



GHL SYSTEMS BERHAD 293040-D



GHL SYSTEMS BERHAD
293040-D

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www.ghl.com

annual report 2006

06

annual report

FORGING AHEAD



GHL SYSTEMS BERHAD
293040-D
Incorporated in Malaysia



2006

cover rationale

“Forging Ahead”

Achievers are people that make things happen. Here at GHL Systems Berhad, we have created a culture in which we are not only the catalyst of our own forward progress, but also the initiator of pioneer developments in the industry, anticipating the needs of our existing and potential customers and developing world-class payment solutions to serve their payment needs.

With our growth strategies in hand, we are committed to forging ahead to reinforce our reputation as a leading provider of integrated payment solutions in the Asia Pacific region; indeed to redefine the payment solutions industry – the GHL Systems way.

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corporate information

BOARD OF DIRECTORS



Tunku Dato' Abdul Malek bin Tunku Kassim,
Independent Non-Executive Chairman
Tay Beng Lock, Group Managing Director
Yeng Fook Hoo, Deputy Group Managing Director
Chin Fook Kheong, Group Finance Director
Goh Kuan Ho, Non-Executive Director
Tajuddin bin Atan, Non-Executive Director
Yen Siw Kuin, Independent Non-Executive Director
Mohamad Ariffin bin Marzuki, Alternate Director
to Tajuddin bin Atan

*Seated from left : Tay Beng Lock, Tunku Dato' Abdul Malek bin Tunku Kassim, Yeng Fook Hoo, Chin Fook Kheong
Standing from left : Tajuddin bin Atan, Mohamad Ariffin bin Marzuki, Goh Kuan Ho, Yen Siw Kuin*

COMPANY SECRETARIES

Chin Fook Kheong (MIA 12596)
Lim Lay Fong (MAICSA 7007624)

AUDIT COMMITTEE

Yen Siw Kuin (Chairperson)
Tunku Dato' Abdul Malek
bin Tunku Kassim
Chin Fook Kheong

REMUNERATION COMMITTEE

Tunku Dato' Abdul Malek
bin Tunku Kassim (Chairperson)
Goh Kuan Ho
Yen Siw Kuin
Dr Lum Heap Sum
Chong Tiam Tai

NOMINATION COMMITTEE

Tunku Dato' Abdul Malek
bin Tunku Kassim (Chairperson)
Tay Beng Lock
Yeng Fook Hoo
Goh Kuan Ho
Yen Siw Kuin

ESOS COMMITTEE

Tay Beng Lock (Chairperson)
Yeng Fook Hoo
Yen Siw Kuin
Chong Tiam Tai

AUDITORS

Anuarul Azizan Chew & Co
18 Jalan 1/64,
Off Jalan Kolam Air/
Jalan Ipoh,
51200 Kuala Lumpur

LEGAL ADVISORS

Rajah, Lau & Associates
B-13-13, Block B,
13th Floor, Unit 13,
Megan Phileo Avenue,
12, Jalan Yap Kwan Seng,
50450 Kuala Lumpur

Tan Eng Choong & Co
No 23, Jalan Pudu Lama,
Bukit Mahkamah,
50200 Kuala Lumpur

Wong Beh & Toh
Level 12, West Block,
Wisma Selangor Dredging,
142-C, Jalan Ampang,
50450 Kuala Lumpur

Goh Wong Pereira
Advocates & Solicitors
36, Jalan Pipit
51100 Kuala Lumpur

PRINCIPAL BANKERS

Affin Bank Berhad
Alliance Bank Berhad
AmBank Berhad
CIMB Bank Berhad
KBC Bank N.V.
Malayan Banking Berhad
RHB Bank Berhad
United Overseas Bank
(Malaysia) Berhad

REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 26,
Menara Multi Purpose,
Capital Square,
8 Jalan Munshi Abdullah,
50100 Kuala Lumpur

REGISTERED OFFICE

20C, Jalan 1/64,
Off Jalan Kolam Air/Jalan Ipoh,
51200 Kuala Lumpur
Tel: 603-4041 7403
Fax: 603-4043 2309

HEAD OFFICE

Unit L8 C-G-15,
Block C, Jalan Dataran SD 1,
Dataran SD, PJU 9,
Bandar Sri Damansara,
52200 Kuala Lumpur
Tel: 603-6286 3388
Fax: 603-6280 2999
Email: kl@ghl.com

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia
Securities Bhd (BMSB)

BMSB Code: 0021
Reuters Code: GHLS.KL
Bloomberg Code: GHLS MK

Website: www.ghl.com

corporate profile

VISION AND MISSION

To be the leading end-to-end payment services enabler by deploying world-class payment infrastructure, technology and services

Main Board-listed GHL Systems Berhad (“GHL Systems”) is the leading end-to-end payment services enabler in Asia-Pacific that deploys world-class payment infrastructure, services and technology. GHL Systems’ complete portfolio of payment solutions include transaction routers and concentrators, terminal line encryption technologies, loyalty and online payment solutions, smartcard technologies, secure EDC networks and terminals as well as consulting and professional services.

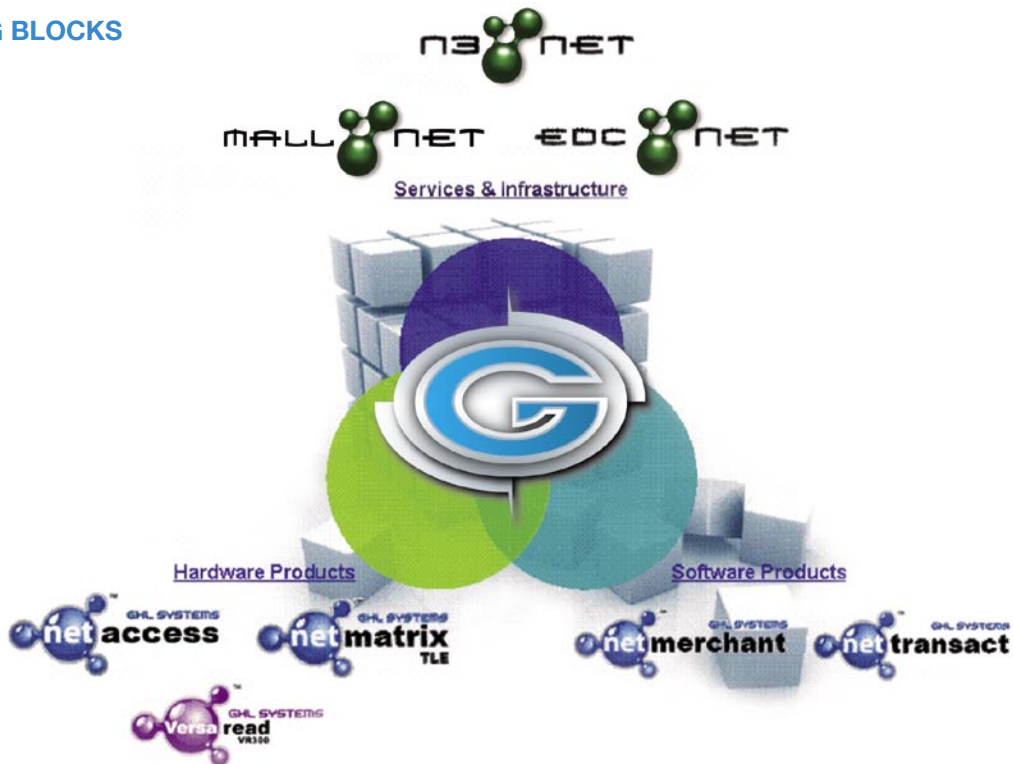
With direct presence in Bangkok, Beijing, Hong Kong, Kuala Lumpur, Manila and Singapore, GHL Systems’ payment solutions are further recognized, accredited and certified by international organizations and governing bodies such as Visa, MasterCard, JCB, MEPS, SIRIM and Line Encryption Working Group.

