



GD EXPRESS CARRIER BHD

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR ENDED 30 JUNE 2015

	Current Quarter Three Months Ended 30 June		Year Ended 30 June	
	2015	2014	2015	2014
	Unaudited (RM'000)	Audited (RM'000)	Unaudited (RM'000)	Audited (RM'000)
Revenue	51,831	41,598	196,759	158,703
Operating expenses	(41,617)	(34,695)	(165,705)	(134,123)
Other operating income	571	413	1,649	1,078
Profit from operations	10,785	7,316	32,703	25,658
Finance costs	(373)	(339)	(1,389)	(1,386)
Profit before tax	10,412	6,977	31,314	24,272
Taxation	(1,183)	(1,101)	(3,285)	(887)
Net profit for the period	9,229	5,876	28,029	23,385
Other comprehensive income:				
Foreign currency translation differences for foreign operations	66	56	166	36
	66	56	166	36
Total comprehensive income for the period	9,295	5,932	28,195	23,421
Profit attributable to owners of the company	9,229	5,876	28,029	23,385
Comprehensive income attributable to owners of the company	9,295	5,932	28,195	23,421
Earnings per share :				
Basic EPS (sen)	0.76	0.53	2.40	2.15
Fully diluted EPS (sen)	0.75	0.48	2.37	1.96

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



GD EXPRESS CARRIER BHD

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(Incorporated in Malaysia under the Companies Act, 1965)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Unaudited 30.06.2015 (RM'000)	Audited 30.06.2014 (RM'000)
ASSETS		
Non-current Assets		
Property, plant and equipment	45,861	35,840
Prepaid lease payments	21,216	21,716
	67,077	57,556
Current Assets		
Inventories	1,626	1,320
Trade receivables	48,840	32,060
Other receivables and prepaid expenses	5,277	5,351
Tax recoverable	895	1,133
Deposits with licensed banks	53,345	34,372
Cash and bank balances	10,295	7,985
	120,278	82,221
Total Assets	187,355	139,777
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	61,816	41,935
Reserves	79,277	55,416
Total Equity	141,093	97,351
Non-Current Liabilities		
Hire-purchase payables – non-current portion	10,652	5,569
Borrowings (secured) – non-current portion	11,859	15,474
Provision for retirement benefits	210	112
Deferred tax liabilities	2,449	2,732
Total Non-current Liabilities	25,170	23,887
Current liabilities		
Trade payables	3,890	4,037
Other payables and accrued expenses	12,004	9,923
Hire-purchase payables - current portion	4,398	2,741
Short term borrowings (secured) - current portion	532	1,507
Provision for taxation	268	331
Total Current Liabilities	21,092	18,539
Total Liabilities	46,262	42,426
Total Equity And Liabilities	187,355	139,777
Net Assets per share attributable to owners of the company (RM)	0.11	0.12



The above Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

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GD EXPRESS CARRIER BHD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Year Ended 30 June	
	Unaudited 2015 (RM'000)	Audited 2014 (RM'000)
Cash flows from operating activities		
Profit for the year	28,029	23,385
Adjustments for non-cash items	12,085	9,628
Operating profit before changes in working capital (Increase)/Decrease in working capital	40,114	33,013
Inventories	(306)	(672)
Receivables, deposits and prepayment	(16,704)	(5,064)
Payables and accruals	1,934	1,808
Cash generated from operations	25,038	29,085
Income tax paid	(3,393)	(1,753)
Net cash from operating activities	21,645	27,332
Cash flows from investing activities		
Acquisition of property, plant and equipment	(8,292)	(4,207)
Proceeds from disposal of property, plant and equipment	43	30
Interest received	1,381	699
Increased in fixed deposit pledged with licensed bank	(3)	(1)
Net cash used in investing activities	(6,871)	(3,479)
Cash flows from financing activities		
Net drawdown/(repayment) of short term revolving credit	(1,000)	(3,500)
Repayment of term loans	(3,590)	(475)
Net payment of hire purchase payables	(3,227)	(3,158)
Proceed from allotment of share	16,386	9,144
Finance costs paid	(1,389)	(1,386)
Share issue expenses paid	(402)	-
Dividend paid	(437)	(286)
Net cash generated from financing activities	6,341	339
Net change in cash and cash equivalents	21,115	24,192
Effect of exchange difference	165	26
Cash and cash equivalents at beginning of year	42,298	18,080
Cash and cash equivalents at end of year	63,578	42,298



