

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED**  
**31 MARCH 2019**

	Individual Quarter		Cumulative Quarter	
	3 Months Period Ended		3 Months Period Ended	
	31/3/2019	31/3/2018	31/3/2019	31/3/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM '000	RM '000	RM '000	RM '000
Revenue	97,935	106,546	97,935	106,546
Operating expenses				
-Depreciation & amortisation	(1,650)	(681)	(1,650)	(681)
-Other operating costs	(105,569)	(108,201)	(105,569)	(108,201)
Other income	629	798	629	798
Profit/(Loss) from operations	(8,654)	(1,537)	(8,654)	(1,537)
Share of losses in associate companies	(903)	(1,428)	(903)	(1,428)
Finance costs	(4,998)	(4,612)	(4,998)	(4,612)
<b>Loss before tax</b>	<b>(14,556)</b>	<b>(7,577)</b>	<b>(14,556)</b>	<b>(7,577)</b>
Income tax expense	(222)	(225)	(222)	(225)
<b>Loss for the period</b>	<b>(14,777)</b>	<b>(7,802)</b>	<b>(14,777)</b>	<b>(7,802)</b>
Fair value gain on other quoted investment	305	2,137	305	2,137
Foreign currency translation differences for foreign operations	(1,485)	1,789	(1,485)	1,789
<b>Total other comprehensive income/(expenses) for the period</b>	<b>(1,180)</b>	<b>3,926</b>	<b>(1,180)</b>	<b>3,926</b>
<b>Total comprehensive loss for the period</b>	<b>(15,957)</b>	<b>(3,876)</b>	<b>(15,957)</b>	<b>(3,876)</b>
Loss attributable to:				
Owners of the Company	(13,884)	(7,052)	(13,884)	(7,052)
Non-controlling interests	(893)	(750)	(893)	(750)
<b>Loss for the Period</b>	<b>(14,777)</b>	<b>(7,802)</b>	<b>(14,777)</b>	<b>(7,802)</b>
Total comprehensive loss attributable to:				
Owners of the Company	(15,065)	(3,126)	(15,065)	(3,126)
Non-controlling interests	(893)	(750)	(893)	(750)
<b>Total comprehensive loss for the period</b>	<b>(15,957)</b>	<b>(3,876)</b>	<b>(15,957)</b>	<b>(3,876)</b>
Basic loss per ordinary share (sen):	(1.5)	(0.9)	(1.5)	(0.9)
Diluted loss per ordinary share (sen):	N/A	N/A	N/A	N/A

