

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2020

	<b>UNAUDITED</b> As at end of Current Quarter 30 June 2020 RM'000	<b>AUDITED</b> As at Preceding Financial Year Ended 30 June 2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,033	1,471
Intangible assets	3	2
Other investments	274	274
Other receivable	5,880	5,880
<b>Total non-current assets</b>	<b>7,190</b>	<b>7,627</b>
<b>Current assets</b>		
Inventories	1,067	840
Accrued income	2,099	1,875
Trade Receivable	678	2,400
Other receivable, deposits and prepayments	2,668	2,792
Amount due from an associated company	31	23
Tax recoverable	116	165
Fixed deposits with licensed banks	4,356	4,146
Cash and bank balances	2,203	1,310
<b>Total current assets</b>	<b>13,218</b>	<b>13,551</b>
<b>TOTAL ASSETS</b>	<b>20,408</b>	<b>21,178</b>
<b>EQUITY AND LIABILITIES</b>		
Issued capital	19,165	16,873
Reserves	(10,422)	(7,454)
Non-controlling interest	(135)	(129)
<b>TOTAL EQUITY</b>	<b>8,608</b>	<b>9,290</b>
<b>Non-current liabilities</b>		
Hire purchase payables	870	870
Deferred tax liability	14	14
<b>Total non-current liabilities</b>	<b>884</b>	<b>884</b>
<b>Current liabilities</b>		
Trade payables	6,463	6,007
Other payables and accruals	1,961	2,259
Amount due to an associated company	83	83
Tax provision	-	2
Hire purchase payables	46	172
Bank borrowings	2,363	2,481
<b>Total current liabilities</b>	<b>10,916</b>	<b>11,004</b>
<b>TOTAL LIABILITIES</b>	<b>11,800</b>	<b>11,888</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,408</b>	<b>21,178</b>
Net Assets per share (RM)	0.06	0.07

**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 2019 and the accompanying explanatory notes attached to the interim financial statements.

**SILVER RIDGE HOLDINGS BHD. (667785-W)**  
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
As at 30 June 2020

	Unaudited CURRENT PERIOD ENDED 30 June 2020 RM'000	Unaudited CURRENT PERIOD ENDED 30 June 2019 RM'000	Unaudited CUMULATIVE PERIOD ENDED 30 June 2020 RM'000	Unaudited CUMULATIVE PERIOD ENDED 30 June 2019 RM'000
Revenue	2,100	2,926	9,072	14,639
Cost of sales	(2,075)	(1,708)	(7,654)	(10,591)
<b>GROSS PROFIT</b>	<u>25</u>	<u>1,218</u>	<u>1,418</u>	<u>4,048</u>
Other operating income	325	1,011	388	1,098
Administrative expenses	(150)	(3,723)	(1,062)	(9,463)
Other operating expenses	(774)	(258)	(3,552)	(258)
<b>LOSS FROM OPERATIONS</b>	<u>(574)</u>	<u>(1,752)</u>	<u>(2,808)</u>	<u>(4,575)</u>
Finance costs	(120)	-	(250)	(286)
<b>LOSS BEFORE TAXATION</b>	<u>(694)</u>	<u>(1,752)</u>	<u>(3,058)</u>	<u>(4,861)</u>
Taxation	85	(13)	85	(13)
<b>LOSS AFTER TAXATION</b>	<u>(609)</u>	<u>(1,765)</u>	<u>(2,973)</u>	<u>(4,874)</u>
Other comprehensive income, net of tax	-	-	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD</b>	<u>(609)</u>	<u>(1,765)</u>	<u>(2,973)</u>	<u>(4,874)</u>
Attributable to:				
Equity holders of the Company	(608)	(1,736)	(2,969)	(4,845)
Non-controlling interest	(1)	(29)	(5)	(29)
	<u>(609)</u>	<u>(1,765)</u>	<u>(2,974)</u>	<u>(4,874)</u>
<b>Earnings per share</b>				
- Basic loss per share attributable to owner of the company (sen)	(0.42)	(1.24)	(2.07)	(3.45)
- Diluted loss per share attributable to owner of the company (sen)	(0.37)	N/A	(1.83)	N/A
<b>Dividend per share (sen)</b>	N/A	N/A	N/A	N/A

**Note:-**

- The financial period ended 30 June 2020 is made up of 12 months result from 1 July 2019 to 30 June 2020.
- Fully diluted earnings per share for the previous financial 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 unaudited Condensed Consolidated Income Statement should be read in conjunction with the Group's Audited Financial Statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**SILVER RIDGE HOLDINGS BHD. (667785-W)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

