



GHL SYSTEMS BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

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
		30/09/2014 RM'000	30/09/2013 RM'000	30/09/2014 RM'000	30/09/2013 RM'000
Revenue *	A8	45,741	17,251	115,800	50,973
Cost of sales *		(28,058)	(6,715)	(67,424)	(20,154)
<b>Gross profit</b>		<b>17,683</b>	<b>10,536</b>	<b>48,376</b>	<b>30,819</b>
Other operating income		227	450	2,517	725
Payroll expenses		(8,576)	(5,914)	(25,377)	(17,260)
Administration expenses		(1,174)	(1,699)	(7,301)	(4,715)
Distribution costs		(3,255)	(543)	(5,021)	(1,599)
Other expenses		(284)	(45)	(938)	(270)
<b>Profit before interest, taxation, amortisation &amp; depreciation</b>		<b>4,621</b>	<b>2,785</b>	<b>12,256</b>	<b>7,700</b>
Depreciation expenses		(1,183)	(661)	(3,200)	(2,025)
Finance cost		(506)	(50)	(1,068)	(147)
Share of results of associated companies		41	-	89	-
<b>Profit before taxation</b>		<b>2,973</b>	<b>2,074</b>	<b>8,077</b>	<b>5,528</b>
Income tax expense		(1,211)	(67)	(1,732)	37
<b>Profit for the period</b>		<b>1,762</b>	<b>2,007</b>	<b>6,345</b>	<b>5,565</b>
<b>Attributable to:</b>					
Owners of the Company		1,820	2,023	6,406	5,606
Non-controlling interest		(58)	(16)	(61)	(41)
		<b>1,762</b>	<b>2,007</b>	<b>6,345</b>	<b>5,565</b>
Earnings Per Ordinary Share					
- Basic (sen)	B15	0.43	1.18	1.68	3.52
- Diluted (sen)	B15	0.42	1.18	1.65	3.52
<b>Profit for the period</b>		<b>1,762</b>	<b>2,007</b>	<b>6,345</b>	<b>5,565</b>
Other comprehensive income, net of tax					
Foreign currency translation differences		657	84	612	84
<b>Total comprehensive income for the period</b>		<b>2,419</b>	<b>2,091</b>	<b>6,957</b>	<b>5,649</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		2,477	2,107	7,018	5,690
Non-controlling interest		(58)	(16)	(61)	(41)
		<b>2,419</b>	<b>2,091</b>	<b>6,957</b>	<b>5,649</b>

Note: \* Comparatives have been presented to conform with current year presentation.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with Audited Financial Statements for the financial year ended 31 December 2013)



GHL SYSTEMS BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

THE FIGURES HAVE NOT BEEN AUDITED

<u>Note</u>	AS AT CURRENT YEAR QUARTER 30/09/2014 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2013 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	36,771	32,807
Goodwill on consolidation	51,529	-
Intangible assets	4,534	4,219
Other investment	8,163	-
Deferred tax assets	2,463	2,443
	103,460	39,469
<b>Current assets</b>		
Inventories	53,692	6,596
Trade receivables	17,130	12,406
Other receivables	15,208	1,752
Tax recoverable	1,935	646
Fixed deposits placed with licensed banks	21,675	117
Cash and bank balances	22,632	13,980
	132,272	35,497
<b>TOTAL ASSETS</b>	235,732	74,966
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	84,918	37,077
Reserves	82,654	19,789
Treasury Shares	(638)	(638)
<b>Equity attributable to equity holders of the parent</b>	166,934	56,228
Non controlling interest	(172)	(117)
<b>Total equity</b>	166,762	56,111
<b>Non-current liabilities</b>		
Hire purchase payables	B9 2,664	366
Bank borrowing	B9 4,699	-
Deferred tax liability	1,167	295
Deferred income	-	3,175
	8,530	3,836
<b>Current liabilities</b>		
Trade payables	12,893	1,489
Other payables	19,260	10,641
Deferred income	183	1,849
Hire purchase payables	B9 849	608
Bank borrowings	B9 27,255	-
Tax payable	-	432
	60,440	15,019
<b>Total liabilities</b>	68,970	18,855
<b>TOTAL EQUITY AND LIABILITIES</b>	235,732	74,966
Net assets per share (sen)	39.45	30.56

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with Audited Financial Statements for the financial year ended 31 December 2013)