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

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

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2019**

	<b>As at 31/3/2019 (Unaudited) RM '000</b>	<b>As at 31/12/2018 (Audited) RM '000</b>
<b>ASSETS</b>		
Investment in associates	30,043	30,947
Property, plant and equipment	4,003	4,305
Right-of-use - property, plant and equipment	1,899	-
Other long term investments	270,673	270,292
Intangible Assets	11,622	11,622
Development costs	11,801	11,958
<b>Total non-current assets</b>	<b>330,041</b>	<b>329,124</b>
Inventories	23,633	18,102
Trade receivables	108,931	128,400
Other receivables, deposits and prepayments	31,289	30,089
Tax recoverable	2,619	3,474
Fixed deposits with licensed banks	29,431	35,629
Cash and bank balances	32,751	24,599
<b>Total current assets</b>	<b>228,654</b>	<b>240,293</b>
<b>TOTAL ASSETS</b>	<b>558,695</b>	<b>569,417</b>
<b>EQUITY</b>		
Share capital	141,860	597,375
Reserves	12,950	(427,213)
<b>Total equity attributable to owners of the Company</b>	<b>154,810</b>	<b>170,162</b>
<b>Non-controlling interests</b>	<b>(2,441)</b>	<b>(1,548)</b>
<b>Total equity</b>	<b>152,369</b>	<b>168,614</b>
<b>LIABILITIES</b>		
Long term borrowings	257,685	252,729
Hire purchase and lease liabilities	150	150
Deferred tax liabilities	2,086	2,359
<b>Total non-current liabilities</b>	<b>259,921</b>	<b>255,238</b>
Trade payables	128,526	107,934
Other payables and accruals	8,368	27,643
Short term borrowings	7,249	9,878
Hire purchase and lease liabilities	2,262	110
<b>Total current liabilities</b>	<b>146,405</b>	<b>145,565</b>
<b>TOTAL LIABILITIES</b>	<b>406,326</b>	<b>400,803</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>558,695</b>	<b>569,417</b>
<b>Net asset per share attributable to ordinary equity holders of the parent (sen)</b>	<b>17</b>	<b>19</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	-----Attributable to owners of the Company -----						Sub-total	Non-controlling Interests	Total Equity
	Non-Distributable								
	Shares Capital	Shares Premium	Foreign Exchange Translation Reserves	Treasury Shares	Fair Value Reserves / Warrants Reserves	Accumulated Losses			
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
<b>Unaudited</b>									
At 1 January 2019	597,375	-	5,310	(12,217)	73,493	(493,799)	170,162	(1,548)	168,614
Cumulative effect of initial application of MFRS 16	-	-	-	-	-	(287)	(287)	-	(287)
	597,375	-	5,310	(12,217)	73,493	(494,086)	169,874	(1,548)	168,326
Fair value gain on other quoted investment	-	-	-	-	305	-	305	-	305
Foreign currency translation differences for foreign operations	-	-	(1,485)	-	-	-	(1,485)	-	(1,485)
Capital Reduction	(455,515)	-	-	-	-	455,515	-	-	-
Loss for the period	-	-	-	-	-	(13,884)	(13,884)	(893)	(14,777)
	(455,515)	-	(1,485)	-	305	441,631	(15,065)	(893)	(15,957)
At 31 March 2019	141,860	-	3,824	(12,217)	73,798	(52,455)	154,810	(2,441)	152,369

Note 1 : The share premium has 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 2018.

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

	-----Attributable to Equity Holders of the Parent -----						Sub-total	Non-controlling Interests	Total Equity
	Non-Distributable								
	Shares Capital	Shares Premium	Foreign Exchange Translation Reserves	Treasury Shares	Fair Value Reserves / Warrants Reserves	Accumulated Losses			
	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)	167,759	1,723	169,482
Fair value gain on other quoted investment	-	-	-	-	2,137	-	2,137	-	2,137
Foreign currency translation differences for foreign operations	-	-	1,789	-	-	-	1,789	-	1,789
Loss for the period	-	-	-	-	-	(7,052)	(7,052)	(750)	(7,802)
	-	-	1,789	-	2,137	(7,052)	(3,127)	(750)	(3,877)
At 31 March 2018	155,880	412,796	6,227	(12,217)	42,464	(440,519)	164,632	973	165,605

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

**GREEN PACKET BERHAD ( 534942-H )**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	Financial period ended	
	31/3/2019	31/3/2018
	RM'000 (Unaudited)	RM'000 (Unaudited)
<b>CASH FLOW (FOR)/FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(14,556)	(7,578)
Adjustments for non cash items:-		
Amortisation of development cost	916	112
Depreciation of property, plant and equipment	735	568
Interest income	(327)	(24)
Interest expense	4,944	4,542
Share of loss of associates	903	1,428
Fair value gains	(76)	(533)
Operating (loss)/profit before working capital changes	(7,461)	(1,485)
Changes in working capital		
Decrease/(Increase) in inventories	(5,531)	(10,068)
Decrease/(Increase) in assets	18,269	(14,700)
(Decrease)/Increase in liabilities	1,318	20,633
<b>Cash (for)/from operating activities</b>	6,595	(5,620)
Interest received	322	24
Tax paid	360	313
<b>Net cash (for)/from operating activities</b>	7,277	(5,283)
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(87)	(229)
Development costs incurred	(759)	(1,154)
<b>Net cash for investing activities</b>	(846)	(1,383)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Drawdown/(Repayment) of borrowings	(2,524)	5,715
Repayment of hire purchase obligations	(383)	(34)
<b>Net cash from financing activities</b>	(2,907)	5,681
Net (decrease)/increase in cash and cash equivalents	3,524	(985)
Foreign exchange translation differences	(1,575)	1,789
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	53,429	33,128
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	55,378	33,932
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	32,751	32,739
Fixed deposit with licensed bank	29,431	8,344
	62,182	41,083
Fixed deposit pledged with licensed bank	(6,804)	(7,151)
	55,378	33,932

