



**SILVER RIDGE HOLDINGS BHD. (200401029277 (667785-W))**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
As at 30 September 2020

	Unaudited CURRENT PERIOD ENDED 30 September 2020 RM'000	Unaudited CURRENT PERIOD ENDED 30 September 2019 RM'000	Unaudited CUMULATIVE PERIOD ENDED 30 September 2020 RM'000	Unaudited CUMULATIVE PERIOD ENDED 30 September 2019 RM'000
Revenue	2,146	1,615	2,146	1,615
Cost of sales	(1,335)	(1,600)	(1,335)	(1,600)
<b>GROSS PROFIT</b>	<u>811</u>	<u>15</u>	<u>811</u>	<u>15</u>
Other operating income	90	2	90	2
Administrative expenses	(601)	(38)	(601)	(38)
Other operating expenses	(679)	(1,741)	(679)	(1,741)
<b>LOSS FROM OPERATIONS</b>	<u>(379)</u>	<u>(1,762)</u>	<u>(379)</u>	<u>(1,762)</u>
Finance costs	(22)	(10)	(22)	(10)
<b>LOSS BEFORE TAXATION</b>	<u>(401)</u>	<u>(1,772)</u>	<u>(401)</u>	<u>(1,772)</u>
Taxation	-	-	-	-
<b>LOSS AFTER TAXATION</b>	<u>(401)</u>	<u>(1,772)</u>	<u>(401)</u>	<u>(1,772)</u>
Other comprehensive income, net of tax	-	-	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD</b>	<u>(401)</u>	<u>(1,772)</u>	<u>(401)</u>	<u>(1,772)</u>
Attributable to:				
Equity holders of the Company	(401)	(1,770)	(401)	(1,770)
Non-controlling interest	-	(2)	-	(2)
	<u>(401)</u>	<u>(1,772)</u>	<u>(401)</u>	<u>(1,772)</u>
<b>Earnings per share</b>				
- Basic loss per share attributable to owner of the company (sen)	(0.26)	(1.47)	(0.26)	(1.47)
- Diluted loss per share attributable to owner of the company (sen)	(0.23)	N/A	(0.23)	N/A
<b>Dividend per share (sen)</b>	N/A	N/A	N/A	N/A

**Note:-**

- The financial period ended 30 September 2020 is made up of 3 months result from 1 July 2020 to 30 September 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 2020 and the accompanying explanatory notes attached to the interim financial statements.

**SILVER RIDGE HOLDINGS BHD. (200401029277 (667785-W))**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 September 2020

	<b>UNAUDITED</b> As at end of Current Quarter 30 September 2020 RM'000	<b>AUDITED</b> As at Preceding Financial Year Ended 30 June 2020 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	247	264
Right-of-use assets	705	768
Intangible assets	1	1
Other investments	274	274
Other receivable	5,326	5,326
<b>Total non-current assets</b>	<b>6,553</b>	<b>6,633</b>
<b>Current assets</b>		
Inventories	521	1,027
Contract cost	1,944	2,130
Trade receivable	1,101	730
Other receivable, deposits and prepayments	2,807	2,789
Amount due from an associated company	32	32
Tax recoverable	126	116
Fixed deposits with licensed banks	4,754	4,744
Cash and bank balances	1,827	2,303
<b>Total current assets</b>	<b>13,112</b>	<b>13,871</b>
<b>TOTAL ASSETS</b>	<b>19,665</b>	<b>20,504</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	19,415	19,165
Reserves	(10,774)	(10,373)
Share application money	-	100
Non-controlling interest	(133)	(133)
<b>TOTAL EQUITY</b>	<b>8,508</b>	<b>8,759</b>
<b>Non-current liabilities</b>		
Lease Liabilities	791	791
<b>Total non-current liabilities</b>	<b>791</b>	<b>791</b>
<b>Current liabilities</b>		
Trade payables	5,759	6,496
Other payables and accruals	2,018	1,836
Amount due to an associated company	83	84
Loans and borrowings	2,388	2,413
Lease liabilities	118	125
<b>Total current liabilities</b>	<b>10,366</b>	<b>10,954</b>
<b>TOTAL LIABILITIES</b>	<b>11,157</b>	<b>11,745</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19,665</b>	<b>20,504</b>
Net Assets per share (RM)	0.05	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 2020 and the accompanying explanatory notes attached to the interim financial statements.

