

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	
	30-Jun-2018 RM'000	30-Jun-2017 RM'000	30-Jun-2018 RM'000	30-Jun-2017 RM'000
REVENUE	3,371	-	27,284	-
Cost of sales	(1,678)	-	(17,706)	-
GROSS PROFIT	<u>1,694</u>	<u>-</u>	<u>9,579</u>	<u>-</u>
Other operating Income	-	-	1,044	-
Administrative expenses	512	-	(2,897)	-
Other operating expenses	1,533	-	(6,455)	-
OPERATING LOSS	<u>3,737</u>	<u>-</u>	<u>1,270</u>	<u>-</u>
Finance costs	(99)	-	(604)	-
LOSS BEFORE TAXATION	<u>3,639</u>	<u>-</u>	<u>666</u>	<u>-</u>
Taxation	43	-	(10)	-
LOSS FOR THE PERIOD	<u>3,682</u>	<u>-</u>	<u>656</u>	<u>-</u>
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD	<u>3,682</u>	<u>-</u>	<u>656</u>	<u>-</u>
Attributable to:				
Equity holders of the Company	3,682	-	656	-
Minority interests	-	-	-	-
	<u>3,682</u>	<u>-</u>	<u>656</u>	<u>-</u>
Earnings per share				
- Basic (sen)	3.04	-	0.54	-
- 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 30-Jun-2018

(The figures have not being audited)

	30-Jun-2018 RM'000 UNAUDITED	31-Dec-2016 RM'000 AUDITED
ASSETS		
Non Current Assets		
Property, plant and equipment	1,721	1,852
Intangible assets	3	7
Other investment	274	274
Investment in associates	2	3
Other receivables	7,972	5,515
	9,972	7,651
Current Assets		
Inventories	1,793	1,085
Accrued Income	2,547	5,270
Trade receivables	3,240	5,744
Other receivables, deposits and prepayments	1,132	1,298
Amount owing by associates	25	7
Tax recoverable	323	566
Fixed deposits placed with licensed banks	6,059	5,723
Cash and bank balances	135	922
	15,253	20,615
Current Liabilities		
Trade payables	5,098	9,956
Other payables, deposits and accruals	3,871	2,706
Amount owing to associates	-	83
Bank borrowings	5,452	3,948
Redeemable preference shares	-	1,067
Hire purchase - within 12 months	111	635
	14,531	18,395
Net Current Assets	722	2,220
	10,694	9,871
Represented by:		
Issued capital	6,050	6,050
Reserves	4,046	3,408
Shareholders' Equity	10,096	9,458
Hire-purchase payables		
	598	393
Deferred tax liabilities	-	20
	598	413
	10,694	9,871
Net assets per share (RM)	0.08	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)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 5th Quarter Ended

30-Jun-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	-	-	656	656
Balance as of 31 Mar 2018	6,050	6,757	(2,711)	10,096
			as at 31 Mar 2018	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)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the 5th Quarter Ended 30-Jun-18

(The figures have not being audited)