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 31 MARCH 2019**

**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 2018.

**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 2018 except for MFRS 16 Leases which the Group has adopted from 1 January 2019.

MFRS 16 supercedes MFRS 117 : Leases, IC Interpretation 4 : Determining whether an Arrangement contains a Lease, IC Interpretation 115 : Operating Lease-Incentives and IC Interpretation 127 : Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard introduces a single lessee accounting model and requires a lessee to recognise a "rights-of-use" of the underlying asset and lease liability reflecting future payments for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The right-of-use asset is depreciated in accordance with the principle in MFRS 116 : Property, Plant and Equipment and the lease liability is accreted over time with interest expense recognised in the income statement. For lessors, MFRS 16 retains most of the requirement in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

The standard will affect primarily the accounting for the Group's operating leases. For these lease commitments, there is an increase in total assets and total liabilities due to the recognition of right-of-use assets and lease liabilities. The cumulative effect of initial application of MFRS 16 is adjusted to the opening balance of retained earnings at the date of initial application, as shown below:-

	RM'000
Retained earnings as at 1 January 2019, as previously stated	(493,799)
Cummulative effect of the intial application of MFRS 16	<u>(287)</u>
Retained earnings as at 1 January 2019, as restated	<u><u>(494,086)</u></u>

**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 2018.

**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, resales and repayments of debt and equity securities during the period ended 31 March 2019.

**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 31 March 2019</b>	Malaysia RM'000	Overseas RM'000	Group RM'000
<b>Revenue</b>			
Software and Devices	-	2,603	2,603
Communication Services	-	93,973	93,973
Digital Services	1,359	-	1,359
	<u>1,359</u>	<u>96,576</u>	<u>97,935</u>
<b>Results</b>			
Software and Devices	-	(3,590)	(3,590)
Communication Services	-	(1,209)	(1,209)
Digital Services	(2,780)	-	(2,780)
Investment Holding	(1,403)	-	(1,403)
	<u>(4,183)</u>	<u>(4,799)</u>	<u>(8,982)</u>
Finance costs			(4,998)
Finance income			327
			<u>(13,653)</u>
Share of net loss of associate			(903)
Loss before taxation			(14,556)
Income tax expense			(222)
Loss after taxation			(14,777)
Non-controlling interests			893
Loss after taxation & non-controlling interests			<u>(13,884)</u>

<b>Results for the financial period ended 31 March 2018</b>	Malaysia RM'000	Overseas RM'000	Group RM'000
<b>Revenue</b>			
Software and Devices	-	18,563	18,563
Communication Services	-	87,465	87,465
Digital Services	518	-	518
	<u>518</u>	<u>106,028</u>	<u>106,546</u>
<b>Results</b>			
Software and Devices	-	214	214
Communication Services	2	2,012	2,014
Digital Services	(3,560)	-	(3,560)
Investment Holding	(230)	-	(230)
	<u>(3,788)</u>	<u>2,226</u>	<u>(1,562)</u>
Finance costs			(4,612)
Finance income			24
			<u>(6,150)</u>
Share of net loss of associate			(1,428)
Loss before taxation			(7,577)
Income tax expense			(225)
Loss after taxation			(7,802)
Non-controlling interests			750
Loss after taxation & Non-controlling interests			<u>(7,052)</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 except for the following :

- On 18 April 2019, the Company announced its intention to seek shareholders' approval for the proposed adoption of a new Constitution of the Company at the 17th Annual General Meeting ("AGM"). Notice of the AGM together with the Annual Report 2018 was despatched to shareholders on 29 April 2019.
- On 22 April 2019, the Company's wholly owned subsidiary, Roadmio Technologies Pte Ltd was incorporated in Singapore under Section 19(4) of the Companies Act of Singapore, with an issued and paid-up share capital of SGD 100,000.

