

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not being audited)

| | Unaudited CURRENT QUARTER ENDED | | Unaudited CUMULATIVE PERIOD ENDED | |
|--|------------------------------------|-----------------------|--------------------------------------|-----------------------|
| | 31-Mar-2018 RM'000 | 31-Mar-2017 RM'000 | 31-Mar-2018 RM'000 | 31-Mar-2017 RM'000 |
| REVENUE | 4,735 | - | 23,912 | - |
| Cost of sales | (2,355) | - | (16,027) | - |
| GROSS PROFIT | 2,381 | - | 7,885 | - |
| Other operating Income | - | - | 156 | - |
| Administrative expenses | (520) | - | (3,409) | - |
| Other operating expenses | (2,372) | - | (7,987) | - |
| OPERATING LOSS | (512) | - | (3,356) | - |
| Finance costs | (85) | - | (505) | - |
| LOSS BEFORE TAXATION | (595) | - | (3,860) | - |
| Taxation | - | - | (54) | - |
| LOSS FOR THE PERIOD | (595) | - | (3,914) | - |
| Other comprehensive income | - | - | - | - |
| TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD | (595) | - | (3,914) | - |
| Attributable to: | | | | |
| Equity holders of the Company | (595) | - | (3,914) | - |
| Minority interests | - | - | - | - |
| | (595) | - | (3,914) | - |
| Earnings per share | | | | |
| - Basic (sen) | (0.49) | - | (3.23) | - |
| - 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.

The financial period ended 31 March 2018 is made up of 15 months result from 1 January 2017 to 31 March 2018. As such, no comparative figures are presented for the Statement of Comprehensive Income as there are no comparable interim periods (current and year-to-date) of the immediate preceding financial year following the change in financial year end from 31 December to 30 June.

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31-Mar-2018

(The figures have not being audited)

| | 31-Mar-2018 | 31-Dec-2016 |
|---|--------------------|--------------------|
| | RM'000 | RM'000 |
| | UNAUDITED | AUDITED |
| ASSETS | | |
| Non Current Assets | | |
| Property, plant and equipment | 1,503 | 1,852 |
| Intangible assets | 11 | 7 |
| Other investment | 274 | 274 |
| Investment in associates | 2 | 3 |
| Other receivables | 4,995 | 5,515 |
| | 6,785 | 7,651 |
| Current Assets | | |
| Inventories | 2,064 | 1,085 |
| Accrued Income | 2,029 | 5,270 |
| Trade receivables | 2,745 | 5,744 |
| Other receivables, deposits and prepayments | 2,324 | 1,298 |
| Amount owing by associates | 24 | 7 |
| Tax recoverable | 274 | 566 |
| Fixed deposits placed with licensed banks | 5,991 | 5,723 |
| Cash and bank balances | (6) | 922 |
| | 15,443 | 20,615 |
| Current Liabilities | | |
| Trade payables | 8,879 | 9,956 |
| Other payables, deposits and accruals | 1,878 | 2,706 |
| Amount owing to associates | 83 | 83 |
| Bank borrowings | 5,555 | 3,948 |
| Redeemable preference shares | - | 1,067 |
| Hire purchase - within 12 months | 102 | 635 |
| | 16,497 | 18,395 |
| Net Current Assets | (1,053) | 2,220 |
| | 5,732 | 9,871 |
| Represented by: | | |
| Issued capital | 6,050 | 6,050 |
| Reserves | (524) | 3,408 |
| Shareholders' Equity | 5,526 | 9,458 |
| Hire-purchase payables | 206 | 393 |
| Deferred tax liabilities | - | 20 |
| | 206 | 413 |
| | 5,732 | 9,871 |
| Net assets per share (RM) | 0.05 | 0.08 |

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 2016 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)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 5th Quarter Ended

31-Mar-18

(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 2017 | 6,050 | 6,757 | (3,367) | 9,440 |
| Total comprehensive loss for the period | - | - | (3,914) | (3,914) |
| Balance as of 31 Mar 2018 | 6,050 | 6,757 | (7,281) | 5,526 |
| Balance as of 1 January 2016 | 12,100 | 6,757 | (5,955) | 12,902 |
| Par value reduction | (6,050) | - | 6,050 | 0 |
| Total comprehensive loss for the period | - | - | - | 0 |
| Balance as of 31 Dec 2016 | 6,050 | 6,757 | 95 | 12,902 |

