

8. INDUSTRY OVERVIEW AND OUTLOOK

Industry Overview

The GPB is predominantly involved the marketing of SONaccess and SONbuddy products in the territory covering Asia, excluding Japan and South Korea, and the Middle East. The following industry overview was quoted from a number of sources as indicated herein.

8.1 Overview of the World Economy

World output, which grew by approximately 4.8% in 2004, exceeded the strong global growth of 4.7% at the beginning of the new millennium. The continued strengthening of the global economy is mainly driven by sustained consumption and export growth in the US and Japanese economies. Elsewhere, the vibrant economies in the Asia-Pacific region, in particular China and to a lesser extent India, further supported the strengthening of global growth. Amidst this optimistic development, world inflation, except for China, continues to remain benign despite concerns over rising oil prices.

The growth momentum in the global economy in 2005 is expected to decelerate slightly as major economies tighten monetary policy to contain inflationary pressures. Concerns over the possibility of higher oil prices and the slowing down of China's economy are other factors that can dampen growth.

Notwithstanding these uncertainties, as anticipated that the Federal Reserve ("FED") has taken a measured approach in raising interest rates in June 2004 after a four (4) years hiatus. As for oil price hikes, the effort of the Organisation of the Petroleum Exporting Countries to raise supply to 26 million barrels per day effective 1 August 2004, will help contain the price increases. Against this backdrop, growth in the US is expected to moderate to 3.5% (2004: 4.4%), other emerging markets and developing economies at 5.9% (2004: 6%), while Japan is also expected to grow by 1.3% (2004: 2.6%). In contrast, recovery in the European Union region ("EU") is anticipated to slip to post a real GDP growth of 1.5% (2004: 2%) only due to weaker domestic demand in Germany and Italy. Weaker exports due to the strong appreciation of the Euro Dollar is also expected to impact the larger exporting countries such as Germany and France where their non-EU exports account for about 40% of total exports. Overall, global growth is projected at 4.0% in 2005 (2004: 4.8%).

(Sources: Economic Report 2004 / 2005 and BNM Annual Report 2004)

8.2 Overview of the Economics where SONaccess and SONbuddy are presently marketed

8.2.1 Overview of the Malaysian Economy

The Malaysian economy registered a growth of 5.6% in the fourth quarter of 2004. Growth was led by private sector activity while the Federal Government continued with its fiscal consolidation program. For 2004 as a whole, the Malaysian economy expanded by 7.1%.

Growth in the Malaysian economy in the fourth quarter was achieved amidst low inflation. Inflation edged up slightly to 2.1% in the fourth quarter, reflecting increases in food prices, higher personal transportation charges, as well as higher taxes on cigarettes and tobacco. Nevertheless, the upside risks to inflation were limited by expansion in capacity and continued productivity growth. Meanwhile, labour market conditions remained stable, supported by strong growth in productivity. In the manufacturing sector, real sales value of products per employee rose by 15.3%.

8. INDUSTRY OVERVIEW AND OUTLOOK (Cont'd)

During the fourth quarter, Malaysia's balance of payments position remained strong, with its trade account recording a sustained large surplus of RM21 billion (Third Quarter 2004: RM22.7 billion). In the financial account, foreign direct investment ("FDI"), overseas and portfolio investments increased during the fourth quarter. Gross inflows of FDI rose to RM4.6 billion and were channeled evenly to the manufacturing, services and the oil and gas sectors. Gross outflows for overseas investment increased significantly to RM16.5 billion, attributed mainly to higher short-term loan extension by non-resident controlled companies in Malaysia to their related companies abroad arising from the centralisation of their treasury operations.

(Sources: Bank Negara Malaysia Quarterly Economic Bulletin for 4Q04)

8.2.2 Overview of the PRC Economy

The PRC which has grown consistently at high average rates of 8.1% for the 2000 – 2003 period, has provided the impetus for intra-regional trade and contributed to regional growth. The PRC's robust growth contributed to the huge demand for, among others, steel, cement and automobiles, which in turn led to the problem of over-investments in these industries. As such, the government has instituted appropriate measures to rein in the economy and put it on a more sustainable growth path of 7% for 2004, through a series of administrative measures, such as curbing indiscriminate investment and capacity expansion in overheated sectors, restraining local governments from undertaking redundant projects, as well as tightening bank loans and land use. At the same time, measures to boost the agriculture sector were also adopted.

In the first half of 2004, the PRC continued to record a strong real GDP growth of 9.7% boosted by exports and retail sales of consumer goods, which increased by 36% and 12.8%, respectively.

The PRC also assume the significant role in inter-and intra-regional trade among ASEAN economies. Higher inter-regional trade is reflected in the increase in the volume of trade between China and ASEAN. The current trading pattern also reinforces China's emergence as a major market for ASEAN exports. The strong demand for raw materials from ASEAN countries to fuel the PRC'S economic growth has resulted in a spill over effect on the ASEAN economies.

Nevertheless, the expected slowdown in PRC's economic growth has generally dampened the forecast GDP growth in the ASEAN economies. The effectiveness of the Chinese government's efforts in bringing about the desired soft landing will enable the ASEAN economies to gradually adjust to the slower growth and avert the negative impact of a sharp decline.

(Sources: Bank Negara Annual Report 2004 and Economic Report 2004 / 2005)

8.3 Overview of the Information and Communications Technology ("ICT") industry in Malaysia

In the ICT industry, the MDC gained further ground in its endeavour to make the MSC a global ICT hub. As at end-August 2004, there were 1,099 MSC status companies, comprising 768 Malaysian-owned, 302 foreign-owned and 29 joint-venture companies. Currently, there are 65 international world-class companies operating in the MSC. In 2004, total sales from MSC activities is expected to reach RM6.8 billion, of which RM5.3 billion are exports while RM1.5 billion are local sales.

8. INDUSTRY OVERVIEW AND OUTLOOK (Cont'd)

In terms of R&D, MSC companies have had significant success in commercializing their R&D efforts. R&D expenditure of MSC companies is anticipated to increase significantly by 21.2% to RM657 million in 2004 (2003: RM542 million). The research activities focussed on areas such as communications, software solutions, micro-systems and integrated circuit designs. Arising from the R&D efforts, a total of 151 patents, 41 industrial designs and 188 trademarks were registered, signifying the achievements of the 590 R&D personnel working in the MSC.

Development of the local ICT industry, shared services and business process outsourcing has been identified as new sources of high growth. Specific measures have been implemented to facilitate the development of this sector, including attracting ICT talents through the brain-gain programme and enhancing ICT infrastructure, especially in wider broadband connectivity. Concerted efforts are ongoing in promoting strategic alliances and synergistic partnerships in areas of business process outsourcing and shared services. Arising from these measures, homegrown IT companies, now provide services to one of the world's leading telecommunication companies in customer support operations and manage regional supply chain activities and logistics for a major electrical and electronics company in the Asia Pacific region.

As for business process outsourcing, the MSC has already pulled in Fortune 500 companies. Investments in business process outsourcing also increased with foreign affiliated companies in banking, insurance and courier services as well as automotive industries, having established centres in the MSC. Consequently, Malaysia has emerged as an attractive locations for shared services and outsourcing activities, third only behind India and China, as indicated in a survey by A.T. Kearney, released in March 2004. Outsourcing is expected to generate investment of over RM1 billion and create more than 8,000 jobs by the end of 2004.

In order to attract more multinational and foreign companies to set up their businesses in the MSC, MDC continues to deliver world-class technology infrastructure such as high-capacity digital fibre optics network, modern business centres and efficient transportation as well as comfortable living environment to attract ICT investors.

(Source: Economic Report 2004 / 2005)

Under the Seventh Malaysia Plan, the country saw a rapid growth in ICT utilisation. Investments in ICT expanded at a rate of 9.2% per annum from RM3.8 billion in 1995 to RM5.9 billion in 2000. This was largely due to the increasing awareness of Malaysians of the importance of the production, diffusion and utilisation of knowledge and information for improving competitiveness and overall economic performance. The introduction of special incentives such as the abolition of sales tax on computers and components, and the granting of accelerated capital allowance for expenses on computers and other ICT equipment also assisted in increasing the usage of ICT.

Malaysia is well-placed to benefit from the new wave of growth under the ICT revolution. The relatively developed infrastructure and the conducive environment put in place during the period under the Seventh Malaysia Plan for the development of ICT industry, particularly within the MSC, have formed the foundation for Malaysia to leverage on the growth opportunities provided by ICT. Under the Eighth Malaysia Plan, focus will be towards further strengthening the human resource capabilities, hard and soft infrastructure as well as the building of a critical mass of SMEs and Internet users to enable Malaysia to move rapidly towards achieving a developed nation status with a knowledge-based society.

