



## 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 2008

(The figures have not been audited)

	Individual		Cumulative	
	Current Year First Quarter 30.09.2008 (RM'000)	Preceding Year Corresponding Quarter 30.09.2007 (RM'000)	Current Year To Date 30.09.2008 (RM'000)	Preceding Year To Date 30.09.2007 (RM'000)
Revenue	20,036	15,882	20,036	15,882
Operating expenses	(18,746)	(14,802)	(18,746)	(14,802)
Other operating income	105	67	105	67
Profit from operations	1,395	1,147	1,395	1,147
Finance cost	(140)	(96)	(140)	(96)
Profit before tax	1,255	1,051	1,255	1,051
Income tax expense	(355)	(273)	(355)	(273)
Net profit	900	778	900	778
Earnings per share (sen)	0.35	0.30	0.35	0.30

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Balance Sheet**  
**As at 30 September 2008**  
 (The figures have not been audited)

	As At End Of Current Quarter 30.09.2008 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2008 (RM'000)
<b>Non-Current Assets</b>		
Property, plant and equipment	17,186	17,547
Investment property	2,736	2,750
Goodwill	137	137
Prepaid lease payment	4,483	4,506
<b>Total Non-Current Assets</b>	<u>24,542</u>	<u>24,940</u>
<b>Current Assets</b>		
Inventories	407	315
Trade receivables	17,612	18,166
Other receivables and prepaid expenses	3,634	3,581
Deposits with licenced banks	6,145	5,624
Cash and bank balances	1,527	528
<b>Total Current Assets</b>	<u>29,325</u>	<u>28,214</u>
<b>Total Assets</b>	<u>53,867</u>	<u>53,154</u>
<b>Equity</b>		
Share capital	25,719	25,719
Share premium	618	618
Other reserves	517	539
Retained earnings	12,309	11,406
<b>Total equity attributable to shareholders</b>	<u>39,163</u>	<u>38,282</u>
<b>Non-Current Liabilities</b>		
Hire-purchase payables	2,289	2,285
Borrowings (secured)	3,608	3,719
Deferred tax liabilities	82	82
<b>Total Non-Current Liabilities</b>	<u>5,979</u>	<u>6,086</u>
<b>Current Liabilities</b>		
Trade payables	2,942	2,571
Other payables and accrued expenses	2,780	2,830
Hire-purchase payables - current portion	2,486	2,864
Borrowings (secured) - current portion	517	521
<b>Total Current Liabilities</b>	<u>8,725</u>	<u>8,786</u>
<b>Total Liabilities</b>	<u>14,704</u>	<u>14,872</u>
<b>Total Equity and Liabilities</b>	<u>53,867</u>	<u>53,154</u>
Net assets per share (RM)	<u>0.15</u>	<u>0.15</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2008 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 2008**  
 (The figures have not been audited)

	Issued capital (RM'000)	Share premium (RM'000)	Retained earnings (RM'000)	Other reserves (RM'000)	Total (RM'000)
Balance as of 1 July 2008	25,719	618	11,406	539	38,282
Foreign currency translation		-	-	(19)	(19)
Transfer to retained earnings		-	3	(3)	-
Net profit for the period		-	900	-	900
Balance as of 30 September 2009	<u>25,719</u>	<u>618</u>	<u>12,309</u>	<u>517</u>	<u>39,163</u>
Balance as of 1 July 2007	25,719	618	8,431	(10)	34,758
Foreign currency translation		-	-	(20)	(20)
Revaluation surplus at fair value		-	-	569	569
Net profit for the year		-	2,975	-	2,975
Balance as of 30 June 2008	<u>25,719</u>	<u>618</u>	<u>11,406</u>	<u>539</u>	<u>38,282</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 2008 and the accompanying explanatory note attached to the interim financial statements.

