

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Individual Quarter		Cumulative Quarter	
	3 Months Period Ended		6 Months Period Ended	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM '000	RM '000	RM '000	RM '000
Revenue	124,851	144,986	267,562	292,040
Other operating costs	(146,843)	(161,345)	(309,436)	(319,843)
Other income	340	900	59,900	1,347
Profit/(Loss) from operations	(21,652)	(15,458)	18,026	(26,456)
Share of gain/(losses) in associate companies	308	(440)	31	(1,011)
Fair value (loss)/gain on other quoted investment	(17,705)	9,005	(35,867)	(8,242)
EBITDA	(39,049)	(6,893)	(17,810)	(35,708)
Depreciation & amortisation	(1,733)	(1,492)	(3,609)	(3,139)
Finance costs	(204)	(5,154)	(409)	(9,673)
(Loss)/Profit before tax	(40,986)	(13,539)	(21,828)	(48,520)
Income tax expense	(111)	261	(430)	(63)
(Loss)/Profit for the period	(41,097)	(13,279)	(22,258)	(48,583)
Other comprehensive (loss)/income				
Fair value (loss)/gain on long term quoted investment	(70,818)	36,020	(143,467)	(32,967)
Foreign currency translation differences for foreign operations	1,239	(106)	553	1,080
Total other comprehensive (loss)/income for the period	(69,579)	35,914)	(142,914)	(31,887)
Total comprehensive (loss)/income for the period	(110,676)	22,635	(165,172)	(80,470)
(Loss)/Profit attributable to:				
Owners of the Company	(49,244)	(11,982)	(30,436)	(46,056)
Non-controlling interests	8,147	(1,296)	8,178	(2,527)
(Loss)/Profit for the period	(41,097)	(13,279)	(22,258)	(48,583)
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(118,823)	23,931	(173,350)	(77,943)
Non-controlling interests	8,147	(1,296)	8,178	(2,527)
Total comprehensive (loss)/income for the period	(110,676)	22,635	(165,172)	(80,470)
Basic (loss)/earnings per ordinary share (sen):	(4.0)	(1.3)	(2.5)	(4.9)
Diluted (loss)/earnings per ordinary share (sen):	(4.0)	(0.9)	(2.5)	(3.5)

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021

	As at 30/6/2021 (Unaudited) RM '000	As at 31/12/2020 (Audited) RM '000
ASSETS		
Investment in associates	10,872	16,339
Property, plant and equipment	8,327	8,401
Rights of use of assets	3,687	3,067
Other long term investments	96,071	271,988
Intangible assets	34,748	7,495
Development costs	8,318	4,551
Total non-current assets	162,023	311,841
Inventories	17,565	14,360
Trade receivables	113,789	111,083
Other receivables, deposits and prepayments	68,570	35,574
Fixed deposits with licensed banks	6,866	11,715
Cash and bank balances	59,360	34,276
Total current assets	266,150	207,008
TOTAL ASSETS	428,173	518,849
EQUITY		
Share capital	303,948	268,262
Reserves	(41,984)	131,847
Total equity attributable to owners of the Company	261,964	400,109
Non-controlling interests	753	(7,566)
Total equity	262,717	392,543
LIABILITIES		
Lease liabilities	1,998	1,995
Deferred tax liabilities	1,175	1,178
Total non-current liabilities	3,173	3,173
Trade payables	94,956	59,269
Other payables and accruals	57,630	55,492
Amount owing to related parties	372	165
Short term borrowings	7,663	7,078
Lease liabilities	1,662	1,129
Total current liabilities	162,283	123,133
TOTAL LIABILITIES	165,456	126,306
TOTAL EQUITY AND LIABILITIES	428,173	518,849
Net asset per share attributable to ordinary equity holders of the parent (sen)	21	38

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

GREEN PACKET BERHAD [Registration No. 200001032335 (534942-H)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	-----Attributable to owners of the Company-----						Sub-total	Non-controlling Interests	Total Equity
	----- Non-Distributable -----								
	Shares Capital	Treasury Shares	Foreign Exchange Translation Reserves	Share Grant Scheme Reserve	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	
Unaudited									
At 1 January 2021	268,262	(12,217)	4,264	414	234,775	(95,389)	400,109	(7,566)	392,543
Profit for the period	-	-	-	-	-	(30,436)	(30,436)	8,178	(22,258)
Fair value loss on other quoted investment	-	-	-	-	(143,467)	-	(143,467)	-	(143,467)
Foreign currency translation differences for foreign operations	-	-	553	-	-	-	553	-	553
Acquisition of a subsidiary	-	-	-	-	-	-	-	141	141
Issuance of ordinary shares	36,230	-	-	-	-	-	36,230	-	36,230
Share Grant Scheme exercised	481	-	-	(414)	-	(67)	-	-	-
Share issuance expenses	(1,025)	-	-	-	-	-	(1,025)	-	(1,025)
	35,686	-	553	(414)	(143,467)	(30,503)	(138,145)	8,319	(129,826)
At 30 June 2021	303,948	(12,217)	4,817	-	91,308	(125,892)	261,964	753	262,717

