



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Income Statement

For the Third Quarter Ended 31 March 2007

(The figures have not been audited)

	Individual		Cumulative	
	Current Year Third Quarter 31.03.2007 (RM'000)	Preceding Year Corresponding Quarter 31.03.2006 (RM'000)	Current Year To Date 31.03.2007 (RM'000)	Preceding Year To Date 31.03.2006 (RM'000)
Revenue	14,137	11,570	42,014	33,360
Operating expenses	(13,567)	(11,397)	(39,911)	(32,400)
Other operating income	55	85	229	316
Profit from operations	625	258	2,332	1,276
Finance cost	(108)	(71)	(272)	(184)
Profit before tax	517	187	2,060	1,092
Income tax expense	(180)	(67)	(597)	(349)
Net profit	337	120	1,463	743
Earnings per share of RM0.10 each (sen)	0.13	0.06	0.57	0.36

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Balance Sheet
As at 31 March 2007
(The figures have not been audited)

	As At End Of Current Quarter 31.03.2007 (RM'000)	Audited As At Preceding Financial Year Ended 30.6.2006 (RM'000)
Non-Current Assets		
Property, plant and equipment	22,670	15,611
Goodwill	137	137
Other receivable	234	929
Total Non-Current Assets	23,041	16,677
Current Assets		
Inventories	419	269
Trade receivables	13,222	10,856
Other receivables and prepaid expenses	4,206	3,929
Deposits with licensed banks	3,739	9,214
Cash and bank balances	1,945	644
Total Current Assets	23,531	24,912
Total Assets	46,572	41,589
Equity		
Share capital	25,719	25,719
Share premium	627	627
Other Reserves	(6)	2,970
Retained Earnings	7,807	3,374
Total equity attributable to shareholders	34,147	32,690
Non-Current Liabilities		
Hire-purchase payables	2,054	1,546
Borrowings (secured)	866	1,061
Deferred tax liabilities	361	361
Total Non-Current Liabilities	3,281	2,968
Current Liabilities		
Trade payables	4,403	2,732
Other payables and accrued expenses	1,716	1,333
Hire-purchase payables - current portion	2,058	1,620
Borrowings (secured) - current portion	967	246
Total Current Liabilities	9,144	5,931
Total Liabilities	12,425	8,899
Total Equity and Liabilities	46,572	41,589
 Net assets per share of RM0.10 each (RM)	 0.13	 0.13

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity
For the Third Quarter Ended 31 March 2007
(The figures have not been audited)

	Issued capital (RM'000)	Share premium (RM'000)	Reserve On consolidation (RM'000)	Unappropriated profit (RM'000)	Exchange reserve (RM'000)	Total (RM'000)
Balance as of 1 July 2006	25,719	627	2,970	3,374	-	32,690
Net profit for the period	-	-	-	1,463	-	1,463
Effects of adopting FRS 3	-	-	(2,970)	2,970	-	-
Foreign currency translation	-	-	-	-	(6)	(6)
Balance as of 31 March 2007	<u>25,719</u>	<u>627</u>	<u>-</u>	<u>7,807</u>	<u>(6)</u>	<u>34,147</u>
Balance as of 1 July 2005	20,575	5,972	2,970	2,168	-	31,685
Net profit for the period	-	-	-	743	-	743
Balance as of 31 March 2006	<u>20,575</u>	<u>5,972</u>	<u>2,970</u>	<u>2,911</u>	<u>32,428</u>	<u>32,428</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory note attached to the interim financial statements.



**Condensed Consolidated Cash Flow Statement
For the Third Quarter Ended 31 March 2007
(The figures have not been audited)**

	Current Year To date Ended 31.03.2007 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2006 (RM'000)
Cash flows from operating activities		
Profit before tax	2,060	1,724
Adjustments for non-cash items	3,233	3,772
Operating profit before working capital changes	5,293	5,496
Changes in working capital:		
Net change in current assets	(1,991)	(1,515)
Net change in current liabilities	2,055	(880)
Cash flows from operations	5,357	3,101
Income tax paid	(705)	(845)
Net cash from operating activities	4,652	2,256
Cash flows used in investing activities		
Additions of fixed assets	(10,196)	(5,546)
Proceeds from disposal of property, plant and equipment	18	17
Deposit paid for the purchase of leasehold land	-	(275)
Interest received	158	295
Net cash used in investing activities	(10,020)	(5,509)
Cash flows used in financing activity		
Share issue expenses incurred	-	(202)
Repayment of term loan and hire purchase payables	(1,794)	(1,246)
New hire purchase acquired	2,557	2,916
New short term loan acquired	712	-
Finance cost paid	(272)	(235)
Net cash used in financing activities	1,203	1,233
Net decrease in cash and cash equivalents	(4,165)	(2,020)
Effect of foreign exchange difference	(6)	-
Cash and cash equivalents at beginning of period	9,510	11,530
Cash and cash equivalents at end of period	5,339	9,510
Cash and bank balances	1,945	644
Deposits with licensed bank	3,739	9,214
Bank overdraft	-	(3)
	5,684	9,855
Less: fixed deposits pledged with a licensed bank	(345)	(345)
	5,339	9,510

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.

