



GD EXPRESS CARRIER BHD

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2015

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2015 (RM'000)	Preceding Year Corresponding Quarter 31.03.2014 (RM'000)	Current Year To-Date 31.03.2015 (RM'000)	Preceding Year Corresponding Period 31.03.2014 (RM'000)
Revenue	51,089	39,697	144,928	117,105
Operating expenses	(43,878)	(34,040)	(124,088)	(99,428)
Other operating income	403	310	1,078	665
Profit from operations	7,614	5,967	21,918	18,342
Finance costs	(340)	(350)	(1,016)	(1,047)
Profit before tax	7,274	5,617	20,902	17,295
Taxation	(668)	(513)	(2,102)	214
Net profit for the period	6,606	5,104	18,800	17,509
Other comprehensive income:				
Foreign currency translation differences for foreign operation	46	(72)	100	(20)
	46	(72)	100	(20)
Total comprehensive income for the period	6,652	5,032	18,900	17,489
Profit attributable to owners of the company	6,606	5,104	18,800	17,509
Comprehensive income attributable to owners of the company	6,652	5,032	18,900	17,489
Earnings per share :				
Basic EPS (sen)	0.55	0.46	1.63	1.62
Fully diluted EPS (sen)	0.53	0.42	1.57	1.48

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



GD EXPRESS CARRIER BHD

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2015

	31.03.2015 (RM'000)	30.06.2014 (RM'000)
ASSETS		
Non-current Assets		
Property, plant and equipment	41,788	35,840
Prepaid lease payments	21,341	21,716
	<u>63,129</u>	<u>57,556</u>
Current Assets		
Inventories	1,393	1,320
Trade receivables	44,822	32,060
Other receivables and prepaid expenses	6,227	5,351
Tax recoverable	935	1,133
Deposits with licensed banks	44,845	34,372
Cash and bank balances	11,333	7,985
	<u>109,555</u>	<u>82,221</u>
Total Assets	<u>172,684</u>	<u>139,777</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	60,066	41,935
Reserves	66,539	55,416
Total Equity	<u>126,605</u>	<u>97,351</u>
Non-Current Liabilities		
Hire-purchase payables – non-current portion	9,023	5,569
Borrowings (secured) – non-current portion	11,284	15,474
Provision for retirement benefits	112	112
Deferred tax liabilities	2,732	2,732
Total Non-current Liabilities	<u>23,151</u>	<u>23,887</u>
Current liabilities		
Trade payables	4,184	4,037
Other payables and accrued expenses	13,024	9,923
Hire-purchase payables - current portion	3,803	2,741
Short term borrowings (secured) - current portion	1,763	1,507
Provision for taxation	154	331
Total Current Liabilities	<u>22,928</u>	<u>18,539</u>
Total Liabilities	<u>46,079</u>	<u>42,426</u>
Total Equity And Liabilities	<u>172,684</u>	<u>139,777</u>
Net Assets per share attributable to owners of the company (RM)	<u>0.11</u>	<u>0.12</u>



The above Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

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GD EXPRESS CARRIER BHD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MARCH 2015

	31.03.2015	Nine Months Ended 31.03.2014
	(RM'000)	(RM'000)
Cash flows from operating activities		
Profit for the period	20,902	17,295
Adjustments for non-cash items	6,580	5,820
Operating profit before changes in working capital	<u>27,482</u>	<u>23,115</u>
(Increase)/Decrease in working capital		
Inventories	(73)	(501)
Receivables, deposits and prepayment	(13,638)	(3,616)
Payables and accruals	3,248	1,077
Cash generated from operations	<u>17,019</u>	<u>20,075</u>
Income tax paid	(2,081)	(3,159)
Net cash from operating activities	<u>14,938</u>	<u>16,916</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(5,347)	(2,454)
Proceeds from disposal of property, plant and equipment	59	19
Interest received	945	(2)
Decreased in fixed deposit pledged with licensed bank	(1)	337
Net cash used in investing activities	<u>(4,344)</u>	<u>(2,100)</u>
Cash flows from financing activities		
Net drawdown/(repayment) of short term revolving credit	500	(3,000)
Repayment of term loans	(4,434)	(345)
Net payment of hire purchase payables	(2,251)	(2,322)
Proceed from allotment of share	11,134	8,113
Finance costs paid	(1,016)	(1,047)
Share issue expenses paid	(343)	-
Dividend paid	(437)	(286)
Net cash generated from financing activities	<u>3,153</u>	<u>1,113</u>
Net change in cash and cash equivalents	13,747	15,929
Effect of exchange difference	73	(4)
Cash and cash equivalents at beginning of year	<u>42,298</u>	<u>18,080</u>
Cash and cash equivalents at end of period	<u>56,118</u>	<u>34,005</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MARCH 2015 (Continued)

