

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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**GD EXPRESS CARRIER BHD**  
(Registration No. 200301028159 (630579-A))  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED ISSUANCE OF UP TO 705,176,354 FREE WARRANTS IN GD EXPRESS CARRIER BHD ("GDEX") ("WARRANTS C") ON THE BASIS OF ONE (1) WARRANT C FOR EVERY EIGHT (8) EXISTING ORDINARY SHARES IN GDEX HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*



**RHB Investment Bank Berhad**

(Registration No. 197401002639 (19663-P))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The above proposal will be tabled as Ordinary Resolution at the Extraordinary General Meeting ("**EGM**") of GD Express Carrier Bhd ("**Company**"). In view of the COVID-19 outbreak and as part of the safety measures, the EGM will be conducted entirely on a virtual basis through live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities via the meeting platform at <https://web.lumiagm.com/> from the Broadcast Venue at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Thursday, 3 December 2020 at 1.30 p.m. or immediately following the conclusion or adjournment (as the case may be) of the Company's Seventeenth (17<sup>th</sup>) Annual General Meeting ("**AGM**") which will be conducted virtually from the Broadcast Venue on the same day at 11.00 a.m., whichever is later. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and shareholders will not be allowed to attend the EGM in person at the Broadcast Venue on that day of the meeting. For further information, please refer to the Notice of EGM and Administrative Guide on EGM in order to register, participate, speak and vote remotely via the RPV.

The Notice of the EGM and the Form of Proxy can be downloaded at the Company's website at [www.gdexpress.com](http://www.gdexpress.com) or Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

A member entitled to participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to participate, speak and vote on his/her behalf. In such event, please complete and return the Form of Proxy in accordance with the instructions therein as soon as possible and shall be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for holding the EGM. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the EGM should you subsequently wish to do so. Alternatively, members may deposit the Form of Proxy by electronic means directly at [www.boardroomlimited.my](http://www.boardroomlimited.my) not less than forty-eight (48) hours before the EGM. For further information on the electronic submission of the Form of Proxy and participation at the EGM, kindly refer to the Administrative Guide which is enclosed together with this Circular.

Last date and time for lodging the Form of Proxy .....: Tuesday, 1 December 2020 at 1.30 p.m.

Date and time of the EGM .....: Thursday, 3 December 2020 at 1.30 p.m. or immediately following the conclusion or adjournment (as the case may be) of the Company's Seventeenth (17<sup>th</sup>) AGM which will be conducted virtually from the Broadcast Venue on the same day at 11.00 a.m., whichever is later.

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## DEFINITIONS

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Except where the context otherwise requires, the following abbreviations and definitions shall apply throughout this Circular:

"Act"	:	Companies Act 2016
"Board"	:	Board of Directors of GDEX
"Bursa Depository" or the "Depository"	:	Bursa Malaysia Depository Sdn Bhd
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"Circular"	:	This circular dated 18 November 2020 in relation to the Proposed Free Warrants Issue
"Deed Poll C"	:	The deed poll constituting the Warrants C to be executed by the Company
"Directors"	:	The directors of GDEX and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act, 2007
"EGM"	:	Extraordinary General Meeting
"Entitled Shareholders"	:	The shareholders of GDEX who are registered as a member and whose names appear in the Record of Depositors of the Company on the Entitlement Date
"Entitlement Date"	:	The date as at the close of business at 5.00 p.m. to be determined by the Board and announced later by the Company at a later date, on which shareholders of GDEX must be registered as a member and whose names must appear in the Record of Depositors of the Company in order to be entitled to the Warrants C
"EPS"	:	Earnings per Share
"FYE"	:	Financial year ended/ending, as the case may be
"GDEX" or the "Company"	:	GD Express Carrier Bhd
"GDEX Group" or the "Group"	:	GDEX and its subsidiaries, collectively
"GDEX Shares" or the "Shares"	:	Ordinary shares in GDEX
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	30 October 2020, being the latest practicable date prior to the printing of this Circular
"Market Day"	:	A day on which the stock market of Bursa Securities is open for trading in securities

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**DEFINITIONS (CONT'D)**

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"Maximum Scenario"	:	Assuming all the treasury shares as at the LPD are resold on the open market at their respective acquisition prices prior to the implementation of the Proposed Free Warrants Issue
"Minimum Scenario"	:	Assuming all the treasury shares as at the LPD are retained in the Company prior to the implementation of the Proposed Free Warrants Issue
"NA"	:	Net assets
"Official List"	:	A list specifying all securities listed on Bursa Securities
"Proposed Free Warrants Issue"	:	Proposed issuance of up to 705,176,354 free Warrants C on the basis of one (1) Warrant C for every eight (8) existing GDEX Shares held on the Entitlement Date
"Record of Depositors"	:	A record of securities holders established and maintained by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991
"RHBIB" or the "Principal Adviser"	:	RHB Investment Bank Berhad
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"VWAMP"	:	Volume weighted average market price
"Warrants C"	:	All or part of the 705,176,354 new warrants in GDEX to be issued pursuant to the Proposed Free Warrants Issue

References to "our Company" in this Circular are to GDEX and references to "our Group" are to our Company and our subsidiaries. References to "we", "us", "our" and "ourselves" in this Circular are to our Company and where the context otherwise requires, shall include our subsidiaries. All references to "you" in this Circular are to our shareholders.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to the provisions of any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to the provisions of such statute, rules, regulation or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments to the statute, rules, regulation or rules of stock exchange for the time being in force.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date respectively, unless otherwise specified.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by the Company, such as in its quarterly results or annual reports, is due to rounding.

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**DEFINITIONS (CONT'D)**

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Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Company's and/or the Group's plans and objectives will be achieved.

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**TABLE OF CONTENTS**

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	<b>PAGE</b>
<b>EXECUTIVE SUMMARY</b>	v
<b>LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED FREE WARRANTS ISSUE CONTAINING:</b>	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED FREE WARRANTS ISSUE	2
3. RATIONALE FOR THE PROPOSED FREE WARRANTS ISSUE	5
4. INDUSTRY OVERVIEW AND OUTLOOK AND PROSPECTS OF GDEX GROUP	5
5. EFFECTS OF THE PROPOSED FREE WARRANTS ISSUE	8
6. HISTORICAL SHARE PRICES	14
7. APPROVALS REQUIRED/OBTAINED FOR THE PROPOSED FREE WARRANTS ISSUE	15
8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED	15
9. ESTIMATED TIME FRAME FOR COMPLETION	16
10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION	16
11. DIRECTORS' STATEMENT AND RECOMMENDATION	16
12. EGM	17
13. ADDITIONAL INFORMATION	17
<b>APPENDICES</b>	
I. INDICATIVE SALIENT TERMS OF THE WARRANTS C	18
II. ADDITIONAL INFORMATION	21
<b>NOTICE OF EGM</b>	<b>ENCLOSED</b>
<b>FORM OF PROXY</b>	<b>ENCLOSED</b>

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## EXECUTIVE SUMMARY

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*This Executive Summary highlights only the salient information of the Proposed Free Warrants Issue. You are advised to read and carefully consider the contents of this Circular and the appendices contained herein in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed Free Warrants Issue before voting at the forthcoming EGM.*

<b>Salient information</b>	<b>Description</b>	<b>Reference to Circular</b>
Summary of the Proposed Free Warrants Issue	<ul style="list-style-type: none"><li>• GDEX proposes for an issuance of up to 705,176,354 free Warrants C on the basis of one (1) Warrant C for every eight (8) existing GDEX Shares held by the Entitled Shareholders on the Entitlement Date.</li><li>• The Warrants C will have a tenure of seven (7) years commencing from and inclusive of the date of issuance of the Warrants C.</li><li>• The Warrants C will be issued at no cost to the Entitled Shareholders.</li><li>• The exercise price of the Warrants C will be determined by the Board and announced by the Company at a later date upon receipt of all relevant approvals for the Proposed Free Warrants Issue but before the announcement of the Entitlement Date.</li><li>• The exercise price of the Warrants C will be determined by the Board after taking into consideration a premium of not more than 15% to the five (5)-day VWAMP of GDEX Shares immediately preceding the price-fixing date for the Proposed Free Warrants Issue.</li></ul>	Section 2 and Appendix I
Utilisation of proceeds	As and when the Warrants C are exercised, the Company intends to fully utilise the proceeds received from such exercise of the Warrants C within 12 months from the date of receipt of proceeds for the future working capital requirements of the Group.	Section 2.5
Rationale for the Proposed Free Warrants Issue	The Proposed Free Warrants Issue is intended to: <ul style="list-style-type: none"><li>i. reward you for your continuous support by enabling you to own the Warrants C which are tradable on Bursa Securities without incurring any cost;</li><li>ii. provide you with an opportunity to increase your equity participation in the Company through the exercise of the Warrants C at a pre-determined price during the tenure of the Warrants C; and</li><li>iii. strengthen the capital base of the Company as well as enable the Group to raise additional funds to fund its working capital requirements, as and when the Warrants C are exercised, without incurring additional interest expense as compared to bank borrowings.</li></ul>	Section 3

