



**GHL SYSTEMS BERHAD**

**Company No: 199401007361 (293040-D)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2020  
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR	PRECEDING YEAR	CURRENT	PRECEDING YEAR
		QUARTER	CORRESPONDING QUARTER	YEAR TO DATE	CORRESPONDING PERIOD
		30.06.2020	30.06.2019	30.06.2020	30.06.2019
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	70,094	85,895	155,192	172,433
Cost of sales		<u>(38,386)</u>	<u>(49,287)</u>	<u>(86,870)</u>	<u>(99,553)</u>
<b>Gross profit</b>		<b>31,708</b>	<b>36,608</b>	<b>68,322</b>	<b>72,880</b>
Other operating income		2,131	2,164	3,523	4,337
Administration expenses		(25,672)	(21,043)	(54,646)	(42,977)
Distribution costs		(2,411)	(5,228)	(5,758)	(10,995)
Other operating expenses		(15,097)	(1,333)	(16,824)	(2,318)
Finance cost		(265)	(729)	(914)	(1,336)
Share of results of associated companies		(103)	(149)	(101)	(319)
<b>(Loss)/Profit before taxation</b>		<u>(9,709)</u>	<u>10,290</u>	<u>(6,398)</u>	<u>19,272</u>
Income tax expense		(2,233)	(3,496)	(4,460)	(6,359)
<b>(Loss)/Profit for the period</b>		<u><b>(11,942)</b></u>	<u><b>6,794</b></u>	<u><b>(10,858)</b></u>	<u><b>12,913</b></u>
<b>Attributable to:</b>					
Owners of the Company		(5,909)	7,166	(4,595)	13,512
Non-controlling interest		<u>(6,033)</u>	<u>(372)</u>	<u>(6,263)</u>	<u>(599)</u>
		<u><b>(11,942)</b></u>	<u><b>6,794</b></u>	<u><b>(10,858)</b></u>	<u><b>12,913</b></u>
Earnings Per Ordinary Share					
- Basic (sen)	B9	(0.80)	0.97	(0.62)	1.83
- Diluted (sen)	B9	(0.80)	0.96	(0.62)	1.82
<b>(Loss)/Profit for the period</b>		(11,942)	6,794	(10,858)	12,913
Other comprehensive (loss)/ income, net of tax					
Foreign currency translation differences		4,321	(1,395)	440	(1,395)
<b>Total comprehensive (loss)/ income for the period</b>		<u><b>(7,621)</b></u>	<u><b>5,399</b></u>	<u><b>(10,418)</b></u>	<u><b>11,518</b></u>
<b>Total comprehensive (loss)/income attributable to:</b>					
Owners of the Company		(1,587)	5,771	(4,155)	12,117
Non-controlling interest		<u>(6,034)</u>	<u>(372)</u>	<u>(6,263)</u>	<u>(599)</u>
		<u><b>(7,621)</b></u>	<u><b>5,399</b></u>	<u><b>(10,418)</b></u>	<u><b>11,518</b></u>

*(The condensed consolidated statement of comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)*



**GHL SYSTEMS BERHAD**  
**Company No: 199401007361 (293040-D)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	AS AT 30.06.2020 (Unaudited) RM'000	AS AT 31.12.2019 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	111,738	106,323
Goodwill	168,639	179,971
Intangible assets	1,301	1,433
Investment in joint ventures and an associate	206	307
Deferred tax assets	3,611	3,749
	<u>285,495</u>	<u>291,783</u>
<b>Current assets</b>		
Inventories	61,259	63,895
Trade receivables	68,097	54,676
Other receivables	64,542	56,496
Current tax assets	4,448	4,473
Other investment	75,159	53,271
Cash and bank balances	119,775	138,627
	<u>393,280</u>	<u>371,438</u>
<b>TOTAL ASSETS</b>	<u>678,775</u>	<u>663,221</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	349,216	330,200
Reserves	(6,416)	(8,639)
Retained earnings	116,005	120,889
<b>Equity attributable to owners of the parent</b>	<u>458,805</u>	<u>442,450</u>
Non controlling interest	150	6,413
<b>Total equity</b>	<u>458,955</u>	<u>448,863</u>
<b>Non-current liabilities</b>		
Bank borrowing	17,236	19,624
Contract liabilities	171	-
Lease liabilities	5,389	8,402
Employee benefits obligations	1,552	1,396
Deferred tax liabilities	4,716	4,896
	<u>29,064</u>	<u>34,318</u>
<b>Current liabilities</b>		
Trade payables	46,892	34,989
Other payables	118,923	124,765
Contract liabilities	5,542	4,105
Lease liabilities	7,326	6,907
Bank borrowings	7,219	6,580
Current tax liabilities	4,854	2,694
	<u>190,756</u>	<u>180,040</u>
<b>Total liabilities</b>	<u>219,820</u>	<u>214,358</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>678,775</u>	<u>663,221</u>
Net assets per share (sen)	60.43	59.95

*(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)*



**GHL SYSTEMS BERHAD**  
**Company No: 199401007361 (293040-D)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 JUNE 2020**  
*(THE FIGURES HAVE NOT BEEN AUDITED)*

	Share Capital RM'000	Retirement benefit Reserve RM'000	ESS Shares RM'000	Exchange Reserve RM'000	Share Options Reserve RM'000	Treasury Shares RM'000	Retained Profits / (Accumulated Losses) RM'000	Equity Attributable To Owners Of The Parent RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2019	314,344	-	-	(1,456)	1,001	-	92,336	406,225	170	406,395
Effects of MFRS 16	-	-	-	-	-	-	(218)	(218)	-	(218)
At 1 January 2019 (Restated)	314,344	-	-	(1,456)	1,001	-	92,118	406,007	170	406,177
Issuance of ordinary shares	14,388	-	-	-	-	-	-	14,388	-	14,388
Share options granted under ESS	1,234	-	-	-	569	-	-	1,803	-	1,803
Revaluation reserve - allocated goodwill	-	-	-	-	-	-	-	-	8,017	8,017
Total comprehensive income for the year	-	-	-	(1,395)	-	-	13,512	12,117	(599)	11,518
At 30 June 2019	329,966	-	-	(2,851)	1,570	-	105,630	434,315	7,588	441,903
At 1 January 2020	330,200	59	(11,161)	261	2,202	-	120,889	442,450	6,413	448,863
Issuance of ordinary shares	19,016	-	-	-	-	-	-	19,016	-	19,016
Share option granted under ESS	-	-	3,782	-	(283)	-	(289)	3,210	-	3,210
Total comprehensive loss for the year	-	-	-	(1,276)	-	-	(4,595)	(5,871)	(6,263)	(12,134)
At 30 June 2020	349,216	59	(7,379)	(1,015)	1,919	-	116,005	458,805	150	458,955

