



## GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

### Condensed Consolidated Income Statement

For the Fourth Quarter Ended 30 June 2007

(The figures have not been audited)

	Individual		Cumulative	
	Current Year Fourth Quarter 30.06.2007 (RM'000)	Preceding Year Corresponding Quarter 30.06.2006 (RM'000)	Current Year To Date 30.06.2007 (RM'000)	Preceding Year To Date 30.06.2006 (RM'000)
Revenue	15,353	12,506	57,367	45,866
Operating expenses	(14,830)	(11,892)	(54,741)	(44,292)
Other operating income	69	111	298	427
Profit from operations	592	725	2,924	2,001
Finance cost	(75)	(93)	(347)	(277)
Profit before tax	517	632	2,577	1,724
Income tax expense	92	(168)	(505)	(517)
Net profit	609	464	2,072	1,207
Earnings per share of RM0.10 each (sen)	0.24	0.18	0.81	0.47

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Balance Sheet**  
**As at 30 June 2007**  
(The figures have not been audited)

	As At End Of Current Quarter 30.06.2007 (RM'000)	Audited As At Preceding Financial Year Ended 30.6.2006 (RM'000)
<b>Non-Current Assets</b>		
Property, plant and equipment	22,860	15,611
Goodwill	137	137
Other receivable	-	929
Total Non-Current Assets	<u>22,997</u>	<u>16,677</u>
<b>Current Assets</b>		
Inventories	396	269
Trade receivables	12,878	10,856
Other receivables and prepaid expenses	4,767	3,929
Deposits with licenced banks	3,760	9,214
Cash and bank balances	1,713	644
Total Current Assets	<u>23,514</u>	<u>24,912</u>
Total Assets	<u><u>46,511</u></u>	<u><u>41,589</u></u>
<b>Equity</b>		
Share capital	25,719	25,719
Share premium	618	627
Exchange Reserve	(7)	-
Reserves	8,417	6,344
Total equity attributable to shareholders	<u>34,747</u>	<u>32,690</u>
<b>Non-Current Liabilities</b>		
Hire-purchase payables	2,206	1,546
Borrowings (secured)	903	1,061
Deferred tax liabilities	247	361
Total Non-Current Liabilities	<u>3,356</u>	<u>2,968</u>
<b>Current Liabilities</b>		
Trade payables	3,198	2,732
Other payables and accrued expenses	2,078	1,333
Hire-purchase payables - current portion	2,302	1,620
Borrowings (secured) - current portion	830	246
Total Current Liabilities	<u>8,408</u>	<u>5,931</u>
Total Liabilities	<u>11,764</u>	<u>8,899</u>
Total Equity and Liabilities	<u><u>46,511</u></u>	<u><u>41,589</u></u>
Net assets per share of RM0.10 each (RM)	<u><u>0.14</u></u>	<u><u>0.13</u></u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity**  
For the Fourth Quarter Ended 30 June 2007  
(The figures have not been audited)

	Issued capital (RM'000)	Share premium (RM'000)	Reserve on consolidation (RM'000)	Unappropriated profit (RM'000)	Exchange reserve (RM'000)	Total (RM'000)
Balance as of 1 July 2006	25,719	626	2,970	3,375	-	32,690
Effects of adopting FRS 3	-	-	(2,970)	2,970	-	-
Net profit for the year	-	-	-	2,072	-	2,072
Share issue expenses	-	(8)	-	-	-	(8)
Foreign currency translation	-	-	-	-	(7)	(7)
Balance as of 30 June 2007	<u>25,719</u>	<u>618</u>	<u>-</u>	<u>8,417</u>	<u>(7)</u>	<u>34,747</u>
Balance as of 1 July 2005	20,575	5,972	2,970	2,168	-	31,685
Issue of shares	5,144	(5,144)	-	-	-	-
Share issue expenses	-	(202)	-	-	-	(202)
Net profit for the year	-	-	-	1,207	-	1,207
Balance as of 30 June 2006	<u>25,719</u>	<u>626</u>	<u>2,970</u>	<u>3,375</u>	<u>-</u>	<u>32,690</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory note attached to the interim financial statements.



