

**GREEN PACKET BERHAD ( 534942-H )**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER AND SIX MONTHS PERIOD ENDED 30 JUNE 2009**

	Individual Quarter		Cumulative Quarter	
	3 Months Period Ended		6 Months Period Ended	
	30/06/2009	30/06/2008	30/06/2009	30/06/2008
	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000
Revenue	56,470	22,445	97,959	44,789
Operating expenses	(84,987)	(30,727)	(145,657)	(56,402)
Other income	2,570	4,606	2,893	5,879
Loss from operations	(25,947)	(3,676)	(44,805)	(5,734)
Finance costs	(2,694)	(883)	(6,071)	(1,002)
Share of net (loss)/profit in associates	1,010	(1,048)	750	(1,716)
Loss before taxation	(27,631)	(5,607)	(50,126)	(8,452)
Income tax	(536)	(972)	(591)	(1,481)
Net loss for the period	(28,167)	(6,579)	(50,717)	(9,933)
Attributable to:				
Equity holders of the Company	(27,870)	(4,889)	(50,090)	(7,622)
Minority interests	(297)	(1,690)	(627)	(2,311)
Loss per share attributable to				
- Basic (sen)	(7.0)	(1.5)	(12.5)	(2.3)
- Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

**GREEN PACKET BERHAD ( 534942-H )**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2009**

	As at 30/06/2009 (Unaudited) RM'000	As at 31/12/2008 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	272,199	177,272
Intellectual property	10,736	11,780
Development costs	48,593	47,348
Investment in associates	33,983	33,161
Other long term investments	18,763	18,763
Prepaid land lease payments	17,460	17,488
Goodwill on acquisition	12,786	12,786
	<u>414,520</u>	<u>318,598</u>
<b>Current assets</b>		
Inventories	17,807	17,938
Trade receivables	46,201	31,082
Other receivables, deposits and prepayments	57,151	31,586
Tax recoverable	-	1,853
Fixed deposits with licensed banks	8,714	59,934
Cash and bank balances	139,071	221,290
	<u>268,944</u>	<u>363,683</u>
<b>TOTAL ASSETS</b>	<u><u>683,464</u></u>	<u><u>682,281</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to ordinary equity holders of the parent</b>		
Share capital	79,987	79,987
Reserves	282,940	332,430
	<u>362,927</u>	<u>412,417</u>
<b>Minority interests</b>	<u>11,325</u>	<u>11,952</u>
<b>Total equity</b>	<u><u>374,252</u></u>	<u><u>424,369</u></u>
<b>Non-current liability</b>		
Guaranteed redeemable convertible exchangeable bonds	50,000	50,000
Bank borrowings	144,562	136,653
Hire purchase and finance lease liabilities	6,250	4,172
Deferred tax liabilities	5,934	2,418
	<u>206,746</u>	<u>193,243</u>
<b>Current liabilities</b>		
Trade payables	74,026	10,869
Other payables and accruals	31,904	47,993
Bank borrowings	2,786	2,786
Hire purchase and finance lease liabilities	(6,250)	3,021
	<u>102,466</u>	<u>64,669</u>
<b>TOTAL LIABILITIES</b>	<u><u>309,212</u></u>	<u><u>257,912</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>683,464</u></u>	<u><u>682,281</u></u>
<b>Net asset per share attributable to ordinary equity holders of the parent (RM)</b>	<u><u>0.91</u></u>	<u><u>1.03</u></u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER PERIOD ENDED 30 JUNE 2009 (UNAUDITED)