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**EXECUTIVE SUMMARY (CONT'D)**

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<b>Salient information</b>	<b>Description</b>	<b>Reference to Circular</b>
Approvals required/obtained for the Proposed Free Warrants Issue	<p>The Proposed Free Warrants Issue is subject to the following approvals being obtained:</p> <ol style="list-style-type: none"><li>i. Bursa Securities, had, vide its letter dated 6 November 2020, approved the admission of the Warrants C to the Official List as well as the listing and quotation of up to 705,176,354 Warrants C and up to 705,176,354 new GDEX Shares to be issued arising from the exercise of the Warrants C on the Main Market of Bursa Securities, subject to the conditions as set out in Section 7 of this Circular;</li><li>ii. the shareholders of GDEX, for the Proposed Free Warrants Issue at the forthcoming EGM; and</li><li>iii. any other relevant authority and/or parties, if required.</li></ol>	Section 7
Interests of directors, major shareholders, chief executive and/or persons connected	<p>None of the Directors, major shareholders and/or chief executive of GDEX and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Free Warrants Issue, save for their respective entitlements under the Proposed Free Warrants Issue which are available to all Entitled Shareholders on a pro-rata basis.</p>	Section 8
Directors' statement and recommendation	<ul style="list-style-type: none"><li>• The Board (save for Lai Tak Loi, a Non-Independent Non-Executive Director of GDEX), having considered all aspects of the Proposed Free Warrants Issue, is of the opinion that the Proposed Free Warrants Issue is in the best interest of the Company.</li><li>• Lai Tak Loi is currently the Group Chief Financial Officer of Singapore Post Limited, a major shareholder of GDEX that holds approximately 11.63% equity interest in the Company. He has expressed his disagreement to the Proposed Free Warrants Issue on behalf of Singapore Post Limited due to the possible dilution in the shareholding of Singapore Post Limited in GDEX which may arise from the exercise of the Warrants C by other shareholders in the future.</li><li>• Accordingly, the Board (save for Lai Tak Loi) recommends that you <b>VOTE IN FAVOUR</b> of the resolution pertaining to the Proposed Free Warrants Issue to be tabled at the forthcoming EGM.</li></ul>	Section 11



**GD EXPRESS CARRIER BHD**  
(Registration No. 200301028159 (630579-A))  
(Incorporated in Malaysia)

**Registered Office**

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

18 November 2020

**Board of Directors**

Tan Sri Muhammad Bin Ibrahim (*Independent Non-Executive Chairman*)  
Teong Teck Lean (*Managing Director/Group Chief Executive Officer*)  
Lim Chee Seong (*Executive Director/Chief Financial Officer*)  
Lee Kah Hin (*Executive Director/Chief Investment Officer*)  
Adi Arman Bin Abu Osman (*Independent Non-Executive Director*)  
Low Ngai Yuen (*Independent Non-Executive Director*)  
Chua Put Moy (*Independent Non-Executive Director*)  
Shuji Yamauchi (*Non-Independent Non-Executive Director*)  
Lai Tak Loi (*Non-Independent Non-Executive Director*)

**To: Our shareholders**

Dear Sir/Madam,

**PROPOSED ISSUANCE OF UP TO 705,176,354 FREE WARRANTS C ON THE BASIS OF ONE (1) WARRANT C FOR EVERY EIGHT (8) EXISTING GDEX SHARES HELD ON THE ENTITLEMENT DATE**

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**1. INTRODUCTION**

On 21 October 2020, RHBIB had, on behalf of the Board, announced that the Company proposes to undertake the issuance of up to 705,176,354 free Warrants C on the basis of one (1) Warrant C for every eight (8) existing GDEX Shares held on the Entitlement Date.

On 6 November 2020, RHBIB had, on behalf of the Board, announced that Bursa Securities had vide its letter 6 November 2020, approved the following:

- (a) admission to the Official List and the listing and quotation of up to 705,176,354 Warrants C to be issued pursuant to the Proposed Free Warrants Issue on the Main Market of Bursa Securities; and
- (b) listing and quotation of up to 705,176,354 new GDEX Shares to be issued arising from the exercise of the Warrants C on the Main Market of Bursa Securities,

subject to the conditions as set out in Section 7 of this Circular.



**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED FREE WARRANTS ISSUE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED FREE WARRANTS ISSUE TO BE TABLED AT THE FORTHCOMING EGM.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR AND THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED FREE WARRANTS ISSUE TO BE TABLED AT THE FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSED FREE WARRANTS ISSUE**

### **2.1 Basis and number of Warrants C to be issued**

The Proposed Free Warrants Issue will entail the issuance of up to 705,176,354 free Warrants C on the basis of one (1) Warrant C for every eight (8) existing GDEX Shares held by the Entitled Shareholders on the Entitlement Date.

As at the LPD, the Company has an issued share capital of RM337,896,408 comprising 5,641,410,835 GDEX Shares (including 7,591,400 treasury shares).

For shareholders' information, the Board is authorised to repurchase up to 10% of the total number of issued shares of the Company pursuant to the Company's share buy-back mandate obtained from the shareholders of the Company at the Company's Sixteenth (16<sup>th</sup>) Annual General Meeting ("**AGM**") convened on 5 December 2019. The Company's share buy-back mandate shall continue to be in force until the conclusion of the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held, whichever is earlier. As at the LPD, the Company holds 7,591,400 treasury shares. Assuming all the 7,591,400 treasury shares as at the LPD are resold on the open market at their respective acquisition prices prior to the implementation of the Proposed Free Warrants Issue, a total of up to 705,176,354 Warrants C may be issued pursuant to the Proposed Free Warrants Issue. Assuming the full exercise of 705,176,354 Warrants C, a total of 705,176,354 new GDEX Shares will be issued therefrom. Similarly, if the Company purchases any Shares under the Company's share buy-back mandate, the number of Warrants C to be issued will be reduced accordingly.

The actual number of Warrants C to be issued pursuant to the Proposed Free Warrants Issue will depend on the total number of issued shares of GDEX (excluding treasury shares) on the Entitlement Date which will be determined by the Board and announced by the Company at a later date upon receipt of all relevant approvals for the Proposed Free Warrants Issue.

Fractional entitlements of the Warrants C arising from the Proposed Free Warrants Issue, if any, will be disregarded and dealt with in such manner as the Board in its absolute discretion deems fit, expedient and in the best interest of the Company.

The entitlement basis for the Proposed Free Warrants Issue was determined after taking into consideration the following:

- i. amount of proceeds which the Company would potentially raise as and when the Warrants C are exercised during the exercise period of the Warrants C;
- ii. dilutive effects arising from the full exercise of the Warrants C on the consolidated EPS and NA per Share as well as the substantial shareholders' shareholding of the Company; and

- iii. compliance with Paragraph 6.50 of the Listing Requirements which states that the number of new GDEX Shares which will arise from the exercise of all outstanding Warrants C shall not exceed 50% of the total number of issued shares of the Company (excluding treasury shares and before the exercise of the Warrants C) at all times. For information purposes, the total number of up to 705,176,354 Warrants C to be issued represents approximately 12.5% of the total number of issued shares of the Company (excluding treasury shares) as at the LPD.

The Proposed Free Warrants Issue will be implemented in a single issuance. The Warrants C which will be issued in registered form and constituted by the Deed Poll C to be executed by the Company will have a tenure of seven (7) years. The indicative salient terms of the Warrants C are set out in the Appendix I of this Circular.

## **2.2 Basis and justification for the issue price and exercise price of the Warrants C**

The Warrants C will be issued at no cost to the Entitled Shareholders.

