

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

THIS NOTICE IS FOR THE INFORMATION OF THE HOLDERS OF WARRANTS 2011/2016 OF GD EXPRESS CARRIER BHD ONLY. NO ACTION IS REQUIRED TO BE TAKEN IN RESPECT OF THIS NOTICE.

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GD EXPRESS CARRIER BHD

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE TO WARRANT HOLDERS

IN RELATION TO THE

ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF OUTSTANDING WARRANTS 2011/2016 OF GD EXPRESS CARRIER BHD (“GDEX” OR THE “COMPANY”) CONSEQUENTIAL TO A BONUS ISSUE OF 274,890,147 NEW ORDINARY SHARES OF RM0.05 EACH IN GDEX (“GDEX SHARE”) INVOLVING THE ISSUANCE OF ONE (1) NEW GDEX SHARE (“BONUS SHARE”) FOR EVERY TWO (2) GDEX SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY WHOSE NAME APPEAR IN THE RECORD OF DEPOSITORS OF THE COMPANY AS AT THE CLOSE OF BUSINESS ON 26 DECEMBER 2013 (“BONUS ISSUE”)

Prepared by



RHB Investment Bank Berhad

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

This Notice is dated 13 January 2014

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Notice:

Additional Warrants	:	Additional Warrants issued to Warrants Holders pursuant to the Adjustments
Adjustments	:	Adjustments to the Exercise Price and number of outstanding Warrants made in accordance with the provisions under the Deed Poll consequential to the Bonus Issue
Board	:	The Board of Directors of GDEX
Bonus Issue	:	The bonus issue of 274,890,147 new GDEX Shares credited as fully paid-up on the basis of one (1) Bonus Share for every two (2) GDEX Shares held by the Entitled Shareholders on the Entitlement Date
Bonus Shares	:	New GDEX Shares to be issued pursuant to the Bonus Issue
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CDS	:	Central Depository System
CDS Account	:	A securities account established by Bursa Depository for a depositor for the recording of deposits and dealings in such securities by the depositor
Deed Poll	:	The deed poll constituting the Warrants executed by GDEX dated 11 January 2011
Deloitte	:	Messrs. Deloitte (formerly known as Deloitte KassimChan)
Entitled Shareholders	:	The shareholders of GDEX whose names appear in the Company's Record of Depositors on the Entitlement Date
Entitlement Date	:	5.00 p.m. on 26 December 2013, being the time and date on which the Entitled Shareholders must be registered in GDEX's Record of Depositors in order to be entitled to the Bonus Issue
Exercise Price	:	RM0.2925, being the price at which one (1) Warrant is exercisable into one (1) GDEX Share, subject to such adjustments as may be allowed under the Deed Poll
Exercise Rights	:	Each Warrant entitles its holder to subscribe for one (1) GDEX Share at the Exercise Price satisfied in cash
GDEX or Company	:	GD Express Carrier Bhd
GDEX Shares or Shares	:	Ordinary shares of RM0.05 each in GDEX
Market Day	:	Any day between Monday and Friday (both days inclusive) on which Bursa Securities is open for trading of securities
Memorandum	:	The memorandum which forms part of the Deed Poll, containing provisions for the adjustment of the Exercise Price and/or the number of Warrants pursuant to the Deed Poll

DEFINITIONS (CONT'D)

Record of Depositors	:	A record of depositors established by Bursa Depository under the Rules of Depository
RHB Investment Bank	:	RHB Investment Bank Berhad
Warrants	:	67,466,194 outstanding warrants exercisable at RM0.2925 per GDEX Shares as constituted by the Deed Poll, which will expire on 7 February 2016
Warrants Holders	:	Holders of the Warrants

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Notice to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of date in this Notice shall be a reference to Malaysian time, unless otherwise stated. If any period of time is specified from a given day, or the day of a given act or event, it is to be calculated exclusive of that day and if any period of time falls on a Saturday, Sunday or public holiday, then that period is to be deemed to only expire on the next working day.

Any discrepancies in the amounts and percentage figures included herein have been subjected to rounding adjustments.

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GD EXPRESS CARRIER BHD

(Company No. 630579-A)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office

Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

13 January 2014

Board of Directors

Dato' Capt. Ahmad Sufian @ Qurnain Bin Abdul Rashid (*Independent Non-Executive Chairman*)
Teong Teck Lean (*Managing Director / Group Chief Executive Officer*)
Wong Eng Su (*Executive Director*)
Dr. Wolfgang Baier (*Non-Independent Non-Executive Director*)
Liew Heng Heng (*Independent Non-Executive Director*)
Lim Cheng Sung @ Lim Cheng Sang (*Independent Non-Executive Director*)
Adi Arman Bin Abu Osman (*Independent Non-Executive Director*)

To: **Warrant Holders of GDEX**

Dear Sir / Madam,

ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF OUTSTANDING WARRANTS CONSEQUENTIAL TO THE BONUS ISSUE

1. INTRODUCTION

On 2 September 2013, on behalf of the Board, RHB Investment Bank has announced that GDEX proposed to implement, amongst others, a bonus issue of new GDEX Shares credited as fully paid-up on the basis of one (1) Bonus Shares for every two (2) GDEX Shares held by the Entitled Shareholders on the Entitlement Date.

The approval of Bursa Securities for the Bonus Issue and the listing of and quotation for the Bonus Shares had been obtained via Bursa Securities' letter dated 8 November 2013.