	Attributable to Equity Holders of the Parent							Minority Interests	Total Equity
	Shares capital	Non-Distributable				Distributable			
		Share Premium	Foreign Exchange Translation Reserve	Treasury Shares	Other Reserves	Retained Profits	Sub-total		
<b>6 months period ended 30 June 2009</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Balance at 1 January 2009	79,987	292,274	1,269	(11,388)	7,336	42,939	412,417	11,952	424,369
Share-based payment under ESOS	-	-	-	-	600	-	600	-	600
Net loss for the financial year	-	-	-	-	-	(50,090)	(50,090)	(627)	(50,717)
Current translation difference	-	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2009</b>	<b>79,987</b>	<b>292,274</b>	<b>1,269</b>	<b>(11,388)</b>	<b>7,936</b>	<b>(7,151)</b>	<b>362,927</b>	<b>11,325</b>	<b>374,252</b>

	Attributable to Equity Holders of the Parent							Minority Interests	Total Equity
	Shares capital	Non-Distributable				Distributable			
		Share Premium	Foreign Exchange Translation Reserve	Treasury Shares	Other Reserves	Retained Profits	Sub-total		
<b>6 months period ended 30 June 2008</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Balance at 1 January 2008	66,656	259,002	(199)	(6,687)	3,254	98,181	420,207	20,906	441,113
Purchase of treasury shares	-	-	-	(4,700)	-	-	(4,700)	(3,126)	(7,826)
Share-based payment under ESOS	-	-	-	-	1,179	-	1,179	-	1,179
Net loss for the financial period	-	-	-	-	-	(7,622)	(7,622)	(2,311)	(9,933)
Current translation difference	-	-	(2,489)	-	-	-	(2,489)	-	(2,489)
<b>Balance at 30 June 2008</b>	<b>66,656</b>	<b>259,002</b>	<b>(2,688)</b>	<b>(11,387)</b>	<b>4,433</b>	<b>90,559</b>	<b>406,575</b>	<b>15,469</b>	<b>422,044</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

**GREEN PACKET BERHAD ( 534942-H )**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2009 (UNAUDITED)**

	Financial period / year ended	
	30/6/2009	30/6/2008
	(Unaudited) RM'000	(Unaudited) RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(50,126)	(8,452)
Adjustments for non cash items:-		
Amortisation of development cost	2,970	295
Amortisation of intellectual property	702	1,140
Depreciation of plant and equipment	4,382	2,389
Share based payment under ESOS	600	1,179
Share of net loss in associates	(750)	1,716
Other non-cash items	964	1,991
Operating (loss)/profit before working capital changes	(41,258)	258
Changes in working capital		
Increase in current assets	(38,699)	(2,119)
Increase/(Decrease) in current liabilities	47,069	4,511
Cash for operating activities	(32,888)	2,650
Interest paid	(3,857)	(646)
Tax paid	2,925	(1,059)
<b>Net cash for operating activities</b>	<b>(33,820)</b>	<b>945</b>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Acquisition of long term investments	(72)	(42,465)
Development expenditure incurred	(4,215)	(8,453)
Interest received	2,893	2,487
Purchase of plant and equipment, Intellectual Property	(98,940)	(72,365)
<b>Net cash for investing activities</b>	<b>(100,334)</b>	<b>(120,796)</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Drawdown of bank borrowings	-	114,450
Drawdown of hire purchase/lease obligations	3,275	-
Repayment of bank borrowings	7,909	-
Purchase of treasury shares	-	(4,700)
Repayment to hire purchase/lease obligations	(10,469)	(797)
<b>Net cash for financing activities</b>	<b>715</b>	<b>108,953</b>
Net decrease in cash and cash equivalents	(133,439)	(10,898)
Foreign exchange translation differences	-	(2,489)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>281,224</b>	<b>242,467</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>147,785</b>	<b>229,080</b>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	139,071	162,029
Fixed deposit with licensed bank	8,714	67,051
	<b>147,785</b>	<b>229,080</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008.

NOTES TO THE QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2009

**A Explanatory Notes Pursuant to Financial Reporting Standard ("FRS") 134 Interim Financial Reporting**

**A1 Basis of preparation**

This interim financial statements of the Group are unaudited and have been prepared in accordance with FRS 134 (Interim Financial Reporting Standard) issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9 Part K 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 for the financial year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

The accounting policies, method of computation and basis of consolidation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 31 December 2008.