**Condensed Consolidated Cash Flow Statement  
For the Fourth Quarter Ended 30 June 2007  
(The figures have not been audited)**

	Current Year To date Ended 30.06.2007 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2006 (RM'000)
<b>Cash flows from operating activities</b>		
Profit before tax	2,577	1,724
Adjustments for non-cash items	5,072	3,772
Operating profit before working capital changes	7,649	5,496
Changes in working capital:		
Net change in current assets	(2,442)	(1,515)
Net change in current liabilities	1,211	(880)
<b>Cash flows from operations</b>	6,418	3,101
Income tax paid	(858)	(845)
<b>Net cash from operating activities</b>	5,560	2,256
<b>Cash flows used in investing activities</b>		
Additions of fixed assets	(8,527)	(2,630)
Proceeds from disposal of property, plant and equipment	57	17
Deposit paid for the purchase of leasehold land	-	(275)
Interest received	193	295
<b>Net cash used in investing activities</b>	(8,277)	(2,593)
<b>Cash flows used in financing activity</b>		
Share issue expenses incurred	(8)	(202)
Repayment of term loan and hire purchase payables	(1,976)	(1,246)
New short term loan acquired	673	-
Finance cost paid	(347)	(235)
<b>Net cash used in financing activities</b>	(1,658)	(1,683)
<b>Net decrease in cash and cash equivalents</b>	(4,375)	(2,020)
Foreign reserve	(7)	-
Cash and cash equivalents at beginning of period	9,510	11,530
<b>Cash and cash equivalents at end of period</b>	5,128	9,510
Cash and bank balances	1,713	644
Deposits with licensed bank	3,760	9,214
Bank overdraft	-	(3)
	5,473	9,855
Less: fixed deposits pledged with a licensed bank	(345)	(345)
	5,128	9,510

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.

## Notes To The Interim Financial Report For the period ended 30 June 2007

### 1. Accounting Policies and Basis of Preparation

The interim financial statements of the Group have been prepared in accordance with Financial Reporting Standard (FRS) 134 Interim Financial Reporting and Chapter 9 Paragraph 9.22 (Appendix 9B) of the Listing Requirements for the MESDAQ Market of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2006. The same accounting policies and methods of computation are followed in these interim financial statements as compared with the annual financial statements for the year ended 30 June 2006, except for the adoption of the following new/revised standards mandatory for annual periods beginning on or after 1 January 2006 :-

FRS 3	Business Combinations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates & Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 117	Leases
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated & Separate Financial Statements
FRS 132	Financial Instruments : Disclosures & Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of new/revised FRSs does not have significant financial impact on the Group except as disclosed below :

#### **FRS 3 : Business Combinations**

##### Goodwill on Consolidation

Goodwill on Consolidation was previously capitalised and amortised over a period of 10 years. With the adoption of FRS 3, goodwill will now be carried at cost less impairment losses. Goodwill will be tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. The adoption of this treatment has no impact to the Group.

##### Negative Goodwill On Consolidation

Negative Goodwill on Consolidation was previously retained in the Balance Sheet. With the adoption of FRS 3, Negative Goodwill is now taken to the Income Statement as and when it arises.

Existing Negative Goodwill has been derecognised by an adjustment to the opening retained earnings.

The above changes in accounting policy have been accounted for prospectively and in accordance with FRS 3. The Group has taken Negative Goodwill on Consolidation as at 30 September 2006 to Unappropriated Profits as follows:-

<u>Condensed Consolidated Statement of Changes in Equity</u>	As previously reported (RM'000)	Effect (RM'000)	As restated (RM'000)
Unappropriated profit brought forward	3,374	2,970	6,344
Reserve on Consolidation	2,970	(2,970)	-

### FRS 117 : Leases

FRS 117 is effective for accounting periods beginning on or after 1 October 2006. The Group and the Company will apply this standard from financial periods beginning 1 July 2007.