*During the financial period under review, the Group acquired property, plant and equipment and prepaid lease payments by the following means:-

	31.03.2015 (RM'000)	Nine Months Ended 31.03.2014 (RM'000)
Purchase of :		
Property, plant and equipment	12,113	7,895
Financed by:		
Cash payments and other payables	5,347	2,454
Hire-purchase	6,766	5,441
	<u>12,113</u>	<u>7,895</u>

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2015

	Issued Share capital (RM'000)	←Non-Distributable→ Share Premium (RM'000)	Translation Reserve (RM'000)	Distributable Retained Earnings (RM'000)	Total Equity (RM'000)
At 1 July 2014	41,935	6,632	23	48,761	97,351
Total comprehensive income for the period	-	-	100	18,800	18,900
Transactions with owners					
Arising from warrants exercised	2,855	8,279	-	-	11,134
Arising from bonus share issue	14,930	(14,930)	-	-	-
Shares issue expenses	-	(343)	-	-	(343)
Dividend	346	9,288	-	(10,071)	(437)
	18,131	2,294	100	8,729	29,254
At 31 March 2015	60,066	8,926	123	57,490	126,605
At 1 July 2013	26,171	2,642	(13)	36,271	65,071
Total comprehensive income for the period	-	-	(20)	17,509	17,489
Transactions with owners					
Arising from warrants exercised	1,421	6,692	-	-	8,113
Arising from bonus share issue	13,745	(9,035)	-	(4,710)	-
Shares issue expenses	-	-	-	-	-
Dividend	333	5,566	-	(6,185)	(286)
	15,499	3,223	(20)	6,614	25,316
At 31 March 2014	41,670	5,865	(33)	42,885	90,387

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



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PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134")

1. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed consolidated interim financial statements also complies with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB). The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its audited consolidated financial statements for the financial year ended 30 June 2014.

Adoption of New and Revised Financial Reporting Standards ("FRSs")

In the current financial period ended 31 March 2015, the Group adopted all the new and revised FRSs issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the annual period beginning on or after 1 July 2014 as follows:-

Amendments to MFRS 10, MFRS 12 and MFRS 127	Investments Entities
MFRS 119	Employee Benefits (Amendments relating to Defined Benefit Plans: Employee Contributions)
Amendments to MFRS 132	Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)
Amendments to MFRS 136	Impairment of assets (Amendments relating to Recoverable Amounts Disclosure for Non-Financial Assets)
Amendments to FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to Novation of Derivations and Continuation of Hedge Accounting)
Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2010 – 2012 Cycle	
Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2011 – 2013 Cycle	



The Directors anticipate that the adoption of the abovementioned Standards did not have any material impact on the financial statements of the Group.

At the date of authorisation for issue of these financial statements, the new and revised Standards which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below.

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009) ¹
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010) ¹
MFRS 9	Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139) ¹
Amendments to MFRS 7 and MFRS 9	Mandatory Effective Date of MFRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and Transition Disclosure ¹
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle ²
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128) ²
MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 10, MFRS 12 and MFRS 128) ²
MFRS 11	Accounting for Acquisitions of Interests in Joint Operations (Amendments to MFRS 11) ²
MFRS 14	Regulatory Deferral Accounts ²
MFRS 15	Revenue from Contracts with Customers ³
MFRS 101	Disclosure Initiative (Amendments to MFRS 101) ²
MFRS 116 and MFRS 138	Clarifications of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 116 and MFRS 138) ²
MFRS 127	Equity Method in Separate Financial Statements (Amendments to MFRS 127) ²

