

## GHL SYSTEMS BERHAD CONSOLIDATED INCOME STATEMENTS QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008 THE FIGURES HAVE NOT BEEN AUDITED

				CUMULATIVE QUARTER		
	<u>Note</u>	CURRENT YEAR QUARTER 30/06/2008	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2007	CURRENT YEAR TO DATE 30/06/2008	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2007	
		RM	RM	RM	RM	
Revenue	A8	11,696,246	13,592,963	23,111,888	26,734,118	
Cost of sales	_	(2,936,865)	(5,178,484)	(6,471,550)	(8,841,010)	
Gross profit		8,759,381	8,414,479	16,640,338	17,893,108	
Other income		79,945	1,836,805	426,398	1,909,900	
Administration expenses		(9,168,510)	(7,415,760)	(16,772,071)	(14,485,633)	
Distribution costs		(1,013,596)	(725,934)	(1,906,690)	(1,427,835)	
Other expenses		(125,230)	(121,153)	(298,704)	(218,690)	
Finance cost		(51,215)	(70,720)	(87,878)	(132,022)	
Share of profits in an associated company		-	-	-	261,447	
(Loss)/Profit before taxation		(1,519,225)	1,917,717	(1,998,607)	3,800,275	
Income tax expense		(35)	(148)	(35)	(34,232)	
(Loss)/Profit for the period	-	(1,519,260)	1,917,569	(1,998,642)	3,766,043	
Attributable to: Equity holders of the parent Minority interest		(1,519,260)	1,917,569	(1,998,642)	3,766,043	
	_	- (1,519,260)	1,917,569	(1,998,642)	3,766,043	
Weighted average number of ordinary shares in Nominal value per share	n issue	137,783,849 0.50	138,490,767 RM0.50	138,281,362 0.50	138,373,900 RM0.50	
(Loss)/Earnings Per Ordinary Share - Basic (sen) - Diluted (sen)	B13	(1.10) (1.10)	1.38 1.36	(1.45) (1.45)	2.72 2.67	

(The Condensed Consolidated Income Statement should be read in conjunction with Audited Financial Statements for the year ended 31 December 2007)



## GHL SYSTEMS BERHAD

## CONSOLIDATED BALANCE SHEET QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008 THE FIGURES HAVE NOT BEEN AUDITED

	Note	AS AT CURRENT YEAR QUARTER 30.06.2008	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 (Audited)
		RM	RM
ASSETS			
Non-current assets			
Property, plant and equipment		47,526,942	49,973,480
Prepaid lease payments		1,583,965	1,592,172
Other investment		553,688	553,688
Goodwill on consolidation		1,913,105	1,913,105
		51,577,700	54,032,445
Current assets			
Marketable securities		-	591,685
Inventories		16,903,761	9,557,780
Trade receivables		12,925,472	18,986,414
Other receivables		4,140,935	3,978,157
Tax recoverable		817,354	142,003
Fixed deposits placed with licensed banks		5,197,632	13,486,240
Cash and bank balances		9,059,945	11,407,540
		49,045,099	58,149,819
TOTAL ASSETS		100,622,799	112,182,264
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		69,431,108	69,431,108
Reserves		19,790,674	22,495,536
Reserves		89,221,782	91,926,644
Minority interest		9,653	9,653
Total equity		89,231,435	91,936,297
Non-current liabilities			
Hire purchase payables	B9	91,302	92,131
Bank borrowing	B9	3,248,259	3,248,259
Deferred taxation		497,458	497,457
		3,837,019	3,837,847
Current liabilities			
Trade payables		423,128	2,197,127
Other payables		6,669,081	7,572,950
Hire purchase payables	B9	66,128	130,203
Bank borrowings	B9	396,008	6,507,840
		7,554,345	16,408,120
Total liabilities		11,391,364	20,245,967
TOTAL EQUITY AND LIABILITIES		100,622,799	112,182,264
Number of ordinary shares		138,862,215	138,862,215
NA per share (sen)		64.25	66.20

(The Condensed Consolidated Balance Sheet should be read in conjunction with Audited Financial Statements for the year ended 31 December 2007)



## GHL SYSTEMS BERHAD

CONSOLIDATED CASH FLOW STATEMENT QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008 THE FIGURES HAVE NOT BEEN AUDITED

CURRENT     OPRECENTING CORRESPONDING OUARTER 30.05.200 RM     OPRECENTING CORRESPONDING RM       Cash Flows From Operating Activities (Lossy) Profit before taxation Adjustment for: Reversal of doubtful debts Despeciation of property, plant & equipment 1.5,18     (1.998,607)     3.800,275       Adjustment for: Reversal of doubtful debts Despeciation of property, plant & equipment 1.5,18     (1.998,607)     3.802,276       Property, plant & equipment 1.5,18     (2.54,27)     3.622,138     (2.52,138)       Loss on disposed of property plant & equipment 1.5,18     -     (2.54,23)       Reserve on consolidation withon off     -     (2.54,23)       Gain on disposed of associated companies     -     (2.54,537)       Share of profit in associated companies     -     (2.54,537)       Contrasting profit before working capital changes     (2.67,796)     535,988       Trade and other payables     (2.67,796)     535,988       Interest received     206,230     222,773       In		CUMULATIVE QUARTER		
(Loss) Profit before taxation     (1,98,807)     3,800.275       Adjustment for:     (44,264)     (332,406)       Reversal of doubtful debts     (44,264)     (332,405)       Depreciation of property, plant & equipment     2,3,943     2.       Property, plant & equipment     2,3,943     2.       Property, plant & equipment     2,3,943     2.       Interest represes     87,878     132,002       Reserve on consolidation writen off     67,756     132,002       Gain on disposid of associated companies     -     (26,42,98)       Chereate of profit in associated companies     -     (27,445,981)       (Increase)/Decrease in working capital     (7,345,981)     (26,77,889)       Invertories     5,455,537)     (26,77,848)       Trade and other payables     (2,567,795)     535,988       Interest received     206,230     222,773       Interest paid     (37,778)     (132,202)       Exchange fluctuation adjustment     (28,98,83)     681,645       Cash flows From Investing Activities     (2,89,863)     681,645       Cash (used in/) generated from operating activities <th></th> <th>CURRENT YEAR QUARTER 30.06.2008</th> <th>PRECEDING YEAR CORRESPONDING QUARTER 30.06.2007</th>		CURRENT YEAR QUARTER 30.06.2008	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2007	
