



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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
As at 31 March 2023

	Unaudited CURRENT PERIOD ENDED 31 Mar 2023 RM'000	Unaudited CURRENT PERIOD ENDED 31 Mar 2022 RM'000	Unaudited CUMULATIVE PERIOD ENDED 31 Mar 2023 RM'000	Unaudited CUMULATIVE PERIOD ENDED 31 Mar 2022 RM'000
Revenue	3,456	1,682	8,384	7,536
Cost of sales	(2,447)	(1,270)	(6,373)	(5,366)
GROSS PROFIT	<u>1,009</u>	<u>412</u>	<u>2,012</u>	<u>2,170</u>
Other operating income	24	7	27	221
Administrative expenses	(622)	(370)	(1,404)	(1,196)
Other operating expenses	(1,765)	(1,225)	(5,192)	(3,109)
(LOSS)/PROFIT FROM OPERATIONS	<u>(1,354)</u>	<u>(1,176)</u>	<u>(4,557)</u>	<u>(1,914)</u>
Net gain/(loss) from disposal of subsidiary	-	-	-	-
Share of loss from associate	-	-	-	-
Finance costs	(52)	(42)	(241)	(136)
(LOSS)/PROFIT BEFORE TAXATION	<u>(1,406)</u>	<u>(1,218)</u>	<u>(4,799)</u>	<u>(2,050)</u>
Taxation	-	-	-	-
(LOSS)/PROFIT AFTER TAXATION	<u>(1,406)</u>	<u>(1,218)</u>	<u>(4,799)</u>	<u>(2,050)</u>
Other comprehensive income, net of tax	-	-	-	-
TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE FINANCIAL PERIOD	<u><u>(1,406)</u></u>	<u><u>(1,218)</u></u>	<u><u>(4,799)</u></u>	<u><u>(2,050)</u></u>
Attributable to:				
Equity holders of the Company	(1,273)	(1,141)	(4,476)	(1,925)
Non-controlling interest	<u>(133)</u>	<u>(77)</u>	<u>(323)</u>	<u>(125)</u>
	<u><u>(1,406)</u></u>	<u><u>(1,218)</u></u>	<u><u>(4,799)</u></u>	<u><u>(2,050)</u></u>
Investment in associates company				
Earnings per share				
- Basic loss per share attributable to owner of the company (sen)	(0.53)	(0.21)	(1.85)	(0.46)
- Diluted loss per share attributable to owner of the company (sen)	(0.53)	(0.21)	(1.86)	(0.45)
Dividend per share (sen)	N/A	N/A	N/A	N/A

Note:-

- The financial period ended 31 Dec 2022 is made up of 9 months result from 1 July 2022 to 31 March 2023.
- 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 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	UNAUDITED As at end of Current Quarter 31 Mar 2023 RM'000	AUDITED As at Preceding Financial Year Ended 30 Jun 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,661	1,635
Right-of-use assets	723	534
Intangible assets	613	139
Investment in associate	45	-
Other investments	529	529
Other receivable	4,588	4,588
Total non-current assets	8,159	7,425
Current assets		
Inventories	814	1,552
Contract Asset	905	1,596
Trade receivable	2,337	1,794
Other receivable, deposits and prepayments	3,449	2,908
Amount due from an associated company	10	-
Tax recoverable	202	161
Fixed deposits with licensed banks	2,144	2,144
Cash and bank balances	795	1,892
Total current assets	10,656	12,047
TOTAL ASSETS	18,815	19,472
EQUITY AND LIABILITIES		
Share capital	28,586	27,280
Reserves	(19,740)	(15,264)
Non-controlling interest	(593)	(270)
TOTAL EQUITY	8,253	11,746
Non-current liabilities		
Lease Liabilities	1,170	693
Loans and borrowings	1,005	1,005
Total non-current liabilities	2,175	1,698
Current liabilities		
Trade payables	4,626	2,704
Other payables and accruals	2,540	1,270
Amount due to an associated company	83	83
Loans and borrowings	1,037	1,684
Lease liabilities	101	287
Total current liabilities	8,387	6,028
TOTAL LIABILITIES	10,562	7,726
TOTAL EQUITY AND LIABILITIES	18,815	19,472
Net Assets per share (RM)	0.03	0.06