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 2016 and the accompanying explanatory notes attached to the interim financial statements

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the 5th Quarter Ended
(The figures have not being audited)

31-Mar-18

| | Unaudited | Audited |
|---|-----------------------|-----------------------|
| | 31-Mar-18 | 31-Dec-16 |
| | (RM'000) | (RM'000) |
| Cash Flows From Operating Activities | | |
| Loss before tax | (3,860) | (3,503) |
| Adjustment for :- | | |
| Amortisation of intangible assets | 2 | 58 |
| Depreciation of property, plant and equipments | 661 | 579 |
| Fair value gain on receivables | - | 1,024 |
| Impairment loss on intangible assets | - | 8 |
| Impairment loss on property, plant and equipment | - | 110 |
| Share of losses of associates | - | 1 |
| Unrealised (gain)/loss on foreign exchange | - | (0) |
| Property, plant & equipment written off | - | 5 |
| Interest expense | 505 | 509 |
| Interest income | 156 | (131) |
| Operating Loss Before Working Capital Changes | <u>(2,536)</u> | <u>(1,340)</u> |
| Changes in working capital | | |
| Inventories | (979) | 1,674 |
| Receivables | 8,735 | 5,763 |
| Payables | (4,453) | (3,851) |
| Cash Generated From Operations | <u>767</u> | <u>2,246</u> |
| Interest paid | (505) | (509) |
| Tax paid | 91 | (220) |
| Tax refund | 252 | 167 |
| Net Cash From Operating Activities | <u>605</u> | <u>1,684</u> |
| Cash Flows From Investing Activities | | |
| Fixed deposits placed as security value | (80) | (760) |
| Interest received | (156) | 131 |
| Additions to property, plant and equipment | (401) | (3) |
| Net Cash Used In Investing Activities | <u>(638)</u> | <u>(632)</u> |
| Cash Flow From Financing Activities | | |
| Redemption of redeemable preference shares | (1,067) | (1,600) |
| (Repayment)/drawdown of trust receipts | (551) | 551 |
| Advance to an associate | - | (5) |
| Repayment of hire purchase | (720) | (606) |
| Net Cash Used In Financing Activities | <u>(2,338)</u> | <u>(1,660)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | <u>(2,370)</u> | <u>(608)</u> |
| CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD | <u>(2,084)</u> | <u>(1,476)</u> |
| CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD | <u><u>(4,454)</u></u> | <u><u>(2,084)</u></u> |
| Cash and Cash Equivalents Comprises: | | |
| Cash In Hand and At Banks | (6) | 922 |
| Deposits With Licensed Banks | 5,991 | 5,723 |
| Bank overdraft | (5,555) | (3,948) |
| | <u>429</u> | <u>2,697</u> |
| Deposits With Financial Institutions as security for Facilities | (4,883) | (4,781) |
| | <u><u>(4,454)</u></u> | <u><u>(2,084)</u></u> |

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 2016 and the accompanying explanatory notes attached to the financial statements for the current quarter.

SILVER RIDGE HOLDINGS BHD

(Company No.: 667785-W)

Incorporated in Malaysia

Notes on the quarterly report – 31st March 2018

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.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016 and the accompanying notes attached to this interim financial statements.

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

The Board of Directors of the Company had on 17 January 2018 approved the change of financial year end from 31 December to 30 June. Due to the change, the financial period ended 31 March 2018 is made up of 15 months results from 1 January 2017 to 31 March 2018. As such, no comparative figures are presented for the Statements of Comprehensive Income as there are no comparable interim periods (current and year-to-date) of the immediate preceding financial year.

A2. Audit report

The annual audited accounts for the year ended 31 December 2016 of the Group’s was unqualified.

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.

SILVER RIDGE HOLDINGS BHD

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Notes on the quarterly report – 31st March 2018

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.

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.

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

Incorporated in Malaysia

Notes on the quarterly report – 31st March 2018

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**B1. Review of the Group results for the current quarter ended 31 March 2018**

For the current quarter ended 31 March 2018, the Group recorded the revenue of RM4.735 million and pre-tax loss of RM595,000.

