



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 2009

(The figures have not been audited)

	Individual		Cumulative	
	Current Financial Year Fourth Quarter 30.06.2009 (RM'000)	Preceding Financial Year Corresponding Quarter 30.06.2008 (RM'000)	Current Financial Year To Date 30.06.2009 (RM'000)	Preceding Financial Year To Date 30.06.2008 (RM'000)
Revenue	18,655	18,443	76,170	68,079
Operating expenses	(17,722)	(17,234)	(72,449)	(63,637)
Other operating income	544	411	786	593
Profit from operations	1,477	1,620	4,507	5,035
Finance cost	(416)	(342)	(946)	(671)
Profit before tax	1,061	1,278	3,561	4,364
Taxation	(665)	(587)	(1,429)	(1,389)
Net profit after tax	396	691	2,132	2,975
Earnings per share (sen)	0.15	0.27	0.83	1.16

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



Condensed Consolidated Balance Sheet
As at 30 June 2009
 (The figures have not been audited)

	As At End Of Current Quarter 30.06.2009 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2008 (RM'000)
Non-Current Assets		
Property, plant and equipment	16,455	17,547
Investment property	2,750	2,750
Goodwill	137	137
Prepaid lease payments	4,412	4,506
Total Non-Current Assets	<u>23,754</u>	<u>24,940</u>
Current Assets		
Inventories	383	315
Trade receivables	15,471	18,166
Other receivables and prepaid expenses	2,914	3,581
Deposits with licensed banks	9,335	5,624
Cash and bank balances	1,950	528
Total Current Assets	<u>30,053</u>	<u>28,214</u>
Total Assets	<u>53,807</u>	<u>53,154</u>
Equity		
Share capital	25,719	25,719
Share premium	618	618
Other reserves	501	539
Retained earnings	12,296	11,406
Total equity attributable to shareholders	<u>39,134</u>	<u>38,282</u>
Non-Current Liabilities		
Hire-purchase payables	2,135	2,285
Term loans (secured)	2,925	3,719
Deferred tax liabilities	111	82
Total Non-Current Liabilities	<u>5,171</u>	<u>6,086</u>
Current Liabilities		
Trade payables	3,108	2,571
Other payables and accrued expenses	3,412	2,830
Hire-purchase payables - current portion	2,714	2,864
Term loans (secured) - current portion	268	521
Total Current Liabilities	<u>9,502</u>	<u>8,786</u>
Total Liabilities	<u>14,673</u>	<u>14,872</u>
Total Equity and Liabilities	<u>53,807</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 financial 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 Fourth Quarter ended 30 June 2009
(The figures have not been audited)

	Issued share capital (RM'000)	Share premium (RM'000)	Retained earnings (RM'000)	Other reserves (RM'000)	Total (RM'000)
Balance as at 1 July 2008	25,719	618	11,406	539	38,282
Foreign currency translation	-	-		(26)	(26)
Transfer to retained earnings	-	-	12	(12)	-
Net profit for the year	-	-	2,132	-	2,132
Dividends	-	-	(1,254)	-	(1,254)
Balance as at 30 June 2009	<u>25,719</u>	<u>618</u>	<u>12,296</u>	<u>501</u>	<u>39,134</u>
Balance as at 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 at 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 financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Cash Flow Statement
For the Fourth Quarter Ended 30 June 2009
(The figures have not been audited)**