*(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)*



**GHL SYSTEMS BERHAD**

Company No: 199401007361 (293040-D)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2020  
(THE FIGURES HAVE NOT BEEN AUDITED)**

	<b>CURRENT YEAR TO DATE 30.06.2020 RM'000</b>	<b>PRECEDING YEAR TO DATE 30.06.2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/ Profit before taxation	(6,398)	19,272
<b>Adjustment for:-</b>		
Amortisation of development cost	132	132
Amortisation of contract liabilities	(4,057)	(1,038)
Depreciation of property, plant and equipment	16,084	14,567
Impairment loss on property, plant and equipment	2,100	-
Impairment loss on goodwill on consolidation	11,332	-
Impairment loss on receivables	2,553	460
Impairment loss on inventories	122	-
Interest expense	914	1,336
Interest income	(1,311)	(1,634)
Inventories written off/ (back)	215	15
Loss/(Gain) on disposal of property, plant and equipment	191	(1,512)
Fair value loss on contingent consideration	6,141	-
Property, plant and equipment written-off	773	173
Reversal of impairment on trade receivables	(1,611)	(145)
Share options granted under ESS	287	569
Share of loss from an associate	101	319
Unrealised loss/ (gain) on foreign exchange	(280)	(135)
<b>Operating profit before working capital changes</b>	<b>27,288</b>	<b>32,379</b>
<b>(Increase)/Decrease in working capital</b>		
Inventories	5,664	(6,408)
Trade and other receivables	(2,202)	16,332
Trade and other payables	344	(20,376)
Lease liabilities	-	(302)
Advance receipt from contract liabilities	4,703	1,228
Employee benefits obligations	71	-
	<b>8,580</b>	<b>(9,526)</b>
<b>Cash generated from operations</b>	<b>35,868</b>	<b>22,853</b>
Interest received	1,311	1,634
Interest paid	(561)	(1,336)
Tax paid	(5,768)	1,008
Tax refund	3,418	-
	<b>(1,600)</b>	<b>1,306</b>
<b>Net cash from operating activities</b>	<b>34,268</b>	<b>24,159</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(25,652)	(23,702)
Purchase of other investment	-	(318)
Proceeds from disposal of property, plant and equipment	297	3,108
Addition in intangible assets	-	(1)
Acquisition of subsidiary for cash, net cash acquired	-	(8,345)
<b>Net cash used in investing activities</b>	<b>(25,355)</b>	<b>(29,258)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of shares-ESOS	2,923	1,234
(Increase)/Decrease in fixed deposits pledged	495	(769)
Drawdown of hire purchase	-	4,172
Repayment of hire purchase payables	-	(1,391)
Repayment of lease liabilities	(4,190)	-
Drawdown of bank borrowings	68,270	5,156
Repayment of bank borrowings	(70,360)	(10,010)
<b>Net cash used in financing activities</b>	<b>(2,862)</b>	<b>(1,608)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,051</b>	<b>(6,707)</b>
<b>Effect of exchange rate fluctuation</b>	<b>(2,519)</b>	<b>(5,225)</b>
<b>Cash and cash equivalents at beginning of the finance period</b>	<b>179,401</b>	<b>133,123</b>
<b>Cash and cash equivalents at end of the finance period</b>	<b>182,933</b>	<b>121,191</b>
<b>Cash and cash equivalents at end of the finance year:-</b>		
Cash and bank balances	119,775	104,160
Other investments	75,159	-
Fixed deposits with licensed banks	-	29,515
	<b>194,934</b>	<b>133,675</b>
Less: Fixed deposits pledged to licensed banks	(12,001)	(12,484)
	<b>182,933</b>	<b>121,191</b>

*(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)*



**GHL SYSTEMS BERHAD**  
Company No: 199401007361 (293040-D)

**Part A: Explanatory notes on consolidated results for the quarter ended 30 June 2020**

**A1. Basis of Preparation**

The interim financial report has been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The results for this interim period are unaudited and should be read in conjunction with the Group’s audited consolidated financial statements and the accompanying notes for the year ended 31 December 2019.

**A2. Significant Accounting Policies**

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2020 under the MFRS framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2019.

As of 1 January 2020, the Group and the Company have adopted the following revised MFRSs and Amendments to MFRSs that have been issued by the MASB:

**Effective for annual periods beginning on or after 1 January 2020**

<b>Title</b>	<b>Effective Date</b>
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Definition of Business	1 January 2020
Amendments to MFRS 7, 9 and 139 Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 and MFRS 108 Definition of Material	1 January 2020

The adoption of these MFRSs does not have any material impact on the Group’s results and financial position.

**MFRSs and Amendments to MFRS issued but not yet effective**

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group and the Company.

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group does not expect the adoption of the above Standards to have a significant impact on the financial statements.

**A3. Audit Report of Preceding Annual Financial Statements**

The audit report for the annual financial statements of the Group for the financial year ended 31 December 2019 was not subject to any audit qualification.

**A4. Seasonal or Cyclical Factors**

The business of the Group is not affected by any significant seasonal or cyclical factors, other than the general economic environment in which the Group operates.



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**A5. Unusual Items**

There were no items or events affecting assets, liabilities, equity, net income or cash flow of the Group that are unusual of their nature, size or incidence during the current quarter.

**A6. Changes in Estimates**

There were no changes in estimates that have had any material effect during the current quarter.

**A7. Changes in Debts and Equity Securities**

During the current quarter, the Company issued 10,061,206 new ordinary shares at the issue price of RM1.1927 being the Tranche 3 GHL Consideration Shares for acquisition of Paysys (M) Sdn Bhd.

Saved as disclosed above, there were no issuance and repayment of debt and equity securities, share buy-backs and share cancellations during the current quarter.

**A8. Dividend Paid**

There were no dividends paid during the quarter ended 30 June 2020.

**A9. Segmental Reporting**

The Group has four reportable segments, as described below, which are the Group's strategic business units of the Group. The strategic business units offer different geographical locations and are managed separately. The following summary describes the geographical locations units in each of the Group's reportable segments of the Group:

- (a) Malaysia
- (b) Philippines
- (c) Thailand
- (d) Others (Australia, Cambodia, Indonesia, Myanmar and Singapore)

The core revenue of the Group comprises; Shared Services, Solution Services and Transaction Payment Acquisition. The activities within each of these core businesses are explained below:

**Transaction Payment Acquisition ("TPA")** comprises revenue derived from two (2) distinct components: -

- i) e-pay services which provides Telco prepaid and other top-up facilities and, bill collection services for consumers ("reload and collection services") and
- ii) GHL's direct merchant acquiring and electronic payment services ("electronic payment services")

**Shared Services** comprises mainly revenue derived from the sales, rental and maintenance of Electronic Data Capture ("EDC") terminals and other card acceptance devices and the supply of cards to banks and other payment operators.

