

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2018

	Individual Quarter		Cumulative Quarter	
	3 Months Period Ended		12 Months Period Ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	(Unaudited) RM '000	(Unaudited) RM '000	(Unaudited) RM '000	(Audited) RM '000
Revenue	96,668	97,791	399,243	358,944
Operating expenses				
-Depreciation & amortisation	(1,965)	(726)	(3,972)	(3,528)
-Other operating costs	(114,917)	(103,360)	(432,169)	(363,313)
Other (expenses)/income	414	10,780	1,491	11,713
Profit/(Loss) from operations	(19,801)	4,485	(35,408)	3,816
Share of losses in associate companies	(3,811)	(2,159)	(6,686)	(3,575)
Finance costs	(5,063)	(4,570)	(19,431)	(17,667)
Loss before tax	(28,674)	(2,244)	(61,525)	(17,426)
Income tax expense	186	(477)	52	848
Loss for the period	(28,488)	(2,721)	(61,473)	(16,578)
Fair value on additional investment in subsidiary	-	-	(640)	-
Fair value gain on other quoted investment	-	40,328	2,137	40,328
Foreign currency translation differences for foreign operations	(7,694)	(3,370)	847	(4,217)
Total other comprehensive income/(expenses) for the period	(7,694)	36,958	2,345	36,111
Total comprehensive profit/(loss) for the period	(36,182)	34,237	(59,128)	19,533
Loss attributable to:				
Owners of the Company	(27,883)	(2,622)	(58,752)	(16,197)
Non-controlling interests	(605)	(99)	(2,721)	(381)
Loss for the Period	(28,488)	(2,720)	(61,473)	(16,578)
Total comprehensive profit/(loss) attributable to:				
Owners of the Company	(35,577)	34,336	(56,408)	19,914
Non-controlling interests	(605)	(99)	(2,721)	(381)
Total comprehensive profit/(loss) for the period	(36,182)	34,237	(59,128)	19,533
Basic loss per ordinary share (sen):	(3.7)	(0.4)	(7.7)	(2.2)

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)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	As at 31/12/2018 (Unaudited) RM '000	As at 31/12/2017 (Audited) RM '000
ASSETS		
Investment in associates	31,567	38,099
Property, plant and equipment	4,306	6,626
Other long term investments	270,291	267,621
Intangible Assets	11,623	12,422
Development costs	12,559	8,534
Total non-current assets	330,346	333,302
Inventories	18,250	1,347
Trade receivables	127,478	148,077
Other receivables, deposits and prepayments	31,773	27,890
Tax recoverable	2,083	2,479
Fixed deposits with licensed banks	38,690	10,971
Cash and bank balances	21,765	31,110
Total current assets	240,039	221,874
TOTAL ASSETS	570,385	555,176
EQUITY		
Share capital	597,375	155,880
Reserves	(426,297)	11,879
Total equity attributable to owners of the Company	171,078	167,759
Non-controlling interests	(1,457)	1,723
Total equity	169,621	169,482
LIABILITIES		
Long term borrowings	252,657	234,424
Hire purchase and finance lease liabilities	260	260
Deferred tax liabilities	2,028	2,481
Total non-current liabilities	254,945	237,165
Trade payables	127,967	128,537
Other payables and accruals	7,871	19,872
Short term borrowings	9,981	-
Hire purchase and finance lease liabilities	-	120
Total current liabilities	145,819	148,529
TOTAL LIABILITIES	400,764	385,694
TOTAL EQUITY AND LIABILITIES	570,385	555,176
Net asset per share attributable to ordinary equity holders of the parent (sen)	23	22

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 YEAR ENDED 31 DECEMBER 2018

