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

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW  
SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS  
OF A REVENUE OR TRADING NATURE;**

**AND**

**EXTRACT OF THE NOTICE OF THE TWELFTH ANNUAL GENERAL MEETING.**

The Notice of the Twelfth Annual General Meeting (“12<sup>th</sup> AGM”) of GD Express Carrier Bhd together with a Form of Proxy are enclosed in the 2015 Annual Report. The 12<sup>th</sup> AGM will be held at Room 4, First Level, Shah Alam Convention Centre, No. 4, Jalan Perbandaran 14/9, 40000 Shah Alam, Selangor Darul Ehsan on Wednesday, 2 December 2015 at 11:00 a.m.

As a shareholder, you can appoint a proxy or proxies to attend and vote on your behalf. You must complete and deposit the Form of Proxy at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, not later than 48 hours before the time set for the 12<sup>th</sup> AGM or any adjournment thereof. You are not precluded from attending and voting in person at the 12<sup>th</sup> AGM should you wish to do so subsequent to the lodging of the Form of Proxy.

Last date and time for lodging the Form of Proxy : Monday, 30 November 2015 at 11:00 a.m.

Date and time of the 12<sup>th</sup> AGM : Wednesday, 2 December 2015 at 11:00 a.m.

## DEFINITIONS

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Unless otherwise stated, the following definitions shall have the following meanings:

“Act”	:	Companies Act, 1965, as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of GDEX
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (635998-W)
“Circular”	:	This circular to the shareholders of GDEX dated 9 November 2015
“CMSA”	:	Capital Markets and Services Act, 2007, as amended from time to time
“Director(s)”	:	Directors of our Company and shall have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months from the date on which the terms of the transactions were agreed upon:  (a) a Director of GDEX or any other company which is its subsidiary or holding company; or  (b) a chief executive officer of GDEX, its subsidiary or holding company
“GDEX” or “the Company”	:	GD Express Carrier Bhd (630579-A)
“GDEX Group”	:	GDEX and its subsidiaries
“GDSB”	:	GD Express Sdn Bhd (347624-X), a wholly-owned subsidiary of GDEX
“GD(S)”	:	GD Express (Singapore) Pte Ltd (200516110Z0), a wholly-owned subsidiary of GDEX
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
“LPD”	:	12 October 2015 being the latest practicable date prior to the printing of this Circular

## DEFINITIONS (cont'd)

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- “Major Shareholder(s)” : A person who has an interest or interests in one (1) or more voting shares in GDEX and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:
- a. ten percent (10%) or more of the aggregate of the nominal amounts of all the voting shares in GDEX; or
  - b. five percent (5%) or more of the aggregate of the nominal amounts of all the voting shares in GDEX where such person is the largest shareholder of GDEX

This includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of GDEX as defined above or any other company which is a subsidiary or holding company of GDEX.

For the purpose of this definition, “interest in shares” shall have the meaning given in Section 6A of the Act

- “Person Connected” : In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories :-
- (a) A family member of the Director or Major Shareholder, which family shall have the meaning given in Section 122A of the Act;
  - (b) A trustee of a trust (other than a trustee for a employee share scheme for employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder is the sole beneficiary;
  - (c) A partner of the Director, Major Shareholder or a partner of a Person Connected with that Director or Major Shareholder;
  - (d) A person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
  - (e) A person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;
  - (f) A body corporate or its directors which / who is / are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
  - (g) A body corporate or its Directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;

