



## GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

### Condensed Consolidated Income Statement

For the Fourth Quarter ended 30 June 2008

(The figures have not been audited)

	Individual		Cumulative	
	Current Year Fourth Quarter 30.06.2008 (RM'000)	Preceding Year Corresponding Quarter 30.06.2007 (RM'000)	Current Year To Date 30.06.2008 (RM'000)	Preceding Year To Date 30.06.2007 (RM'000)
Revenue	18,383	15,353	68,019	57,365
Operating expenses	(17,359)	(14,830)	(63,762)	(54,759)
Other operating income	<u>383</u>	<u>69</u>	<u>565</u>	<u>299</u>
Profit from operations	1,407	592	4,822	2,905
Finance cost	<u>(339)</u>	<u>(75)</u>	<u>(668)</u>	<u>(347)</u>
Profit before tax	1,068	517	4,154	2,558
Income tax expense	(425)	(92)	(1,227)	(472)
Net profit	<u><u>643</u></u>	<u><u>609</u></u>	<u><u>2,927</u></u>	<u><u>2,086</u></u>
Earnings per share (sen)	<u><u>0.25</u></u>	<u><u>0.24</u></u>	<u><u>1.13</u></u>	<u><u>0.81</u></u>

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 June 2008**  
 (The figures have not been audited)

	As At End Of Current Quarter 30.06.2008 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2007 (RM'000)
<b>Non-Current Assets</b>		
Property, plant and equipment	17,547	22,854
Investment property	2,750	-
Goodwill	137	137
Prepaid lease payment	4,506	-
Total Non-Current Assets	<u>24,940</u>	<u>22,991</u>
<b>Current Assets</b>		
Inventories	345	355
Trade receivables	18,097	12,777
Other receivables and prepaid expenses	3,731	4,599
Deposits with licenced banks	3,802	3,760
Cash and bank balances	2,330	1,713
Total Current Assets	<u>28,305</u>	<u>23,204</u>
Total Assets	<u><u>53,245</u></u>	<u><u>46,195</u></u>
<b>Equity</b>		
Share capital	25,719	25,719
Share premium	618	618
Other Reserves	555	(11)
Reserves	11,358	8,431
Total equity attributable to shareholders	<u>38,250</u>	<u>34,757</u>
<b>Non-Current Liabilities</b>		
Hire-purchase payables	2,276	2,268
Borrowings (secured)	3,622	903
Deferred tax liabilities	-	8
Total Non-Current Liabilities	<u>5,898</u>	<u>3,179</u>
<b>Current Liabilities</b>		
Trade payables	2,644	3,052
Other payables and accrued expenses	2,966	2,137
Hire-purchase payables - current portion	2,870	2,240
Borrowings (secured) - current portion	617	830
Total Current Liabilities	<u>9,097</u>	<u>8,259</u>
Total Liabilities	<u>14,995</u>	<u>11,438</u>
Total Equity and Liabilities	<u><u>53,245</u></u>	<u><u>46,195</u></u>
Net assets per share (RM)	<u>0.15</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 Fourth Quarter ended 30 June 2008**  
 (The figures have not been audited)

	Issued capital (RM'000)	Share premium (RM'000)	Unappropriated profit (RM'000)	Other reserves (RM'000)	Total (RM'000)
Balance as of 1 July 2007	25,719	618	8,431	(11)	34,757
Foreign currency translation	-	-	-	(3)	(3)
Revaluation surplus at fair value	-	-	-	569	569
Net profit for the period	-	-	2,927	-	2,927
Balance as of 30 June 2008	<u>25,719</u>	<u>618</u>	<u>11,358</u>	<u>555</u>	<u>38,250</u>
Balance as of 1 July 2006	25,719	626	6,345	-	32,690
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>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 Fourth Quarter Ended 30 June 2008  
(The figures have not been audited)**

	Current Year To date Ended 30.06.2008 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2007 (RM'000)
<b>Cash flows from operating activities</b>		
Profit before tax	4,154	2,558
Adjustments for non-cash items	5,669	5,076
Operating profit before working capital changes	9,823	7,634
Changes in working capital:		
Net change in current assets	(5,275)	(2,338)
Net change in current liabilities	138	1,119
<b>Cash flows from operations</b>	4,686	6,415
Income tax paid	(670)	(858)
<b>Net cash from operating activities</b>	4,016	5,557
<b>Cash flows used in investing activities</b>		
Additions of fixed assets	(2,798)	(8,283)
Proceeds from disposal of property, plant and equipment	41	57
Interest and rental received	216	193
<b>Net cash used in investing activities</b>	(2,541)	(8,033)
<b>Cash flows used in financing activity</b>		
Share issue expenses incurred	-	(8)
Repayment of term loan and hire purchase payables	(2,626)	(2,213)
New term loan acquired	2,481	673
Finance cost paid	(668)	(347)
<b>Net cash used in financing activities</b>	(813)	(1,895)
<b>Net increase in cash and cash equivalents</b>	662	(4,371)
Foreign reserve	(3)	(11)
Cash and cash equivalents at beginning of period	5,128	9,510
<b>Cash and cash equivalents at end of period</b>	5,787	5,128
Cash and bank balances	2,330	1,713
Deposits with licensed bank	3,802	3,760
	6,132	5,473
Less: fixed deposits pledged with a licensed bank	(345)	(345)
	5,787	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 June 2008

### 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 any significant financial impact on the Group. The principal effects of the change in accounting policies resulting from the adoption of FRS 117 are summarised 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:

	<b>As previously reported (RM'000)</b>	<b>Effect (RM'000)</b>	<b>As restated (RM'000)</b>
<u>Balance Sheet</u>			
Property, Plant and Equipment	22,854	(6,883)	15,971
Prepaid Lease Payments	-	6,883	6,883

## 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, such as Hari Raya and Chinese New Year.

## 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 year to date.

## 5. Material Changes in Estimates

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

## 6. Debt and Equity Securities

There were 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 year to date.