**Solution Services** comprises mainly revenue derived from the sales and services of payment solutions which include network devices and related software, outsourced payment networks, management/processing of payment and loyalty cards, internet payment processing, and the development of card management systems.

Performance is measured based on core businesses revenue and geographical profit before tax and interest, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Core businesses revenue and geographical profit are used to measure performance as management believes that such information are the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.



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Company No: 199401007361 (293040-D)

A9. Segmental Reporting (continued)

Quarter - 30 June	Malaysia		Philippines		Thailand		Others		Adjustment and Elimination		Consolidated	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>CONTINUING OPERATIONS</b>												
<b>REVENUE</b>												
<b>External Sales</b>												
Transaction Payment Acquisition	38,748	44,032	2,769	4,244	548	3,051	6	-	(416)	-	41,655	51,327
Shared Services	17,404	21,924	6,089	6,333	2,636	3,105	-	58	-	8	26,129	31,428
Solution Services	1,184	1,769	538	674	299	399	293	298	(4)	-	2,310	3,140
Inter-segment sales	9,322	5,763	-	-	-	-	-	-	(9,322)	(5,763)	-	-
	<b>66,658</b>	<b>73,488</b>	<b>9,396</b>	<b>11,251</b>	<b>3,483</b>	<b>6,555</b>	<b>299</b>	<b>356</b>	<b>(9,742)</b>	<b>(5,755)</b>	<b>70,094</b>	<b>85,895</b>
<b>RESULTS</b>												
<b>EBITDA</b>	<b>22,295</b>	<b>14,145</b>	<b>3,280</b>	<b>5,468</b>	<b>816</b>	<b>1,309</b>	<b>(454)</b>	<b>(477)</b>	<b>(27,193)</b>	<b>(2,769)</b>	<b>(1,256)</b>	<b>17,676</b>
Interest income	670	853	6	2	5	2	-	-	-	-	681	857
Interest expense	(34)	(470)	(222)	(256)	(9)	(27)	-	-	-	24	(265)	(729)
Depreciation	(4,522)	(5,566)	(2,110)	(2,201)	(741)	(832)	(145)	(218)	(1,285)	1,369	(8,803)	(7,448)
Amortisation of intangible assets	(66)	(66)	-	-	-	-	-	-	-	-	(66)	(66)
<b>(Loss)/ Profit before taxation</b>	<b>18,343</b>	<b>8,896</b>	<b>954</b>	<b>3,013</b>	<b>71</b>	<b>452</b>	<b>(599)</b>	<b>(695)</b>	<b>(28,478)</b>	<b>(1,376)</b>	<b>(9,709)</b>	<b>10,290</b>
Taxation	(2,163)	(1,531)	(286)	(930)	104	(163)	-	-	112	(872)	(2,233)	(3,496)
Minority interest	-	-	-	-	-	-	-	-	6,033	372	6,033	372
<b>Segment (loss)/profit for the financial period after non-controlling interest</b>	<b>16,180</b>	<b>7,365</b>	<b>668</b>	<b>2,083</b>	<b>175</b>	<b>289</b>	<b>(599)</b>	<b>(695)</b>	<b>(22,333)</b>	<b>(1,876)</b>	<b>(5,909)</b>	<b>7,166</b>
<b>Segmental assets</b>	<b>987,249</b>	<b>789,138</b>	<b>72,741</b>	<b>66,390</b>	<b>33,617</b>	<b>37,150</b>	<b>3,864</b>	<b>5,626</b>	<b>(418,697)</b>	<b>(255,758)</b>	<b>678,775</b>	<b>642,546</b>
<b>Segmental liabilities</b>	<b>610,178</b>	<b>482,725</b>	<b>30,752</b>	<b>39,858</b>	<b>14,600</b>	<b>19,378</b>	<b>2,343</b>	<b>1,535</b>	<b>(438,054)</b>	<b>(342,853)</b>	<b>219,820</b>	<b>200,643</b>



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Company No: 199401007361 (293040-D)

A9. Segmental Reporting (continued)

Cumulative - 30 June	Malaysia		Philippines		Thailand		Others		Adjustment and Elimination		Consolidated	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>CONTINUING OPERATIONS</b>												
<b>REVENUE</b>												
<u>External Sales</u>												
Transaction Payment Acquisition	81,298	85,209	7,784	7,649	2,694	6,699	15	8	(807)	-	90,984	99,565
Shared Services	41,311	45,978	12,575	12,018	5,428	9,050	-	61	-	(314)	59,314	66,793
Solution Services	2,592	3,516	1,209	1,343	525	615	572	601	(4)	-	4,894	6,075
Inter-segment sales	16,789	13,583	-	-	-	-	-	-	(16,789)	(13,583)	-	-
	<b>141,990</b>	<b>148,286</b>	<b>21,568</b>	<b>21,010</b>	<b>8,647</b>	<b>16,364</b>	<b>587</b>	<b>670</b>	<b>(17,600)</b>	<b>(13,897)</b>	<b>155,192</b>	<b>172,433</b>
<b>RESULTS</b>												
<b>EBITDA</b>	<b>34,193</b>	<b>28,943</b>	<b>7,710</b>	<b>9,571</b>	<b>1,226</b>	<b>3,132</b>	<b>(857)</b>	<b>(957)</b>	<b>(32,851)</b>	<b>(7,016)</b>	<b>9,421</b>	<b>33,673</b>
Interest income	1,295	1,628	11	4	5	2	-	-	-	-	1,311	1,634
Interest expense	(405)	(816)	(458)	(445)	(51)	(75)	-	-	-	-	(914)	(1,336)
Depreciation	(9,050)	(10,345)	(3,968)	(4,473)	(1,477)	(1,512)	(291)	(429)	(1,298)	2,192	(16,084)	(14,567)
Amortisation of intangible assets	(132)	(132)	-	-	-	-	-	-	-	-	(132)	(132)
<b>(Loss)/Profit before taxation</b>	<b>25,901</b>	<b>19,278</b>	<b>3,295</b>	<b>4,657</b>	<b>(296)</b>	<b>1,547</b>	<b>(1,148)</b>	<b>(1,386)</b>	<b>(34,149)</b>	<b>(4,824)</b>	<b>(6,398)</b>	<b>19,272</b>
Taxation	(3,976)	(2,999)	(988)	(1,422)	104	(258)	-	-	400	(1,680)	(4,460)	(6,359)
Minority interest	-	-	-	-	-	-	-	-	6,263	599	6,263	599
<b>Segment (loss)/profit for the financial period after non-controlling interest</b>	<b>21,925</b>	<b>16,279</b>	<b>2,307</b>	<b>3,235</b>	<b>(192)</b>	<b>1,289</b>	<b>(1,148)</b>	<b>(1,386)</b>	<b>(27,486)</b>	<b>(5,905)</b>	<b>(4,595)</b>	<b>13,512</b>
<b>Segmental assets</b>	<b>987,249</b>	<b>789,138</b>	<b>72,741</b>	<b>66,390</b>	<b>33,617</b>	<b>37,150</b>	<b>3,864</b>	<b>5,626</b>	<b>(418,697)</b>	<b>(255,758)</b>	<b>678,775</b>	<b>642,546</b>
<b>Segmental liabilities</b>	<b>610,178</b>	<b>482,725</b>	<b>30,752</b>	<b>39,858</b>	<b>14,600</b>	<b>19,378</b>	<b>2,343</b>	<b>1,535</b>	<b>(438,054)</b>	<b>(342,853)</b>	<b>219,820</b>	<b>200,643</b>