**GHL SYSTEMS BERHAD**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014**

**THE FIGURES HAVE NOT BEEN AUDITED**

	Share Capital RM'000	Share Premium RM'000	Exchange Translation Reserve RM'000	Share Options Reserve RM'000	Treasury Shares RM'000	Retained Profits / (Accumulated Losses) RM'000	Total Attributable To Owners Of The Parent RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2013	73,401	-	(516)	-	(638)	(30,936)	41,311	(18)	41,293
Issuance of ordinary shares	(44,041)	-	-	-	-	44,041	-	-	-
Right issue	7,270	-	-	-	-	-	7,270	-	7,270
Total comprehensive income for the year	-	1,454	84	-	-	5,606	7,144	(42)	7,102
At 30 September 2013	<u>36,630</u>	<u>1,454</u>	<u>(432)</u>	<u>-</u>	<u>(638)</u>	<u>18,711</u>	<u>55,725</u>	<u>(60)</u>	<u>55,665</u>
At 1 January 2014	37,077	1,990	(1,215)	646	(638)	18,368	56,228	(117)	56,111
Share swap to acquire a subsidiary	30,120	36,145	-	-	-	-	66,265	-	66,265
Issuance of ordinary shares	16,825	18,508	-	-	-	-	35,333	-	35,333
Issuance of ordinary shares pursuant to ESS	896	626	-	-	-	-	1,522	-	1,522
Share option granted under ESS	-	-	-	568	-	-	568	-	568
Total comprehensive income for the year	-	-	612	-	-	6,406	7,018	(61)	6,957
Forex exchange differences	-	-	-	-	-	-	-	6	6
At 30 September 2014	<u>84,918</u>	<u>57,269</u>	<u>(603)</u>	<u>1,214</u>	<u>(638)</u>	<u>24,774</u>	<u>166,934</u>	<u>(172)</u>	<u>166,762</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 2013)



**GHL SYSTEMS BERHAD**

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	<b>CURRENT YEAR TO DATE 30/09/2014 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/09/2013 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	8,077	5,528
<b>Adjustment for:-</b>		
Amortisation of development cost	823	-
Bad debts written-off	3	4
Depreciation of property, plant and equipment	7,645	6,128
Impairment loss on receivables	100	-
Interest expense	1,068	147
Interest income	(344)	(146)
Inventories written back	(41)	-
Loss/(Gain) on disposal of property, plant and equipment	41	(5)
Property, plant and equipment written-off	-	4
Property, plant and equipment written back	-	(29)
Reversal of impairment on trade receivables	(94)	(103)
Share options granted under ESS	568	-
Share of gain from an associate	(89)	-
Unrealised gain on foreign exchange	(320)	(36)
<b>Operating profit before working capital changes</b>	<u>17,437</u>	<u>11,492</u>
<b>(Increase)/Decrease in working capital</b>		
Inventories	(22,670)	(827)
Trade and other receivables	(503)	895
Trade and other payables	(5,074)	(5,091)
Advance receipt from deferred income	(4,841)	-
	<u>(33,088)</u>	<u>(5,023)</u>
<b>Cash generated from operations</b>	(15,651)	6,469
Interest received	344	146
Interest paid	(1,068)	(147)
Tax paid	(460)	(292)
	<u>(1,184)</u>	<u>(293)</u>
<b>Net cash from operating activities</b>	<u>(16,835)</u>	<u>6,176</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(2,099)	(8,465)
Proceeds from disposal of property, plant and equipment	319	40
Addition in intangible assets	(1,047)	(1,950)
Acquisition of subsidiary for cash, net cash acquired	19,069	-
<b>Net cash used in investing activities</b>	<u>16,242</u>	<u>(10,375)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of shares	-	8,723
Net proceeds from other investment	(40)	-
Net proceeds from share issues - Cycas	35,333	-
Proceeds from issuance of shares-ESOS	1,521	-
(Increase)/Decrease in fixed deposits pledged	(5,211)	985
Drawdown of hire purchase	2,946	200
Repayment of hire purchase payables	(949)	(651)
Drawdown of bank borrowings	80,229	770
Repayment of bank borrowings	(87,898)	(1,430)
<b>Net cash used in financing activities</b>	<u>25,931</u>	<u>8,597</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	25,338	4,398
<b>Effect of exchange rate fluctuation</b>	(339)	(235)
<b>Cash and cash equivalents at beginning of the finance period</b>	<u>13,997</u>	<u>15,459</u>
<b>Cash and cash equivalents at end of the finance period</b>	<u>38,996</u>	<u>19,622</u>
<b>Cash and cash equivalents at end of the finance year:-</b>		
Cash and bank balances	22,632	19,336
Fixed deposits with licensed banks	21,675	835
	<u>44,307</u>	<u>20,171</u>
Less: Fixed deposits pledged to licensed banks	(5,311)	(549)
	<u>38,996</u>	<u>19,622</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with Audited Financial Statements for the financial year ended 31 December 2013)