

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED**  
**30 SEPTEMBER 2018**

	Individual Quarter		Cumulative Quarter	
	3 Months Period Ended		9 Months Period Ended	
	30/9/2018	30/09/2017	30/9/2018	30/09/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM '000	RM '000	RM '000	RM '000
Revenue	92,444	97,160	302,575	259,179
Operating expenses				
-Depreciation & amortisation	(668)	(821)	(2,007)	(2,294)
-Other operating costs	(99,477)	(96,866)	(317,252)	(257,781)
Other (expenses)/income	(205)	220	1,077	763
Loss from operations	(7,906)	(307)	(15,607)	(133)
Share of losses in associate companies	(932)	(564)	(2,875)	(1,416)
Finance costs	(4,954)	(5,029)	(14,369)	(13,096)
<b>Loss before tax</b>	(13,792)	(3,763)	(32,851)	(14,645)
Income tax expense	(182)	611	(134)	385
<b>Loss for the period</b>	(13,974)	(3,152)	(32,985)	(14,260)
Fair value on additional investment in subsidiary	(640)	-	(640)	-
Fair value gain on other quoted investment	-	-	2,137	-
Foreign currency translation differences for foreign operations	2,190	(2,263)	8,541	(4,381)
<b>Total other comprehensive income/(expenses) for the period</b>	1,550	(2,263)	10,039	(4,381)
<b>Total comprehensive loss for the period</b>	(12,424)	(5,416)	(22,946)	(18,641)
Loss attributable to:				
Owners of the Company	(13,602)	(5,199)	(30,870)	(13,998)
Non-controlling interests	(372)	(91)	(2,115)	(262)
<b>Loss for the Period</b>	(13,974)	(5,289)	(32,985)	(14,260)
Total comprehensive loss attributable to:				
Owners of the Company	(12,052)	(7,462)	(20,831)	(18,379)
Non-controlling interests	(372)	(91)	(2,115)	(262)
<b>Total comprehensive loss for the period</b>	(12,424)	(7,553)	(22,946)	(18,641)
Basic loss per ordinary share (sen):	(1.8)	(0.7)	(4.1)	(1.9)

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2017.

**GREEN PACKET BERHAD ( 534942-H )**  
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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018**

	<b>As at 30/9/2018 (Unaudited) RM '000</b>	<b>As at 31/12/2017 (Audited) RM '000</b>
<b>ASSETS</b>		
Investment in associates	35,225	38,099
Property, plant and equipment	5,583	6,626
Other long term investments	270,291	267,621
Intangible Assets	12,422	12,422
Development costs	12,165	8,534
<b>Total non-current assets</b>	<b>335,686</b>	<b>333,302</b>
Inventories	16,414	1,347
Trade receivables	115,223	148,077
Other receivables, deposits and prepayments	39,228	27,890
Tax recoverable	2,083	2,479
Fixed deposits with licensed banks	8,756	10,971
Cash and bank balances	16,580	31,110
<b>Total current assets</b>	<b>198,284</b>	<b>221,874</b>
<b>TOTAL ASSETS</b>	<b>533,970</b>	<b>555,176</b>
<b>EQUITY</b>		
Share capital	155,488	155,880
Reserves	(8,953)	11,879
<b>Total equity attributable to owners of the Company</b>	<b>146,535</b>	<b>167,759</b>
<b>Non-controlling interests</b>	<b>(852)</b>	<b>1,723</b>
<b>Total equity</b>	<b>145,683</b>	<b>169,482</b>
<b>LIABILITIES</b>		
Long term borrowings	247,938	234,424
Hire purchase and finance lease liabilities	260	260
Deferred tax liabilities	2,221	2,481
<b>Total non-current liabilities</b>	<b>250,419</b>	<b>237,165</b>
Trade payables	102,351	128,537
Other payables and accruals	27,975	19,872
Short term borrowings	7,523	-
Hire purchase and finance lease liabilities	19	120
<b>Total current liabilities</b>	<b>137,868</b>	<b>148,529</b>
<b>TOTAL LIABILITIES</b>	<b>388,287</b>	<b>385,694</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>533,970</b>	<b>555,176</b>
<b>Net asset per share attributable to ordinary equity holders of the parent (sen)</b>	<b>19</b>	<b>22</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017.