The resolution pertaining to the Bonus Issue was duly passed at the annual general meeting.

On 10 December 2013, on behalf of the Board, RHB Investment Bank has announced that the Entitlement Date had been fixed at 5.00 p.m. on 26 December 2013.

On 27 December 2013, the Bonus Shares and Additional Warrants were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m, being the next Market Day after the Entitlement Date.

**THE PURPOSE OF THIS NOTICE IS TO PROVIDE YOU WITH INFORMATION ON THE
ADJUSTMENTS.**

2. RATIONALE FOR THE ADJUSTMENTS

Pursuant to Paragraph 2(ii) of the Memorandum, if and wherever the Company will make any issue of shares to shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund), the Exercise Price and the number of Warrants in issue will from time to time be adjusted, calculated or determined by the Board in consultation with the approved investment bank or auditors and certified by the auditors in accordance with the provisions as contained in the Memorandum.

Deloitte, the auditors of GDEX, had verified, vide its letter dated 9 January 2014, that the Adjustments are in accordance with the provisions of the Memorandum.

3. DETAILS OF THE ADJUSTMENTS

In accordance with the Memorandum as detailed in the Deed Poll, Paragraph 2(ii) provides that, if and whenever the Company will make any issue of shares to shareholders credited as fully paid by way of capitalization of profits or reserves (including any share premium account and capital redemption reserve fund), the Exercise Price and number of Warrants must be adjusted.

3.1 Adjusted exercise price

$$\text{Adjusted exercise price} = S \times \frac{A}{A + B}$$

where:-

S = existing Exercise Price, i.e. RM0.2925;

A = the aggregate number of issued and fully paid-up GDEX Shares immediately before such capitalisation issue; and

B = the aggregate number of GDEX Shares to be issued pursuant to any allotment to Entitled Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund).

Therefore, the adjusted exercise price pursuant to the Bonus Issue is as follows:-

$$\begin{aligned} \text{Adjusted exercise price} &= \text{RM0.2925} \times \frac{549,780,296}{549,780,296 + 274,890,147} \\ &= \text{RM0.1950} \end{aligned}$$

3.2 Adjusted number of Warrants

$$\text{Adjusted number of Warrants} = T \times \frac{A + B}{A}$$

where:-

T = existing number of Warrants held, i.e. 67,466,194 Warrants in issue;

A = the aggregate number of issued and fully paid-up GDEX Shares immediately before such capitalisation issue; and

B = the aggregate number of GDEX Shares to be issued pursuant to any allotment to Entitled Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve fund).

Therefore, the adjusted number of Warrants pursuant to the Bonus Issue is as follows:-

$$\begin{aligned}\text{Adjusted number of Warrants} &= 67,466,194 \times \frac{549,780,296 + 274,890,147}{549,780,296} \\ &= 101,199,290\end{aligned}$$

4. RANKING OF THE ADDITIONAL WARRANTS AND NEW GDEX SHARES ARISING FROM EXERCISE OF ADDITIONAL WARRANTS

4.1 Ranking of Additional Warrants

The Additional Warrants shall form part of the series of existing Warrants constituted by the Deed Poll and shall be issued subject to and with the benefit of the Deed Poll and on such terms and conditions as set out therein for the Warrants.

As the Warrants are prescribed securities, the Additional Warrants had been credited directly into the respective CDS Accounts of the entitled Warrant Holders after 5.00 p.m. on the Entitlement Date.

No physical Warrant certificates will be issued in respect of the Additional Warrants. However, notices of allotment had been despatched to the entitled Warrant Holders on 31 December 2013.

4.2 Ranking of new GDEX Shares

The new GDEX Shares to be issued and allotted as a result of the exercise of the Additional Warrants ("**Exercised Shares**") shall upon issuance and allotment, rank *pari passu* in all respects with the then existing GDEX Shares, save and except that such Exercised Shares shall not be entitled to any dividends, rights, allotments and/or other distributions for which the entitlement date is prior to the date of allotment of the Exercised Shares.

For the avoidance of doubt, the Warrants are not entitled to any dividends, rights, allotments and/or other distributions accorded to any existing GDEX Shares until such Warrants are exercised and the Exercised Shares are issued and allotted to such Warrant Holders.

5. EFFECTIVE DATE OF THE ADJUSTMENTS

In accordance with the provisions of the Deed Poll, the Adjustments will take effect from 27 December 2013, being the commencement of the next Market Day following the Entitlement Date for the Bonus Issue.

6. CONSENTS

RHB Investment Bank and Deloitte have given and have not subsequently withdrawn their written consents for the inclusion of their names and all references thereto in the form and context in which they appear in this Notice.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved this Notice and they collectively and individually, accept full responsibility for the accuracy of the information contained in this Notice. The Board further confirms that, after having made all reasonable enquiries and to the best of their knowledge and belief, there is no false or misleading statement or other fact the omission of which, would make any statement in this Notice false or misleading.

8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan during normal business hours from Monday to Friday (except public holidays) from the date of this Notice up to and including the earlier of the date on which the last Warrant is exercised or 7 February 2016, being the expiry date of the Warrants:

- (i) Deed Poll;
- (ii) Report dated 9 January 2014 from Deloitte, GDEX's Auditors, in relation to the adjustment factors for the Adjustments; and
- (iii) Letters of consent referred to in Section 6 of this Notice.

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

TEONG TECK LEAN
Managing Director/ Group Chief Executive Officer