	Current Year To date Ended 30.06.2009 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2008 (RM'000)
Cash flows from operating activities		
Profit for the year	2,132	2,975
Adjustments for non-cash items	7,876	7,063
Operating profit before working capital changes	<u>10,008</u>	<u>10,038</u>
Changes in working capital:		
Net change in current assets	3,336	(5,083)
Net change in current liabilities	1,517	(173)
Cash flows from operations	<u>14,861</u>	<u>4,782</u>
Income tax paid	(1,839)	(661)
Net cash from operating activities	<u>13,022</u>	<u>4,121</u>
Cash flows used in investing activities		
Additions to property, plant and equipment	(1,458)	(2,599)
Additions to prepaid lease payments	-	(174)
Proceeds from disposal of property, plant and equipment	78	41
Interest received	193	144
Net cash used in investing activities	<u>(1,187)</u>	<u>(2,588)</u>
Cash flows used in financing activities		
Dividends paid to shareholders of the Company	(1,254)	-
Decrease in bank borrowings excluding Islamic debt facilities	-	(673)
Proceeds from Islamic debt facilities	-	3,500
Repayment of term loans and Islamic bank facilities	(1,047)	(320)
Payment of hire purchase payables	(3,413)	(2,648)
Finance costs paid	(946)	(671)
Net cash used in financing activities	<u>(6,660)</u>	<u>(812)</u>
Net increase in cash and cash equivalents	5,175	721
Revaluation reserve	(12)	-
Foreign reserve	(30)	(42)
Cash and cash equivalents at beginning of year	<u>5,499</u>	<u>4,820</u>
Cash and cash equivalents at end of year	<u>10,632</u>	<u>5,499</u>
Cash and bank balances		
	1,950	528
Deposits with licensed banks	9,335	5,624
	<u>11,285</u>	<u>6,152</u>
Less: Fixed deposits pledged with a licensed bank	(653)	(653)
	<u>10,632</u>	<u>5,499</u>

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

Notes To The Interim Financial Report For the financial period ended 30 June 2009

1. Accounting Policies and Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134: "Interim Financial Reporting" and Rule (Appendix 9B) of the Listing Requirements for the ACE Market of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial 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 financial 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 financial year ended 30 June 2008.

As at the date of this report, the followings FRSs and Issues Committee ("IC") Interpretations were in issue but were yet to be effective (the effective dates of which are listed below) and have not been applied by the Group:

<u>FRS / Interpretation</u>		<u>Effective Date</u>
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010

The new FRSs and IC Interpretations above are not expected to have any significant financial impact on the financial statements of the Group upon the initial application, except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.

The Group is exempted from disclosing the possible impact, if any, to its financial statements upon the initial application of FRS 139.

2. Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2008 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 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

On 15 January 2009, the Company paid a final dividend of 5% or 0.5 sen per share less tax totaling RM 1,253,784 (2008: Nil) for the financial year ended 30 June 2008. The said amount differs from the gross final dividend totaling RM 1,285,931 due to tax credits available under Section 108 of the Income Tax Act, 1967 to frank the dividends.

Save as disclosed above, there was no other dividend paid during the current quarter under review and 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 June 2009 are tabulated below:-

Geographical segments

	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	75,601	569	76,170
Profit/(Loss) before taxation	3,927	(366)	3,561
Taxation	(1,429)	-	(1,429)
Net Profit for the financial period			2,132

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 the financial period ended 30 June 2009 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 GD Express Private Limited; and
- (ii) Mr Leong Chee Tong is a common director in GD Express Carrier Berhad and GD Express Private Limited.

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

	Current Quarter Ended 30 June 2009 (RM'000)	Cumulative Current Quarter Ended 30 June 2009 (RM'000)
<u>GDX Private Limited</u>		
GD Technosystem Sdn Bhd - Software update and maintenance	74	294
GD Express Sdn Bhd - Software training	146	585

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

1. Review of Performance for the Current Quarter and Financial Year-to-Date

For the fourth quarter ended 30 June 2009, the Group recorded revenue and profit before taxation ("PBT") of approximately RM18.66 million and RM1.06 million respectively, representing a marginal increase of 1.15% and a decrease of 16.98% respectively as compared to the same quarter in the preceding financial year. On a year-to-date basis, the Group's revenue increased by approximately 11.88% to approximately RM76.17 million and PBT decreased by approximately 18.40% to RM3.56 million as compared to the preceding year-to-date.

In view of the uncertain economic conditions, many customers have become more cost conscious towards their business expenditures and have implemented stringent cost controls. As such, the Group experienced a slight decline in its business volume which was evident through its slight revenue growth during the quarter under review as compared to the same quarter in the preceding financial year.