**A2 Auditors' report on preceding annual financial statements**

The auditor's report on the financial statements for the financial year ended 31 December 2008 was not subject to any qualification.

**A3 Seasonal or cyclical factors of interim operation**

The Group's operations were not materially affected by any seasonal and cyclical factors.

**A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

During the current financial quarter under review, there were no items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence.

**A5 Material changes in estimates**

There were no changes in estimates of amounts reported in prior financial years, which may have a material effect in the current financial quarter and period under review.

**A6 Changes in debts or equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year to date 30 June 2009, except for:-

- i) The shareholders of the Company ("GPB") had given their approval for GPB to buy-back its own shares at the Extraordinary General Meeting ("EGM") held on 14 November 2007 and such authority was renewed at the 8th Annual General Meeting of GPB held on 22 May 2009. During the period ended 30 June 2009, GPB bought back from the open market, 1,000 ordinary shares of RM0.20 each ("GPB Shares") listed and quoted on the Main Board of Bursa Malaysia Securities Berhad at an average buy-back price of RM1.07 per share. The total consideration paid for the share buy-back of GPB Shares by GPB during the period ended 30 June 2009, including transaction costs, was RM1,072 and was financed by internally generated funds. The GPB Shares bought back are held as treasury shares in accordance with Section 67A Subsection 3(A)(b) of the Companies Act, 1965. As at 30 June 2009, the total shares bought back, all of which are held as treasury shares, amounted to 4,707,700 GPB Shares. None of the treasury shares held were resold or cancelled during the period ended 30 June 2009.
- ii) On 29 January 2009, the Company issued 7,730,000 new options ("New Options") pursuant to the Company's Employees Shares Options Scheme ("ESOS") which are exercisable into new GPB Shares at an exercise price of RM0.85 per GPB share over the vesting period of the options.

The New Options will expire by 8 August 2011. The movement of the options for the period under review is as follows:-

	Number of options over ordinary shares of RM0.20 each (‘000)
Balance as at 1 Jan 2009	13,684
Granted at 29 January 2009	7,730
Exercised	-
Lapsed	-
Outstanding as at 30 June 2009	<u>21,414</u>

#### A7 Dividends

There were no dividends paid or proposed during the current financial period under review.

#### A8 Segmental information

Segmental information is provided based on geographical segment by customers' location, as follows:-

Results for the 6 months period ended 30 June 2009	Malaysia RM'000	APAC* RM'000	MENA** RM'000	Others*** RM'000	Group RM'000
<b>Revenue</b>					
Software and Applications	11,872	1,362	743	182	14,159
Broadband Services	61,634	-	-	-	61,634
Communication/Voice Services	1,746	20,284	-	-	22,030
Engineering Services and Solutions	-	-	-	136	136
	<u>75,252</u>	<u>21,646</u>	<u>743</u>	<u>318</u>	<u>97,959</u>
<b>Results</b>					
Software and Applications	7,945	(1,748)	(1,873)	-	4,324
Broadband Services	(49,642)	-	-	-	(49,642)
Communication/Voice Services	6	(140)	-	-	(134)
Engineering Services and Solutions	-	-	-	-	-
	<u>(41,691)</u>	<u>(1,888)</u>	<u>(1,873)</u>	<u>-</u>	<u>(45,452)</u>
Finance costs					(6,071)
Loss on disposal of investment in subsidiary					-
Interest Income					647
					<u>(50,876)</u>
Share of loss in associates					750
Loss before taxation					<u>(50,126)</u>
Income tax					(591)
Loss after taxation					<u>(50,717)</u>
Minority interests					627
Loss after taxation & minority interests					<u>(50,090)</u>

*Segmental results are determined after allocation of operating expenses to each geographical segment.*

#### Other information

Segmental assets	-
Unallocated corporate assets	683,464
Segmental liabilities	-
Unallocated corporate liabilities	(309,212)
Capital expenditure	(103,154)
Depreciation	(4,382)
Amortisation	<u>(3,673)</u>

Notes:-

\* Asia-Pacific region excludes Malaysia

\*\* Middle East and North Africa region

\*\*\* Others include Europe and America region.