The exercise price of the Warrants C will be determined by the Board and announced by the Company at a later date upon receipt of all relevant approvals for the Proposed Free Warrants Issue but before the announcement of the Entitlement Date.

For information purposes, the exercise price of the Warrants C will be determined by the Board after taking into consideration a premium of not more than 15% to the five (5)-day VWAMP of GDEX Shares immediately preceding the price-fixing date for the Proposed Free Warrants Issue.

For information purposes, the premium of not more than 15% to the five (5)-day VWAMP of GDEX Shares immediately preceding the price-fixing date for the Proposed Free Warrants Issue was determined after taking into consideration, among others, the following:

- i. the historical trading prices of GDEX Shares;
- ii. the prevailing market conditions; and
- iii. the future working capital requirements of the Group.

For illustration purposes, the indicative exercise price of the Warrants C is assumed to be at RM0.42, which represents a premium of approximately 13.51% to the five (5)-day VWAMP of GDEX Shares up to and including the LPD of RM0.37.

## **2.3 Ranking of the Warrants C and the new GDEX Shares to be issued arising from the exercise of the Warrants C**

The Warrant C holders will not be entitled to any voting right in any general meeting of the Company or to participate in any form of distribution and/or offer of securities in the Company until and unless such Warrant C holders exercise their Warrants C into new GDEX Shares.

The new GDEX Shares to be issued arising from the exercise of the Warrants C shall, upon issuance and allotment, rank equally in all respects with the then existing GDEX Shares, save and except that they will not be entitled to any dividend, right, allotment and/or any other distribution that may be declared, made or paid prior to the date of allotment of the such new GDEX Shares to be issued arising from the exercise of the Warrants C.

## **2.4 Listing of the Warrants C and the new GDEX Shares to be issued arising from the exercise of the Warrants C**

Bursa Securities had, vide its letter dated 6 November 2020, approved the admission of the Warrants C to the Official List as well as the listing and quotation of up to 705,176,354 Warrants C and up to 705,176,354 new GDEX Shares to be issued arising from the exercise of the Warrants C on the Main Market of Bursa Securities, subject to the conditions as set out in Section 7 of this Circular.

## **2.5 Utilisation of proceeds**

The Proposed Free Warrants Issue will not raise any immediate funds to the Company as the Warrants C will be issued at no cost to the Entitled Shareholders.

The actual gross proceeds that may be raised by the Company will depend on the exercise price of the Warrants C and the number of Warrants C exercised during the exercise period of the Warrants C. As and when the Warrants C are exercised, the Company intends to fully utilise the proceeds received from such exercise of the Warrants C within 12 months from the date of receipt of proceeds.

Based on the indicative exercise price of RM0.42 per Warrant C and in the event the Warrants C are fully exercised, the Company is expected to raise gross proceeds of approximately RM295.78 million and RM296.17 million under the Minimum Scenario and Maximum Scenario respectively. The gross proceeds are expected to be utilised for the future working capital requirements of the Group, which may include the following:

- i. defraying staff related expenses which include salaries, bonuses, contributions to Employees' Provident Fund and staff training costs; and
- ii. payment to trade payables and other payables for operating expenses such as rental expenses, insurance expenses and maintenance of the Group's fleet of vehicles, office premises and equipment, warehouse facility and data centre and back-up system. Solely for shareholders' information, the average total trade payables and other payables of the Group are approximately RM70 million per annum and RM39 million per annum respectively. In addition, the average turnover period for trade payables of the Group is approximately 31 days.

The proceeds to be utilised for each component of working capital are subject to the operating and funding requirements of the Group at the point of utilisation and therefore cannot be determined at this juncture.

## **2.6 Equity fundraising exercises in the past 12 months**

The Company has not undertaken any equity fundraising exercises in the past 12 months before the announcement of the Proposed Free Warrants Issue.

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### 3. RATIONALE FOR THE PROPOSED FREE WARRANTS ISSUE

The Proposed Free Warrants Issue is intended to:

- i. reward the shareholders of the Company for their continuous support by enabling them to own the Warrants C which are tradable on Bursa Securities without incurring any cost;
- ii. provide the shareholders of the Company with an opportunity to increase their equity participation in the Company through the exercise of the Warrants C at a pre-determined price during the tenure of the Warrants C; and
- iii. strengthen the capital base of the Company as well as enable the Group to raise additional funds to fund its working capital requirements, as and when the Warrants C are exercised, without incurring additional interest expense as compared to bank borrowings.

### 4. INDUSTRY OVERVIEW AND OUTLOOK AND PROSPECTS OF GDEX GROUP

#### 4.1 Overview and outlook of the Malaysian economy

The Malaysian economy grew by 4.3% in 2019 contributed by sustained domestic demand. The strong demand was due to private consumption which expanded 7.6% in 2019 supported by a stable labour market, steady income growth and lower inflation.

*(Source: Fiscal Updates 2019, Ministry of Finance Malaysia)*

In line with the reopening of the economy from earlier COVID-19 containment measures and improving external demand conditions, the Malaysian economy recorded a smaller contraction of 2.7% in the third (3<sup>rd</sup>) quarter ("3Q") of 2020. This recovery is seen across most economic sectors, particularly the manufacturing sector, which turned positive on account of strong electrical and electronics production activity. On the expenditure side, domestic demand contracted at a slower pace, while net exports rebounded. On a quarter-on-quarter seasonally-adjusted basis, the economy turned around to register an expansion of 18.2% in 3Q 2020.

Improvements in growth were recorded across most economic sectors, as the country transitioned from the Conditional Movement Control Order into the Recovery Movement Control Order in June 2020. Activity in the services sector recovered with growth, recording a smaller contraction of 4.0% in 3Q 2020. The wholesale and retail trade subsector showed a marked improvement, with accelerated sales in the motor vehicles segment following the Sales and Services Tax exemptions, as well as better performance of the retail trade segment, supported by higher demand for necessities. The recovery, however, was weighed down by subdued spending on non-essential retail goods, such as durable goods and recreational activities. In addition, tourism activity remained weak due to continued closure of international borders, affecting key sub-sectors such as food and beverage and accommodation, as well as transport and storage. Nevertheless, relaxation on movement restrictions enabled resumption of domestic travel activity and facilitated an incipient restoration of activity in these sub-sectors. In addition, growth in the information and communication sub-sector continued to improve amid higher demand for data communication services, particularly driven by the rise of remote working arrangements.

Domestic demand recorded a smaller decline of 3.3% in 3Q 2020, driven by improvements in both consumption and investment activity. Household spending was mainly supported by gradual recovery in income conditions, while investment activity benefitted from the ease of containment measures. Net exports rebounded to record a positive growth of 21.9% in 3Q 2020, driven by a larger improvement in exports vis-à-vis imports.

Private consumption recovered from the trough in the second quarter of 2020 to record a smaller contraction of 2.1% in 3Q 2020. Household spending improved with further loosening of movement restrictions, while broad income conditions gradually recovered amid resumption of economic activities. The improvement in spending was reflected in the uptrend across most retail and financing data during 3Q 2020. Private consumption activity was also supported by stimulus measures such as the EPF i-Lestari withdrawals, wage subsidies and sales tax reduction for cars. Public consumption registered a higher growth of 6.9% in 3Q 2020, benefitting from increased Government spending on supplies and services and faster expansion in emoluments.

*(Source: Economic and Financial Developments in the Malaysian Economy in 3Q 2020, Bank Negara Malaysia)*

Malaysia's gross domestic product ("**GDP**") is expected to contract by 4.5% in 2020, before rebounding between 6.5% - 7.5% in 2021. All sectors in the economy are expected to turnaround. Nevertheless, downside risks to the growth outlook remain, arising from the resurgence of COVID-19 cases and the duration of containment measures domestically and globally.

*(Source: Chapter 3 Macroeconomic Outlook, Economic Outlook 2021, Ministry of Finance Malaysia)*

## **4.2 Overview and outlook of the express carrier industry and logistics industry**

### **Express carrier industry**

The express delivery industry is poised for positive growth despite the challenging operating environment during the COVID-19 pandemic. The growth is mainly driven by the increase in online business which in turn increased the demand for e-commerce last-mile delivery services.