¹ The mandatory effective date of MFRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) which was for annual period beginning on or after 1 January 2015 has been removed with the issuance of MFRS 9 Financial Instruments: Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139. The effective date of MFRS 9 will be decided when IASB's IFRS 9 (July 2014) is approved by MASB. However, each version of the MFRS 9 is available for early adoption. It is expected that the mandatory effective date of the revised MFRS 9 will be for annual periods beginning on or after 1 January 2018 (the mandatory effective date of IFRS 9)

² Effective for annual periods beginning on or after 1 January 2016

³ Effective for annual periods beginning on or after 1 January 2017

The Directors anticipate that abovementioned Standards will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards will have no material impact on the financial statements of the Group in the period of initial application



3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's business operations cover primarily the express delivery and logistics services. The revenue of the Group will be affected by the numerous public and festive holidays in the quarter and period under review.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the quarter and the nine months ended 31 March 2015.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the quarter and nine months ended 31 March 2015.

6. DEBTS AND EQUITY SECURITIES

There were no issuances or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter and nine months ended 31 March 2015 under review except for the following:-

- (i) Issuance of 959,000 ordinary share capital of RM0.05 each pursuant to the exercised of 959,000 warrants at an exercise price of RM0.195 per ordinary share. The issued and paid up share capital increased from RM41,934,561 comprising of 838,691,219 ordinary share capital of RM0.05 each to RM41,982,511 comprising of 839,650,219 ordinary share capital of RM0.05 each during the first quarter ended 30 September 2014.
- (ii) Issuance of 56,124,959 ordinary share capital of RM0.05 each pursuant to the exercised of 56,124,959 warrants at an exercise price of RM0.195 per ordinary share during the 2nd quarter under review. Accordingly, the issued and paid up share capital increased from RM44,757,840 comprising of 895,156,808 ordinary share capital of RM0.05 each to RM44,788,759 comprising of 895,775,178 ordinary share capital of RM0.05 each.
- (iii) As announced on 5 February 2015 that the Company issue 298,591,204 Bonus Shares and 12,254,253 additional warrants (arising from the adjustments made in accordance with the provisions under the Deed Poll constituting the Warrants date 11 January 2011) consequential to the Bonus Issue had be listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 6 February 2015.
- (iv) As announced on 9 February 2015 that the Company issued 6,931,026 ordinary shares capital of RM0.05 each at the issue price of RM1.39 each per share, pursuant to the Dividend Reinvestment Plan ("DRP"). The issued and paid up share capital increased from 1,194,366,382 ordinary share capital of RM0.05 to 1,201,297,408 ordinary share capital of RM0.05 each.
- (v) From 16 March 2015 to 31 March 2015 that the Company issue 20,080 ordinary share capital of RM0.05 each pursuant to the exercised of 20,080 warrants at an exercise price of RM0.15 per ordinary share. The issued and paid up share capital increased from 1,201,297,408 ordinary share capital of RM0.05 each to 1,201,317,488 ordinary share capital of RM0.05 each.



The new shares issued as rank pari passu with the existing ordinary shares of the Company and the resulting share premium of RM17,566,758 arising from the shares issued as stated above was credited to share premium account. Out of the share premium balance, total of RM14,929,560 was utilized for bonus share issued and RM343,026 was utilized for share issue expenses.

7. DIVIDEND PAID

The following dividends were paid during the current and previous financial year:-

	Year Ended 30 June	
	2015	2014
First and final dividend for the financial year	30 June 2014	30 June 2013
Approved and declared on	3 December 2014	3 December 2013
Date paid	6 February 2015	23 January 2014
Number of ordinary shares on which dividends were paid	895,156,808	549,780,296
Amount per share (Single-tier)	1.125 sen	1.125 sen
Net dividend paid (RM'000)	<u>10,071*</u>	<u>6,185*</u>

* As announced on 6 February 2015, the Company had issued 6,931,026 (30 June 2013: 6,668,231) new ordinary shares of RM0.05 each in the Company pursuant to the Dividend Reinvestment Plan ("DRP").

