



GHL SYSTEMS BERHAD
CONSOLIDATED INCOME STATEMENTS
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2007
THE FIGURES HAVE NOT BEEN AUDITED

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31/03/2007	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2006	CURRENT YEAR TO DATE 31/03/2007	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2006
		RM	RM	RM	RM
Revenue	A9	13,141,155	7,465,789	13,141,155	7,465,789
Cost of sales		(3,662,526)	(555,381)	(3,662,526)	(555,381)
Gross profit		9,478,629	6,910,408	9,478,629	6,910,408
Other income		73,095	116,025	73,095	116,025
Administration expenses		(7,069,873)	(4,929,504)	(7,069,873)	(4,929,504)
Distribution costs		(701,901)	(644,055)	(701,901)	(644,055)
Other expenses		(97,537)	(71,296)	(97,537)	(71,296)
Finance cost		(61,302)	(55,142)	(61,302)	(55,142)
Share of profits of associates		261,447	303,872	261,447	303,872
Profit before taxation		1,882,558	1,630,308	1,882,558	1,630,308
Income tax expense		(34,084)	-	(34,084)	-
Profit for the period		1,848,474	1,630,308	1,848,474	1,630,308
Attributable to:					
Equity holders of the parent		1,848,474	1,630,308	1,848,474	1,630,308
Minority interest		-	-	-	-
		<u>1,848,474</u>	<u>1,630,308</u>	<u>1,848,474</u>	<u>1,630,308</u>
Weighted average number of ordinary shares in issue		125,664,301	120,468,150	125,664,301	120,468,150
Nominal value per share		RM0.50	RM0.50	RM0.50	RM0.50
Earnings Per Ordinary Share					
- Basic (sen)	B13	1.47	1.35	1.47	1.35
- Diluted (sen)		1.42	1.50	1.42	1.50

(The Condensed Consolidated Income Statement should be read in conjunction with Audited Financial Statements for the year ended 31 December 2006)



GH SYSTEMS BERHAD
CONSOLIDATED BALANCE SHEET
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2007
THE FIGURES HAVE NOT BEEN AUDITED

	AS AT CURRENT YEAR QUARTER 31.03.2007	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2006 (Audited)
Note	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	54,143,028	54,203,365
Investment in associated companies	5,322,437	5,060,989
Goodwill on consolidation	2,205,168	1,869,146
	<u>61,670,633</u>	<u>61,133,500</u>
Current assets		
Marketable securities	-	16,259
Inventories	5,484,040	5,296,870
Trade receivables	20,726,832	19,040,227
Other receivables	2,721,595	4,088,925
Tax recoverable	111,218	71,116
Fixed deposits placed with licensed banks	8,138,858	10,340,015
Cash and bank balances	9,262,452	10,280,757
	<u>46,444,995</u>	<u>49,134,169</u>
TOTAL ASSETS	<u>108,115,628</u>	<u>110,267,669</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	62,871,815	62,478,744
Reserves	29,930,181	28,117,750
	<u>92,801,996</u>	<u>90,596,494</u>
Minority interest	36	1,618
Total equity	<u>92,802,032</u>	<u>90,598,112</u>
Non-current liabilities		
Hire purchase payables	B9 53,262	5,398
Bank borrowing	B9 3,923,281	4,137,507
Deferred taxation	987,811	987,811
	<u>4,964,354</u>	<u>5,130,716</u>
Current liabilities		
Trade payables	2,713,911	7,212,751
Other payables	6,784,033	6,477,836
Hire purchase payables	B9 54,193	41,357
Bank borrowings	B9 797,104	797,103
Taxation	-	9,794
	<u>10,349,241</u>	<u>14,538,841</u>
Total liabilities	<u>15,313,596</u>	<u>19,669,557</u>
TOTAL EQUITY AND LIABILITIES	<u>108,115,628</u>	<u>110,267,669</u>
Number of ordinary shares	125,743,629	624,787,440 *
NA per share (sen)	73.80	14.50

* comprises of ordinary shares of RM0.10 each. The share consolidation exercise undertaken by the Company was completed on 9 February 2007.