**Results for the 6 months period ended 30 June 2008**

	Malaysia RM'000	APAC* RM'000	MENA** RM'000	Others*** RM'000	Group RM'000
<b>Revenue</b>					
Software and Applications	3,229	6,754	46	-	10,029
Broadband Services and Solutions	284	-	-	-	284
Communication/Voice Services	33,506	-	-	-	33,506
Engineering Services and Solutions	-	-	-	970	970
	<u>37,019</u>	<u>6,754</u>	<u>46</u>	<u>970</u>	<u>44,789</u>

**Results**

Software and Applications	(662)	432	(5,216)	-	(5,446)
Broadband Services and Solutions	(6,669)	-	-	-	(6,669)
Communication/Voice Services	1,600	-	-	-	1,600
Engineering Services and Solutions	-	-	-	485	485
	<u>(5,731)</u>	<u>432</u>	<u>(5,216)</u>	<u>485</u>	<u>(10,030)</u>
Finance costs					(1,002)
Negative Goodwill					1,809
Interest income					2,487
					<u>(6,736)</u>
Share of profit in associate					(1,716)
Loss before taxation					(8,452)
Income tax					(1,481)
Loss after taxation					(9,933)
Minority interests					2,311
Loss after taxation & minority interests					<u>(7,622)</u>

*Segmental results are determined after allocation of operating expenses to each geographical segment.*

**Other information**

Segmental assets	-
Unallocated corporate assets	569,730
Segmental liabilities	-
Unallocated corporate liabilities	(147,686)
Capital expenditure	(80,818)
Depreciation	(2,389)
Amortisation	(1,435)

**Notes:-**

- \* Asia Pacific region exclude Malaysia
- \*\* Middle East and North Africa region
- \*\*\* Others include Europe and America region.

**A9 Valuation of plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment loss.

**A10 Material events subsequent to the end of the quarter**

Save for as disclosed in Note B8, there were no other material events subsequent to the current financial period ended 30 June 2009.

**A11 Changes in the composition of the Group**

Save for the following, there were no changes in the composition of the Group during the current quarter and financial period ended 30 June 2009:-

- (a) (i) On 6 March 2009, Green Packet Networks (Singapore) Pte Ltd ("GPNS"), GPB's wholly-owned subsidiary, had subscribed for 4,100 "A" ordinary shares of par value of Thai Baht ("THB") 100 each, representing 33% of the registered capital of OneVois Global Co Ltd ("OVG"), which carries 60% of the voting rights in OVG, for a total cash subscription price of THB410,000 (equivalent to approximately RM38,774) ("Proposed Subscription");
- (ii) On 6 March 2009, GPNS had also entered into a Shares Sale and Purchase Agreement with Mr Prateep Prawattiyakul, for the acquisition of 8,200 ordinary shares of par value of THB 100 each, representing 40% of the registered capital of OneVois Communication Co Ltd ("OVC") for a purchase consideration of THB1,066,000 (equivalent to approximately RM100,811) ("Proposed Acquisition")

The Proposed Subscription and Proposed Acquisition were completed on 6 March 2009 and consequently, GPNS held 33% equity interest which carried 60% of the voting rights in OVG, as well as 40% direct equity interest in OVC. OVG also held 60% equity interest in OVC. Therefore, GPNS effectively held, via its direct and indirect interest, 76% of the total voting rights in OVC.