**SILVER RIDGE HOLDINGS BHD. (200401029277 (667785-W))**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

As at 30 September 2020

	<b>UNAUDITED</b> 30 September 2020 RM'000	<b>AUDITED</b> 30 June 2020 RM'000
<b>Cash Flows From Operating Activities</b>		
Loss before tax	(401)	(2,948)
Adjustment for :-		
Amortisation of intangible assets	-	1
Depreciation of property, plant and equipments	18	176
Depreciation of right-of-use assets	63	263
Loss on property, plant and equipments written off	-	1
Loss on modification of financial asset	-	661
Allowance for impairment loss on trade receivables	-	21
Reversal of impairment losses on trade receivables	-	(6)
Unwinding discount on other receivables	-	(697)
Finance income	-	(143)
Finance cost	22	250
Operating loss before working capital changes	<u>(298)</u>	<u>(2,421)</u>
Changes in working capital		
Decrease/(increase) in inventories	507	(188)
Decrease/(increase) in contract asset	186	(256)
(Increase)/decrease in receivables	(360)	2,250
(Decrease)/increase in payables	<u>(581)</u>	<u>67</u>
Cash used in operations	(546)	(548)
Interest paid	(22)	(250)
Income tax refund/(paid)	<u>(14)</u>	<u>125</u>
<b>Net cash used in operating activities</b>	<u>(582)</u>	<u>(673)</u>
<b>Cash Flows From Investing Activities</b>		
Change in fixed deposit with maturity more than 3 months	30	(17)
Fixed deposit withdrawn from/(placed as) security value	(10)	(611)
Interest received	-	143
<b>Net cash generated/(used in) from investing activities</b>	<u>20</u>	<u>(485)</u>
<b>Cash Flow From Financing Activities</b>		
Conversion of warrants	149	2,293
Share application money received	-	100
Repayment of loans and borrowings	-	(1,110)
(Repayment)/Addition of lease liabilities	(7)	916
Advance to an associate	-	(10)
<b>Net cash generated from financing activities</b>	<u>142</u>	<u>2,189</u>
<b>Net (increase)/decrease in cash and cash equivalents</b>	(420)	1,031
Cash and cash equivalents as at beginning of the financial year/period	(107)	(1,138)
<b>Cash and cash equivalents as at end of the financial year/period</b>	<u>(527)</u>	<u>(107)</u>
<b>Cash and cash equivalents comprises of:</b>		
Fixed deposits placed with licensed banks	4,754	4,744
Cash and bank balances	1,827	2,303
	<u>6,581</u>	<u>7,047</u>
Fixed deposit with maturity of more than 3 months	(524)	(555)
Bank overdraft	(2,388)	(2,413)
Deposit held as security value	(4,196)	(4,186)
	<u>(7,108)</u>	<u>(7,154)</u>
	<u>(527)</u>	<u>(107)</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

SILVER RIDGE HOLDINGS BHD. (200401029277 (667785-W))  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the 1st Quarter Ended 30-Sep-20  
(The figures have not been audited)

	← Attributable to the equity holders of the Company →						
	Issued Capital (RM'000)	Share Premium (RM'000)	Distributable Unappropriated Profit/(Loss) (RM'000)	Share Application Money (RM'000)	Total (RM'000)	Non-Controlling Interest (RM'000)	Total (RM'000)
Balance as of 1 July 2020	19,165	-	(10,373)	100	8,892	(133)	8,759
Total comprehensive loss for the period	-	-	(401)		(401)	-	(401)
Conversion of warrants	250	-	-	(100)	150	-	150
Balance as of 30 September 2020	19,415	-	(10,774)	-	8,641	(133)	8,508

**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 2020 and the accompanying explanatory notes attached to the interim financial statements.

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

**A. EXPLANATORY NOTES AS PER MFRS 134 - 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. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2020.

The accounting policies and presentation adopted for this Unaudited Condensed Consolidated Interim Financial Information are mainly consistent with those of the Group's audited financial statements for the financial year ended 30 June 2020.

**A2. Audit Report**

The audited financial statements for the year ended 30 June 2020 of the Group were not subject to any qualification.

**A3. Seasonal or Cyclical Factors**

The Group's operations were not affected by any seasonal or cyclical factors for the quarter under review.