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

There is no change in the composition of the Group during the current financial quarter ended 31 March 2019 except for the following.

- a) On 7 January 2019, NGT Networks Pte Ltd, a wholly-owned subsidiary of the Company, has incorporated a wholly-owned indirect new subsidiary known as NGT Networks Global Limited under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), with an issued and paid-up share capital of HKD2.00.

**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 period to date:-

	3 months quarter ended			3 months period ended		
	31-Mar-19 RM million	31-Mar-18 RM million	% Change	31-Mar-19 RM million	31-Mar-18 RM million	% Change
Revenue	97.94	106.55	-8%	97.94	106.55	-8%
Operating Loss	(8.65)	(1.54)	-100%	(8.65)	(1.54)	-100%
EBITDA	(7.00)	(0.86)	-100%	(7.00)	(0.86)	-100%
Loss Before Tax	(14.56)	(7.58)	-92%	(14.56)	(7.58)	-92%
Loss After Tax	(14.78)	(7.80)	-89%	(14.78)	(7.80)	-89%
Loss Attributable to Ordinary Equity Holders of the Parent	(13.88)	(7.05)	-97%	(13.88)	(7.05)	-97%

Total revenue, EBITDA losses and loss after tax ("LAT") of the Group stands at approximately RM97.94 million, RM7.00 million and RM14.78 million respectively for the current financial quarter ended at 31 March 2019 ("1Q19").

Total revenue, EBITDA losses and loss after tax ("LAT") of the Group stands at approximately RM106.55 million, RM0.86 million and RM7.80 million respectively for the financial quarter ended at 31 March 2018 ("1Q18").

#### Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	3 months quarter ended			3 months period ended		
	31-Mar-19 RM million	31-Mar-18 RM million	% Change	31-Mar-19 RM million	31-Mar-18 RM million	% Change
Software and Devices	2.60	18.56	-86%	2.60	18.56	-86%
Communication Services	93.97	87.47	7%	93.97	87.47	7%
Digital Services	1.36	0.52	162%	1.36	0.52	162%
Total	97.94	106.55	-8%	97.94	106.55	-8%

- Software and Devices business registered 86% lower sales in the current quarter compared to year on year basis mainly due to lower devices shipment to major customers in Middle East compared to the previous year corresponding quarter as the bulk of the orders was only expected to be delivered in the subsequent quarter.
- The Communication Services business recorded a higher revenue of 7% 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 recorded a higher revenue of 162% in the current quarter as compared to the previous year on year mainly due to increase contribution from the Kasih Ibu Smart Selangor ("KISS") and Setel project.

EBITDA comprises the following:-

	3 months quarter ended			3 months period ended		
	31-Mar-19 RM million	31-Mar-18 RM million	% Change	31-Mar-19 RM million	31-Mar-18 RM million	% Change
Software and Devices	(2.99)	0.25	-100%	(2.99)	0.25	-100%
Communication Services	(0.94)	2.21	-100%	(0.94)	2.21	-100%
Digital Services	(2.06)	(3.22)	36%	(2.06)	(3.22)	36%
Investment Holding	(1.02)	(0.10)	-100%	(1.02)	(0.10)	-100%
Total	(7.00)	(0.86)	-100%	(7.00)	(0.86)	-100%

The EBITDA losses of RM7.00 million in the current quarter compared to a EBITDA losses of RM0.86 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 margin in the Communication business.