Adjustment for:   Reversal of doubth debts   (44,264)   (332,406)     Depreciation of property, plant & equipment   23,943   :     Property, plant & equipment   23,943   :     Interest income   (206,230)   (222,273)     Interest income   (206,230)   (222,273)     Interest income   (1,967,564)   (25,423)     Gain on disposal of associated companies   -   (1,967,564)     Share of profit in associated companies   -   (21,447)     Operating profit before working capital inventories   -   (26,537)     Trade and other polyables   (2,567,785)   535,986     Interest receivables   (2,67,786)   (24,663,112)     Trade and other payables   (2,67,785)   535,986     Interest receivab   (2,67,785)   535,986     Interest received   (206,230)   (227,773)     Interest received   (20,230)   (222,773)     Interest received   (20,62,30)   (22,773)     Interest received   (20,62,30)   (22,773)     Interest received   (20,62,30)   (22,773)     Interest paid   (3,478,20)   (132	Cash Flows From Operating Activities			
Reversal of doubtid debts     (44,264)     (332,465)       Depreciation of property,plant & equipment     4,186,279     3,622,138       Loss on disposal of property,plant & equipment     23,943     -       Property,plant & equipments written off     1,518     -       Interest expenses     878,78     132,022       Reserve on consolidation written off     -     (1557,564)       Share of profit in associated companies     -     (1261,472)       Operating profit before working capital changes     2,000,517     4,754,822       (Increase)/Decrease in working capital     -     (1267,748)       Inventories     2,677,868)     (2,677,868)       Trade and other receivables     2,627,758)     (3,446,090)       Trade and other receivables     (2,67,786)     (3,246,090)       Interest received     2,000,217     (4,748,831)       Interest received     2,000,217     (4,748,98)       Interest received     2,002,20     222,773       Interest paid     (187,878)     (132,022)       Exchange fluctuation adjustment     (2,61,927)     (2,61,927)       Proceeds from disposal of	(Loss)/ Profit before taxation	(1,998,607)	3,800,275	
Depreciation of property, plant & equipment     4, 136, 279     3, 622, 138       Loss on disposed of property plant & equipment     1,518     .       Interest income     1,518     .       Interest income     1,616     .       Reserve on consolidation written off     .     .       Gain on disposal of associated companies     .     .       Share of profit in associated companies     .     .       Trade and other receivables     .     .       Trade and other receivables     .     .       Trade and other payables     .     .       (Aste State)     .     .       Depretating profit before working capital inventories     .     .       Inventories     .     .     .       Cash (used in/) generated from operations     .     .     .       Cash (used in/) generated from operating activities     .     .     .       Proceeds from disposal of property, plant and equipment     .     .     .       Proceeds from disposal of property, plant and equipment     1.7.7.1.25     .     .       Proceeds from disposal	•	(11.004)	(000, 400)	
Loss on disposal of property plant & equipment     23,943        Property, plant & equipments written off     1,518        Interest spenses     87,878     132,022       Reserve on consolidation written off				
Interest process     (206,230)     (222,773)       Interest expenses     87,878     132,022       Reserve on consolidation written off     -     (25,423)       Gain on disposal of associated companies     -     (1,957,864)       Operating profit before working capital huments     -     (261,147)       Operating profit before working capital huments     -     (261,447)       Inventories     -     (27,345,981)     (3,446,090)       Trade and other reactivables     -     (2,567,795)     535,988       Interest received     206,230     222,773     (144,4583)       Interest received     206,230     222,773     (152,989)       Interest received     (267,785)     (53,5988     (152,989)     (132,022)       Tax paid     (188,493)     (152,099)     (132,022)     (227,73)     (132,022)       Tax paid     (289,783)     681,645     (289,863)     681,645       Cash (used in)/ generated from operating activities     (2,899,863)     681,645     (2,899,863)     681,645       Cash flows From Inscape daviables acurities     (3,478,230)     (3,991,6		, ,	-	