(The Condensed Consolidated Balance Sheet should be read in conjunction with Audited Financial Statements for the year ended 31 December 2006)



GHL SYSTEMS BERHAD
CONSOLIDATED CASH FLOW STATEMENT
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2007
THE FIGURES HAVE NOT BEEN AUDITED

	CURRENT YEAR QUARTER 31.03.2007 RM	PRECEDING YEAR CORRESPONDING QUARTER 31.03.2006 RM
Cash Flows From Operating Activities		
Profit before taxation	1,882,558	1,630,308
Adjustment for:		
Reversal of doubtful debts	(250,112)	-
Depreciation of property, plant & equipment	1,803,416	1,523,644
Interest income	(39,773)	(90,329)
Interest expenses	61,302	55,142
Reserve on consolidation written off	(25,423)	-
Share of profit in associated companies	(261,447)	(303,872)
Operating profit before working capital changes	<u>3,170,521</u>	<u>2,814,893</u>
(Increase)/Decrease in working capital		
Inventories	(187,170)	(255,394)
Trade and other receivables	1,418,527	5,269,123
Trade and other payables	(5,680,333)	(3,530,754)
Amount owing by associated company	-	220,538
	<u>(4,448,976)</u>	<u>1,703,513</u>
Cash (used in)/generated from operations	(1,278,455)	4,518,406
Interest received	39,773	90,329
Interest paid	(61,302)	(55,142)
Tax paid	(83,980)	(9,366)
Exchange fluctuation adjustment	(36,042)	-
	<u>(141,551)</u>	<u>25,821</u>
Net cash (used in)/from operating activities	(1,420,006)	4,544,227
Cash Flows From Investing Activities		
Acquition of associated companies	-	(114,193)
Purchase of property, plant and equipment	(1,669,149)	(1,817,636)
Proceeds from disposal of marketable securities	16,259	-
Net cash outflow from acquisition of subsidiary companies	(264,712)	-
Net cash used in investing activities	<u>(1,917,602)</u>	<u>(1,931,829)</u>
Cash Flows From Financing activities		
Proceeds from issue of shares	393,071	688,710
Decrease of fixed deposit pledge	-	-
Drawdown of hire purchase	73,929	-
Repayment of hire purchase payables	(134,629)	(199,172)
Repayment of borrowings	(214,225)	(446,982)
Net cash from financing activities	<u>118,146</u>	<u>42,556</u>
Net (decrease)/increase in cash and cash equivalents	(3,219,462)	2,654,954
Cash and cash equivalents at beginning of financial period	<u>17,112,844</u>	<u>17,449,368</u>
Cash and cash equivalents at end of financial period	<u><u>13,893,382</u></u>	<u><u>20,104,322</u></u>
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	9,262,452	11,228,431
Fixed deposits placed with licensed banks	8,138,858	12,075,891
	<u>17,401,310</u>	<u>23,304,322</u>
Less: Fixed deposits pledged to licensed banks	(3,507,928)	(3,200,000)
	<u><u>13,893,382</u></u>	<u><u>20,104,322</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with Audited Financial Statements for the year ended 31 December 2006)



GHL SYSTEMS BERHAD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2007
THE FIGURES HAVE NOT BEEN AUDITED

	Share Capital RM	→ Foreign Exchange Reserves RM	← Non-Distributable ESOS Reserves RM	Distributable Retained Profits RM	Total Shareholders' Equity RM	Minority Interest RM	Total Equity RM
At 1 January 2006	54,459,376	-	-	24,337,524	78,796,900	-	78,796,900
Issue of shares pursuant to ESOS	688,710	-	-	-	688,710	-	688,710
Net profit for the financial period	-	-	-	1,630,308	1,630,308	-	1,630,308
At 31 March 2006	<u>55,148,086</u>	<u>-</u>	<u>-</u>	<u>25,967,832</u>	<u>81,115,918</u>	<u>-</u>	<u>81,115,918</u>
At 1 January 2007	62,478,744	20,334	343,967	27,753,449	90,596,494	1,618	90,598,112
Arising from additional acquisition of shares in subsidiary companies	-	-	-	-	-	(1,582)	(1,582)
Foreign exchange differences, representing net loss not recognised in income statement	-	(36,043)	-	-	(36,043)	-	(36,043)
Issue of shares pursuant to ESOS	393,071	-	-	-	393,071	-	393,071
Net profit for the financial period	-	-	-	1,848,474	1,848,474	-	1,848,474
At 31 March 2007	<u>62,871,815</u>	<u>(15,709)</u>	<u>343,967</u>	<u>29,601,923</u>	<u>92,801,996</u>	<u>36</u>	<u>92,802,032</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with Audited Financial Statements for the year ended 31 December 2006)