By providing a broad range of services across the payment solutions spectrum, GHL Systems today deploys its products and services to multiple clients spread across various vertical segments - not limited to banking and financial services, telecommunications, oil and gas, transportation and retail sectors.

Having successfully forayed beyond Malaysia into Bangladesh, Brunei, China, Hong Kong, Indonesia, Thailand, Pakistan, the Philippines, Sri Lanka and Taiwan, GHL Systems is well positioned to meet the demands of the global economy.

GHL Systems. Payment Solutions, Redefined.

GHL BUILDING BLOCKS



corporate structure in April 2007



GHL SYSTEMS BERHAD

293040-D

GHL Transact Sdn Bhd
100%
Sales and rental of EDC equipment and related services

GHL Payments Sdn Bhd
100%
Sales and rental of EDC equipment and related services

GHL EFTPOS Sdn Bhd
100%
Sales and rental of EDC equipment and related services

GHL International Sdn Bhd
100%
Investment holding, sales and rental of EDC equipment and related services

GHL Asia Pacific Limited
100%
Investment Holding

MobilityOne Berhad
27.25%
e-channel products and services

Card Pay Sdn Bhd
52.0%
Third party acquirer for e-Debit and MEPS cash transactions, sales and rental of EDC equipment and related services

GHL (Thailand) Co Ltd
99.97%
Sales, maintenance, installation and rental of card and non-card based payment systems and services

GHLSYS Philippines Inc
99.99%
Provision of end-to-end payment services and solutions

GHLSYS Singapore Pte Ltd
100%
Dormant

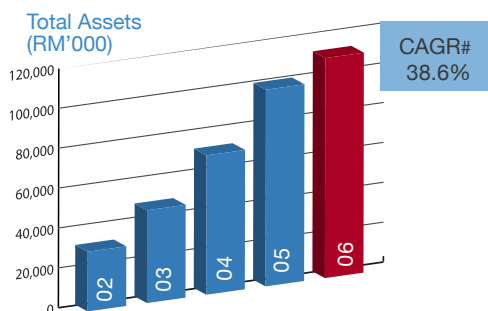
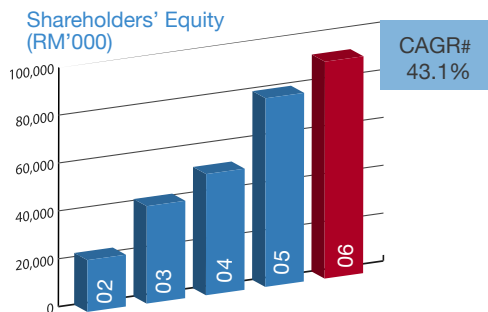
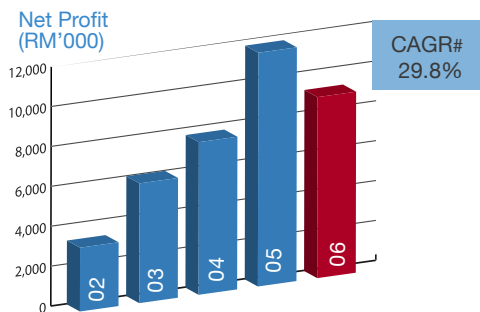
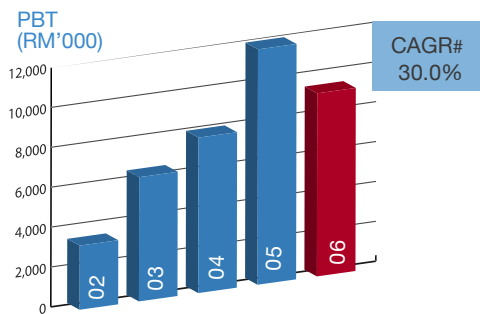
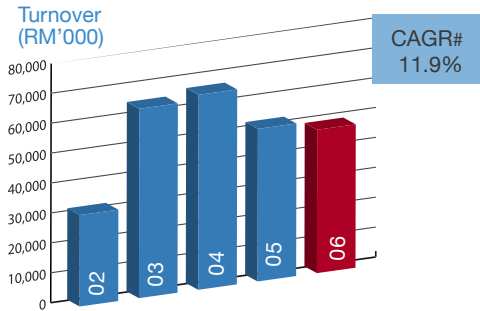
PaymentOne Singapore Pte Ltd
100%
Development and sale of in-house software programs, sales and rental of EDC equipment and related services

PaymentOne (HK) Pte Ltd
100%
Payment enabler supplying infrastructure and related equipment

GHL (China) Company Ltd
100%
Distributor for GHL Group's products and services

GHL (Beijing) Co Ltd
100%
Development and sale of in-house software solutions, sales and rental of EDC equipment and related services

financial highlights



SUMMARIZED GROUP INCOME STATEMENT

(RM'000)	2002	2003	2004	2005	2006
Turnover	30,545	63,268	65,153	50,992	47,907
EBITDA*	6,495	10,248	11,854	17,989	12,501
Operating Profit	3,594	6,582	7,849	11,621	8,607
Profit Before Tax	3,215	6,227	7,793	11,799	9,177
Net Profit	3,198	6,003	7,652	11,716	9,074

* EBITDA = Earnings before Interest, Tax, Depreciation and Amortization.

SUMMARIZED GROUP BALANCE SHEET

(RM'000)	2002	2003	2004	2005	2006
Fixed Assets	14,064	14,136	23,571	40,697	54,203
Associated Company	391	23	-	4,368	5,061
Goodwill	1,624	1,624	1,744	1,744	1,869
	16,079	15,782	25,315	46,809	61,134
Current Assets	13,833	30,733	44,537	51,785	49,134
Current Liabilities	7,655	5,136	17,858	13,359	14,539
Net Current Assets	6,178	25,597	26,679	38,426	34,595
	22,257	41,379	51,994	85,235	95,729
Financed By:					
Share Capital	18,715	25,850	33,650	54,459	62,479
Reserves	2,919	8,922	16,574	24,338	28,118
Share Premium	-	5,913	391	-	-
Shareholders' Equity	21,634	40,685	50,616	78,797	90,598
Minority Interest	-	-	-	-	2
Total Equity	21,634	40,685	50,616	78,797	90,598
Long-term Borrowings	79	-	413	5,473	4,143
Deferred Taxation	544	694	965	965	988
	623	694	1,378	6,438	5,131
	22,257	41,379	51,994	85,235	95,729

FINANCIAL ANALYSIS

(RM'000)	2002	2003	2004	2005	2006
Turnover Growth	-	107.1%	3.0%	(21.7%)	(6.0%)
Operating Profit Growth	-	83.1%	19.2%	48.0%	(25.9%)
Profit Before Tax Growth	-	93.7%	25.2%	51.4%	(22.2%)
Net Profit Growth	-	87.7%	27.5%	53.1%	(22.6%)
Operating Profit Margin	11.8%	10.4%	12.0%	22.8%	18.0%
Pre-tax Profit Margin	10.5%	9.8%	12.0%	23.1%	19.2%
Net Profit Margin	10.5%	9.5%	11.7%	23.0%	18.9%
Total assets	29,912	46,515	69,852	98,594	110,268
Total Borrowings/ Equity Ratio	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash
Cash and Cash Equivalents	2,902	12,333	7,918	20,649	20,621
Returns on Average Shareholders' Equity	19.4%	19.3%	16.8%	18.1%	10.7%
Returns on Average Total Assets	12.2%	15.7%	13.2%	13.9%	8.7%
NTA Per Share (Sen)	10.69	15.11	14.52	14.15	7.06
Net Earnings Per Share (Sen)*	2.09	2.54	2.30	2.75	7.44
Weighted Avg No. of Shares	152.67@	236.61@	332.60@	426.17@	121.89^

CAGR = Compounded Annual Growth Rate

* Not adjusted for changes in share capital

@ Ordinary shares of RM0.10 each ('million)

^ Ordinary shares of RM0.50 each ('million)

financial highlights (cont'd)