Interest expenses 12,7876 132,022 Reserve on consolidation written off (25,433) Gain on disposal of associated companies (1,157,564) Share of profit in associated companies (1,157,564) Derating profit before working capital changes 2,000,517 4,754,525 (Increase)/Decrease in working capital changes 2,200,517 4,754,525 (Increase)/Decrease 2,200,527 3,535,888 Interest received 2,205,230 2,227,73 Interest paid (Increase)/Decrease 3,200,99,633 681,652 99 Exchange fluctuation adjustment 2,2567,929 145,657 Net cash (used in)/ generated from operating activities 2,289,863 681,645 Cash Flows From Investing Activities 2,289,863 681,645 Cash Flows From Investing Activities 3,177,123 Proceeds from disposal of associated company - Proceeds from disposal of property, plant & equipment 1,777,123 Proceeds from disposal of property, plant & equipment 1,777,123 Proceeds from disposal of property, plant & equipment 1,777,123 Proceeds from disposal of associated company Proceeds from investing activities - Records from investing activities - Records from issue of shares - Proceeds from issue of shares			-	
Reserve on consolidation written off     -     (25,423)       Gain on disposal of associated companies     -     (1,877,864)       Operating profit before working capital changes     2,000,517     4,754,822       (Increase)/Decrease in working capital inventories     -     (261,447)       Inventories     -     (27,345,981)     (3,446,090)       Trade and other receivables     5,455,537     (2,567,795)     535,988       Interest receivad     206,230     222,773       Interest receivad     (2,567,795)     535,988       Interest receivad     (2,67,795)     535,988       Interest receivad     (2,67,975)     535,988       Interest receivad     (2,67,975)     535,988       Net cash (used in/) generated from operating activities				
Gain on disposal of associated companies   -   (1,87,564)     Share of profit in associated companies   -   (261,447)     Operating profit before working capital   (7,345,981)   (3,446,090)     Inventories   5,455,537   (2,77,869)     Trade and other receivables   5,455,537   (4,218,834)     Trade and other receivables   (2,677,869)   (344,690)     Trade and other payables   (2,677,869)   (332,022)     Interest received   206,230   222,773     Interest received   (87,878)   (132,022)     Tax paid   (88,893)   (152,989)     Exchange fluctuation adjustment   (261,927)   207,885     Cash flows From Investing Activities   (2,899,863)   681,645     Purchase of poperty, plant and equipment   1,771,235   -     Proceeds from disposal of associated company   -   7,030,000     Purchase of Companys own shares   (444,293)   -     Proceeds from disposal of marketable securities   5,1685   16,257     Net cash uulfow from acquisition of subsidiary companies   -   203,748     Net cash uulfow from acquisition of subsidiary companies   - <td< td=""><td></td><td>-</td><td></td></td<>		-		
Operating profit before working capital changes     2,000,517     4,754,822       (Increases)/Decrease in working capital Inventories     (7,345,981) (3,455,537 (2,677,785)     (3,446,090) (4,486,8,312)       Trade and other receivables     (2,677,785)     536,988       Interest received     206,230     222,773       Interest paid     (87,878)     (132,022)       Tax paid     (87,878)     (132,022)       Exchange fluctuation adjustment     (21,927)     207,895       Stack (used in)/ generated from operating activities     (2,899,863)     681,645       Cash (used in)/ generated from operating activities     (2,478,230)     (3,091,669)       Purchase of property, plant & equipment     1,771,235     -     7,030,000       Proceeds from disposal of property, plant & equipment     -     7,030,000     -       Proceeds from disposal of associated company     -     7,030,000     -     -       Proceeds from disposal of associated company     -     -     7,030,000     -       Proceeds from disposal of associated company     -     -     7,030,000     -     -       Proceeds from disposal of shares     - </td <td></td> <td>-</td> <td>(1,957,564)</td>		-	(1,957,564)	
(Increase)/Decrease in working capital Inventories   (7,345,981)   (3,446,090)     Trade and other receivables   (7,345,981)   (3,446,090)     Trade and other payables   (4,566,312)   (4,218,834)     Cash (used in)/ generated from operations   (2,567,795)   535,988     Interest received   206,230   222,773     Interest paid   (87,878)   (132,022)     Tax paid   (87,878)   (132,022)     Interest paid   (332,068)   145,657     Cash (used in)/ generated from operating activities   (2,899,863)   681,645     Cash Flows From Investing Activities   (3,478,230)   (3,091,669)     Purchase of property, plant and equipment   1,771,235   -     Proceeds from disposal of property, plant & equipment   1,771,235   -     Proceeds from disposal of property, plant & equipment   -   7,030,000     Purchase of Company's own shares   -   203,748     Net cash outflow from acquisition of subsidiary companies   -   203,748     Net cash (used in)/ generated from investing activities   -   203,748     Proceeds from issue of fahres   -   -   202,772     Drawndown		-		