The new shares issued represent approximately 95.68% of the total number of 7,243,963 new shares that would have been issued pursuant to the DRP had all the entitled shareholders elected to reinvest their respective Electable Portions into new Shares. The said new shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 9 February 2015. The net dividend in cash after the new shares issued amounted to RM436,283 was paid on 6 February 2015.

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8. NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Profit for the period is arrived at after (charging)/crediting:

	Current Quarter		Year To-Date	
	Three Months Ended		Nine Months Ended	
	2015	2014	2015	2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	312	206	944	442
Other income	91	103	134	223
Interest expense	(340)	(350)	(1,016)	(1,047)
Depreciation and amortization	(2,479)	(1,794)	(6,548)	(5,106)
Provision for doubtful debts	-	5	-	(130)
Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Provision for and write off of inventories	N/A	N/A	N/A	N/A
Impairment of assets	N/A	N/A	N/A	N/A
Foreign exchange gain or loss	(13)	(23)	(13)	(23)
Gain or loss on derivatives	N/A	N/A	N/A	N/A
Exceptional items	N/A	N/A	N/A	N/A

9. OPERATING SEGMENTS

The Group has two reportable business segments and operates predominantly in Malaysia and Singapore as described below, which are the Group's strategic business units. The strategic business units offer different services, and are managed separately because they require different resources management and marketing strategies.

The following is an analysis of the Group's revenue and results by the reportable business segments for the Nine months ended 31 March 2015.

Operating Segments

	Group			
	Segment Revenue		Segment Profit / (Loss)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Express delivery	138,413	113,286	19,434	17,163
Logistics	6,515	3,819	2,484	1,179
Total	144,928	117,105	21,918	18,342
Finance costs			(1,016)	(1,047)
Profit before tax			20,902	17,295



Revenue shown above represents revenue generated from external customers. All inter-company transactions have been eliminated on consolidation level.

The following is an analysis of the carrying amount of segment assets and liabilities by the business segments in which the assets and liabilities are located:

	Carrying Amount of Segment Assets	
	As at	As at
	31.03.2015 (RM'000)	31.03.2014 (RM'000)
Segment Assets		
Express delivery	168,555	126,655
Logistics	5,130	2,661
	173,685	129,316
Unallocated corporate assets		
- Tax recoverable	935	3,479
	174,620	132,795
	Carrying Amount of Segment Liabilities	
	As at	As at
	31.03.2015 (RM'000)	31.03.2014 (RM'000)
Segment Liabilities		
Express delivery	44,796	39,397
Logistics	333	109
	45,129	39,506
Unallocated liabilities		
- Tax liabilities	154	653
- Deferred tax liabilities	2,732	2,249
	48,015	42,408

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated directly to reportable segments.

Geographical Segments

	Group		Carrying Amount of Segment	
	Revenue by Geographical Market		Non-Current Assets as at	
	For the Nine Months Ended 31.03.2015 (RM'000)	31.03.2014 (RM'000)	31.03.2015 (RM'000)	31.03.2014 (RM'000)
Malaysia	143,527	116,180	62,691	56,725
Singapore	1,401	925	438	400
Total	144,928	117,105	63,129	57,125



10. PROPERTY, PLANT AND EQUIPMENT VALUATION

The property, plant and equipment of the Group are stated at cost / valuation less accumulated depreciation or impairment loss, if any. There was no revaluation of property, plant and equipment during the current quarter and nine months ended 31 March 2015 under review.

11. MATERIAL EVENTS SUBSEQUENT TO END OF THE PERIOD

Between the end of the quarter and the date of this announcement, there has not been any item, transaction or event of a material and unusual nature which, in the opinion of the Directors is likely to affect substantially the results of the operations of the Group for the current quarter and nine months ended 31 March 2015.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and nine months ended 31 March 2015 under review which including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets as at the date of this report.

14. CAPITAL COMMITMENTS

All capital commitments undertaken have been included in the financial statements for the current quarter and nine months ended 31 March 2015 under review.