## DEFINITIONS (cont'd)

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	(h)	A body corporate in which the Director, Major Shareholder or person connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
	(i)	A body corporate which is a related corporation
“Proposed Shareholders’ Mandate”	:	Proposed renewal of shareholders’ mandate and proposed new shareholders’ mandate for the GDEX Group to enter into Recurrent Related Party Transactions
“Proposed Mandate Period”	:	The period during which the Recurrent Related Party Transactions are to be entered into for which the proposed mandate is being sought. This period shall commence immediately upon the passing of the resolution in respect of the proposed mandate during the forthcoming AGM until: <ul style="list-style-type: none"><li>(a) the conclusion of the first AGM of the listed company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;</li><li>(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Act (but will not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or</li><li>(c) revoked or varied by resolution passed by the shareholders in general meeting,</li></ul> whichever is the earlier
“QSI (M)”	:	Quantium Solutions International (Malaysia) Sdn Bhd (381221-M), an indirect subsidiary wholly-owned by Singapore Post Limited
“QS (S)”	:	Quantium Solutions (Singapore) Pte Ltd (198200267G), an indirect subsidiary wholly-owned by Singapore Post Limited
“Recurrent Related Party Transaction(s)”	:	Related party transaction(s) which is/are recurrent, of a revenue or trading nature and which is/are necessary for the day-to-day operations of the GDEX Group
“Related Party(ies)”	:	Director(s), Major Shareholder(s) and/or person(s) connected with such Director(s) or Major Shareholder(s)
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Share(s)”	:	Ordinary share(s) of RM0.05 each in GDEX
“Singpost”	:	Singapore Post Limited (199201623M), a company incorporated in Singapore, a substantial shareholder of GDEX
“Singtel”	:	Singapore Telecommunications Limited (199201624D), a company incorporated in Singapore, a substantial shareholder of Singpost
“Substantial Shareholder(s)”	:	Shall have the meaning given in Section 69D of the Act

## **DEFINITIONS (cont'd)**

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“Temasek” : Temasek Holdings (Private) Limited (197401143C), a company incorporated in Singapore, a substantial shareholder of Singtel

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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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

9 November 2015

**Board of Directors:**

Dato' Capt. Ahmad Sufian @ Qurnain bin Abdul Rashid (*Independent Non-Executive Chairman*)  
Teong Teck Lean (*Managing Director and Group Chief Executive Officer*)  
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*)  
Lim Chee Seong (*Executive Director and Chief Financial Officer*)  
Woo Keng Leong (*Non-Independent Non-Executive Director*)

**To: The Shareholders of GD Express Carrier Bhd**

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

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**1. INTRODUCTION**

At the AGM held on 3 December 2014, the Company obtained a shareholders' mandate from its shareholders for the GDEX Group to enter into Recurrent Related Party Transactions. The aforesaid authorisation shall in accordance with the Listing Requirements lapse at the conclusion of the forthcoming AGM unless approval for its renewal is obtained from the shareholders of the Company at the forthcoming AGM.

On 29 September 2015, the Board announced that the Company proposed to seek the shareholders' approval on the following which are necessary for the GDEX Group's day-to-day operations and are in the ordinary course of business, which the GDEX Group may from time to time enter into in accordance with Paragraph 10.09, Part E of the Listing Requirements:-

- (i) Proposed renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature; and
- (ii) Proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

The purpose of this Circular is to provide you with the relevant information on the Proposed Shareholders' Mandate, and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM of the Company to be held at Room 4, First Level, Shah Alam Convention Centre, No. 4, Jalan Perbandaran 14/9, 40000 Shah Alam, Selangor Darul Ehsan on Wednesday, 2 December 2015 at 11:00 a.m. The Notice of AGM together with the Form of Proxy are enclosed in the 2015 Annual Report.

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Provisions under the Main Market Listing Requirements**

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders in respect of recurrent related party transactions which are necessary for its day-to-day operations subject to, amongst others, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:

“in relation to a listed issuer with an issued and paid-up capital which is RM60 million and above –

- (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
- (ii) the percentage ratio of such Recurrent Related Party Transactions is 1% or more,

whichever is the higher”;

- (c) the listed issuer's circular to shareholders for the shareholders' mandate includes information as may be prescribed by Bursa Securities;
- (d) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested person connected with a Director or Major Shareholder; and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular by ten percent (10%) or more and must include the information as may be prescribed by Bursa Securities in its announcement.