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

	3 months quarter ended		% Change	3 months period ended		% Change
	31-Mar-19	31-Mar-18		31-Mar-19	31-Mar-18	
	RM million	RM million		RM million	RM million	
Software and Devices	(3.58)	0.20	-100%	(3.58)	0.20	-100%
Communication Services	(1.30)	1.89	-100%	(1.30)	1.89	-100%
Digital Services	(2.75)	(3.56)	23%	(2.75)	(3.56)	23%
Investment Holding	(1.25)	(0.29)	-100%	(1.25)	(0.29)	-100%
	(8.88)	(1.76)	-100%	(8.88)	(1.76)	-100%
Finance costs*	(5.00)	(4.61)	-8%	(5.00)	(4.61)	-8%
Share of loss of associate	(0.90)	(1.43)	37%	(0.90)	(1.43)	37%
<b>Total</b>	<b>(14.78)</b>	<b>(7.80)</b>	<b>-89%</b>	<b>(14.78)</b>	<b>(7.80)</b>	<b>-89%</b>

\*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 RM14.78 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
	31-Mar-19	31-Dec-18	
	RM million	RM million	
Revenue	97.94	96.67	1%
Operating Loss	(8.65)	(19.80)	56%
EBITDA Loss	(7.00)	(17.84)	61%
Loss Before Tax	(14.56)	(28.67)	49%
Loss After Tax	(14.78)	(28.49)	48%
Loss Attributable to Ordinary Equity Holders of the Parent	(13.88)	(27.88)	50%

Total revenue and loss after tax ("LAT") of the Group for the current financial quarter ended 31 March 2019 ("1Q19") were RM97.94 million and RM14.78 million respectively as compared to the revenue and LAT of the Group for the previous preceding financial quarter ended at 31 December 2018 ("4Q18") of RM96.67 million and RM28.49 million respectively.

### Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	3 months period ended		% Change
	31-Mar-19	Dec-18	
	RM million	RM million	
Software and Devices	2.60	17.41	-85%
Communication Services	93.97	78.83	19%
Digital Services	1.36	0.42	221%
<b>Total</b>	<b>97.94</b>	<b>96.67</b>	<b>1%</b>

Overall, revenue for current quarter was slightly higher than the previous quarter mainly due to the improve revenue from the Communication Services and Digital Services business which mitigate the dropped in revenue from the Software and Devices business.

EBITDA comprises the following:-

	3 months period ended		% Change
	31-Mar-19	Dec-18	
	RM million	RM million	
Software and Devices	(2.99)	(0.46)	-100%
Communication Services	(0.94)	(8.55)	89%
Digital Services	(2.06)	(4.02)	49%
Investment Holding	(1.02)	(4.80)	79%
<b>Total</b>	<b>(7.00)</b>	<b>(17.84)</b>	<b>61%</b>

EBITDA losses of RM7 million in the current quarter were substantially lower as compared with the EBITDA losses of RM17.84 million in the preceding quarter were mainly due to improvement in the Communication Services business and Digital Services which mitigate the higher EBITDA losses from the Software and Devices business.

Loss after tax comprises the following:-

	3 months period ended		% Change
	31-Mar-19 RM million	31-Dec-18 RM million	
Software and Devices	(3.58)	(1.01)	-100%
Communication Services	(1.30)	(8.33)	84%
Digital Services	(2.75)	(4.97)	45%
Investment Holding	(1.25)	(5.31)	77%
Finance costs*	(8.88)	(19.61)	55%
Share of loss of associate	(5.00)	(5.06)	1%
	(0.90)	(3.81)	76%
<b>Total</b>	<b>(14.78)</b>	<b>(28.49)</b>	<b>48%</b>

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

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

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

- 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.
- Expand the wholesale voice traffic markets and improve operational efficiency to increase its profits margin.
- 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.
- Upsell new media devices and IOT products to its global telecommunication customers.