## 7. Dividends Paid

There were no dividends paid in the current quarter and the financial 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 financial year ended 30 June 2008 are tabulated below:

<u>Geographical segments</u>	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	67,618	401	68,019
Profit/(Loss) before taxation	4,618	(464)	4,154
Taxation	(1,227)	-	(1,227)
Net Profit for the year			<u>2,927</u>

## 9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been stated at cost, except for the leasehold building which has been restated at fair value with the revaluation surplus included as other reserves.

## 10. Material Events Subsequent To Period End

There were no material event occurring subsequent to the end of financial year ended 30 June 2008 that has 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 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 were no capital commitments not provided for in the financial statements for the quarter under review.

## 14. Recurrent Related Party Transactions

a) GDEX relationship with the interested related parties:

- (i) Mr Teong Teck Lean is a common director and substantial shareholder in GD Express Carrier Berhad and GDX Private Limited; and
- (ii) Mr Leong Chee Tong is a common director in GD Express Carrier Berhad and GDX Private Limited.

b) The related party transactions between GDEX Group and the interested related parties are as follows:

	Current Quarter Ended 30 June 2008 (RM'000)	Cumulative Current Year Ended 30 June 2008 (RM'000)
<b><u>GDX Private Limited</u></b>		
GD Technosystem Sdn Bhd - Software update and maintenance	74	260
GD Express Sdn Bhd - Software training	146	517

## Additional Information Required By Bursa Malaysia Securities Berhad Listing Requirements

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

For the fourth quarter ended 30 June 2008, the Group's revenue increased by 20% as compared to the same quarter in the preceding financial year. The Group also achieved a higher revenue of RM68.02 million for the financial year ended 30 June 2008, as compared to RM57.37 million for the financial year ended 30 June 2007. The Group's revenue continues to grow in tandem with the increasing trend of corporate outsourcing for logistical functions.

Total profit before tax for the year increased by 61.19% as compared to the preceding year. This increase is relatively higher than the increase in revenue as the fixed overhead cost elements are fairly stable, with only the variable service costs increasing proportionately.

### 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 RM1.07 million for the fourth quarter ended 30 June 2008. As compared to the immediate preceding quarter ended 31 March 2008, the PBT for the fourth quarter decreased by RM0.11 million or 10%, due to the inflationary pressure poses on all operating costs, triggered by the increase in fuel price.

### 3. Prospect of the Group

The Directors are of the opinion that the business environment for the financial year ending 30 June 2009 will be challenging. In view of this, the management is implementing various precautionary measures to exercise prudent cost management, and fostering corporate culture to enhance sustainability.

### 4. Profit Forecast

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

### 5. Taxation

The taxation figures are as follows:

	Individual		Cumulative	
	Current Year Fourth Quarter 30.06.2008 (RM'000)	Preceding Year Corresponding Quarter 30.06.2007 (RM'000)	Current Year To Date 30.06.2008 (RM'000)	Preceding Year To Date 30.06.2007 (RM'000)
Estimated tax payable	425	445	1,227	858
Deferred tax	-	(353)	-	(353)
	<u>425</u>	<u>92</u>	<u>1,227</u>	<u>505</u>



The effective tax rate is higher than the statutory corporate tax rate of 26%, due to certain expenses being tax deductible and the tax loss in Singapore subsidiary cannot be offset against the taxable profit in Malaysia.

#### 6. Unquoted Securities and/or Properties

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

#### 7. Quoted Securities

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

#### 8. Status of Corporate Proposals

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

#### 9. Group Borrowings

The Group borrowings consist of the following:

	S\$'000	RM'000
<b>Short term borrowings (secured) :</b>		
<b>Denominated in Ringgit Malaysia</b>		
Trust receipt		-
Hire purchase payables		2,798
Term loan		617
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	30	72
<b>Long-term borrowings (secured):</b>		
<b>Denominated in Ringgit Malaysia</b>		
Hire purchase payables		2,204
Term loan		3,622
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	30	72
Total borrowings	60	9,385

There was no unsecured debt during the current quarter and financial year to date.

## 10. Financial Instruments

There were 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 2007.

## 12. Dividends

The Board proposed a final dividend of 5% or 0.5 sen per share less tax totaling RM1,285,930 (2007 : Nil) for the financial year ended 30 June 2008, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The book closure date will be announced at a later date.

## 13. Earnings Per Share

### i. Basic

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

	Current Quarter 30.06.2008 (RM'000)	Current Year To Date 30.06.2008 (RM'000)
Net profit attributable to ordinary shareholders	643	2,927
Weighted average number of ordinary share Of RM0.10 each in issue (units)	257,186,037	257,186,037
Basic earnings per share (sen)	<u>0.25</u>	<u>1.13</u>

### ii. Diluted

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

By Order of the Board

Woo Ying Pun (MAICSA 7001280)  
Loh Yin Fun (MAICSA 0862905)  
Secretaries  
22 August 2008