

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30-Sep-2018

(The figures have not being audited)

	30-Sep-2018 RM'000 UNAUDITED	30-Jun-2018 RM'000 AUDITED
<b>ASSETS</b>		
Non Current Assets		
Property, plant and equipment	1,571	1,156
Intangible assets	3	3
Other investment	274	274
Investment in associates	2	0
Other receivables	7,017	6,502
	<u>8,867</u>	<u>7,935</u>
Current Assets		
Inventories	1,934	1,793
Accrued Income	2,290	2,357
Trade receivables	2,406	3,430
Other receivables, deposits and prepayments	1,332	2,548
Amount owing by associates	36	16
Tax recoverable	340	331
Fixed deposits placed with licensed banks	5,510	6,059
Cash and bank balances	581	277
	14,427	16,811
Non-current asset reclassified as held for sale	-	560
Current Liabilities		
Trade payables	5,403	6,833
Other payables, deposits and accruals	3,827	3,042
Amount owing to associates	83	83
Bank borrowings	4,160	4,552
Redeemable preference shares	-	-
Hire purchase - within 12 months	111	164
	13,584	14,674
Net Current Assets	843	2,697
	<u>9,710</u>	<u>10,632</u>
Represented by:		
Issued capital	6,127	6,127
Reserves	3,073	4,007
Shareholders' Equity	9,200	10,134
Hire-purchase payables	510	498
Deferred tax liabilities	-	-
	510	498
	<u>9,710</u>	<u>10,632</u>
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 period ended 30 June 2018 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 COMPREHENSIVE INCOME**

(The figures have not being audited)

	Unaudited CURRENT QUARTER ENDED 30-Sep-2018 RM'000	Unaudited 30-Sep-2017 RM'000	Unaudited CUMULATIVE PERIOD ENDED 30-Sep-2018 RM'000	Unaudited 30-Sep-2017 RM'000
REVENUE	3,308	-	3,308	-
Cost of sales	(2,264)	-	(2,264)	-
<b>GROSS PROFIT</b>	<u>1,044</u>	<u>-</u>	<u>1,044</u>	<u>-</u>
Other operating Income	1	-	1	-
Administrative expenses	(485)	-	(485)	-
Other operating expenses	(1,400)	-	(1,400)	-
<b>OPERATING LOSS</b>	<u>(843)</u>	<u>-</u>	<u>(842)</u>	<u>-</u>
Finance costs	(85)	-	(85)	-
<b>LOSS BEFORE TAXATION</b>	<u>(927)</u>	<u>-</u>	<u>(926)</u>	<u>-</u>
Taxation	(8)	-	(8)	-
<b>LOSS FOR THE PERIOD</b>	<u>(935)</u>	<u>-</u>	<u>(934)</u>	<u>-</u>
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD</b>	<u>(935)</u>	<u>-</u>	<u>(934)</u>	<u>-</u>
Attributable to:				
Equity holders of the Company	(935)	-	(934)	-
Minority interests	-	-	-	-
	<u>(935)</u>	<u>-</u>	<u>(934)</u>	<u>-</u>
Earnings per share				
- Basic (sen)	(0.77)	-	(0.77)	-
- 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 30 September 2018 is made up of 3 months result from 1 July 2018 to 30 September 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 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the 1st Quarter Ended **30-Sep-18**  
(The figures have not being audited)

	<b>Issued Capital (RM'000)</b>	<b>Non-Distributable Share Premium (RM'000)</b>	<b>Distributable Unappropriated Profit/(Loss) (RM'000)</b>	<b>Total (RM'000)</b>
Balance as of 1 July 2018	6,127	6,757	(2,750)	10,134
Total comprehensive loss for the period	-	-	(934)	(934)
Balance as of 30 September 2018	6,127	6,757	(3,684)	9,200
			Capital (comb as at 31 Mar 2018	5,526
			Estimated by TOTAL'S	
Balance as of 1 January 2017	6,050	6,757	(3,362)	9,445
Conversion of warrants	76	-	-	76
Total comprehensive loss for the period	-	-	1,948	1,948
Balance as of 30 June 2018	6,126	6,757	(1,414)	11,469

**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 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

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

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the 1st Quarter Ended

(The figures have not being audited)