*(Source: Management of GDEX)*

The COVID-19 pandemic has changed the e-commerce landscape around the world. Amid the economic gloom, there is a silver lining whereby e-commerce has emerged as one of the biggest beneficiaries of the globe-wide lockdowns that have been imposed since early 2020. Online shopping is the new norm and an increasing number of small and/or traditional businesses have gone or are going digital, either on their own or with government support and the assistance of tech-enabled companies. Many companies such as e-commerce platforms have launched numerous initiatives to assist smaller businesses stay afloat by kick-starting their digital transformation. Assistance given include the provision of loans, training, stores on e-commerce platforms and digital marketing. These efforts have helped accelerate the digitalisation of SMEs and many have become successful online sellers.

*(Source: E-Commerce - Fuelling the e-commerce boom, The Edge Markets, 17 August 2020)*

Further, the Malaysian Communications and Multimedia Commission ("**MCMC**") has frozen all new courier service licences for two (2) years effective for the period of 14 September 2020 to 15 September 2022. It said that the decision was made under the licensing provision of the Postal Services Act 2012 and may be reviewed on a basis of needs.

According to MCMC, the licensing freeze is meant to enable the government, together with the postal and courier industry, to strategise to deal with changes in technology and marketing trends. It added that the move was also taken as urged by the Association of Malaysian Express Carriers which comprises the 25 main postal and courier companies in Malaysia.

*(Source: MCMC freezes new courier service licences for two years, The Edge Markets, 26 October 2020)*

### **Logistics industry**

The logistics industry, which includes transportation and storage, accounted for 3.8% of GDP in 2019.

*(Source: Chapter 1 Economic Management and Prospects, Economic Outlook 2021, Ministry of Finance Malaysia)*

The transportation and storage subsector contracted by 24% in the first half of 2020 with all segments severely affected by the border closure and lower trade activities. However, the subsector is anticipated to decline by 0.5% in the second half of 2020 following the lifting of interstate travel bans, increasing domestic travelers, improving trade activities and loosening of port restrictions. With prolonged border closure for tourism-related activities and the extension of Recovery Movement Control Order until end of 2020, the subsector is forecast to record a decline of 11.9% in 2020.

The subsector is projected to rebound by 7.5% in 2021, driven by the land transport segment, following operations of new highways, including the Setiawangsa – Pantai Expressway, Damansara – Shah Alam Elevated Expressway and partial alignment of Pan Borneo Highway.

*(Source: Chapter 3 Macroeconomic Outlook, Economic Outlook 2021, Ministry of Finance Malaysia)*

### **4.3 Prospects of GDEX Group**

During the period of lockdown worldwide to curb the spread of the COVID-19 pandemic, the Group faces challenges on the demand of delivery shipments even though its business operations is categorised as an essential activity and is allowed to operate during the Movement Control Order. Further, the Group also faces intense competition among industry peers coupled with border control restrictions.

For the FYE 30 June 2020, the Group continued to remain resilient and delivered positive growth in terms of revenue despite more intensified competition in the industry and challenges arising from the COVID-19 pandemic. The Group also continued to incur expenses in growing its domestic operational strength and allocating resources to assist investee companies in growing their strength for long-term value creation for the Group. On 20 December 2019, the Group completed the acquisition of 50% stake in Noi Bai Express & Trading Joint Stock Company ("**Netco**") in Vietnam, which marks a new milestone for the Group in regional expansion. For the FYE 30 June 2020, the Group's revenue grew by 16% to RM364.01 million compared to RM313.86 million for the FYE 30 June 2019. For shareholders' information, the Group has started to consolidate Netco in its financial statements since January 2020.

During the period of lockdown there is a wider adoption of digital technologies among businesses and consumers. The new norm due to COVID-19 pandemic Movement Control Order ("**MCO**") has accelerated the adoption of digitalisation among the Group's customers and therefore the Group's digital platform – myGDEX Series, which was launched in March 2018, is more widely used during the MCO period. The Group also sees growth in its business-to-consumer segment delivery mainly attributable to more online purchases during the MCO period and some traditional offline business-to-business customers have also moved to online platforms such as the social media platform as an alternative way to promote their sales. Moving forward, the Group expects to see continued positive volume growth coming from digital platforms, in all business-to-business segment delivery, business-to-consumer segment delivery and consumer-to-consumer segment delivery.

Going forward, the Group will continue to position itself as a solution provider for its customers for, among others, freight forwarding, custom clearance, logistics services, order fulfilment, express delivery and cash collection. The Group will closely monitor and continue to adapt to the challenging environment.

*(Source: Management of GDEX)*

## 5. EFFECTS OF THE PROPOSED FREE WARRANTS ISSUE

### 5.1 Issued share capital

The pro forma effects of the Proposed Free Warrants Issue on the issued share capital of GDEX are set out below:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
Issued share capital as at the LPD	5,641,410,835	337,896,408	5,641,410,835	337,896,408
Less: Treasury shares, at cost	(7,591,400)	(2,120,456)	-	-
	<u>5,633,819,435</u>	<u>335,775,952</u>	<u>5,641,410,835</u>	<u>337,896,408</u>
Shares to be issued assuming full exercise of the Warrants C	704,227,429	295,775,520 <sup>(a)</sup>	705,176,354	296,174,069 <sup>(a)</sup>
<b>Enlarged issued share capital</b>	<b><u>6,338,046,864</u></b>	<b><u>631,551,472</u></b>	<b><u>6,346,587,189</u></b>	<b><u>634,070,477</u></b>

**Note:**

(a) Calculated based on the indicative exercise price of Warrants C of RM0.42 per Warrant C.

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## 5.2 NA per Share and gearing

Based on the latest audited consolidated financial statements of GDEX as at 30 June 2020, the pro forma effects of the Proposed Free Warrants Issue on the consolidated NA per Share and gearing of GDEX are set out below:

### Minimum Scenario

	Audited as at 30 June 2020 RM'000	I Subsequent events up to the LPD <sup>(a)</sup> RM'000	II After I and the Proposed Free Warrants Issue RM'000	III After II and assuming full exercise of the Warrants C RM'000
Issued capital	337,896	337,896	337,896	633,672 <sup>(c)</sup>
Less: Treasury shares, at cost	(905)	(2,120)	(2,120)	(2,120)
Translation reserve	1,149	1,149	1,149	1,149
Retained earnings	145,040	145,040	144,780 <sup>(b)</sup>	144,780
<b>Shareholders' funds/NA</b>	<b>483,180</b>	<b>481,965</b>	<b>481,705</b>	<b>777,481</b>
No. of Shares in issue (excluding treasury shares) ('000)	5,637,215	5,633,819	5,633,819	6,338,047
NA per Share (RM)	0.09	0.09	0.09	0.12
Total interest-bearing borrowings (RM'000)	30,475	30,475	30,475	30,475
Gearing ratio (times)	0.06	0.06	0.06	0.04

#### Notes:

- (a) After taking into consideration the purchase of a total of 3,395,100 GDEX Shares subsequent to 30 June 2020 and up to the LPD which are held as treasury shares pursuant to the Company's share buy-backs.
- (b) After deducting estimated expenses of RM260,000 in relation to the Proposed Free Warrants Issue.
- (c) Calculated based on the indicative exercise price of RM0.42 per Warrant C.



### Maximum Scenario

	I	II	III	IV
	Subsequent events up to the LPD <sup>(a)</sup> RM'000	After I and the treasury shares are resold RM'000	After II and the Proposed Free Warrants Issue RM'000	After III and assuming full exercise of the Warrants C RM'000
Audited as at 30 June 2020	RM'000			
Issued capital	337,896	337,896	337,896	634,070 <sup>(c)</sup>
Less: Treasury shares, at cost	(905)	-	-	-
Translation reserve	1,149	1,149	1,149	1,149
Retained earnings	145,040	145,040	144,780 <sup>(b)</sup>	144,780
<b>Shareholders' funds/NA</b>	<b>483,180</b>	<b>481,965</b>	<b>483,825</b>	<b>779,999</b>
No. of Shares in issue (excluding treasury shares) ('000)	5,637,215	5,633,819	5,641,411	6,346,587
NA per Share (RM)	0.09	0.09	0.09	0.12
Total interest-bearing borrowings (RM'000)	30,475	30,475	30,475	30,475
Gearing ratio (times)	0.06	0.06	0.06	0.04

#### Notes:

- (a) After taking into consideration the purchase of a total of 3,395,100 GDEX Shares subsequent to 30 June 2020 and up to the LPD which are held as treasury shares pursuant to the Company's share buy-backs.
- (b) After deducting estimated expenses of RM260,000 in relation to the Proposed Free Warrants Issue.
- (c) Calculated based on the indicative exercise price of RM0.42 per Warrant C.