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 2022 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 3rd Quarter Ended 31 March 2023
(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 2022	27,280	-	(15,264)	-	12,016	(270)	11,746
Total comprehensive loss for the period	-	-	(4,476)	-	(4,476)	(323)	(4,799)
Conversion of warrants	1,306	-	-	-	1,306	-	1,306
Balance as of 31 March 2023	28,586	-	(19,740)	-	8,846	(593)	8,253

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 2022 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 31 March 2023

	UNAUDITED 31 March 2023 RM'000	AUDITED 30 June 2022 RM'000
Cash Flows From Operating Activities		
Loss before tax	(4,799)	(2,366)
Adjustment for :-		
Amortisation of intangible assets	26	35
Depreciation of property, plant and equipments	366	117
Depreciation of right-of-use assets	493	483
Reversal of deposit	-	(1)
Fair value gain on other investment	-	(255)
Gain on disposal of property, plant and equipment	-	(30)
Loss on property, plant and equipments written off	-	6
Allowance for impairment loss on financial asset	-	44
Unrealised gain on foreign exchange	-	(5)
Gain on bargain purchase on subsidiary company	-	(5)
Loss on deemed disposal of subsidiary	-	3
Allowance for impairment loss on trade receivables	-	54
Reversal of impairment losses on trade receivables	-	(62)
Unwinding discount on other receivables	-	(603)
Inventories written off	36	-
Impairment losses on share of loss/ (profit) of associate	-	17
Finance income	-	(43)
Finance cost	169	186
Operating loss before working capital changes	<u>(3,709)</u>	<u>(2,426)</u>
Changes in working capital		
Decrease/(increase) in inventories	702	(906)
Decrease/(increase) in contract asset	691	321
Decrease/(Increase) in receivables	(1,086)	(560)
(Decrease)/increase in payables	3,164	(3,449)
Cash used in operations	<u>(238)</u>	<u>(7,020)</u>
Interest paid	(169)	(186)
Income tax refund/(paid)	(40)	(26)
Net cash used in operating activities	<u>(447)</u>	<u>(7,233)</u>
Cash Flows From Investing Activities		
Additional investment in joint ventures/associates	(45)	(118)
Acquisition of non-controlling interest	-	(127)
Withdrawal of fixed deposit with licensed banks	0	1,241
Proceeds from disposal of property, plant and equipments	-	43
Purchase of intangible assets	(500)	(174)
Purchase of property, plant and equipment	(393)	(1,510)
Interest received	-	44
Net cash generated/(used in) from investing activities	<u>(938)</u>	<u>(601)</u>
Cash Flow From Financing Activities		
Conversion of warrants	1,306	1,133
Proceeds from private placement	-	3,990
Addition/(repayment) of loans and borrowings	(703)	1,721
(Repayment)/Addition of lease liabilities	(239)	(392)
Advance to associate	(10)	-
Proceed from disposal of subsidiary	-	45
Net cash generated from financing activities	<u>354</u>	<u>6,497</u>
Net (increase)/decrease in cash and cash equivalents	<u>(1,031)</u>	<u>(1,336)</u>
Cash and cash equivalents as at beginning of the financial year/period	924	2,260
Cash and cash equivalents as at end of the financial year/period	<u>(107)</u>	<u>924</u>
Cash and cash equivalents comprises of:		
Fixed deposits placed with licensed banks	2,144	2,144
Cash and bank balances	795	1,892
	<u>2,939</u>	<u>4,036</u>
Fixed deposit with maturity of more than 3 months		
Bank overdraft	(902)	(968)
Deposit held as security value	(2,144)	(2,144)
	<u>(3,046)</u>	<u>(3,112)</u>
	<u>(107)</u>	<u>924</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 2022 and the accompanying explanatory notes attached to the interim financial statements.

Notes on the quarterly report – 31 March 2023

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 for the 4th quarter ended 30 June 2022 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.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2022.