- (b) On 18 March 2009, Packet One Sdn Bhd, GPB's wholly-owned subsidiary, had disposed of 100,000 ordinary shares of RM1.00 in RummzNation Sdn Bhd ("RNSB"), representing 100% of its equity interest in RNSB, to Packet One Networks (Malaysia) Sdn Bhd, a 55% owned subsidiary of GPB, for a total consideration of RM100,000.
- (c) On 2 June 2009, GPB had subscribed for an additional 699,991 ordinary shares ("Shares") fully paid in Packet One International Pte Ltd ("PIi"), a 90% subsidiary of GPB, in cash for a total subscription price of Singapore Dollar ("SGD") 699,991.00 or approximately RM1,680,000.00 ("Subscription Price") ("Proposed Subscription"). On even date, PIi had also issued 299,999 Shares fully paid to the other shareholders ("Additional Issuance"). After the Proposed Subscription and Additional Issuance, GPB's equity interest in PIi will be 70% while the remaining 30% equity interest will be held by the other shareholders.
- (d) On 16 June 2009, GPB had entered into a Sale and Purchase Agreement ("SPA") with mTouche Technology Berhad ("mTouche") to acquire 51,000 ordinary shares of SGD1.00 each in Inova Venture Pte Ltd ("Inova") ("Inova Shares") representing 51% equity interest in Inova which were held by mTouche, for a total cash consideration of SGD30,000 ("Acquisition").

Prior to the Acquisition, Inova is a 20% associated company of GPB. Upon completion of the Acquisition, GPB will effectively hold 71,000 Inova Shares resulting in Inova becoming a 71% owned subsidiary of GPB. Inova's wholly-owned subsidiary, Brillante Novastella Sdn Bhd will also become a subsidiary of GPB. The acquisition was completed on 30 June 2009.

#### A12 Contingent assets and changes in contingent liabilities

The Group does not have any contingent assets at the date of this announcement and there were no changes in contingent liabilities since the last annual balance sheet date.

#### A13 Capital commitments

The capital expenditure not provided for in the financial statements as at 30 June 2009 are as follows:

	RM'000
Authorised and contracted for:	
- Plant and equipment	153,971
- Inventory	<u>35,938</u>

#### A14 Significant related party transactions

The Directors of GPB are of the opinion that there are no other related party transactions which would have material impact on the financial position and the business of the Group during the current financial period under review.

### B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

#### B1 Review of the performance of the Group

The Group recorded revenue and loss after tax of approximately RM56.47 million and RM28.17 million respectively for the current financial quarter ended 30 June 2009 ("2Q09"). This represents an increase of 151.5% compared to the turnover of RM22.45 recorded for the previous year corresponding financial quarter ended 30 June 2008 ("2Q08"). Consequently, the loss after tax increased to RM 28.17 million in 2Q09 from a loss after tax of RM6.58 million achieved in 2Q08.

Turnover contribution comprises the following:-

	2Q09	2Q08	% Change
	RM million	RM million	
Software application and engineering services	5.50	3.53	55.7%
Communication/Voice Services	12.68	18.70	-32.2%
Broadband Services and Solutions	38.29	0.22	N/A *
	<u>56.47</u>	<u>22.45</u>	<u>151.5%</u>

The 2Q09 loss was mainly attributed to the heavy promotional activities and subscribers acquisition costs for the broadband business.



**B2 Material changes in the quarterly results compared to the results of the preceding quarter**

The 2Q09 financial performance was affected by the expenses incurred from the continuing heavy advertising and promotional activities, supported by aggressive awareness campaigns coupled with subscribers acquisition costs incurred by the broadband business. The losses were higher than that of the immediate preceding financial quarter ended 31 March 2009 ("1Q09") due mainly to the higher losses from the broadband business.