The lower revenue recorded in the current quarter was attributed to slower demand resulting from the challenging economic conditions as compared to the preceding year's corresponding quarter, and with lower operating costs, led to a lower pre-tax loss in the current quarter.

B2. Variation of results against immediate preceding quarter

For the current quarter ended 31 March 2018, the Group recorded the revenue of RM4.735million as compared to RM6.08 million in the immediate preceding quarter.

The Group recorded a pre-tax loss of RM595,000 in the current quarter as compared to a pre-tax loss of RM1.22 million in the immediate preceding quarter mainly due to the higher costs incurred in the current quarter.

B3. Prospects

The Group's business segment are expected to operate in a challenging environment in 2018. However, the Group will strive to continue to improve its efficiency and focus on better margin product mix to improve the Group's profitability.

The Group received a letter of award dated 14 November 2017 from Ministry of Education for the supply of reading materials in English for 17 primary schools for an initial amount of RM1.967 million (Contract Number: KPM/41/2017/10/0013). The contract was completed during the quarter ended 31 March 2018.

The Group is hopeful that the new Government policies will benefit local contractors.

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

| | 2018 | 2018 |
|-------------------------------|-----------------------|---------------------------|
| | Current period | 15 months |
| | ended 31 Mar | Cumulative to date |
| | RM'000 | RM'000 |
| Estimated current tax payable | - | 54 |
| Deferred tax | - | - |
| | - | 54 |

SILVER RIDGE HOLDINGS BHD

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Incorporated in Malaysia

Notes on the quarterly report – 31st March 2018

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:-

| | 31 Dec 2018 |
|---------------------------|--------------------|
| | RM'000 |
| Payable within 12 months: | |
| Overdraft | 5,555 |
| Hire purchase | 102 |
| | <hr/> |
| | 5,657 |
| Payable after 12 months: | |
| Hire purchase | 206 |
| | <hr/> |
| | 5,863 |
| | <hr/> |

The Group does not have any foreign currency borrowings for the quarter ended 31 March 2018.

B9. Off balance sheet financial instruments

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

B10. Material litigation

A wholly owned subsidiary has filed Summons & Statement of Claims against Revenue Records Sdn Bhd for RM1,369,270.09, for rendered service of maintenance, support and engineering services as well as equipment and local materials for Maju Nusa projects. Application for Summary Judgement under O.14 of the Rules of High Court has been file. The Court has fixed the date for hearing of Summary Judgement Application on 30 May 2018.

B11. Dividends

There was no dividend declared during the quarter under review.

B12 Earnings/ (Loss) per Share

a) Basic Loss per share

| | 2018 Current Quarter ended 31 Mar | 2018 15 month Cumulative to date |
|---|--|---|
| Loss attributable to ordinary shareholders (RM'000) | (595) | (3,914) |
| Weighted average number of ordinary shares on issue ('000) | 121,000 | 121,000 |
| Earnings/(Loss) per ordinary share (sen) - Basic | (0.49) | (3.23) |

b) Diluted Loss per share

Diluted earnings per share amounts are calculated by dividing the Group's (loss)/profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The diluted earnings per share for the current financial year 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 financial year. The potential effect of the conversion of warrants would be anti-dilutive.

B13. Realised and Unrealised Profits/(Losses) Disclosure

| | As at 31 March 2018 RM'000 |
|---|---|
| Total accumulated losses of the Company and its subsidiaries: | |
| - Realised | (3,914) |
| - Unrealised | - |
| | <u>(3,914)</u> |
| Less: Consolidation adjustments | - |
| Total Group accumulated losses | <u>(3,914)</u> |

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

Incorporated in Malaysia

Notes on the quarterly report – 31st March 2018

B14. Profit for the Period

This is arrived at after crediting / (charging):

| | Current Quarter 31 March 2018 | Year To Date 15 Months to 31 March 2018 |
|--|--|--|
| | RM'000 | RM'000 |
| Interest income | 0 | 156 |
| Interest expenses | (85) | (505) |
| Depreciation of Property, Plant & Equipment | (142) | (661) |
| Amortisation of Intangible Asset | (0) | (2) |

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.