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

GREEN PACKET BERHAD [Registration No. 200001032335 (534942-H)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	-----Attributable to owners of the Company-----						Sub-total	Non-controlling Interests	Total Equity
	----- Non-Distributable -----								
	Shares Capital	Treasury Shares	Foreign Exchange Translation Reserves	Share Grant Scheme Reserve	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	
Unaudited									
At 1 January 2020	153,408	(12,217)	4,266	-	199,085	(84,303)	260,239	(7,090)	253,149
Loss for the period	-	-	-	-	-	(46,056)	(46,056)	(2,527)	(48,583)
Conversion of Warrants into Ordinary Shares	35,397	-	-	-	(5,198)	-	30,199	-	30,199
Fair value loss on other quoted investment	-	-	-	-	(32,967)	-	(32,967)	-	(32,967)
Foreign currency translation differences for foreign operations	-	-	1,080	-	-	-	1,080	-	1,080
	35,397	-	1,080	-	(38,165)	(46,056)	(47,744)	(2,527)	(50,271)
At 30 June 2020	188,805	(12,217)	5,346	-	160,920	(130,359)	212,495	(9,617)	202,878

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD
ENDED 30 JUNE 2021**

	Financial period ended	
	30/6/2021	30/6/2020
	RM'000 (Unaudited)	RM'000 (Unaudited)
CASH FLOW FOR OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(21,828)	(48,520)
Adjustments for non cash items:-		
Amortisation of development cost	1,200	1,684
Depreciation of property, plant and equipment	1,528	1,454
Depreciation of rights of use of assets	881	-
Fair value loss	35,867	8,242
Gain on disposal of equity interest in an associate	(57,516)	-
Interest income	(160)	(224)
Interest expense	113	9,538
Interest expense on lease liabilities	139	-
Share of loss of associates	(31)	1,011
Unrealised gain on foreign exchange	(215)	-
Operating loss before working capital changes	(40,022)	(26,815)
Changes in working capital		
(Increase)/Decrease in inventories	(3,205)	3,466
(Increase)/Decrease in assets	(35,605)	22,342
Increase/(Decrease) in liabilities	21,747	(37,861)
Decrease in fiduciary cash	723	-
Cash for operating activities	(56,362)	(38,868)
Interest (paid)/received	-	(150)
Tax paid	(431)	178
Net cash for operating activities	(56,793)	(38,840)
CASH FLOW FROM/(FOR) INVESTING ACTIVITIES		
Acquisition of subsidiary	(3,362)	-
Acquisition of an associate	(2)	-
Acquisition of other investments	(3,417)	-
Development costs incurred	(281)	(402)
Purchase of property, plant and equipment	(1,359)	(611)
Purchase of right-of-use assets	-	70
Proceeds from disposal of equity interests in associate	63,016	-
Interest received	160	-
Net (placement)/withdrawal of fixed deposit pledged with a licensed bank	(148)	(272)
Net cash from/(for) investing activities	54,607	(1,215)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD
ENDED 30 JUNE 2021 (CONT'D)**

	Financial period ended	
	30/6/2021	30/6/2020
	RM'000 (Unaudited)	RM'000 (Unaudited)
CASH FLOW FROM FINANCING ACTIVITIES		
Conversion of warrants into ordinary shares	-	30,199
Net drawdown of borrowings	585	2,634
Interest paid	(252)	-
Proceeds from issuance of ordinary shares	24,095	-
Repayment of lease liabilities	(960)	(713)
Share issuance expenses	(1,025)	-
Net cash from financing activities	22,443	32,120
Net increase/(decrease) in cash and cash equivalents	20,257	(7,935)
Foreign exchange translation differences	553	1,079
Cash and cash equivalents at the beginning of the financial period	35,003	40,152
Cash and cash equivalents at the end of the financial period	55,813	33,296
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	59,360	31,490
Fixed deposit with licensed bank	6,866	8,592
	66,226	40,082
Fixed deposit pledged with licensed bank	(6,621)	(6,786)
Fiduciary cash	(3,792)	-
	55,813	33,296

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

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 2020.

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 2020 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 2021 as set out below:

- a) Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

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

The following MFRS have been issued by the MASB and are effective for annual period commencing on or after 1 January 2022, and have yet to be adopted by the Group:

- a) MFRS 17 - Insurance Contracts
- b) Amendments to MFRS 3 - Reference to the Conceptual Framework
- c) Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- d) Amendments to MFRS 17 - Insurance Contracts
- e) Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current
- f) Amendments to MFRS 101 - Disclosure of Accounting Policies
- g) Amendments to MFRS 108 - Definition of Accounting Estimates
- h) Amendments to MFRS 112 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- i) Amendments to MFRS 116 - Property, Plant and Equipment – Proceeds before Intended Use
- j) Amendments to MFRS 137 - Onerous Contracts – Cost of Fulfilling a Contract
- k) Annual Improvements to MFRS Standards 2018 – 2020

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 2020.

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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

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 30 June 2021 except for the follows:

- a) On 6 May 2021, 885,100 new shares were vested and listed at issue price of RM0.5432 per share.