### 5.3 Substantial shareholding structure

The pro forma effects of the Proposed Free Warrants Issue on the substantial shareholders' shareholdings of GDEX are set out below:

#### Minimum Scenario

Substantial shareholders	Shareholding as at the LPD		After the Proposed Free Warrants Issue		After I and assuming full exercise of the Warrants C			
	Direct	Indirect	Direct	Indirect	Direct	Indirect		
	No. of Shares	%	No. of Shares	%	No. of Shares	%		
Teong Teck Lean	124,315,352	2.21	2,073,696,872 <sup>(a)</sup>	36.81	124,315,352	2.21	2,073,696,872 <sup>(a)</sup>	36.81
GD Express Holdings (M) Sdn Bhd	1,408,770,556	25.01	-	-	1,408,770,556	25.01	-	-
GD Holdings International Limited	632,331,693	11.22	-	-	632,331,693	11.22	-	-
Yamato Asia Pte Ltd	1,287,938,501	22.86	-	-	1,287,938,501	22.86	-	-
Yamato Holdings Co., Ltd	-	-	1,287,938,501 <sup>(b)</sup>	22.86	-	-	1,287,938,501 <sup>(b)</sup>	22.86
Singapore Post Limited	655,106,119	11.63	-	-	655,106,119	11.63	-	-
Singapore Telecommunications Limited	-	-	655,106,119 <sup>(c)</sup>	11.63	-	-	655,106,119 <sup>(c)</sup>	11.63
Temasek Holdings (Private) Limited	-	-	655,106,119 <sup>(d)</sup>	11.63	-	-	655,106,119 <sup>(d)</sup>	11.63

#### Notes:

- Deemed interested by virtue of his interests held through GD Express Holdings (M) Sdn Bhd, GD Holdings International Limited and GDEX Foundation pursuant to Section 8(4) of the Act, and his spouse's direct shareholding in the Company pursuant to Section 59(1)(c) of the Act.
- Deemed interested by virtue of its interest held through Yamato Asia Pte Ltd pursuant to Section 8(4) of the Act.
- Deemed interested by virtue of its interest held through Singapore Post Limited pursuant to Section 8(4) of the Act.
- Deemed interested by virtue of its interest held through Singapore Telecommunications Limited (held via Singapore Post Limited) pursuant to Section 8(4) of the Act.

**Maximum Scenario**

Substantial shareholders	I Shareholding as at the LPD				Assuming all the treasury shares are resold			
	Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares	%	Indirect No. of Shares	%
Teong Teck Lean	124,315,352	2.21	2,073,696,872 <sup>(a)</sup>	36.81	124,315,352	2.20	2,073,696,872 <sup>(a)</sup>	36.76
GD Express Holdings (M) Sdn Bhd	1,408,770,556	25.01	-	-	1,408,770,556	24.97	-	-
GD Holdings International Limited	632,331,693	11.22	-	-	632,331,693	11.21	-	-
Yamato Asia Pte Ltd	1,287,938,501	22.86	-	-	1,287,938,501	22.83	-	-
Yamato Holdings Co., Ltd	-	-	1,287,938,501 <sup>(b)</sup>	22.86	-	-	1,287,938,501 <sup>(b)</sup>	22.83
Singapore Post Limited	655,106,119	11.63	-	-	655,106,119	11.61	-	-
Singapore Telecommunications Limited	-	-	655,106,119 <sup>(c)</sup>	11.63	-	-	655,106,119 <sup>(c)</sup>	11.61
Temasek Holdings (Private) Limited	-	-	655,106,119 <sup>(d)</sup>	11.63	-	-	655,106,119 <sup>(d)</sup>	11.61
	<b>II</b>							
	<b>After I and the Proposed Free Warrants Issue</b>				<b>After II and assuming full exercise of the Warrants C</b>			
Substantial shareholders	Direct No. of Shares	%	Indirect No. of Shares	%	Direct No. of Shares	%	Indirect No. of Shares	%
Teong Teck Lean	124,315,352	2.20	2,073,696,872 <sup>(a)</sup>	36.76	139,854,771	2.20	2,332,908,981 <sup>(a)</sup>	36.76
GD Express Holdings (M) Sdn Bhd	1,408,770,556	24.97	-	-	1,584,866,875	24.97	-	-
GD Holdings International Limited	632,331,693	11.21	-	-	711,373,154	11.21	-	-
Yamato Asia Pte Ltd	1,287,938,501	22.83	-	-	1,448,930,813	22.83	-	-
Yamato Holdings Co., Ltd	-	-	1,287,938,501 <sup>(b)</sup>	22.83	-	-	1,448,930,813 <sup>(b)</sup>	22.83
Singapore Post Limited	655,106,119	11.61	-	-	736,994,383	11.61	-	-
Singapore Telecommunications Limited	-	-	655,106,119 <sup>(c)</sup>	11.61	-	-	736,994,383 <sup>(c)</sup>	11.61
Temasek Holdings (Private) Limited	-	-	655,106,119 <sup>(d)</sup>	11.61	-	-	736,994,383 <sup>(d)</sup>	11.61

**Notes:**

- (a) *Deemed interested by virtue of his interests held through GD Express Holdings (M) Sdn Bhd, GD Holdings International Limited and GDEX Foundation pursuant to Section 8(4) of the Act, and his spouse's direct shareholding in the Company pursuant to Section 59(1)(c) of the Act.*
- (b) *Deemed interested by virtue of its interest held through Yamato Asia Pte Ltd pursuant to Section 8(4) of the Act.*
- (c) *Deemed interested by virtue of its interest held through Singapore Post Limited pursuant to Section 8(4) of the Act.*
- (d) *Deemed interested by virtue of its interest held through Singapore Telecommunications Limited (held via Singapore Post Limited) pursuant to Section 8(4) of the Act.*

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## 5.4 Earnings and EPS

The Proposed Free Warrants Issue is expected to be completed by the first (1<sup>st</sup>) quarter of year 2021. However, the Proposed Free Warrants Issue is not expected to have any material effect on the consolidated earnings of the Group for the FYE 30 June 2021.

The potential effect of any exercise of the Warrants C on the consolidated EPS of the Group may depend on, among others, the number of Warrants C exercised at any point in time. Although the consolidated EPS of the Group may be diluted as a result of the increase in the number of GDEX Shares as and when the Warrants C are exercised, the utilisation of proceeds arising therefrom may contribute positively to the future earnings of the Group.

Based on the latest audited consolidated financial statements of GDEX for the FYE 30 June 2020, the pro forma effects of the Proposed Free Warrants Issue and assuming full exercise of the Warrants C on the consolidated EPS of the Group assuming the Proposed Free Warrants Issue and the full exercise of the Warrants C had been completed at the beginning of the FYE 30 June 2020 are set out below:

	<b>Audited for the FYE 30 June 2020</b>	<b>I After the Proposed Free Warrants Issue</b>	<b>After I and assuming full exercise of the Warrants C Minimum Scenario</b>	<b>II Maximum Scenario</b>
Profit after tax attributable to the equity holders of the Company (RM'000)	18,534	18,534	18,534	18,534
Weighted average no. of Shares in issue ('000)	5,639,935	5,639,935	6,344,162	6,345,111
Basic EPS (sen)	0.33	0.33	0.29	0.29

## 5.5 Convertible securities

As at the LPD, GDEX does not have any convertible securities in issue.