Significant progress has already been made in fostering the development of ICT and multimedia. Under the Eighth Malaysia Plan, concerted efforts will be made to further enhance the development of the sector and position Malaysia as a major global ICT and multimedia hub. Focus will be made towards achieving world-class performance, in terms of service availability, affordability and productivity. In this regard, companies will be encouraged to constantly benchmark themselves against the leading countries in the region and globally. To facilitate Malaysian companies to compete globally, ICT will be used as a key enabler, especially in critical sectors such as banking and finance, logistics, manufacturing and key services.

8. INDUSTRY OVERVIEW AND OUTLOOK (Cont'd)

(Source: Eighth Malaysia Plan 2001- 2005)

8.4 Technology Trends and Outlook

Wireless technologies have evolved rapidly over the years, driven by the market's needs to address the issue of mobility. Various wireless access technologies have emerged to fulfill the communication and computing needs for anytime anywhere access, filling the void left by the wired networks. These technologies enable users to access, retrieve and exchange information, free of restriction from wires in different cellular networks, wherever they are, at their workplaces, public buildings, outdoor environment, community areas or homes, whenever they want.

Wireless technology can generally be broken down to two (2) broad but distinctive categories, namely WLAN and WWAN.

WLAN basically uses high frequency radio waves within the license-free ISM band to transmit large amounts of data from one user to the other. There are limitations to the WLAN technology in that data can only be transmitted or received in a small area via the use of a transceiver, whose transmission power is restricted by FCC regulations.

WWAN, on the other hand, is a cellular based technology which uses radio waves to transmit smaller amounts of data over larger areas. GSM, 2G, 2.5G, and 3G which are used in our day-to-day communication via the use of mobile phones are examples of the WWAN technology.

The prevalent and popular use of WLAN based on the IEEE802.11x standards has made it the standard bearer in enterprise, community and public access networks (or "hotspots"). The combined use of these "local area" wireless technologies with "wide area" cellular data systems is currently posing challenges to the operators in switching the user's connection seamlessly without loss of continuity and security.

In line with the emergence of pervasive wireless access, there are now many more types and varieties of wireless devices appearing in the market, encompassing smart phones, PDAs, tablets and laptops. The ubiquitous hand-phone is itself transforming into a hybrid device that provides voice, data and video capabilities in anticipation of cellular 3G services. Microsoft's entry with its Smartphone is a testimony of the importance of the personal wireless device market. With the launch of Intel's Centrino and AMD's Alchemy Wi-Fi enabled chipsets, laptop, tablet and PDA manufacturers are coming out in greater numbers to embrace Wi-Fi fully as a 4G enabler as well as a product differentiator. The next level of product differentiation will lie in the wireless applications that reside in these personal wireless devices.

GPB's outlook is very positive as it is already in technology and commercial discussions with several telecommunication operators and service providers in Asia. GPB is currently working on several SONaccess projects which are in the field trials stage and some in detailed discussions stage.

Being an Asian company with Silicon Valley technology, GPB has several advantages. GPB has marked its presence in Asia with offices in Shanghai, Taipei and Kuala Lumpur. These regional offices and representatives provide the much needed confidence to GPB's clients to engage GPB as their vendor and technology partner, GPB plans to "tie" all the services providers in this region under one common service offerings and common technology platform.

With all these positive developments, GPB is confident of achieving its vision to be the leading developer of next generation network products.

(Source: Management of GPB)

9. SUMMARY OF THE 5-YEAR BUSINESS DEVELOPMENT PLAN

The Company's mission is "To keep people always connected regardless of the nature and availability of the backbone infrastructure", hence, their tagline: "Always Connected - With Or Without A Network". To accomplish this, GPB will undertake the following strategies:-

9.1 Continuous R&D

The Group's future success is largely dependent on its ability to maintain and enhance its current products, develop new products and maintain technological competitiveness. The Group will continually invest a significant amount of resources in its product development plan in order to take advantage of emerging technologies and to further broaden the functionality and performance of its software solutions.

In collaboration with GPI, GPB will continue the development of both the SONaccess and SONbuddy products. Recognising R&D as the driver for the Company's success, GPB has allocated a significant amount of financial resources to ensure the smooth operations of its R&D activities and improve its existing R&D infrastructure over and above the Group's existing R&D expenditure.

9.2 Develop Sales and Marketing Channels for Market Expansion

The Company plans to expand into the wireless communication market in Taiwan, China and other part of Asia in the near future. In order to establish its market presence in the targeted markets, GPB plans to conduct marketing campaigns, trade exhibitions and participation with its business partners to create awareness and promote the products' brandname.

The ongoing and future marketing campaigns are as follows:-

(a) Intel Centrino Campaign

GPB will work with Intel to promote its Centrino WiFi chipset to notebook manufacturers. This may include GPB's participation in Intel's roadshows and events;

(b) E-Commerce

GPB will seek wider use of the Internet as a medium for advertising and distribution; and

(c) SONbuddy Bundles

GPB will widen its partnerships with major notebook and wireless hardware manufacturers to penetrate the consumer and home markets.

9.3 Expansion of Services through Direct Sales and Partnership Channel

GPB expects sales to be generated mostly by GPB's personnel from direct representation to key OEM and/or ODMs, chain stores and national, regional and local telecommunication operators. GPB will then open regional sales and support offices to support the services. Currently, GPB had incorporated two wholly owned subsidiary companies - GPSL in Shanghai and GPB - Taiwan Branch in Taipei. It is GPB's intention to grow GPSL progressively into a regional R&D, sales, marketing and support center catering to GPB's customers in PRC whilst GPB - Taiwan Branch will serve as GPB's sales, marketing and support center for the Taiwanese market.

9. SUMMARY OF THE 5-YEAR BUSINESS DEVELOPMENT PLAN (Cont'd)

GPB also intends to seek partnerships and collaboration with the following:-

(a) OEMs and ODMs of Wireless Mobile Devices

OEMs and ODMs are manufacturers of laptop computers, notebooks, palmtops, tablet PCs, smart hand-held devices, IP Phones, gaming or other electronic communication devices. Most of these manufacturers are located in Asia (Taiwan, Malaysia and PRC). GPB intends to bundle its applications with all qualifying OEMs and ODMs.

(b) Operators and service providers

This category comprises of wireless service operators, telcos, ISPs, ASPs, operators of public access networks for hotspots like campuses, airports, shopping malls, hotels, commercial districts, etc.

(c) Enterprise or Corporations

With multiple networks spreading across a wide area and a growing mobile workforce, campuses, corporations, enterprises and property managers are ideal partners for solving the problem of secure access and seamless roaming across different WLAN infrastructures.

9.4 Human Resource Policy

The Company believes that its competitive advantage can be built through proper human resource planning. The Company's human resource strategy is aimed at building mutual commitment and trust between the Company and its staff while ensuring that its staff force are utilised efficiently. As a means to reward and retain staff, a competitive remuneration packages and fringe benefits has been offered to motivate, retain and reward eligible staff whose services are vital to the operation and continued growth of the Company.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

10. APPROVALS AND CONDITIONS**10.1 Approvals and Conditions**

The SC had on 7 February 2005 approved the listing of GPB. The approvals from the aforesaid authorities were subjected to, inter alia, the following conditions: -

Authority	Details of Conditions Imposed	Status on Compliance
SC	<p>1. GPB to disclose in its public issue prospectus the following information on the independent valuation report, on the GP base Software, by Deloitte Corporate Advisory Services Sdn Bhd (valuation report):-</p> <ul style="list-style-type: none"> • A summary of the valuation report; • The limitations of the valuation report's validity; • The rationale for the choice of valuation method; and • Comments by the Directors of GPB on the achievability of any underlying forecasts/projections used for the valuation report. <p>Additionally, GPB is to make available for inspection at its registered office, the complete valuation report, except for information that would be detrimental to the commercial interest of GPB if disclosed, and any forecasts/projections not disclosed in the prospectus;</p>	Complied. Please refer to Section 14 of this Prospectus.
	<p>2. GPB to disclose, in its public issue prospectus, the prevailing regulations on the repatriation of profits in foreign markets it is active in and targets in the foreseeable future;</p>	Complied. Please refer to Sections 17 and 18 of this Prospectus.
	<p>3. GPB to disclose, in its public issue prospectus, additional details on the related party transactions disclosed in the draft prospectus, including the nature of the transaction, seller/service provider, purchaser/recipient and value of the transactions;</p>	Complied. Please refer to Section 12.2 of this Prospectus.
	<p>4. The issuance of ordinary shares in GPB pursuant to GPB's Proposed ESS must be completed prior to the registration of the public issue prospectus;</p>	Complied on 5 April 2005.
	<p>5. GPB to inform the SC on the appointment of Independent Directors and to provide confirmation that they qualify as Independent Directors as defined in the Bursa Securities LR;</p>	Complied on 31 March 2005.
	<p>6. GPB to include a negative statement in its prospectus on the exclusion of a profit forecast and projections from the prospectus and the reasons thereof;</p>	Complied. Please refer to Section 5.8 of this Prospectus.