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:

Results for the financial year ended 30 June 2021	Malaysia RM'000	Overseas RM'000	Inter-segment RM'000	Group RM'000
Revenue				
Digital Devices & Infrastructure				
- Smart Devices	2,877	24,425	(2,551)	24,751
- Smart City, Urban Tech	1,970	-	-	1,970
Digital Services				
- Communications	-	233,156	-	233,156
- Digital & Financial Services	8,101	-	(451)	7,650
Investment	35	-	-	35
Corporate Unit	18,625	-	(18,625)	-
	<u>31,608</u>	<u>257,581</u>	<u>(21,627)</u>	<u>267,562</u>
Results				
Digital Devices & Infrastructure				
- Smart Devices	10	(2,865)	1,459	(1,396)
- Smart City, Urban Tech	(6,256)	-	1,996	(4,260)
Digital Services				
- Cloud	(1,097)	-	930	(167)
- Communications	-	(827)	1,562	735
- Digital & Financial Services	(15,402)	-	7,063	(8,339)
Investment	(5,177)	-	1,590	(3,587)
Corporate Unit	45,871	-	(14,600)	31,271
	<u>17,949</u>	<u>(3,692)</u>	<u>-</u>	<u>14,257</u>
Fair value loss on other quoted investment				(35,867)
Finance costs				(409)
Finance income				160
				<u>(21,859)</u>
Share of net loss of associate				31
Profit before taxation				(21,828)
Income tax expense				(430)
Profit after taxation				(22,258)
Non-controlling interests				(8,178)
Profit after taxation & non-controlling interests				<u>(30,436)</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A9 Segmental information (cont'd)

Segmental information is provided based on geographical segment by customers' location as follows (cont'd):

Results for the financial year ended	Malaysia	Overseas	Inter-segment	Group
30 June 2020	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Digital Devices & Infrastructure				
- Smart Devices	11,776	18,336	(3,191)	26,921
- Smart City, Urban Tech	1,118	-	-	1,118
Digital Services				
- Communications	-	259,579	-	259,579
- Digital & Financial Services	5,121	-	(698)	4,423
Corporate Unit	6,557	-	(6,557)	-
	<u>24,572</u>	<u>277,915</u>	<u>(10,446)</u>	<u>292,040</u>
<u>Results</u>				
Digital Devices & Infrastructure				
- Smart Devices	(1,374)	(4,558)	983	(4,949)
- Smart City, Urban Tech	(7,234)	-	1,221	(6,013)
Digital Services				
- Communications	-	(4,256)	1,632	(2,624)
- Digital & Financial Services	(6,233)	-	658	(5,575)
Corporate Unit	(6,164)	-	(4,494)	(10,658)
	<u>(21,005)</u>	<u>(8,814)</u>	<u>-</u>	<u>(29,819)</u>
Fair value loss on other quoted investment				(8,242)
Finance costs				(9,673)
Finance income				224
				<u>(47,510)</u>
Share of net loss of associate				<u>(1,010)</u>
Loss before taxation				<u>(48,520)</u>
Income tax expense				<u>(63)</u>
Loss after taxation				<u>(48,583)</u>
Non-controlling interests				<u>2,527</u>
Loss after taxation & non-controlling interests				<u><u>(46,056)</u></u>

* The reportable segments have changed from the previous reporting period due to internal reorganisation.

A10 Valuation of property, plant and equipment

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A11 Material events subsequent to the end of the quarter

The material events announced subsequent to the end of the quarter are as follows:

- a) On 18 May 2021, the Company proposes to undertake a renounceable rights issue of new ordinary shares in GPB ("GPB Shares" or "Shares") together with free detachable warrants in GPB ("Warrants C") on an entitlement basis and an issue price to be determined and fixed by the Board, and announced at a later date to raise gross proceeds of up to RM 328.37 million. On 1 July 2021, the Company announced that after due deliberations and having considered the prevailing market conditions and volatility of the share price of the Company since the Rights Issue Announcement, had resolved not to proceed with the Proposed Rights Issue with Warrants.
- b) On 1 July 2021, the Company proposes to undertake the proposed private placement of GPB Shares, representing not more than 20% of the enlarged number of issued shares in GPB (excluding any treasury shares). Additional listing application has been submitted to Bursa Securities on 2 July 2021. On 16 July 2021, Bursa Securities approved the listing and quotation for up to 209,246,100 new GPB Shares to be issued, subject to certain conditions. On 27 July 2021, 29,500,000 GPB Shares were allotted and issued at RM 0.22 each. On 26 August 2021, 18,000,000 GPB Shares were allotted and issued at RM 0.20 each. On 29 September 2021, 46,206,800 GPB Shares were allotted and issued at RM 0.145 each.
- c) On 5 July 2021, the Company proposes to undertake the following proposals:
- Proposed disposal of up to 612,570,900 ordinary shares of G3 Global Berhad ("G3 Shares") to Puan Chan Cheong ("CCPuan") for a cash consideration of up to RM91,885,635;
 - Proposed shareholders' mandate for the disposal of up to 612,570,900 G3 Shares to buyers to be identified and at price(s) to be determined later in the open market and/or via direct business transaction(s), in cash;
 - Proposed diversification of the existing businesses of the Company and its subsidiaries ("GPB Group") to include investments in other companies and securities; and
 - Proposed diversification of the existing businesses of GPB Group to include moneylending and related business.
- On 28 July 2021, a Notice of Extraordinary General Meeting ("EGM") was circulated in relation to the abovementioned proposals. All the (4) ordinary resolutions tabled at the EGM were duly passed by the shareholders on 13 August 2021.

