



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2019**

	Current Quarter Three Months Ended 31 December		Current Year To-Date 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
Revenue	87,392	82,809	170,432	157,318
Operating expenses	(85,148)	(78,698)	(164,500)	(146,367)
Other operating income	2,549	10,973	5,262	14,048
Profit from operations	4,793	15,084	11,194	24,999
Finance costs	(454)	(532)	(942)	(1,035)
Share of post-tax profit of associated company	3,301	61	4,042	11
Profit before tax	7,640	14,613	14,294	23,975
Income tax expense	(1,772)	(3,927)	(3,665)	(6,817)
Net profit for the period	5,868	10,686	10,629	17,158
Other comprehensive income:				
Foreign currency translation differences for foreign operations	8	-	(45)	44
Fair value adjustments	-	44,982	-	44,982
	8	44,982	(45)	45,026
Total comprehensive income for the period	5,876	55,668	10,584	62,184
Profit attributable to owners of the company	5,868	10,686	10,629	17,158
Comprehensive income attributable to owners of the company	5,876	55,668	10,584	62,184
Earnings per share :				
Basic EPS (sen)	0.10	0.19	0.19	0.31
Fully Diluted EPS (sen)	0.11	0.19	0.20	0.30

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 2019 and the accompanying explanatory notes attached to the interim financial statements



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Unaudited 31.12.2019 (RM'000)	Audited 30.06.2019 (RM'000)
ASSETS		
Non-current Assets		
Property, plant and equipment	111,345	108,638
Prepaid lease payments	22,340	22,612
Investment properties	18,025	18,025
Investment in associated company	47,247	29,044
Loan to an associate	2,000	2,000
Investment in redeemable convertible preference shares	500	500
	201,457	180,819
Current Assets		
Inventories	1,389	1,466
Trade receivables	52,641	51,539
Other receivables and prepaid expenses	21,098	22,777
Tax recoverable	20,449	19,332
Short-term funds	64,757	12,200
Deposits with licensed banks	162,105	237,443
Cash and bank balances	38,266	30,059
	360,705	374,816
Total Assets	562,162	555,635
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	337,888	337,888
Reserves	151,860	141,276
Total Equity	489,748	479,164
Non-Current Liabilities		
Hire-purchase payables – non-current portion	14,675	20,466
Provision for retirement benefits	324	321
Deferred tax liabilities	6,596	6,273
Total Non-current Liabilities	21,595	27,060
Current liabilities		
Trade payables	3,845	2,881
Other payables and accrued expenses	24,834	26,189
Hire-purchase payables - current portion	21,896	19,722
Provision for taxation	244	619
Total Current Liabilities	50,819	49,411
Total Liabilities	72,414	76,471
Total Equity And Liabilities	562,162	555,635



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Net Assets per share attributable to owners of
Company (RM)

0.09

0.08

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 2019 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 SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2019

	Issued Share capital (RM'000)	Non- distributable reserves- Translation reserve (RM'000)	Distributable reserve – Retained earnings (RM'000)	Total (RM'000)
As of 1 July 2018, as previously reported	327,809	290	121,582	449,681
Effect of change in accounting policy due to adoption of MFRS 9, net of tax	-	-	(1,395)	(1,395)
Effect of change on accounting policy due to adoption of MFRS 15, net of tax	-	-	(519)	(519)
As of 1 July 2018, as restated	327,809	290	119,668	447,767
Profit for the period	-	-	7,894	7,894
Other comprehensive income	-	(16)	-	(16)
Total comprehensive income for the period	-	(16)	7,894	7,878
As of 31 December 2018	327,809	274	127,562	455,645
As of 1 July 2019	337,888	346	140,930	479,164
Profit for the period	-	-	10,629	10,629
Other comprehensive income	-	(45)	-	(45)
Total comprehensive income for the period	-	(45)	10,629	10,584
As of 31 December 2019	337,888	301	151,559	489,748

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 2019 and the accompanying explanatory notes attached to the interim financial statements.



