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If you have sold or transferred all your shares in GD Express Carrier Berhad (630579-A), you should at once forward this Information Circular to the purchaser or agent through whom the sale or transfer for immediate transmission to the purchaser or transferee.

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GD EXPRESS CARRIER BERHAD

Company No. 630579-A
(Incorporated in Malaysia)

INFORMATION CIRCULAR TO SHAREHOLDERS

in relation to the

ACQUISITION OF A PIECE OF LEASEHOLD LAND HELD UNDER GRANT NO. PN 10315, LOT NO. 79, SECTION 20, BANDAR PETALING JAYA, DAERAH PETALING, SELANGOR DARUL EHSAN TOGETHER WITH A BUILDING ERECTED THEREON AND BEARING POSTAL ADDRESS OF NO. 19, JALAN TANDANG, 46050 PETALING JAYA, SELANGOR DARUL EHSAN FOR A CASH CONSIDERATION OF RM5.5 MILLION

DEFINITIONS

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

“Board” or “Directors”	Board of Directors of GD Express Carrier Berhad
“Bursa Securities”	Bursa Malaysia Securities Berhad (635998-W)
“GDEX” or “the Company”	GD Express Carrier Berhad (630579-A)
“GDEX Group”	GDEX and its subsidiaries
“GDSB”	GD Express Sdn. Bhd. (347624-X), a wholly-owned subsidiary of the Company
“GDH”	GD Express Holdings (M) Sdn. Bhd. (246161-H)
“GDTech”	GD Technosystem Sdn Bhd (517030-X), a wholly owned subsidiary of GDEX
“GDx”	GDx Private Limited (200102178E), a company incorporated in Singapore
“Listing Requirements”	Listing Requirements of Bursa Securities for the MESDAQ Market
“the Vendor”	Lembaga Tabung Haji
“Acquisition”	The Acquisition by GDEX of the Property for total cash consideration of Ringgit Malaysia Five Million and Five Hundred Thousand (RM5,500,000)
“RM” and “sen”	Ringgit Malaysia and sen respectively
“SPA”	Sale and Purchase Agreement dated 29 August 2006 between Lembaga Tabung Haji and GDEX for the Acquisition of the Property
“the Property”	A piece of leasehold land held under Grant No. PN 10315, Lot No. 79, Section 20, Bandar Petaling Jaya, Daerah Petaling, Selangor Darul Ehsan measuring approximately 5,752 square metres in area together with a building erected thereon and bearing postal address No. 19, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan
“the Valuer”	Messrs Raine & Horne

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders, vice versa.

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GD EXPRESS CARRIER BERHAD

Company No. 630579-A
(Incorporated in Malaysia)

Registered Office:
Level 17, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

10 November 2006

The Board of Directors

Dato' Ahmad Sufian @ Qurnain Bin Abdul Rashid (*Independent Non-Executive Chairman*)
Teong Teck Lean (*Executive Deputy Chairman and Chief Executive Officer*)
Leong Chee Tong (*Executive Director & Deputy Chief Executive Officer*)
Lau Wing Tat (*Non-Independent Non- Executive Director*)
Kong Hwai Ming (*Independent Non-Executive Director*)
Nolee Ashilin Binti Mohammed Radzi (*Independent Non-Executive Director*)
Liew Heng Heng (*Independent Non-Executive Director*)

To: The Shareholders of GD Express Carrier Berhad

Dear Sir/Madam

ACQUISITION OF A PIECE OF LEASEHOLD LAND HELD UNDER GRANT NO. PN 10315, LOT NO. 79, SECTION 20, BANDAR PETALING JAYA, DAERAH PETALING, SELANGOR DARUL EHSAN MEASURING APPROXIMATELY 5,752 SQUARE METRES IN AREA TOGETHER WITH A BUILDING ERECTED THEREON AND BEARING POSTAL ADDRESS NO. 19, JALAN TANDANG, 46050 PETALING JAYA, SELANGOR DARUL EHSAN FOR A CASH CONSIDERATION OF RM5.5 MILLION

1. INTRODUCTION

On 29 August 2006, GDEX announced that the Company had entered into a Sale and Purchase Agreement with Lembaga Tabung Haji on the even date to acquire a piece of leasehold land held under Grant No. PN 10315, Lot No. 79, Section 20, Bandar Petaling Jaya, Daerah Petaling, Selangor Darul Ehsan measuring approximately 5,752 square metres in area together with a building erected thereon and bearing postal address No. 19, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan for a cash consideration of Ringgit Malaysia Five Million and Five Hundred Thousand (RM5,500,000) only ("Purchase Price").