In the ordinary course of its business, the GDEX Group has entered into certain Recurrent Related Party Transactions and it is anticipated that the companies within the GDEX Group would, in the ordinary course of business, continue to enter into such transactions with the Related Parties, details of which are set out in Section 2.5 (a). It is likely that such transactions will occur with some degree of frequency and could arise at any time.

In this regard, the Board proposes to seek a general mandate from the shareholders of the Company to enter into arrangements or transactions with the Related Parties, which are necessary for the day-to-day operations of the GDEX Group based on normal commercial terms that are not more favourable to the Related Parties than those generally available to the public.



## 2.2 Validity period for the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate, if approved by the shareholders of the Company at the forthcoming AGM, will take effect from the date of the passing of the proposed ordinary resolution at the AGM and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority for the proposed mandate is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Act (but will not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

Thereafter, the approval of the shareholders of the Company will be sought for the renewal of the shareholders' mandate at each subsequent AGM of the Company.

## 2.3 Principal activities of the GDEX Group

GDEX is principally an investment holding company. The principal activities of its subsidiaries which are involved in the Recurrent Related Party Transactions are as follows:

<b>Subsidiaries</b>	<b>Effective equity interest held (%)</b>	<b>Principal activities</b>
GDSB	100	Provision of express delivery services
GD(S)	100	Provision of express delivery services

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## 2.4 Classes of Related Parties

The Proposed Renewal of Shareholders' Mandate involves the following classes of Related Parties:

Transacting Related Parties	Country of incorporation	Nature of transactions	Interested Directors and Major Shareholders	Shareholdings of interested Directors and Major Shareholders in Related Parties		Interest Directors' and Major Shareholders' relationship with Related Parties
				Direct %	Indirect %	
Singpost, a customer to the GDEX Group	Singapore	Provision of express delivery services by GDEX Group to Singpost	Mr Woo Keng Leong	-	-	Corporate Representative of Singpost in the Company. Singpost is a Major Shareholder of GDEX
				-	-	
				23.52	-	
			Singpost Singtel <sup>(1)</sup> Temasek <sup>(2)</sup>	-	23.52	The transacting party itself A substantial shareholder of Singpost A substantial shareholder of Singtel

Notes:

(1) Deemed interest by virtue of interest held through Singpost pursuant to Section 6A(4) of the Act.

(2) Deemed interest by virtue of interest held through Singtel pursuant to Section 6A(4) of the Act.

## 2.5 (a) Nature of Recurrent Related Party Transactions and the estimated values

The information on the Recurrent Related Party Transactions and their estimated values for which approval is being sought at the forthcoming AGM pursuant to the Proposed Renewal of Shareholders' Mandate are set out below:

### (i) Proposed renewal of shareholders' mandate

	Transacting parties		Nature of transactions	Estimated value per last mandate RM'000	Actual value transacted since last AGM to LPD RM'000	Explanation for variation between the actual value and the estimated value by ten percent (10%) or more (if any)	Estimated value during the Proposed Mandate Period* RM'000
	GDEX Group	Related Party					
(i)	GD(S)	Singpost	Provision of express delivery services to Singpost by GD(S)	2,000	133	Not applicable	1,000

(ii) Proposed new shareholders' mandate

	Transacting parties		Nature of transactions	Interested Directors and Major Shareholders	Estimated value during the Proposed Mandate Period* RM'000
	GDEX Group	Related Party			
(i)	GDSB	QSI (M)	Provision of express delivery services to QSI (M) by GDSB	<u>Director</u> Woo Keng Leong <u>Major Shareholder</u> Singpost	3,000
(ii)	GD(S)	QS (S)	Provision of express delivery services to QS (S) by GD(S)	<u>Director</u> Woo Keng Leong <u>Major Shareholder</u> Singpost	1,000

Note:

\* The amount represents the estimated value of transactions that will be undertaken during the Proposed Mandate Period. These estimated values have been arrived at by the GDEX Group after taking into account the Management's forecasts on transaction values which have been undertaken and anticipated for the Proposed Mandate Period. Nevertheless, the above estimates may vary from the actual amounts and are subject to changes.