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**A10. Valuation of Property, Plant and Equipment**

The property, plant and equipment are stated at cost/valuation less accumulated depreciation and impairment losses. There was no revaluation of property, plant and equipment for the current quarter and financial year to date. The valuation of property, plant and equipment of the Group have been brought forward without amendment from the financial statements for the year ended 31 December 2019.

**A11. Material Subsequent Events to the end of Current Quarter**

There was no other material event subsequent to the end of the reporting period and up to the date of issuance of this report.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial quarter under review.

**A13. Contingent Liabilities and Contingent Assets**

The Group does not have any contingent liabilities or contingent assets as at the date of this report other than the following:

	<b>RM'000</b>
Banker's guarantee in favour of third parties	
- Secured	<u>16,562</u>

**A14. Capital Commitments**

Capital commitments for purchase of property, plant and equipment not provided for as at 30 June 2020 are as follows:

	<b>RM'000</b>
Approved but not contracted for	<u>861</u>



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## PART B: ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

### B1. Review of Performance

#### Performance of current quarter (2Q 2020) vs corresponding quarter (2Q 2019) by segment

GHL's 2Q20 group revenue was down 18.4% yoy to RM70.1million as compared to RM85.9 million in the corresponding period in 2Q19 largely due to the month of April which was hardest hit by MCO with lower consumer spending and international tourist arrivals. 2Q20 registered pre-tax losses of RM9.7 million due mainly to two non-cash expenses, RM2.3 million (fair value loss on the issuance of consideration shares for the 2018 acquisition of Paysys (M) Sdn Bhd) and the write-off the group's investment in Cambodia of RM11.9 million. Excluding these two items, the group would have remained profitable in 2Q20. 2Q20 loss after tax and minority interest was however lower at RM-5.9 million (2Q19 PATMI RM7.2 million) due to the 49% minority interest in the group's Cambodian subsidiary.

2Q20 reflected the brunt of the COVID-19 lockdown in ASEAN which started in mid-March where business closures and movement restrictions impacted consumer spending. Fortunately, conditions began slowly easing in stages in May 2020 and the group is seeing month on month improvements since then. The group's revenue in this quarter was still led by the TPA division but its contribution the group has reduced as transactions took a hit due the lockdown. The group's balance sheet remains healthy with a net cash position of RM82.6 million (31.12.2019 – Net cash RM97.1 million).

The performances of the individual segments are as follows: -

#### Transaction Payment Acquisition (TPA)

The TPA business has two distinct components, each in a different stage of development. These are:

- i) e-pay's direct contractual relationships with merchants to provide Telco prepaid and other top-up facilities and, bill collection services for consumers ("reload and collection services") and
- ii) GHL's direct contractual relationships with merchants to provide international and domestic card payment services ("card payment services") and e-wallet payment services. Each of these is described in more detail as follows: -

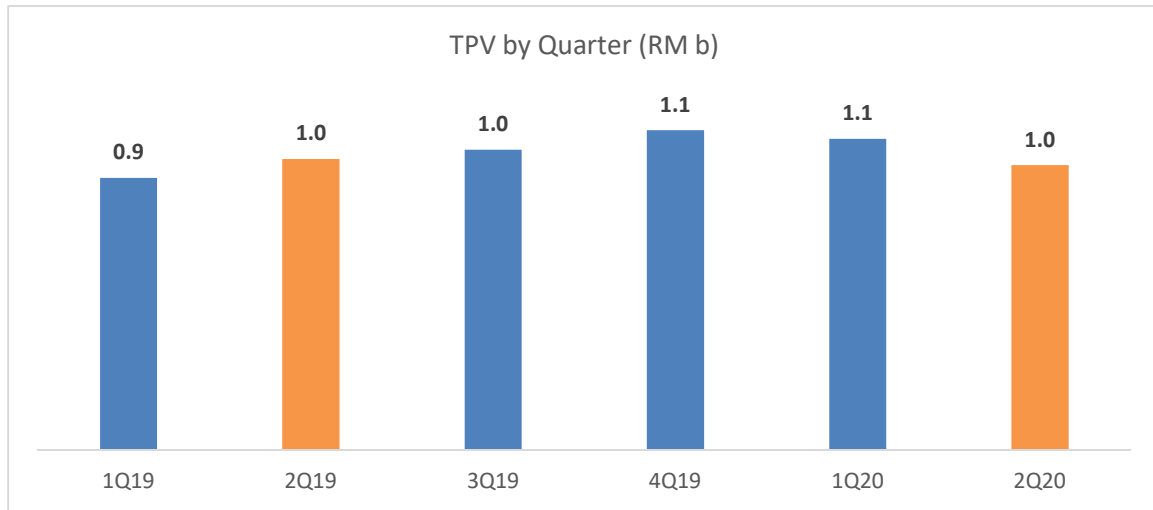
#### **(i) e-pay (reload and collection services)**

e-pay is the largest provider of reload and collection services in Malaysia. It has approximately 44,800 acceptance points nationwide, encompassing all petrol chains, large convenience store chains and general stores. The e-pay brand is well known to consumers who use the service. With over 20 years' experience, e-pay is clearly the market leader in Malaysia within this industry segment. A summary of key data relating to the e-pay business is found in the Table 1 below. As can be seen, the transaction value processed by e-pay declined marginally by 2.0% with a dip in gross profit margins to 99 basis points mainly due to the drag in the month of April where billers like TNB and Astro provided bill discounts and limited interstate travel reduced the Touch 'n Go reloads. However, e-pay TPV rebounded in May and June despite the extended MCO.