The purpose of this Information Circular is to set out the relevant details of the Acquisition and is intended for your information only. No action is required on your part.

2. DETAILS OF THE ACQUISITION

2.1 Particulars of the Property

The Property is a piece of leasehold land held under Grant No. PN 10315, Lot No. 79, Section 20, Bandar Petaling Jaya, Daerah Petaling, Selangor Darul Ehsan measuring approximately 5,752 square metres in area together with a building erected thereon (including all existing fixtures and fitting, renovation, improvement, installation done

thereon whether done or carried out by the Vendor or GDSB during the tenure of its occupancy under the Tenancy Agreement) and bearing postal address No. 19, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan. The approximate age of the building is 33 years.

The lease for the Property shall be ninety nine (99) years and expiring on 13 August 2056. The category of the land use and express condition of the Property is "Industrial".

Currently, the property is not being charged to any financial institution.

The Company is in possession of the Sijil Perakuan Selesai Tambahan Dan/Atau Pindaan Kepada Bangunan for the aforesaid Property but not the Certificate of Fitness ("CF"). However, the Vendor has given the letter of undertaking that the CF exist and have on 5 September 2006 applied to Majlis Bandaraya Petaling Jaya ("MBPJ") for a new copy of the CF and will carry out the necessary procedure to procure a copy of it.

GDSB had previously entered into a tenancy agreement with the Vendor dated 31 July 2003 ("Tenancy Agreement") to lease the Property for an annual rental of Ringgit Malaysia Two Hundred Forty Nine Thousand and Six Hundred (RM249,600) only and the lease has expired on 31 July 2006.

On 7 August 2006, the Vendor has agreed to lease the Property to GDSB based on the same terms and conditions of the Tenancy Agreement until the completion of the SPA.

2.2 Basis of Arriving at the Purchase Price

The Purchase Price of the Property was arrived at on a willing buyer-willing seller basis after taking into consideration, amongst other factors, the market value of Ringgit Malaysia Six Million and Two Hundred Thousand (RM6,200,000) only as assessed by the Valuer, via its Valuation Report dated 16 August 2006. The market value of the Property was arrived at using the Comparison Method and Cost Approach of valuation.

3. INFORMATION OF THE VENDOR

The Vendor, a statutory body established under the Tabung Haji Act, 1995 (Act 535) having its office at No. 201, Jalan Tun Razak, 50400 Kuala Lumpur.

4. SALIENT TERMS AND CONDITIONS OF THE SPA

4.1 The Property shall be acquired free from all encumbrances on an "as is where is" basis subject to the conditions and restrictions in interest as imposed in the issue document of title of the Property.

4.2 The terms of payment for the Purchase Price are as follows:-

- a)** Ringgit Malaysia Five Hundred and Fifty Thousand (RM550,000) only equivalent to ten percentage (10%) of the Purchase Price as deposit to the Vendor's Solicitor upon execution of the SPA (including the earnest deposit equivalent to five percentage (5%) of the Purchase Price paid by the GDSB on 7 April 2006);
- b)** Ringgit Malaysia Four Million Nine Hundred and Fifty Thousand (RM4,950,000) only equivalent to ninety percentage (90%) of the Purchase Price ("Balance Purchase Price") less the security and utilities deposits of the Tenancy Agreement to the Vendor's Solicitor as stakeholder on or before the completion date of the SPA to be dealt with in

accordance with item 4.2(c) below whereupon the Company shall be deemed to have discharged in full the Company's obligations to pay the Balance Purchase Price to the Vendor;

- c) The Company and the Vendor expressly agree and the Vendor's solicitor is expressly authorised by the parties to utilise and deal with the Balance Purchase Price upon receipt of the same in the following manner and priority:-
- i) Firstly, to retain a sum equivalent to the retention sum, if applicable;
 - ii) Secondly, to settle for and on behalf of the Vendor all sums payable for the purpose of discharging any encumbrances and caveats (if any) over the Property;
 - iii) Thirdly, towards payment of all fees, charges, expenses and other payments, if any, payable by the Vendor by virtue of the SPA; and
 - iv) Lastly, to release the remaining balance (if any) to the Vendor fourteen (14) days after the Memorandum of Transfer in favour of the Company and all other relevant documents have been presented for registration at the appropriate land office/registry.