The projected amount from 2 December 2015 (date of AGM) to the date of next AGM are based on historical records and projected business transactions volume of the respective Recurrent Related Parties Transactions.

**(b) Amount Due From and Owing by Related Parties under Previous Mandate Obtained**

As at end of the financial year ended 30 June 2015, there is no amount due and owing by the Related Parties pursuant to the Recurrent Related Party Transactions that has exceeded the credit terms.

**(c) Methods or procedures on which transaction prices are determined**

The terms, including pricing of the Recurrent Related Party Transactions as set out above are based on normal commercial terms and on transaction price practiced in the industry and are also on similar terms if the same were to be offered to/by third parties. At least two (2) other contemporaneous transactions with unrelated third parties for similar products, services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products, services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction process will be determined based on the Group's usual business practice.

**2.6 Threshold of authority**

There is no specific threshold for approval of the Recurrent Related Party Transactions within the GDEX Group. However, all Recurrent Related Party Transactions are subject to the approval of the Board. Where any Director has any interest (direct or indirect) in any Recurrent Related Party Transaction, such Director shall abstain from deliberation and voting on the matter. If it is determined that the guidelines and/or procedures stipulated in Section 2.7 of this Circular, are inadequate and to ensure that:

- (a) Recurrent Related Party Transaction(s) will be conducted on an arms' length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (b) such transaction will not be detriment to the minority shareholders of the Company or prejudicial to the interests of the shareholders,

the Company will obtain a fresh shareholders' mandate.

**2.7 Review methods or procedures for Recurrent Related Party Transactions**

The following review procedures have been formalised to ensure that Recurrent Related Party Transactions contemplated under the Proposed Mandate are undertaken on transaction prices and terms no more favourable to the Related Party than those generally available to the public, and are not to the detriment of the minority shareholders of the Company:

- (a) Identification
  - (i) A list of the Related Parties will be circulated within the GDEX Group to notify that all Recurrent Related Party Transactions are required to be undertaken on an arm's length basis, under normal commercial terms consistent with the GDEX Group's business practices and policies, on terms not more favourable to the Related Party than those generally available to the public and not to the detriment of the minority shareholders of the Company.
  - (ii) All companies within the GDEX Group are required to inform the Company's headquarters before entering into any Recurrent Related Party Transactions other than those entered into pursuant to the shareholders' mandate. In addition, all heads of department are advised to report on all transactions involving related parties which are to be tabled to the Audit and Risk Management Committee for review on a quarterly basis.

(b) Authorisation

- (i) The pricing methods and procedures of the transactions are to be determined by market forces, under similar commercial terms for transactions with third parties that depend on the demand and supply, quality and the availability of the products/services.
- (ii) All types of Recurrent Related Party Transactions are carried out at arm's length and on the GDEX Group's normal commercial terms which are no more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders of the Company.
- (iii) The Related Parties and Directors who are deemed interested have been advised of their responsibilities, obligations under the Listing Requirements, and the GDEX Group's policy and procedures for Recurrent Related Party Transactions.
- (iv) If a member of the Board or Audit and Risk Management Committee has an interest, direct or indirect, in any Recurrent Related Party Transaction, he/she shall abstain from any decision-making by the Board or Audit and Risk Management Committee in respect of the said transaction.