Inventories     (7,345,681)     (3,446,09)       Trade and other receivables     (7,345,681)     (3,446,09)       Trade and other receivables     (4,218,84)     (448,96)       Cash (used in/) generated from operations     (2,567,79)     535,988       Interest received     206,230     222,773       Interest received     (87,878)     (132,022)       Tax paid     (184,493)     (152,989)       Exchange fluctuation adjustment     (2,819,863)     681,645       Cash (used in/) generated from operating activities     (2,899,863)     681,645       Cash Flows From Investing Activities     (2,899,863)     681,645       Purchase of property, plant and equipment     1,771,235     -       Proceeds from disposal of property, plant & equipment     1,771,235     -       Proceeds from disposal of associated company     -     7,030,000       Purchase of Company's own shares     -     203,748       Net cash (used in/) generated from investing activities     -     203,748       Net cash used in financing activities     -     203,748       Proceeds from issue of shares     -     202,772	Operating profit before working capital changes	2,000,517	4,754,822	
Trade and other receivables   5,465,537   (27,848)     Trade and other payables   (4,668,312)   (4,218,834)     Cash (used in)/ generated from operations   (2,677,868)   (4,218,834)     Cash (used in)/ generated from operations   (2,677,795)   535,988     Interest paid   206,230   222,773     Tax paid   (184,993)   (152,989)     Exchange fluctuation adjustment   (261,927)   207,895     Vect cash (used in)/ generated from operating activities   (2,899,863)   681,645     Cash Flows From Investing Activities   (3,478,230)   (3,091,669)     Purchase of property, plant and equipment   1,771,235   -     Proceeds from disposal of property, plant and equipment   1,771,235   -     Proceeds from disposal of property, plant and equipment   1,771,235   -     Proceeds from disposal of associated company   -   7,030,000     Purchase of property, plant and equipment   1,771,235   -     Proceeds from disposal of associated company   -   -     Proceeds from disposal of marketable securities   -   203,748     Net cash (used in) generated from investing activities   -   203,748	(Increase)/Decrease in working capital			
Trade and other payables   (2,677,869)   (144,886)     Cash (used in)/ generated from operations   (2,567,795)   535,988     Interest received   206,230   222,773     Interest paid   (182,493)   (132,022)     Tax paid   (184,493)   (132,022)     Exchange fluctuation adjustment   (261,927)   207,895     Vectorse of property, plant and equipment   (3,478,230)   (3,091,669)     Purchase of property, plant and equipment   (3,478,230)   (3,091,669)     Proceeds from disposal of property, plant & equipment   1,777,1235   -     Proceeds from disposal of associated company   -   7,030,000     Purchase of Company's own shares   591,685   162,559     Net cash (used in)/ generated from investing activities   591,685   162,59     Drawndown of hire purchase   -   202,172     Repayment of hire purchase   -   202,172     Repayment of hire purchase   -   -     Dividend paid to shareholders   -   -     Net cash (used in)/ generates in cash and cash equivalents   (8,309,864)   4,001,200     Cash Flows From Financing activities   -   202,17				
(4,568,312)   (4,218,834)     Cash (used in)/ generated from operations   (2,567,795)   535,988     Interest paid   (26,230)   222,773     Interest paid   (18,403)   (152,082)     Tax paid   (26,1927)   207,895     Exchange fluctuation adjustment   (26,1927)   207,895     (332,068)   144,667   (332,068)     Net cash (used in)/ generated from operating activities   (2,899,863)   681,645     Cash Flows From Investing Activities   (2,899,863)   681,645     Purchase of property, plant & equipment   1,771,235   -     Proceeds from disposal of property, plant & equipment   -   7,030,000     Purchase of property, plant & equipment   -   7,030,000     Purchase of property, plant & equipment   -   7,030,000     Net cash (used in)' generated from investing activities   591,685   16,259     Net cash (used in)' generated from investing activities   -   203,748     Proceeds from disposal of marketable securities   -   202,172     Repayment of hire purchase   -   202,172     Repayment of hire purchase   -   202,172 <td< td=""><td></td><td></td><td></td></td<>				
Interest received Interest paid   206,230   222,773     Tax paid   (87,878)   (132,022)     Tax paid   (184,433)   (152,989)     Exchange fluctuation adjustment   (261,927)   207,895     Net cash (used in)/ generated from operating activities   (2,899,863)   681,645     Cash Flows From Investing Activities   (3,478,230)   (3,091,669)     Proceeds from disposal of property, plant and equipment   1,771,235   -     Proceeds from disposal of marketable securities   (444,293)   -     Proceeds from disposal of marketable securities   591,685   16,259     Net cash outflow from acquisition of subsidiary companies   -   203,748     Net cash (used in)/ generated from investing activities   (1,559,603)   4,158,338     Cash Flows From Financing activities   -   478,427     Proceeds from issue of shares   -   478,427     Drawndown of hire purchase payables   (6,49,04)   (461,616)     Repayment of biror wings   (6,111,832)   (428,190)     (Increase)/ Decrease of fixed deposit pledge   1,726,338   -     Dividend paid to shareholders   -   629,576)     Net cash u				