	-----Attributable to owners of the Company-----						Sub-total	Non-controlling Interests	Total Equity
	Non-Distributable					Accumulated Losses			
	Shares Capital	Shares Premium	Foreign Exchange Translation Reserves	Treasury Shares	Fair Value Reserves / Warrants Reserves				
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
Unaudited									
At 1 January 2018	155,880	412,796	4,438	(12,217)	40,328	(433,466)	167,758	1,723	169,481
Transfer of Share Premium to Share Capital (Note 1)	412,796	(412,796)	-	-	-	-	-	-	-
Fair value on additional investment in subsidiary	-	-	-	-	(640)	-	(640)	-	(640)
Issue of Rights Issues	29,053	-	-	-	31,028	-	60,082	-	60,082
Share issues expenses	(354)	-	-	-	-	-	(354)	-	(354)
Fair value gain on other quoted investment	-	-	-	-	2,137	-	2,137	-	2,137
Foreign currency translation differences for foreign operations	-	-	847	-	-	-	847	-	847
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(460)	(460)
Loss for the period	-	-	-	-	-	(58,752)	(58,752)	(2,721)	(61,473)
	441,495	(412,796)	847	-	32,526	(58,752)	3,320	(3,180)	139
At 31 December 2018	597,375	-	5,285	(12,217)	72,853	(492,219)	171,078	(1,457)	169,621

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 2017.

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	-----Attributable to Equity Holders of the Parent -----								
	Non-Distributable						Sub-total	Non-controlling Interests	Total Equity
	Shares Capital	Shares Premium	Foreign Exchange Translation Reserves	Treasury Shares	Fair Value Reserves	Accumulated Losses			
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
<u>Audited</u>									
At 1 January 2017	138,089	412,796	8,655	(12,217)	-	(417,269)	130,054	88	130,142
Issue of ordinary shares	17,791	-	-	-	-	-	17,791	-	17,791
Fair value gain on other quoted investment					40,328		40,328		40,328
Foreign currency translation differences for foreign operations	-	-	(4,217)	-	-	-	(4,217)	-	(4,217)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	2,016	2,016
Loss for the period	-	-	-	-	-	(16,197)	(16,197)	(381)	(16,578)
	17,791	-	(4,217)	-	40,328	(16,197)	37,704	1,635	39,340
At 31 December 2017	155,880	412,796	4,438	(12,217)	40,328	(433,466)	167,759	1,723	169,482

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 CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Financial period ended	
	31/12/2018	31/12/2017
	RM'000	RM'000
	(Unaudited)	(Audited)
CASH FLOW (FOR)/FROM OPERATING ACTIVITIES		
Loss before taxation	(61,525)	(17,426)
Adjustments for non cash items:-		
Amortisation of development cost	1,277	520
Depreciation of property, plant and equipment	1,895	3,008
Interest income	(326)	(1,043)
Interest expense	19,185	17,324
Share of loss of associates	6,686	2,620
Fair value gains	(1,173)	(7,862)
Operating (loss)/profit before working capital changes	(33,181)	(2,859)
Changes in working capital		
Decrease/(Increase) in inventories	(16,903)	(909)
Decrease/(Increase) in assets	16,717	(22,052)
(Decrease)/Increase in liabilities	(12,570)	42,285
Cash (for)/from operating activities	(45,937)	16,465
Interest received	326	1,043
Tax paid	(5)	(1,939)
Net cash (for)/from operating activities	(45,616)	15,569
CASH FLOW FOR INVESTING ACTIVITIES		
Acquisition of subsidiary	(460)	(7,861)
Purchase of other investment	(154)	(30,835)
Purchase of property, plant and equipment	425	(3,537)
Development costs incurred	(5,302)	(7,918)
Net placement of fixed deposit pledged with a licensed bank	2,275	4,378
Net cash for investing activities	(3,216)	(45,773)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of rights issues	60,080	17,791
Net Drawdown/(Repayment) of borrowings	9,044	(290)
Share issues expenses	(354)	-
Repayment of hire purchase obligations	(136)	(120)
Net cash from financing activities	68,634	17,381
Net (decrease)/increase in cash and cash equivalents	19,802	(12,823)
Foreign exchange translation differences	847	(3,124)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	33,128	49,075
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	53,777	33,128
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	21,765	10,971
Fixed deposit with licensed bank	38,690	31,110
	60,455	42,081
Fixed deposit pledged with licensed bank	(6,678)	(8,953)
	53,777	33,128

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 YEAR ENDED 31 DECEMBER 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 31 December 2018 except that the Company has completed its 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 ("Proposed Rights Issues with Warrants") by way of an issuance and allotment of 150,202,583 new ordinary shares at an issue price of RM0.40 each and 450,607,749 new warrants on 27 November 2018; of which was listed in Bursa Securities on 4 December 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:-