The accounting policies and method of computation adopted in these unaudited condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022.

At the beginning of the financial year, the Group and the Company adopt the following Amendments to MFRS which mandatory for the financial period beginning on or after 1 January 2022:

- Amendments to MFRS 1 (First-time Adoption of Malaysian Financial Reporting Standards)
- Amendments to MFRS 3 (Business Combinations)
- Amendments to MFRS 9 (Financial Instruments)
- Amendments to MFRS 116 (Property, Plant and Equipment)
- Amendments to MFRS 137 (Provisions, Contingent Liabilities and Contingent Assets)
- Amendments to MFRS 141 (Agriculture)
- Amendments to Annual Improvements to MFRS Standards 2018-2020

Effective for financial periods beginning on or after 1 January 2023

- MFRS 17 (Insurance Contracts)
- Amendments to MFRS 101 (Presentation of Financial Statements)
- Amendments to MFRS 108 (Accounting Policies, Changes in Accounting Estimates and Errors)
- Amendments to MFRS 112 (Income taxes)

The adoption of the above is not expected to have any significant effects on the interim financial report upon their initial application.

A2. Seasonality or Cyclicity of Interim Operations

The operations of the Group were not significantly affected by any seasonal or cyclical factors.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period ended 31 March 2023.

Notes on the quarterly report – 31 March 2023

A4. Changes in Estimates

There were no changes in the estimates of amounts reported in prior financial years that have a material effect on the results in the current quarter and financial period ended 31 March 2023.

A5. Issues, Repurchases and Repayments of Debts and Equity Securities

There were no other issuances, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter 31 March 2023. As at 31 March 2023, the converted warrants of the Company for the financial year stand at 7,253,726 at consideration of RM1,305,671 during the quarter.

A6. Dividends Paid

There were no dividends paid during the current quarter and financial period ended 31 March 2023.

A7. Segmental Information

Segmental information is not presented as the Group is primarily engaged in the Information and Communication Technology (“ICT”) Industry.

A8. Valuation of Property, Plant and Equipment

There were no revaluations of property, plant and equipment during the current quarter and financial period ended 31 March 2023. As at 31 March 2023, all property, plant and equipment were stated at cost less accumulated depreciation and impairment losses.

A9. Material Events Subsequent to the End of the Financial Period

Bank Pembangunan Malaysia Berhad (“Plaintiff”), has filed a Writ of Summons dated 15 June 2022, Statement of Claim (“Writ Action”) and Notice for Application (Ex-Parte) for Mareva Injunction (“Application”). The said writ action was filed and registered as Kuala Lumpur High Court Suit No.: WA-22NCC-264-06/2022 (‘Suit 264’).

The following transpired during the case management on 25 October 2022;

1. The Plaintiff mentioned that they will file a Notice of Application for the purpose of amending the Statement of Claim to change Defendant 1’s name to his estate by 4 November 2022;
2. Parties have reserved their right to file affidavits in reply before the exhaustion of the affidavits; and
3. Next Case Management has been fixed on 7 November 2022.

Further to the above, the following transpired during the case management on 7 November 2022;

Notes on the quarterly report – 31 March 2023

1. The Plaintiff updated the Court on the deadlines for filing of affidavits in reply to the interlocutory applications filed by the Defendants;
2. Parties are at the final stages of exhausting affidavits at this stage;
3. The Plaintiff will be filing its application to amend the Writ and Statement of Claim by 11 November 2022; and
4. The next case management is fixed on 22 November 2022 at 8.30 a.m.