Below are the details of subsequent disposals, in which the gain on investments will be recognised under Revenue – Investment Income:

Date	No. of G3 shares	Disposal consideration RM'm	Cost of investment RM'm	Gross gain on disposal RM'm	Realisation of share of results RM'm	Total gain on disposal RM'm
18.8.21	29.64	3.65	1.97	1.68	0.92	2.60
23.8.21	5.95	0.65	0.39	0.26	0.18	0.44
24.8.21	2.00	0.22	0.13	0.09	0.06	0.15
25.8.21	3.43	0.38	0.23	0.15	0.11	0.26
26.8.21	0.75	0.08	0.05	0.03	0.02	0.05
27.8.21	0.42	0.05	0.03	0.02	0.01	0.03
30.8.21	6.26	0.74	0.42	0.32	0.20	0.52
1.9.21	9.44	1.06	0.63	0.43	0.29	0.72
7.9.21	0.03	0.00*	0.00*	0.00*	0.00*	0.00*
8.9.21	0.03	0.00*	0.00*	0.00*	0.00*	0.00*
10.9.21	9.00	0.95	0.60	0.35	0.28	0.63
	66.95	7.78	4.45	3.33	2.07	5.40

* Amount less than RM 10,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A11 Material events subsequent to the end of the quarter (cont'd)

The material events announced subsequent to the end of the quarter are as follows (cont'd):

- d) On 25 August 2021, the Company announced that it has been awarded the conditional Investment Bank licence from Labuan Financial Services Authority ("LFSA"). The entity "Oasis Capital Investment Bank ("OCIB")" is incorporated on 7 September 2021.

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 June 2021 except as follows:

- a) On 16 April 2021, incorporation of GP Smart City Sdn. Bhd. in Malaysia being wholly-owned subsidiary of the Company, with a total issued and paid-up capital of RM1,000.
- b) On 22 April 2021, incorporation of Green Packet Academy Sdn. Bhd. in Malaysia being wholly-owned subsidiary of the Company, with a total issued and paid-up capital of RM1.

A13 Contingent assets and changes in contingent liabilities

At the end of the current quarter under review, the Company has provided corporate guarantees for banking facilities to the subsidiary, which will not result in potential financial liability to the Group, as follows:

	Financial period ended 30-Jun-21 RM'000	Financial year ended 31-Dec-20 RM'000
<u>Utilised Portion:</u>		
Green Packet Global Pte Ltd	7,401	7,170

A14 Capital commitments

Capital expenditure of the Group not provided for as at 30 June 2021 in relation to property were as follows:

	Financial period ended 30-Jun-21 RM'000	Financial year ended 31-Dec-20 RM'000
Authorised and contracted for	5,010	7,445

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A15 Significant related party transactions

Identity of related parties:

The Group carried out the following significant transaction with its related parties during the financial period under review :-

	Financial period ended 30-Jun-21 RM'000	Financial year ended 31-Dec-20 RM'000
<u>Sales to an associate:</u>		
- Atilze Digital Sdn Bhd	-	1,520
- Shenzhen Memo Technology Co Ltd	10,497	-
<u>Purchase from associates:</u>		
- Atilze Digital Sdn Bhd	378	3,985
- Memo Technology (HK) Ltd	677	106
- Shenzhen Memo Technology Co Ltd	2,143	2,569
<u>Consultancy fee charged by an associate</u>		
- Memo Technology (HK) Ltd	-	2,472
<u>Subscription of shares in an associate</u>		
- Mirai HDC Sdn Bhd	2	-
<u>Subscription of Redeemable Convertible Exchangeable Preference Shares in an associate</u>		
- Mira Alpha Sdn Bhd	2,097	-

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

B 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		% Change	6 months period ended		% Change
	30-Jun-21 RM million	30-Jun-20 RM million		30-Jun-21 RM million	30-Jun-20 RM million	
Revenue	124.85	144.99	-14%	267.56	292.04	-8%
Operating Profit/(Loss)	(21.65)	(15.46)	-40%	18.03	(26.46)	168%
EBITDA*	(39.05)	(6.89)	-467%	(17.81)	(35.71)	50%
Loss Before Tax	(40.99)	(13.54)	-203%	(21.83)	(48.52)	55%
Loss After Tax	(41.10)	(13.28)	-209%	(22.26)	(48.58)	54%
Loss Attributable to Ordinary Equity Holders of the Parent	(49.24)	(11.98)	-311%	(30.44)	(46.06)	34%

Total revenue, EBITDA losses and loss after tax ("LAT") of the Group stands at approximately RM 124.85 million, RM 39.05 million and RM 41.10 million respectively for the current financial quarter ended at 30 June 2021 ("2Q21") as compared with total revenue, EBITDA losses and LAT of the Group stands at approximately RM 144.99 million, RM 6.89 million and RM 13.28 million respectively for the previous same quarter ended at 30 June 2020 ("2Q20").