15. RELATED PARTY TRANSACTIONS

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

	Transaction Value		Balance Outstanding	
	31.03.2015 (RM'000)	31.03.2014 (RM'000)	31.03.2015 (RM'000)	31.03.2014 (RM'000)
Revenue				
Provision of express delivery services				
- Singapore Post Limited	25	79	36	65
- Quantum Solutions International(Malaysia) Sdn Bhd	506	-	506	-
- Quantum Solutions Singapore Pte Ltd	188	-	190	-



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PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. REVIEW OF PERFORMANCE

Performance for the quarter ended 31 March 2015 versus the same quarter in Year 2014

Group Performance

	Current Quarter Three Months Ended 31 March		Cumulative Quarter Nine Months Ended 31 March	
	2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Revenue	51,089	39,697	144,928	117,105
Profit Before Taxation	7,274	5,617	20,902	17,295

Group revenue for the current quarter ended 31 March 2015 increased by RM11.392 million or 28.7% as compared to the preceding year corresponding quarter.

Group profit before tax increased by 29.5% or RM1.657 million from RM5.617 million reported in the preceding year corresponding quarter to RM7.274 million in the current quarter ended 31 March 2015.

The improved performance was mainly due to increase in business volume as a result of the increase in demand of the courier and logistics services for e-commerce business during the current quarter under review as compared to preceding year corresponding quarter.

Segmental Performance

	Courier Services Cumulative Quarter Nine Months Ended 31 March		Logistics Services Cumulative Quarter Nine Months Ended 31 March	
	2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Revenue	138,413	113,286	6,515	3,819
Profit Before Taxation	18,418	16,116	2,484	1,179

Courier Services

The revenue reported in courier services for the current period ended 31 March 2015 increased by 22.2% or RM25.127 million as compared to RM113.286 million reported in the corresponding quarter ended 31 March 2014. The profit before taxation for the current period ended 31 March 2015 increased by 14.3% or RM2.302 million as compared to RM16.116 million reported in the corresponding period ended 31 March 2014 which was mainly due to higher sales volume during the nine months under review.



Logistics Services

The revenue reported in the logistics services for the current period ended 31 March 2015 was RM6.515 million, increased by 70.6% or RM2.696 million as compared to the corresponding quarter ended 31 March 2014. The profit before taxation reported in the current period under review was RM2.484 million, increased by 110.7% as compared to the profit before tax of RM 1.179 million reported in the previous corresponding quarter ended 31 March 2014.

The improved performance in the logistics segment was mainly due to the increase in demand from the customers to the supply chain services ranging from import, to forwarding, warehousing and distribution. This will increase the business volume and, hence improve the bottom line of the logistics segment.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Group Performance

	31 March 2015 (RM'000)	3 Months Ended 31 December 2014 (RM'000)
Revenue	51,089	50,098
Profit Before Taxation	7,274	8,006

Group revenue for the quarter under review was higher by RM0.991 million or 2.0% compared to RM 50.098 million recorded for the preceding quarter. Profit before tax for the Group reduced by RM0.732 million or 9.14% in the current quarter under review as compared to the preceding quarter.

The decline in performance was due to lesser working days as a result of few days festival break in February and also the salary and incentive adjustments in the current quarter under review.

Segmental Performance

	Courier Services		Logistics Services	
	Three Months Ended		Three Months Ended	
	31 March 2015 (RM'000)	31 December 2014 (RM'000)	31 March 2015 (RM'000)	31 December 2014 (RM'000)
Revenue	48,750	47,879	2,339	2,219
Profit Before Taxation	6,572	7,282	702	724

Courier Services

The total revenue generated from courier services for the current quarter under review was RM48.750 million, which was RM0.871 million or 1.8% slightly higher than the immediate preceding quarter of M47.879 million. However, the profit before taxation reported in current quarter was RM6.572 million, which was RM0.710 million or 9.8% lower than the immediate preceding quarter of RM7.282 million. The decline in performance was due to lesser working days as a result of few days festival break in February and also the salary and incentive adjustments in the current quarter under review.



Logistics Services

The revenue generated from logistics services for the current quarter under review was RM2.339 million, which was RM0.120 million or 5.4% higher than the immediate preceding quarter of RM2.219 million. Despite higher sales revenue reported in the current quarter, the profit before taxation reported was RM0.702 million, reduced by 3.0% or RM0.022 million as compared to the immediate preceding quarter of RM0.724 million. This was mainly due to lower demand of logistics services in the month of February.