	2Q09 RM'000	1Q09 RM'000	% Change
Revenue	97,959	41,489	136.1%
Loss before tax	(50,126)	(22,495)	-122.8%
Loss after tax	(50,717)	(22,550)	-124.9%

**B3 Business prospects**

The Group intensified its focus on expanding its software and solution business to all major regions in Central and Latin America (CALA), Middle East and Africa (MEA) and Asia Pacific (APAC). On the converged service provider business, the Group will aggressively expand its WiMAX networks coverage in Malaysia in order to rapidly grow its subscribers base. Accordingly, the Board expects the revenue of the Group to improve for the financial year ending 31 December 2009 despite under the current challenging economic landscape,

**B4 Variance of actual profit from forecast profit**

Not applicable as no forecast was published.

**B5 Income tax expense**

	2nd Quarter ended 30 June 2009 RM'000
Current tax expense - Malaysian	591

The current tax paid/payable is in respect of interest income on bank deposit and non-tax exempted business income generated by Nextel companies. The Company and its Shanghai subsidiary enjoy tax exempt status in their respective countries. The Company has been granted Multimedia Super Corridor status, which qualifies the Company for the Pioneer Status incentive under the Promotion of Investment Act, 1986. The exemption is for five years, from 10 June 2003 to 9 June 2008. The exemption has been renewed for another five years period from 9 June 2008. The Company's Shanghai subsidiary will not be subjected to tax on its profits for the first two years commencing from the year it is first profitable and thereafter at half the applicable tax rate for the following three years.

**B6 Purchase or disposal of properties and unquoted investments**

There were no purchase or disposal of unquoted investments and properties during the current financial period ended 30 June 2009.

**B7 Purchase or disposal of quoted securities**

There were no purchases or disposals of quoted securities during the current financial period ended 30 June 2009 under review.

**B8 Status of corporate proposals and utilisation of proceeds****(a) Status of Corporate Proposals announced but not completed**

- (i) On 3 September 2007, GPB had entered into an Option Agreement for the purchase of 1 fully-paid non-assessable share of common stock in IWICS Inc. ("IWICS") for each share of Series D Preferred Stock purchased for a purchase price of 22.4 US cents for each share. IWICS is a company incorporated in the United States of America, which is involved in the development, licensing and promulgation of its patented Opportunity Driven Multiple Access technology which is utilised in part for the development of GPB's SONmetro solution for the rollout of internet broadband services.
- (ii) On 22 May 2009, OSK had announced on behalf of GPB that the Company proposed to undertake a renounceable rights issue of up to 208,320,775 new GPB Shares ("Rights Shares") together with up to 208,320,775 free detachable new warrants ("Warrants") on the basis of one (1) Rights Share with one (1) Warrant for every two (2) existing GPB Shares held on an entitlement date to be determined later ("Rights Issue"). Subsequently, on 5 June 2009, the Securities Commission ("SC") had approved the Proposed Rights Issue. The shareholders of GPB had given their approval for the Rights Issue at the Extraordinary General Meeting ("EGM") held on 27 July 2009.

- (iii) On 30 July 2009, OSK announced on behalf of GPB that the SC had, via its letter dated 29 July 2009 approved the proposed exemption sought by Green Packet Holdings Ltd ("GPHL") and the parties acting-in-concert ("PAC"), from the obligation to extend a take-over offer for all the remaining GPB Shares not already owned by GPHL and the PAC upon the exercise of Warrants owned by them pursuant to Practice Note 2.9.1 of the Malaysian Code on Take-Overs and Mergers, 1998 as amended from time to time and any re-enactment thereof ("Proposed Exemption"), subject to the compliance with certain terms and conditions. Pursuant to the approval by the SC, no take-over offer would arise on full exercise of the Warrants by GPHL and the PAC from the issue date up to expiry date of the Warrants.