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2019

	2019 (RM'000)	Current Quarter Ended 31 December 2018 (RM'000)
Cash flows from operating activities		
Profit for the year	10,629	17,158
Adjustments for non-cash items	7,000	3,316
Operating profit before changes in working capital	<u>17,629</u>	<u>20,474</u>
(Increase)/Decrease in working capital		
Inventories	77	(94)
Receivables, deposits and prepayment	569	(11,072)
Payables and accruals	(392)	6,335
Cash generated from operations	<u>17,883</u>	<u>15,643</u>
Income tax paid	(4,834)	(9,528)
Net cash from operating activities	<u>13,049</u>	<u>6,115</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(6,625)	(16,328)
Investment in associated companies	(14,161)	-
Proceeds from disposal of property, plant and equipment	148	349
Interest received	4,577	5,385
Subscription of shares in SAP Express	-	(26,607)
Proceeds from redemption of convertible bonds	-	17,284
(Increased)/Decreased in short term funds	(52,557)	14,992
Decreased in fixed deposit pledged with licensed bank	90,338	13,109
Net cash generated from investing activities	<u>21,720</u>	<u>8,184</u>
Cash flows from financing activities		
Net payment of hire purchase payables	(10,575)	(5,049)
Finance cost	(943)	(1,036)
Net cash used in financing activities	<u>(11,518)</u>	<u>(6,085)</u>
Net change in cash and cash equivalents	23,251	8,214
Effect of exchange difference	(45)	45
Cash and cash equivalents at beginning of period	<u>30,060</u>	<u>32,708</u>
Cash and cash equivalents at end of period	<u>53,266</u>	<u>40,967</u>



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2019 *(Continued)*

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

	31 December 2019 (RM'000)	Current Quarter Ended 31 December 2018 (RM'000)
Purchase of :		
Property, plant and equipment	13,584	22,517
Financed by:		
Cash payments and other payables	6,625	16,328
Hire-purchase	6,959	6,189
	<u>13,584</u>	<u>22,517</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 2019 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 2019.

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 2019.

Adoption of New and Revised Malaysian Financial Reporting Standards ("MFRSs")

In the current financial period, the Group have applied the following Amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatorily effective for accounting periods that begin on or after 1 July 2019 as follows:

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
IC Interpretation 23	Uncertainty over Income Tax Payments
Amendments to MFRSs	Annual Improvements to MFRSs 2015 - 2017 Cycle

The adoption of these Standards, Amendments to MFRSs and IC Interpretation did not have any material impact on the financial statements of the Group in the period of initial application except as disclosed below:-.

MFRS 16 Leases

MFRS 16 specifies how an MFRS reporter will recognise, measure, present and disclose leases. The standard provides single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with MFRS 16's approach to lessor accounting substantially unchanged from its predecessor, MFRS 17.

At lease commencement, a lessee will recognise a right-of-use and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if can be readily determined. If that rate cannot be readily determined, the lessees shall use their incremental borrowing rate.



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

The directors anticipate that the application of the above mentioned Standard in the future may have an impact on the amounts reported and disclosures made in the Group's financial statements. The Group is currently assessing the financial impact that may arise from the adoption of MFRS 16.

Standards and Amendments in Issue but Not Yet Effective

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

MFRS 17	Insurance Contracts ²
Amendments to MFRS 3	Definition of a Business ¹
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to MFRS 101 and MFRS 108	Definition of Material ¹

¹ Effective for annual periods beginning on or after 1 January 2020.

² Effective for annual periods beginning on or after 1 January 2021.

³ Effective for annual periods beginning on or after a date to be determined.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments 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 normally be affected by the numerous public and festive holidays during the quarter and financial 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 current quarter and six months ended 31 December 2019 under review,

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the current quarter and six months ended 31 December 2019 under review.



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6. DEBTS AND EQUITY SECURITIES

Other than disclosed in Note 10 on page 13, 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 current quarter and six months ended 31 December 2019 under review.

7. DIVIDEND PAID

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

	2020	Year Ended 30 June 2019
First and final dividend for the financial year	30 June 2019	30 June 2018
Approved and declared on	5 December 2019	6 December 2018
Date paid	21 February 2020	22 February 2019
Number of ordinary shares on which dividends were paid	5,641,388,335	5,602,624,193
Amount per share (Single-tier)	0.25 sen	0.20 sen
Dividend Reinvestment Plan (Total shares issued)*	-	38,764,142
Net dividend paid in cash (RM'000)	<u>14.103</u>	<u>1.126*</u>

* As announced on 20 February 2019, the Company had issued 38,764,142 new ordinary shares pursuant to the Dividend Reinvestment Plan ("DRP").

The new shares represented approximately 90.0% of the total number of 43,092,108 new ordinary 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 during the financial year ended 30 June 2018. The said new shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 22 February 2019. The net dividend in cash after the new shares issued amounted to RM1,126,565 was paid on 22 February 2019.