Notes To The Interim Financial Report For the period ended 31 December 2006

1. Accounting Policies and Basis of Preparation

The interim financial statements of the Group have been prepared in accordance with Financial Reporting Standard (FRS) 134 Interim Financial Reporting and Chapter 9 Paragraph 9.22 (Appendix 9B) of the Listing Requirements for the MESDAQ Market of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2006. The same accounting policies and methods of computation are followed in these interim financial statements as compared with the annual financial statements for the year ended 30 June 2006, except for the adoption of the following new/revised standards mandatory for annual periods beginning on or after 1 January 2006 :-

FRS 3	Business Combinations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates & Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated & Separate Financial Statements
FRS 132	Financial Instruments : Disclosures & Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets

The adoption of new/revised FRSs does not have significant financial impact on the Group except as disclosed below :

FRS 3 : Business Combinations

Negative Goodwill On Consolidation

Previously Negative Goodwill on Consolidation was retained in the Balance Sheet. With the adoption of FRS 3, Negative Goodwill is now taken to the Income Statement as and it when arises. Existing Negative Goodwill has been derecognised by an adjustment to the opening retained earnings.

Goodwill on Consolidation

Previously Goodwill on Consolidation was capitalised and amortised over a period of 10 years. With the adoption of FRS 3, Goodwill will now be carried at cost less impairment losses. Goodwill will be tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The above changes in accounting policy have been accounted for prospectively and in accordance with FRS 3, the Group has taken Negative Goodwill on Consolidation as at 30 September 2006 to Unappropriated Profits as follows :

<u>Condensed Consolidated Statement of Changes in Equity</u>	As previously reported (RM'000)	Effect (RM'000)	As restated (RM'000)
Unappropriated profit brought forward	3,374	2,970	6,344
Reserve on Consolidation	2,970	(2,970)	-

2. Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2006 was not qualified.

3. Comments on Seasonal and Cyclical Factors

The Group's performance was affected by the lower deliveries during the months with numerous public and festive holidays.

4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flow

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow for the current quarter and financial period year to date.

5. Material Changes in Estimates

There were no changes in estimates that had a material effect on the current quarter and financial period year to date.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities, share buy-back, share cancellation and resale of treasury shares for the current quarter and financial period year to date.

7. Dividends Paid

There were no dividends paid in the current quarter and the financial period year to date.

8. Segmental Information

The Group operates predominantly in Malaysia and Singapore and is principally involved in the provision of express delivery and customised logistics solutions services. The segmental revenue and results during the three (3) months ended 31 March 2007 are tabulated below:

<u>Geographical segments</u>	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	14,134	3	14,137
Profit/(Loss) before taxation	651	(134)	517
Taxation	(180)	-	(180)
Net Profit for the period			<u>337</u>

9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendments from the previous annual financial statements.

10. Material Events Subsequent To Period End

There were no material events that occurred subsequent to the end of the financial year ended 30 June 2006 that have not been reflected in this quarterly report.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group in the current quarter and financial period year to date.

12. Contingent Assets or Liabilities

The Company provided two corporate guarantees amounting to RM4,750,000 to a financial institution and one corporate guarantee amounting to RM50,000 to a supplier for credit facilities granted to a subsidiary. Besides that, there were no changes in the contingent liabilities since the last annual balance sheet date.

13. Capital Commitments

There were no capital commitments not provided for in the financial statements for the quarter under review.

Additional Information Required By Bursa Malaysia Securities Berhad Listing Requirements

1. Review of Performance for the current quarter and financial period year to date

For the third quarter ended 31 March 2007, the Group's revenue and profit before tax ("PBT") increased by 22% and 179% respectively to RM14.1 million and RM0.5 million respectively as compared to the same quarter in the preceding financial year. With the Group's expanded hub capacity, network infrastructure and fleet size, the Group's revenue continues to grow steadily. In view of the nature of cost structure, the increase in PBT was proportionately higher than the increase in revenue, once the monthly revenue exceeded the break even level.

2. Material Change in the Profit Before Tax for the Current Quarter as compared to the Immediate Preceding Quarter

The Group recorded a profit before tax ("PBT") of RM0.52 million for the third quarter ended 31 March 2007. As compared to the immediate preceding quarter ended 31 December 2006, the PBT for the third quarter decreased by RM261,000 or 34%. This reduction was mainly caused by lower deliveries during the festive holidays and the set up costs associated with the Singapore subsidiary company during the initial gestation period.

3. Prospect of the Group

The Directors are of the opinion that the Group's results for the financial year ending 30 June 2007 will be satisfactory. So far, the Group's performance is on track to achieve targeted results. The Group will implement various measures to safeguard its financial well being and to ensure that satisfactory results are sustainable in the long term.