10. APPROVALS AND CONDITIONS (Cont'd)

Authority	Details of Conditions Imposed	Status on Compliance
	7. GPB to disclose, in its public issue prospectus, relevant details on the proposed utilization of the proceeds from the public issue allocated to expansion of the core and related business of GPB including, specific allocation, the planned utilization and remarks/elaboration on the respective allocations. The same proceeds are to be placed in fixed deposit until eventually utilized for the disclosed purpose;	Complied. Please refer to Section 3.10 of this Prospectus.
	8. GPB to disclose the status of the utilization of proceeds raised from the public issue in its periodic and annual reports until the proceeds are fully utilized; and	To be complied.
	9. OSK/GPB to inform the SC upon completion of the Listing Proposal.	To be complied.

10.2 Moratorium on Promoters' Shares

Paragraph 2.10.2 of the Bursa Securities LR states that the GPB Shares held by the Promoters amounting to 45% of the nominal issued and paid-up capital of the Company at the date of admission of the Company to the Official List of the MESDAQ Market be placed under moratorium. The Promoter whose GPB Shares are subject to moratorium are as follows:-

Promoters	Number of shares held after the Public Issue	% of share capital	Number of shares to be held under moratorium after the Public Issue	% of share capital
GPH	165,262,500	45.0	165,262,500	45.0

The moratorium has been fully accepted by the Promoter vide its letters to the SC on 7 July 2004. The Promoter will not be allowed to sell, transfer or otherwise dispose of any part of its interest in the Shares under the moratorium within one (1) year from the date of admission of the Company to the Official List of MESDAQ Market, and thereafter, it is permitted to sell, transfer or otherwise dispose of up to a maximum of one third per annum of its shareholdings under moratorium on a straight-line basis.

The Registrar and Bursa Depository have been informed in writing in relation to the moratorium of the aforesaid Promoter to ensure that it does not register any transfer not in compliance with the moratorium restriction. This restriction has been fully accepted by the aforesaid Promoter.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT

11.1 Substantial Shareholders and Promoters

11.1.1 Shareholdings in GPB

Based on the Register of Members of GPB as at the date of this Prospectus, the direct and indirect interests of the substantial shareholders and Promoters in the issued share capital of the Company are as follows:-

Shareholder	Nationality / Place of Incorporation	Before Public Issue				After Public Issue			
		Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares	%	Indirect No. of Shares	%
GPH	British Virgin Islands	165,262,500	55.88	-	-	165,262,500	45.00	-	-
Dato' Kok Onn	Malaysian	32,678,370	11.05	165,262,500 ¹	55.88	32,678,370	8.90	165,262,500 ¹	45.00
Puan Chan Cheong	Malaysian	34,696,040	11.73	165,262,500 ¹	55.88	34,696,040	9.45	165,262,500 ¹	45.00
Tan Kin Lee	Malaysian	20,949,420	7.08	-	-	20,949,420	5.70	-	-

Note:-

¹ Deemed interested by virtue of his direct substantial shareholding in GPH.

11.1.2 Background on Substantial Shareholders and Promoters

The Promoters of GPB are GPH, Dato' Kok Onn, Puan Chan Cheong and Tan Kin Lee. Dato' Kok Onn, Puan Chan Cheong and Tan Kin Lee are directors of GPB and their profiles are set out in Section 11.2.1 of this Prospectus.

A brief background of the substantial shareholders of GPB, apart from those who are also directors of the Company, is set out below:-

GPH was incorporated in the British Virgin Islands on January 30, 2004 under the International Business Companies Ordinance of 1984 as an investment holding company. Presently, the authorised share capital of GPH is USD12,000,000 comprising 10,000,000 ordinary shares and 2,000,000 redeemable convertible preference shares of USD1 each of which USD9,452,144 comprising 8,136,354 ordinary shares of USD1 each and 1,315,790 redeemable convertible preference shares of USD1 each have been issued and fully paid-up. The principal activity of GPH is investment holding. Its directors and substantial shareholders are Dato' Kok Onn, Puan Chan Cheong and Tan Kin Lee. Save for the directors, GPH does not have any key management. Save for GPH's interest in GPB, it has no business activities in Malaysia.

The details of the ordinary shareholding of GPH are set out below:-

Shareholders	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Kok Onn	3,781,703	46.48	-	-
Puan Chan Cheong	3,333,793	40.97	-	-
Tan Kin Lee	1,020,858	12.55	-	-
Total	8,136,354	100.00	-	-

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

11.1.3 Directorships and Substantial Shareholdings in Other Public Corporations

Save as disclosed below, none of the substantial shareholders or promoters of GPB has any directorships or substantial shareholding (holding 5% or more), whether directly or indirectly, in any other public corporations for the past two (2) years preceding the date of this Prospectus.

Substantial Shareholder	Company	Principal Activities	Directorship	% held as at 31 March 2005			
				Direct	%	Indirect	%
Dato' Kok Onn	Gadang Holdings Bhd	Engage in earthworks, civil engineering, building construction, property development and investment	Managing Director	3,080,000	3.20	25,698,200 ^{*1}	26.68
Puan Chan Cheong	Gadang Holdings Bhd	Engage in earthworks, civil engineering, building construction, property development and investment	-	169,400 ^{*2}	0.22	-	-
Tan Kin Lee	I-Systems Group Bhd (Formerly known as I-Systems Group Sdn Bhd and I-Systems Consulting Sdn Bhd)	Research and Development, Sales and distribution of software applications and services to the insurance and healthcare industries	Managing Director	133,651	1.80	4,828,887 ^{*3}	65.20

Notes:-

^{*1} Deemed interested by virtue of his direct substantial shareholding in Sumber Raswira Sdn Bhd and Meloria Sdn Bhd.

^{*2} During the past two (2) years, Puan Chan Cheong was a substantial shareholder of Gadang Holding Bhd.

^{*3} Deemed interested by virtue of his direct substantial shareholding in IT Hub Sdn Bhd.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

11.1.4 Changes in Promoters and Substantial Shareholders' Shareholding

The changes in the substantial shareholders and promoters of GPB and their shareholdings since incorporation up to the date of this Prospectus are as follows:-

	As at 15.12.2000		As at 01.11.2001		As at 30.01.2002		As at 31.12.2002	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
GPH	-	-	-	-	-	-	-	-
GPI	-	-	199,997	99.99	499,997	99.99	1,300,000	100.00
Dato' Kok Onn	1	33.33	1	^	1	^	-	-
Puan Chan Cheong	1	33.33	1	^	1	^	-	-
Tan Kin Lee	1	33.33	1	^	1	^	-	-
	As at 31.10.2003		As at 31.12.2003		As at 31.03.2004		As at 14.04.2004	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
GPH	-	-	-	-	-	-	1,474,958	6.73
GPI	1,300,000	15.31	1,300,000	13.02	1,300,000	6.73	-	-
GPII	-	-	-	-	9,330,492	48.30	10,586,217	48.30
Dato' Kok Onn	2,950,447	34.76	3,450,447	34.54	3,450,447	17.86	3,914,819	17.86
Puan Chan Cheong	2,874,565	33.86	3,374,565	33.78	3,374,565	17.47	3,828,724	17.47
Tan Kin Lee	1,306,976	15.40	1,806,976	18.09	1,806,976	9.35	2,050,164	9.35
	As at 15.04.2004		As at 28.06.2004		As at 06.07.2004		As at 21.03.2005	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
GPH	1,474,958	6.68	13,330,031	60.38	13,773,214	62.38	165,262,500	58.86
GPII	10,586,217	47.95	-	-	-	-	-	-
Dato' Kok Onn	3,914,819	17.73	2,850,042	12.91	2,640,120	11.96	31,678,370	11.28
Puan Chan Cheong	3,828,724	17.34	2,901,528	13.14	2,724,935	12.34	32,696,040	11.65
Tan Kin Lee	2,050,164	9.29	1,719,281	7.79	1,662,613	7.53	19,949,420	7.11
	As at 05.04.2005							
	No. of Shares	%						
GPH	165,262,500	55.88						
Dato' Kok Onn	32,678,370	11.05						
Puan Chan Cheong	34,696,040	11.73						
Tan Kin Lee	20,949,420	7.08						