**GREEN PACKET BERHAD ( 534942-H )**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	-----Attributable to owners of the Company-----								
	Non-Distributable					Accumulated Losses	Sub-total	Non- controlling Interests	Total Equity
	Shares Capital	Shares Premium	Foreign Exchange Translation Reserves	Treasury Shares	Fair Value Reserves				
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
<b>Unaudited</b>									
At 1 January 2018	155,880	412,796	4,438	(12,217)	40,328	(433,466)	167,758	1,723	169,481
Fair value on additional investment in subsidiary	-	-	-	-	(640)	-	(640)	-	(640)
Share issues expenses	(392)	-	-	-	-	-	(392)	-	(392)
Fair value gain on other quoted investment	-	-	-	-	2,137	-	2,137	-	2,137
Foreign currency translation differences for foreign operations	-	-	8,541	-	-	-	8,541	-	8,541
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(460)	(460)
Loss for the period	-	-	-	-	-	(30,870)	(30,870)	(2,115)	(32,985)
	(392)	-	8,541	-	1,497	(30,870)	(21,223)	(2,575)	(23,798)
At 30 September 2018	155,488	412,796	12,979	(12,217)	41,825	(464,336)	146,535	(852)	145,683

The share premium has not been transferred to the share capital pursuant to Section 618 of the Companies Act 2016.

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017.

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

	-----Attributable to Equity Holders of the Parent-----							Total Equity
	Non-Distributable					Sub-total	Non- controlling Interests	
	Shares Capital	Shares Premium	Foreign Exchange Translation Reserves	Treasury Shares	Accumulated Losses			
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
<b>Unaudited</b>								
At 1 January 2017	138,089	412,796	8,655	(12,217)	(417,269)	130,054	88	130,142
Issue of ordinary shares	18,093	-	-	-	-	18,093	-	18,093
Share issues expenses	-	(302)	-	-	-	(302)	-	(302)
Foreign currency translation differences for foreign operations	-	-	(4,381)	-	-	(4,381)	-	(4,381)
Acquisition of non-controlling interest	-	-	-	-	-	-	1,085	1,085
Loss for the period	-	-	-	-	(13,998)	(13,998)	(262)	(14,260)
	18,093	(302)	(4,381)	-	(13,998)	(589)	823	234
At 30 September 2017	156,182	412,494	4,274	(12,217)	(431,267)	129,465	911	130,376

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017.

**GREEN PACKET BERHAD ( 534942-H )**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	Financial period ended	
	30/9/2018	30/9/2017
	RM'000	RM'000
	(Unaudited)	(Unaudited)
<b>CASH FLOW (FOR)/FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(32,851)	(14,645)
Adjustments for non cash items:-		
Amortisation of development cost	356	146
Depreciation of property, plant and equipment	1,649	1,358
Interest income	(206)	(570)
Interest expense	14,172	12,878
Share of loss of associates	2,875	1,416
Fair value gains	(1,173)	-
Operating (loss)/profit before working capital changes	(15,178)	583
Changes in working capital		
Decrease/(Increase) in inventories	(15,067)	(2,076)
Decrease/(Increase) in assets	21,516	112,492
(Decrease)/Increase in liabilities	(18,083)	(78,744)
<b>Cash (for)/from operating activities</b>	(26,812)	32,255
Interest received	206	570
Tax paid	-	(2,471)
<b>Net cash (for)/from operating activities</b>	(26,606)	30,354
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Acquisition of subsidiary	(460)	(9,869)
Cash from investing subsidiary	-	1,905
Purchase of other investment	-	(30,915)
Purchase of property, plant and equipment	(606)	(2,192)
Development costs incurred	(3,986)	(5,434)
Advance to related companies	-	(456)
<b>Net cash for investing activities</b>	(5,052)	(46,961)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of ordinary shares (net of expenses)	-	17,790
Net Drawdown/(Repayment) of borrowings	6,877	(280)
Net withdrawal of fixed deposit pledged to a licensed bank	1,412	3,362
Share issues expenses	(392)	-
Repayment of hire purchase obligations	(117)	(102)
<b>Net cash from financing activities</b>	7,780	20,770
Net (decrease)/increase in cash and cash equivalents	(23,878)	4,163
Foreign exchange translation differences	8,541	(4,381)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	33,128	49,075
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	17,791	48,857
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	16,580	34,402
Fixed deposit with licensed bank	8,756	24,424
	25,336	58,826
Fixed deposit pledged with licensed bank	(7,545)	(9,969)
	17,791	48,857

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

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

**A1 Basis of preparation**

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of Chapter 9 Part K of the Main Listing Requirement of Bursa Malaysia Securities Berhad ("BMSB"). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2017.