(c) Monitoring and Reporting

- (i) A register shall be maintained by the respective companies within the GDEX Group to record all Recurrent Related Party Transactions, including Related Party Transactions which are entered into pursuant to the shareholders' mandate. All Recurrent Related Party Transactions shall be reported to the Audit and Risk Management Committee on a quarterly basis together with the quarterly financial reports.
- (ii) The annual internal audit plan shall incorporate a review of all Recurrent Related Party Transactions entered into pursuant to the shareholders' mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to. Any divergence will be reported to the Audit and Risk Management Committee.
- (iii) The Audit and Risk Management Committee shall review the annual and periodic internal audit reports to ascertain that the guidelines and procedures established to monitor all Recurrent Related Party Transactions have been complied with.
- (iv) The Audit and Risk Management Committee has reviewed and shall continue to review the adequacy and appropriateness of the procedures as and when required, with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate.
- (v) If during the annual or periodic review as mentioned in Sections (c)(iii) and (iv) above, the Audit and Risk Management Committee is of the opinion that the guidelines and procedures are not sufficient to ensure that all Recurrent Related Party Transactions are undertaken:
  - on arm's length basis;
  - under normal commercial terms consistent with the GDEX Group's business practices and policies;
  - on terms no more favourable to the related parties than those generally available to the public; and
  - not to the detriment of the minority shareholders of the Company,

the Company will procure a fresh mandate from the non-interested shareholders of the Company based on a new or additional set of review procedures and guidelines.

## **2.8 Disclosure in annual report**

Disclosure will be made in the Company's annual report of the breakdown of the aggregate value of the Recurrent Related Party Transactions made during the financial year, amongst others, based on the following information:

- (a) the type of Recurrent Related Party Transactions made; and
- (b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationship with the Company.

## **2.9 Audit and Risk Management Committee's Statement**

The Audit and Risk Management Committee has seen and reviewed the procedures and processes as set out in Section 2.7 above and is satisfied that the GDEX Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner as well as to ensure that the Recurrent Related Party Transactions will be undertaken:

- (a) on arm's length basis;
- (b) under normal commercial terms consistent with the GDEX Group's business practices and policies;
- (c) on terms no more favourable to the related parties than those generally available to the public; and
- (d) not to the detriment of the minority shareholders of the Company.

The Audit and Risk Management Committee reviews the procedures and processes in Section 2.7 periodically, as and when the need arises.

The Audit and Risk Management Committee is also of the view that the above procedures in Section 2.7 are sufficient to ensure that Recurrent Related Party Transactions are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders.

## **3. RATIONALE FOR AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Recurrent Related Party Transactions entered into by the GDEX Group with the Related Parties are all in the ordinary course of business. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and could arise at any time and from time to time. These transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case-to-case basis before entering into such Recurrent Related Party Transactions. Consequently, this will eliminate the need to make regular announcements to Bursa Securities and to convene separate general meetings from time to time to seek shareholders' approval as and when the need arises. Also, it would substantially reduce administrative time, inconvenience and expenses associated with the making of announcements and convening of such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the GDEX Group.

The Recurrent Related Party Transactions entered into by the GDEX Group with Singpost, QSI (M) and QS(S) are in the ordinary course of business on normal commercial terms and not detrimental to minority shareholders' interests. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. These transactions will generate income and expenses to both GDEX Group and the Related Parties. It is in the best interest of the GDEX Group to transact with such related parties so that GDEX Group and the Related Parties could enjoy synergistic benefits. The Proposed Shareholders' Mandate would also enable the GDEX Group to broaden its customer base to include related parties.

#### 4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any material effect on the share capital, shareholdings of the substantial shareholders, earnings per share, net assets per share and working capital of the GDEX Group.

#### 5. CONDITION OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM.

#### 6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSON(S) CONNECTED TO THEM

The direct and indirect interests of the Interested Director and interested Major Shareholders of the Company as at LPD are as follows:

	Shareholdings in GDEX as at LPD			
	< -----Direct----- >		< -----Indirect----- >	
	No. of Shares	%	No. of Shares	%
<b>Interested Director</b>				
Mr Woo Keng Leong ^	-	0.00	-	0.00
<b>Interested Major Shareholders</b>				
Singpost	290,735,386	23.52	-	0.00
Singtel	-	0.00	290,735,386 <sup>(1)</sup>	23.52
Temasek	-	0.00	290,735,386 <sup>(2)</sup>	23.52

Notes:

(1) Deemed interest by virtue of interest held through Singpost pursuant to Section 6A(4) of the Act.