Note:-

^ Negligible

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

11.2 Board of Directors**11.2.1 Directors Profile**

A brief profile on the Board of Director of GPB is as follows:-

(a) Tan Sri Datuk Dr. Omar A. Rahman

Tan Sri Datuk Dr. Omar, a Malaysian citizen age 73 was appointed as a Chairman and Non-Executive Director on 25 June 2004. Currently, he is the Executive Chairman of Kumpulan Modal Perdana Sdn Bhd and the Prime Minister's Special Representative to the Commonwealth Partnership for Technology Management ("CPTM") of which he is also the chairman. He has been active in the science and technology scene nationally and internationally. He served on the United Nation Council's for Science and Technology for Development ("UNCSTD") and a number of UNESCO's committees, as well as on the OIC Standing Committee on Science and Technology Cooperation ("COMSTECH"). Nationally, he served on a number of national committees shaping a new regional and global vision for Malaysia. He is also the founder of Malaysian Technology Development Corporation ("MTDC") and Technology Park Malaysia Corporation ("TPM"). He was appointed as the first Science Advisor in the Prime Minister's Department in 1984 and served for sixteen and half years, until his retirement in 2001. He started his professional career in 1960 in veterinary research. Later, he was the Founding Dean of the Faculty of Veterinary Medicine and Animal Sciences at the Universiti Pertanian Malaysia ("UPM"). His last position at UPM was Deputy Vice-Chancellor of Academic Affairs. Tan Sri Omar holds a Doctor of Philosophy Degree from Cambridge University, United Kingdom, a Certificate in Pathology from University of Queensland and a Bachelor of Veterinary Science from Sydney University, Australia.

(b) Dato' Kok Onn

Dato', a Malaysian citizen age 54 was appointed to the Board of Directors of GPB on 15 December 2000. His exposure in the construction industry began in 1972 as an assistant surveyor with Mudajaya Construction Sdn Bhd. In 1976, he was promoted to the position of Chief Surveyor cum Foreman in charge of all superstructure works in the Prai Power Station – stage 2 project. Having been involved in the construction industry for over 32 years, he has gained extensive knowledge and experience in most aspects of civil and structural engineering schemes with various projects in Malaysia, China, Middle East and South Africa. On August 1995, he was appointed as a Group CEO of Bridgecon Bhd. Prior to this appointment, he was appointed as a director and the Deputy Chairman of Bridgecon Engineering Sdn Bhd and has been its Executive Director since 1980. On 10 March 1997, he was appointed as Managing Director cum CEO of Gadang Holding Bhd. Dato' holds a Malaysia Certificate of Education.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

(c) Puan Chan Cheong

Puan Chan Cheong, a Malaysian citizen age 37, was appointed to the Board of Directors of GPB on 1 November 2003, after helming the sales and marketing efforts of GPB since the beginning of 2002. He is the CEO and Managing Director of the Group as well as the founder, CEO and President of GPI. He is a successful entrepreneur with more than ten (10) years in business covering diversified business interests in USA, Malaysia and PRC where he has successfully consulted and developed infrastructure and property projects. On 20 December 2004, he was named PIKOM's Technopreneur of the year 2004. He is a co-founder and sits on the Board of GPB, GPI in the USA, GPII and GPH in the British Virgin Islands, as well as the IBI Group of companies in Malaysia, whose business activities include system integration, networking solutions, electronic manufacturing, retail and distribution and international trading. Mr. Puan holds a Bachelor of Science in Business Administration and a Bachelor degree in MIS & Finance from University of Nebraska-Lincoln.

(d) Tan Kin Lee

Tan Kin Lee, a Malaysian citizen age 46, was appointed as a Non-Executive Director on 15 December 2000. He is a successful entrepreneur with more than 21 years working experience covering engineering consultancy, construction, project management and software development business in Malaysia and China. He started his career as an Engineer with Minconsult Sdn Bhd in 1983, after 10 years with the company involving in several major infrastructure projects, he joined Bridgecon Bhd in 1993 until 1996. He was responsible for the setting up and overall management of several subsidiaries and associate companies of Bridgecon which were involved in turnkey project management in Malaysia and toll roads operation in China. From 1997 to 2001, Mr. Tan was appointed Executive Director of a company listed on the second Board of Bursa Malaysia, Gadang Holdings Bhd. Since 2001, Mr. Tan was appointed as President/CEO of I-Systems Group Bhd (Formerly I-Systems Group Sdn Bhd and I-Systems Consulting Sdn Bhd), an MSC status company involved in the development of enterprise software applications to the Insurance and healthcare industries. Mr. Tan graduated with a Bachelor of Engineering degree from the University of Auckland, New Zealand. He is a member of the institute of Engineer Malaysia and a registered Professional Engineer with the Board of Engineer, Malaysia.

(e) Nik Mat Ismail

Nik Mat Ismail, a Malaysian citizen age 41, was appointed as an Executive Director on 3 September 2001. He is currently the VP Business Development of the Company. He has more than fifteen (15) years' experience in business development, sales and marketing. Nik enjoys an extensive network of contacts within the Government, local businesses and public listed companies. Prior to joining GPB, he was the Group CEO and co-founder of the IBI Group of companies in Malaysia. He had first worked in the insurance industry as a senior executive with a global insurer before setting up the IBI Group. En. Nik graduated with a Bachelor of Science in Accounting from Utah State University, USA.

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

(f) Yap Yuh Foh, Eddie

Yap Yuh Foh, a Malaysian citizen age 36, was appointed as a Non-Executive Director on 14 June 2004. He is currently the Executive Director and Chief Operating Officer of OSK Ventures International Berhad ("OSKVI") and is responsible for managing venture capital investment covering a spectrum of industrial and high technology companies. He is also a committee member of the Malaysian Venture Capital Association. He joined OSK in 1996 and prior to his current designation, he was the Senior Manager of the corporate finance division. Prior to that, he was with the corporate finance division of Affin Merchant Bank Berhad from 1993 to 1996 where he last served as a Manager. Having been exposed to the corporate finance arenas of both merchant banking and stockbroking, he has originated and executed various debt and equity capital market transactions on Bursa Securities and MESDAQ Market. Eddie graduated with Distinction with double majors in Accountancy and Economics & Finance from the Royal Melbourne Institute of Technology University. He is also a Certified Practising Accountant with the Australian Society of Certified Practising Accountants and a Chartered Accountant with the Malaysian Institute of Accountants.

(g) Lim Ee-Jin

Lim Ee-Jin, a Malaysian citizen age 36, was appointed as an Alternate Director to Mr. Yap Yuh Foh on 14 June 2004. He is currently the Senior Manager of OSKVI and is responsible for managing venture capital investment covering a spectrum of industrial and high technology companies. He was an investment analyst with the OSK Investment Research division from 1996 to 2000. He began his career in 1995 as an assistant accountant with Sunmix Concrete Sdn Bhd, a subsidiary of Sunway Building Technology Berhad. Mr Lim holds a Bachelor of Commerce (majoring in Accountancy) from the University of Birmingham, United Kingdom. He is also an affiliate member of the Association of Chartered Certified Accountants.

(h) Boey Tak Kong

Boey Tak Kong, a Malaysian citizen age 51, was appointed as a Non-Executive Director on 11 March 2005. He is currently the Managing Director of Terus Mesra Sdn Bhd, a corporate management advisory and strategic business training services company. He started his career in 1976 with MBF Finance Bhd as an Internal Audit Assistant and was promoted to Assistant Internal Auditor in 1978. In 1978, he joined Associated Tractors Sdn Bhd as an Accounts Executive and later in 1979 held the position of Accountant. In 1984, he joined Global Insurance Sdn Bhd as the Finance and Administration Manager and after a corporate reorganisation exercise was promoted as Group Financial Controller for PanGlobal Bhd. He joined Kinta Kellas Plc in 1989 as General Manager and then as Head, Corporate Affairs before promoted as General Manager, Group Internal Audit in HBM Management Sdn Bhd. In 1994, he was the Chief Operating Officer of Renong Overseas Corporation Sdn Bhd. He was the Executive Director of CHG Management Services Sdn Bhd from 1995 to 1998 as well as Director of Damba Holdings Ltd, a company listed on the New Zealand Stock Exchange. He is a Fellow of the Chartered Association of Certified Accountants, UK; Associate of the Institute of Chartered Secretaries & Administrators, UK and Chartered Accountant of the Malaysian Institute of Accountants as well as Associate of the Institute of Marketing Malaysia.