Further to the above, the following transpired during the case management on 13 December 2022;

1. Yang Arif has granted an order in terms of the Plaintiff's Notice of Application dated 11 November 2022 to amend the Plaintiff's Amended Writ dated 13 July 2022 and Statement of Claim dated 22 June 2022.
2. The Defendants are directed to file its respective Amended Defence 1 month from the service of the Re-amended Writ and Amended Statement of Claim on the Defendants.
3. Parties are directed to file its Written Submissions in relation to the Striking Out Application, Setting Aside Application and the Opposition of the Mareva Injunction by 10 January 2023.
4. Parties are directed to file its Written Submissions in Reply in relation to the Striking Out Application, Setting Aside Application and the Opposition of the Mareva Injunction by 31 January 2023.
5. Yang Arif has fixed the Striking Out Application, Setting Aside Application and the Opposition of the Mareva Injunction for hearing on 9 February 2023 at 9 a.m.
6. The High Court has heard the parties on an inter-parte basis on the 9.2.2023, 9.3.2023 and 3.5.2023 before Yang Arif Tuan Atan Mustaffa Yussof Ahmad ("YA Tuan Atan")
7. YA Tuan Atan has fixed 7.7.2023 for the delivery of his decision pertaining to the Mareva Injunction Application by the Plaintiff.

There are no expected immediate potential financial liabilities to the Group as Suit 264 is in its preliminary stages of deliberations in the High Court. However, the Board estimate expenses will be incurred towards legal fees and the related expenses thereto in defending Suit 264, 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 those sums shall be expensed out to the profit and loss accounts during the Group's results for its financial period 31 March 2023 and that there would be no operational impact to the Group.

A10. Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter 31 March 2023.

Notes on the quarterly report – 31 March 2023

A11. Changes in Contingent Liabilities or Contingent Assets

The 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.

A12. Capital Commitments

There was no material capital commitment for the purchase of property, plant and equipment that were not provided for in the interim financial statements as at 31 March 2023.

Notes on the quarterly report – 31 March 2023

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of the Group Performance:

Current Quarter

	31 Mar 2023	31 Mar 2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	3,456	1,682	1,858	44%
Operating loss	(1,406)	(1,176)	333	28%
Loss before tax	(1,406)	(1,218)	188	15%
Loss after tax	(1,406)	(1,218)	188	15%

For the current quarter of 31 March 2023, the Group reported a revenue of RM3.46 million approximately 44% higher than quarter ended 31 March 2022 which was attributed by higher in new sites being secured and the work done were certified during the reporting period.

The current quarter's loss after tax stood at RM1.41 million which higher compared to 31 March 2022 quarter as this was due to the higher of professional fees and legal costs.

Financial Year to Date

	31 Mar 2023	31 Mar 2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	8,384	7,536	848	11%
Operating loss	(4,557)	(1,914)	2,643	138%
Loss before tax	(4,799)	(2,050)	2,749	134%
Loss after tax	(4,799)	(2,050)	2,749	134%

For the financial year ended 31 March 2023, the Group recorded a revenue of RM8.38 million, approximately 11% higher in the corresponding financial period ended 31 March 2022 and the losses before tax stood at RM4.8 million which were resulted by the higher of professional fees, legal and the contract services costs.

Notes on the quarterly report – 31 March 2023

B2. Variation of Results Against Immediate Preceding Quarter

	31 Mar 2023	31 Dec 2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	3,456	2,369	1,087	46%
Operating loss	(1,354)	(2,104)	750	36%
Loss before tax	(1,406)	(2,231)	825	37%
Loss after tax	(1,406)	(2,231)	825	37%

The revenue for the current quarter, 31 March 2023 was recorded at RM3.46 million approximately 46% higher compared to the immediate preceding quarter, 31 December 2022. This was mainly due to the work been properly certified on timely mannered during the current quarter.

The loss before tax during the current quarter marked at RM1.41 million, lower than the preceding quarter ended 31 December 2022. This was resulted by the completed work been certified during the current quarter.

B3. Prospects

Currently, the Group is focusing to capitalize on the Company's key strength, particularly the maintenance of network and infrastructure which will enhance the recurring and existing income business model.

To achieve the objective, the Company has identified and evaluated the necessary licenses from various government agencies. While waiting the approval, the Group has met with current licensed holder to complete the project acquisition to keep momentum in strategies, the Company has an interest to invest in the network infrastructure facilities for future generating stable income. In addition of that, the Group has ventured into Tower Development and Management services which further increase the strong cash inflow of the Group.