Pursuant to the Rights Issue, GPHL and the PAC will be entitled to subscribe for up to 70,077,987 Warrants based on the following scenarios:-

- Minimum Scenario** : Assuming none of the 21,414,000 outstanding ESOS options are exercised prior to the Rights Issue
- Maximum Scenario** : Assuming all of the 21,414,000 outstanding ESOS options are fully exercised prior to the Rights Issue

	As at 30 June 2009	
	Minimum Scenario	Maximum Scenario
	No. of Warrants	No. of Warrants
GPHL	67,711,222	67,711,222
PAC		
Puan Chan Cheong	1,241,765	2,298,015
Tan Sri Dato' Kok	-	68,750
<b>Total</b>	<b>68,952,987</b>	<b>70,077,987</b>

The shareholdings of GPHL and the PAC in GPB before and after the full exercise of the Warrants by GPHL and PAC are set out below:-

**Minimum Scenario**

	As at the 30 June 2009				I After Rights Issue <sup>^</sup>				II After I and exercise of Warrants by GPHL and the PAC only <sup>#</sup>			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%*
GPHL	135,422,444	34.26	-	-	203,133,666	34.26	-	-	270,844,888	40.93	-	-
PAC												
Puan Chan Cheong	2,483,530	0.63	135,422,444	34.26 <sup>*1</sup>	3,725,295	0.63	203,133,666	34.26 <sup>*1</sup>	4,967,060	0.75	270,844,888	40.93 <sup>*1</sup>
Tan Sri Dato' Kok Onn	-	-	135,422,444	34.26 <sup>*1</sup>	-	-	203,133,666	34.26 <sup>*1</sup>	-	-	270,844,888	40.93 <sup>*1</sup>
<b>Total</b>	<b>137,905,974</b>	<b>34.89</b>	<b>-</b>	<b>-</b>	<b>206,858,961</b>	<b>34.89</b>	<b>-</b>	<b>-</b>	<b>275,811,948</b>	<b>41.68</b>	<b>-</b>	<b>-</b>

Notes:-

\* Percentage calculated based on number of issued and fully paid-up share capital of the Company less 4,707,700 treasury shares as at 30 June 2009 (assume none of treasury shares are resold to the open market).

<sup>^</sup> Assuming all shareholders subscribe in full to their respective rights entitlement.

<sup>#</sup> Assuming other than GPHL and the PAC, none of the other Warrant holders exercise their Warrants.

<sup>\*1</sup> Deemed interested by virtue of his direct substantial shareholdings in GPHL.

**Maximum Scenario**

	As at the 30 June 2009				I Upon full exercise of the outstanding ESOS options				II After I and the Rights Issue <sup>^</sup>			
	Direct		Indirect		Direct		Direct		Direct		Direct	
	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%*	No. of GPB Shares	%	No. of GPB Shares	%
GPHL	135,422,444	34.26	-	-	135,422,444	32.50	-	-	203,133,666	32.50	-	-
PAC												
Puan Chan Cheong	2,483,530	0.63	135,422,444	34.26 <sup>*1</sup>	4,596,030	1.10 <sup>*2</sup>	135,422,444	32.50 <sup>*1</sup>	6,894,045	1.10	203,133,666	32.50 <sup>*1</sup>
Tan Sri Dato' Kok Onn	-	-	135,422,444	34.26 <sup>*1</sup>	137,500	0.03 <sup>*3</sup>	135,422,444	32.50 <sup>*1</sup>	206,250	0.03	203,133,666	32.50 <sup>*1</sup>
<b>Total</b>	<b>137,905,974</b>	<b>34.89</b>	<b>-</b>	<b>-</b>	<b>140,155,974</b>	<b>33.63</b>	<b>-</b>	<b>-</b>	<b>210,233,961</b>	<b>33.63</b>	<b>-</b>	<b>-</b>