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

11.2.2 Shareholdings in GPB

Based on the Register of Directors' Shareholdings of GPB as at the date of this Prospectus, the direct and indirect interests of the directors in the issued and paid-up capital of the Company before and after the Public Issue (assuming full subscription of the Issue Shares reserved for them under the preferential share allocation scheme pursuant to the Public Issue) are as follows:-

Name of Director	Before Public Issue				After Public Issue			
	Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares	%	Indirect No. of Shares	%
Tan Sri Datuk Dr. Omar A. Rahman	-	-	-	-	-	-	-	-
Dato' Kok Onn	32,678,370	11.05	165,262,500 ^{*1}	55.88	32,678,370	8.90	165,262,500 ^{*1}	45.00
Puan Chan Cheong	34,696,040	11.73	165,262,500 ^{*1}	55.88	34,696,040	9.45	165,262,500 ^{*1}	45.00
Tan Kin Lee	20,949,420	7.08	-	-	20,949,420	5.70	-	-
Nik Mat Ismail	3,805,000	1.29	-	-	6,000,000	1.63	-	-
Yap Yuh Foh, Eddie	-	-	-	-	-	-	-	-
Lim Ee-Jin	-	-	-	-	-	-	-	-
Boey Tak Kong	-	-	-	-	-	-	-	-

Note:-

^{*1} Deemed interested by virtue of their direct substantial shareholding in GPB.

11.2.3 Directorships and Substantial Shareholding in Other Public Corporations

Save as disclosed in Section 11.1.3 above and the table below, none of the directors of GPB has held directorships or substantial shareholdings (holding 5% or more), whether directly or indirectly, in any other public corporations for the past two (2) years except for the following:-

Director	Company	Principal Activities	Directorship	% held as at 31 March 2005			
				Direct	%	Indirect	%
Tan Sri Datuk Dr. Omar A. Rahman	Kotra Industries Bhd	Developing, manufacturing and marketing of a range of pharmaceutical products.	Chairman	2,200	^	-	-
	Encorp Bhd	Investment holding.	Chairman	-	-	-	-
	OSK Ventures International Bhd	Venture capital and the management of investments in securities of venture companies.	Independent Non-Executive Director	-	-	-	-

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Director	Company	Principal Activities	Directorship	% held as at 31 March 2005			
				Direct	%	Indirect	%
	Great Wall Plastic Industries Bhd	Manufacturing and marketing of plastic film packaging products.	Independent Non-Executive Director	-	-	-	-
Yap Yuh Foh, Eddie	OSK Ventures International Bhd	Venture Capital and management of investments in securities of venture companies	Executive Director	375,000	0.02	-	-
	Nova MSC Bhd	Provision of ready-to-deploy, industry-focused application software and services for the e-government and the healthcare sectors.	Non-Independent Non-Executive Director (Resigned on 24 November 2004)	-	-	-	-
	eBworx Bhd	Provision of computer software applications for the financial services industry.	Non-Independent Non-Executive Director	-	-	-	-
	I-Magination Software Berhad	Principally involved in the provision of enterprise content management and business process management software and solution.	Non-Independent Non-Executive Director	-	-	-	-
Lim Ee-Jin	Nova MSC Bhd	Provision of ready-to-deploy, industry-focused application software and services for the e-government and the healthcare sectors.	Alternate Director to Mr. Yap Yuh Foh, Eddie (Resigned on 25 November 2004)	-	-	-	-
	eBworx Bhd	Provision of computer software applications for the financial services industry.	Alternate Director to Mr. Yap Yuh Foh, Eddie	-	-	-	-

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Director	Company	Principal Activities	Directorship	% held as at 31 March 2005			
				Direct	%	Indirect	%
	Impressive Edge Group Bhd	Principally involved in the designing and manufacturing of ultra high precision parts and components for the semiconductor industry.	Non-Independent Non-Executive Director (Resigned on 1 January 2005)	-	-	-	-
	I-Magination Software Berhad	Principally involved in the provision of enterprise content management and business process management software and solution.	Alternate Director to Mr. Yap Yuh Foh, Eddie	-	-	-	-
Boey Tak Kong	RB Land Holdings Bhd	Investment holding	Independent Non-Executive Director	-	-	-	-
	Dutch Lady Milk Industries Bhd	Manufacture of sweetened condensed milk, milk powder, dairy products and fruit juice drinks for distribution in the home market and for export.	Independent Non-Executive Director	-	-	-	-
	Sanburni Holdings Bhd	Investment holding	Independent Non-Executive Director	-	-	-	-

Note:-

^ *Negligible*

11.2.4 Directors' Remuneration

For the FYEs 31 December 2003 and 2004, a total sum of RM282,240 and RM329,280 respectively were paid to directors of GPB, as remuneration for their services in all capacities to the Company. For the FYE 31 December 2005, a total sum of approximately RM450,000 is proposed to be paid to the directors of GPB as remuneration for their services in all capacities to the Company. The directors fall within the following remuneration bands:-

Remuneration Band (RM)	Number of Directors		
	FYE 31 December 2003	FYE 31 December 2004	FYE 31 December 2005
Below 100,000	-	4	4
100,001 – 300,000	2	2	2

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

11.3 Audit Committee

GPB has set up an Audit Committee which comprises the following Board members:-

Name	Designation	Directorship
Boey Tak Kong	Chairman	Independent Non-Executive Director
Tan Sri Datuk Dr. Omar A. Rahman	Member	Independent Non-Executive Director
Nik Mat Ismail	Member	Executive Director

The main functions of the Audit Committee include the review of audit plans and audit reports with the Company's auditors, review of the auditors' evaluation of internal accounting controls and management information systems, review of the scope of internal audit procedures, review of the balance sheet and profit and loss accounts, and nomination of the auditors.

11.4 Key Management and Technical Personnel

The key management and technical personnel of the Company include the Company Managing Director and the Executive Directors of the Company, and the following persons:-

Name	Position
Puan Chan Cheong	Chief Executive Officer and Managing Director
Dr. Chen Liangsheng	Chief Technology Officer
Paul Leong	Chief Financial Officer
Mike Ying-Kwei Cheng	VP International Sales
Nik Mat Ismail	VP Business Development and Executive Director
Tan Taik Guan	VP Operations and Support

11.4.1 Key Management and Technical Personnel Profile

A brief background of the key management and technical personnel of GPB is set out below:-

(a) **Puan Chan Cheong**

Please refer to Section 11.2.1(c) above for his profile.

(b) **Dr. Chen Liangsheng**

Dr. Chen Liangsheng, age 40 is the Chief Technology Officer of the Company. Liangsheng has over ten (10) years of software development, hardware and wireless networking technologies experiences. He plays the key role of software architect and leads the software engineering team in developing the SONaccess and SONbuddy products. He conducted software development and research at the University of California at Berkeley, the University of California at San Diego and the University of Science and Technology of China. He also worked at Seagate Technology as a Senior Advisory Engineer for software development. While his expertise is in the Microsoft Windows technology, he is also a SUN Certified Java Programmer and Oracle Certified Professional. Dr. Chen obtained a Certificate of Management of Technology Program and completed his Philosophy Doctorate Degree at the University of California, Berkeley. He obtained a Master in Science degree from the University of California, San Diego and a Bachelor of Science degree from the University of Science and Technology of China.

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**(c) Paul Leong**

Paul Leong, age 45 is the Chief Financial Officer of the Company. He was one of the pioneer employees at GPI, overseeing the initial setup and operations of GPI in the Silicon Valley, California in 2000, before being transferred to GPB in 2001. His experience includes fifteen (15) years in audit, operations, management and financial consultancy, project and privatization advisory services with Coopers & Lybrand (now Pricewaterhouse Coopers); two (2) local consultancy outfits, Wahab Khalid & Associates and Wawasan Arif Sdn Bhd, and later with a local merchant bank, Perdana Merchant Bankers. He joined the IBI Group in 1997, as a General Manager and Technical Director for a manufacturing subsidiary before moving to GPI. He obtained his professional qualification with the Malaysian Institute of Certified Public Accountants in 1987 and has been a member of the Malaysian Institute of Accountants since 1988.