	Unaudited 30-Sep-18 (RM'000)	Audited 31-Dec-16 (RM'000)
<b>Cash Flows From Operating Activities</b>		
Loss before tax	(926)	(3,503)
Adjustment for :-		
Impairment of receivables		
Amortisation of intangible assets	0	58
Depreciation of property, plant and equip	134	579
(Gain) / Loss - disposal of subsidiary		
Inventory written off		
Impairment loss on investment in associates		
Impairment loss on amount owing by subsidiaries		
(Reversal)/Impairment of receivables		
Fair value (gain)/ loss on derivatives		
Fair value loss on payables		
Fair value gain on receivables	-	1,024
Impairment of jointly controlled entity		
Impairment loss on intangible assets	-	8
Impairment loss on receivables		
Impairment loss on property, plant and eq	-	110
Gain on disposal of property, plant and equipment		
Property, plant & equipment written off		
Receivables written off		
Share of losses of associates	-	1
Unrealised (gain)/loss on foreign exchan	-	(0)
Property, plant & equipment written off	-	5
Interest expense	85	509
Interest income	1	(131)
Operating Loss Before Working Capital Chang	(706)	(1,340)
Changes in working capital		
Inventories	(849)	1,674
Receivables	7,796	5,763
Payables	(6,341)	(3,851)
Non-current asset reclassified as held for sale	560	0
Amount owing by Associates	-	-
Cash Generated From Operations	459	2,246
Interest paid	(85)	(509)
Tax paid	70	(220)
Tax refund	252	167
<b>Net Cash From Operating Activities</b>	<b>697</b>	<b>1,684</b>
<b>Cash Flows From Investing Activities</b>		
Fixed deposits placed as security value	(80)	(760)
Proceed from disposal of property, plant & eq	-	-
Purchased of club membership	-	-
Interest received	(1)	131
Acquisition of a subsidiary, net of cash acquire	-	-
Additions to Intangible Assets	-	-
Additions to property, plant and equipment	560	(3)
Net cash inflow on disposal of subsidiaries	0	-
Net cash inflow on acquisition of subsidiary	0	-
Net cash outflow on disposal of subsidiary	-	-
<b>Net Cash Used In Investing Activities</b>	<b>479</b>	<b>(632)</b>
<b>Cash Flow From Financing Activities</b>		
Proceeds from issuance of shares	-	-
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	(405)	(606)
<b>Net Cash Used In Financing Activities</b>	<b>(2,023)</b>	<b>(1,660)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(848)</b>	<b>(608)</b>
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD</b>	<b>(2,084)</b>	<b>(1,476)</b>
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD</b>	<b>(2,932)</b>	<b>(2,084)</b>
<b>Cash and Cash Equivalents Comprises:</b>		
Cash In Hand and At Banks	581	922
Deposits With Licensed Banks	5,510	5,723
Bank overdraft	(4,160)	(3,948)
	1,930	2,697
Deposits With Financial Institutions as security for Facilities	(4,861)	(4,781)
	<u>(2,931)</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 30 June 2018 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 – 30<sup>th</sup> September 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 30 September 2018 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 September 2018 is made up of 3 months results from 1 July 2018 to 30 September 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 audited financial statements for the year ended 30 September 2018 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.

#### **A8. Segmental information**

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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**

On 16 November 2018, Bursa Malaysia Securities Berhad approved the proposed private placement of up to 17,600,000 new ordinary shares of the Company, representing up to 10% of the total issued shares of the Company. As at the date of this report, the proposed private placement has not yet been completed.

**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**

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Notes on the quarterly report – 30<sup>th</sup> September 2018

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS****B1. Review of the Group results for the current quarter ended 30 September 2018**

For the current quarter ended 30 September 2018, the Group recorded the revenue of RM3.308 million and pre-tax loss of RM0.934million.

The lower revenue recorded in the current quarter was attributed to slower demand resulting from the challenging economic conditions, which also contributed to the pre-tax loss in the current quarter.

**B2. Variation of results against immediate preceding quarter**

For the current quarter ended 30 September 2018, the Group recorded the revenue of RM3.308million as compared to RM3.371million in the immediate preceding quarter.

The Group recorded a pre-tax loss of RM0.934million in the current quarter due to lower revenue. The compared to a pre-tax profit of RM3.369 in the immediate preceding quarter mainly due to cost reduction exercise implemented and recoveries of debts from non-trade receivables previously impaired .

**B3. Prospects**

The Group's business segment are expected to operate in a challenging environment in 2018/2019. However, the Group will strive to continue to improve its efficiency and focus on better margin product mix to improve the Group's profitability.

**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**

	<b>2018</b>	<b>2018</b>
	<b>Current period</b>	<b>3 months</b>
	<b>ended 30September</b>	<b>Cumulative to date</b>
	<b>RM'000</b>	<b>RM'000</b>
Estimated current tax payable	8	8
Deferred tax	-	-
	<hr/>	<hr/>
	8	8
	<hr/>	<hr/>

**B6. Quoted and marketable securities**

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

**SILVER RIDGE HOLDINGS BHD**

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Notes on the quarterly report – 30<sup>th</sup> September 2018

**B7. Status of corporate proposals**

The proposed private placement of new ordinary shares was approved by Bursa Malaysia Securities Berhad on 16 November 2018 but not completed at the date of issuance of the interim financial statements.

**B8. Borrowings**

The Group's borrowings are as follows:-

	<b>30 September 2018 RM'000</b>
Payable within 12 months:	
Overdraft	4,160
Hire purchase	111
	<hr/> 4,271
Payable after 12 months:	
Hire purchase	510
	<hr/> <hr/> 4,781

The Group does not have any foreign currency borrowings for the quarter ended 30 September 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. The Board is considering further action to recover this amount in due course.

**B11. Dividends**

There was no dividend declared during the quarter under review.



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

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

	<b>2018 Current Quarter ended 30 September</b>	<b>2018 3month Cumulative to date</b>
Profit attributable to ordinary shareholders (RM'000)	(934)	(934)
Weighted average number of ordinary shares on issue ('000)	121,298	121,298
Earnings/(Loss) per ordinary share (sen) - Basic	<b>(0.77)</b>	<b>(0.77)</b>

**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**

	<b>As at 30 September 2018 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:	
- Realised	(934)
- Unrealised	-
	<u>(934)</u>
Less: Consolidation adjustments	-
Total Group accumulated losses	<u><u>(934)</u></u>

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

Incorporated in Malaysia

Notes on the quarterly report – 30<sup>th</sup> September 2018**B14. Profit for the Period**

This is arrived at after crediting / (charging):

	<b>Current Quarter 30 September 2018 RM'000</b>	<b>Year To Date 3 Months to 30 September 2018 RM'000</b>
Interest income	1	1
Interest expenses	(85)	(85)
Depreciation of Property, Plant & Equipment	(134)	(134)
Amortisation of Intangible Asset	(0)	(0)

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.