Results for the financial year ended 31 December 2018	Malaysia RM'000	Overseas RM'000	Group RM'000
Revenue			
Software and Devices	-	46,360	46,360
Communication Services	-	349,947	349,947
Digital Services	2,936	-	2,936
	<u>2,936</u>	<u>396,307</u>	<u>399,243</u>
Results			
Software and Devices	-	(4,785)	(4,785)
Communication Services	-	(10,899)	(10,899)
Digital Services	(12,894)	-	(12,894)
Investment Holding	(7,157)	-	(7,156)
	<u>(20,051)</u>	<u>(15,684)</u>	<u>(35,734)</u>
Finance costs			(19,431)
Finance income			326
			<u>(54,839)</u>
Share of net loss of associate			<u>(6,686)</u>
Loss before taxation			<u>(61,525)</u>
Income tax expense			52
Loss after taxation			<u>(61,473)</u>
Non-controlling interests			<u>2,721</u>
Loss after taxation & non-controlling interests			<u><u>(58,752)</u></u>

Results for the financial year ended 31 December 2017	Malaysia RM'000	Overseas RM'000	Group RM'000
Revenue			
Software and Devices	-	101,193	101,193
Communication Services	-	256,022	256,022
Digital Services	1,729	-	1,729
	<u>1,729</u>	<u>357,215</u>	<u>358,944</u>
Results			
Software and Devices	-	(2,584)	(2,584)
Communication Services	-	1,309	1,309
Digital Services	(5,946)	-	(5,946)
Investment Holding	9,039	-	9,039
	<u>3,093</u>	<u>(1,275)</u>	<u>1,818</u>
Finance costs			(17,667)
Finance income			1,043
			<u>(14,806)</u>
Share of net loss of associate			<u>(2,620)</u>
Loss before taxation			<u>(17,426)</u>
Income tax expense			848
Loss after taxation			<u>(16,578)</u>
Non-controlling interests			<u>381</u>
Loss after taxation & Non-controlling interests			<u><u>(16,197)</u></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 behalf of the Board, RHB Investment Bank had announced that the effective date for the implementation of the Share Grant Scheme was 16 January 2019, being the date on which the Company fully complies with the requirements under Paragraph 6.43(1) of the Listing Requirements.
- The Court had on 25 January 2019 granted an order confirming the Proposed Capital Reduction of the Company pursuant to Section 116 of the Act ("Court Order"). The sealed copy of the Court Order was lodged with the Registrar of Companies on 31 January 2019. As such, the Capital Reduction has been completed on 31 January 2019.

- c) 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.

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 December 2018 except that Green Packet Networks S.P.C has been liquidated on 13 December 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	12 months period ended		% Change
	31-Dec-18 RM million	31-Dec-17 RM million		31-Dec-18 RM million	31-Dec-17 RM million	
Revenue	96.67	97.79	-1%	399.24	358.94	11%
Operating Profit/ (Loss)	(19.80)	4.48	-542%	(35.41)	3.82	-1028%
EBITDA	(17.84)	5.21	-442%	(31.44)	6.05	-620%
Loss Before Tax	(28.67)	(2.24)	-1178%	(61.53)	(17.43)	-253%
Loss After Tax	(28.49)	(2.72)	-947%	(61.47)	(16.58)	-271%
Loss Attributable to Ordinary Equity Holders of the Parent	(27.88)	(2.62)	-964%	(58.75)	(16.20)	-263%

Total revenue, EBITDA losses and loss after tax ("LAT") of the Group stands at approximately RM96.67 million, RM17.84 million and RM28.49 million respectively for the current financial quarter ended at 31 December 2018 ("4Q18").

Total revenue, EBITDA losses and LAT of the Group stands at approximately RM399.24 million, RM31.44 million and RM61.47 million respectively for the financial year ended at 31 December 2018 ("FY18").

Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	3 months period ended		% Change	12 months period ended		% Change
	31-Dec-18 RM million	31-Dec-17 RM million		31-Dec-18 RM million	31-Dec-17 RM million	
Software and Devices	17.41	22.74	-23%	46.36	101.19	-54%
Communication Services	78.83	74.14	6%	349.95	256.02	37%
Digital Services	0.42	0.91	-53%	2.94	1.73	70%
Total	96.67	97.79	-1%	399.24	358.94	11%

- Software and Devices business registered 23% 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.
- The Communication Services business recorded a higher revenue of 6% 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 lower revenue of 53% in the current quarter as compared to the previous year on year mainly due a one off sales of top-up cards recognised in Q417 for a certain project.