(d) Mike Ying-Kwei Cheng

Mike Ying-Kwei Cheng, age 58 is the VP International Sales of the Company. Mike has over thirty (30) years of broad experience in electronics and personal computer industries. He was the Founder and President/CEO of JM Computers Inc in Texas with annual sales revenue of USD\$200 million. Prior to that, he was also the President of Chaintech Inc in California with responsibility over North, Central & South America. Mike holds a Masters Degree in Physics from Northwestern State University of Louisiana, Natchitoches, Louisiana and a Bachelor of Science Degree in Physics from Tamkang University, Taiwan.

(e) Nik Mat Ismail

Please refer to Section 11.2.1 (e) above for his profile.

(f) Tan Taik Guan

Tan Taik Guan, age 40 is the VP Operations & Support of the Company. He has been actively involved in the electronics manufacturing industry. In the last five (5) years, he has been expanding his expertise into operations of new start-up, especially in the operational aspects of project planning, product development & management, quality assurance and materials management. He first started his career with Advanced Micro Devices in Penang as Production Engineer and has moved on to become among the pioneers in Electronic Manufacturing Services ("EMS") industry in Malaysia. He has continuously been involved in various aspects of contract manufacturing, including order management, materials management, operations management, product introduction, end order fulfillment and business development. He graduated from Universiti Teknologi Malaysia with a Bachelor of Science in Mechanical/Industrial Engineering.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

11. SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

11.4.2 Shareholdings in GPB

Save as disclosed in Section 11.2.2 and the table below, none of the key management and technical personnel holds any Shares or options in respect of any Shares in GPB.

Name of Key Management and Technical Personnel	Before Public Issue				After Issue			
	Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares*	%	Indirect No. of Shares	%
Dr. Chen Liangsheng	2,000,000	0.68	-	-	3,500,000	0.95	-	-
Paul Leong	2,025,000	0.68	-	-	4,025,000	1.10	-	-
Mike Ying-Kwei Cheng	2,915,010	0.99	-	-	3,915,010	1.07	-	-
Tan Taik Guan	200,000	0.07	-	-	900,000	0.25	-	-

Note:-

* Assuming full subscription of the Issue Shares reserved for them under the preferential share allocation scheme pursuant to the Public Issue

11.4.3 Directorships and Substantial Shareholdings in Other Public Corporations

Save as disclosed in Sections 11.1.3 and 11.2.3, none of the key management and technical personnel of the Group has held directorships and substantial shareholdings (5% or more), whether direct or indirect, in other public corporations during the last two (2) years.

11.5 Relationships and Associates

Save as disclosed below, there are no family or business relationships amongst the substantial shareholders, Promoters, directors, key management and technical personnel of the Group.

11.6 Service Agreements

None of the directors and key management and technical personnel of GPB Group has any existing or proposed service agreement with the Company or its subsidiaries.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

12. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST**12.1 Related Companies with Similar Trade**

Save as disclosed below, none of the directors or substantial shareholders of the Company or its subsidiaries has any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiaries.

Name of Director / Substantial Shareholder	Other Companies	Principal Activities	Direct		Indirect	
			No of Shares	%	No of Shares	%
GPH	GPI	R&D, manufacturing, marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services in its respective Territories	4,479,295	94.50	-	-
	GPII	Marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services	1	100.00	-	-
Dato' Kok Onn	GPI	R&D, manufacturing, marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services in its respective Territories	-	-	4,479,295	94.50 ^{*1}
	GPII	Marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services	-	-	1	100.00 ^{*1}
Puan Chan Cheong	GPI	R&D, manufacturing, marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services in its respective Territories	-	-	4,479,295	94.50 ^{*1}
	GPII	Marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services	-	-	1	100.00 ^{*1}

12. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

Name of Director / Substantial Shareholder	Other Companies	Principal Activities	Direct		Indirect	
			No of Shares	%	No of Shares	%
Tan Kin Lee	GPI	R&D, manufacturing, marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services in its respective Territories	-	-	-	-
	GPII	Marketing and distribution of wireless networking and telecommunication products, networking solution and other high technology products and services	-	-	-	-

Note:-

*1 Deemed interested by virtue of their interest in GPH.

Pursuant to the SPA, GPB, GPI and GPII, all subsidiaries of GPH, a substantial shareholder and Promoter of GPB, are the legal and beneficial owners of all the intellectual property rights in and to the GP Base Software within their respective territories.

The Company is of the view that there is no conflict of interest as it has been mutually agreed between the companies, that the Territories in which the companies have exclusive right to market and distribute the intellectual property rights in and to the GP Base Software are mutually exclusive.

In addition, GPB and GPI shall undertake collaborative development, marketing and commercialization works in respect of the GP Base Software within their respective territories. To mitigate the conflict of interest, GPB has entered into a PDMA with GPI to formalize and govern their business relationship in accordance with the terms and conditions of the agreement, wherein it has been agreed that:-

- (a) GPB shall undertake the development works of the products or service to be developed and GPI shall pay GPB a sum of USD50,000 per month;
- (b) GPI and GPB have the exclusive rights to market the products or service to be jointly developed within their respective territories without any liability to account to each other for profits or pay any royalties;

The Company is of the view that there is no conflict of interest as it has been mutually agreed between the companies, the Territories in which the companies have exclusive right to market and distribute the products or service to be developed. In addition, during the term of the PDMA, neither party will promote, develop, distribute any product, services or business in competition with the other party; or provide access to any such competing third party products or services.

In any event, GPB owns the copyright in relation to its trademarks and servicemarks as well as the copyright of the GP Base Software for its products within its territories. It is agreed that neither party will promote, develop and distribute any products, services or business in competition with the other. Furthermore, GPB will have the first right of refusal to undertake any development of new products proposed by GPI.

12. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

The above transactions were entered into in the ordinary course of business and at arm's length, on GPB's normal commercial terms and on terms not more favourable to the related party than those generally available to the public and not to the detriment of the minority shareholders.

GPB's Articles of Association do not allow the Directors to vote in respect of any contract or proposed contract or arrangement in which they have direct/indirect interest but this prohibition shall not apply to any agreement for giving any Director security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company nor to any contract by a Director to subscribe for or underwrite shares or debentures of the Company and it may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting. A general notice given to the Directors by any Director to that effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in relation to any contract so made.

Notwithstanding the above, upon admission to Bursa Securities, under paragraph 6.8 of the Bursa Securities LR, the Company is required to seek a shareholder's mandate in respect of such transaction at the next annual general meeting. In addition, the related party and/or his associates or persons connected to him are required to abstain from voting on the said resolution.

12.2 Related-Party Transactions

GPB currently engages in, and expects to continue to engage in, related party transactions, including transaction with GPI, GPII and IBI Solution (M) Sdn Bhd. These transactions comprise principally the SPA and PDMA, as well as other agreements relating to services ancillary to GPB's operations, such as supply of equipments and other related accessories.

The above transactions are necessary for the Company's day-to-day operations and were carried out in the ordinary course of the business of the Company and were conducted on normal commercial terms which are no more favourable to the related parties than those extended to the general public and are not to the detriment of GPB. The nature and terms of future transactions will be reviewed by the audit committee to ensure compliance and the Board will continue to review procedures for future transactions, if any.

(a) Related-Party Transactions

The Company had before the date of this Prospectus entered into the following agreements which are necessary for the Company's day-to-day operations and in the ordinary course of business and on terms, which are at arms' length and are not more favourable to the related parties than those generally available to the public and are not to the detriment of GPB. These agreements are as listed below:-

- (i) A Commissioned Software Agreement dated 1 January 2003 entered into between GPB and GPI for the purpose of commissioning GPB to further develop the proprietary software known as SONbuddy and SONaccess ("GP Base Programs"). In consideration of the services rendered by GPB, GPI agreed to pay GPB the aggregate sum of USD1,200,000. GPB was granted a first right of refusal to purchase or license the GP Base Program upon terms and conditions to be mutually agreed between the parties.
- (ii) A Software Distribution Agreement dated 1 January 2003 entered into between GPB and GPI wherein GPI shall grant GPB a non-exclusive license to distribute the SONbuddy and SONaccess family of products, subject to such upgrades, additions or removal as hereafter introduced within Asia (excluding Japan and South Korea) and the Middle East. Licence fee incurred by GPB for the period from 1 January 2003 to 28 February 2004, amounted to USD74,218.

12. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

- (iii) A Consulting Agreement dated 12 November 2003 entered into between GPB and Interventure Capital Sdn Bhd wherein Interventure was appointed to assist in the application of a brand promotion grant by GPB. Total fees for the engagement amounts to RM20,000.00. In addition, a success fee rate of 3.0% of the total reimbursed grant value is payable by GPB to Interventure Capital Sdn Bhd should the brand promotion grant be awarded to GPB. Tan Kin Lee is a director and shareholder of both GPB and Interventure Capital Sdn Bhd.
- (iv) A Software Purchase Agreement dated 31 March 2004 entered into between GPII and GPB for the sale to GPB by GPII of source codes and the transfer of all intellectual property rights in and to the GP Base Programs within Asia (excluding Japan and South Korea), Russia and the Middle East for a total consideration of RM22,800,000. The Company is of the view that there is no conflict of interest as it has been mutually agreed between the companies, that the territories in which the companies have exclusive right to market and distribute the intellectual property rights in and to the GP Base Software are mutually exclusive.
- (v) A PDMA dated 31 March 2004 entered into between GPB and GPI to jointly develop, conceive, design, market, distribute, license and sell the products within their respective Territories as stipulated in the Agreement. GPB shall undertake all development works and enhancements while GPI shall provide technical support. GPI shall pay GPB a sum of USD50,000 per month for the development works carried out by GPB. The Company is of the view that there is no conflict of interest as it has been mutually agreed between the companies, the territories in which the companies have exclusive right to market and distribute the products or service to be developed. In addition, GPB will have the first right of refusal to undertake any development of new products proposed by GPI.

(b) Recurrent Related-Party Transactions

The Company had, before the date of this Prospectus, entered into recurrent related party transactions, which are of revenue or trading nature ("Recurrent Related Party Transactions"). The Recurrent Related Party Transactions are as listed below:-

- (i) GPB purchases computer hardware from the IBI Solution (M) Sdn Bhd, a company incorporated in Malaysia in which Puan Chan Cheong and Nik Mat Ismail have substantial financial interests for the past financial year. The total purchase for the FYE 31 December 2004 amounts to RM138,985.
- (ii) An agreement dated 2 January 2004 entered into between GPB and IBI Systems (M) Sdn Bhd to confirm the commission arrangement to IBI Systems (M) Sdn Bhd for the sale of GPB's products to Nation Tech Sdn Bhd i.e. USD5 per license of SONbuddy Gold sold. IBI Systems (M) Sdn Bhd had introduced GPB products to Nation Tech Sdn Bhd out of its effort. Nik Mat Bin Ismail, a director of GPB is also the controlling shareholder and director of IBI Systems (M) Sdn Bhd. The agreement has been terminated by GPB on 17 June 2004.

The above transactions are necessary for the Company's day-to-day operations and were carried out in the ordinary course of the business of the Company and were conducted on normal commercial terms which are no more favourable to the related parties than those extended to the general public and are not to the detriment of GPB. The nature and terms of future transactions will be reviewed by the audit committee to ensure compliance and the Board will continue to review procedures for future transactions, if any.

12. RELATED PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

12.3 Conflict of Interest

On completion of the Public Issue, OSKTV, a venture capital company of OSK Holdings Berhad, will hold 13,333,330 shares, representing approximately 3.63% of the enlarged issued and paid-up share capital of GPB. OSK and OSKTV are related companies, by virtue of both companies being wholly-owned subsidiary companies of OSK Holdings Berhad. In addition, Dato' Nik Mohamed Bin Nik Yahya and Mr Ong Leong Huat @ Wong Joo Hwa, are common directors of OSK and OSKTV.

The interest disclosed above does not give rise to a situation of conflict of interest and accordingly, OSK confirms that there are no existing or potential conflicts of interest in its capacity as Adviser for the listing of GPB on the MESDAQ Market.

In addition, the following is to be noted:-

- (a) none of the shares to be placed out as detailed in Section 3.4 of this Prospectus will be placed to OSK and OSKTV and persons connected to them in compliance with the Bursa Securities LR;
- (b) the pricing of the Issue Shares will be market driven after considering the demand and supply for the said shares and market sentiments at the point of the Public Issue; and
- (c) save for the professional fees, the listing proceeds are proposed to be used for various applications of which OSK will not be deriving any benefit therefrom.

Save as disclosed above, OSK confirms that, as at the date of this Prospectus, there is no other existing or potential conflict of interest in its capacity as the Adviser, Sponsor, Managing Underwriter and Placement Agent for the listing exercise.

Horwath, Cheang & Ariff and Deloitte Corporate Advisory Services Sdn Bhd have given their confirmation that there are no existing or potential conflicts of interest in their capacity as the Reporting Accountants, Solicitors and Valuer respectively, for the listing exercise.

Shanghai Eternal Law Firm and Yung Liu, Attorney-At-Law have given their confirmation that there are no existing or potential conflicts of interest in their capacity as the Expert for the PRC and Taiwan respectively, for the listing exercise.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

13. DIRECTORS' REPORT



www.greenpacket.com
www.sonbuddy.com

Green Packet Berhad (534942-H)
(Formerly known as Green Packet (Malaysia) Sdn Bhd)
Lot 1-4, Incubator 2,
Technology Park Malaysia,
Lebuhraya Puchong-Sg. Besi,
Bukit Jalil, 57000 Kuala Lumpur, Malaysia.
Tel : (603) 8996 6022 (Hunting Line) Fax : (603) 8996 4996

Registered Office:
C15-1, Level 15, Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur

22 APR 2005

The Shareholders of Green Packet Berhad

Green Packet Berhad ("GPB" or "Company")

Dear Sir/Madam

On behalf of the Board of Directors of GPB, I report that after making due enquiries in relation to the interval between 31 December, being the date to which the last audited financial statements of the Company and its subsidiary company has been made up, and **22 APR 2005**, being a date not earlier than fourteen (14) days before the issue of this Prospectus:-

- (a) The business of the Company and its subsidiary company have, in the opinion of the Directors, been satisfactorily maintained;
- (b) In the opinion of the Directors, save as disclosed in this Prospectus, no circumstances have arisen since the last audited financial statements of the Company and its subsidiary company which have adversely affected the trading or the value of the assets of the Company or its subsidiary company;
- (c) The current assets of the Company and its subsidiary company appear in the books at values which are believed to be realisable in the ordinary course of business;
- (b) No contingent liabilities have arisen by reason of any guarantees or indemnities given by the Company or its subsidiary company;
- (c) Since the last audited financial statements of the Group, the Directors are not aware of any default or any known event that could give rise to a default situation, in respect of payments of either interest or principal sums in relation to any borrowings; and
- (f) Save as disclosed in the Accountants' Report and pro-forma consolidated balance sheets dated **15 APR 2005** as set out in Sections 15 and 16 of this Prospectus, there have been no material changes to the published reserves or any unusual factors affecting the profits of the Company and its subsidiary company since the last audited financial statements of the Company and its subsidiary company.

Yours faithfully
For and on behalf of the Board of Directors of
Green Packet Berhad

Puan Chan Cheong
CEO and Group Managing Director

14. SUMMARY OF VALUATION REPORT

Deloitte.

Deloitte Corporate Advisory Services Sdn. Bhd. (487510-M)
Level 19, Uptown 1
1 Jalan SS 21/58
Damansara Uptown
47400 Petaling Jaya
Malaysia

15 April 2005

P. O. Box 10093
50704 Kuala Lumpur
Malaysia

The Board of Directors

Green Packet Berhad

Lot 1-5, Incubator 2
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil
57000 Kuala Lumpur

Tel : +603 77236500, 77261833
Fax : +603 77263986, 77268986
myaaa@deloitte.com
www.deloitte.com.my

Dear Sirs

SUMMARY OF VALUATION REPORT DATED 24 MARCH 2004 ON THE INTELLECTUAL PROPERTY TO BE TRANSFERRED TO GREEN PACKET SDN BHD (“GPM”), NOW KNOWN AS GREEN PACKET BERHAD (“GPB”), UNDER THE SOFTWARE PURCHASE AGREEMENT (“SPA”) TO BE ENTERED INTO BETWEEN GREEN PACKET INTERNATIONAL INC. (“GPII”) AND GPM

This letter is prepared for the purpose of inclusion in the Prospectus of GPB in connection with its listing and quotation on the MESDAQ Market of Bursa Malaysia Securities Berhad (“MESDAQ Market”) (“Listing and Quotation”).