As at 30 June 2007, the leasehold interest in long leasehold land which is stated at cost less accumulated depreciation, is classified as property, plant and equipment. With the adoption of FRS 117 on 1 July 2007, the leasehold interest in long leasehold land with carrying amount amounting to RM7,934,723 will be accounted for as operating leases and will be reclassified as prepaid lease payment. The prepaid lease payments will be amortised evenly over the lease term of the land.

## 2. Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2006 was not qualified.

## 3. Comments on Seasonal and Cyclical Factors

The Group's performance was affected by the lower deliveries during the months with numerous public and festive holidays.

## 4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flow

There was no unusual items affecting the assets, liabilities, equity, net income or cash flow for the current quarter and financial period year to date.

## 5. Material Changes in Estimates

There was no changes in estimates that yielded a material effect on the current quarter and financial period year to date.

## 6. Debt and Equity Securities

There was no issuances, cancellations, repurchases, resale or repayments of debts and/or equity securities, share buy-back, share cancellation and/or resale of treasury shares for the current quarter and financial period year to date.

## 7. Dividends Paid

There was no dividends paid in the current quarter and the financial period year to date.

## 8. Segmental Information

The Group operates predominantly in Malaysia and Singapore and is principally involved in the provision of express delivery and customised logistics solutions services. The segmental revenue and results for the year ended 30 June 2007 are tabulated below:

<u>Geographical segments</u>	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	57,357	10	57,367
Profit/(Loss) before taxation	2,933	(356)	2,577
Taxation	(505)	-	(505)
Net Profit for the year			<u>2,072</u>

## 9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendments from the previous annual financial statements.

## 10. Material Events Subsequent To Period End

There was no material event occurring subsequent to the end of the financial year ended 30 June 2007 that has not been reflected in this quarterly report.



### **11. Changes in the Composition of the Group**

There was no changes in the composition of the Group in the current quarter and financial period year to date.

### **12. Contingent Assets or Liabilities**

The Company provided two corporate guarantees amounting to RM6,750,000 to a financial institution and one corporate guarantee amounting to RM50,000 to a supplier for credit facilities granted to a subsidiary. Besides that, there was no changes in the contingent liabilities since the last annual balance sheet date.

### **13. Capital Commitments**

There was no capital commitments not provided for in the financial statements for the quarter under review.



## Additional Information Required By Bursa Malaysia Securities Berhad Listing Requirements

### 1. Review of Performance for the current quarter and financial period year to date

For the fourth quarter ended 30 June 2007, the Group's revenue increased by 23%, but its profit before tax ("PBT") reduced by 18% as compared to the same quarter in the preceding financial year. The phenomenon was caused by higher operating overheads in building up capacity to handle at least 3 folds of the previous volume and the initial set up costs for its Singapore subsidiary during its initial gestation period.

### 2. Material Change in the Profit Before Tax for the Current Quarter as compared to the Immediate Preceding Quarter

The Group recorded a profit before tax ("PBT") of RM0.52 million for the fourth quarter ended 30 June 2007. As compared to the immediate preceding quarter ended 31 March 2007, the PBT for the fourth quarter remains fairly consistent as the contribution from the increase in revenue has been set off against the initial set up costs in Singapore subsidiary.

### 3. Prospect of the Group

The Directors are of the opinion that the results for the financial year ending 30 June 2008 will be satisfactory. The focus in the coming financial year is cost control and to improve yield on assets employed.

### 4. Profit Forecast

The Company did not disclose any profit forecast or guarantee for this financial period.

### 5. Taxation

The taxation figures are as follows:

	Individual		Cumulative	
	Current Year Fourth Quarter 30.06.2007 (RM'000)	Preceding Year Corresponding Quarter 30.06.2006 (RM'000)	Current Year To Date 30.06.2007 (RM'000)	Preceding Year To Date 30.06.2006 (RM'000)
Current period's provision	(39)	257	558	607
Deferred taxation	(114)	68	(114)	68
Under/(over) provision in respect of previous year	61	(157)	61	(158)
	<u>(92)</u>	<u>168</u>	<u>505</u>	<u>517</u>

The provision for current year income tax payable is calculated at the Malaysian statutory tax rate of 27% on the estimated assessable profit for the financial period year to date.