EBITDA comprises the following:-

	3 months period ended		% Change	12 months period ended		% Change
	31-Dec-18 RM million	31-Dec-17 RM million		31-Dec-18 RM million	31-Dec-17 RM million	
Software and Devices	(0.46)	(1.25)	-63%	(4.12)	(0.81)	-409%
Communication Services	(8.55)	(0.07)	-12061%	(9.05)	2.28	-497%
Digital Services	(4.02)	(3.00)	-34%	(11.70)	(4.56)	-156%
Investment Holding	(4.80)	9.53	-150%	(6.56)	9.14	-172%
Total	(17.84)	5.21	-442%	(31.44)	6.05	-620%

The EBITDA losses of RM17.84 million in the current quarter compared to a EBITDA profits of RM5.21 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, lower gross profit margin from the Software and Devices business and dropped in gross profits margins in the Communication business. Furthermore, the Communication Services business has made a one-off provision for the unutilised voice traffic of voice swap arrangement with a Singapore telecommunication operator due to substantial drop in rates/price and also incurred higher business development costs to build its digital contents and services business. In addition to that, there was an impairment on cost of investment in Green Packet Networks S.P.C which was liquidated on 13 December 2018 and a fair value gain on other quoted investment in the previous correspondence quarter of RM10.08 million.

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

	3 months period ended		% Change	12 months period ended		% Change
	31-Dec-18	31-Dec-17		31-Dec-18	31-Dec-17	
	RM million	RM million		RM million	RM million	
Software and Devices	(1.01)	(1.34)	-25%	(4.76)	(2.58)	84%
Communication Services	(8.33)	(0.40)	-1964%	(9.52)	2.16	-541%
Digital Services	(4.97)	(3.39)	-47%	(13.64)	(5.95)	-129%
Investment Holding	(5.31)	9.14	-158%	(7.44)	10.08	-174%
	(19.61)	4.01	-589%	(35.36)	3.71	-1053%
Finance costs*	(5.06)	(4.57)	-11%	(19.43)	(17.67)	-10%
Share of loss of associate	(3.81)	(2.16)	-77%	(6.69)	(2.62)	-155%
Total	(28.49)	(2.72)	947%	(61.47)	(16.58)	271%

*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 RM28.49 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-Dec-18	30-Sep-18	
	RM million	RM million	
Revenue	96.67	92.44	5%
Operating Loss	(19.80)	(7.91)	-150%
EBITDA Loss	(17.84)	(7.24)	-146%
Loss Before Tax	(28.67)	(13.79)	-108%
Loss After Tax	(28.49)	(13.97)	-104%
Loss Attributable to Ordinary Equity Holders of the Parent	(27.88)	(13.60)	-105%

Total revenue and loss after tax ("LAT") of the Group for the current financial quarter ended 31 December 2018 ("4Q18") were RM96.67 million and RM28.49 million respectively as compared to the revenue and LAT of the Group for the previous preceding financial quarter ended at 30 September 2018 ("3Q18") of RM92.44 million and RM13.97 million respectively.

Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	3 months period ended		% Change
	31-Dec-18	Sep-18	
	RM million	RM million	
Software and Devices	17.41	4.28	307%
Communication Services	78.83	87.48	-10%
Digital Services	0.42	0.69	-38%
Total	96.67	92.44	5%

Overall, revenue for current quarter was slightly higher than the previous quarter mainly due to the improve revenue from the Software and Devices business.

EBITDA comprises the following:-

	3 months period ended		% Change
	31-Dec-18	Sep-18	
	RM million	RM million	
Software and Devices	(0.46)	(1.60)	71%
Communication Services	(8.55)	(2.26)	-278%
Digital Services	(4.02)	(2.77)	-45%
Investment Holding	(4.80)	(0.61)	-685%
Total	(17.84)	(7.24)	146%

EBITDA losses of RM17.84 million in the current quarter were higher as compared with the EBITDA losses of RM7.24 million in the preceding quarter were mainly due to higher losses in the Software and Devices and Communication Services business. This was due to drop in gross profit margins and impairment of development costs from the Software and Devices business and drop in gross profit margins and provision for impairment in voice traffic in the Communication business. There was also an impairment on cost of investment in Green Packet Networks S.P.C which was liquidated on 13 December 2018.