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GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

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 Three Months Ended 31 December		Current Year To-Date Ended 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
Interest income	2,146	2,812	4,577	5,385
Other income	403	8,161	685	8,663
Interest expense	(454)	(532)	(942)	(1,035)
Depreciation and amortization	(5,660)	(4,767)	(11,038)	(9,094)
Reversal of impairment loss/impairment loss on trade receivables		-		-
Bad debts written off		-		-
Realised foreign exchange gain or loss		-		-
Provision for retirement benefits		-		-
Provision for and write off of inventories	N/A	N/A	N/A	N/A
Property, plant and equipment written off	N/A	N/A	N/A	N/A
Impairment of property, plant and equipment	N/A	N/A	N/A	N/A
Exceptional items	N/A	N/A	N/A	N/A

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9. OPERATING SEGMENTS

The Group has three (3) 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 period ended 31 December 2019.

Operating Segments

	Segment Revenue Year To-Date Ended 31 December		Segment Profit / (Loss) Year To-Date Ended 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
Express delivery	159,125	149,539	11,648	22,616
Logistics	10,967	7,499	783	3,480
Property investment	340	280	(1,228)	(1,097)
Total	170,432	157,318	11,203	24,999
Finance costs			(942)	(1,035)
Reversal of Impairment loss/(impairment loss) on trade receivables			(9)	-
Share of profit of associated company			4,042	11
Profit before tax			14,294	23,975

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

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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 And Liabilities As At 31 December	
	2019 (RM'000)	2018 (RM'000)
Segment Assets		
Express delivery	482,421	524,712
Logistics	8,305	7,293
Property investment	50,987	49,615
	541,713	581,620
Unallocated corporate assets		
- Tax recoverable	20,449	7,771
	562,162	589,391
Segment Liabilities		
Express delivery	63,875	69,564
Logistics	900	595
Property investment	799	563
	65,574	70,722
Unallocated liabilities		
- Tax liabilities	244	1,953
- Deferred tax liabilities	6,596	4,851
	72,414	77,526
	2019 (RM'000)	2018 (RM'000)
Other Segment Information		
Additions to Non-current assets		
- Express delivery	11,980	17,709
- Logistics	728	3,816
- Property investment	876	992
Depreciation and amortisation		
- Express delivery	9,700	8,132
- Logistics	581	426
- Property investment	757	536

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



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

The following is an analysis of the group's revenue and carrying amount of segment non-current assets by the geographical market.

Geographical Segments

	Revenue by Geographical Market For the Six Months Ended 31 December		Carrying Amount of Segment Non-Current Assets As At 31 December	
	2019	2018	2019	2018
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Malaysia	169,378	156,673	201,436	216,260
Singapore	1,054	645	21	31
Total	170,432	157,318	201,457	216,291

10. MATERIAL EVENTS SUBSEQUENT TO END OF THE PERIOD

Between the end of the financial period 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 six months ended 31 December 2019 under review except for the followings:-

- i. The Company entered into the Agreement on 8 January 2020 to purchase 90 ordinary shares representing 90% of the issued and paid-up share capital of VIVL Pte Ltd, a private limited company incorporated in and under the laws of Singapore, for a total purchase consideration of USD 738,000.00 (equivalent to RM3.012 million) subject to the terms and conditions as stipulated in the Agreement.
- ii. As announced on 9 January 2020 that pursuant to the terms and conditions stipulated in the Deed Poll dated 20 January 2015 governing the Warrants-B, the exercise period for the Warrant-B Holders to exercise the exercise rights of the Warrants-B was expired on 11 February 2020.
- iii. As announced on 20 January 2020 and 21 January 2020, the Company purchased its own shares of 300,000 and 500,000 ordinary shares at RM0.280 per share for a total consideration of RM84,114.24 and RM140,487.20 respectively. The grant of authority to the Company to purchase its own Shares was approved in the Sixteenth Annual General Meeting of the Company held on 5 December 2019.
- iv. As announced on 10 February 2020, issuance of 21,000 ordinary shares pursuant to the exercise of 21,000 warrants-B at an exercise price of RM0.3825 per ordinary share and was listed on 11 February 2020. The issued and paid up share capital increased from RM337,887,802 comprising of 5,641,388,335 ordinary shares to RM337,895,834 comprising of 5,641,409,335 ordinary shares.
- v. As announced on 17 February 2020, issuance of 1,500 ordinary shares pursuant to the exercise of 1,500 warrants-B at an exercise price of RM0.3825 per ordinary share and was listed on 18 February 2020. The issued and paid up share capital increased from RM337,895,834 comprising of 5,641,409,335 ordinary shares to RM337,896,408 comprising of 5,641,410,835 ordinary shares.