QUARTERLY ANALYSIS

(RM'000)	2005	2006	%Chg
Turnover			
1st Quarter	12,291	7,466	(39.3%)
2nd Quarter	8,206	12,706	54.8%
3rd Quarter	18,083	15,196	(16.0%)
4th Quarter	12,411	12,539	1.0%
	50,992	47,907	(6.0%)

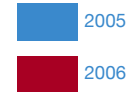
Net Profit

1st Quarter	1,017	1,630	60.2%
2nd Quarter	1,607	1,788	11.3%
3rd Quarter	2,123	2,017	(5.0%)
4th Quarter	6,969	3,639	(47.8%)
	11,716	9,074	(22.6%)

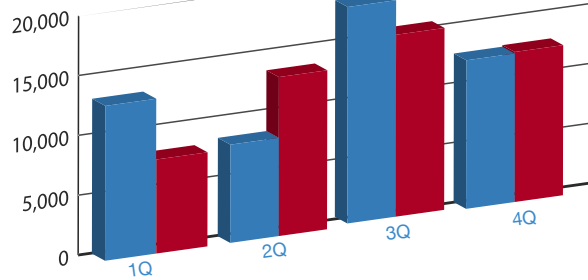
SEGMENTAL ANALYSIS

(RM'000)	2005	2006	%Chg
Turnover By Segments			
EDC Rental	19,595	22,195	13.3%
Payment Solutions	31,396	25,712	(18.1%)
	50,992	47,907	(6.0%)

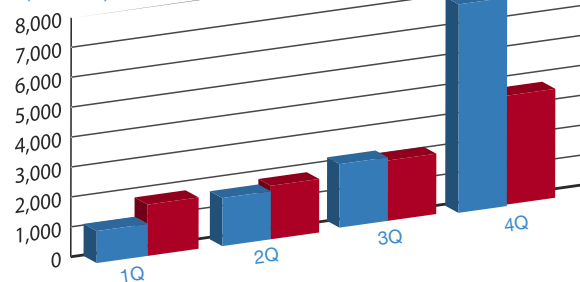
Legend



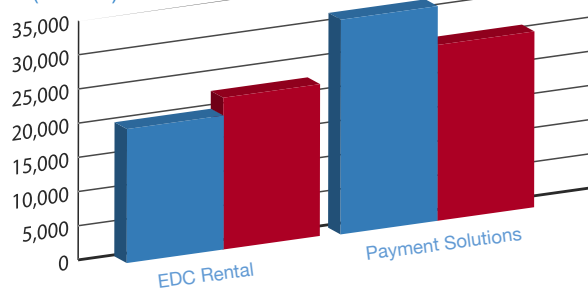
Turnover By Quarter (RM'000)



Net Profit By Quarter (RM'000)



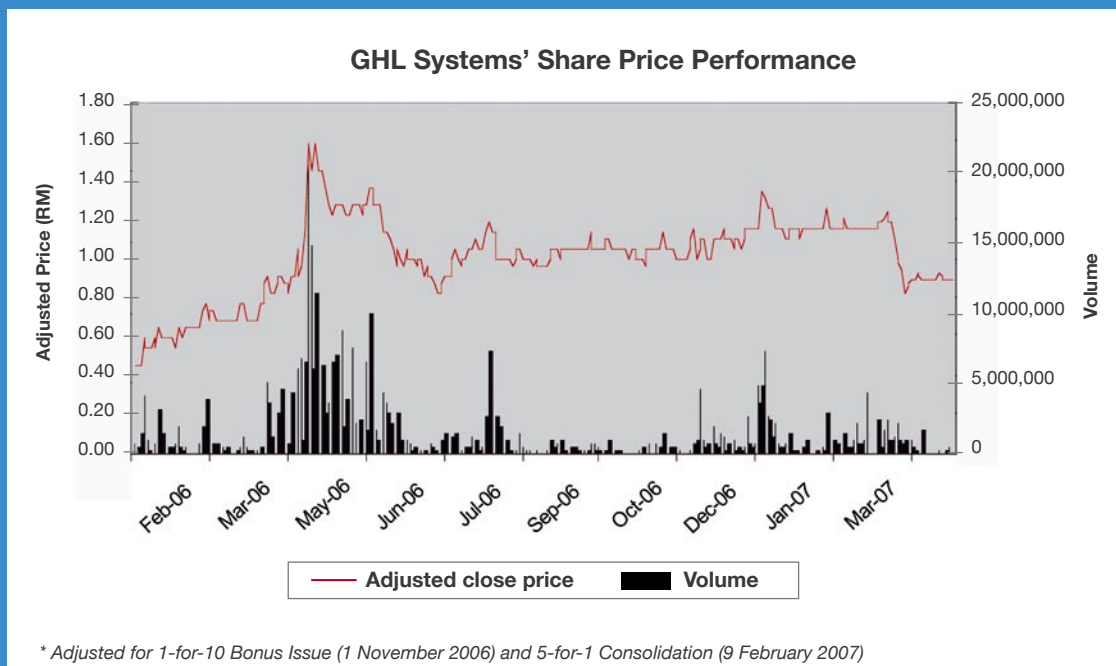
Turnover By Segments (RM'000)



SUMMARIZED GROUP CASH FLOWS

Year Ended (RM'000)	2002	2003	2004	2005	2006
Operating Profit Before Working Capital Changes	7,081	13,548	11,575	17,831	16,019
Net Cash Flows From Operating Activities	2,619	3,873	7,918	18,450	16,929
Net Cash Flows (Used In)/From Investing Activities	(6,098)	(7,252)	(11,486)	(27,303)	(16,470)
Net Cash Flows (Used In)/From Financing Activities	4,718	12,809	(687)	22,483	(796)
Net (Decrease)/Increase in Cash and Cash Equivalents	1,240	9,431	(8,514)	13,631	(337)
Cash and Cash Equivalents at Beginning of Year	1,662	2,902	12,333	7,918	20,649
Cash and Cash Equivalents at End of Year	2,902	12,333	7,918	20,649	20,621

financial highlights (cont'd)



Share Price

Record High Price (adjusted)	RM1.73 (5 April 2006)
Closing price as at 30 March 2007	RM0.89

Market Value Ratios

Historical PE Multiple	12.33
Price/Book Ratio	1.25

SHARE CAPITAL CHANGES AND DILUTION

	Capital Exercise	Par Value	Change in Number of Shares	Total Number of Shares
1 Nov 2006	1-for-10 Bonus Issue	RM 0.10	56,139,996	600,733,756
FYE 31.12.06	ESOS Exercise	RM 0.10	24,053,680	624,787,436
19 Jan 2007	ESOS Exercise	RM 0.10	3,930,710	628,718,146
9 Feb 2007	5-for-1 Consolidation	RM 0.50	(502,974,517)	125,743,629

the chairman's message

“... With current trends pointing towards increasing terminalization in the developing countries in the region, the Group expects its competitive edge of providing end-to-end payment solutions would help sustain the performance of the Group in the years ahead...”



Tunku Dato' Abdul Malek bin Tunku Kassim,
Independent Non-Executive Chairman

Dear Shareholders:

On behalf of the Board of Directors, it is my pleasure to present the 2006 Annual Report of GHL Systems Berhad (“GHL Systems”) for the financial year ended 31 December 2006.

BUSINESS ENVIRONMENT

The year 2006 saw the Malaysian economy remaining resilient to the extreme volatility of crude oil prices, uncertainty in the direction of major foreign currencies, and rising interest rates in the international money markets. The economy maintained its growth momentum by registering a Gross Domestic Product growth rate of 5.9%.

Despite the remarkable economic growth, the consumer and general business sentiment in the country was one of caution, due to a large extent to the inflationary pressure resulting from higher transport costs, as well as the higher financing costs for big ticket expenditures of households and businesses.

As the health of the payment industry in the country tends to reflect the general sentiment of consumers and businesses, the industry experienced a slightly slower growth in the demand for payment terminals and solutions by financial institutions and merchants, after the drastic expansion in 2004 and 2005.

