



GHL SYSTEMS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011
THE FIGURES HAVE NOT BEEN AUDITED

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30/06/2011	30/06/2010	30/06/2011	30/06/2010
		RM	RM	RM	RM
Revenue	A8	17,032,246	13,009,033	32,592,213	26,246,238
Cost of sales		<u>(5,749,348)</u>	<u>(4,111,005)</u>	<u>(9,719,126)</u>	<u>(6,643,525)</u>
Gross profit		11,282,898	8,898,028	22,873,087	19,602,713
Other income		242,805	288,792	428,121	749,585
Administration expenses		(10,243,617)	(10,412,488)	(20,381,210)	(20,166,534)
Distribution costs		(953,512)	(1,219,691)	(1,825,278)	(2,203,112)
Other expenses		(155,137)	(152,101)	(350,368)	(358,195)
Finance cost		<u>(43,283)</u>	<u>(41,075)</u>	<u>(88,401)</u>	<u>(93,061)</u>
Profit/(Loss) before taxation		130,154	(2,638,535)	655,951	(2,468,605)
Income tax expense		-	(3,401)	-	(3,401)
Profit/(Loss) for the period		<u>130,154</u>	<u>(2,641,936)</u>	<u>655,951</u>	<u>(2,472,005)</u>
Attributable to:					
Equity holders of the parent		<u>130,154</u>	<u>(2,641,936)</u>	<u>655,951</u>	<u>(2,472,005)</u>
		<u>130,154</u>	<u>(2,641,936)</u>	<u>655,951</u>	<u>(2,472,005)</u>
Weighted average number of ordinary shares in issue		142,280,297	147,678,350	142,280,297	146,560,257
Nominal value per share		RM 0.50	RM 0.50	RM 0.50	RM 0.50
Earnings/(Loss) Per Ordinary Share					
- Basic (sen)	B14	0.09	(1.79)	0.46	(1.69)
- Diluted (sen)	B14	0.09	(1.79)	0.46	(1.69)
Profit/(Loss) for the period		130,154	(2,641,936)	655,951	(2,472,005)
Other comprehensive income, net of tax					
Foreign currency translation differences		59,885	(438,862)	59,885	(438,862)
Total comprehensive income for the period		<u>190,039</u>	<u>(3,080,798)</u>	<u>715,836</u>	<u>(2,910,867)</u>
Total comprehensive income attributable to:					
Equity holders of the parent		<u>190,039</u>	<u>(3,080,798)</u>	<u>715,836</u>	<u>(2,910,867)</u>
		<u>190,039</u>	<u>(3,080,798)</u>	<u>715,836</u>	<u>(2,910,867)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with Audited Financial Statements for the financial year ended 31 December 2010)



GHL SYSTEMS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011
THE FIGURES HAVE NOT BEEN AUDITED

	Note	AS AT CURRENT YEAR QUARTER 30/06/2011	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2010 (Audited)
		RM	RM
ASSETS			
Non-current assets			
Property, plant and equipment		38,969,192	45,153,939
Intangible Assets		168,082	-
Goodwill on consolidation		1,096,239	1,096,239
		<u>40,233,513</u>	<u>46,250,178</u>
Inventories		8,198,521	6,538,138
Trade receivables		14,934,452	13,173,391
Other receivables		2,916,229	5,773,194
Tax recoverable		64,295	129,077
Fixed deposits placed with licensed banks		3,391,465	2,121,037
Cash and bank balances		9,888,723	10,571,573
		<u>39,393,685</u>	<u>38,306,410</u>
TOTAL ASSETS		<u>79,627,198</u>	<u>84,556,588</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		72,901,050	72,901,050
Reserves		(10,052,082)	(10,767,918)
Treasury Shares		(638,221)	(638,221)
Total equity		<u>62,210,747</u>	<u>61,494,911</u>
Non-current liabilities			
Hire purchase payables	B9	92,436	43,721
Bank borrowings	B9	2,464,838	2,618,551
		<u>2,557,274</u>	<u>2,662,272</u>
Current liabilities			
Trade payables		3,091,241	5,246,194
Other payables		11,159,955	14,442,804
Hire purchase payables	B9	399,324	527,889
Bank borrowings	B9	208,657	182,518
		<u>14,859,177</u>	<u>20,399,405</u>
Total liabilities		<u>17,416,451</u>	<u>23,061,677</u>
TOTAL EQUITY AND LIABILITIES		<u>79,627,198</u>	<u>84,556,588</u>
Number of ordinary shares		145,802,100	145,802,100
NA per share (sen)		42.67	42.18