* EBITDA include share of gain/(loss) on associate and fair value gain/(loss) on other quoted investment

Group's Segmental Analysis:

Revenue contribution comprises the following:

	3 months quarter ended		% Change	6 months period ended		% Change
	30-Jun-21 RM million	30-Jun-20 RM million		30-Jun-21 RM million	30-Jun-20 RM million	
Digital Devices & Infrastructure						
- Smart Devices	17.22	15.02	15%	24.75	26.92	-8%
- Smart City, Urban Tech	0.23	1.09	-79%	1.97	1.12	76%
Digital Services						
- Communications	103.56	127.50	-19%	233.16	259.58	-10%
- Digital & Financial Services	3.81	1.38	176%	7.65	4.42	73%
Investment	0.03	-	100%	0.03	-	100%
Total	124.85	144.99	-14%	267.56	292.04	-8%

- Smart Devices business registered 15% higher sales in the current quarter as compared to previous same quarter mainly due to more devices shipment to America and Europe.
- Smart City, Urban Tech business registered 79% lower sales in the current quarter as compared to previous same quarter mainly due to lower contribution from Facial Recognition Thermometric Panel sales.
- Communications business recorded a lower revenue of 19% in the current quarter as compared to previous same quarter mainly due to reduced inbound traffic on voice minutes.
- Digital & Financial Services business recorded a higher revenue of 176% in the current quarter as compared to previous same quarter mainly due to contribution from e-KYC setup fees and onboarding license fees.
- Investment business recorded a higher revenue of 100% in the current quarter as compared to previous same quarter as a result of expansion into investment pillar starting from December 2020.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

B1 Review of the performance of the Group (cont'd)

Group's Segmental Analysis (cont'd):

EBITDA comprises the following:

	3 months quarter ended		% Change	6 months period ended		% Change
	30-Jun-21 RM million	30-Jun-20 RM million		30-Jun-21 RM million	30-Jun-20 RM million	
Digital Devices & Infrastructure						
- Smart Devices	(1.10)	(2.63)	58%	(0.75)	(4.15)	82%
- Smart City, Urban Tech	(2.42)	(4.84)	50%	(4.23)	(5.99)	29%
Digital Services						
- Cloud	(0.09)	-	-100%	(0.17)	-	-100%
- Communications	0.52	(2.21)	123%	1.07	(2.06)	152%
- Digital & Financial Services	(3.28)	(0.42)	-680%	(7.09)	(4.00)	-77%
Investment	(0.76)	-	-100%	(3.55)	-	-100%
Corporate Unit	(31.92)	3.22	-1092%	(3.09)	(19.50)	84%
Total*	(39.05)	(6.89)	-467%	(17.81)	(35.71)	50%

The EBITDA losses in the current quarter of RM 39.05 million as compared to EBITDA losses of RM 6.89 million in the previous corresponding quarter mainly due to fair value loss on other quoted investment of RM 17.71 million.

* EBITDA include share of gain/(loss) on associate and fair value gain/(loss) on other quoted investment

Profit/(Loss) after tax comprises the following:

	3 months quarter ended		% Change	6 months period ended		% Change
	30-Jun-21 RM million	30-Jun-20 RM million		30-Jun-21 RM million	30-Jun-20 RM million	
Digital Devices & Infrastructure						
- Smart Devices	(1.43)	(2.04)	30%	(1.40)	(3.95)	65%
- Smart City, Urban Tech	(2.44)	(4.76)	49%	(4.26)	(6.01)	29%
Digital Services						
- Cloud	(0.09)	-	-100%	(0.17)	-	-100%
- Communications	0.24	(2.22)	111%	0.35	(2.65)	113%
- Digital & Financial Services	(3.77)	(1.11)	-241%	(8.27)	(5.41)	-53%
Investment	(0.79)	-	-100%	(3.59)	-	-100%
Corporate Unit	(15.22)	(6.56)	-132%	31.32	(11.63)	369%
	(23.50)	(16.69)	-41%	13.99	(29.65)	147%
Finance cost*	(0.20)	(5.15)	96%	(0.41)	(9.67)	96%
Fair value (loss)/gain on other quoted investment	(17.71)	9.00	-297%	(35.87)	(8.24)	-335%
Share of gain/(loss) of associate	0.31	(0.44)	170%	0.03	(1.01)	103%
Total	(41.10)	(13.28)	-209%	(22.26)	(48.58)	54%

*Finance cost in previous corresponding quarter was mainly in relation to the Exchangeable Medium Term Notes.

Communications and Smart Devices businesses are on the path to profitability. Losses in Smart Devices mainly due to payment of MYTV Broadcasting Sdn. Bhd. Sales and Service Tax during 2Q21.