**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, a total of 1,384,000 shares have been issued and listed on the ACE Market of Bursa Securities as a result of exercise of warrants. As at 30 September 2020, the outstanding warrants of the Company stand at 33,910,850. 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.

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

**A7. Dividends Paid**

There was no dividend paid during the current quarter under review.

**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 co 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 are 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 sums 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.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter under review.

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

**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 September 2020**

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

**B1. Review of the Group Results for the Current Quarter ended 30 September 2020**

For the current quarter ended 30 September 2020, the Group recorded the revenue of RM2.15 million and pre-tax losses of RM401,000.

The revenue recorded for the current quarter ended 30 September 2020 is approximately 32.9% higher than the revenue recorded in the corresponding quarter ended 30 September 2019. The higher revenue achieved in the current quarter was mainly due to higher realisation of revenues of certain ongoing projects in-hand.

**B2. Variation of Results Against Immediate Preceding Quarter**

For the current quarter ended 30 September 2020, the Group recorded a revenue of RM2.15 million as compared to RM2.1 million in the immediate preceding quarter, which represents approximately a 2.4% increase due to the increase number of projects being completed.

The Group recorded a pre-tax loss of RM401,000 in the current quarter, as compared to a pretax loss of RM609,000 in the immediate preceding quarter, which was contributed by higher revenue and lower costs of sales. The group also recorded a higher administrative expense during the preceding quarter compared to the current quarter as a result of legal fees and related expenses thereto in cases as outlined on paragraph A11 and B10 herein.

**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 continue to streamline its processes to optimize the operations. The Group is also anticipated to improve project mix to achieve better margins within the tele-communications industry in order to enhance the Group's profitability.

The current unprecedented series of MCO & CMCO imposed by the Malaysian Government to curb and curtail the spread of COVID-19 pandemic has inadvertently resulted in substantial slowdown of the local economy. The adverse impact of the COVID-19 pandemic, however, is still on-going albeit under control whilst the outlook is rather 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 in the near term.

**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 September 2020**

**B5. Tax Expense**

	<b>2020</b>	<b>2020</b>
	<b>Current period</b>	<b>3 months</b>
	<b>ended</b>	<b>Cumulative to</b>
	<b>30 September</b>	<b>date</b>
	<b>RM'000</b>	<b>RM'000</b>
Estimated current tax payable	-	-
Deferred tax	-	-
	<hr/>	<hr/>
	-	-
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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 September</b>
	<b>2020</b>
	<b>RM'000</b>
Payable within 12 months:	
Overdraft	2,388
Lease liabilities	118
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	2,506
Payable after 12 months:	
Lease liabilities	791
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	3,297
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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.

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

**B10. Material Litigation**

Summary of Litigation involving Silver Ridge Holdings Berhad ('Company')

A. Suit 321 : Jonathan Chong Teik Cheh vs Silver Ridge Holdings Berhad

**Brief Facts**

On 3 August 2020, Jonathan Chong Teik Cheh and Chow Ai Yuen had filed an Originating Summons against the Company and its directors and sought for, amongst others, an order from the Court for a Court convened Extraordinary General Meeting pursuant to Section 314 of the Companies Act 2016.

On 10 August 2020, the Company filed an application to have Suit 321 be converted into a Writ Action. The hearing was fixed on 25 August 2020. After hearing the submissions by all parties, the Learned Judicial Commissioner Puan Liza Chan Sow Keng ('Learned JC') ordered the deponents of the affidavits in Suit 321 be cross-examined.

On 19 August 2020, the Company also filed an application to have Suit 321 be transferred to the Court hearing Suit 362. The hearing was fixed on 21 September 2020, after hearing the submissions by all parties, the Learned JC had dismissed the application with cost of RM5,000.00.

In light of the recent extension of Conditional Movement Control Order, the Court hearing dates for the cross examination of deponents on 27 November 2020 and 4 December 2020 have been vacated. The subsequent hearing date fixed on 11 December 2020 will be maintained.

On the same note, Messrs Mun Hoe will be attending an e-review on behalf of the directors on 27 November 2020 to seek for further instructions from the Court.

As the Learned JC ordered the deponents of the affidavits in Suit 321 be cross-examined, the dates for cross-examination are fixed on 27 November 2020, 4 December 2020 & 11 December 2020.