4.3 Payment of the Balance Purchase Price by cheque or by bank draft or cashier's order shall be deemed to have been made upon receipt of the same by the Vendor's Solicitor.

5. SOURCE OF FINANCING

The Purchase Price will be satisfied from the proceeds of the proposed Private Placement, which was approved by the shareholders of the Company in the Extraordinary General Meeting held on 25 January 2006, details of which could be found in the Circulars to Shareholders dated 9 January 2006. On 6 June 2006, the Securities Commission granted the Company an extension of time up to 8 December 2006 to implement the proposed Private Placement. Thus, pending the implementation of the proposed Private Placement and barring any unforeseen circumstances, the Purchase Price will be fully funded by internal generated funds.

6. EFFECTS OF THE ACQUISITION

a) Share Capital and Substantial Shareholders' Shareholdings

The Acquisition will not have any effect on the Company's issued and paid-up share capital nor substantial shareholders' shareholdings in the Company as the Acquisition does not involve any issuance of shares.

b) Net Assets and Earnings Per Share

The Acquisition will not have any material effect on the net assets or earnings per share of the GDEX Group for the financial year ending 30 June 2007.

7. THE PROSPECT AND RISK FACTORS OF THE ACQUISITION

Barring any unforeseen circumstances, the Board is of the opinion that the Acquisition is in line with the Company's business strategies and is expected to enhance the business operations of the Company whereby the Property presently accommodates the corporate head office and

distribution hub of the Company, which are essential and crucial for the daily operations of the Company. The Property is also expected to appreciate in value in the future.

The Board is not aware and does not foresee any material risk associated directly with the Acquisition other than the general risks associated with the global economy, inflation and interest rate which may affect the financial and operating conditions of the GDEX Group.

8. LIABILITIES TO BE ASSUMED ARISING FROM THE ACQUISITION

The Company will not be assuming any liability pursuant to the Acquisition.

9. ORIGINAL DATE AND COST OF INVESTMENT TO THE VENDOR

The original cost of investment of the Vendor on the property are as follows:

Property	Original Date of Investment	Original Cost of Investment
Grant No. PN 10315, Lot No. 79, Section 20, Bandar Petaling Jaya, Daerah Petaling, Selangor Darul Ehsan	14 May 1983	RM3,829,000

10. RATIONALE OF THE ACQUISITION

The Acquisition is part of the Company's business strategies to expand and enhance the infrastructure of its existing distribution hub in order to improve operational efficiency, and hence enable the Company to provide better services to its clients. The Acquisition also may facilitate the possibility of future expansion of the corporate head office and distribution hub to the adjoining property located at No. 21, Jalan Tandang, 46050 Petaling Jaya, Selangor which was purchased by GDSB on 17 November 2003.

It is also a strategy for the Company to own the Property, which presently houses the Company's corporate head office and distribution hub, in order to avoid any event where the Tenancy Agreement is not renewed. In addition, the Company expects to save rental cost of Ringgit Malaysia Two Hundred Forty Nine Thousand and Six Hundred (RM249,600) only per annum.

11. ESTIMATED TIME FRAME FOR THE COMPLETION

Barring any unforeseen circumstances, the Acquisition is expected to be completed within three (3) calendar months from the date of the SPA.

12. APPROVALS FOR THE ACQUISITION

The Acquisition is neither conditional upon any approval being obtained from any authority nor is it subject to the approval of the Company's shareholders. Consent from the Selangor Land Office is also not necessary for the said acquisition.

13. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors, substantial shareholders of the Company or persons connected to them has any direct or indirect interest in the Acquisition.

14. DIRECTORS' RECOMMENDATION

The Board, having taken into consideration of all aspects of the Acquisition, is of the opinion that the Acquisition is in the best interest of the Company.

15. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendices for further information.

