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| |  | | --- | | **GREENPACKET-P1 IMPROVES BUSINESS PERFORMANCE** *Q1’13 Financial Results Show Continuing Revenue Uptrend* | | **Key Highlights:**   * *Group’s Q1 revenue at RM149.3m, increased 7% Q-o-Q and 17% Y-o-Y* * *Group’s Q1 EBITDA at RM7.4m – positive EBITDA position since Q4’11* * *Operator pillar, P1’s cumulative subscribers stand at 541,000, increased by 24,000 in Q1 despite an overall slow market: while ARPU and Churn are at RM83.0 and 3.5% respectively.* * *Greenpacket Solutions pillar, contributed* RM21.0m to Group revenue, mainly from the sale of 4G devices: Total of 103,839 units shipped in Q1’13. * *Group’s Business Transformation Program implemented with strategies to achieve operational excellence and better EBITDA performance.*   **KUALA LUMPUR, 21 May 2013:** Green Packet Berhad (“The Group/Group”) posted healthy financial results for the period ended March 31, 2013, demonstrating the Group’s continual efforts to improve business performance.  The Group’s Q1’13 revenue amounted to RM149.3m, an improvement of 17% from the same period last year and 7% from the previous quarter, while quarterly EBITDA stood at RM7.4m.  Group Managing Director, CC Puan, said, “We are satisfied with Q1 performance. It is reflective of our focus on the bottom line, which our group-wide business transformation program will pursue with clear goals throughout this year.”  He explained that the business transformation program is founded on a critical review of the Group’s progress towards its long-term vision matched with intense efforts to close any operational and strategy gaps due to changing internal and external market dynamics.  In Q1’13, the Group’s operator pillar, Packet One Networks (Malaysia) Sdn Bhd (“P1”), contributed significantly higher revenue to the Group compared to its international business arm, Greenpacket Solutions (“Solutions”), which provides broadband connectivity device and solutions to service providers globally: P1’s revenue was RM81.2m against Solutions’ RM21.0m.  P1 reported higher revenue for the quarter on the back of improvements in ARPU (average revenue per user) and churn rate, at RM83.0 and 3.5% respectively. P1’s EBITDA for Q1 compared to the same period last year improved by 143% - RM3.3m to RM8.1m, also attributable to better cost management. Its Q1 net subscriber addition was 24,000 bringing the cumulative total to 541,000.  Meanwhile, Solutions’ revenue of RM21.0m was mainly contributed by the sale of 4G devices. It shipped 103,839 units in Q1’13, an increase of 14% year-on-year. Puan commented, “We are maintaining market share but expect some challenges around the entry of LTE. While we have and are building out our LTE device portfolio, we expect a slower migration to LTE by our WiMAX customer base. At the same time, they may not be as aggressive on WiMAX in view of future plans. Price points for WiMAX devices had also naturally come down over time impacting revenue for the pillar.”  According to Puan, Solutions will ramp up customer engagement to maintain, even grow the existing 162 WiMAX device customer base spanning 66 countries, and work closely with them on their LTE migration plan. To date, Solutions has 13 customers on LTE – trialing its dual-mode WiMAX-TD-LTE connectivity device which the company pioneered last year.  Moving forward, Puan expects the business transformation program to deliver improvements to key aspects of the business including workforce productivity, cost structure of the business, its asset management including P1’s service network, and all across operational effectiveness and efficiency to maximize the Group’s investment.  "It’s my mandate to the operational team, to deliver our long-term plan with smarter strategies and always take stock of changing dynamics. The business transformation program will enable us to become more competitive and resilient."  **INCOME STATEMENT**   |  | | --- | | **http://www.greenpacket.com/news_room/img/Q1_13-income_statement.png** |   **Forward Looking Statements** *This news release may contain forward looking statements by Green Packet Berhad that reflect management’s current expectation, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. These statements are subject to a number of risks and uncertainties that could cause actual results, performance or achievements to differ materially from those discussed in the forward looking statements. Such statements are not and should not be construed as a representation as to the future performance or achievements of Green Packet Berhad and Green Packet Berhad assumes no obligation to update any such statements.*  **About Green Packet Berhad** *Listed on the Main Board of the Malaysian Bourse, Green Packet Berhad (“The Group”) aims to be the visionary global leader providing best connectivity to enrich lives. It provides best-of-class technologies, devices and services to simplify and enhance connectivity and communications. The Group offers a wide array of 4G and LTE products and services through its two main business pillars:*  ***The Greenpacket Solutions pillar*** *Greenpacket Solutions provides 4G WiMAX global services, discounted and wholesale voice services are via its Alternative Voice Services group.*  ***The P1 pillar*** *Packet One Networks (Malaysia) Sdn Bhd serves as the 4G operator and service provider arm, comprising of other companies or subsidiaries.*  For more information, visit: www.greenpacket.com | |