The effective tax rate for the year is lower than the statutory tax rate, as some doubtful debts that have been provided for in previous years have been written off during the year and claimed tax deduction.

## 6. Unquoted Securities and/or Properties

There was no purchases or disposal of any unquoted securities and/or properties for the current quarter and financial period year to date.

## 7. Quoted Securities

There was no purchases or disposal of any quoted securities for the current quarter and financial period year to date.

## 8. Status of Corporate Proposals

There was no corporate proposals announced but not completed as at the date of this announcement other than the following:

### A) Utilisation of Proceeds

The utilisation of proceeds from the Initial Public Offering ("IPO") is as follows:

Purpose	Proposed Utilisation RM'000	Re-allocation RM'000	Total RM'000	Actual Utilisation RM'000	Balance RM'000
Proposed upgrading of GDEX's network and infrastructure	4,800		4,800	4,800	0
Working capital	3,700	972	4,672	4,672	0
Estimated listing expenses	2,000	-972	1,028	1,028	0
	<u>10,500</u>	<u>0</u>	<u>10,500</u>	<u>10,500</u>	<u>0</u>

The proceeds from the Initial Public Offering ("IPO") have been fully utilised during the quarter.

### B) Proposed Private Placement and Bonus Issue

- 1) On 12 October 2005, the Company announced a proposed private placement of up to 25,718,604 new ordinary shares of RM0.10 each in the Company (as the proposed bonus issues of up to 51,437,208 new ordinary shares of RM0.10 each has been implemented on 8 May 2006), representing 10% of the issued and paid-up share capital of the Company at an issue price to be determined and announced later.

- 2) The Securities Commission had via its letter dated 8 December 2005, approved the Proposed Placement under Section 32(5) of the SC Act 1993, the Listing Requirements of the Bursa Malaysia Securities Berhad for the MESDAQ Market and the Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests.
- 3) The shareholders approved the resolutions relating to the proposed private placement at the Extraordinary General Meeting, which was held on 25 January 2006.
- 4) The Securities Commission had via its letter dated 6 June 2006 granted an extension of time up to 8 December 2006 to implement the Private Placement mentioned in (2) above.
- 5) On 8 December 2006, the approval of the Securities Commission for the Private Placement had lapsed and the Company has not applied to the Securities Commission for a further extension of time. Accordingly, the Private Placement will not be implemented.

## 9. Group Borrowings

The Group borrowings consists of the following:

	S\$'000	RM'000
<b>Short term borrowings (secured) :</b>		
<b>Denominated in Ringgit Malaysia</b>		
Trust receipt		673
Hire purchase payables		2,232
Term loan		157
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	31	70
<b>Long-term borrowings (secured):</b>		
<b>Denominated in Ringgit Malaysia</b>		
Hire purchase payables		2,071
Term loan		903
<b>Denominated in Singapore Dollar</b>		
Hire purchase payables	60	135
Total borrowings		6,241

## 10. Financial Instruments

There was no off balance sheet financial instruments as at the date of the quarterly report.

## 11. Material Litigations

There was no further developments to matters previously disclosed in the audited financial statements for the year ended 30 June 2006.

## 12. Dividends

No dividends was declared during the quarter or the financial period year to date.

## 13. Earnings Per Share

### i. Basic

The basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	Current Year Quarter 30.06.2007 (RM'000)	Current Year To Date 30.06.2007 (RM'000)
Net profit attributable to ordinary shareholders	609	2,072
Number of ordinary shares of RM0.10 each in issue (units)	257,186,037	257,186,037
Basic earnings per share of RM0.10 each (sen)	<u>0.24</u>	<u>0.81</u>

### ii. Diluted

The Company does not have any convertible shares or convertible financial instruments for the current quarter and financial period year to date.

By Order of the Board

Woo Ying Pun (MAICSA 7001280)  
Loh Yin Fun (MAICSA 0862905)  
Secretaries  
15 August 2007