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

Teong Teck Lean
Executive Deputy Chairman and Chief Executive Officer

VALUATION CERTIFICATE

Raine & Horne®

VALUER'S LETTER ON THE PROPERTIES
(Prepared for the inclusion in this Circular)

Your Ref. :
 Our Ref. : VPJ 06.617.SC
 Date : 25th August 2006

The Board of Directors,
GD Express Carrier Berhad,
 No. 19, Jalan Tandang,
 46050 Petaling Jaya,
 Selangor Darul Ehsan.

Dear Sirs,

RE: VALUATION OF PN 10315, LOT 79 SEKSYEN 20, TOWN OF PETALING JAYA, DISTRICT OF PETALING, STATE OF SELANGOR DARUL EHSAN BEARING POSTAL ADDRESS NO. 19, JALAN TANDANG, 46050 PETALING JAYA, SELANGOR DARUL EHSAN ("Property")
TYPE: AN INDUSTRIAL LAND AND PREMISES

This Valuation Certificate has been prepared for inclusion in the Circular to Shareholders of GD Express Carrier Berhad in connection with the Proposed Ratification of the acquisition of the Property.

In accordance with your instructions, we have assessed the Market Value of the Subject Property as set out in the Schedule 'A' below. Details of the valuation are set out in our Valuation Report bearing Reference No. VPJ 06.617.SC dated 16th August 2006.

The valuation has been carried out in accordance with the Guidelines on Asset Valuation for submission to the Bursa Malaysia and the Malaysia Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents Malaysia, and with the necessary professional responsibility and due diligence.

The basis of valuation is the Market Value of the Property as at 16th August 2006. The Comparison Method and Cost Method of Valuation were adopted in arriving at the Market Value.

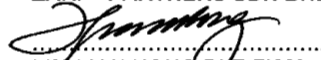
Market Value, as defined under the Malaysia Valuation Standards, is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Subject to the foregoing, we are of the opinion the Market Value of the Property on the basis of a separate unencumbered valid individual title document with unexpired leasehold interest for a term of 50 years, together with the building erected thereon, with vacant possession and free from all encumbrances as at 16th August 2006 is **RM6,200,000.00 (Ringgit Malaysia: Six Million And Two Hundred Thousand Only)**.

A summary of the valuation is attached herewith as Schedule 'A'.

This Valuation Certificate should be read in conjunction with our full Valuation Report bearing Reference No. VPJ 06.617.SC dated 16th August 2006.

Yours faithfully,
 For & on behalf of
RAINE & HORNE INTERNATIONAL
ZAKI + PARTNERS SDN BHD


 LIM LIAN HONG BLE FISM
 Registered Valuer
 Reg. No. V-381


Perunding Harta Tanah Antarabangsa • International Property Consultants

Zaki H. Said JP, BSc (London), FISM, Wong Yin Fook BSc (London), MISM, MRICS, Chou Yee Seng BSc (Singapore), MISM, Bock Chek Hai FISM, FRICS, IRRV, Tajul Ariffin Mohd Idris MBS (Dubai), Adv. Dip. Est. Mgt (UITM), MISM, Jacob Lim Hoong Teong MBA (UK), MISM, MRICS, Ganesh Chinnappan B.Surv. (Hons) Prop. Mgt. MISM, Lim Lian Hong B.Land Econ. (UK), FISM, Ho Sek Chuen Assoc. Dip. Valuation (Aust.), FISM, Michael Geh Thuan Peng B.Bs (Valuation & Land Econ.), FISM, Azmi Omar BSc (Hons) Land Mgt. (Reading), MISM, Ramli Osman ADK. MBA (Edith Cowan), BSc (Hons) Land Mgt (Reading), FISM, Stephen Ng Kho Vui MISM