However, if not for the already-in-place chip-based payment infrastructure in the country, the deployment of payment solutions in Malaysia would have been even slower in 2006, due to banks' reluctance towards terminalization and the lack of trust by consumers of the insecure payment infrastructure before the migration onto the EuroPay-Mastercard-Visa (“EMV”) platform.

Against this backdrop, the Malaysian payment industry will continue to chart decent growth in the years ahead, unless spurred on by influential initiatives for mass adoption by the public for cashless mode of payment.

FINANCIAL PERFORMANCE

During the year under review, the Group registered revenues of RM47.91 million compared to RM50.99 million in 2005, attributable mainly to lower sales of our payment solutions in the local market. However, the better performance in our overseas ventures has more than made up for the softer local market. Overseas revenues are now contributing to the Group in increasing measure, contributing 17.8% of the Group revenue in the year under review compared with only 10.8% in the previous year.

The Group's commendable performance in the region is indeed encouraging, considering the fact that we are operating in an even more competitive business environment and that we are a relatively new player in the region. Nevertheless, our positioning as an end-to-end payment solutions provider has indeed placed us in a formidable footing in building our reputation and capturing significant presence in the region.

Group profit before taxation was RM9.18 million in 2006, a decrease of 22.2% from RM11.8 million registered in the previous financial year. The decline was due to three factors; namely, the declining profit margins in the increasingly competitive local market, the higher operating expenses as a result of the setting up of offices in the region, and the provision of doubtful debts amounting to RM3.76 million.

the chairman's message (cont'd)

The Board is confident that a substantial amount of the said provision is recoverable. As a matter of fact, out of the initial provision of RM4.51 million as at 31 December 2006, RM0.75 million was already received in January 2007 before the financial statements were finalized and audited. In any case, we will continue to make concerted effort to recover the long standing receivables, as well as implement a more stringent credit term.

Group profit after taxation attributable to shareholders was RM9.07 million, 22.6% lower than RM11.72 million of the previous year, in tandem with the decline in group profit before taxation.

Shareholders' equity as at 31 December 2006 stood at RM90.60 million, compared with RM78.80 million as at the end of the previous year. Share capital as at 31 December 2006 increased to RM62.48 million, comprising of 624.79 million shares of RM0.10 each, from RM54.46 million, comprising of 544.59 million shares of RM0.10 each, previously. The increase in share capital was due to the issuance of 24.05 million shares from the exercise of Employee Share Options Scheme ("ESOS") and 56.14 million shares from the 1-for-10 Bonus Issue on 1 November 2006.

MAIDEN DIVIDEND

The Board is pleased to propose for shareholders' approval at the upcoming Annual General Meeting a maiden dividend of 1%, or 0.5 sen per share (tax-exempted), in respect of the financial year under review. This is to reward our shareholders for their support through the years.

STATUS OF UTILIZATION OF PROCEEDS FROM TWO-CALL RIGHTS ISSUE

As at 31 December 2006, the status of utilization of proceeds received from the Two-Call Rights Issue undertaken in October 2005 amounting to RM16.34 million, of which RM15.79 million was for working capital and the balance for expenses related to the exercise, is as follows:

Purpose	Proposed Utilization RM'000	Actual Utilization RM'000	Timeframe for Utilization	Balance of Proceeds RM'000
Working Capital	15,788	9,490	October 2007	6,298
Estimated Expenses	550	522	-	28
Total	16,338	10,012		6,326

The Board would like to disclose that the balance of the proceeds allocated for expenses related to the exercise has been utilized for working capital.

CORPORATE DEVELOPMENTS

On 15 February 2007, the Company successfully transferred its listing status from the MESDAQ Market to the Main Board of Bursa Malaysia Securities Berhad. The transfer is undoubtedly a key milestone in the corporate history, having fulfilled the stipulated requirement of recording more than RM30 million in accumulated net profits for the five years to 2005.

Prior to the transfer to Main Board, the Company had undertaken a Share Consolidation Exercise to consolidate five ordinary shares of RM0.10 each into one ordinary share of RM0.50 each. The exercise, together with the issuance of shares from ESOS, resulted in the Company having a share capital of RM62.87 million comprising 125.74 million shares of RM0.50 each.

The Board believes that the Main Board status befittingly reflects our current scale of operations as one of the leading integrated payment solution providers in Asia Pacific. We are confident that this raised profile will not only catapult us in the international markets, but also attract a larger pool of investors from the regional and global investment community.

During the year under review, the Group made further inroads in creating its regional presence with the setting up of offices in Thailand, Philippines, Hong Kong, China, and Singapore. The Board views that the time is right for the Group to venture aggressively in the region to seize the vast opportunities available and enhance its market leadership in the payment solutions market. The Group is exploring other target markets, such as are Indonesia, Taiwan, and Indochina.

However, tapping successfully the huge potential in the region will demand the Group to have sufficient financial resources. Currently, the Group has still the financial flexibility to expand its presence in the region, via internally generated funds and bank borrowings.

Going forward in the current financial year, the Board intends to restructure the Group to classify all the operations in the Asia Pacific, except Malaysia, under the wholly-owned subsidiary GHL Asia Pacific Limited ("GHL ASPAC"), a company incorporated in Labuan on 11 December 2006.

the chairman's message (cont'd)

With the restructuring, GHL Systems will continue to focus on research and product development, local market development, and exporting its products and services to markets outside of Asia Pacific, while GHL ASPAC will essentially be tasked to forge the Group ahead and to create a regional brand name.

For the subsequent expansion plans, GHL ASPAC intends to tap into the regional capital markets by listing its shares on a reputable stock exchange via an Initial Public Offer.

OUTLOOK

The prospects for the Group's products and services are positive and sustainable in the long term, primarily in tandem with the strength of increasing demand for innovative payment solutions that ease the cash handling hassles of both consumers and merchants, as well as the promising potential in the regional markets for the adoption of cashless infrastructure.

While Malaysia has seen the many benefits of the chip-based payment infrastructure, the most significant being the sharp decline in credit card fraud cases, there are still many countries in the region that have not migrated to the EMV platform; and invariably credit card fraud is likely to shift to these countries. These negative occurrences present the Group with ample opportunities to capitalize on our EMV migration expertise and promote our EMV-standard payment solutions for greater security for the overseas country's resident population as well as the tourism community.

On the local front, the Group will continue to hold true to its vision of making the country a cashless society, with increased deployment of our Bankcard e-Debit payment facilities and MR. Kiosk prepaid self-vending facilities at retail merchants nationwide. With strong reference from countries such as Singapore and Australia which have seen explosive adoption of debit card transactions, the Group will be well placed as the market increasingly gains awareness of this mode of payment.

To sustain its future growth, the Group will continue to leverage on its human capital strengths, particularly in the area of product research and development ("R&D"). R&D initiatives that focus on payment technology will be further intensified to address the future payment needs of consumers, merchants and financial institutions.

Having invested about RM3.6 million in R&D activities in 2006, compared with RM3.1 million in 2005, the Group successfully developed and marketed a pipeline of new and award-winning innovations. The relentless emphasis on product innovation will remain as the Group's distinct competency in product leadership.

Going forward, the performance of the Group in 2007 is expected to outperform that of 2006 on account of the increasing overseas revenue and sustained growth in the local market. Meanwhile, with the current trends pointing towards increasing terminalization in the developing countries in this region, the Group expects its competitive edge of having end-to-end payment solutions would help sustain the performance of the Group in the years ahead.

CORPORATE GOVERNANCE

The Board has continued to integrate good and effective corporate governance practices into the overall business direction and management of the Company and its subsidiaries, in compliance with the Best Practices of the Malaysian Code of Corporate Governance.

The Board is committed towards ensuring maximum shareholders' value and enhancing the business prosperity of the Group in line with the application of the principles of the said code. The measures implemented are highlighted in the Corporate Governance Statement in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Group carried out its Corporate Social Responsibility through donations to charitable organizations.

