



## GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

### Condensed Consolidated Income Statement

For the First Quarter Ended 30 September 2007

(The figures have not been audited)

	Individual		Cumulative	
	Current Year First Quarter 30.09.2007 (RM'000)	Preceding Year Corresponding Quarter 30.09.2006 (RM'000)	Current Year To Date 30.09.2007 (RM'000)	Preceding Year To Date 30.09.2006 (RM'000)
Revenue	15,882	13,799	15,882	13,799
Operating expenses	(14,802)	(13,045)	(14,802)	(13,045)
Other operating income	67	99	67	99
Profit from operations	1,147	853	1,147	853
Finance cost	(96)	(88)	(96)	(88)
Profit before tax	1,051	765	1,051	765
Income tax expense	(273)	(206)	(273)	(206)
Net profit	778	559	778	559
Earnings per share of RM0.10 each (sen)	0.30	0.22	0.30	0.22

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Balance Sheet**  
**As at 30 September 2007**  
 (The figures have not been audited)

	As At End Of Current Quarter 30.09.2007 (RM'000)	Audited As At Preceding Financial Year Ended 30.6.2007 (RM'000)
<b>Non-Current Assets</b>		
Property, plant and equipment	15,756	22,854
Goodwill	137	137
Prepaid lease payments	7,895	-
Total Non-Current Assets	<u>23,788</u>	<u>22,991</u>
<b>Current Assets</b>		
Inventories	318	355
Trade receivables	13,368	12,777
Other receivables and prepaid expenses	4,676	4,599
Deposits with licenced banks	3,783	3,760
Cash and bank balances	1,355	1,713
Total Current Assets	<u>23,500</u>	<u>23,204</u>
Total Assets	<u><u>47,288</u></u>	<u><u>46,195</u></u>
<b>Equity</b>		
Share capital	25,719	25,719
Share premium	618	618
Exchange Reserve	(12)	(11)
Reserves	9,209	8,431
Total equity attributable to shareholders	<u>35,534</u>	<u>34,757</u>
<b>Non-Current Liabilities</b>		
Hire-purchase payables	2,586	2,268
Borrowings (secured)	731	903
Deferred tax liabilities	8	8
Total Non-Current Liabilities	<u>3,325</u>	<u>3,179</u>
<b>Current Liabilities</b>		
Trade payables	2,438	3,052
Other payables and accrued expenses	2,384	2,137
Hire-purchase payables - current portion	2,353	2,240
Borrowings (secured) - current portion	1,254	830
Total Current Liabilities	<u>8,429</u>	<u>8,259</u>
Total Liabilities	<u>11,754</u>	<u>11,438</u>
Total Equity and Liabilities	<u><u>47,288</u></u>	<u><u>46,195</u></u>
Net assets per share of RM0.10 each (RM)	<u>0.14</u>	<u>0.14</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity**  
For the First Quarter Ended 30 September 2007  
(The figures have not been audited)

	Issued capital (RM'000)	Share premium (RM'000)	Reserve on consolidation (RM'000)	Unappropriated profit (RM'000)	Translation reserve (RM'000)	Total (RM'000)
Balance as of 1 July 2007	25,719	618	-	8,431	(11)	34,757
Foreign currency translation	-	-	-	-	(1)	(1)
Net profit for the year	-	-	-	778	-	778
Balance as of 30 September 2007	<u>25,719</u>	<u>618</u>	<u>-</u>	<u>9,209</u>	<u>(12)</u>	<u>35,534</u>
Balance as of 1 July 2006	25,719	626	2,970	3,375	-	32,690
Effects of adopting FRS 3	-	-	(2,970)	2,970	-	-
Share issue expenses	-	(8)	-	-	-	(8)
Foreign currency translation	-	-	-	-	(11)	(11)
Net profit for the year	-	-	-	2,086	-	2,086
Balance as of 30 June 2007	<u>25,719</u>	<u>618</u>	<u>-</u>	<u>8,431</u>	<u>(11)</u>	<u>34,757</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 2007 and the accompanying explanatory note attached to the interim financial statements.



**Condensed Consolidated Cash Flow Statement  
For the First Quarter Ended 30 September 2007  
(The figures have not been audited)**

	Current Year To date Ended 30.09.2007 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2007 (RM'000)
<b>Cash flows from operating activities</b>		
Profit before tax	1,051	2,558
Adjustments for non-cash items	1,220	5,076
Operating profit before working capital changes	2,271	7,634
Changes in working capital:		
Net change in current assets	(489)	(2,338)
Net change in current liabilities	(362)	1,119
<b>Cash flows from operations</b>	1,420	6,415
Income tax paid	(414)	(858)
<b>Net cash from operating activities</b>	1,006	5,557
<b>Cash flows used in investing activities</b>		
Additions of fixed assets	(719)	(8,283)
Proceeds from disposal of property, plant and equipment	16	57
Interest received	37	193
<b>Net cash used in investing activities</b>	(666)	(8,033)
<b>Cash flows used in financing activity</b>		
Share issue expenses incurred	-	(8)
Repayment of term loan and hire purchase payables	(893)	(2,213)
New short term loan acquired	315	673
Finance cost paid	(96)	(347)
<b>Net cash used in financing activities</b>	(674)	(1,895)
<b>Net decrease in cash and cash equivalents</b>	(334)	(4,371)
Foreign reserve	(1)	(11)
Cash and cash equivalents at beginning of period	5,128	9,510
<b>Cash and cash equivalents at end of period</b>	4,793	5,128
Cash and bank balances	1,355	1,713
Deposits with licensed bank	3,783	3,760
	5,138	5,473
Less: fixed deposits pledged with a licensed bank	(345)	(345)
	4,793	5,128

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.