## 6. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of GDEX Shares as traded on Bursa Securities for the past 12 months from November 2019 to October 2020 are set out below:

	<b>High RM</b>	<b>Low RM</b>
<b>2019</b>		
November	0.295	0.260
December	0.275	0.255
<b>2020</b>		
January	0.295	0.255
February	0.270	0.200
March	0.210	0.115
April	0.240	0.150
May	0.445	0.215
June	0.425	0.330
July	0.385	0.330
August	0.425	0.335
September	0.370	0.320
October	0.400	0.330

Last transacted market price on 20 October 2020  
(being the last trading prior to the announcement of the Proposed Free Warrants Issue  
on 21 October 2020)

RM0.355

Last transacted market price on the LPD

RM0.375

(Source: Bloomberg)

## 7. APPROVALS REQUIRED/OBTAINED FOR THE PROPOSED FREE WARRANTS ISSUE

The Proposed Free Warrants Issue is subject to the following approvals being obtained:

- i. Bursa Securities, for the following:
  - (a) admission to the Official List and the listing and quotation of up to 705,176,354 Warrants C to be issued pursuant to the Proposed Free Warrants Issue on the Main Market of Bursa Securities; and
  - (b) listing and quotation of up to 705,176,354 new GDEX Shares to be issued arising from the exercise of the Warrants C on the Main Market of Bursa Securities,

which was obtained vide its letter dated 6 November 2020, subject to the following conditions:

No.	Condition	Status of compliance
(i)	GDEX and RHBIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Free Warrants Issue;	Noted.
(ii)	GDEX and RHBIB to inform Bursa Securities upon the completion of the Proposed Free Warrants Issue;	To be complied.
(iii)	GDEX to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Free Warrants Issue is completed; and	To be complied.
(iv)	GDEX to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants C as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

- ii. the shareholders of GDEX, for the Proposed Free Warrants Issue at the forthcoming EGM; and
- iii. any other relevant authority and/or parties, if required.

The Proposed Free Warrants Issue is not conditional upon any other proposals undertaken or to be undertaken by the Company.

## 8. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED

None of the Directors, major shareholders and/or chief executive of GDEX and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Free Warrants Issue, save for their respective entitlements under the Proposed Free Warrants Issue which are available to all Entitled Shareholders on a pro-rata basis.

## 9. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the approvals from the relevant authorities and parties being obtained, the Proposed Free Warrants Issue is expected to be completed by the first (1<sup>st</sup>) quarter of 2021.

The tentative timetable for the implementation of the Proposed Free Warrants Issue is set out below:

Date/Month	Events
3 December 2020	Convening of EGM to obtain the approval of the shareholders of GDEX for the Proposed Free Warrants Issue
Mid December 2020	Announcement of the exercise price and Entitlement Date for the Warrants C
End December 2020	Entitlement Date
Mid January 2021	Listing of the Warrants C on the Main Market of Bursa Securities

## 10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the following, there is no other corporate exercise which has been announced by the Company but not yet completed as at the date of this Circular:

- i. the Proposed Free Warrants Issue; and
- ii. the Company had on 8 October 2020 announced that it intends to seek its shareholders' approval for the following proposals at its forthcoming AGM to be convened on 3 December 2020:
  - (a) a proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature;
  - (b) a proposed renewal of authority for the Company to purchase its own shares; and
  - (c) a proposed change of the Company's name from "GD Express Carrier Bhd" to "GDEX Berhad".

## 11. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for Lai Tak Loi, a Non-Independent Non-Executive Director of GDEX), having considered all aspects of the Proposed Free Warrants Issue, is of the opinion that the Proposed Free Warrants Issue is in the best interest of the Company.

Lai Tak Loi is currently the Group Chief Financial Officer of Singapore Post Limited, a major shareholder of GDEX that holds approximately 11.63% equity interest in the Company. He has expressed his disagreement to the Proposed Free Warrants Issue on behalf of Singapore Post Limited due to the possible dilution in the shareholding of Singapore Post Limited in GDEX which may arise from the exercise of the Warrants C by other shareholders in the future.

Accordingly, the Board (save for Lai Tak Loi) recommends that you vote in favour of the resolution pertaining to the Proposed Free Warrants Issue to be tabled at the forthcoming EGM.

**12. EGM**

The EGM, the notice of which is enclosed in this Circular, will be conducted entirely on a virtual basis at the Broadcast Venue at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 3 December 2020 at 1.30 p.m. or immediately following the conclusion or adjournment (as the case may be) of the Company's Seventeenth (17<sup>th</sup>) AGM which will be conducted virtually from the Broadcast Venue on the same day at 11.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing the ordinary resolution to give effect to the Proposed Free Warrants Issue.

If you are unable to participate, speak and vote at the forthcoming EGM, you may appoint a proxy or proxies to do so on your behalf by completing and depositing the enclosed Form of Proxy in accordance with the instructions therein at the Company's Share Registrar's Office at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time appointed for holding the EGM. The lodging of the Form of Proxy will not preclude you from participating, speaking and voting remotely at the EGM should you subsequently wish to do so.

**13. ADDITIONAL INFORMATION**

You are advised to refer to the attached appendices for additional information.

Yours faithfully,  
For and on behalf of the Board  
**GD EXPRESS CARRIER BHD**

**TAN SRI MUHAMMAD BIN IBRAHIM**  
Independent Non-Executive Chairman



**INDICATIVE SALIENT TERMS OF THE WARRANTS C**

The indicative salient terms of the Warrants C are set out below:

- Issue size and basis of allotment : Up to 705,176,354 Warrants C on the basis of one (1) Warrant C for every eight (8) existing GDEX Shares held by the Entitled Shareholders on the Entitlement Date.
- Form and constitution : The Warrants C will be issued in registered form and constituted by the Deed Poll C.
- Tenure : Seven (7) years commencing from and inclusive of the date of issuance of the Warrants C.
- Expiry Date : The day preceding the seventh (7<sup>th</sup>) anniversary of the date of issuance of the Warrants C and if such date is not a Market Day, then it shall be the Market Day immediately preceding the said non-Market Day.
- Exercise period : The period commencing from and including the date of issuance of the Warrants C and ending at the close of business at 5.00 p.m. in Malaysia on the Expiry Date. Any Warrants C not exercised during the exercise period will thereafter lapse and cease to be valid.
- Exercise Price : The exercise price of the Warrants C will be determined by the Board and announced by the Company at a later date upon receipt of all relevant approvals for the Proposed Free Warrants Issue but before the announcement of the Entitlement Date.

For information purposes, the exercise price of the Warrants C will be determined by the Board after taking into consideration a premium of not more than 15% to the five (5)-day VWAMP of GDEX Shares immediately preceding the price-fixing date for the Proposed Free Warrants Issue.

For information purposes, the premium of not more than 15% to the five (5)-day VWAMP of GDEX Shares immediately preceding the price-fixing date for the Proposed Free Warrants Issue was determined after taking into consideration, among others, the following:

- i. the historical trading prices of GDEX Shares;
- ii. the prevailing market conditions; and
- iii. the future working capital requirements of the Group.

For illustration purposes, the indicative exercise price of the Warrants C is assumed to be at RM0.42, which represents a premium of approximately 13.51% to the five (5)-day VWAMP of GDEX Shares up to and including the LPD of RM0.37.

- Exercise rights : Each Warrant C entitles the Warrant C holder to subscribe for one (1) new GDEX Share at the Exercise Price at any time during the exercise period, subject to the adjustments in accordance with the provisions of the Deed Poll C.

- Mode of exercise : The Warrant C holders must complete and sign the exercise form (which shall be irrevocable) and deliver the duly completed and executed exercise form to the Company's warrant registrar together with payment of the Exercise Price by way of cashier's order or banker's draft drawn by a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia or electronic means.
- Board lot : For the purpose of trading on Bursa Securities, one (1) board lot of Warrants C shall comprise 100 Warrants C carrying the right to subscribe for 100 new GDEX Shares at any time during the exercise period, or such other denomination as may be varied from time to time by Bursa Securities.
- Ranking of the new GDEX Shares to be issued arising from the exercise of the Warrants C : The new GDEX Shares to be issued arising to the exercise of the Warrants C shall, upon issuance and allotment, rank equally in all respects with the then existing GDEX Shares, save and except that they will not be entitled to any dividend, right, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment of such new GDEX Shares to be issued arising from the exercise of the Warrants C.
- Rights in general meeting and in any distribution and/or offer of further securities : The Warrant C holders will not be entitled to any voting right in any general meeting of the Company or to participate in any form of distribution and/or offer of further securities in the Company until and unless such Warrant C holders exercise their Warrants C into new GDEX Shares.
- Rights in the event of winding up, liquidation, compromise and/or arrangement : If a resolution is passed for a members' voluntary winding-up of the Company or there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one (1) or more companies then:
- i. for the purpose of such winding up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant C holders, or some persons designated by them for such purpose by a special resolution, shall be a party, the terms of such winding up, compromise or arrangement shall be binding on all the Warrant C holders; and
  - ii. in any case and to the extent permitted by law, every Warrant C holder shall be entitled (subject to the conditions in the Deed Poll C) at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding up of the Company or six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his Warrants C to the Company by submitting the duly completed exercise form(s) and payment of the Exercise Price, elect to be treated as if he had immediately prior to the commencement of such winding up, compromise or arrangement exercised the exercise rights represented by such Warrants C to the extent specified in the exercise form(s) and be entitled to receive out of the assets of the Company which would be available in liquidation as if he had on such date been the holder of the GDEX Shares to which he would have become entitled pursuant to such exercise and the liquidator or the Company shall give effect to such election accordingly. Upon the expiry of the above six (6) weeks, all exercise rights of the Warrants C shall lapse and cease to be valid for any purpose.