The Company has always intensified its efforts in the software solutions market that involves deployment and maintenance which provide recurring revenue in annual licensing, maintenance, and feature customizations.

In summary, the Group keep striving to continue in improving its efficiency and the Group profitability by focusing on better margin in product mix.

Notes on the quarterly report – 31 March 2023

B4. Profit Forecast or Profit Guarantee

Not applicable as the Group did not publish any profit forecast.

B5. Auditors' Report on Preceding Annual Financial Statements

The latest audited financial statements for the financial year ended 30 June 2022 were not subject to any qualification.

B6. Tax Expense

	2023 6 months Current period Ended 31 Mar 2023 RM'000	2023 6 months Cumulative to date 31 Mar 2023 RM'000
Estimated current tax payable	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

B7. Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the current quarter and financial period ended 31 March 2023.

B8. Status of Corporate Proposals.

There was no corporate proposals announced as at the date of this report.

B9. Borrowings

The Group's borrowings are as follows: -

	As at 31 Mar 2023 RM'000
Payable within 12 months:	
Bank borrowings	<u>1,037</u>
Payable after 12 months:	
Bank borrowings	<u>1,005</u>
Total	<u><u>2,042</u></u>

Notes on the quarterly report – 31 March 2023

B10. Off Balance Sheet Financial Instruments

There was no off-balance sheet financial instrument as at the date of this report.

B11. Material Litigation

Bank Pembangunan Malaysia Berhad (“Plaintiff”), has filed a Writ of Summons dated 15 June 2022, Statement of Claim (“Writ Action”) and Notice for Application (Ex-Parte) for Mareva Injunction (“Application”). The said writ action was filed and registered as Kuala Lumpur High Court Suit No.: WA-22NCC-264-06/2022 (‘Suit 264’).

There are no expected immediate potential financial liabilities to the Group as Suit 264 is in its preliminary stages of deliberations in the High Court. However, the Board estimate expenses will be incurred towards legal fees and the related expenses thereto in defending Suit 264, 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 those sums shall be expensed out to the profit and loss accounts during the Group's results for its financial period ended 31 March 2023 and that there would be no operational impact to the Group.

B12. Dividends

There was no dividend declared as at the date of this report.

B13. Earnings / (Loss) per Share

a) Basic Loss Per Share

	Current Quarter Ended 31 Mar 2023	9 months Current Year To Date Ended 31 Mar 2023
Profit/(loss) attributable to ordinary shareholders (RM'000)	(1,273)	(4,476)
Weighted average number of ordinary shares on issue ('000)	241,706	241,706
Earnings/(loss) per ordinary share (sen)	(0.53)	(1.85)

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Notes on the quarterly report – 31 March 2023

b) Diluted Loss Per Share

	Current Quarter Ended 31 Mar 2023	9 months Current Year To Date Ended 31 Mar 2023
Profit/(loss) attributable to ordinary shareholders (RM'000)	(1,273)	(4,476)
Weighted average number of ordinary shares on issue ('000)	241,706	241,706
Adjusted for:		
Assumed shares issued from the conversion of warrant 2013/2023	(732)	(732)
Adjusted weighted average number of ordinary shares on issue and issuable (units)	240,974	240,974
Fully diluted earnings/(loss) per ordinary share (sen)	(0.53)	(1.86)

B14. Realised and Unrealised Profits/(Losses) Disclosure

	As at 31 Mar 2023 RM'000
Total accumulated losses of the Company and its subsidiaries:	
- Realised	(20,282)
- Unrealised	-
	<u>(20,282)</u>
Less:	
Consolidation adjustments	(219)
	<u>(20,063)</u>

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Incorporated in Malaysia

Notes on the quarterly report – 31 March 2023

B15. Loss for the Period

This is arrived at after crediting / (charging):

	Current Quarter 31 Mar 2023 RM'000	Year to Date 9 months to 31 Mar 2023 RM'000
Interest income	-	-
Interest expenses	(42)	(232)
Amortisation of intangible asset	(9)	(26)
Depreciation of property, plant and equipment	(267)	(566)
Depreciation of rights of use of asset	(133)	(493)

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.