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11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and six months ended 31 December 2019 under review which including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations, except for the followings:-

- i. The Company entered into Share Sale and Purchase Agreement and Shareholders Agreement in relation on 16 August 2019 to purchase 231,500 ordinary shares representing 40% of the issued and paid up share capital of GDEX 3CC Resources Joint Stock Company ("GD3C"), a company incorporated and existing under the Vietnam laws, for a total purchase consideration of RM0.415 million (equivalent to VND2,315,000,000), subject to the terms and conditions as stipulated in the Agreements.
- ii. As announced on 15 October 2019, the Company entered into Share Sale and Purchase Agreement and Shareholders Agreement in relation to Noi Bai Express and Trading Joint Stock Company ("Netco"). As announced on 20 December 2019, the Proposed Acquisition has been completed on the said date in accordance with the terms of the Share Sale and Purchase Agreement. The Company is currently assessing the establishment of "control" in Netco for Group consolidation according to the recommendations and requirements of MFRS 10.

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

13. CAPITAL COMMITMENTS

All capital commitments undertaken have been included in the financial statements for the current quarter and six months ended 31 December 2019 under review.

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GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
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14. RELATED PARTY TRANSACTIONS

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

	Transaction Value Three Months Ended 31 December		Balance Outstanding As At 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
<u>Revenue</u>				
Provision of express delivery services				
- Singapore Post Limited	1	1	1	-
- Quantum Solutions International(Malaysia) Sdn Bhd	440	683	425	689
- Quantum Solutions Singapore Pte Ltd	NIL	22	NIL	10
- Yamato Transport (M) Sdn Bhd	259	399	266	511
<u>Interest income</u>				
-Web Bytes Sdn Bhd	50	-	-	-
<u>Expenses</u>				
Provision of advisory services				
-Yamato Asia Pte Ltd	(30)	(20)	(11)	(2)
Provision and development of software solution				
-Web Bytes Sdn Bhd	NIL	(44)	(19)	(30)

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GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
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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 second (2nd) quarter ended 31 December 2019 versus the same quarter in
Financial Year Ended 30 June 2019**

Group Performance

	Current Quarter Three Months Ended 31 December		Year To-Date Six Months Ended 31 December	
	2019	2018	2019	2018
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	87,392	82,809	170,432	157,318
Profit Before Taxation	7,640	14,613	14,294	23,975

Group revenue for the current quarter ended and six months ended 31 December 2019 increased 5.5% and 8.3% the group profit before tax decreased 47.7% and 39.1% as compared to the preceding year corresponding quarter and six months ended 31 December 2018.

Higher revenue reported in the current quarter and six months ended 31 December 2019 was mainly due to increase in demand of the courier services for e-commerce (B2C) business.

Segmental Performance

	Courier Services Current Quarter Ended 31 December		Logistics Services Current Quarter Ended 31 December		Property Investment Current Quarter Ended 31 December	
	2019	2018	2019	2018	2019	2018
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	81,680	78,585	5,512	4,084	200	140
Profit/(loss) Before Taxation	8,040	13,314	259	1,944	(659)	(645)

Courier Services

The revenue reported in courier services segment for the current quarter and six months ended 31 December 2019 increased 4.0% and the profit before taxation declined 40.0% as compared to the corresponding quarter and six months ended 31 December 2018.

Declined in performance for the current quarter and period under review mainly due to gain on redemption of convertible bonds reported in the corresponding quarter and six months ended 31 December 2018.



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

Logistics Services

The revenue reported in the logistics services segment increased 35.0%, and the profit before taxation reported decreased 86.6% as compared to the corresponding quarter and six months ended 31 December 2018.

The declined in performance in logistics services segment in the current quarter and six months ended 31 December 2019 under review was mainly due to expenses incurred for warehouse expansion and maintenance.

Property Investment

Loss before taxation for the current quarter and six month ended 31 December 2019 under review mainly due to expenses incurred for property maintenance and most of the facilities are for internal usage.

2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

Group Performance

	31.12.2019 (RM'000)	3 Months Ended 30.09.2019 (RM'000)
Revenue	87,392	83,040
Profit Before Taxation	7,640	6,654

Group revenue for the current quarter under review increased 5.2% as compared to the immediate preceding quarter, mainly due to increase in demand for e-commerce business as compared to immediate preceding quarter.

Profit before tax for the Group increase 14.8% in the current quarter under review as compared to the preceding quarter, mainly due to share of profit in an associated company.