	III After II and exercise of Warrants by GPHL and the PAC only <sup>#</sup>			
	Direct		Indirect	
	No. of GPB Shares	%*	No. of GPB Shares	%*
GPHL	270,844,888	38.97	-	-
PAC				
Puan Chan Cheong	9,192,060	1.32	270,844,888	38.97 <sup>*1</sup>
Tan Sri Dato' Kok Onn	275,000	0.04	270,844,888	38.97 <sup>*1</sup>
<b>Total</b>	<b>280,311,948</b>	<b>40.33</b>	<b>-</b>	<b>-</b>

Notes:-

- \* Percentage calculated based on number of issued and fully paid-up share capital of the Company less 4,707,700 treasury shares as at 30 June 2009 (assume none of treasury shares are resold to the open market).
- ^ Assuming all shareholders subscribe in full to their respective rights entitlement.
- # Assuming other than GPLH and the PAC, none of the other Warrant holders exercise their Warrants.
- \*1 Deemed interested by virtue of his direct substantial shareholdings in GPLH.
- \*2 Based on the actual allocation of 2,112,500 ESOS options to him as Director of GPB.
- \*3 Based on the actual allocation of 137,500 ESOS options to him as Director of GPB.

(b) Status of Utilisation of Proceeds

The Company had, on 2 January 2009 completed its private placement of 66,655,875 GPB Shares ("Private Placement"), which have been listed and quoted on the Main Board of Bursa Malaysia Securities Berhad on even date.

The details of the utilisation of the proceeds from the Private Placement up to 30 June 2009 are as follows:-

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	%	Intended timeframe for
Working capital	45,659	-	45,659	100.00	#1
Private placement expenses	1,000	(56)	944	94.40	#1
<b>Total</b>	<b>46,659</b>	<b>(56)</b>	<b>46,603</b>		

Note:-

- #1 The proceeds from the Private Placement are expected to be utilised within 24 months from the date of the completion of the Private Placement on 2 January 2009.

**B9 Group borrowings and debt securities**

As at 30 June 2009, total borrowings of the Group are as follows:

	RM '000
<b>Total borrowings:</b>	
Unsecured:	
- Syndicated Murabaha facilities, which are denominated in United States Dollar.	120,404
- 4 year 4.5% guaranteed redeemable convertible exchangeable bonds, which is denominated in Ringgit Malaysia.	50,000
Secured:	
- Amanah Term Financing, which is denominated in Ringgit Malaysia.	18,339
- Hire purchases creditors, which are denominated in Ringgit Malaysia.	8,605
	26,944
	197,348
 Long term borrowings:	
-Hire purchase and finance lease liabilities, repayment more than 1 year	6,513
-Amanah Term Financing	15,553
-Syndicated Murabaha facilities	120,404
-Guaranteed redeemable convertible exchangeable bonds	50,000
	192,470
 Short term borrowings:	
-Amanah Term Financing	2,786
-Hire purchase and finance lease liabilities, repayment less than 1 year	2,092
	4,878
	197,348

**B10 Off balance sheet financial instruments**

There were no off balance sheet financial instruments as at the date of this announcement.

**B11 Material litigations**

There were no material litigations or pending material litigations involving the Group as at the date of this announcement.

**B12 Dividends**

No dividend has been declared or recommended in respect of the current financial quarter under review.

**B13 Earnings per share****a) Basic EPS**

Basic EPS is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months period ended		6 months period ended	
	30/6/2009	30/6/2008	30/6/2009	30/6/2008
Loss attributable to ordinary equity holders of the Company (RM'000)	(27,871)	(4,889)	(50,090)	(7,622)
Weighted average number of ordinary shares in issue of RM0.20 par each ('000) *	399,935	324,866	399,935	324,866
Basic loss per share (sen) *	(7.0)	(1.5)	(12.5)	(2.3)

**b) Diluted EPS**

The diluted loss per share for the current and previous financial period was not presented as there is an anti-dilutive effect arising from the assumed conversion of employees' share option.

BY ORDER OF THE BOARD

Lim Ming Toong (MAICSA 7000281)  
Aileen Khor (MAICSA 7044894)  
Company Secretaries