3. COMMENTARY ON PROSPECTS

Malaysia's economy is expected to grow at a slower pace in 2015 due to a confluence of weaker domestic demand, uncertainty in the global crude oil prices and exports, and also the depreciation of the Ringgit Malaysia against the US Dollar. The current economic condition continues to be challenging, however, growing popularity in e-commerce worldwide as well as in Malaysia has ensured a continued demand for express delivery services.

Despite the challenging outlook for the remaining period of 2015, we will continue to enhance our competitiveness and improve our service quality, and at the same time focus on growing our business.

4. VARIANCE FROM PROFIT FORECAST

No profit forecast was issued during the financial quarter under review.

5. TAXATION

Taxation in respect of the current financial period comprises the following:

	Current Year Quarter 31.03.2015 (RM'000)	Individual Quarter Preceding Year Corresponding Quarter 31.03.2014 (RM'000)	Current Year To-Date 31.03.2015 (RM'000)	Cumulative Quarter Preceding Year Corresponding Period 31.03.2014 (RM'000)
Current quarter/period provision	(668)	(2,864)	(2,102)	(2,137)
Over provision in prior year	-	2,351	-	2,351
	<u>(668)</u>	<u>(513)</u>	<u>(2,102)</u>	<u>214</u>

GD Express Sdn Bhd ("GD Express"), the subsidiary company of GD Express Carrier Bhd ("GDEX"), had obtained the Pioneer Certificate from Malaysian Investment Development Authority ("MIDA") on 24 January 2014, where the benefits includes, amongst others, the eligibility of GD Express for tax exemption of 70% of its statutory income for five (5) years on its Integrated Logistics Services ("ILS") related activities, with effect from 26 September 2012 to 25 September 2017.

As the result of the above, there was an adjustment of tax over provision of RM2.351 million reported in the financial period ended 31 March 2014.



6. UTILISATION OF PROCEEDS

During the current period under review, the Company has received the proceeds of RM11.134 million from the exercise and conversion of warrants, i.e. 57,083,959 warrants at an exercise price of RM0.195 per ordinary share into the ordinary share capital of RM0.05 each, 20,080 warrants at an exercise price of RM0.15 per ordinary share capital of RM0.05 each and also proceeds of RM9.288 million from 298,591,204 new ordinary shares of RM0.05 each pursuant to the Dividend Reinvestment Plan, for its working capital and business expansion.

Saved as disclosed above, the Company has not raised any proceeds from any of its corporate exercise during the current quarter and financial period under review.

7. STATUS OF CORPORATE PROPOSALS

As announced on 16 December 2014, Bursa Malaysia Securities Berhad via its letter dated 15 December 2014, which was received on 16 December 2014, had approved the following proposals, pursuant to the announcements made by the Company under the current period under review:

- (i) As announced on 13 November 2014,
 - (a) Bonus issue of up to 310,845,988 new ordinary shares of RM0.05 each in the Company ("**GDEX Shares**") ("**Bonus Shares**") on the basis of 1 Bonus Share for every 3 existing GDEX Shares held on an entitlement date to be determined later ("**Entitlement Date**") ("**Proposed Bonus Issue**");
 - (b) Issue of up to 186,507,593 free warrants in GDEX ("**Warrants-B**") on the basis of 1 Warrant-B for every 5 existing GDEX Shares held on the same Entitlement Date as the Proposed Bonus Issue;
 - (c) Increase in authorised share capital; and
 - (d) Amendments to the Memorandum and Articles of Association of GDEX.

Subsequently, the above proposals were approved by the shareholders in the Extraordinary General Meeting held on 13 January 2015 and was completed on 5 February 2015 following the listing of 12,254,253 new ordinary shares of RM0.05 each in GDEX pursuant to the Bonus Issue and 179,154,934 Warrants-B pursuant to the Free Warrants Issue, as announced on 12 February 2015.