ACKNOWLEDGEMENT

Allow me first to take this opportunity to express my gratitude to the fellow members of the Board for their invaluable ideas, guidance and commitment rendered to the Group during the year.

I would like to welcome two new members of the Board, En. Tajuddin bin Atan - Non-Independent Non-Executive Director, and his Alternate Director En. Mohd Ariffin bin Marzuki, both of whom joined us on 22 March 2006. En. Tajuddin, who is currently the General Manager and Chief Executive Officer of Bank Simpanan Nasional, comes in with more than 20 years of corporate and banking experience. En. Mohd Ariffin, an accountant by training, has an entrenched career in the banking sector and is currently the Chief Operating Officer of BSNC Corporation Berhad.

On behalf of the Board, I would also like to express our deepest appreciation to Mr. Chong Teck Foh, who retired on 1 September 2006, for his leadership during the few years of service as Independent Non-Executive Director on the Board. Our thanks also goes to En Mohamad Isa bin Abdullah, who retired on 22 March 2006.

Lastly, I would like to thank the management and staff for their commitment to the Group, and acknowledge the faith and support from our customers, business associates, merchants and shareholders in the GHL Group.

Tunku Dato' Abdul Malek bin Tunku Kassim,
Independent Non-Executive Chairman
6 April 2007

the management review

“Today, GHL Systems has undoubtedly carved its niche in the payment space as the leading end-to-end payment solutions provider in the Asia Pacific region. All said, the management of GHL Systems looks forward in eager anticipation to forging ahead towards greater accomplishments...”

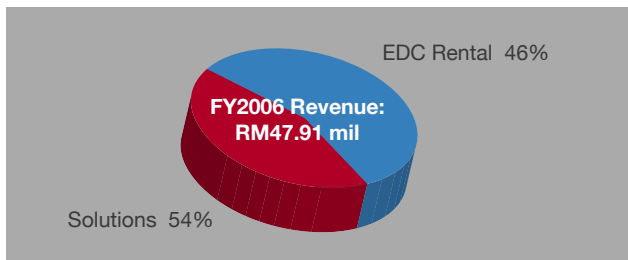
In many ways, the year 2006 tested the Group’s strength and resilience - both in retaining our leadership position in the local Malaysian market, as well as reinforcing our brand name in the regional arena. Today, GHL Systems has undoubtedly carved its niche in the payment space as the leading end-to-end payment solutions provider in the Asia Pacific region.

DOMESTIC STRONGHOLD RETAINED

GHL Systems commands a commendable presence in the local market, and today we boast of a reputable customer portfolio comprising majority of the local and foreign banks in Malaysia, as well as established corporations across various industries including transport, retail oil and gas, and telecommunications sectors.

The payment solutions industry in Malaysia is still in the growth stage, when consumers are more aware of the various payment methods available to them. At the same time, this has led to an increase in the number of players in the local industry.

Nevertheless, despite the keener competitive environment experienced in the year under review, we still achieved respectable growth in the local market.



Our Electronic Draft Capture (“EDC”) terminal rental grew 13.3% to RM22.2 million year-on-year, indicating a continuing positive uptrend in the recurrent rental portion of the Group’s operations. The Group’s payment solutions segment continued to record strong sales of RM25.7 million, contributing a healthy 53.7% to FY2006 group revenue, versus 61.6% contribution in FY2005.

The year under review also saw the Group being awarded further contracts from Bank Simpanan Nasional in Malaysia amounting to RM4.86 million, for the provision of EMV-standard chip cards. This is on top of the RM19.9 million contract over the two years since 2005.

Among other notable accomplishments in the year under review was also the implementation of diesel subsidy programmes for two of the largest retail oil and gas players in Malaysia. Furthermore, GHL Systems embarked on providing more value-added solutions to boost merchant-acquiring activities, particularly amongst the small and medium enterprises.

In the Bankcard e-Debit segment, the Group saw an improvement of 187% year-on-year in its merchant base to more than 5,000 merchants to date. Moreover, the Group saw the fastest growth in the deployment of Bankcard e-Debit facilities since it began in 2002, with 40% of the merchants recruited in 2006 alone.

Cognizant that the younger generation is more likely to adopt new payment methods, the Group strategized to promote the Bankcard e-Debit facility to the tertiary education service providers. This strategy has indeed paid off, as the Group now has two of the largest private tertiary education service providers in its customer base, whose transactions have recorded the fastest growth rates in the year.

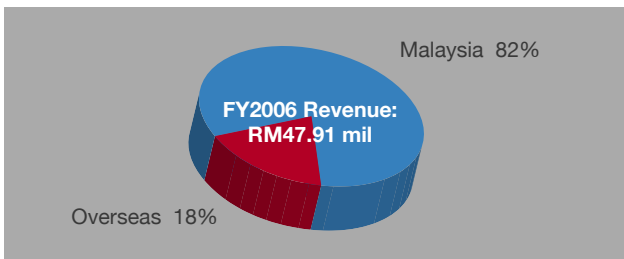
The MR. Kiosk table-top facility continued to make headway in the local market, and in the year under review, was repositioned to focus on providing services to chain outlets. MR. Kiosk’s features were also enhanced to not only facilitate Bankcard e-Debit payments, but also other services such as mobile phone prepaid registration.

the management review (cont'd)

“... The initial success garnered in the respective countries indeed bode well for the Group’s regional expansion in the long term...”

EXCELLENT PROGRESS OVERSEAS

In line with the Group’s vision of expanding overseas, up to the end of 2006, the Group had established direct presence in the key countries in its overseas strategy: Thailand, Philippines, Hong Kong, China and Singapore.



The Group’s overseas sales accounted for 17.8% of group revenue in FY2006, compared to 10.8% in the year before. This significant jump in contribution from overseas markets indicates the Group’s steady and gradual expansion across the regional countries, and the high level of acceptance for our payment solutions.

Our Thailand operations, GHL Thailand Co. Ltd based in Bangkok, was set up in July 2006, and was awarded its maiden contract worth 48.8 million Thai Baht within a short period of time: implementing EDC rental programme for Krungthai Card Limited, the largest card issuer in Thailand. Following this, GHL Thailand won a contract to supply K-Bank with GPRS-based terminals.

Likewise, our Philippines office, GHLSYS Philippines, Inc. based in Manila, was incorporated in August 2006, and was promptly awarded its first project to provide point-of-sale EDC terminals and back-end network solutions to Bank of Philippine Islands.

The Group also established two strategically-located offices in China – PaymentOne (HK) Pte Ltd in the vibrant hub of Hong Kong in July 2006, and GHL Beijing Co. Ltd in October 2006. GHL Beijing was commissioned to undertake an EDC and merchant recruitment programme for Bank of Communication, one of the largest banks in China – a breakthrough for the Group in the country.

In a nutshell, 2006 was the year of firmly establishing our foothold overseas, and the initial successes garnered in the respective countries indeed bode well for the Group’s regional expansion in the long term.

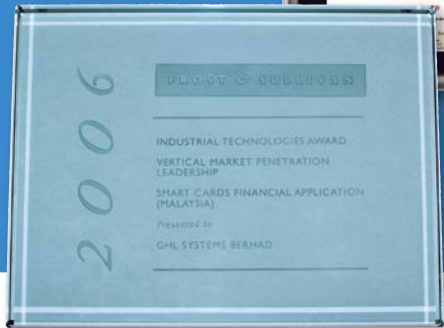


GHL (Thailand) Co. Ltd, incorporated in July 2006



GHLSYS Philippines, Inc, incorporated in August 2006

the management review (cont'd)



PRODUCT INNOVATION AND INDUSTRY ACCOLADES

One of the Group's proudest accomplishments in the year under review was the successful certification received from Visa International and Mastercard for our proprietary VersaRead contactless reader – which not only bears testimony to the world-class quality of our products (noting that there are only five players worldwide), but more importantly, opens the doors to facilitate our access into global markets.