Segmental Performance

	Courier Services		Logistics Services		Property Investment	
	Current Quarter	Ended	Current Quarter	Ended	Current Quarter	Ended
	31.12.2019	30.09.2019	31.12.2019	30.09.2019	31.12.2019	30.09.2019
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	81,680	77,445	5,512	5,455	200	140
Profit/(loss) Before Taxation	8,040	6,699	259	524	(659)	(569)



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

Courier Services

The total revenue generated from courier services segment for the current quarter under review was increased 5.5% as compared to the immediate preceding quarter ended 30 September 2019.

The profit before taxation reported in current quarter increased 20.0% as compared to the immediate preceding quarter, due to share of profit in an associated company.

Logistics Services

The revenue generated from logistics services segment for the current quarter under review increased 1.0% and the profit before taxation declined 50.6% as compared to the immediate preceding quarter ended 30 September 2019.

Property Investment

The loss before tax for the current quarter ended 31 December 2019 increased 42.9% as compared to 30 September 2019. Declined in performance mainly due to expenses incurred for building maintenance.

3. COMMENTARY ON PROSPECTS

The economic uncertainties arising from the outbreak of COVID-19 may impact the Group's results. We continue to stand cautious while being pro-active towards developing a strong intra-ASEAN delivery network. This will ensure the growth and sustainability of the business amidst intense competitive environment in the industry. The Group remains focused on maintaining the growth of B2B and B2C segments with a more customer centric approach to win market share.

4. VARIANCE FROM PROFIT FORECAST

No profit forecast was issued during the financial quarter and six months ended 31 December 2019 under review.

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GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

5. INCOME TAX EXPENSE

Income tax expense in respect of the current financial quarter and six months ended 31 December 2019 comprises the following:

	Current Quarter Three Months Ended 31 December		Year To-Date Ended 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
Income Tax:-				
Current quarter/period	1,603	4,138	3,341	6,909
Overprovision in prior quarter/period	-	-	-	-
	1,603	4,138	3,341	6,909
Deferred Tax:-				
Current quarter/period	169	(211)	324	(92)
Overprovision in prior quarter/period	-	-	-	-
	169	(211)	324	(92)
	1,772	3,927	3,665	6,817

6. UTILISATION OF PROCEEDS

The Group has not raised any proceeds from any of its corporate exercise during the current quarter and six months ended 31 December 2019 under review.

7. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced during the current quarter and six months ended 31 December 2019 but not completed as at the reporting date.

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GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

8. GROUP BORROWINGS AND DEBT SECURITIES

The Group borrowings consist of the following:

	2019 (RM'000)	As at 31 December 2018 (RM'000)
Short term borrowings (secured): Denominated in Ringgit Malaysia		
Hire purchase payables	21,896	19,550
Long term borrowings (secured): Denominated in Ringgit Malaysia		
Hire purchase payables	14,675	22,808
Total borrowings	36,571	42,358

There was no unsecured debt during the current quarter and six months ended 31 December 2019.

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 final single tier dividend of 0.25 sen per share in respect of the financial year ended 30 June 2019 amounting to approximately RM14.1 million was approved by the shareholders at the Sixteenth (16th) Annual general Meeting (AGM) of the Company held on 5 December 2019. The dividend to be paid on 21 February 2020 as stated in PART A, Note 7.

Save as disclosed above, there were no other dividends declared during the current quarter and six months ended 31 December 2019 under review.



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

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.

	Current Quarter Three Months Ended 31 December		Year To-Date Ended 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
Net profit attributable to ordinary shareholders	5,868	10,686	10,629	17,158
Weighted average number of ordinary shares in issue (units)	5,641,388,335	5,602,624,193	5,641,388,335	5,602,624,193
Basic Earnings per share (sen)	0.10	0.19	0.19	0.31

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:-

	Current Quarter Three Months Ended 31 December		Year To-Date Ended 31 December	
	2019 (RM'000)	2018 (RM'000)	2019 (RM'000)	2018 (RM'000)
Net profit attributable to ordinary shareholders	5,868	10,686	10,629	17,158
Weighted average number of ordinary shares in issue (units)	5,641,388,335	5,602,624,193	5,641,388,335	5,602,624,193
Adjustment for share warrants	(270,169,845)	(38,632,435)	(250,802,950)	24,447,042
Weighted average number of ordinary share in issue (units)	5,371,218,490	5,563,991,758	5,390,585,385	5,627,071,235
Basic Earnings per share (sen)	0.11	0.19	0.20	0.30



GD EXPRESS CARRIER BHD (Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia under the Companies Act, 1965)

12. AUDIT REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's annual financial statements for the year ended 30 June 2019 was not subject to any audit qualification.

13. 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 20 February 2020.

By Order of the Board

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

Selangor Darul Ehsan
Date: 20 February 2020