(2) Deemed interest by virtue of interest held through Singtel pursuant to Section 6A(4) of the Act.

^ Corporate Representative of Singpost in the Company,

The interested Director of the Company, namely Mr. Woo Keng Leong ("Interested Director") has abstained and will continue to abstain from the Board's deliberations. He will also abstain from voting in respect of his direct and/or indirect shareholdings in GDEX, on the resolution approving the Proposed Shareholders' Mandate at the forthcoming AGM.

In addition, the interested Major Shareholders of the Company, namely Singpost, Singtel and Temasek will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution approving the Proposed Shareholders' Mandate at the forthcoming AGM.

The aforementioned Interested Director and interested Major Shareholders of the Company have also undertaken to ensure that the persons connected to them (if any) will abstain from deliberating and/or voting in respect of their direct and/or indirect shareholdings on the resolution approving the Proposed Shareholders' Mandate at the forthcoming AGM.

Save as disclosed above, none of the other Directors, Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Shareholders' Mandate.



## **7. DIRECTORS' RECOMMENDATION**

The Board (save for the Interested Director), after having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company and accordingly, the Board (save for the Interested Director) recommends that you vote in favour of the ordinary resolution on Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

## **8. AGM**

The AGM, the notice of which is enclosed in the Annual Report of the Company for financial year ended 30 June 2015 will be held at Room 4, First Level, Shah Alam Convention Centre, No. 4, Jalan Perbandaran 14/9, 40000 Shah Alam, Selangor Darul Ehsan on Wednesday, 2 December 2015 at 11:00 a.m., for the purpose of considering and, if thought fit, passing, *inter alia*, the ordinary resolution set out in the Notice of AGM, to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend or vote in person at the AGM, you will find attached to the Annual Report of the Company for the financial year ended 30 June 2015, a Form of Proxy, which you are required to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the Company's registered office at Lot 6.05, Level 6, KPMG Tower, 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the date and time set for the AGM or any adjournment thereof. The lodging of the Form of Proxy will not, however, preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

## **9. FURTHER INFORMATION**

Shareholders are requested to refer to the enclosed appendix for further information.

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

**DATO' CAPT. AHMAD SUFIAN @ QURNAIN BIN ABDUL RASHID**  
Independent Non-Executive Chairman

**ADDITIONAL INFORMATION****1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by our Board and its members who collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

**2. MATERIAL CONTRACTS**

Neither the Company nor any of its subsidiaries has entered into any material contracts (not being contracts entered into in the ordinary course of business) within two years preceding the date of this Circular.

**3. MATERIAL LITIGATION**

Neither the Company nor any of its subsidiaries is engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and the Directors of GDEX do not have any knowledge of proceedings pending or threatened against GDEX and/or its subsidiaries, or of any fact likely to give rise to any proceeding, which might materially and adversely affect the financial position or business of the GDEX Group as at the date of this Circular.

**4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal office hours (except for public holidays) from the date of this Circular up to and including the date of the forthcoming AGM, at our Registered Office:

- (i) Memorandum and Articles of Association of GDEX;
- (ii) The latest audited consolidated financial statements of GDEX for the financial years ended 30 June 2014 and 30 June 2015; and
- (iii) Unaudited interim financial report for the three (3) months ended 30 September 2015.

## EXTRACT OF THE NOTICE OF THE TWELFTH ANNUAL GENERAL MEETING

### ORDINARY RESOLUTION

#### **Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate For Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")**

**"THAT** approval be and is hereby given to the Company and its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature and with the specified classes of related parties as specified in Section 2.4 of the Circular to Shareholders dated 9 November 2015, provided that :-

- (a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:-
  - (i) the related transacting parties and their respective relationship with the Company; and
  - (ii) the nature of the recurrent transactions.

**THAT** such authority shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- (c) revoked or varied by resolution passed by the shareholders of the Company at a general meeting of the Company,

whichever occurs first.

**AND THAT** the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."