- Adjustments to the Exercise Price and/or number of Warrants C : The Exercise Price and/or number of Warrants C may be adjusted if any alteration is made to the share capital of the Company at any time during the tenure of the Warrants C, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital or otherwise.
- Modification of rights of the Warrant C holders : Save for manifest error or to comply with the prevailing laws of Malaysia and/or the Listing Requirements, any modification, amendment, deletion or addition to the Deed Poll C shall require the approval of the Warrant C holders sanctioned by special resolution; be subjected to the approval of the relevant authorities, if any; and be effected by a supplemental deed poll executed by the Company and expressed to be supplemental and comply with the requirements of the Deed Poll C.
- Listing status : Approval has been obtained from Bursa Securities for the admission of the Warrants C to the Official List as well as for the listing of the Warrants C and the new GDEX Shares to be issued arising from the exercise of the Warrants C on the Main Market of Bursa Securities.
- Governing law : Laws of Malaysia.

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## ADDITIONAL INFORMATION

## 1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board who collectively and individually accepts full responsibility for the accuracy of the information given herein. The Board hereby confirms that, after making all reasonable enquiries to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein false or misleading.

## 2. CONSENT AND CONFLICT OF INTEREST

RHBIB, being the Principal Adviser to GDEX for the Proposed Free Warrants Issue, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

RHBIB, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad ("**RHB Bank**"), and the subsidiaries and associated companies of RHB Bank ("**RHB Banking Group**") form a diversified financial group. RHB Banking Group may extend credit facilities or engage in private banking, commercial banking and investment banking transactions including, amongst others, brokerage, securities trading, asset and fund management and credit transaction service businesses. RHB Banking Group has engaged and may in the future, engage in transactions with and perform services for the Company and/or its affiliates, in addition to the role as set out in this Circular. RHB Banking Group, its directors and major shareholders may from time to time hold or deal in the securities of the Company and/or its affiliates for their own accounts or their proprietary accounts.

Furthermore, in the ordinary course of business, RHB Banking Group may at any time offer or provide its services or engage in any transactions (whether on its own account or otherwise) with the Company and/or its affiliates and/or any other entity or person, hold long or short positions in the securities offered by the Company and/or its affiliates, make investments recommendations and/or publish or express independent research views on such securities and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of the Company and/or its affiliates.

The business of RHB Banking Group generally act independently of each other, and accordingly, there may be situations where parts of RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the said regulations issued by the relevant authorities governing its advisory business, which require, amongst others, segregation between dealing and advisory activities and Chinese Wall between different business divisions.

As at the LPD, RHB Banking Group had extended credit facilities amounting to RM15.22 million ("**Credit Facilities**") (with an amount of approximately RM10.30 million outstanding) to GDEX Group. The Credit Facilities represent approximately 0.06% of the audited consolidated NA of RHB Bank of approximately RM25.78 billion as at 31 December 2019. Further, the equity derivatives department of RHBIB ("**RHB EQD**") has issued 40 million units of call warrants which expires on 27 April 2021 ("**Call Warrants**"). The issuance of the Call Warrants would expose RHBIB to the movements in the share price of GDEX. RHBIB has utilised and will continue to utilise the proceeds received from the issuance of the Call Warrants for hedging activities that include purchasing of GDEX Shares to mitigate RHBIB's risk exposure to the Call Warrants. As at the LPD, RHBIB has purchased GDEX Shares amounting to RM1.20 million as part of its hedging activities.

Notwithstanding the above, RHBIB is of the opinion that concerns of any potential conflict of interest that exists or is likely to exist in relation to its capacity as the Principal Adviser to GDEX for the Proposed Free Warrants Issue is mitigated by the following:

- (a) RHBIB is a licensed investment bank and its appointment as the Principal Adviser to GDEX for the Proposed Free Warrants Issue is in the ordinary course of its business and RHBIB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Principal Adviser to GDEX for the Proposed Free Warrants Issue;
- (b) the Credit Facilities were approved by RHB Banking Group's relevant credit committee and granted on an arm's length basis and is not material when compared to the audited consolidated NA of RHB Bank of approximately RM25.78 billion as at 31 December 2019. Further, the issuance of and the hedging activities of the Call Warrants by RHBIB are made on an arm's length basis and the value of GDEX Shares purchased by RHBIB is not material when compared to the market capitalisation of GDEX of approximately RM2.11 billion as at the LPD;
- (c) the hedging activities of RHB EQD are governed by internal limits to manage RHB Banking Group's overall exposure to a particular underlying security where, in this case, RHB EQD can only acquire up to RM30 million of GDEX Shares ("**Exposure Limit**"). Nevertheless, depending on the market condition and underlying value of GDEX Shares, RHB EQD may increase the Exposure Limit subject to the necessary approvals from the Chief Executive Officer of RHBIB, Group Investment Underwriting Committee and/or Board Credit Committee (depending on the amount). Hence, RHBIB's potential exposure to the movement in price of GDEX Shares pursuant to the Call Warrants issued cannot be ascertained at this juncture.

In any event, based on the Exposure Limit, RHBIB may only acquire up to 1.42% of GDEX's market capitalisation computed as at the LPD, and RHB Banking Group is also governed by other regulatory requirements and its own internal control vis-à-vis exposures to a single counter party.

- (d) the Corporate Finance division of RHBIB is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, amongst others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (e) the conduct of RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, the Capital Markets and Services Act 2007 and RHB Banking Group's own internal controls which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

As at the LPD, save as disclosed above, RHBIB confirms that it is not aware of any conflict of interest that exists or is likely to exist in relation to its capacity as the Principal Adviser to GDEX for the Proposed Free Warrants Issue.

### 3. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, there is no material commitment incurred or known to be incurred by the Group which may have a material impact on the financial results/position of the Group:

<b>Capital commitments</b>	<b>RM'000</b>
Approved and contracted for:	
• Purchase of motor vehicles	3,565
• Purchase of technology system	697
• Renovation of office buildings/warehouse	25
• Purchase of tools and equipment	5
<b>Total</b>	<b><u>4,292</u></b>

### 4. CONTINGENT LIABILITIES

As at the LPD, there is no contingent liability incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/position of the Group.

### 5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the Group.

### 6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- i. Constitution of GDEX;
- ii. audited consolidated financial statements of GDEX Group for the past two (2) financial years up to the FYE 30 June 2020;
- iii. draft Deed Poll C; and
- iv. letter of consent and declaration of conflict of interest referred to in Section 2 above.