We also launched an innovative product, NetAccess L300, which provides merchants enhanced connectivity features at lower cost. Of course, we continue to enhance our traditional products like NetAccess, NetMatrix, and MallNet, to provide improved features to our customers.

Our unwavering stance on product innovation has earned us notable industry accolades in 2006, including the "Ducoty Gold Award for Product Innovation in the Banking Sector in South East Asia" by Cards Now Asia, the "Industrial Technologies Award for Vertical Market Penetration in the Smart Cards Financial Application Market, Malaysia" by global research firm Frost & Sullivan, and the "Visa Payment Security Services for Point-of-Sale (POS) Equipment Provider" certification by Visa.

We at GHL Systems are and will continue to be intent on becoming the leading provider of payment solutions in the Asia Pacific region.

FORGING AHEAD

The global business environment will be challenging, with market expectation of slowdown in major economies and uncertainty in crude oil prices likely to affect the business outlook for the rest of the year. Nevertheless, the prospects are encouraging for the local and regional payment solutions industry, which is expected to register decent growth rates in light of increasing demand for innovative and convenience-focused payment solutions.

The Group aims to boost our presence in the domestic market through our steady product pipeline that allows us to enter new market segments. Among the promising new products are the NetAccess L300, the VersaRead VR300 contactless reader, MallNet for integrated mall-wide loyalty, and the Benetrax employee benefits programme. At the same time, we are expanding our suite of value-added services to attract new customers and better serve our present portfolio.

Regionally, we are strategically positioned and poised to capture the various opportunities available to promote our integrated payment solutions. The projects duly completed in Thailand, Philippines and Singapore are expected to become reference sites to boost our profile in the region.

The China market holds particularly good growth prospects, in view of the large demand for front- and back-end payment infrastructure in preparation to host the Beijing Olympics in 2008. Our strong presence via GHL Beijing, coupled with our first-mover advantage in the market and our strength as one of the few providers of integrated payment solutions place us in prime position to undertake the task at hand and simultaneously grow our presence in the country in a big way.

In view of these exciting developments, the Group will expand its overseas offices aggressively to create a significant presence in the region. To this end, GHL Asia Pacific Limited will be exploring fund raising from capital markets overseas and be the Group's strategic vehicle in spearheading our growth.

The Group's successful transfer to the Main Board of Bursa Malaysia Securities Berhad from the MESDAQ Market previously is a giant leap forward in depicting the scale of operations we have achieved. All said, the management of GHL Systems is confident of charting continuous growth in the coming year, and look forward in eager anticipation to forging ahead towards greater accomplishments.

corporate milestones

28 February 2006

Analysts and Fund Managers' Briefing for the financial year ended 31 December 2005

26 May 2006

12th Annual General Meeting and Extraordinary General Meeting

GHL seeks partners in Thailand, Philippines

By Ho Siew Yen

PAYMENT services provider GHL Systems Bhd expects to set up subsidiaries in Thailand and Philippines by July to prepare for upcoming orders. GHL, which will be the first Monday firm to be elevated to the main board, helps banks to migrate to EMV (Europay-MasterCard-Visa) systems, makes EMV chips in credit cards, installs card reader terminals, operates kiosks that sell prepaid cards and manages online banking systems. "We are inviting local partners in Thailand and Philippines to join in, but we will still hold majority stakes in both firms," group managing director Tay Beng Lock told reporters after the shareholders' meetings in Kuala Lumpur. The two countries are mandated to migrate to EMV systems in two years and card penetration rates are still low. Only a sixth of the population in these countries use debit and credit cards, compared with some 30 per cent in Malaysia. Tay is confident of winning deals based on the group's expertise. "Sales orders will come in within one



Tay expects overseas contribution to reach 15 per cent of revenue this year or two months after our subsidiaries are set up," he said. Malaysia is the first country to have completely migrated to the EMV system and GHL has played a part in the migration. "Credit card fraud cases have been falling ever since an EMV chip is known to have more security features than traditional cards. Tay expects overseas contribution to reach 15 per cent of revenue this year from 11 per cent a year ago. He believes overseas markets will be the main revenue generator in three years. GHL has a sales office in Singapore and a 30 per cent-owned associate in Hong Kong. The group is still working on forming a joint venture in Indonesia. On the local front, it expects to set up 1,000 units of the Mr Kiosk machine nationwide this year. Mr Kiosk, an electronic debit installation, is a vending machine that sells prepaid cards at "mamak" restaurants, stalls and petrol stations. Tay said he will extend the service to about 700 Mr Kiosk units and even money transfer from one bank to another. Still, the latter service needs approval from the central bank. "There will also be further announcements on our ventures with government-linked firms. They will be related to payment infrastructures or registration systems," Tay added.

(Business Times)

GHL sees higher returns from foreign operations

By Kamarul Yunus

GHL Systems Bhd, a leading payment services enabler that ventured overseas slightly more than a year ago, expects its international business to account for half of the company's total revenue by 2009. Managing director Tay Beng Lock said that with Malaysia as a relatively small market for its payment services and products, the company has turned its attention to Thailand, the Philippines and China. "What we are doing is to replicate the successful technology in Malaysia and bring it to other countries," he said at a media conference after the company's listing transfer from Mesdaq to the main board of Bursa Malaysia in Kuala Lumpur yesterday. Other markets where GHL already has a presence include Bangladesh, Brunei, Indonesia, Pakistan, Sri Lanka and Taiwan. Tay said the Chinese Government envisages that some three million payment terminals are needed by 2008. "We are looking at setting up 30,000 terminals. If we can secure 10 per cent of the three million terminals, that is already good enough. "In Thailand, we are looking at completing about 6,000 terminals by next year. Last year we completed 4,500 terminals," he said. On the company's listing transfer, Tay said one of the reasons for it is to increase liquidity and expand its overseas business. "Within the investment community, such

as trust funds, some of them have rules where they cannot invest in Mesdaq-listed companies," he said. Tay said the main board listing will raise the company's profile in the international business and investing community. This status adequately reflects our current scale of operations as one of the leading integrated payment solutions providers in Asia Pacific," he said. On research and development, Tay said the company spent between RM3 million and RM5 million a year, particularly on development, in the last four years. This accounted for about 5 per cent of its revenue. GHL Systems is an end-to-end payment services enabler in Asia Pacific that deploys payment infrastructure, services and technology. Its portfolio of payment solutions includes transaction routers and concentrators, terminal line encryption, technologies, loyalty and online payment solutions, smartcard technologies, secure electronic draft capture networks and terminals to consulting services. Listed on Mesdaq in April 2003, GHL Systems had fulfilled the requirements to transfer its shares to the main board after achieving more than RM30 million in accumulated net profit for the past five years, and having a share capital of RM60 million. GHL is the second Mesdaq company to transfer directly to the main board, after Symphony House Bhd.

(Business Times)

3 April 2006

Card Pay "Pay & Win" Grand Prize Presentation Ceremony

GHL jangka transaksi e-Debit RM6 juta

KUALA LUMPUR 3 April - Syarikat perkhidmatan pembayaran, GHL Systems Bhd., menjangka transaksi bilangan saudagar-saudagar Bankcard e-Debitnya akan meningkat kepada antara RM5 juta hingga RM6 juta sebulan. Pengarah Urusan Kumpulannya, Tay Beng Lock berkata, purata transaksi bilangan saudagar-saudagar telah meningkat kepada RM2 juta dalam 2005 berbanding dengan RM1 juta tahun sebelumnya. Beng Lock berkata, syarikat itu yakin mencapai sasarannya memandangkan sambutan baik yang diterima bagi pro-

gram Bankcard e-Debitnya dan pengendalian sistem pembayaran MR-Kiosk bagi "warung-warung Mamak" tahun lalu. Beliau berucap kepada pemberita selepas upacara penyempurnaan hadiah bagi pemenang-pemenang peraduan "Bayar dan Menang", di sini hari ini. Peraduan yang dianjurkan oleh Card Pay Sdn. Bhd. dan Malaysian Electronic Payment System (1997) Sdn. Bhd. itu bertujuan menggalakkan transaksi Bankcard e-Debit di kalangan pengguna Malaysia. Card Pay, anak syarikat milik 52 peratus GHL Systems, adalah pemere-