As compared to the same quarter in the preceding year, the lower PBT recorded by the Group was due to the following factors:-

- (a) the uncertain economic conditions which caused contraction in the business volume of the express carrier industry as well as implementation of stringent cost controls by the Group's customers;
- (b) prompt payment rebates offered to the Group's customers to encourage settlement of their accounts payables within sixty (60) days period; and
- (c) difficulties faced by the Group in reducing its major cost component, being staff cost, as any downward adjustment to staff cost will likely affect staff morale which will eventually cause deterioration in their service quality.

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 approximately RM1.06 million for the fourth quarter ended 30 June 2009. As compared to the immediate preceding quarter ended 31 March 2009, the PBT for the fourth quarter increased by approximately RM0.79 million or 291.51%. Such increase was mainly contributed by higher revenue achieved by the Group during the quarter under review as the Group's revenue during the immediate preceding quarter was affected by the extended business closures adopted by the customers of the Group during the festive holidays, amongst other factors.

3. Prospects of the Group

With an anticipated improvement in economic conditions, the Group expects rising demand for its logistics services and therefore, an improvement in business volume for the forthcoming year. However, the Group foresees that credit collection efforts will remain arduous. As such, the Group has decided to extend its prompt payment rebates to its customers for another financial quarter.

With the advancement in technology coupled with sophisticated customers' requirements, the Group will continue to embark on performance improvement measures in order to increase the efficiency of its logistics services and to keep up with the pace of business progression within the express carrier industry.

The Group will also be prudent in implementing its business strategy to ensure the long term sustainability of the Group's performance.

Barring unforeseen circumstances, the Directors are of the opinion that the demand for logistics solutions will continue to grow and the Group's prospects will remain positive in the long term.

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 30.06.2009 (RM'000)	Preceding Year Corresponding Quarter 30.06.2008 (RM'000)	Current Year To Date 30.06.2009 (RM'000)	Preceding Year To Date 30.06.2008 (RM'000)
Estimated tax payable	636	587	1,400	1,389
Deferred tax	29	-	29	-
	<u>665</u>	<u>587</u>	<u>1,429</u>	<u>1,389</u>

The effective tax rate is higher than the statutory corporate tax rate of 25%, due to certain expenses being non-deductible for tax and the tax loss arising from GDEX's Singapore subsidiary being unable to be offset against the taxable profit from its Malaysian operations.

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

On 8 January 2009, the Company entered into a Memorandum of Understanding (“MOU”) with Enterprise Des Postes Lao (“EPL”) for the feasibility study of conducting express delivery services in Laos and the existing operation mode, system and procedure adopted by EPL to enter into a strategic partner relationship, to develop international and domestic express delivery services under shared brands for the Laos market. During the financial period under review, both parties have commenced the said feasibility study and are in the midst of finalising the proposed strategic partnership. The findings and conclusions from the study will be announced in due course.

9. Group Borrowings

The Group borrowings consist of the following:-

	S\$'000	RM'000
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables		2,673
Term loans		268
Denominated in Singapore Dollar		
Hire purchase payables	17	41
Long- term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables		2,104
Term loans		2,925
Denominated in Singapore Dollar		
Hire purchase payables	13	31
Total borrowings	30	8,042

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 the matters previously disclosed in the audited financial statements for the financial year ended 30 June 2008.

12. Dividends

The Board proposed a final dividend of 5% or 0.5 sen per share and another special dividend of 5% or 0.5 sen per share, totaling 10% or 1 sen per share amounting to RM2,571,860 (2008: RM1,253,784) for the financial year ended 30 June 2009, subject to the approval of the shareholders at the forthcoming Annual General Meeting. The book closure date will be announced at a later date.

Save as disclosed above, there was no other dividends declared during the current quarter under review and financial period-to-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 30.06.2009 (RM'000)	Current Year To Date 30.06.2009 (RM'000)
Net profit attributable to ordinary shareholders	396	2,132
Weighted average number of ordinary share of RM0.10 each in issue (units)	257,186,038	257,186,038
Basic earnings per share (sen)	<u>0.15</u>	<u>0.83</u>

ii. Diluted

The Company does not have any convertible share or convertible financial instrument 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
27 August 2009