As at 30 June 2020

	<b>UNAUDITED</b> 30 June 2020 RM'000	<b>AUDITED</b> 30 June 2019 RM'000
<b>Cash Flows From Operating Activities</b>		
Loss before tax	(2,973)	(4,853)
Adjustment for :-		
Amortisation of intangible assets	1	1
Depreciation of property, plant and equipments	438	496
Loss on disposal of property, plant and equipments	-	23
Loss on modification of financial asset	661	1,051
Allowance for impairment loss on trade receivables	-	504
Unwinding discount on other receivables	(697)	(819)
Inventories written off	-	174
Finance income	(143)	(137)
Finance cost	155	386
Operating loss before working capital changes	<u>(2,558)</u>	<u>(3,174)</u>
Changes in working capital		
Decrease/(increase) in inventories	(227)	778
Decrease/(increase) in accrued income	(225)	484
Decrease in receivables	1,942	671
Decrease in payables	147	(1,609)
Cash used in operations	<u>(921)</u>	<u>(2,850)</u>
Interest paid	(155)	(386)
Income tax paid	(14)	(48)
Income tax refund	149	202
<b>Net cash used in operating activities</b>	<u>(941)</u>	<u>(3,082)</u>
<b>Cash Flows From Investing Activities</b>		
Change in fixed deposit with maturity more than 3 months	-	561
Fixed deposit withdrawn from/(placed as) security value	(202)	1,351
Proceed from disposal of property, plant & equipment	-	538
Purchased of property, plant and equipments	(1)	(262)
Interest received	143	137
<b>Net cash generated from investing activities</b>	<u>(60)</u>	<u>2,325</u>
<b>Cash Flow From Financing Activities</b>		
Proceeds from issuance of shares	-	2,812
Conversion of warrants	2,293	1,177
Acquisition of NCI	-	49
Repayment of loans and borrowings	-	(171)
Advance to an associate	(8)	(7)
Repayment of hire purchase	(126)	-
<b>Net cash generated from financing activities</b>	<u>2,159</u>	<u>3,860</u>
<b>Net decrease/(increase) in cash and cash equivalents</b>	1,158	3,103
Cash and cash equivalents as at beginning of the financial year/period	(1,138)	(4,241)
<b>Cash and cash equivalents as at end of the financial year/period</b>	<u>20</u>	<u>(1,138)</u>
<b>Cash and cash equivalents comprises of:</b>		
Fixed deposits placed with licensed banks	4,356	4,146
Cash and bank balances	2,203	1,310
	<u>6,559</u>	<u>5,456</u>
Fixed deposit with maturity of more than 3 months	(426)	(538)
Bank overdraft	(2,363)	(2,481)
Desposit held as security value	(3,750)	(3,575)
	<u>(6,539)</u>	<u>(6,594)</u>
	<u>20</u>	<u>(1,138)</u>

**Note:-**

The unaudited Condensed Consolidated Statement Of Cash Flow should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**SILVER RIDGE HOLDINGS BHD. (667785-W)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the 4th Quarter Ended

30-Jun-20

(The figures have not been audited)

	Issued Capital (RM'000)	Non-Distributable Share Premium (RM'000)	Distributable Unappropriated Profit/(Loss) (RM'000)	Total (RM'000)	Non-Controlling Interest (RM'000)	Total (RM'000)
Balance as of 1 July 2019	16,873	-	(7,454)	9,419	(129)	9,290
Total comprehensive loss for the period	-	-	(2,969)	(2,969)	(5)	(2,974)
Conversion of warrants	2,292	-	-	2,292	-	2,292
Balance as of 30 June 2020	19,165	-	(10,423)	8,742	(134)	8,608

**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 2019 and the accompanying explanatory notes attached to the interim financial statements

**Notes on the quarterly report – 30th June 2020**

**A. EXPLANATORY NOTES AS PER MFRS134-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 June 2020 and the accompanying notes attached to this interim financial statement. There are no changes in the accounting policies and methods of computation adopted in this quarterly report.

**A2. Audit report**

The audited financial statements for the year ended 30 June 2020 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**

During the quarter under review, 7,783,100 shares have been issued and listed on the ACE Market of Bursa Securities as a result of the exercise of warrants. As at 30 June 2020, the outstanding warrants of the Company stands at 35,294,850. Save as disclosed above, there were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the 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 2020**

**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**

Silver Ridge Holdings Berhad (‘Company’) has filed a Writ and Statement of Claim against Jonathan Chong Teik Cheh and 28 others for claims of fraudulent misrepresentations, breach of fiduciary duties and conspiracy to injure the Company by unlawful means. The said writ action was filed and registered as Kuala Lumpur High Court Suit No.: WA-22NCC-362-08/2020 (‘Suit 362’).

Apart from Suit 362, Jonathan Chong Teik Cheh and anor has filed an Originating Summons against the Company and its Board of Directors for a court convened meeting pursuant to Section 314 of the Companies Act 2016. The said Originating Summons was filed and registered as Kuala Lumpur High Court Suit No.: WA-24NCC-321-08/2020 (‘OS 321’).

There is no expected immediate potential financial liabilities to the Group as Suit 362 is in its preliminary stages of deliberations in the High Court. Whereas OS 321 does not involve any monetary judgement. However, the Board estimate expenses will be incurred towards legal fees and the related expenses thereto in commencing Suit 362 and in defending OS 321, which sum shall be financed through the Group’s internally generated sources.