ndagar pihak ketiga bukan bank bagi Sistem Pembayaran Elektronik Malaysia (MEPS) dalam MEPS Cash dan Bankcard (ad ATM) program e-Debit. Beng Lock berkata, syarikat itu juga melaksanakan beberapa inisiatif untuk menggalakkan penggunaan lebih banyak terminal institusi-institusi pendidikan dan stesen-stesen petrol bagi menarik lagi banyak orang menggunakan lebih banyak e-Debit sebagai pilihan pembayaran. Setakat ini, syarikat itu memasang lebih daripada 4,400 terminal di seluruh negara dalam cawangan-cawangan runcitan yang kukuh, pasar raya, stesen

petrol dan kolej-kolej swasta. Sementara itu, Pengarah Urusan MEPS, Datuk Mohd. Hata Robani berkata, beliau percaya bilangan pemegang Bankcard e-Debit akan meningkat dengan ketara kerana syarikat itu akan meluluskan daya perhubungan rangkaian kepada rakan-rakan kongsinya di Singapura dan Indonesia menjelang akhir tahun ini. Mohd. Hata berkata, MEPS juga merancang untuk meluaskan rangkaian kepada negara-negara ASEAN lain. Beliau bagaimanapun tidak boleh memberikan butiran lanjut. - Bernama

(Utusan Malaysia)

30 August 2006

Analysts and Fund Managers' Briefing for the first half of the financial year ended 30 June 2006

15 February 2007

GHL Systems successfully transfers to the Main Board of Bursa Malaysia from the MESDAQ Market previously - the first company on Bursa Malaysia to transfer directly from MESDAQ Market to Main Board.



GHL targets 50% overseas turnover

KUALA LUMPUR: Integrated payment solutions provider GHL Systems Bhd is targeting for its overseas business to contribute half of turnover by 2009 from about 15% currently. Managing director Tay Beng Lock said the company wanted to expand its business abroad and would require more funds to grow. "Besides allowing greater public recognition, GHL System's migration from Mesdaq to the main board would enable the company to borrow funds at lower cost for its expansion," he told a media briefing yesterday in conjunction with the company's transfer to the main board. GHL Systems is the second Mesdaq company to migrate to the

main board. For the nine months ended Sept 30, 2006, GHL Systems posted a pre-tax profit of RM5.4mil on RM35.4mil in revenue. The company, with a paid-up capital of RM60mil, achieved RM30mil in accumulated net profit in the past five financial years. "The successful transfer of our listing status will enable us to tap more funds for capital requirements, especially to capture new markets in China and other emerging economies in Asia," he said. Deputy group managing director Yeng Fook Hoo said GHL Systems' products and services were also available in Thailand, the Philippines and China. Yeng said the company invested

RM3mil to RM5mil a year on research and development (R&D) to upgrade and introduce new products to the market. "We spend about 5% of our revenue on R&D. But we also hope to access some funds from the Government via grants or through the small and medium-scale enterprise fund." Yeng said GHL Systems' overseas income would eventually overtake its Malaysian revenue contribution as the company's business expanded to new markets in Asia. "We have about 35% market share in Malaysia. Locally, we will continue to produce new products and add more services while we expand our overseas business," he said.

(StarBiz)

directors' profiles

TUNKU DATO' ABDUL MALEK BIN TUNKU KASSIM,
Independent Non-Executive Chairman

Tunku Dato' Abdul Malek bin Tunku Kassim, a Malaysian aged 72, was appointed to the Board on 30 May 2002. He is the Chairperson of the Remuneration and Nomination Committees, and a member of the Audit Committee of the Company. He graduated from Queen's University of Belfast, United Kingdom, in 1959 with a Bachelor of Science (Economics) Degree and subsequently obtained a Master Degree in Arts from Vanderbilt University, USA, in 1973. He was admitted as a Fellow member of the Institute of Bankers Malaysia in 1992.

Tunku Dato' Abdul Malek started his career as an administrator with the Kedah Civil Service from 1959 to 1962. From there, he joined the Malaysian Civil Service where he was posted to the Treasury, Ministry of Finance as an officer in the Economic and Tax Divisions from 1962 to 1974. He was seconded to the International Monetary Fund ("IMF")

in Washington DC as an adviser to an Executive Director in the IMF's Board of Directors from 1975 to 1976.

Upon his return to Kuala Lumpur to resume service with the Ministry of Finance, he was appointed Head of the Tax Division and later the Finance Division. In 1983, he was appointed to the Board of the Asian Development Bank ("ADB") in Manila as an Executive Director. Upon his return to Malaysia after his stint with the ADB in 1987, Tunku Dato' Abdul Malek became an Executive Director of Kewangan Usaha Bersatu Berhad ("KUBB") from 1987 until 1993. During his tenure at KUBB, he was also a Chairman of the Association of Finance Companies, a director of Cagamas Berhad, as well as a Council Member of the Institute of Bankers Malaysia. He was in retirement from 1993 to 1995. Between 1995 and 1999, he was on



the Boards of Directors of Commerce Asset-Holding Berhad, Commerce International Merchant Bankers Berhad and CIMB Securities Sdn Bhd.

In June 1999, he became the Chairman and director of BSN Commercial Bank (Malaysia) Berhad ("BSNC Bank"), which was renamed BSNC Corporation Berhad ("BSNC") following the disposal of its banking business to Affin Bank. Tunku Dato' Abdul Malek retired from his position as BSNC Chairman from 1 July 2003. He is currently a director of UBB (Malaysia) Trustee Berhad (formerly known as BSNC Trustee Berhad).



TAY BENG LOCK,
Group Managing Director,
Executive Director

Tay Beng Lock, a Malaysian aged 46, was appointed to the Board on 26 January 1999. He is the Chairperson of the ESOS Committee and a member of the Nomination Committee of the

Company. He obtained his Bachelor Degree in Electrical Engineering with distinction from Carleton University, Canada, in 1984 and a Master Degree in Business Administration with distinction from Middlesex University, United Kingdom, in 1996. He was appointed the Group Managing Director of the Company on 26 January 1999.

He began his career in 1984 with Mecomb Malaysia Sdn Bhd as a Sales Engineer specialized in electronic test and measurement instruments. He later joined Hewlett-Packard Sales (Malaysia) Sdn Bhd ("HP") in 1986 as a Staff Field Engineer and rose through the ranks over the six years there to a Business Manager position, overseeing HP's Test

and Measurement division (which is now part of Agilent Technologies, Inc).

In 1992, he joined Delteq (M) Sdn Bhd, a regional systems integrator, as the General Manager responsible for the management of the company's operations. He left Delteq in 1996 to join GHL Automation Sdn Bhd as the General Manager, and subsequently in late 1997 was seconded to GHL Technologies Sdn Bhd ("GHL Technologies"). He later became the Managing Director of GHL Technologies, as well as GHL Transact Sdn Bhd and GHL Payments Sdn Bhd. One of his notable achievements at the GHL Group was the restructuring of the group's businesses by divesting the computer retail business and by realigning the group's business focus in the payment space. With about 22 years of corporate and marketing experience, he is well placed to lead the Group to greater heights.



YENG FOOK HOO,
Deputy Group Managing Director,
Executive Director

Yeng Fook Hoo, a Malaysian aged 50, was appointed to the Board on 26 January 1999. He is a member of the Nomination and ESOS Committees of the Company. He obtained his Bachelor Degree in Economics and Mathematics from the University of London in 1979 and completed a Senior Management Program at Harvard Business School in 1988. He has 17 years of experience

in the banking industry, with 10 years of experience in handling the implementation of major banking systems.