**B1. Review of Performance (continued)**

**Transaction Payment Acquisition (TPA) (continued)**



**Table 1**

<b>e-pay</b> <i>(All stated in RM'millions unless stated otherwise)</i>	<b>2Q 2019</b>	<b>2Q 2020</b>	<b>% change</b>
Transaction Value Processed	1,000.7	979.8	-2.1%
Gross Revenue	32.2	29.3	-8.9%
Gross Revenue / Transaction Value (Note 1)	3.2%	3.0%	-7.0%
Gross Profit	11.4	9.7	-14.8%
Gross Profit / Transaction Value (Note 1)	1.1%	1.0%	-13.0%
Merchant Footprint - e-pay Only (Thousands)	40.2	44.8	11.4%

*Note 1 - Gross Revenue or Gross Profit respectively divided by the Transaction Payment Value expressed as a %*

**(ii) GHL (e-payment services)**

This TPA electronic payment services business is driven by our direct arrangement with international schemes, TPA arrangements with leading domestic banks in our respective markets as well as a leading China e-wallet providers which is expanding into Asean and local e-wallet providers in their respective countries. The existing GHL TPA data as shown in Table 2 comprises the following activities;

- a) Various Merchant Discount Rate (“MDR”) revenue sharing arrangements under direct contracts with merchants and banks in Malaysia, Thailand and Philippines.
- b) Domestic debit card merchant acquisition in Malaysia, Thailand and Philippines.
- c) Internet TPA (“eGHL”) in Malaysia, Indonesia, Thailand and Philippines.
- d) e-wallet providers in Malaysia, Thailand and Philippines.

A summary of key data relating to the e-payment business is found in the Table 2 below. The transaction payment value growth remained strong at 30.9%, with a strong recovery in May and June and significant switch from offline to online



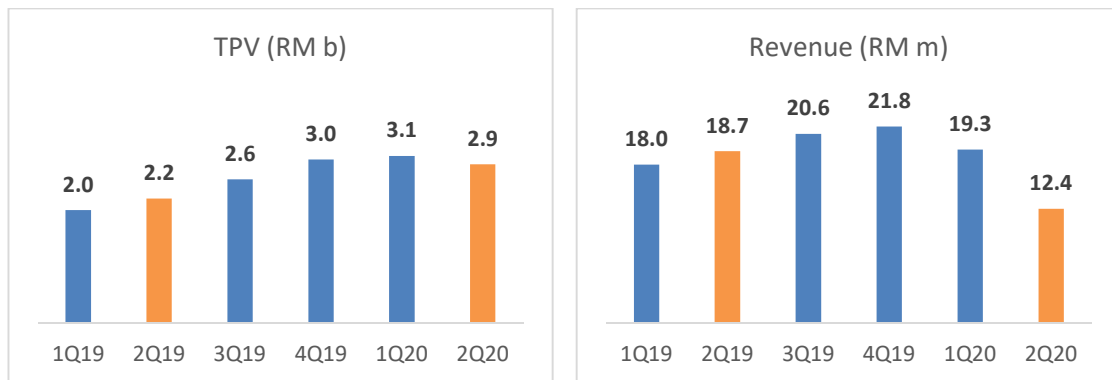
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**B1. Review of Performance (continued)**

**(ii) GHL (e-payment services) (continued)**

transactions. Gross profit/transaction margins however declined to 16 basis points (2Q19 - 32 basis points) due to 1) product mix change of payment types, reduction in higher margin payment types due to the COVID-19 impact on tourism/leisure as well as temporary closure of Tier 3 and 4 retail shops. 2) merchant mix change as transactions are captured more at larger merchants during this quarter with lower gross revenue margins while the smaller retail merchants which normally yield better margins for the group were closed. Absolute gross profits declined 37.0% yoy to RM4.5 million (2Q19 RM7.2 million).

Over the coming quarters, margins should recover as more merchants re-open and new merchants are on-boarded and a larger portfolio is built as well as our overseas TPA in Philippines and Thailand recover from the lockdown.



**Table 2**

<b>GHL Electronic payments TPA</b> <i>(All stated in RM'millions unless stated otherwise)</i>	<b>2Q 2019</b>	<b>2Q 2020</b>	<b>% change</b>
Transaction Value Processed (Note 1)	2,228.9	2,917.1	30.9%
Gross Revenue	18.7	12.4	-34.0%
Gross Revenue / Transaction Value	0.84%	0.42%	-49.6%
Gross Profit (Note 2)	7.2	4.5	-37.0%
Gross Profit / Transaction Value	0.32%	0.16%	-51.9%
Merchant Footprint - TPA Only (Thousands)	85.0	102.7	20.9%

*Note 1 - Gross Revenue or Gross Profit respectively divided by the Transaction Payment Value expressed as a %.*

*Note 2 - The gross profit has been restated as a result of changes in indirect costs allocation basis due to required improvements to our internal business processes to include certain network service and compliance fees, as well as support expenses relating to the TPA business that were previously included in the administrative OPEX expenses. This reclassification from OPEX to COGS is intended to more accurately reflect the gross margins of this e-payment TPA segment*

TPA division's revenues was down by 18.8% yoy in 2Q20 to hit RM41.7 million (2Q19 – RM51.3million) with declines from both payments TPA and e-pay revenue. e-pay revenues were down 8.9% yoy due to 2.1% yoy decline in e-pay TPV processed. Payments TPA on the other hand also showed a larger decline of 34.0% yoy in revenue generated despite higher TPV processed. e-pay remains the larger contributor in the TPA segment but the GHL electronic payments TPA (encompassing card, online, mobile and nextgen payments) are growing at a faster rate.



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## **B1. Review of Performance (continued)**

### **Transaction Payment Acquisition (TPA) (continued)**

Some key observations during the COVID-19 pandemic were:

- 1) due to the MCO lockdown where consumers were unable to go to physical shops, shifted their spending online which drove the group's online payment business eGHL strongly in 2020.
- 2) health concerns amongst consumers has given cashless payments a significant boost where both consumers and merchants turning to using cards and e-wallets to conduct transactions and avoid physical cash. This behavioural change bodes well for the group's outlook.

### **Shared Services**

Shared services revenue in 2Q20 declined by 16.9% to RM26.1 million (2Q19 – RM31.4 million) driven by lower hardware sales revenue and maintenance revenue from Malaysia when compared to the same period a year ago.

### **Solutions Services**

Solutions services gross revenue was down by 26.4% in 2Q20 to RM2.3 million (2Q19 – RM3.1 million) due to lower network hardware sales in in Malaysia.

### **Performance of current quarter (2Q 2020) vs corresponding quarter (2Q 2019) by geographical segment**

GHL's 2Q20 group revenue was down 18.4% yoy to RM70.1 million as compared to RM85.9 million in the corresponding period in 2Q19. All three business pillars of the group registered a decline yoy over 2Q19 due to disruptions caused by the COVID-19 pandemic. The 3 main geographical markets contributed positively to the group's EBITDA line except for the new markets of Cambodia and Indonesia. Group wise, 2Q20 registered losses before tax of RM9.7 million compared to 2Q19 profit before tax of RM10.3 million.

Malaysia operations accounted for 81.2% of the group revenues in 2Q20 with a 15.8% yoy decline due to declines in all three segments, TPA, Shared Services and Solutions Services during the lockdown period.