**GD EXPRESS CARRIER BHD**  
(Registration No. 200301028159 (630579-A))  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting ("**EGM**") of GD Express Carrier Bhd ("**GDEX**" or the "**Company**") will be conducted entirely on a virtual basis at the Broadcast Venue at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Thursday, 3 December 2020 at 1.30 p.m. or immediately following the conclusion or adjournment (as the case may be) of the Company's Seventeenth (17<sup>th</sup>) Annual General Meeting which will be conducted virtually from the Broadcast Venue on the same day at 11.00 a.m., whichever is later, for the following purposes:

### **ORDINARY RESOLUTION**

**PROPOSED ISSUANCE OF UP TO 705,176,354 FREE WARRANTS IN GDEX ("WARRANTS C") ON THE BASIS OF ONE (1) WARRANT C FOR EVERY EIGHT (8) EXISTING ORDINARY SHARES IN GDEX ("GDEX SHARES") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("PROPOSED FREE WARRANTS ISSUE")**

"**THAT** subject to the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board of Directors of the Company ("**Board**") to issue and allot up to 705,176,354 Warrants C (with an exercise price to be determined at a later date) to the shareholders of the Company who are registered as a member and whose names appear in the Record of Depositors of the Company as at 5.00 p.m. on a date to be determined by the Board and announced by the Company at a later date, on the basis of one (1) Warrant C for every eight (8) existing GDEX Shares held, in accordance with the provisions of the deed poll constituting the Warrants C to be executed by the Company ("**Deed Poll C**");

**THAT** the Board be and is hereby authorised to enter into and execute the Deed Poll C with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company subject to the provisions contained in the Deed Poll C, and with full powers for the Board to implement, finalise and give full effect to the Deed Poll C;

**THAT** the Board be and is hereby authorised to issue and allot such appropriate number of Warrants C in accordance with the provisions of the Deed Poll C and where required, to adjust the exercise price and/or the number of the Warrants C to be issued (including, without limitation, any additional Warrants C as may be required or permitted to be issued) in consequence of the adjustments pursuant to the provisions of the Deed Poll C;

**THAT** the Board be and is hereby authorised to issue and allot such appropriate number of new GDEX Shares pursuant to the exercise of the Warrants C or additional Warrants C issued pursuant to adjustments as provided for under the Deed Poll C by the Warrants C holders in accordance with the provisions of the Deed Poll C;

**THAT** fractional entitlements arising from the Proposed Free Warrants Issue, if any, shall be disregarded and dealt with in such manner as the Board in its absolute discretion deems fit, expedient and in the best interest of the Company;

**THAT** the new GDEX Shares to be issued and allotted arising from the exercise of the Warrants C shall, upon issuance and allotment, rank equally in all respects with the then existing GDEX Shares, save and except that they will not be entitled to any dividend, right, allotment and/or any other distribution that may be declared, made or paid prior to the date of allotment of such new GDEX Shares to be issued arising from the exercise of the Warrants C;

**THAT** the Board be and is hereby authorised to utilise the proceeds to be raised from the exercise of the Warrants C for such purposes and in such manner as set out in Section 2.5 of the Circular to shareholders of the Company dated 18 November 2020, and the Board be authorised with full powers to vary the manner and/or purpose of the utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject to the approval of the relevant authorities (where required) and in the best interest of the Company;

**AND THAT** the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitations, the affixation of the Company's Common Seal) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Free Warrants Issue with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

### **By Order of the Board**

**TAI YIT CHAN (MAICSA 7009143) (SSM PC No.: 202008001023)**

**TAN AI NING (MAICSA 7015852) (SSM PC No.: 202008000067)**

Company Secretaries

Petaling Jaya  
18 November 2020

#### **Notes:**

1. *As part of the initiatives to curb the spread of COVID-19 and Government of Malaysia's official guidance on social distancing, the EGM of the Company will be conducted entirely on a virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting facilities. Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate, speak and vote remotely.*
2. *The venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The venue of the EGM is to inform shareholders where the electronic EGM production and streaming would be conducted from. **NO SHAREHOLDER(S)/PROXY(IES)** from the public will be allowed to be physically present at the Broadcast Venue.*
3. *In respect of deposited securities, only members whose names appear in the Company's Record of Depositors on 23 November 2020 (General Meeting Record of Depositors) shall be eligible to participate, speak and vote at the meeting or appoint proxy(ies) to participate, speak and vote on his/her behalf.*
4. *A member entitled to participate, speak and vote at the meeting is entitled to appoint not more than two (2) proxies to participate, speak and vote in his stead. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.*
5. *Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
6. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.*



7. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the EGM, as follows:
- (a) **In hard copy form**
- The original instrument appointing a proxy ("**Form of Proxy**") must be deposited at the Company's Share Registrar's Office at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
- (b) **By electronic means**
- The Form of Proxy can also be lodged electronically with the Share Registrar of the Company through Boardroom Smart Investor Online Portal at [www.boardroomlimited.my](http://www.boardroomlimited.my) or email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com). Please follow the procedures provided in the Administrative Guide for the EGM in order to deposit the Form of Proxy electronically.
8. If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in our electronic EGM by yourself, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) to revoke the earlier appointed proxy forty-eight (48) hours before this meeting.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in the Notice of EGM will be put to vote by way of poll.



**GD EXPRESS CARRIER BHD**  
(Registration No. 200301028159 (630579-A))  
(Incorporated in Malaysia)

**FORM OF PROXY**

No. of shares held	
CDS account no.	

I/ We \_\_\_\_\_ \*NRIC/ Passport / Company No. \_\_\_\_\_  
(FULL NAME IN BLOCK CAPITAL)

of \_\_\_\_\_  
(FULL ADDRESS)

and telephone no./ email address \_\_\_\_\_ being \*a member/ members

of **GD Express Carrier Bhd (200301028159 (630579-A))** hereby appoint \_\_\_\_\_

\_\_\_\_\_ \*NRIC/ Passport No. \_\_\_\_\_  
(FULL NAME IN BLOCK CAPITAL)

of \_\_\_\_\_  
(FULL ADDRESS)

or failing \*him/ her \_\_\_\_\_ \*NRIC/ Passport No. \_\_\_\_\_  
(FULL NAME IN BLOCK CAPITAL)

of \_\_\_\_\_  
(FULL ADDRESS)

or failing \*him/ her the Chairman of the Meeting as \*my/ our proxy/ proxies to participate, speak and vote for \*me/ us on \*my/ our behalf at the Extraordinary General Meeting of GD Express Carrier Bhd ("**Company**") which will be conducted entirely on a virtual basis at the Broadcast Venue at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Thursday, 3 December 2020 at 1.30 p.m. or immediately following the conclusion or adjournment (as the case may be) of the Company's Seventeenth (17<sup>th</sup>) Annual General Meeting which will be conducted virtually from the Broadcast Venue on the same day at 11.00 a.m., whichever is later.

\*My/ our proxy is to vote as indicated below:-

RESOLUTION	FOR	AGAINST
<b>ORDINARY RESOLUTION – PROPOSED FREE WARRANTS ISSUE</b>		

Please mark with "X" in either box if you wish to direct the proxy how to vote. If no mark is made the proxy may vote on the resolution or abstain from voting as the proxy thinks fit.

\* *Strike out whichever is not desired*

Signature of Member(s)/ Common Seal \_\_\_\_\_

Date: \_\_\_\_\_

The proportion of *my/our shareholdings to be represented by the proxies are as follows:	
First proxy	%
Second proxy	%
<b>Total</b>	<b>100%</b>

**Notes:**

- As part of the initiatives to curb the spread of COVID-19 and Government of Malaysia's official guidance on social distancing, the EGM of the Company will be conducted entirely on a virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting facilities. Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate, speak and vote remotely.
- The venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The venue of the EGM is to inform shareholders where the electronic EGM production and streaming would be conducted from. **NO SHAREHOLDER(S)/PROXY(IES)** from the public will be allowed to be physically present at the Broadcast Venue.
- In respect of deposited securities, only members whose names appear in the Company's Record of Depositors on 23 November 2020 (General Meeting Record of Depositors) shall be eligible to participate, speak and vote at the meeting or appoint proxy(ies) to participate, speak and vote on his/her behalf.
- A member entitled to participate, speak and vote at the meeting is entitled to appoint not more than two (2) proxies to participate, speak and vote in his stead. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.



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**Notes: (cont'd)**

6. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.*
7. *The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the EGM, as follows:*
  - (a) **In hard copy form**  
*The original instrument appointing a proxy ("**Form of Proxy**") must be deposited at the Company's Share Registrar's Office at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.*
  - (b) **By electronic means**  
*The Form of Proxy can also be lodged electronically with the Share Registrar of the Company through Boardroom Smart Investor Online Portal at [www.boardroomlimited.my](http://www.boardroomlimited.my) or email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com). Please follow the procedures provided in the Administrative Guide for the EGM in order to deposit the Form of Proxy electronically.*
8. *If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in our electronic EGM by yourself, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) to revoke the earlier appointed proxy forty-eight (48) hours before this meeting.*
9. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in the Notice of EGM will be put to vote by way of poll.*

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AFFIX  
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**BOARDROOM SHARE REGISTRARS SDN. BHD.**  
**GD EXPRESS CARRIER BHD**  
(Registration No. 200301028159 (630579-A))  
The Share Registrars  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

1<sup>st</sup> fold here