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with Audited Financial Statements for the financial year ended 31 December 2010)



GHL SYSTEMS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011
THE FIGURES HAVE NOT BEEN AUDITED

	CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/2011 RM	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2010 RM
Cash Flows From Operating Activities		
Profit/(Loss) before taxation	655,951	(2,468,604)
<i>Adjustment for :-</i>		
Bad debts written off	-	1,538,113
Depreciation of property, plant and equipment	6,229,205	4,886,652
Loss/(Gain) on disposal of property, plant and equipment	223,636	(206,224)
Interest expenses	88,401	93,061
Interest income	(89,356)	(72,781)
Gain on disposal of other investments	-	(17,461)
Unrealised Gain on foreign exchange	(186,830)	(240,905)
Inventories recovery	(59,515)	(64,795)
Property, plant and equipment written off	(1,475)	(128)
Property, plant and equipment written back	(2,570)	-
Reversal of allowance for doubtful debts no longer required	(352,628)	(1,177,014)
Operating profit before working capital changes	<u>6,504,819</u>	<u>2,269,914</u>
<i>Decrease/(Increase) in working capital</i>		
Inventories	(1,600,868)	(892,098)
Trade and other receivables	1,635,362	2,536,084
Trade and other payables	(5,437,801)	(5,188,429)
	<u>(5,403,307)</u>	<u>(3,544,443)</u>
Cash generated from/(used in) operations	1,101,512	(1,274,529)
Interest paid	(88,401)	(93,061)
Interest received	89,356	72,781
Tax refund/(paid)	64,782	(202,332)
Exchange fluctuation adjustment	59,885	(438,862)
	<u>125,622</u>	<u>(661,474)</u>
Net cash generated from/(used in) operating activities	<u>1,227,134</u>	<u>(1,936,003)</u>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(508,587)	(652,502)
Proceeds from disposal of property, plant and equipment	76,455	264,038
Proceeds from disposal of other investments	-	17,461
Net cash used in investing activities	<u>(432,132)</u>	<u>(371,003)</u>
Cash Flows from Financing Activities		
Repayment of borrowings	(127,574)	(131,168)
Repayment of hire purchase liabilities	(79,850)	(210,737)
Decrease in fixed deposit pledged	547,783	3,519
Net cash generated from/(used in) financing activities	<u>340,359</u>	<u>(338,386)</u>
Net increase/(decrease) in cash and cash equivalents	1,135,361	(2,645,392)
Cash and cash equivalents at beginning of financial period	<u>10,729,317</u>	<u>13,616,367</u>
Cash and cash equivalents at end of financial period	<u>11,864,678</u>	<u>10,970,975</u>
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	9,888,723	9,185,658
Fixed deposits with licensed banks	3,391,465	3,152,476
	<u>13,280,188</u>	<u>12,338,134</u>
Less: Fixed deposits pledged to licensed banks	(1,415,510)	(1,367,159)
	<u>11,864,678</u>	<u>10,970,975</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with Audited Financial Statements for the year ended 31 December 2010)



GHL SYSTEMS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011
THE FIGURES HAVE NOT BEEN AUDITED

	Share Capital RM	Foreign Exchange Reserves RM	ESOS Reserve RM	Treasury Shares RM	Retained Profits / (Accumulated Losses) RM	Total Shareholders' Equity RM
At 1 January 2010	69,431,108	(749,850)	35,364	(824)	7,874,971	76,590,769
Bonus Issue	3,469,942	-	-	-	(3,469,942)	-
Total loss for the financial period	-	(438,862)	-	-	(2,472,005)	(2,910,867)
At 30 June 2010	<u>72,901,050</u>	<u>(1,188,712)</u>	<u>35,364</u>	<u>(824)</u>	<u>1,933,024</u>	<u>73,679,902</u>
At 1 January 2011	72,901,050	(1,255,024)	257,915	(638,221)	(9,770,809)	61,494,911
Total comprehensive income for the financial period	-	59,885	-	-	655,951	715,836
At 30 June 2011	<u>72,901,050</u>	<u>(1,195,139)</u>	<u>257,915</u>	<u>(638,221)</u>	<u>(9,114,858)</u>	<u>62,210,747</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with Audited Financial Statements for the financial year ended 31 December 2010)