Case management held on 22 October 2020 before the Learned Judicial Commissioner Liza Chan Sow Keng ('Learned Judge'). The court minutes are as follows:

1. The Plaintiffs informed the Learned Judge that they are in the midst of preparing the core bundles for the cross-examination of deponents of affidavits;
2. The Learned Judge directed that a case management be fixed on 6 November 2020 to update the Court on the filing of the core bundles; and
3. The Learned Judge further informed parties that as the Court will be hearing Enclosure 1, the cross-examination would be on affidavits filed under Enclosure 1 unless parties have filed a notice of intention to use other affidavits.

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

**B10. Material Litigation (Cont.)**

**B. Suit 362 : Silver Ridge Holdings Berhad v. Jonathan Chong Teik Cheh & 28 Ors**

**Brief Facts**

On 10 August 2020, the Company filed a Writ Action against Jonathan Chong Teik Cheh and 28 others for fraudulent misrepresentations, breach of fiduciary duties and conspiracy involving the Company's placement shares ('Placement Shares') that was placed to and purchased by Jonathan Chong Teik Cheh in December 2018.

The reliefs sought by the Company, amongst others, that the Placement Shares be rescinded on the grounds of fraudulent misrepresentations and an order for Jonathan Chong Teik Cheh to sell the Placement Shares to the Company at RM2,811,917.10.

On 30 September 2020, the Company filed a Notice of Discontinuance and discontinued Suit 362 against several shareholders who were named as Defendants. On the even date, the 2nd – 4th Defendants filed a Notice of Application to strike out the Writ Action.

On 2 October 2020, the Company filed an Amended Writ and Amended Statement of Claim to reflect the Notice of Discontinuance. The Amended Writ and Amended Statement of Claim were allowed by the Court on 8 October 2020.

On 8 October 2020, a Case Management was fixed by way of E-Review and the directions given by the Court are as follows: -

Writ and Statement of Claim;

- (i) The Company to serve Amended Writ and Statement of Claim on or before 15 October 2020
- (ii) Defendants to file and serve Amended Defence on or before 29 October 2020
- (iii) the Company to file and serve Amended Reply to Amended Defence on or before 12 November 2020
- (iv) Last date for parties to file interlocutory application is on 19 November 2020
- (v) Case Management is fixed on 8 December 2020

Affidavits;

- (i) 2nd to 4th Defendants to file and serve Affidavit in Support on or before 14 October 2020
- (ii) the Company to file and serve Affidavit in Reply on or before 28 October 2020
- (iii) 2nd to 4th Defendants to file and serve Affidavit in Reply on or before 10 November 2020
- (iv) Parties to file and serve Written Submissions on 24 November 2020
- (v) Parties to file and serve Reply Submissions on 30 November 2020
- (vi) Hearing – 8 December 2020

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

**B11. Dividends**

There was no dividend declared during the quarter under review.

**B12. Loss per Share**

a) Basic Loss Per Share

	<b>Current Quarter Ended 30 September 2020</b>	<b>3 months Current Year to Date Ended 30 September 2020</b>
Loss attributable to ordinary shareholders (RM'000)	(401)	(401)
Weighted average number of ordinary shares on issue ('000)	155,854	155,854
Loss per ordinary share (sen)	(0.26)	(0.26)

b) Diluted Loss Per Share

	<b>Current Quarter Ended 30 September 2020</b>	<b>3 months Current Year to Date Ended 30 September 2020</b>
Loss attributable to ordinary shareholders (RM'000)	(401)	(401)
Weighted average number of ordinary shares on issue ('000)	155,854	155,854
Adjusted for: Assumed shares issued from the conversion of warrant 2013/2023	15,939	15,939
Adjusted weighted average number of ordinary shares on issue and issuable (units)	171,793	171,793
Fully diluted loss per ordinary share (sen)	(0.23)	(0.23)

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

**B13. Realised and Unrealised Losses Disclosure**

	<b>As at 30 September 2020 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:	
- Realised	(12,544)
- Unrealised	-
	<hr style="width: 100%; border: 0.5px solid black;"/>
	(12,544)
Less: Consolidation adjustments	1,588
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	(10,956)

**B14. Loss for the Period**

This is arrived at after crediting / (charging):

	<b>Current Quarter 30 September 2020 RM'000</b>	<b>Year to Date 3 months to 30 September 2020 RM'000</b>
Depreciation of property, plant and equipment	(18)	(18)
Depreciation of rights of use of asset	(63)	(63)
Interest expenses	(22)	(22)

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.