**Condensed Consolidated Cash Flow Statement  
For the First Quarter Ended 30 September 2008  
(The figures have not been audited)**

	Current Year To date Ended 30.09.2008 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2008 (RM'000)
<b>Cash flows from operating activities</b>		
Profit before tax	1,255	2,975
Adjustments for non-cash items	1,469	7,063
Operating profit before working capital changes	2,724	10,038
<b>Changes in working capital:</b>		
Net change in current assets	409	(5,083)
Net change in current liabilities	198	(173)
<b>Cash flows from operations</b>	3,331	4,782
Income tax paid	(233)	(661)
<b>Net cash from operating activities</b>	3,098	4,121
<b>Cash flows used in investing activities</b>		
Additions of fixed assets	(1,036)	(2,773)
Proceeds from disposal of property, plant and equipment	78	41
Interest and rental received	27	144
<b>Net cash used in investing activities</b>	(931)	(2,588)
<b>Cash flows used in financing activity</b>		
Proceed from Islamic debt facilities	-	3,500
Repayment of term loan and hire purchase payables	(1,281)	(2,968)
Increase in bank borrowings	793	(673)
Finance cost paid	(140)	(671)
<b>Net cash used in financing activities</b>	(628)	(812)
<b>Net increase in cash and cash equivalents</b>	1,539	721
Foreign reserve	(19)	(42)
Cash and cash equivalents at beginning of period	5,499	4,820
<b>Cash and cash equivalents at end of period</b>	7,019	5,499
Cash and bank balances	1,527	528
Deposits with licensed bank	6,145	5,624
	7,672	6,152
Less: fixed deposits pledged with a licensed bank	(653)	(653)
	7,019	5,499

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.

## Notes To The Interim Financial Report For the period ended 30 September 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 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2008. The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the year ended 30 June 2008.

As at the date of this report, the Group has not adopted the new FRS 139 Financial Instruments: Recognition and Measurement which has been issued by the Malaysian Accounting Standards Board, as the Malaysian Accounting Standards Board has yet to determine the effective date of the said FRS. It is expected that there will be no material impact on the financial statements when the Group adopts this new standard.

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

The auditors' report on the financial statements for the year ended 30 June 2008 was not qualified.

### **3. Comments on Seasonal and Cyclical Factors**

During the period under review, the business of the Group was not affected by any significant seasonal and cyclical factors.

### **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 period ended 30 September 2008 are tabulated below:-

<u>Geographical segments</u>	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	19,756	280	20,036
Profit/(Loss) before taxation	1,342	(87)	1,255
Taxation	(355)	-	(355)
Net Profit for the quarter			<u>900</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 events occurring subsequent to the end of financial period ended 30 September 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 2008.

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

**Additional Information Required Pursuant to the Listing Requirements for the MESDAQ Market of Bursa Malaysia Securities Berhad**

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

For the first quarter ended 30 September 2008, the Group's revenue increased by 26% as compared to the same quarter in the preceding financial year. This increase in revenue was mainly attributable to the increase in fuel surcharge and greater demand for cost effective logistical solutions offered by the Group as a result of the increase in fuel prices as experienced by consumers during the financial period under review.

Total profit before tax ("PBT") for the period increased by 19.4% as compared to the same quarter in the preceding year. This increase in PBT was relatively lower than the increase in revenue as the Group was required to absorb part of the inflationary pressures triggered by the increase in fuel prices.

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

The Group recorded a PBT of RM1.26 million for the first quarter ended 30 September 2008. As compared to the immediate preceding quarter ended 30 June 2008, the PBT for the first quarter increased by RM0.19 million or 18%, attributed to the increase in business volume handled by the Group as a result of greater demand for cost effective logistical solutions in the market.

**3. Prospects 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 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 First Quarter 30.09.2008 (RM'000)	Preceding Year Corresponding Quarter 30.09.2007 (RM'000)	Current Year To Date 30.09.2008 (RM'000)	Preceding Year To Date 30.09.2007 (RM'000)
Estimated tax payable	355	335	355	335
Deferred tax	-	(62)	-	(62)
	<u>355</u>	<u>273</u>	<u>355</u>	<u>273</u>

The effective tax rate is higher than the statutory corporate tax rate of 25%, due to certain expenses being tax deductible and the tax loss arising from GDEX's Singapore subsidiary unable to be offset against 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		2,414
Term loan		517
<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		2,243
Term loan		3,608
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	19	46
<b>Total borrowings</b>	49	8,900

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 2008.

## 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 is fixed on 26 December 2008 and the payment date will be 15 January 2009.

### 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 Quarter 30.09.2008 (RM'000)	Current Year To Date 30.09.2008 (RM'000)
Net profit attributable to ordinary shareholders	900	900
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>0.35</u>	<u>0.35</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

Wong Wei Fong (MAICSA 7006751)  
 Lim Lee Kuan (MAICSA 7017753)  
 Secretaries  
 17 November 2008