He started his career with Pacific Bank Berhad as a Trainee Officer in 1981. In 1984, he was promoted to Branch Manager, managing 3 branches in Rengit, Batu Pahat and Johor Bahru. In 1988, he advanced to the position of Senior Manager of Operations / Information Technology ("IT"). His achievement included creating and implementing the first integrated bank-in slip to streamline and simplify the bank-in process for Pacific Bank Berhad's customers. He was also responsible for conceiving, designing, creating and implementing the first "instant" ATM card that allowed customers to use their new and replacement ATM cards instantly at the point of registration. In addition, he was instrumental in co-developing and overseeing the migration effort of Pacific Bank Berhad's retail backend banking system from the legacy Honeywell

System to the new Tandem System. This extensive exercise was completed within nine (9) months. He left Pacific Bank Berhad in 1994 to join Hong Leong Bank Berhad.

From 1994 to 1997, he was the General Manager of the Operations / IT division of Hong Leong Bank Berhad, where he implemented a new branch delivery system and the first branch system operating on a Windows platform. When he joined the Company in 1997, he was managing the research and development efforts for various transaction-processing and payment-related technologies and solutions such as NetAccess, NetMerchant, NetSync and PivotPoints. In addition, he was also responsible for conceiving the EDC Pool Program, which was successfully implemented with three (3) partner banks. He also oversees the operations of PayDirect. He was designated as the Deputy Group Managing Director in 2002, responsible for the business development and R & D activities of the Group.



CHIN FOOK KHEONG,
Group Finance Director,
Executive Director

Chin Fook Kheong, a Malaysian aged 43, was appointed to the board on 31 May 2003. He is a member of the Audit Committee of the Company. He is a fellow member of the Chartered Institute of Management Accountant (CIMA) and a member of the Malaysian Institute of Accountants (MIA). He obtained his Master's degree in Business Administration (MBA) from the University of Nottingham in January 2004.

He started his career in auditing with S F Yap & Co in 1987 and later joined Nanyang Union Sdn Bhd ("Nanyang") as its Group Accountant, managing all financial matters of a group of companies involved in fabrication and manufacture of rubber gloves and machines, manufacture of ceramic products and pesticides, and trading of industrial chemicals. He was also in charge of the corporate affairs of Nanyang, as well as secretarial and taxation matters.

In 1990, he joined Mulpha International Berhad ("Mulpha"), a company listed on the Main Board of Bursa Malaysia. As a Divisional Manager, he managed Mulpha's sports and cosmetics trading divisions for Hong Kong, Macau, Malaysia, Singapore, Brunei and Indonesia, and was also responsible for the management of Mulpha's corporate affairs. In 1994, he left Mulpha and joined Forsixten Sdn Bhd, a company specialising

in the manufacture of bags and belts, as its General Manager. He re-joined Nanyang in 1995 as its Group Financial Controller and was responsible for managing its group financial matters, corporate affairs and large-scale development and construction projects.

In 1998, he moved to Jac Malaysia Sdn Bhd ("Jac Malaysia") as a General Manager of Finance, responsible for its finance division and corporate affairs. Jac Malaysia, a major self-adhesive label manufacturer in Malaysia, was one of twelve worldwide manufacturing facilities for the Germany-based Jackstaedt GmbH, one of the major self-adhesive label manufacturers in the world. He left Jac Malaysia in 2000 and later joined GHL Group. As a General Manager of Finance and Administration, he was responsible for the finance division, credit control and corporate affairs of the GHL Group. In June 2002, he was promoted to Group Finance Director.



TAJUDDIN BIN ATAN,
Non-Independent
Non-Executive Director

Tajuddin bin Atan, a Malaysian aged 48, was appointed to the Board on 22

March 2006. He holds a Bachelor of Science in Agribusiness from Universiti Putra Malaysia and later obtained a Masters in Business Administration from Ohio University. He was attached to Bumiputra Commerce Bank Berhad (BCB) for 16 years in various positions including a stint as the Treasurer/ Assistant General Manager managing the BCB New York branch. His last designation in BCB was Senior Vice President, Treasury Division.

He commenced his career in the corporate management sector in year 2000 and was attached to a few public listed companies, most notably as the

Managing Director of Chase Perdana Berhad and Advisor to Sitt Tatt Berhad for three years until September 2004.

He is currently the General Manager / Chief Executive Officer of Bank Simpanan Nasional. He is the Chairman of Prudential BSN Takaful Berhad and BSNC Corporation Berhad and holds directorships in Permodalan BSN Berhad and Global Carriers Berhad. He is also a member of the Board of Amanah Ikhtiar Malaysia, a private trust organization that was established with the objective of reducing poverty in Malaysia.



GOH KUAN HO,
Non-Independent
Non-Executive Director

Goh Kuan Ho, a Malaysian aged 43, was appointed to the Board on 29 March 1994. She started her career

as an Administrator with Nortek Computer Sdn. Bhd. in 1984. In 1988, she joined GHL Automation (a sole proprietorship) as an Administrator, and left in 1991 to join GHL Automation Sdn. Bhd. as a Customer Service Manager. She was later appointed to the Board of Directors of GHL Automation Sdn. Bhd. In late 1991, she was appointed to the Board of Directors of Info Era Sdn. Bhd. ("Info Era") and also assumed the position of Retail Manager of Info Era. She resigned as a director of GHL Automation Sdn. Bhd. and Info Era in April 1999 and April 2001 respectively.

In 1997, she was appointed to the Board of Directors of GHL Technologies Sdn Bhd ("GHL Technologies") and also assumed the position of Corporate Business Manager of GHL Technologies. She resigned from all her positions in GHL Technologies and joined Jardine OneSolution (2001) Sdn. Bhd. ("Jardine OneSolution") as a Corporate Account Manager in July 2000. In February 2004, she left Jardine OneSolution and took up her current position of General Manager with Microtree Sdn Bhd.



YEN SIW KUIN
Independent Non-Executive Director

Yen Siw Kuin, a Malaysian aged 50, was appointed to the Board on 15 January 2003. She is also Chairperson of the Audit Committee and a member of the

Remuneration, Nomination, and ESOS Committees of the Company. She graduated with a Bachelor of Science (Economics) degree in Accounting and Finance from the London School of Economics and Political Science, University of London, United Kingdom in 1980. Prior to joining the Khee San Berhad Group of Companies in 1989 as its Group Financial Controller, she was attached to the international accounting firms of Touche Ross in the United Kingdom as an Audit Executive from 1981 to 1983 and as a Tax Executive from 1983 to 1985, and Price Waterhouse in Malaysia as a Tax Manager from 1985 to 1989.

As the Group Financial Controller

of the Khee San Berhad Group of Companies, she was responsible for the operations of the finance and accounts departments. Her responsibilities at Khee San Berhad have expanded to include overseeing the company's legal, quality assurance and quality control departments. She was appointed to the Board of Directors of Khee San Berhad as an Executive Director in 2000. She is also the Company Secretary and a member of the Audit Committee of Khee San Berhad, and holds directorships in several private limited companies. She is a member of the Institute of Chartered Accountants in England and Wales as well as the Malaysian Institute of Accountants.



MOHD ARIFFIN BIN MARZUKI
Alternate Director to Tajuddin bin Atan

Mohd Ariffin bin Marzuki, a Malaysian aged 57, was appointed to the Board as an Alternate Director on 22 March 2006. He graduated with the Association of Chartered Certified Accountants (ACCA) from the London School of Accountancy in 1980. He is the fellow member of the ACCA and a Chartered Accountant of Malaysian Institute of Accountants.

He began his career with Bank Pembangunan dan Infrastruktur (M) Berhad ("BPIB") in 1980 as a

Senior Accountant. He left BPIB as an Assistant Finance Manager. He subsequently joined Bank Simpanan Nasional ("BSN") in 1986 as Giro Manager and a year later he was in charge of finance as a Finance Manager. He was promoted to Director of Risk Management in 2001. He left BSN in 2005 as the Director of Finance Department. He is currently the Chief Executive Officer of BSNC Corporation Berhad. He is also an Alternate Director in Mol AccessPortal Berhad and Global Carriers Berhad.