Interest received Interest paid   206,230   222,773     Tax paid   (87,878)   (132,022)     Tax paid   (184,433)   (152,989)     Exchange fluctuation adjustment   (261,927)   207,895     Net cash (used in)/ generated from operating activities   (2,899,863)   681,645     Cash Flows From Investing Activities   (3,478,230)   (3,091,669)     Proceeds from disposal of property, plant and equipment   1,771,235   -     Proceeds from disposal of marketable securities   (444,293)   -     Proceeds from disposal of marketable securities   591,685   16,259     Net cash outflow from acquisition of subsidiary companies   -   203,748     Net cash (used in)/ generated from investing activities   (1,559,603)   4,158,338     Cash Flows From Financing activities   -   478,427     Proceeds from issue of shares   -   478,427     Drawndown of hire purchase payables   (6,49,04)   (461,616)     Repayment of biror wings   (6,111,832)   (428,190)     (Increase)/ Decrease of fixed deposit pledge   1,726,338   -     Dividend paid to shareholders   -   629,576)     Net cash u				
Interest paid     (87,878)     (132,022)       Tax paid     (188,493)     (152,989)       Exchange fluctuation adjustment     (261,927)     207,895       Net cash (used in)/ generated from operating activities     (2,899,863)     681,645       Cash Flows From Investing Activities     (3,478,230)     (3,091,669)       Proceeds from disposal of property, plant & equipment     1,771,235     -       Proceeds from disposal of associated company     -     7,030,000       Purchase of Company's own shares     (444,293)     -       Proceeds from disposal of marketable securities     591,685     16,259       Net cash outflow from acquisition of subsidiary companies     -     203,748       Net cash outflow from acquisition of subsidiary companies     -     202,172       Drawndown of hire purchase     -     202,172       Repayment of hire purchase     -     202,172       Drawndown of hire purchase payables     (64,111,832)     (428,190)	Cash (used in)/ generated from operations	(2,567,795)	535,988	
Tax paid     (188,493)     (152,989)       Exchange fluctuation adjustment     (261,927)     207,895       (332,068)     145,657       Net cash (used in)/ generated from operating activities     (2,899,863)     681,645       Cash Flows From Investing Activities     (3,478,230)     (3,091,669)       Purchase of property, plant and equipment     (3,478,230)     (3,091,669)       Purcoceeds from disposal of property, plant & equipment     1,771,235     -       Proceeds from disposal of associated company     -     7,030,000       Purchase of Company's own shares     (444,293)     -       Proceeds from disposal of marketable securities     591,685     16,259       Net cash (used in)' generated from investing activities     (1,559,603)     4,158,338       Cash Flows From Financing activities     -     202,172       Proceeds from issue of shares     -     202,172       Proceeds from financing activities     -     202,172       Proceeds from financing activities     -     202,172       Decrease of fixed deposit pledge     1,726,338     -       Dividend paid to shareholders     -     203,761 <td></td> <td></td> <td></td>				
Exchange fluctuation adjustment     (261,927)     207,895       (332,068)     145,657       Net cash (used in)/ generated from operating activities     (2,899,863)     681,645       Cash Flows From Investing Activities     (3,478,230)     (3,091,669)       Proceeds from disposal of property, plant & equipment     1,771,235     -       Proceeds from disposal of associated company     -     7,030,000       Purchase of Company's own shares     (444,293)     -       Proceeds from disposal of marketable securities     591,685     16,259       Net cash (used in)/ generated from investing activities     -     203,748       Proceeds from fissue of shares     -     202,172       Repayment of bire purchase     -     -       Dividend paid to shareholders     -	•			
(332,068)   145,657     Net cash (used in)/ generated from operating activities   (2,899,863)   681,645     Cash Flows From Investing Activities   (3,478,230)   (3,091,669)     Purchase of property, plant and equipment   (3,478,230)   (3,091,669)     Proceeds from disposal of property, plant & equipment   1,771,235   -     Proceeds from disposal of associated company   -   7,030,000     Purchase of Company's own shares   (444,293)   -     Proceeds from disposal of marketable securities   591,685   16,259     Net cash outflow from acquisition of subsidiary companies   -   203,748     Net cash form fisue of shares   -   478,427     Drawndown of hire purchase   -   202,172     Repayment of bire purchase payables   (6,111,832)   (428,190)     (Increase)/ Decrease of fixed deposit pledge   1,726,338   -     Dividend paid to shareholders   -   -   629,576)     Net cash used in financing activities   (4,450,398)   (638,783)     Net (decrease)/ increase in cash and cash equivalents   (8,909,864)   4,001,200     Cash and cash equivalents at end of period comprises:   -   -   <				
