarterly report – 30th September 2015

B6. Quoted and marketable securities

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

B7. Status of corporate proposals

There was no corporate proposal announced but not completed at the date of issuance of the interim financial statements.

B8. Borrowings

The Group's borrowings are as follows:-

	30 September 2015
	RM'000
Payable within 12 months:	
Overdraft	3,989
Hire purchase	716
	<hr/> 4,705
Payable after 12 months:	
Hire purchase	1,082
	<hr/> <hr/> 5,787

The Group does not have any foreign currency borrowings for the quarter ended 30 September 2015.

B9. Off balance sheet financial instruments

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

B10. Material litigation

There was no material litigation during the quarter under review.

B11. Dividends

There were no dividends declared during the quarter under review.

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 (Company No.: 667785-W)
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Notes on the quarterly report – 30th September 2015

B12 Earnings/ (Loss) per Ordinary Share

	2015 Current Quarter ended 30 Sept	2014 Comparative Quarter ended 30 Sept	2015 9 months Cumulative to date	2014 9 months Cumulative to date
(Loss)/Profit attributable to ordinary shareholders (RM'000)	417	(545)	(1,009)	(363)
No. of ordinary shares at beginning of period ('000)	121,000	114,500	121,000	114,500
Earnings/(Losses) per ordinary share (sen)				
- Basic	0.34	(0.48)	(0.83)	(0.32)
- Diluted	Note	Note	Note	Note

Note:

Fully diluted earnings per share for the current quarter has not been disclosed as the average exercise price of the share options granted pursuant to the warrant is above the average fair value of the Company's shares during the current quarter. The potential effect of the conversion of warrants would be anti-dilutive.

B13. Realised and Unrealised Profits/ (Losses) Disclosure

	As at 30 Sept 2015 RM'000	As at 30 Sept 2014 RM'000
Total accumulated profit/(losses) of the Company and its subsidiaries:		
- Realised	(1,994)	(846)
- Unrealised	0	0
Total Group accumulated losses	(1,994)	(846)

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

Incorporated in Malaysia

Notes on the quarterly report – 30th September 2015**B14. Profit for the Period**

This is arrived at after crediting / (charging):

	Current Quarter	Year To Date
	RM'000	RM'000
Interest income	(32)	(97)
Interest Expenses	172	475
Depreciation of Property, Plant & Equipment	136	344
Amortisation of Intangible Asset	2	6

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements for the ACE Market of Bursa Malaysia Securities Bhd are not applicable.