4. Profit Forecast

The Company did not disclose any profit forecast or guarantee for this financial period.

5. Taxation

	Individual		Cumulative	
	Current Year Third Quarter 31.03.2007 (RM'000)	Preceding Year Corresponding Quarter 31.03.2006 (RM'000)	Current Year To Date 31.03.2007 (RM'000)	Preceding Year To Date 31.03.2006 (RM'000)
Current period's provision	180	67	597	349
Deferred taxation	-	-	-	-
Under/ (over) provision in respect of previous year	-	-	-	-
	<u>180</u>	<u>67</u>	<u>597</u>	<u>349</u>

The effective tax rates of the Group for the current year and current quarter are higher than the statutory tax rate of 27% due to certain expenses being disallowable for tax purposes.

6. Unquoted Securities and/or Properties

There were no disposals of any unquoted investments and/or properties for the current quarter and financial period year to date.

7. Quoted Securities

There were no purchases or disposals of any quoted securities for the current quarter and financial period year to date.

8. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement other than the following:

A) Utilisation of Proceeds

The utilisation of proceeds from the Initial Public Offer ("IPO") is as follows:

Purpose	Proposed Utilisation RM'000	Re-allocation RM'000	Total RM'000	Actual Utilisation RM'000	Balance RM'000
Proposed upgrading of GDEX's network and infrastructure	4,800		4,800	4,731	69
Working capital	3,700	972	4,672	4,672	0
Estimated listing expenses	2,000	-972	1,028	1,028	0
	<u>10,500</u>	<u>0</u>	<u>10,500</u>	<u>10,431</u>	<u>69</u>

The unutilised proceeds for the listing expenses of RM0.972 million have been re-allocated for the working capital purposes of the Group.

B) Proposed Private Placement and Bonus Issue

- 1) On 12 October 2005, the Company announced a proposed private placement of up to 25,718,604 new ordinary shares of RM0.10 each in the Company (as the proposed bonus issues of up to 51,437,208 new ordinary shares of RM0.10 each has been implemented on 8 May 2006), representing 10% of the issued and paid-up share capital of the Company at an issue price to be determined and announced later.
- 2) The Securities Commission has via its letter dated 8 December 2005, approved the Proposed Placement under Section 32(5) of the SC Act 1993, Listing Requirements of the Bursa Malaysia Securities Berhad for the MESDAQ Market and Guideline on the Acquisition of Interest, Mergers and Take-Overs by Local and Foreign Interest.
- 3) The shareholders approved the resolutions relating to the proposed private placement at the Extraordinary General Meeting, which was held on 25 January 2006.

- 4) The Securities Commission has via its letter dated 6 June 2006 granted an extension of time of up to 8 December 2006 to implement the Private Placement mentioned in (2) above.
- 5) On 8 December 2006, the approval of the Securities Commission for the Private Placement had lapsed and the Company has not applied to the Securities Commission for a further extension of time. Accordingly, the Private Placement will not be implemented.

C) Acquisition of Leasehold Land with a Building Erected Thereon

On 29 August 2006, the Board of Directors announced that the Company had on even date entered into a Sale and Purchase Agreement ("SPA") with Lembaga Tabung Haji to acquire a piece of leasehold land together with a building erected thereon and bearing postal address of No.19, Jalan Tandang, 46050 Petaling Jaya, Selangor for a total cash consideration of Ringgit Malaysia Five Million and Five Hundred Thousand (RM5,500,000) only.

On 29 November 2006, the Company had fully settled for the total purchased consideration using internally-generated funds. The Sale and Purchase transaction is deemed completed pending the registration of title.

D) Proposal Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

During the Third Annual General Meeting held on 11 December 2006, the Company has obtained shareholders' approval on the Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group.

9. Group Borrowings

The Group borrowings consist of the following:

	RM'000
Short term borrowing (secured)	712
Hire purchase payables	
Payable within 12 months	2,058
Payable after 12 months	2,054
Long-term borrowings (secured):	
Payable within 12 months	255
Payable after 12 months	866
Total borrowings	5,945

All the above borrowings are denominated in Ringgit Malaysia.

10. Financial Instruments

There are no off balance sheet financial instruments as at the date of the quarterly report.

11. Material Litigations

There were no further developments to matters previously disclosed in the audited financial statements for the year ended 30 June 2006.

12. Dividends

No dividends were declared during the quarter or the financial period year to date.

13. Earnings Per Share

i. Basic

The basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	Current Year Quarter 31.03.2007 (RM'000)	Current Year To Date 31.03.2007 (RM'000)
Net profit attributable to ordinary shareholders	337	1,463
Number of ordinary shares of RM0.10 each in issue (units)	257,186,037	257,186,037
Basic earnings per share of RM0.10 each (sen)	<u>0.13</u>	<u>0.57</u>

ii. Diluted

The Company does not have any convertible shares or convertible financial instruments for the current quarter and financial period year to date.

By Order of the Board

Woo Ying Pun (MAICSA 7001280)
Secretary
15 May 2007