This letter has been prepared as a summary of our valuation report dated 24 March 2004 (“the Valuation Report”) on the intellectual property to be transferred to GPM under the SPA to be entered into between GPII and GPM (“the Subject Intellectual Property”). Readers are advised to refer to the Valuation Report for details of the SPA, assumptions used, methodology applied and the limitations of the valuation.

Our valuation should not be construed to offer any support or justification for the pricing of GPB shares in relation to its Listing and Quotation as the open market value of the Subject Intellectual Property as shown in the valuation may not be reflected in the trading price of GPB shares for various reasons. In addition, we do not give any assurance nor express any opinion in relation to the performance of the share price of GPB upon its listing on the MESDAQ Market.

(i) Purpose of Valuation

The valuation was conducted for the purpose of establishing a range of open market values of the Subject Intellectual Property for the use of the Directors of GPM to assist them in their evaluation in the context of procuring the Subject Intellectual Property for GPM.

For the purposes of the Valuation Report, “open market value” is defined as the arms’ length price negotiated between a knowledgeable and willing buyer and seller, both of whom are not under any compulsion to buy or sell, in an open and unrestricted market.

(ii) Background Information

The principal activity of GPM is research and development, manufacturing, marketing and distribution of software products known as SONaccess and SONbuddy.

The SONaccess system presents an integrated solution for secure seamless roaming between Wireless Local-Area Network and wide area 2.5G networks. SONbuddy is a wireless networking solution developed to enable mobile devices to form and sustain a Self Organising Network, without the presence of infrastructure or an access point.

14. SUMMARY OF VALUATION REPORT (Cont'd)

Deloitte Corporate Advisory Services Sdn. Bhd.

Green Packet Berhad
Page 2 of 3

The Subject Intellectual Property consists of:

- (i) the rights, interest, legal and/or beneficial ownership of the GP Base Software within certain identified countries in Asia and the Middle East as listed in Appendix 1, including without limitation, all patents (if any), copyrights, object codes and executable codes embodied in the GP Base Software and all other computer software, sub-licensable third party licence rights, know-how, technology, trade secrets used in the GP Base Software, and any and all other items used in connection with the development, marketing and distribution of the GP Base Software, including, without limitation, documentation related to the GP Base Software, permits and licences, and
- (ii) GP Base Software source codes.

GP Base Software refers to SONaccess and SONbuddy in the form pre-existing as at 1 March 2004.

(iii) Basis/method of Valuation

We have selected the discounted cash flow (“DCF”) approach for the valuation of the Subject Intellectual Property as it has the ability to accommodate a variety of conditions that can affect the value, particularly given that the GP Base Software is a relatively new suite of products with no historical market data.

The valuation approach begins with the valuation of the enterprise value of GPM based on its free cash flows and using the Capital Asset Pricing Model (“CAPM”) to determine GPM’s weighted average cost of capital. In applying CAPM to derive the weighted average cost of capital, we have included a loading factor due to the following reasons:

- (i) The products offered by GPM are relatively new and has yet to gain wide spread market acceptance;
- (ii) The nature of the industry that GPM operates, which is characterised by rapidly changing technology, evolving industry standards and frequent introductions of new products; and
- (iii) GPM’s reliance on a small number of major customers.

Subsequently, a residual allocation method is applied to derive the free cash flows of GPM attributable to the Subject Intellectual Property (“FCFip”). The FCFip is then discounted at an appropriate rate of return to arrive at its present value. In this connection, we have adopted a base nominal discount rate of 25%, derived through an iterative process, to discount the FCFip to present value.

The valuation only considers the Subject Intellectual Property in the form pre-existing as at 1 March 2004 without further development and enhancement, given that the Subject Intellectual Property relates to the GP Base Software in the form pre-existing as at 1 March 2004. However, with the rapid technological advancement within the wireless software industry, the Subject Intellectual Property, on an “as is” basis, may be rendered obsolete within a certain period of time. For the purpose of this valuation, we have taken the time to be 2 to 3 years from 1 March 2004. We have therefore assigned probabilities to the above said possible economic lifespans based on the probability weighted scenario approach to derive the value of the Subject Intellectual Property.

In deriving the range of open market values of the Subject Intellectual Property, a sensitivity analysis was also conducted to consider the possible variations in the values due to changes in revenue, collection period and inventory turnover.

(iv) Assumptions and Forward Looking Financial Information

i. Assumptions

The key assumptions used in the valuation are highlighted as follows:

- (i) The distribution agreement signed between GPM and China Speednet Co. Ltd. (“China Speednet”) on 20 September 2003 appointing China Speednet as the exclusive distributor to

14. SUMMARY OF VALUATION REPORT (Cont'd)

Deloitte Corporate Advisory Services Sdn. Bhd.

Green Packet Berhad
Page 3 of 3

market and distribute private label SONaccess software in the People's Republic of China for an initial term of two years effective from 1 January 2004 will remain valid and will not be terminated before the end of the two year term.

- (ii) GPM will continue to enjoy its MSC pioneer status incentive with a 100% tax income exemption until assessment year 2007 when the incentive expires in June 2008.

Readers are advised to refer to the Valuation Report for details of the assumptions used in the valuation.

ii. Forward Looking Financial Information

The financial forecast and projections and the related underlying assumptions of the Subject Intellectual Property were provided and endorsed by the management of GPM and are their sole responsibility. All the information including the financial forecast and projections, and opinions provided by the management and disclosed in the Valuation Report has been reviewed by the Directors of the Company and is, to the best of their knowledge, judgement and belief, fair, complete, reasonable and accurate in all material respects. However, the achievement of the financial projections used in this valuation is subject to a variety of factors, many of which are not foreseeable and beyond the control of GPM. Such factors include the continued demand for in the wireless networking industry, government policies and the growth performance of the Malaysian economy, as well as the economies in other countries where GPM operates.

(v) Sources of Information Used to Prepare the Valuation Report

In preparing the Valuation Report, we had access to, inter alia, the audited accounts for the financial year ended 31 December 1999 to 2002, the unaudited accounts for the financial year ended 31 December 2003, business plans, forecasts and projections of GPM. We also held discussions with various representatives of the management of GPM. We have also used information from published economic and industry sources. No independent verification has been carried out to determine the validity and accuracy of information provided to us. We accept no responsibility for the ultimate accuracy and realisation of the forecasts.

(vi) Qualifications


Deloitte Corporate Advisory Services Sdn Bhd provides a range of services in relation to mergers and acquisitions, capital raisings and corporate restructuring.

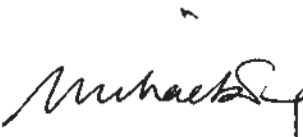
The persons responsible for preparing the Valuation Report are Eugene Wong and Michael Wong. Eugene Wong is a Chartered Accountant in Malaysia and a member of The Institute of Chartered Accountants in Australia and CPA Australia. Michael Wong is also a Chartered Accountant in Malaysia and a member of CPA Australia.

Based on the information provided to us and the methodologies and assumptions used as set out in the Valuation Report, in our opinion, the range of open market values attributable to the Subject Intellectual Property, as at 24 March 2004, is between RM21.6 million to RM29.1 million.

Yours faithfully,

DELOITTE CORPORATE ADVISORY SERVICES SDN BHD


EUGENE WONG
Executive Director


MICHAEL WONG
Director, Corporate Finance

14. SUMMARY OF VALUATION REPORT (Cont'd)

Deloitte Corporate Advisory Services Sdn. Bhd.

Green Packet Berhad

Appendix 1

Identified countries covered by the Subject Intellectual Property:

Hong Kong	Taiwan
Philippines	Mongolia
China	Vietnam
Laos	Cambodia
Thailand	North Korea
Malaysia	Brunei
Singapore	Indonesia
Papua New Guinea	Myanmar
Bhutan	Bangladesh
Nepal	India
Pakistan	Afghanistan
Sri Lanka	Turkey
East Timor	Kirgiza
Tajikistan	Kazakhstan
Uzbekistan	Turkmenistan
Iran	Kuwait
Azerbaijan	Armenia
Turkey	Syria
Iraq	Lebanon
Israel	Jordan
United Arab Emirates	Saudi Arabia
Oman	Yemen