The Board is of the view that the financial impact to the group's finances shall be limited to the amount being spent on the expenses as paragraph 3 above as those sum shall be expensed out to the profit and loss accounts during the Group's results for its financial year end year ending 30.6.2021 and that there would be no operational impact to the Group.

**Notes on the quarterly report – 30th June 2020**

**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.

**Notes on the quarterly report – 30th June 2020**

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**

**B1. Review of the Group results for the current quarter ended 30 June 2020**

For the current quarter ended 30 June 2020, the Group recorded the revenue of RM2.1 million and pre-tax losses of RM694,000.

The revenue recorded for the current quarter ended 30 June 2020 is approximately 28.2% lower than the revenue recorded in the corresponding quarter ended 30 June 2019. The lower revenue achieved in the current quarter was mainly due to lower recognition values of certain completed projects in-hand which was partly attributable to the Movement Control Order (MCO) implemented by the government since 18 March 2020.

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

For the current quarter ended 30 June 2020, the Group recorded a revenue of RM2.1 million as compared to RM2.4 million in the immediate preceding quarter, which represents approximately a 11% drop due to the reduced number of projects being completed which are attributable to the Movement Control Order (MCO).

The Group recorded a pre-tax loss of RM694,000 in the current quarter, as compared to a pretax loss of RM637,000 in the immediate preceding quarter, which was contributed by lower administrative and other operating costs incurred during the preceding quarter compared to the current quarter as a result of cost reduction and cost saving exercises that took place in the preceding quarter.

**B3. Prospects for the financial year ending 30 June 2021**

The Group's business segments are expected to operate in a challenging environment in 2020/2021. In anticipation, the Group will streamline its business processes to optimize the operations. The Group is also developing to improve project mix to achieve better margins within the tele-communications industry to enhance the Group's profitability.

The current unprecedented series of MCO imposed by the Malaysian Government to curb and curtail the spread of COVID-19 pandemic has inadvertently resulted in substantial slowdown of the economy. The adverse impact of the COVID-19 pandemic, however, is still on-going albeit under control whilst the outlook is uncertain. The Group will nevertheless continue to pay close attention to the development of COVID-19 pandemic, formulating and implementing plans to mitigate the effects on its businesses, operations and financial results. The Group will also continue to search for new business opportunities within the industry.

**B4. Profit forecast**

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



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**Notes on the quarterly report – 30th June 2020**

**B5. Tax expense**

	<b>2020</b>	<b>2019</b>
	<b>Current period</b>	<b>12 months</b>
	<b>ended 30 June</b>	<b>Cumulative to date</b>
	<b>RM'000</b>	<b>RM'000</b>
Estimated current tax payable	85	85
Deferred tax	-	-
	<hr/>	<hr/>
	85	85
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**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: -

	<b>As at</b>
	<b>30 June 2020</b>
	<b>RM'000</b>
Payable within 12 months:	
Overdraft	2,363
Hire purchase	46
	<hr/>
	2,409
Payable after 12 months:	
Hire Purchase	870
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	3,279
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**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 new material litigation other than those announced previously.

**B11. Dividends**

There was no dividend declared during the quarter under review.

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**Notes on the quarterly report – 30th June 2020**

**B12. Loss per Share**

a) Basic Loss Per Share

	<b>Current Quarter Ended 30 June 2020</b>	<b>12 months Current Year to Date Ended 30 June 2020</b>
Loss attributable to ordinary shareholders (RM'000)	(608)	(2,969)
Weighted average number of ordinary shares on issue ('000)	143,706	143,706
Loss per ordinary share (sen)	(0.42)	(2.07)

b) Diluted Loss Per Share

	<b>Current Quarter Ended 30 June 2020</b>	<b>12 months Current Year to Date Ended 30 June 2020</b>
Loss attributable to ordinary shareholders (RM'000)	(608)	(2,969)
Weighted average number of ordinary shares on issue ('000)	143,706	143,706
Adjusted for:		
Assumed shares issued from the conversion of warrant 2013/2023	18,866	18,866
Adjusted weighted average number of ordinary shares on issue and issuable (units)	162,572	162,572
Fully diluted loss per ordinary share (sen)	(0.37)	(1.83)

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**Notes on the quarterly report – 30th June 2020**

**B13. Realised and Unrealised Losses Disclosure**

	<b>As at 30 June 2020 RM'000</b>	<b>As at 30 June 2019 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(12200)	(4,874)
- Unrealised	-	-
	<hr/>	<hr/>
	(12200)	(4,874)
Less: Consolidation adjustments	1,773	-
	<hr/>	<hr/>
	(10427)	(4,874)

**B14. Loss for the Period**

This is arrived at after crediting / (charging):

	<b>Current Quarter 30 June 2020 RM'000</b>	<b>Year to Date 12 months to 30 June 2020 RM'000</b>
Interest income	82	143
Interest expenses	(120)	(250)
Depreciation of Property, Plant and Equipment	(103)	(438)
Amortization of Intangible Asset	-	(1)

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.