Loss after tax comprises the following:-

	3 months period ended		% Change
	31-Dec-18 RM million	30-Sep-18 RM million	
Software and Devices	(1.01)	(1.64)	39%
Communication Services	(8.33)	(2.61)	-219%
Digital Services	(4.97)	(3.07)	-62%
Investment Holding	(5.31)	(0.77)	-592%
	(19.61)	(8.09)	143%
Finance costs*	(5.06)	(4.95)	-2%
Share of loss of associate	(3.81)	(0.93)	-309%
Total	(28.49)	(13.97)	-104%

*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 improve 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.

The completion of the Proposed Rights Issue with Warrants exercise has strengthened the Group's financial position and increased the funding capacity for the Group's 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 year ended 31-Dec-18 RM'000
Current period tax expense	(52)

B7 Status of corporate proposals and utilisation of proceeds

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

- On 26 June 2018, the Company had announced to undertake the following proposals :
 - 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. On 17 December 2018, the Company had filed a petition to the Court to obtain a Court Order to confirm the reduction of the issued share capital of the Company pursuant to the Proposed Capital Reduction in accordance with Section 116 of the Act. The Court had on 25 January 2019 granted an order confirming the Capital Reduction pursuant to Section 116 of the Act (“Court Order”). The sealed copy of the Court Order was lodged with the Registrar of Companies on 31 January 2019. As such, the Capital Reduction has been completed on 31 January 2019.

On behalf of the Board, RHB Investment Bank had announced that the effective date for the implementation of the Share Grant Scheme was 16 January 2019, being the date on which the Company fully complies with the requirements under Paragraph 6.43(1) of the Listing Requirements.

B8 Group borrowings and debt securities

Total borrowings of the Group are as follows:

	As at 31 December 2018		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	252,407	-	252,407
- Term loan	251	303	553
- Trade facilities	-	2,390	2,390
- Revolving Credits	-	7,288	7,288
- Hire purchases creditors, which are denominated in Ringgit Malaysia.	260	-	260
Total	252,917	9,981	262,898

	As at 31 December 2017		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	233,711	-	233,711
- Term loan	517	196	714
- Hire purchases creditors, which are denominated in Ringgit Malaysia.	244	136	380
Total	234,472	332	234,804

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 31-Dec-18 RM'000	As at 31-Dec-17 RM'000
Total accumulated losses of the Company and subsidiaries:		
- Realised accumulated losses	(915,808)	(886,375)
- Unrealised retained profit/(loss)	598	(2,007)
Consolidation adjustments	422,991	454,916
Total Group accumulated losses	(492,219)	(433,466)

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		12 months period ended	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
Loss attributable to ordinary equity holders of the Company (RM'000)	(27,883)	(2,622)	(58,752)	(16,197)
Weighted average numbers of ordinary shares in issue ('000)	758,817	731,006	758,817	731,006
Basic earning per share (sen)	(3.7)	(0.4)	(7.7)	(2.2)

B13 Profit/(Loss) for the Period

	3 months period ended		12 months period ended	
	31-Dec-18 RM'000	31-Dec-17 RM'000	31-Dec-18 RM'000	31-Dec-17 RM'000
Profit/(Loss) for the period is arrived at after charging :				
Amortisation of :				
- development cost	922	(68)	1,277	36
- intellectual property	798	-	800	-
Depreciation of plant and equipment	246	453	1,895	2,926
Rental of premises	368	405	1,506	1,384
Loss/(Gain) on foreign exchange				
- realised	375	954	1,710	1,872
- unrealised	(300)	2,321	(593)	2,220
Staff costs:				
- defined contribution plan	412	455	1,868	1,599
- salaries and other benefits	5,361	4,369	21,973	16,497
Interest expense:				
- hire purchase	4	4	16	16
- exchangeable medium term notes	5,059	4,567	19,415	17,364
and after crediting :				
Interest income	120	477	326	1,043

B14 Authorisation for issue

The interim financial statements were authorised for release by the Board of Directors on 26 February 2018.