The Philippines operations was the second largest contributor, accounting for 13.4% yoy of 2Q20 group revenues. This 2nd quarter saw revenues declined by 16.5% yoy to RM9.4 million (2Q19 – RM11.3m) dragged mainly by TPA as many of the group's merchant shops were closed during the lockdown. Shared services and Solutions services revenue were down by RM0.4 million yoy.

Thailand operations' 2Q20 revenue contributed 5.0% to the group total and declined 46.8% yoy to RM3.5 million (2Q19 RM6.6 million) due to a big contraction in its TPA revenue which was badly hit by a significant drop in tourism arrivals as countries went into a lockdown due to the pandemic.

The group's other geographical operations recorded 2Q20 revenues of RM0.3 million (2Q19 – RM0.4 million) on an ongoing maintenance projects in Australia in its Solutions service division. There were no Shared solutions and TPA revenues recorded by our Australian operations for the quarter under review. This geographical grouping saw negative contributions at the EBITDA level due to ongoing investments in our Cambodian and Indonesian operations.



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**B1. Review of Performance (continued)**

**Performance of current quarter (2Q20) vs preceding quarter (1Q20) by segment**

Table 3

Revenue (RM million)	1Q20	2Q20
TPA	49.3	41.7
Shared Services	33.2	26.1
Solutions Services	2.6	2.3
<b>Group revenue</b>	<b>85.1</b>	<b>70.1</b>
<b>Profit/(loss) Before Tax</b>	<b>3.3</b>	<b>-9.7</b>

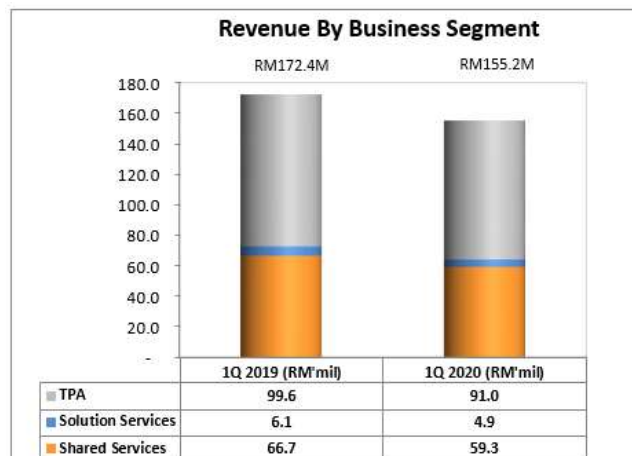
For the quarter 2Q20 ended 30 June 2020, the group recorded revenues of RM70.1 million, down 17.6% qoq over RM85.1 million recorded in 1Q20. The decline to topline and across all segments were mainly due to the movement control and lockdown in Malaysia, Philippines and Thailand resulted from the COVID-19 pandemic. The lockdown across many businesses resulted in significant curtailment of expenditure and only slowly improved month-on-month as governments eased restrictions towards the end of 2Q20. In line with the declines in group revenue and challenging operating environment, 2Q20 posted a pre-tax loss of RM-9.7 million. This pretax loss was also caused by two major non-cash expenses which was a fair value loss (RM2.3 million) on the 2018 Paysys acquisition consideration shares and the write off the group's investment in Cambodia amounting to RM11.9 million. Excluding these two key non cash items, the group would have otherwise posted a profit before tax in 2Q20.

**Performance of year to date period (2Q20) vs corresponding period (2Q19) by segment**

Group revenue for the first six months of 2020 was down 10.0% yoy to RM155.2 million (2Q19 – RM172.4 million) with declines across all three business pillars and in Malaysia and Thailand markets due to the COVID-19 pandemic but the Philippines registered a small growth supported by its shared services segment. The segmental performance was as follows (TPA -8.6% yoy; Shared Services -11.2% yoy; and Solutions Services, -19.4% yoy;). Despite the decline in topline revenues, the group was able to maintain gross profit margins of 44.0% (2Q19 – 42.3%). 2Q20 registered a pre-tax loss of RM6.4m compared to RM19.3 million pre-tax profit a year ago. In the first 6 months of 2020, there were two key non-cash expenses included in the financials, namely, fair value loss on the 2018 Paysys acquisition consideration shares (RM6.1 million) and write off of the group's Cambodia investment (RM11.9 million).

Net loss after tax and minority interest in 2Q20 YTD was RM4.6 million compared to the same period last year for 2Q19 YTD of RM13.5 million profit. Higher effective taxation rate for in 2020 is due to losses in the new markets of Cambodia and Indonesia.

Table 4 Revenue by business segment

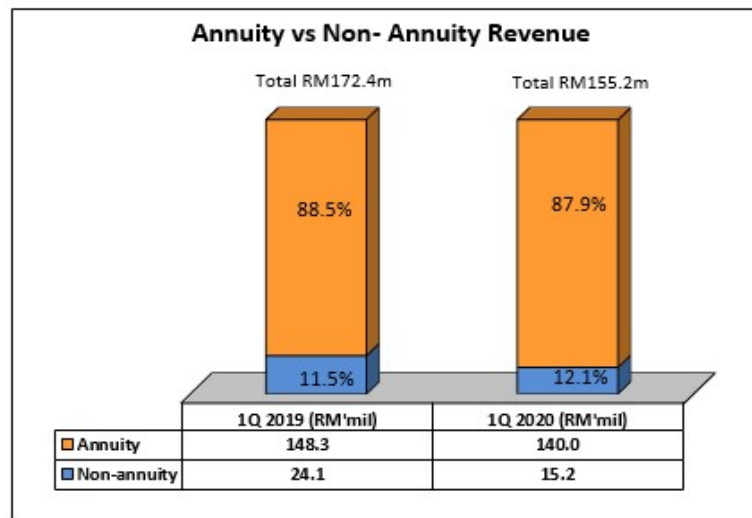


**B1. Review of Performance (continued)**

**Performance of year to date period (2Q20) vs corresponding period (2Q19) by segment (continued)**

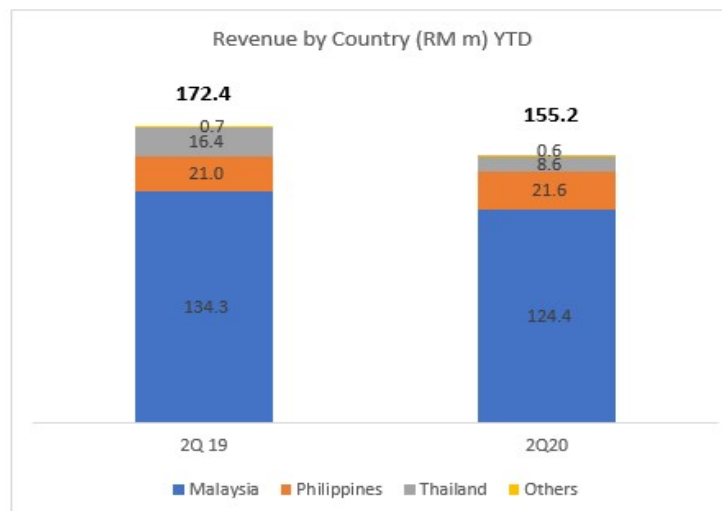
TPA recorded lower revenue performance (down 8.6% yoy) due to lower TPV recorded in the offline segment as many merchants were closed due to the COVID-19 lockdown. Although TPV for the online TPA segment was up but it was insufficient to cover the decline on the offline side. Shared Services recorded a decline due to lower EDC hardware sales and rental/maintenance fees. Solutions Services performance was also down by -19.4% yoy as compared to the same period last year due to certain hardware and software sales being deferred to 2H20 as the result of COVID-19.