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015 (Continued)

*During the financial year under review, the Group acquired property, plant and equipment and prepaid lease payments by the following means:-

	Year Ended 30 June	
	Unaudited 2015 (RM'000)	Audited 2014 (RM'000)
Purchase of :		
Property, plant and equipment	18,260	10,210
Financed by:		
Cash payments and other payables	8,292	4,207
Hire-purchase	9,968	6,003
	<u>18,260</u>	<u>10,210</u>

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Issued Share capital (RM'000)	←Non-Distributable→ Share Premium (RM'000)	Translation Reserve (RM'000)	Distributable Retained Earnings (RM'000)	Total Equity (RM'000)
At 1 July 2014	41,935	6,632	23	48,761	97,351
Total comprehensive income for the year	-	-	166	28,029	28,195
Transactions with owners					
Arising from warrants exercise	4,606	11,780	-	-	16,386
Arising from bonus share issue	14,929	(14,909)	-	(20)	-
Shares issue expenses	-	(402)	-	-	(402)
Dividend	346	9,288	-	(10,071)	(437)
	19,881	5,757	166	17,938	43,742
At 30 June 2015 (Unaudited)	61,816	12,389	189	66,699	141,093
At 1 July 2013	26,171	2,642	(13)	36,271	65,071
Total comprehensive income for the year	-	-	36	23,385	23,421
Transactions with owners					
Arising from warrants exercise	1,686	7,459	-	-	9,145
Arising from bonus share issue	13,745	(9,035)	-	(4,710)	-
Shares issue expenses	-	-	-	-	-
Dividend	333	5,566	-	(6,185)	(286)
	15,764	3,990	36	12,490	32,280
At 30 June 2014 (Audited)	41,935	6,632	23	48,761	97,351

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.



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PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134")

1. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed consolidated interim financial statements also complies with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB). The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its audited consolidated financial statements for the financial year ended 30 June 2014.

Adoption of New and Revised Financial Reporting Standards ("FRSs")

In the current financial year ended 30 June 2015, the Group adopted all the new and revised FRSs issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the annual period beginning on or after 1 July 2014 as follows:-

Amendments to Defined Benefit Plans: Employee Contributions
MFRS 119

Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2010 – 2012
Cycle

Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2011 – 2013
Cycle

The Directors anticipate that the adoption of the abovementioned Standards did not have any material impact on the financial statements of the Group.

At the date of authorisation for issue of these financial statements, the new and revised Standards which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below.

MFRS 9 Financial Instruments ³

MFRS 14 Regulatory Deferral Accounts ¹

MFRS 15 Revenue from Contracts with Customers ²



Amendments to MFRS 7 and MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosure ³
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception ¹
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations ¹
Amendments to MFRS 101	Disclosure Initiative ¹
Amendments to MFRS 116 and MFRS 138	Clarifications of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants ¹
Amendments to MFRS 127	Equity Method in Separate Financial Statements ¹
Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2012 – 2014 Cycle.	

¹ Effective for annual periods beginning on or after 1 January 2016

² Effective for annual periods beginning on or after 1 January 2017

³ Effective for annual periods beginning on or after 1 January 2018

The Directors anticipate that abovementioned Standards will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards will have no material impact on the financial statements of the Group in the period of initial application.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's business operations cover primarily the express delivery and logistics services. The revenue of the Group will be affected by the numerous public and festive holidays in the quarter and year under review.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the quarter and the year ended 30 June 2015.



5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the quarter and year ended 30 June 2015.