### 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 year ended 31-Mar-19 RM'000
Current period tax expense	222

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

There were no corporate proposals that were announced but not completed for the current financial period under review. The utilisation of Right Issues proceeds completed on 4 Dec 2018 are as follows:

Purpose	Proposed Utilisation RM '000	Actual Utilisation RM '000
(i) Product and business development	25,935	14,771
(ii) Future viable investments	10,000	-
(iii) Working capital for media and digital services	10,000	3,480
(iv) Working capital for Fintech solutions	5,000	5,000
(v) General working capital	8,346	8,346
(vi) Estimated expenses	800	800
<b>Total</b>	<b>60,081</b>	<b>32,397</b>

**B8 Group borrowings and debt securities**

Total borrowings of the Group are as follows:

	As at 31 March 2019		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	257,242	-	257,242
- Term loan	444	55	499
- Trade facilities	-	-	-
- Revolving Credits	-	7,194	7,194
- Hire purchases creditors and lease liabilities, which are denominated in Ringgit Malaysia.	150	2,262	2,412
<b>Total</b>	<b>257,836</b>	<b>9,511</b>	<b>267,346</b>

	As at 31 March 2018		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	238,188	-	238,188
- Term loan	4,460	227	4,687
- Hire purchases creditors and lease liabilities, which are denominated in Ringgit	260	90	350
<b>Total</b>	<b>242,908</b>	<b>317</b>	<b>243,225</b>

**B9 Material litigations**

On 4 February 2019, the Company has issued a Notice of Arbitration against MYTV Broadcasting Sdn Bhd ("MYTV") pursuant to Clause 42 of the Agreement For The Design, Supply, Assembly, Testing and Acceptance of DVB-T2 (T2000) Set-Top-Boxes ("STB") dated 23 January 2018 between MYTV and the Company ("STB Agreement")("DTT Project") for the Company to claim for the first batch of 200,000 STB units which has been supplied to MYTV and for MYTV to take up the supply and delivery of the balance 1,400,000 STB units. On 13 March 2019, the Company has registered with the Asian International Arbitration Centre ("AIAC") a Request for Arbitration to commence arbitration proceedings against MYTV.

**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 31-Mar-19 RM'000	As at 31-Mar-18 RM'000
Total accumulated losses of the Company and subsidiaries:		
- Realised accumulated losses	(937,539)	(892,987)
- Unrealised retained profit/(loss)	(126)	(25)
Consolidation adjustments	885,210	452,493
<b>Total Group accumulated losses</b>	<b>(52,455)</b>	<b>(440,519)</b>

**B12 Earnings per share****Basic loss per share**

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares in issue during the period.

	3 months quarter ended		3 months period ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Loss attributable to ordinary equity holders of the Company (RM'000)	(13,884)	(7,052)	(13,884)	(7,052)
Weighted average numbers of ordinary shares in issue ('000)	908,923	758,721	908,923	758,721
Basic earning per share (sen)	(1.5)	(0.9)	(1.5)	(0.9)

**Diluted loss per share**

In the current financial period, the diluted loss per share is not presented as the outstanding numbers of warrants in issue would be anti-dilutive as the exercise price is higher than the average market price of the Company's ordinary shares.

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

	3 months quarter ended		3 months period ended	
	31-Mar-19 RM'000	31-Mar-18 RM'000	31-Mar-19 RM'000	31-Mar-18 RM'000
<b>Profit/(Loss) for the period is arrived at after charging :</b>				
Amortisation of :				
- development cost	916	112	916	112
- intellectual property	-	2	-	2
Depreciation of plant and equipment	733	566	733	566
Rental of premises	153	384	153	384
Loss/(Gain) on foreign exchange				
- realised	(1,034)	501	(1,034)	501
- unrealised	115	19	115	19
Staff costs:				
- defined contribution plan	631	332	631	332
- salaries and other benefits	7,878	5,547	7,878	5,547
Interest expense:				
- hire purchase	4	4	4	4
- exchangeable medium term notes	4,994	4,608	4,994	4,608
<b>and after crediting :</b>				
Interest income	327	24	327	24

**B14 Authorisation for issue**

The interim financial statements were authorised for release by the Board of Directors on 28 May 2019.