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SCHEDULE A

Property Identification							
Title Details	PN 10315, Lot 79 Seksyen 20, Town of Petaling Jaya, District of Petaling, State of Selangor Darul Ehsan						
Property Address	No. 19, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan						
Location	Located along Jalan Tandang within Section 20 (also known as Section 51), Petaling Jaya, Selangor Darul Ehsan. It is located approximately 10 kilometres south west of Kuala Lumpur City Centre. Section 51, Petaling Jaya is located at the left hand side of the Federal Highway traveling from Kuala Lumpur City Centre towards Shah Alam/Klang.						
Tenure	Leasehold interest for a term of 99 years expiring on 13 th August 2056.						
Category of Land Use	Industry						
Registered Owner	Lembaga Urusan Dan Tabung Haji						
Express Condition	Perusahaan						
Restriction In-Interest	Not stated.						
Encumbrances	Nil.						
General Description of Property							
Title Land Area	5,751.5856 sq. metres						
Type of Property	An industrial premises comprises single storey detached warehouse with an annexed TNB substation & pump room & single storey guard house and single storey detached factory with an annexed double storey office building.						
General Description of Buildings	<p>i) Single Storey Detached Warehouse With An Annexed TNB Substation & Pump Room and Single Storey Guard House</p> <p>a) Single Storey Detached Warehouse The building is basically constructed of reinforced concrete frame, steel portal framework, plastered brickwalls and covered with corrugated asbestos roofing sheets and flooring are of reinforced concrete laid over hardcore. The built up area of this building is as follows:</p> <table border="1" style="margin-left: 40px;"> <tr> <td>Main Floor Area</td> <td>:</td> <td>10,020 sq. feet / 930.858 sq. metres</td> </tr> <tr> <td>Ancillary Floor Area</td> <td>:</td> <td>400 sq. feet / 37.16 sq. metres</td> </tr> </table> <p>b) TNB Substation & Pump Room The building is basically constructed of reinforced concrete framework, plastered brickwalls and covered with concrete flat roof and flooring is of reinforced concrete laid over hardcore. The built up area of this building is approximately 1,365 sq. feet (126.81 sq. metres).</p> <p>c) Single Storey Guard House The building is basically constructed of reinforced concrete framework, plastered brickwalls and covered with corrugated asbestos sheet and flooring is of reinforced concrete finished with mosaic tiles. The built up area of this building is approximately 420 sq. feet (39.018 sq. metres).</p> <p>ii) A Single Storey Detached Factory with an Annexed Double Storey Office Building.</p> <p>a) Double Storey Office Building The building is basically constructed of reinforced concrete framework and steel portal frame. Plastered brickwalls and covered with concrete metal decking on steel trusses and flooring is of reinforced concrete laid over hardcore finished with tiles and carpets. The built up area of this building is approximately 9,048 sq. feet (840.559 sq. metres).</p>	Main Floor Area	:	10,020 sq. feet / 930.858 sq. metres	Ancillary Floor Area	:	400 sq. feet / 37.16 sq. metres
Main Floor Area	:	10,020 sq. feet / 930.858 sq. metres					
Ancillary Floor Area	:	400 sq. feet / 37.16 sq. metres					

General Description of Buildings (Cont'd)	<p>b) Single Storey Factory Building</p> <p>The building is basically constructed of reinforced concrete foundation and steel portal framework. Wall are of plastered brickwalls surmounted with metal cladding to upper part and covered with metal decking on steel trusses. The flooring is of reinforced concrete laid over hardcore. The built up area of this building is approximately 18,096 sq. feet (1,681.118 sq. metres).</p>
Existing Use	Industry
Planning Details	The subject Property is designated for industrial use.
Market Value	
Date of Inspection	16 th August 2006
Date of Valuation	16 th August 2006
Method of Valuation	Comparison Method and Cost Method of Valuation

LEGAL OPINION

Cheang & Ariff Lawyers



章与历律师楼

PARTNERS

Dato' Loh Siew Cheang
Mohd Ariff Yusof
Loy Tuan Bee
Pat Ng Wei Wah
Tan Ming-li
Chong Wei Lung
Christopher H W Wong
Yoon Ming Sun
Cindy Goh Joo Seong
Azhar Azizan Harun

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Yeat Soo Ching
Siew See See

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30 August 2006

GD Express Carrier Berhad

No. 19, Jalan Tandang
46050 Petaling Jaya
Selangor Darul Ehsan

Attention: Board of Directors

Dear Sirs

Sale and Purchase Agreement dated 29 August 2006

Vendor : Lembaga Tabung Haji

Purchaser : GD Express Carrier Berhad

Property : A piece of leasehold land held under Grant No. PN 10315, Lot No. 79, Section 20, Bandar Petaling Jaya, District of Petaling, State of Selangor Darul Ehsan and bearing the postal address of No. 19, Jalan Tandang, Petaling Jaya, 46050 Selangor Darul Ehsan

We have acted as legal counsel to the Purchaser in connection with the acquisition of the above stated Property from the Vendor.