Cash Flows From Investing Activities   (3,478,230)   (3,091,669)     Purchase of property, plant and equipment   1,771,235   -     Proceeds from disposal of associated company   -   7,030,000     Purchase of Company's own shares   (444,293)   -     Proceeds from disposal of marketable securities   591,685   16,259     Net cash outflow from acquisition of subsidiary companies   -   203,748     Net cash (used in)/ generated from investing activities   (1,559,603)   4,158,338     Cash Flows From Financing activities   -   478,427     Drawndow of hire purchase payables   (64,904)   (461,616)     Repayment of horrowings   (6,111,832)   (428,190)     (Increase)/ Decrease of fixed deposit pledge   -   202,172     Repayment of horrowings   (6,111,832)   (428,190)     (Increase)/ Decrease of fixed deposit pledge   -   (229,576)     Net cash used in financing activities   (8,909,864)   4,001,200     Cash and cash equivalents at end of period comprises:   22,067,442   17,112,844     Cash and cash equivalents at end of period comprises:   3,462,975   -     Cash and cash equivalents at end of period comprises:				
Purchase of property, plant and equipment(3,478,230)(3,091,669)Proceeds from disposal of property, plant & equipment1,771,235-Proceeds from disposal of associated company-7,030,000Purchase of Company's own shares(444,293)-Proceeds from disposal of marketable securities591,68516,259Net cash outflow from acquisition of subsidiary companies-203,748Net cash (used in/) generated from investing activities(1,559,603)4,158,338Cash Flows From Financing activities-478,427Proceeds from issue of shares-478,427Drawndown of hire purchase-202,172Repayment of bire purchase payables(64,904)(461,616)Repayment of borrowings(6,111,832)(428,190)(Increase) / Decrease of fixed deposit pledgeDividend paid to shareholders-(629,576)Net cash used in financing activities(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of period comprises:3,462,975-Cash and bank balances5,596,9716,105,2985,197,632Short term marketable securities3,462,975-Fixed deposits pledged to licensed banks1,12,577824,621,972Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)	Net cash (used in)/ generated from operating activities	(2,899,863)	681,645	
Proceeds from disposal of property, plant & equipment1,771,235-Proceeds from disposal of associated company-7,030,000Purchase of Company's own shares(444,293)-Proceeds from disposal of marketable securities591,68516,259Net cash outflow from acquisition of subsidiary companies-203,748Net cash (used in)/ generated from investing activities(1,559,603)4,158,338Cash Flows From Financing activitiesProceeds from issue of shares-478,427Drawndown of hire purchase-202,172Repayment of hire purchase payables(64,904)(461,616)Repayment of borrowings(6,111,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholders-(629,576)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at end of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year3,462,975-Cash and cash equivalents at end of financial year9,059,9466,105,298Short term marketable securities3,462,975-Fixed deposits placed with licensed banks5,197,63218,516,674Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)	Cash Flows From Investing Activities			
Proceeds from disposal of associated company-7,030,000Purchase of Company's own shares(444,293)-Proceeds from disposal of marketable securities591,68516,259Net cash outflow from acquisition of subsidiary companies-203,748Net cash outflow from acquisition of subsidiary companies-203,748Net cash outflow from acquisition of subsidiary companies-203,748Net cash outflow from acquisition of subsidiary companies-478,427Drawndown of hire purchase-202,172Repayment of hire purchase payables(64,904)(461,616)Repayment of borrowings(61,11,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholders-(629,576)Net cash used in financing activities(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of period comprises:3,462,975-Cash and cash equivalents at end of period comprises:9,059,9466,105,298Short term marketable securities3,462,975Fixed deposits placed with licensed banks14,257,57824,821,972Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)			(3,091,669)	
Purchase of Company's own shares(444,293)Proceeds from disposal of marketable securities591,68516,259Net cash outflow from acquisition of subsidiary companies-203,748Net cash (used in)/ generated from investing activities(1,559,603)4,158,338Cash Flows From Financing activities-478,427Proceeds from issue of shares-478,427Drawndown of hire purchase-202,172Repayment of hire purchase payables(64,904)(461,616)Repayment of borrowings(64,904)(461,616)Repayment of borrowings(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholdersOtash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year22,067,44217,112,844Cash and cash equivalents at end of period comprises:-9,059,9466,105,298Short term marketable securities3,462,975Fixed deposits placed with licensed banks5,197,63218,516,674-Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)		1,771,235	- 7 020 000	
Proceeds from disposal of marketable securities591,68516,259Net cash outflow from acquisition of subsidiary companies-203,748Net cash (used in)/ generated from investing activities(1,559,603)4,158,338Cash Flows From Financing activitiesProceeds from issue of shares-478,427Drawndown of hire purchase-202,172Repayment of bire purchase payables(64,904)(461,616)Repayment of borrowings(6,111,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholders-(629,576)Net cash used in financing activities(8,909,864)4,001,200Cash and cash equivalents at end of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year5,596,9716,105,298Cash and cash equivalents at end of period comprises:9,059,9466,105,298Cash and bank balances5,197,63218,516,674Short term marketable securities5,197,63218,516,674Fixed deposits placed with licensed banks5,197,57824,621,972Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)		(444,293)	-	