**Table 5 Annuity vs non-annuity revenue**



The annuity-based revenue component within the group’s total revenue remains high at 90.2% and this compared to 86.0% achieved in the same period in the previous year as the result of lesser hardware sales recognised in 1H2020 due to the COVID-19 pandemic. Annuity based income also declined in absolute terms, as the result of lesser recurring TPA transaction captured during the lockdown months. The group’s strategy is to grow the TPA and other businesses that have a strong recurring annuity-based revenue and at the same time to continue to support our main bank customers with their hardware and software requirements. As TPA recovery gathers momentum in all three geographical markets, we expect annuity revenues to remain strong and recover in the coming quarters.

**Performance of year to date period (2Q20) vs corresponding period (2Q19) by country**





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## **B1. Review of Performance (continued)**

### **Performance of year to date period (2Q20) vs corresponding period (2Q19) by country (continued)**

Group revenue for the first six months of 2020 was down 10.0% yoy to RM155.2 million (2Q19 – RM172.4 million) with declines across all three business pillars and in Malaysia and Thailand markets due to the COVID-19 pandemic but the Philippines registered a small growth supported by its shared services segment.

Malaysian operations contributed 80.2% (2Q19 – 77.9%) of group revenue and registered a 7.4% yoy decrease due to lower TPA (lower transactions at physical merchant stores) and Shared Services (slower EDC hardware sales). Solutions services revenue showed a decline of 19.4% (lower network solution sales) in the 6 months of 2020.

Philippines revenue was 2.7% yoy higher at RM21.6 million (1H2019 – RM21.0m) with EBITDA margins at 35.7% from 45.6% on the corresponding period. TPA and Shared services were up yoy but Solutions Services registered a small decline. The lockdown situation in the Philippines remains on high alert as daily cases remain high.

Thailand recorded a decline in revenue of -47.2% to RM8.6 million from RM16.4 million in 1H2019 dragged by lower Shared services revenue due to lower hardware sales which were deferred as the result of COVID-19 lockdown. TPA segment saw a strong revenue contraction due to the border closures which impacted tourist arrivals and hence the group's cross border e-wallet segment. EBITDA remains positive at 14.2% compared to 19.1% in 1H2019.

Other countries remain the smallest contributor to group operations at RM0.6 million or 0.4% of group turnover compared to 1H2019 turnover of RM0.7 million. The EBITDA contribution loss of RM0.9 million compared to RM1.0 million in 1H2019 was due to operational and investment costs incurred in our new market, Cambodia.

As at end June 2020, the group's payment touchpoints stood at 392,850 points, a 5% yoy growth. This large merchant touchpoint base has enabled to group to process a TPV of RM8.1 billion in payment transactions (31% yoy growth).

During 2Q20, whilst the group maintained its regional footprint growth strategy, the group scaled back its footprint investment to RM2.3 million (1Q20- RM2.7 million, 2Q19 – RM2.8 million). The amount was scaled back as the COVID-19 situation deteriorated over 1H20. This investment figure is lower than previous quarters due to the movement restrictions imposed in our key markets. The group's has also intentionally scaled back these investments to conserve cash as the group monitors the impact of COVID-19.

The group strives to maintain its strategy of a sustainable growth in its financial performance whilst maintaining the same growth trajectory in strengthening its ASEAN presence.

## **B2. Current Year's Prospects (FY 2020)**

2020 started on a cautious footing with news of a flu like epidemic which eventually turned into COVID-19 with the World Health Organisation declaring a worldwide pandemic on 11 March 2020. ASEAN countries had seen the COVID-19 outbreak worsened towards the end of 1Q20 with governments initiating movement restrictions and border controls in March 2020. Movement Control Order to stay at home and the closure of most businesses and economic activities save for essential services had adversely impacted consumer spending.

Our Group's services are deemed to be essential services in the countries we operate in as we provide payment services for businesses and consumers. Our Group initiated its Business Continuity Processes (BCP plans) to enable our operations across the region to continue operating. Amidst this, the welfare and health of our Group's employees remain utmost importance in these unprecedented times.

Given our Group's diverse range of merchant base, some of our payment touchpoints such as convenience stores, pharmacies, medical facilities, supermarkets and petrol stations were still functioning throughout the movement control period. However, as most of the businesses in the retail, leisure, tourism and other sectors were closed, our Group's TPA business was adversely affected.





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**B2. Current Year's Prospects (FY 2020) (continued)**

The brunt of the shutdowns and movement restrictions were felt in 2Q20 but recovery has been gradual with the eased of the movement restrictions from mid May onwards. The speed and extent of the recovery in the individual countries of the group operate are dependent on many factors, both global and localised. The group is monitoring the situation and will right size its plans accordingly, depending on the prevailing conditions in the coming quarters. The dates and severity of the business closure is a moving target and many countries are reacting to conditions on the ground in real time. There are no hard and fixed dates when the restrictions will be lifted at present.

In 2018, GHL group acquired Paysys (M) Sdn. Bhd. for a consideration of RM80.0 million. The final tranche of the consideration comprising 10.06 million new GHL shares were issued to the vendors in the 2Q20 and resulted in a non-cash expense of RM2.3 million (1H2020 – RM6.1 million). With the issuance of this final tranche of consideration shares, there will be no more fair value adjustments in the coming quarters.

Given the COVID-19 uncertainties surrounding the operating environment and the speed of the market recovery, the group's has taken a prudent step to write off its investment in its Cambodian operations in 2Q20 amounted to RM11.9 million as this operation has yet to contribute meaningfully to the group.

Due to the global uncertainties, the near-term outlook for most businesses and consumer sentiment are poor and the timing and extent of recovery, difficult to estimate. The group however remains positive in the long-term potential of the ASEAN e-payments industry and believes the trends of switching to e-payments and cashless channels will continue going forward.