## Notes To The Interim Financial Report For the period ended 30 September 2007

### 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 2007. 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 2007, except for the adoption of the following new/revised Financial Reporting Standards ("FRS") :-

	<b>For financial period beginning on or after</b>
FRS 117 Leases	1 October 2006
FRS 124 Related Party Disclosures	1 October 2006
Amendment The Effects of Changes in Foreign Exchange Rates – to FRS 121 Net Investment in a Foreign Operation	1 July 2007

Except for FRS 117, the adoption of the above FRS does not have significant financial impact on the Group. The principal effects of the change in accounting policies resulting from the adoption of FRS 117 are summarized as below :-

#### **FRS 117 : Leases**

Prior to 1 July 2007, leasehold land held for own use was classified property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 has resulted in a change in the accounting policy relating to the classification of leases of land and buildings. Leasehold land held for own use is now classified as operating lease and the up-front payments made represents prepaid land lease payments and are amortised on a straight-line basis over the lease term.

The Group has applied the above change in accounting policy in accordance with the provisions of FRS 117 whereby the unamortised amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments. The following comparatives were restated following the adoption of FRS 117:

<u>Balance Sheet</u>	As previously reported (RM'000)	Effect (RM'000)	As restated (RM'000)
Property, Plant and Equipment	22,854	(7,935)	14,919
Prepaid Lease Payments	-	7,935	7,935

## 2. Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2007 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 was 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 was no changes in estimates that yielded a material effect on the current quarter and financial period year to date.

## 6. Debt and Equity Securities

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

## 7. Dividends Paid

There was 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 for the period ended 30 September 2007 are tabulated below:

### Geographical segments

	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	15,788	94	15,882
Profit/(Loss) before taxation	1,240	(189)	1,051
Taxation	(273)	-	(273)
Net Profit for the year			778

#### **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 was no material event occurring subsequent to the end of the financial period ended 30 September 2007 that has not been reflected in this quarterly report.

#### **11. Changes in the Composition of the Group**

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

#### **12. Contingent Assets or Liabilities**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 30 June 2007.

#### **13. Capital Commitments**

There was 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 first quarter ended 30 September 2007, the Group's revenue and profit before tax ("PBT") increased by 15% and 37% respectively as compared to the same quarter in the preceding financial year. With the capacity built up in the previous quarters, the Group's revenue continues to grow in tandem with higher demands for the Group's express carrier and customized logistics services. PBT improved proportionately higher than the increase in Group's revenue, once the monthly revenue achieved surpass the break-even point., as marginal cost component is relatively lower.

### 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 RM1.05 million for the first quarter ended 30 September 2007. As compared to the immediate preceding quarter ended 30 June 2007, the PBT for the first quarter increase by RM0.53 million or 103%. This increase was mainly caused by higher revenue achieved and most costs have been incurred in the earlier phrase of capacity building process.

### 3. Prospect of the Group

The Directors are of the opinion that the results for the financial year ending 30 June 2008 will be satisfactory. The focus in the coming financial year is cost control and to improve return on assets employed.

### 4. Profit Forecast

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

### 5. Taxation

The taxation figures are as follows:

	Individual		Cumulative	
	Current Year First Quarter 30.09.2007 (RM'000)	Preceding Year Corresponding Quarter 30.09.2006 (RM'000)	Current Year To Date 30.09.2007 (RM'000)	Preceding Year To Date 30.09.2006 (RM'000)
Estimated tax payable	335	206	335	206
Deferred tax	(62)	-	(62)	-
	<u>273</u>	<u>206</u>	<u>273</u>	<u>206</u>



The effective tax rate remains fairly consistent with the statutory corporate tax rate of 26%, the impact of certain disallowable expenses has been mitigated by the realization of deferred tax assets not recognized in the last audited financial statements.

## 6. Unquoted Securities and/or Properties

There was no purchases or disposal of any unquoted securities and/or properties for the current quarter and financial period year to date.

## 7. Quoted Securities

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

## 8. Status of Corporate Proposals

There was no corporate proposals announced but not completed as at the date of this announcement.

## 9. Group Borrowings

The Group borrowings consists of the following:

	S\$'000	RM'000
<b>Short term borrowings (secured) :</b>		
<b>Denominated in Ringgit Malaysia</b>		
Trust receipt		988
Hire purchase payables		2,283
Term loan		266
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	30	70
<b>Long-term borrowings (secured):</b>		
<b>Denominated in Ringgit Malaysia</b>		
Hire purchase payables		2,473
Term loan		731
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	50	113
Total borrowings		<u><u>6,924</u></u>

## 10. Financial Instruments

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

## 11. Material Litigations

There was no further developments to matters previously disclosed in the audited financial statements for the year ended 30 June 2007.

## 12. Dividends

No dividends was 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 30.09.2007 (RM'000)	Current Year To Date 30.09.2007 (RM'000)
Net profit attributable to ordinary shareholders	778	778
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>0.30</u>	<u>0.30</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)  
Loh Yin Fun (MAICSA 0862905)  
Secretaries  
16 November 2007