Overall, LAT increased in current quarter was mainly due to fair value loss on other quoted investment of RM 17.7 million, continued investments and business expansion.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

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
	<u>30-Jun-21</u>	<u>31-Mar-21</u>	
	RM million	RM million	
Revenue	124.85	142.71	-13%
Operating Profit	(21.65)	37.80	-157%
EBITDA*	(39.05)	21.24	-284%
(Loss)/Profit Before Tax	(40.99)	19.16	-314%
(Loss)/Profit After Tax	(41.10)	18.84	-318%
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent	(49.24)	18.81	-362%

Total revenue and LAT of the Group for the current financial quarter ended 30 June 2021 ("2Q21") were RM 124.85 million and RM 41.10 million respectively as compared to the revenue and PAT of the Group for the preceding financial quarter ended at 31 March 2021 ("1Q21") of RM 142.71 million and RM 18.84 million respectively. The PAT in previous quarter was mainly due to the gain on disposal of shareholding in an associate, offset by the fair value loss in other quoted investment.

* EBITDA include share of gain/(loss) on associate and fair value gain/(loss) on other quoted investment

Group's Segmental Analysis:

Revenue contribution comprises the following:

	3 months period ended		% Change
	<u>30-Jun-21</u>	<u>31-Mar-21</u>	
	RM million	RM million	
Digital Devices & Infrastructure			
- Smart Devices	17.22	7.53	129%
- Smart City, Urban Tech	0.23	1.74	-87%
Digital Services			
- Communications	103.56	129.60	-20%
- Digital & Financial Services	3.81	3.84	-1%
Investment	0.03	-	100%
Total	124.85	142.71	-13%

Overall, revenue for current quarter was lower than the preceding quarter mainly due to reduced inbound traffic on voice minutes from Communications business.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

**B2 Material changes in the quarterly results compared to the results of the preceding quarter
(cont'd)**

Group's Segmental Analysis: (cont'd)

EBITDA comprises the following:

	3 months period ended		% Change
	<u>30-Jun-21</u>	<u>31-Mar-21</u>	
	RM million	RM million	
Digital Devices & Infrastructure			
- Smart Devices	(1.10)	0.36	-410%
- Smart City, Urban Tech	(2.42)	(1.81)	-34%
Digital Services			
- Cloud	(0.09)	(0.08)	-10%
- Communications	0.52	0.55	-6%
- Digital & Financial Services	(3.28)	(3.82)	14%
Investment	(0.76)	(2.80)	-73%
Corporate Unit	(31.92)	28.83	211%
Total*	(39.05)	21.24	-284%

EBITDA losses in current quarter was mainly due to fair value loss in other quoted investment as well as continued investments and business expansion. EBITDA in previous quarter was mainly contributed by the gain on disposal of shareholding in associate.

* EBITDA include share of gain/(loss) on associate and fair value gain/(loss) on other quoted investment

Profit/(Loss) after tax comprises the following:

	3 months period ended		% Change
	<u>30-Jun-21</u>	<u>31-Mar-21</u>	
	RM million	RM million	
Digital Devices & Infrastructure			
- Smart Devices	(1.43)	0.03	-4867%
- Smart City, Urban Tech	(2.44)	(1.82)	-34%
Digital Services			
- Cloud	(0.09)	(0.08)	-10%
- Communications	0.24	0.10	140%
- Digital & Financial Services	(3.77)	(4.50)	16%
Investment	(0.79)	(2.80)	-72%
Corporate Unit	(15.22)	46.54	-133%
	(23.50)	37.48	-163%
Finance cost	(0.20)	(0.20)	0%
Fair value loss on other quoted investment*	(17.71)	(18.16)	3%
Share of gain/(loss) of associate	0.31	(0.28)	211%
Total	(41.10)	18.84	-318%

* Fair value adjustment on quoted investment as at 30 June 2021

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

B3 Financial year ending 31 December 2021 prospects

a) Due to the ongoing Covid-19 pandemic, the overall business environment remains challenging. However, the Group is confident that it will remain competitive with the following focus and business initiatives:

- Continued to expand into new growth areas to diversify its revenue streams and improve future margins, moving into new opportunities that will support the digital needs of consumers, SMEs, enterprises, and underserved markets, while also contributing to nation-building efforts.
- Smart Devices' Research & Development team made a breakthrough in the second quarter that will enable its latest MediaTek T750 Customer Premises Equipment devices to support 2NR carrier aggregation. This offers significantly faster data transfers and greater connectivity within the 5G spectrum. Coupled with this development, the team also launched a whitepaper titled 'Critical Strategies for 5G Success' which outlines several considerations for 5G implementation in the region. Insights included how telco operators can maximise coverage as they gear up towards the next phase of global communications. These milestones solidified the business' positioning as innovative thought leaders, enhancing their capabilities as a global solutions provider.
- Introduced a first-of-its-kind prepaid card with leading global payment technology company, Visa, to accelerate Malaysia's journey towards becoming a cashless society. Paired with the Kiple's white label Wallet-as-a-Service ("WaaS") solution and its extended services as a Visa Principal Licensee, these integrated solutions will enable enterprises to roll out their e-payment platforms within four months, accelerating their speed-to-market by five times from the usual 24-month lead time.
- Kiplepay also received approvals from Bank Negara Malaysia ("BNM") for a new e-wallet limit up to RM10,000 which increases the transaction options and broadens its user segments. Its e-KYC solution was also recognised by the regulator and will further enhance the security of Kiplepay's financial offerings.
- Submitted its application to BNM for one of the five Digital Banking licences alongside its consortium partners, Zico Holdings Inc. and M24 Tawreeq Sdn Bhd and several other strategic partners. Building on the unique proposition of Islamic Digital Banking, the Green Packet-led consortium will focus on equitable financial inclusion, transformational digital evolution and ethical banking to best elevate the livelihood of the unserved and underserved segments, including policy groups, as desired by the regulator.
- Oasis Capital Investment Bank was awarded a conditional Investment Bank licence from the Labuan Financial Services Authority ("LFSA"). This new venture is positioned to become an innovative forerunner in Southeast Asia's offshore financial services scene, specialising in the fast-growing Digital Asset industry and partnering with High-Net-Worth Individuals, Institutions, and Enterprises.
- Expanding on its nation-building efforts, Green Packet along with international partner FETC International Co. has also received the go ahead to run Malaysia's first ever Multi-Lane Free Flow ("MLFF") tolling system Proof of Concept ("POC") on Malaysian highways. The POC, which will be installed at the Besraya KM5.5 North-bound toll, will facilitate the process to achieve a congestion-free highway state through better traffic infrastructure, aligning with the Ministry of Works' Malaysian Intelligent Transport System blueprint.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

B3 Financial year ending 31 December 2021 prospects (cont'd)

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-Jun-21 RM'000
Current period tax expense	430

B7 Status of corporate proposals and utilisation of proceeds

The status of Corporate Proposals announced but not completed for the current financial period under review are as follow:

- a) On 16 June 2020, the Company announced that it has entered into a Term Sheet with the shareholders of Xendity Pte Ltd ("Xendity") ("the Sellers") for the proposed acquisition of the entire equity interest in Xendity ("Target Company"), comprising 3,105,263 ordinary shares in the Target Company ("Sale Shares") from the Sellers for a purchase consideration of up to United States Dollar ("USD") 10.0 million ("Purchase Price") ("Proposed Acquisition").

On 15 September 2020, the Company announce that pursuant to a letter received from Xendity Pte Ltd on 14 September 2020 which was accepted by the Company on 15 September 2020, the Parties have mutually agreed to extend the validity of the Term Sheet to 31 December 2020.

On 2 December 2020, the Company entered into a share sale agreement with the Sellers for the proposed acquisition by GPB of the entire equity interest in Xendity from the Sellers ("SSA") for an aggregate purchase consideration through a combination of cash amounting to USD1.5 million or RM6.25 million and the remaining amount of up to USD8.5 million or RM35.42 million through the allotment and issuance of new ordinary shares in GPB at an issue price to be determined later.

On 8 January 2021, Bursa Securities has approved the listing and quotation of up to 147,581,250 Consideration Shares to be issued pursuant to the Proposed Acquisition.

On 2 February 2021, the Proposed Acquisition has been completed following the fulfilment of all conditions precedent as set out in the SSA. Xendity is now a wholly-owned subsidiary of the Company.

On 11 March 2021, the Company announced the allotment and issuance of 28,892,853 new ordinary shares at an issue price of RM0.42 each.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

B7 Status of corporate proposals and utilisation of proceeds (cont'd)

- b) On 4 November 2020, the Company announce its indirect wholly-owned subsidiary, Roadmio Technologies Corporation, a company incorporated in Taiwan has commenced member's voluntary winding-up made pursuant to Taiwan Company Act (Sections 83 & 326).
- c) The utilisation of 1st Private Placement proceeds completed on 13 July 2020 are as follows:

Purpose	Proposed Utilisation RM '000	Variation RM '000	Actual	Balance as at	Intended timeframe for Utilisation
			Utilisation up to date of Announcement RM '000	date of Announcement RM '000	
(i) Future viable investments	15,000	4,556	19,556	-	Utilised
(ii) Working capital for digital services segment - ("Fintech solutions")	35,000	(2,686)	32,314	-	Utilised
- <i>Personnel and related expenses</i>	18,000	(3,463)	14,537	-	Utilised
- <i>Sales and marketing expenses</i>	11,000	(8,699)	2,301	-	Utilised
- <i>General and administrative cost</i>	6,000	(4,738)	1,262	-	Utilised
- <i>Purchase of inventories</i>	-	1,214	1,214	-	Utilised
- <i>Money lending purposes</i>	-	13,000	13,000	-	Utilised
(iii) General working capital	1,870	(1,870)	-	-	Utilised
(iv) Estimated expenses	200	-	200	-	Utilised
Total	52,070	-	52,070	-	

- d) The utilisation of 2nd Private Placement first, second and third tranche proceeds completed on 30 October 2020, 1 March 2021 and 29 March 2021 respectively are as follows:

Purpose	Proposed Utilisation RM '000	Variation RM '000	Actual	Balance as at	Intended timeframe for Utilisation
			Utilisation up to date of Announcement RM '000	date of Announcement RM '000	
(i) Servers and network equipment	49,309	(38,984)	10,325	-	Utilised
(ii) Working capital for cloud computing business	2,093	(93)	2,000	-	Utilised
(iii) Expenses for the Proposed Private Placement	193	-	193	-	Utilised
(iv) General working capital	-	32,492	32,492	-	Utilised
- <i>Personnel and related expenses</i>	-	17,973	17,973	-	Utilised
- <i>Sales and marketing expenses</i>	-	49	49	-	Utilised
- <i>General and administrative cost</i>	-	5,403	5,403	-	Utilised
- <i>Purchase of inventories</i>	-	9,066	9,066	-	Utilised
(v) Future viable investments	-	6,585	6,585	-	Utilised
Total	51,595	-	51,595	-	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B7 Status of corporate proposals and utilisation of proceeds (cont'd)

- e) The utilisation of proceeds from the Disposals of G3 Global Berhad's shares, completed on 29 March 2021 are as follows:

Purpose	Proposed Utilisation RM '000	Variation RM '000	Actual	Balance as at	Intended
			Utilisation up to date of Announcement RM '000	date of Announcement RM '000	timeframe for Utilisation
(i) Personnel and related expenses	49,870	(40,101)	9,769	-	Utilised
(ii) Sales and marketing expenses	7,580	(6,222)	1,358	-	Utilised
(iii) General and administrative cost	3,040	(1,749)	1,291	-	Utilised
(iv) Purchase of inventories	2,730	36,672	39,402	-	Utilised
(v) Future viable investments	-	11,401	11,401	-	Utilised
Total	63,220	-	63,220	-	

B8 Group borrowings and debt securities

Total borrowings of the Group are as follows:

	As at 30 June 2021		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Term loan	-	-	-
- Bankers' acceptances	-	360	360
- Revolving credits	-	7,303	7,303
- Lease liabilities, which are denominated in Ringgit Malaysia.	1,998	1,672	3,670
Total	1,998	9,335	11,333

	As at 30 June 2020		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	283,262	-	283,262
- Term loan	150	110	260
- Bankers' acceptances	-	877	877
- Revolving credits	-	7,562	7,562
- Lease liabilities, which are denominated in Ringgit Malaysia.	187	538	725
Total	283,599	9,087	292,686

B9 Material litigations

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

B10 Dividends

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

B11 Realised and unrealised gains/(losses) disclosure

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

	As at 30-Jun-21 RM'000	As at 30-Jun-20 RM'000
Total accumulated losses of the Company and subsidiaries:		
- Realised accumulated losses	(513,614)	(575,188)
- Unrealised retained earnings	287	20
Consolidation adjustments	387,436	444,809
Total Group accumulated losses	(125,892)	(130,359)

B12 Loss 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		6 months period ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Loss attributable to ordinary equity holders of the Company (RM'000)	(49,244)	(11,982)	(30,436)	(46,056)
Weighted average numbers of ordinary shares in issue ('000)	1,220,546	942,636	1,220,546	942,636
Basic loss per share (sen)	(4.0)	(1.3)	(2.5)	(4.9)

Diluted loss per share

	3 months quarter ended		6 months period ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Loss attributable to ordinary equity holders of the Company (RM'000)	(49,244)	(11,982)	(30,436)	(46,056)
Weighted average numbers of ordinary shares in issue for basic loss per share ('000)	1,220,546	942,636	1,220,546	942,636
Shares deemed to be issued for no consideration: - Warrants ('000)*	-	372,707	-	372,707
Weighted adjusted numbers of ordinary shares in issue ('000)	1,220,546	1,315,343	1,220,546	1,315,343
Diluted loss per share (sen)	(4.0)	(0.9)	(2.5)	(3.5)

* The conversion of warrants was anti-dilutive as their exercise prices were higher than the average market price of the Company's ordinary shares during the current financial period. Accordingly, the exercise of warrants has been ignored in the calculation of dilutive loss per share.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021
(CONT'D)**

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities
(cont'd)**

B13 Loss for the Period

	3 months quarter ended		6 months period ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000	30-Jun-21 RM'000	30-Jun-20 RM'000
Loss for the period is arrived at after charging :				
Amortisation/Impairment of :				
- development cost	494	936	1,200	1,684
Depreciation of :				
- plant and equipment	790	358	1,528	728
- right-of-use assets	450	-	881	-
Lease expenses :				
- rental of office	85	112	162	218
Loss/(Gain) on foreign exchange				
- realised	92	(11)	135	(30)
- unrealised	(6)	230	(215)	(203)
Staff costs:				
- defined contribution plan	1,527	879	3,033	1,650
- salaries and other benefits	20,059	11,980	37,405	22,171
Interest expense:				
- lease liabilities	72	-	139	-
- other interest expenses	132	5,154	270	9,673
and after crediting :				
Interest income	(118)	(140)	(160)	(224)
Gain on disposal of equity interest in an associate	-	-	(57,516)	-

B14 Authorisation for issue

The interim financial statements were authorised for release by the Board of Directors on 29 September 2021.