We are appointed by the Purchaser to provide a legal opinion relating to the acquisition of the Property pursuant to the Sale and Purchase Agreement dated 29 August 2006 (“**Agreement**”) for the inclusion of the same into the circulars to be issued by the Purchaser to its shareholders.

For the purposes of giving this opinion, we have examined and reviewed the following documents (“**Documents**”):-

- a) the duly executed and stamped copy of the Agreement;
- b) a copy of the title deed of the Property ; and
- c) the land search result conducted at the Selangor Land Registry on 26 June 2006 (“**Land Search**”).



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On the basis of and subject to the foregoing, we are of the opinion that:

- (a) The Vendor is the legal and registered owner of the Property;
- (b) The Property is a 99 years leasehold property with the expiry date on 13 August 2056. The express condition is that the Property is to be used for industrial purpose. There is no express restriction in interest in respect of the Property;
- (c) The Property is free from encumbrances as at the date of the Land Search; and
- (d) The Agreement will be completed upon payment of the purchase price in accordance with the terms of the Agreement and upon registration of the Instrument of Transfer in favour of the Purchaser, the Purchaser will become the legal and registered owner of the Property.

Kindly acknowledge receipt on the duplicate of this letter.

Yours faithfully


Siew See See

SSS[Ext : 180]



Loy Tuan Bee
Partner

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

This Information Circular has been seen and approved by the Directors and they individually and collectively accept full responsibility for the accuracy of the information given in this Circular and confirm that after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no omission of material facts which would make any statement herein misleading.

2. CONSENT

The written consent of Messrs. Raine & Horne and Messrs. Cheang & Ariff for the inclusion of their names, letters and legal opinion arising out of the Acquisition in the form and context in which they appear respectively have been given prior to the issuance of this Information Circular and have not subsequently been withdrawn.

3. MATERIAL CONTRACTS

Save as disclosed below and the SPA, neither GDEX nor its subsidiaries have entered into any contracts which are or may be material (not being contracts entered into in the ordinary course of business) within the past two (2) years up to the date of this Information Circular :-

- (i) Tenancy in relation to building erected on Lot 80, No. 17, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan ("PJ Land") comprising:-
 - a) Tenancy Agreement dated 26 February 2004 between Abric Berhad as Landlord and GDSB as Tenant for the tenancy of the ground floor office and warehouse erected on the PJ Land for a term of three (3) years commencing on 1 February 2004 and terminating on 31 January 2007 at a monthly rental of RM11,554.20 with an automatic renewal of the tenancy for a further three (3) years period at the prevailing market rate provided that it will not exceed 15% of RM11,554.20. The parties entered into an agreement on 5 September 2005 to terminate this Agreement with effective from 1 February 2006 and the parties entered into a new tenancy agreement dated 5 September 2005 as described in item (c) below; and
 - b) Tenancy Agreement between Abric Berhad and GDSB dated 13 December 2004 for the tenancy of the entire first floor, the foyer and the Ground Floor office of the building erected on the PJ Land for a term of three (3) years commencing on 1 January 2005 and terminating on 31 December 2007 at a monthly rental of RM20,000. The parties entered into an agreement on 5 September 2005 to terminate this Agreement with effective from 1 February 2006 and the parties entered into a new tenancy agreement dated 5 September 2005 as described in item (c) below; and