Net cash (used in)/ generated from investing activities(1,559,603)4,158,338Cash Flows From Financing activities478,427Proceeds from issue of shares-202,172Repayment of hire purchase(64,904)(461,616)Repayment of borrowings(6,111,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholders-(629,576)Net cash used in financing activities(4,450,398)(838,783)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of period comprises:3,462,975-Cash and bank balances5,596,9716,105,298Short term marketable securities3,462,975-Fixed deposits placed with licensed banks5,197,63218,516,674Less: Fixed deposits placed to licensed banks(1,100,000)(3,507,928)			16,259	
Cash Flows From Financing activitiesProceeds from issue of shares-478,427Drawndown of hire purchase-202,172Repayment of hire purchase payables(64,904)(461,616)Repayment of borrowings(6,111,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholders-(629,576)Net cash used in financing activities(4,450,398)(838,783)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of period comprises:3,462,975-Cash and bank balances5,596,9716,105,298Short term marketable securities9,059,9466,105,298Fixed deposits placed with licensed banks5,197,63218,516,674Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)				
Proceeds from issue of shares     -     478,427       Drawndown of hire purchase     -     202,172       Repayment of hire purchase payables     (64,904)     (461,616)       Repayment of borrowings     (64,11,832)     (428,190)       (Increase)/ Decrease of fixed deposit pledge     1,726,338     -       Dividend paid to shareholders     -     (629,576)       Net cash used in financing activities     (4,450,398)     (838,783)       Net (decrease)/ increase in cash and cash equivalents     (8,909,864)     4,001,200       Cash and cash equivalents at beginning of financial year     22,067,442     17,112,844       Cash and cash equivalents at end of period comprises:     22,067,442     17,112,844       Cash and cash equivalents at end of period comprises:     -     -       Cash and cash equivalents at end of period comprises:     -     -       Cash and bank balances     5,596,971     6,105,298       Short term marketable securities     -     -       9,059,946     6,105,298     -       Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972 <t< td=""><td>Net cash (used in)/ generated from investing activities</td><td>(1,559,603)</td><td>4,158,338</td></t<>	Net cash (used in)/ generated from investing activities	(1,559,603)	4,158,338	
Drawndown of hire purchase     -     202,172       Repayment of hire purchase payables     (64,904)     (461,616)       Repayment of borrowings     (61,11,832)     (428,190)       (Increase)/ Decrease of fixed deposit pledge     1,726,338     -       Dividend paid to shareholders     -     (629,576)       Net cash used in financing activities     (4,450,398)     (838,783)       Net (decrease)/ increase in cash and cash equivalents     (8,909,864)     4,001,200       Cash and cash equivalents at beginning of financial year     22,067,442     17,112,844       Cash and cash equivalents at end of financial year     21,114,044     21,114,044       Cash and cash equivalents at end of period comprises:     -     -       Cash and cash equivalents at end of period comprises:     -     -       Cash and bank balances     5,596,971     6,105,298       Short term marketable securities     3,462,975     -       9,059,946     6,105,298     -       Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972     -       Less: Fixed deposits pledged to licensed banks     (	-			
Repayment of hire purchase payables(64,904)(461,616)Repayment of borrowings(6,111,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338(629,576)Dividend paid to shareholders(4,450,398)(838,783)Net cash used in financing activities(4,450,398)(838,783)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year21,114,04421,114,044Cash and cash equivalents at end of period comprises:3,462,975-Cash and bank balances5,596,9716,105,298Short term marketable securities9,059,9466,105,298Fixed deposits placed with licensed banks14,257,57824,621,972Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)		-		
Repayment of borrowings(6,111,832)(428,190)(Increase)/ Decrease of fixed deposit pledge1,726,338-Dividend paid to shareholders-(629,576)Net cash used in financing activities(4,450,398)(838,783)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year13,157,57821,114,044Cash and cash equivalents at end of period comprises:3,462,975-Cash and bank balances5,596,9716,105,298Short term marketable securities9,059,9466,105,298Fixed deposits placed with licensed banks14,257,57824,621,972Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)	•	(64,904)	,	
Dividend paid to shareholders-(629,576)Net cash used in financing activities(4,450,398)(838,783)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year13,157,57821,114,044Cash and cash equivalents at end of period comprises:5,596,9716,105,298Cash and bank balances3,462,975-Short term marketable securities9,059,9466,105,298Fixed deposits placed with licensed banks5,197,63218,516,674Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)				