**A2 Changes in accounting policies**

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2017 except for the new standards, amendments to publish standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 January 2018 as set out below:

- a) Amendments to MFRS 2 : Classification and Measurement of Share-based Payment Transactions
- b) MFRS 9: Financial Instrument
- c) MFRS 15: Revenue from Contracts with Customers
- d) Amendments to MFRS 128: Investments in Associates and Joint Ventures (Annual Improvements to MFRSs 2014-2016)
- e) IC Interpretation 22 : Foreign Currency Translations and Advance Consideration

The adoption of the above standards and interpretations does not have significant financial impact to the Group's consolidated financial statements for the current quarter.

The following MFRS have been issued by the MASB and are effective for annual period commencing on or after 1 January 2019, and have yet to be adopted by the Group:

- a) MFRS 16: Leases
- b) Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)
- c) IC Interpretation 23 : Uncertainty over Income Tax Treatments

**A3 Auditors' report on preceding annual financial statements**

The auditors issued an unqualified audit opinion on the financial statements for the year ended 31 December 2017.

**A4 Seasonal or cyclical of operations**

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

**A5 Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A6 Material changes in estimates**

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

**A7 Changes in debts or equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the period ended 30 September 2018.

**A8 Dividends payment**

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

**A9 Segmental information**

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

<b>Results for the financial period ended 30 September 2018</b>			
	Malaysia RM'000	Overseas RM'000	Group RM'000
<b>Revenue</b>			
Software and Devices	-	28,949	28,949
Communication Services	-	271,113	271,113
E-Services	2,513	-	2,513
	<u>2,513</u>	<u>300,062</u>	<u>302,575</u>
<b>Results</b>			
Software and Devices	-	(3,778)	(3,778)
Communication Services	-	(1,125)	(1,125)
Digital Services	(8,711)	-	(8,711)
Investment Holding	(2,200)	-	(2,200)
	<u>(10,911)</u>	<u>(4,903)</u>	<u>(15,814)</u>
Finance costs			(14,369)
Finance income			206
			<u>(29,977)</u>
Share of net loss of associate			(2,875)
Loss before taxation			(32,852)
Income tax expense			(134)
Loss after taxation			(32,986)
Non-controlling interests			2,115
Loss after taxation & non-controlling interests			<u>(30,870)</u>

<b>Results for the financial period ended 30 September 2017</b>			
	Malaysia RM'000	Overseas RM'000	Group RM'000
<b>Revenue</b>			
Software and Devices	-	76,475	76,475
Communication Services	300	181,581	181,881
E-Services	823	-	823
	<u>1,123</u>	<u>258,056</u>	<u>259,179</u>
<b>Results</b>			
Software and Devices	-	2,127	2,127
Communication Services	(11)	3,020	3,009
E-Services	(4,650)	-	(4,650)
Investment Holding	(1,189)	-	(1,189)
	<u>(5,850)</u>	<u>5,147</u>	<u>(703)</u>
Finance costs			(13,096)
Finance income			570
			<u>(13,229)</u>
Share of net loss of associate			(1,416)
Loss before taxation			(14,645)
Income tax expense			385
Loss after taxation			(14,260)
Non-controlling interests			262
Loss after taxation & Non-controlling interests			<u>(13,998)</u>

**A10 Valuation of property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss.

**A11 Material events subsequent to the end of the quarter**

There is no material events subsequent to the end of the quarter.

**A12 Changes in the composition of the Group**

There is no change in the composition of the Group during the current financial quarter ended 30 September 2018.

**A13 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.

**A14 Capital commitments**

The Group does not have any capital commitments at the date of the announcement.

**A15 Significant related party transactions**

The Directors of GPB are of the opinion that there are no 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.



**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities**

**B1 Review of the performance of the Group**

Financial review for current quarter and financial year to date:-

	3 months period ended		% Change	9 months period ended		% Change
	30-Sep-18 RM million	30-Sep-17 RM million		30-Sep-18 RM million	30-Sep-17 RM million	
Revenue	92.44	97.16	-5%	302.58	259.18	17%
Operating (Loss)	(7.91)	(0.31)	2477%	(15.61)	(0.13)	11641%
EBITDA	(7.24)	0.51	-1508%	(13.60)	2.16	-729%
(Loss) Before Tax	(13.79)	(5.90)	-134%	(32.85)	(14.65)	-124%
(Loss) After Tax	(13.97)	(5.29)	-164%	(32.98)	(14.26)	-131%
(Loss) Attributable to Ordinary Equity Holders of the Parent	(13.60)	(5.20)	-162%	(30.87)	(14.00)	-121%

Total revenue, EBITDA losses and loss after tax ("LAT") of the Group stands at approximately RM92.44 million, RM7.24 million and RM13.97 million respectively for the current financial quarter ended at 30 September 2018 ("3Q18").