- c) Tenancy Agreement between Abric Berhad as Landlord and GDSB as Tenant dated 5 September 2005 for the tenancy of the whole office, factory and warehouse of the building erected on the PJ Land for a term of 3 years commencing on 1 February 2006 and terminating on 31 January 2009 at a monthly rental of RM90,000;
- (ii) GDSB and GDH entered into a Licence Agreement for use of content dated 8 February 2005. Pursuant to the Agreement, GDH will deliver the information essential to the supporting, maintaining and enhancing the IT Software System to GDSB or its nominee so that GDSB or its nominee may forward the same to GDX for the supporting, maintaining and enhancing the IT Software System. GDSB agrees to pay RM1.00 to GDH for use of the content;
- (iii) GDSB and GDTech entered into a Licence Agreement for Software dated 10 March 2005. Pursuant to the Agreement, GDTech will lease the IT Software System to GDSB for the consideration of RM864,000 per year until this license is terminated pursuant to the terms of this Agreement;
- (iv) Placement Agreement dated 10 March 2005 between GDEX and OSK Securities Berhad for the appointment of OSK Securities Berhad as placement agent for 28,000,000 GDEX Shares (“Placement Shares”) at an issue price of RM0.30 per Share pursuant to the listing of GDEX on the MESDAQ Market of Bursa Securities at a placement fee of 1.2% of the total consideration paid by the placees for the subscription of the Placement Shares; and
- (v) Underwriting Agreement dated 10 March 2005 between GDEX and OSK Securities Berhad for the underwriting of 2,000,000 Shares offered by GDEX to the public and any unsubscribed portion of the 5,000,000 Shares offered to Directors and eligible employees of GDEX Group in conjunction with the Listing for an underwriting commission of 2.0% of the issue price of RM0.30 per Share.

4. MATERIAL LITIGATION

Save as disclosed below, as at the date of this Information Circular, neither GDEX nor any of its subsidiaries are engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which has a material effect on the financial position of GDEX Group and the Directors are not aware of any proceedings, pending or threatened, against the Company and/or any of the subsidiaries or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of GDEX Group.

- (i) On 10 May 2004, Panglima Ribuan Sdn Bhd (“Plaintiff”) commenced legal proceedings against GDSB via Shah Alam High Court suit no. MT1-22-369-2004 in respect of an alleged breach by GDSB for allegedly failing to erect a signboard for the Plaintiff. The Plaintiff who was an ex-courier service agent or affiliate of GDSB for the Subang area and Plaintiff is also suing GDSB for alleged loss of business due to GDSB’s alleged encroachment in the Plaintiff’s area of service and for the refund of a “franchise fee” of RM150,000 that was paid by the Plaintiff. In addition to the RM150,000, the Plaintiff is also seeking to claim general damages against GDSB. Based on indicative figures in the Plaintiff’s statement of claim, the amount of the claim for general damages is estimated at RM336,000 for alleged loss of cash clients and loss of potential clients, RM240,000 for alleged loss of income and RM240,000 for alleged failure of GDSB to service the Plaintiff’s clients.

GDSB has filed its statement of defence and counterclaim for fee owing to GDSB of RM162,857.23 together with an action for the Plaintiff to render accounts of the courier business whilst the Plaintiff was still serving GDSB. GDSB has also filed an application for security for cost from the Plaintiff and this application was granted by the Shah Alam High Court whereby the Plaintiff was ordered to pay Ringgit Malaysia One Hundred Thousand (RM100,000) into the Court within thirty (30) days from 17 August 2006. The pre-trial case management was scheduled to be heard on 26 February 2007. The Board will let the Court to decide on the outcome of the case.

5. DOCUMENTS AVAILABLE FOR INSPECTION

With effect from 16 November 2006, our registered office will be changed to 10th Floor, Wisma Havela Thakardas, 1, Jalan Tiong Nam, off Jalan Raja Laut, 50350 Kuala Lumpur. Hence, the following documents are available for inspection at the current Registered Office of GDEX at Level 17, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia during normal business hours between Mondays and Fridays (except public holidays) from the date of this Information Circular till 15 November 2006 and at the new registered office from 16 November 2006 to a period of six (6) months from the date of this Information Circular.

- (i) Memorandum and Articles of Association of GDEX;
- (ii) Audited financial statements of GDEX for the financial year ended 30 June 2005 and financial period ended 30 June 2004;
- (iii) Unaudited financial results of GDEX Group for the fourth quarter ended 30 June 2006;
- (iv) Sale and Purchase Agreement dated 29 August 2006;
- (v) The legal opinion by the Messrs Cheang & Ariff, valuation report and valuation certificate prepared by the Messrs Raine & Horne in respect of the Acquisition;
- (vi) The letter of consent referred to in Section 2 above;
- (vii) The material contracts referred to in Section 3 above; and
- (viii) The relevant cause papers in respect of material litigation referred to Section 4 above.