Net cash used in financing activities(4,450,398)(838,783)Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year13,157,57821,114,044Cash and cash equivalents at end of period comprises:5,596,9716,105,298Cash and bank balances3,462,975-Short term marketable securities9,059,9466,105,298Fixed deposits placed with licensed banks5,197,63218,516,674Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)		1,726,338	-	
Net (decrease)/ increase in cash and cash equivalents(8,909,864)4,001,200Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year13,157,57821,114,044Cash and cash equivalents at end of period comprises:2,067,44217,112,844Cash and cash equivalents at end of period comprises:3,462,975-Cash and bank balances5,596,9716,105,298Short term marketable securities3,462,975-Fixed deposits placed with licensed banks5,197,63218,516,674Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)		- (4,450,398)		
Cash and cash equivalents at beginning of financial year22,067,44217,112,844Cash and cash equivalents at end of financial year13,157,57821,114,044Cash and cash equivalents at end of period comprises: Cash and bank balances5,596,9716,105,298Short term marketable securities3,462,975-9,059,9466,105,2989,059,9466,105,298Fixed deposits placed with licensed banks5,197,63218,516,67414,257,57824,621,97214,257,57824,621,972Less: Fixed deposits pledged to licensed banks(1,100,000)(3,507,928)	-	<u>_</u>	<u> </u>	
Cash and cash equivalents at end of financial year     13,157,578     21,114,044       Cash and cash equivalents at end of period comprises:     5,596,971     6,105,298       Cash and bank balances     5,396,975     -       Short term marketable securities     3,462,975     -       Fixed deposits placed with licensed banks     5,197,632     18,516,674       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)	. ,			
Cash and cash equivalents at end of period comprises:     5,596,971     6,105,298       Cash and bank balances     3,462,975     -       Short term marketable securities     3,462,975     -       9,059,946     6,105,298       Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)				
Cash and bank balances     5,596,971     6,105,298       Short term marketable securities     3,462,975     -       9,059,946     6,105,298     -       Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)		, ,	, ,	
Short term marketable securities     3,462,975     -       9,059,946     6,105,298     -       Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972     24,621,972       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)	Cash and cash equivalents at end of period comprises:			
9,059,946     6,105,298       Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)			6,105,298	
Fixed deposits placed with licensed banks     5,197,632     18,516,674       14,257,578     24,621,972       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)	Short term marketable securities		-	
14,257,578     24,621,972       Less: Fixed deposits pledged to licensed banks     (1,100,000)     (3,507,928)	Fixed deposits placed with licensed banks			
<u>    13,157,578    21,114,044  </u>	Less: Fixed deposits pledged to licensed banks			
		13,157,578	21,114,044	

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with Audited Financial Statements for the year ended 31 December 2007)

GHL SYSTEMS BERHAD								
CONSOLIDATED STATEMENT OF CHANGES IN EQUIT								
QUARTERLY REPORT ON CONSOLIDATED RESULTS	FOR THE SECOND Q	UARTER ENDED 30 JUNE	E 2008					
THE FIGURES HAVE NOT BEEN AUDITED								
						Total		
	Share	Foreign Exchange	ESOS	Treasury	Retained	Shareholders'	Minority	Total
	Capital	Reserves	Reserves	Shares	Profits	Equity	Interest	Equity
	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2007	62,478,744	20,334	343,967	-	27,753,449	90,596,494	1,618	90,598,112
Arising from acquisition of shares in								
subsidiary companies	-	-	-	-	-	-	(1,582)	(1,582)
Foreign exchange differences, representing								
net loss not recognised in income statement	-	207,894		-	-	207,894	-	207,894
La	170 107					470.407		-
Issue of shares pursuant to ESOS	478,427	-	-	-	-	478,427	-	478,427
Bonus Issue	C 205 74 C				(6.005.746)	-		-
Bonus issue	6,295,716				(6,295,716)	-		-
Dividend					(629,576)	(629,576)		(629,576)
Dividend					(023,370)	(023,370)		(023,570)
Net profit for the financial year	-	-	-	-	3,766,043	3,766,043	-	3,766,043
					0,700,040	0,700,040		0,700,040
At 30 June 2007	69,252,887	228,228	343,967	-	24,594,200	94,419,282	36	94,419,318
			,					• ., •,• . •
At 1 January 2008	69,431,108	241,943	576,521	-	21,677,072	91,926,644	9,653	91,936,297
		/	,-		/- /-		- /	- ,, -
Foreign exchange differences, representing net income	-	(261,927)	-	-	-	(261,927)	-	(261,927)
not recognised in income statement								· · · · · · · · · · · · · · · · · · ·
								-
Issue of shares pursuant to ESOS	-	-	-	-	-	-	-	
								-
Treasury Shares	-	-	-	(444,293)	-	(444,293)	-	(444,293)
Net loss for the financial year	-	-	-	-	(1,998,642)	(1,998,642)	-	(1,998,642)
At 30 June 2008	69,431,108	(19,984)	576,521	(444,293)	19,678,430	89,221,782	9,653	89,231,435
(The Condensed Consolidated Statement of Changes in E	quity should be read in	conjunction with Audited F	inancial Statements for	the year ended 31 Dece	ember 2007)			