Total revenue, EBITDA profits and loss after tax ("LAT") of the Group stands at approximately RM97.16 million, RM0.51 million and RM5.29 million respectively for the financial year ended at 30 September 2017 ("3Q17").

**Group's Segmental Analysis:-**

Revenue contribution comprises the following:-

	3 months period ended		% Change	9 months period ended		% Change
	30-Sep-18 RM million	30-Sep-17 RM million		30-Sep-18 RM million	30-Sep-17 RM million	
Software and Devices	4.28	23.81	-82%	28.95	76.47	-62%
Communication Services	87.48	73.09	20%	271.11	181.88	49%
Digital Services	0.69	0.26	165%	2.51	0.82	205%
Total	92.44	97.16	-5%	302.58	259.18	17%

- Software and Devices business registered 82% lower sales in the current quarter compared to year on year basis mainly due to lower devices shipment to a major customer in Philippines and certain customers in Middle East compared to the previous year corresponding quarter. Part of the devices shipment from the orders in hand are expected to be delivered in the subsequent quarters.
- The Communication Services business recorded a higher revenue of 20% in the current quarter as compared to the previous year on year mainly due to improved sales from most of the countries in ASEAN.
- The Digital Services business continue to register improved revenue of 165% in the current quarter as compared to the previous year on year mainly due to contribution from new major projects secured during the year.

EBITDA comprises the following:-

	3 months period ended		% Change	9 months period ended		% Change
	30-Sep-18 RM million	30-Sep-17 RM million		30-Sep-18 RM million	30-Sep-17 RM million	
Software and Devices	(1.60)	0.43	-468%	(3.16)	2.24	-241%
Communication Services	(2.26)	2.05	-210%	(0.50)	3.86	-113%
Digital Services	(2.77)	(1.45)	-91%	(8.18)	(3.56)	-130%
Investment Holding	(0.61)	(0.52)	17%	(1.76)	(0.40)	346%
Total	(7.24)	0.51	-1508%	(13.60)	2.16	-731%

The EBITDA losses of RM7.24 million in the current quarter compared to a EBITDA profits of RM0.51 million in the previous corresponding quarter were mainly due to continue investment in business development costs consisting mainly of staff costs and sales/marketing costs incurred to build the Digital Services business, substantially lower revenue from the Software and Devices business and dropped in gross profits margins despite higher revenue in the Communication business. Furthermore, the Communication Services business has also incurred higher business development costs to build its digital contents and services business.

Profit/ (Loss) after tax comprises the following:-

	3 months period ended			9 months period ended		
	30-Sep-18 RM million	30-Sep-17 RM million	% Change	30-Sep-18 RM million	30-Sep-17 RM million	% Change
Software and Devices	(1.64)	0.32	-607%	(3.25)	1.86	-275%
Communication Services	(2.61)	1.26	-307%	(1.19)	2.44	-149%
Digital Services	(3.07)	(1.86)	65%	(9.17)	(4.59)	100%
Investment Holding	(0.77)	0.58	-233%	(2.13)	0.53	-505%
	(8.09)	0.30	-2762%	(15.74)	0.24	-6608%
Finance costs*	(4.95)	(5.03)	1%	(14.37)	(13.10)	-10%
Share of loss of associate	(0.93)	(0.56)	-65%	(2.87)	(1.42)	-103%
Total	(13.97)	(5.29)	164%	(32.98)	(14.27)	131%

\*Finance cost is mainly in relation to the Exchangeable Medium Term Notes.

Higher business development costs incurred for the Digital Services business, EBITDA losses from the Software and Devices and Communication Services business coupled with finance costs accrued from the Exchangeable Medium Term Notes in the current quarter have resulted in the loss after tax of RM13.97 million in the current quarter.

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

Financial review for current quarter compared with immediate preceding quarter:-

	3 months period ended		% Change
	30-Sep-18 RM million	30-Jun-18 RM million	
Revenue	92.44	103.58	-11%
Operating Profit	(7.91)	(6.16)	28%
EBITDA	(7.24)	(5.50)	32%
Loss Before Tax	(13.79)	(11.48)	-20%
Loss After Tax	(13.97)	(11.21)	-25%
Loss Attributable to Ordinary Equity Holders of the Parent	(13.60)	(10.22)	-33%

Total revenue and loss after tax ("LAT") of the Group for the current financial quarter ended 30 September 2018 ("3Q18") were RM92.44 million and RM13.97 million respectively as compared to the revenue and LAT of the Group for the previous preceding financial quarter ended at 30 September 2018 ("2Q18") of RM103.58 million and RM11.21 million respectively.

### Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	3 months period ended		% Change
	30-Sep-18 RM million	Jun-18 RM million	
Software and Devices	4.28	6.11	-30%
Communication Services	87.48	96.17	-9%
Digital Services	0.69	1.31	-47%
Total	92.44	103.58	-11%

Overall, revenue for current quarter was lower than the previous quarter mainly due to substantially lower revenue from the Software and Devices and Communication Services business.

EBITDA comprises the following:-

	3 months period ended		% Change
	30-Sep-18 RM million	Jun-18 RM million	
Software and Devices	(1.60)	(1.31)	-22%
Communication Services	(2.26)	0.55	509%
Digital Services	(2.77)	(3.69)	25%
Investment Holding	(0.61)	(1.05)	-42%
Total	(7.24)	(5.50)	32%

EBITDA losses of RM7.24 million in the current quarter were higher as compared with the EBITDA losses of RM5.50 million in the preceding quarter were mainly due to higher losses in the Software and Devices and Communication Services business. This was due to substantially lower revenue from the Software and Devices business and dropped in gross profits margins in the Communication business.

Loss after tax comprises the following:-

	3 months period ended		% Change
	30-Sep-18 RM million	30-Jun-18 RM million	
Software and Devices	(1.64)	(1.31)	-25%
Communication Services	(2.61)	0.53	595%
Digital Services	(3.07)	(4.04)	24%
Investment Holding	(0.77)	(1.07)	-28%
	(8.09)	(5.89)	37%
Finance costs*	(4.95)	(4.80)	-3%
Share of loss of associate	(0.93)	(0.51)	-81%
Total	(13.97)	(11.21)	-25%

\*Finance cost is mainly in relation to the Exchangeable Medium Term Notes.

### **B3 Current prospects and progress on previously announced financial estimates**

#### **a) Current prospects**

The Company is continuing its efforts to improve the performance of the Group in the following ways:-

- i) Secure greater geographical reach in markets for new LTE products and improve its production supply chains to lower the costs and enhance the competitiveness of its products.
- ii) Expand the wholesale voice traffic markets and improve operational efficiency to improve its profits margin.
- iii) Focus on the growth of the Internet of Things ("IOT") and Digital Services platform which are complementary to and synergistic with the 2 existing business pillars and having the potential to contribute positively to the Group.
- iv) Upsell new media devices and IOT products to its global telecommunication customers.

Upon completion of the Proposed Rights Issue with Warrants, it will strengthen the Group's financial position and facilitate the funding of the Group expansion plans into new growth areas.

#### **b) Progress and steps to achieve financial estimate, forecast, projection and internal targets previously announced**

There was no financial forecast previously announced by the Group.

### **B4 Statement of the Board of Directors' opinion on achievability of financial estimate, forecast, projection and internal targets previously announced**

Not applicable

### **B5 Financial estimate, forecast or projection/profit guarantee**

There was no financial estimate, forecast or projection and profit guarantee issued by the Group.

**B6 Income tax expense**

	Financial period ended 30-Sep-18 RM'000
Current period tax expense	134

**B7 Status of corporate proposals and utilisation of proceeds**

The status of corporate proposals announced but not completed are as follow:

- a) On 22 June 2018, the Company ("GPB") had announced that its proposes to undertake a renounceable rights issue of up to 150,202,583 Rights Shares on the basis of 1 Rights Share for every 5 existing GPB Shares held, together with up to 450,607,749 Warrants on the basis of 3 Warrants for every 1 Rights Share subscribed for, based on an entitlement date to be determined later ("Proposed Rights Issues with Warrants"). Subsequently, on 11 July 2018, the application for the Proposed Rights Issue with Warrants had been submitted to Bursa Malaysia Securities Berhad. On 10 August 2018, the application for the Proposed Rights Issue with Warrants was approved by Bursa Malaysia Securities Berhad. On 12 September 2018, GPB's shareholders had approved the Rights Issue with Warrants at its EGM. On 18 October 2018, the Company announced that the issue price of the Rights Shares has been fixed at RM0.40 per Rights Share and the exercise price of the Warrants has been fixed at RM0.40 per Warrant and further announced the other relevant dates for the Proposed Rights Issues with Warrants. On 19 November 2018, the acceptance and payment for the Rights Issues application and excess Rights Issues application has been closed.