	Unaudited	Audited
	30-Jun-18	31-Dec-16
	(RM'000)	(RM'000)
Cash Flows From Operating Activities		
Loss before tax	666	(3,503)
Adjustment for :-		
Amortisation of intangible assets	10	58
Depreciation of property, plant and equipments	763	579
Fair value gain on receivables	-	1,024
Impairment loss on intangible assets	-	8
Impairment loss on property, plant and equipment	61	110
Share of losses of associates	-	1
Unrealised (gain)/loss on foreign exchange	-	(0)
Property, plant & equipment written off	-	5
Interest expense	604	509
Interest income	<u>(1,044)</u>	<u>(131)</u>
Operating Loss Before Working Capital Changes	1,060	(1,340)
Changes in working capital		
Inventories	(708)	1,674
Receivables	5,852	5,763
Payables	<u>(6,623)</u>	<u>(3,851)</u>
Cash Generated From Operations	(418)	2,246
Interest paid	(604)	(509)
Tax paid	85	(220)
Tax refund	<u>252</u>	<u>167</u>
Net Cash From Operating Activities	<u>(684)</u>	<u>1,684</u>
Cash Flows From Investing Activities		
Fixed deposits placed as security value	(80)	(760)
Interest received	1,044	131
Additions to property, plant and equipment	<u>(378)</u>	<u>(3)</u>
Net Cash Used In Investing Activities	<u>585</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	<u>(318)</u>	<u>(606)</u>
Net Cash Used In Financing Activities	<u>(1,936)</u>	<u>(1,660)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,035)	(608)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	(2,084)	(1,476)
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	<u>(4,119)</u>	<u>(2,084)</u>
Cash and Cash Equivalents Comprises:		
Cash In Hand and At Banks	135	922
Deposits With Licensed Banks	6,059	5,723
Bank overdraft	<u>(5,452)</u>	<u>(3,948)</u>
	742	2,697
Deposits With Financial Institutions as security for Facilities	(4,861)	(4,781)
	<u>(4,119)</u>	<u>(2,084)</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.

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Notes on the quarterly report – 30th June 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 30 June 2018 is made up of 18 months results from 1 January 2017 to 30 June 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.

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Notes on the quarterly report – 30th June 2018

A8. Segmental information

The Group currently operates predominantly in the Information and Communication 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)*

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Notes on the quarterly report – 30th June 2018**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS****B1. Review of the Group results for the current quarter ended 30 June 2018**

For the current quarter ended 30 June 2018, the Group recorded the revenue of RM3.371 million and pre-tax profit of RM3.639million.

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 and adjustments resulting from fair valuation of non-trade, led to a pre-tax profit in the current quarter.

B2. Variation of results against immediate preceding quarter

For the current quarter ended 30 June 2018, the Group recorded the revenue of RM3.371million as compared to RM4.735 million in the immediate preceding quarter.

The Group recorded a pre-tax profit of RM3.639million in the current quarter as compared to a pre-tax loss of RM595,000 in the immediate preceding quarter mainly due to the lower costs incurred and adjustments resulting from fair valuation of non-trade receivables 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 30 June 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 Current period ended 30 June RM'000	2018 18 months Cumulative to date RM'000
Estimated current tax payable	(43)	10
Deferred tax	-	-
	(43)	10

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Notes on the quarterly report – 30th June 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:-

	30 June 2018
	RM'000
Payable within 12 months:	
Overdraft	5,452
Hire purchase	111
	<hr/>
	5,563
Payable after 12 months:	
Hire purchase	598
	<hr/>
	6,161
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The Group does not have any foreign currency borrowings for the quarter ended 30 June 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. On 30 May 2018, the Court has awarded judgement in favour the plaintiff together with the judgement sum of RM1,369,270.09.

B11. Dividends

There was no dividend declared during the quarter under review.

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Notes on the quarterly report – 30th June 2018**B12 Earnings/ (Loss) per Share****a) Basic Loss per share**

	2018 Current Quarter ended 30 June	2018 18 month Cumulative to date
Profit attributable to ordinary shareholders (RM'000)	3,682	656
Weighted average number of ordinary shares on issue ('000)	121,000	121,000
Earnings/(Loss) per ordinary share (sen) - Basic	3.04	0.54

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 30 June 2018 RM'000
Total accumulated profits of the Company and its subsidiaries:	
- Realised	656
- Unrealised	-
	<hr/>
	656
Less: Consolidation adjustments	-
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Total Group accumulated losses	656

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Notes on the quarterly report – 30th June 2018**B14. Profit for the Period**

This is arrived at after crediting / (charging):

	Current Quarter 30 June 2018	Year To Date 18 Months to 30 June 2018
	RM'000	RM'000
Interest income	888	1,044
Interest expenses	(99)	(604)
Depreciation of Property, Plant & Equipment	(102)	(763)
Amortisation of Intangible Asset	(8)	(10)

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.