- (ii) As announced on 3 December 2014, the second Dividend Reinvestment Plan for the entire Dividend (as approved by the shareholders on 3 December 2014 at the Company's 11th Annual General Meeting) which will provide the shareholders of the Company with the option to reinvest the Dividend into new ordinary shares of RM0.05 each in GDEX ("**GDEX Shares**"). The proposal was completed on 9 February 2015.
- (iii) As announced on 9 February 2015, Bursa Malaysia Securities Berhad has via its letter dated 6 February 2015 which was received on 9 February 2015, resolved to approve the listing of and quotation for up to 143,743,906 Placement Shares to be issued in relation to the Proposed Private Placement on the Main Market of Bursa Securities.

Saved as disclosed above, there were no corporate proposals announced but not completed as at the reporting date.



8. GROUP BORROWINGS AND DEBT SECURITIES

The Group borrowings consist of the following:

	2015 (RM'000)	As at 31 March 2014 (RM'000)
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	3,803	2,969
Short term revolving credit	500	1,500
Term loans	1,263	1,263
Long term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	9,023	5,613
Term loans	11,284	14,848
Total borrowings	25,873	26,193

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

9. MATERIAL LITIGATION

The Directors of GDEX confirm that the Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and the Directors of GDEX do not have any knowledge of proceedings pending or threatened against GDEX and/or its subsidiaries, or of any fact likely to give rise to any proceeding, which might materially and adversely affect the financial position or business of the Group as at the date of this report.

10. DIVIDEND

The proposed single tier first and final dividend of 22.5% or 1.125 sen per share in respect of the financial year ended 30 June 2014 was approved by the shareholders at the Eleventh Annual General Meeting of the Company held on 3 December 2014 and was paid on 6 February 2015 as mentioned in Note 7 in Part A – EXPLANATORY NOTES PURSUANT TO MFRS 134 above.

Save as disclosed above, there were no other dividends declared during the current quarter under review and financial period-to-date.

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11. EARNINGS PER SHARE

i. Basic Earnings Per Share

The basic earnings per ordinary shares of the Group has been calculated by dividing profit attributable to owners of the Company by the number of ordinary shares in issue during the current quarter and financial period.

	Three Months Ended		Nine months Ended	
	31.03.2015 (RM'000)	31.03.2014 (RM'000)	31.03.2015 (RM'000)	31.03.2014 (RM'000)
Net profit attributable to ordinary shareholders	6,606	5,104	18,800	17,509
Weighted average number of ordinary share in issue (units)	1,199,244,322	1,108,436,336	1,151,619,439	1,078,147,252
Basic earnings per share (sen)	0.55	0.46	1.63	1.62

ii. Diluted Earnings Per Share

The dilutive earnings per share of the Group has been calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares that would have been issued upon full exercise of the remaining warrants, adjusted by the number of such shares that would have been issued at fair value as follows:-

	Three Months Ended		Nine months Ended	
	31.03.2015 (RM'000)	31.03.2014 (RM'000)	31.03.2015 (RM'000)	31.03.2014 (RM'000)
Net profit attributable to ordinary shareholders	6,606	5,104	18,800	17,509
Weighted average number of ordinary share in issue (units)	1,199,244,322	1,108,436,336	1,151,619,439	1,078,147,252
Adjustment for share warrants	52,386,067	106,259,562	48,170,818	100,941,523
Weighted average number of ordinary share in issue (units)	1,251,630,389	1,214,695,898	1,199,790,257	1,179,088,775
Diluted earnings per share (sen)	0.53	0.42	1.57	1.48

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12. REALISED AND UNREALISED EARNINGS DISCLOSURE

	As at 31.03.2015 (RM'000)	As at 30.06.2014 (RM'000)
Total Retained Earnings of the Group:		
- Realised	55,122	45,379
- Unrealised	(2,732)	(2,732)
	52,390	42,647
Consolidation adjustments	5,100	6,114
Total retained earnings	57,490	48,761

13. AUDIT REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's annual financial statements for the year ended 30 June 2014 was not subject to any audit qualification.

14. AUTHORISATION FOR ISSUE

The Unaudited Condensed Interim Financial Statements were authorized for issue by the Board in accordance with a resolution of the Directors on 22 May 2015.

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Tan Ai Ning (MAICSA 7015852)
Company Secretaries

Selangor Darul Ehsan
Date: 22 May 2015