- b) On 26 June 2018, the Company had announced to undertake the following proposals :

- i) A capital reduction exercise pursuant to Section 116 of the Companies Act, 2016 ("Act") to reduce the issued share capital of GPB by an amount equivalent to the entire accumulated losses of the Company as at 31 December 2017 ("Proposed Capital Reduction") and;
- ii) Establishment and implementation of a share grant scheme of up to 15% of the total number of issued shares of GPB (excluding treasury shares) at any point in time during the duration of the Proposed Share Grant Scheme for the executive directors and employees of GPB and its subsidiaries (excluding subsidiaries which are dormant) ("GPB Group" or "Group") who fulfil the eligibility criteria ("Proposed SGS")

On 20 July 2018, the application for the Proposed Capital Reduction and Proposed SGS was approved by Bursa Malaysia Securities Berhad. On 12 September 2018, GPB's shareholders had approved the Proposed Capital Reduction and Proposed SGS at its EGM.

- c) On 16 August 2018, the Company's wholly owned subsidiary, Green Packet Networks S.P.C, a company incorporated in the Kingdom of Bahrain has appointed Mr Qays Hatim Sharif Al Zu'bi of Zu'bi and Partners and Legal Consultants of GBCORP Tower 16th floor, Building 1411, Road 4626 Block 346, Bahrain Financial Harbour District – Kingdom of Bahrain, as the liquidator for Green Packet Networks S.P.C.

**B8 Group borrowings and debt securities**

Total borrowings of the Group are as follows:

	As at 30 September 2018		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	247,558	-	247,558
- Term loan	381	227	608
- Trade facilities	-	-	-
- Revolving Credits	-	7,296	7,296
- Hire purchases creditors, which are denominated in Ringgit Malaysia.	260	19	279
<b>Total</b>	<b>248,199</b>	<b>7,542</b>	<b>255,740</b>

	As at 30 September 2017		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	229,221	-	229,221
- Term loan	559	196	755
- Hire purchases creditors, which are denominated in Ringgit Malaysia.	274	136	410
<b>Total</b>	<b>230,054</b>	<b>332</b>	<b>230,386</b>

**B9 Material litigations**

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

**B10 Dividends**

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

**B11 Realised and unrealised losses disclosure**

The Group's realised and unrealised accumulated losses disclosure are as follows:

	As at 30-Sep-18 RM'000	As at 30-Sep-17 RM'000
Total accumulated losses of the Company and subsidiaries:		
- Realised accumulated losses	(908,777)	(883,561)
- Unrealised retained profit/(loss)	306	334
Consolidation adjustments	444,135	451,960
Total Group accumulated losses	(464,336)	(431,268)

**B12 Earnings per share****Basic EPS**

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

	3 months period ended		9 months period ended	
	30-Sep-18	30-Sep-17	30-Sep-18	30-Sep-17
Loss attributable to ordinary equity holders of the Company (RM'000)	(13,602)	(5,199)	(30,870)	(13,998)
Weighted average numbers of ordinary shares in issue of RM0.20 par each ('000)	758,721	731,006	758,721	731,006
Basic earning per share (sen)	(1.8)	(0.7)	(4.1)	(1.9)

**B13 Profit/(Loss) for the Period**

	3 months period ended		9 months period ended	
	30-Sep-18 RM'000	30-Sep-17 RM'000	30-Sep-18 RM'000	30-Sep-17 RM'000
<b>Profit/(Loss) for the period is arrived at after charging :</b>				
Amortisation of :				
- development cost	123	99	355	146
- intellectual property	0	-	2	-
Depreciation of plant and equipment	545	445	1,649	1,358
Rental of premises	351	241	1,139	974
Loss/(Gain) on foreign exchange				
- realised	(15)	(1,043)	1,335	(1,105)
- unrealised	(99)	(687)	(294)	(147)
Staff costs:				
- defined contribution plan	555	442	1,456	1,113
- salaries and other benefits	5,102	5,528	16,612	16,106
Interest expense:				
- hire purchase	4	4	12	12
- exchangeable medium term notes	4,950	5,025	14,357	13,084
- other interest expenses				
<b>and after crediting :</b>				
Interest income	70	166	206	570

**B14 Authorisation for issue**

The interim financial statements were authorised for release by the Board of Directors on 27 November 2018.