**B3. (Loss)/Profit before Taxation**

(Loss)/Profit before tax is arrived at after charging/(crediting) the following items:

	<b>Current Quarter  30.06.2020 RM'000</b>	<b>Preceding Year Corresponding Quarter  30.06.2019 RM'000</b>	<b>Current To Date  30.06.2020 RM'000</b>	<b>Preceding Year To Date  30.06.2019 RM'000</b>
Amortisation of intangible asset	66	66	132	132
Depreciation of property, plant and equipment	8,803	7,448	16,084	14,567
Fixed assets written off	773	169	773	173
(Gain)/Loss on foreign exchange:				
Realised	(1,264)	2	(1,262)	153
Unrealised	(154)	(219)	(280)	(135)
(Gain)/loss on disposal of fixed Assets	270	(1,476)	191	(1,512)
Fair value loss on contingent consideration	2,299	-	6,141	-
Fair value gain in other investments	(132)	-	(132)	-
Impairment loss on goodwill	11,332	-	11,332	-
Impairment loss on property, plant and equipment	2,100	-	2,100	-
Impairment loss on receivables	2,128	170	2,553	460
Interest income	(681)	(857)	(1,311)	(1,634)
Interest expenses	265	729	914	1,336
Inventory written off/(back)	215	-	215	15
Rental expenses	124	(18)	228	435
Reversal of allowance for doubtful debts	(1,570)	(94)	(1,611)	(145)
Share based payment	72	286	287	569



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**B4. Tax expense**

	Current Quarter 30.06.2020 RM'000	Year To Date 30.06.2020 RM'000
Current tax expenses based on (loss)/profit for the financial quarter:		
Malaysian income tax	(2,052)	(3,576)
Foreign income tax	(181)	(885)
<b>Total</b>	<b>(2,233)</b>	<b>(4,460)</b>

The Group's effective tax rate for the current quarter and for the year to date ended 30 June 2020 was higher than the statutory tax rate mainly due to certain disallowable expenses for tax purposes.

**B5. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the reporting date.

**B6. Group Borrowings and Debt Securities**

The Group's borrowings and debt securities as at 30 June 2020 are as follows:

	Long-term Borrowings		Short-term Borrowings		Total Borrowings	
	Foreign '000	RM'000	Foreign '000	RM'000	Foreign '000	RM'000
<b>Secured</b>						
<i>Bank borrowings</i>						
- Ringgit Malaysia	-	1,544	-	3,417	-	4,961
- Philippine Peso	-	-	9,607	824	9,607	824
<b>Unsecured</b>						
<i>Bank borrowings</i>						
- Ringgit Malaysia	-	15,692	-	2,978	-	18,670
		<b>17,236</b>		<b>7,219</b>		<b>24,455</b>



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**B7. Material Litigation**

**KUALA LUMPUR HIGH COURT NO. WA-22NCvC-692-09/2019  
BESTINET SDN BHD v GHL EPAYMENTS SDN BHD**

On 5 September 2019, GHL Epayments Sdn. Bhd. (“Defendant”), a wholly-owned subsidiary of GHL Systems Berhad was served with a Writ and Statement of Claim from Bestinet Sdn. Bhd. (“Plaintiff”) for claims arising from alleged misrepresentation and breach of the contract in respect to the development, management and maintenance of digital wallet.

On 30 October 2019, the Defendant has filed Statement of Defence and Counterclaim against the Plaintiff by averring, amongst others, that:

- (a) there was no misrepresentation made by the Defendant to the Plaintiff that it is an e-wallet issuer;
- (b) there was no delay on the part of the Defendant in completing the project under the contract;
- (c) the Plaintiff breached the contract by way of non-payment or failure of payment to the Defendant.

The Defendant has counterclaimed against the Plaintiff for the following:

- (a) A declaration that the termination of the contract between the Plaintiff and the Defendant (through the fee quotation dated 5.4.2017 which was accepted by the Plaintiff dated 18.4.2017) by the Plaintiff was unlawful;
- (b) The outstanding invoice no. 10000867 dated 31.12.2018 and invoice no. 2019000225 dated 31.5.2019 be paid by the Plaintiff to the Defendant;
- (c) Interest on the sum of RM92,750.00 at the rate of 2% per month from 30.1.2019 to the date of judgment;
- (d) Interest on the sum of RM92,750.00 at the rate of 2% per month from 30.6.2019 to the date of judgment;
- (e) Loss of profits in the sum of RM1,855,000.00 or alternatively loss of profits and/or loss of future profits and/or loss of opportunity to be assessed by this Honourable Court;
- (f) Post judgment interest;
- (g) Costs;
- (h) Such further and/or other reliefs deemed just and proper by this Honourable Court.

On 20 November 2019, the Plaintiff has served on eGHL with its Reply and Defence to Counterclaim. On 21 November 2019, the matter which was fixed for case management before the Registrar. The Registrar had directed the parties to file the following by 23 December 2019:

- (1) Summary of Case;
- (2) Bundle of Pleadings;
- (3) Common Bundle of Documents;
- (4) Statement of Agreed facts;
- (5) Statement of Issues to be Tried; and
- (6) List of Witnesses.

Due to the recent Movement Control Order (“MCO”) implemented by the Government of Malaysia, the Suit has been fixed for further case management on 7 July 2020 and this matter has been re-fixed for trial from 23 September 2020 to 25 September 2020.

As at the date of this report, there is no material financial and operational impact arising from the Suit on the Defendant and the Company.

Save as disclosed above, there are no other material litigations against the Company and its subsidiaries as at the date of this report.



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**B8. Dividend**

No dividend has been declared for the financial quarter ended 30 June 2020.

**B9. Earnings Per Share**

**a) Basic earnings per share**

Basic earnings per ordinary share for the financial period is calculated by dividing the (loss)/profit for the financial period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial period.

**b) Diluted earnings per share**

Diluted earnings per ordinary share for the financial period is calculated by dividing the (loss)/profit for the financial period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial period adjusted for the effects of dilutive potential ordinary shares.

	<b>Current Quarter 30.06.2020</b>	<b>Preceding Year Corresponding Quarter 30.06.2019</b>	<b>Current To Date 30.06.2020</b>	<b>Preceding Year To Date 30.06.2019</b>
<b>Basic</b>				
(Loss)/Profit attributable to owners of the Company (RM'000)	(5,909)	7,166	(4,595)	13,512
Weighted average number of ordinary shares in issue and issuable (Unit'000)	742,966	742,017	742,982	740,016
Basic earnings per ordinary share (Sen)	(0.80)	0.97	(0.62)	1.83
<b>Diluted</b>				
(Loss)/Profit attributable to owners of the Company (RM'000)	(5,909)	7,166	(4,595)	13,512
Weighted average number of ordinary shares in issue and issuable (Unit'000)	742,249	745,758	740,219	743,818
Diluted earnings per ordinary share (Sen)	(0.80)	0.96	(0.62)	1.82