6. DEBTS AND EQUITY SECURITIES

There were no issuances or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter and year ended 30 June 2015 under review except for the following:-

- (i) Issuance of 959,000 ordinary share capital of RM0.05 each pursuant to the exercised of 959,000 warrants at an exercise price of RM0.195 per ordinary share. The issued and paid up share capital increased from RM41,934,561 comprising of 838,691,219 ordinary share capital of RM0.05 each to RM41,982,511 comprising of 839,650,219 ordinary share capital of RM0.05 each during the first quarter ended 30 September 2014.
- (ii) Issuance of 56,124,959 ordinary share capital of RM0.05 each pursuant to the exercised of 56,124,959 warrants at an exercise price of RM0.195 per ordinary share during the 2nd quarter under review. Accordingly, the issued and paid up share capital increased from RM44,757,840 comprising of 895,156,808 ordinary share capital of RM0.05 each to RM44,788,759 comprising of 895,775,178 ordinary share capital of RM0.05 each.
- (iii) As announced on 5 February 2015 that the Company issue 298,591,204 Bonus Shares and 12,254,253 additional warrants (arising from the adjustments made in accordance with the provisions under the Deed Poll constituting the Warrants date 11 January 2011) consequential to the Bonus Issue had been listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 6 February 2015.
- (iv) As announced on 9 February 2015 that the Company issued 6,931,026 ordinary shares capital of RM0.05 each at the issue price of RM1.39 each per share, pursuant to the Dividend Reinvestment Plan ("DRP"). The issued and paid up share capital increased from 1,194,366,382 ordinary share capital of RM0.05 to 1,201,297,408 ordinary share capital of RM0.05 each.
- (v) From 16 March 2015 to 31 March 2015 that the Company issue 20,080 ordinary share capital of RM0.05 each pursuant to the exercised of 20,080 warrants at an exercise price of RM0.15 per ordinary share. The issued and paid up share capital increased from 1,201,297,408 ordinary share capital of RM0.05 each to 1,201,317,488 ordinary share capital of RM0.05 each.
- (vi) Issuance of 35,010,780 ordinary share capital of RM0.05 each pursuant to the exercised of 35,010,760 warrants A at an exercise price of RM0.15 per ordinary share and 20 warrants B at an exercise price of RM1.53 per ordinary share respectively. The issued and paid up share capital increased from RM60.066 million comprising of 1,201,317,488 ordinary share capital of RM0.05 each to RM61.816 million comprising of 1,236,328,268 ordinary share capital of RM0.05 each during current quarter under review.

The new shares issued as rank pari passu with the existing ordinary shares of the Company and the resulting share premium of RM21,067,863 arising from the shares issued as stated above was credited to share premium account. Out of the share premium balance, total of RM14,909,264 was utilized for bonus share issued and RM402,453 was utilised for share issue expenses.



7. DIVIDEND PAID

The following dividends were paid during the current and previous financial year:-

	Year Ended 30 June	
	2015	2014
First and final dividend for the financial year	30 June 2014	30 June 2013
Approved and declared on	3 December 2014	3 December 2013
Date paid	6 February 2015	23 January 2014
Number of ordinary shares on which dividends were paid	895,156,808	549,780,296
Amount per share (Single-tier)	1.125 sen	1.125 sen
Net dividend paid (RM'000)	<u>10,071*</u>	<u>6,185*</u>

* As announced on 6 February 2015, the Company had issued 6,931,026 (30 June 2013: 6,668,231) new ordinary shares of RM0.05 each in the Company pursuant to the Dividend Reinvestment Plan ("DRP").

The new shares issued represent approximately 95.68% of the total number of 7,243,963 new shares that would have been issued pursuant to the DRP had all the entitled shareholders elected to reinvest their respective Electable Portions into new Shares. The said new shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 9 February 2015. The net dividend in cash after the new shares issued amounted to RM436,283 was paid on 6 February 2015.

8. NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Profit for the year is arrived at after (charging)/crediting:

	Current Quarter		Year Ended	
	Three Months Ended		30 June	
	2015	2014	2015	2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	437	257	1,381	699
Other income	133	156	267	379
Interest expense	(373)	(339)	(1,389)	(1,386)
Depreciation and amortization	(2,171)	(1,876)	(8,719)	(6,982)
Provision for doubtful debts	(372)	(588)	(372)	(534)
Bad debts written off	(244)	(498)	(244)	(498)
Foreign exchange gain or loss	(41)	(17)	(54)	(17)
Provision for retirement benefits	(97)	(29)	(97)	(29)
Provision for and write off of inventories	N/A	N/A	N/A	N/A
Property, plant and equipment written off	N/A	N/A	N/A	N/A
Impairment of property, plant and equipment	N/A	N/A	N/A	N/A
Exceptional items	N/A	N/A	N/A	N/A



9. OPERATING SEGMENTS

The Group has two reportable business segments and operates predominantly in Malaysia and Singapore as described below, which are the Group's strategic business units. The strategic business units offer different services, and are managed separately because they require different resources management and marketing strategies.

The following is an analysis of the Group's revenue and results by the reportable business segments for the year ended 30 June 2015.

Operating Segments

	Group			
	Segment Revenue Year Ended 30 June		Segment Profit / (Loss) Year Ended 30 June	
	2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Express delivery	188,401	153,694	29,475	24,481
Logistics	8,358	5,009	3,843	2,191
Total	<u>196,759</u>	<u>158,703</u>	<u>33,318</u>	<u>26,672</u>
Finance costs			(1,389)	(1,386)
Impairment loss on trade receivables			(615)	(1,014)
Profit before tax			<u>31,314</u>	<u>24,272</u>

Revenue shown above represents revenue generated from external customers. All inter-company transactions have been eliminated on consolidation level.

The following is an analysis of the carrying amount of segment assets and liabilities by the business segments in which the assets and liabilities are located:

	Carrying Amount of Segment Assets As at 30 June	
	2015 (RM'000)	2014 (RM'000)
	Segment Assets	
Express delivery	180,989	135,385
Logistics	5,471	3,259
	<u>186,460</u>	<u>138,644</u>
Unallocated corporate assets		
- Tax recoverable	895	1,133
	<u>187,355</u>	<u>139,777</u>



	Carrying Amount of Segment Liabilities As at 30 June	
	2015 (RM'000)	2014 (RM'000)
Segment Liabilities		
Express delivery	43,354	39,241
Logistics	191	122
	<u>43,545</u>	<u>39,363</u>
Unallocated liabilities		
- Tax liabilities	268	331
- Deferred tax liabilities	2,449	2,732
	<u>46,262</u>	<u>42,426</u>
Other segment information		
Additions to non-current assets		
- Express delivery	17,400	10,062
- Logistics	860	148
Depreciation and amortisation		
- Express delivery	8,402	6,743
- Logistics	319	239
	<u>319</u>	<u>239</u>

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated directly to reportable segments.

The following is an analysis of the group's revenue and carrying amount of segment non-current assets by the geographical market.

Geographical Segments

	Group		Carrying Amount of Segment Non-Current Assets	
	Revenue by Geographical Market		As at 30 June	
	Year Ended 30 June		2015	2014
	2015 (RM'000)	2014 (RM'000)	(RM'000)	(RM'000)
Malaysia	194,894	157,451	66,660	57,028
Singapore	1,865	1,252	417	528
Total	<u>196,759</u>	<u>158,703</u>	<u>67,077</u>	<u>57,556</u>

10. PROPERTY, PLANT AND EQUIPMENT VALUATION

The property, plant and equipment of the Group are stated at cost / valuation less accumulated depreciation or impairment loss, if any. There was no revaluation of property, plant and equipment during the current quarter and year ended 30 June 2015 under review.



11. MATERIAL EVENTS SUBSEQUENT TO END OF THE PERIOD

Between the end of the quarter and the date of this announcement, there has not been any item, transaction or event of a material and unusual nature which, in the opinion of the Directors is likely to affect substantially the results of the operations of the Group for the current quarter and year ended 30 June 2015.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and year ended 30 June 2015 under review which including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets as at the date of this report.

14. CAPITAL COMMITMENTS

All capital commitments undertaken have been included in the financial statements for the current quarter and year ended 30 June 2015 under review.

15. RELATED PARTY TRANSACTIONS

The related party transactions between the GDEX Group and the interested related parties are as follows:

	Transaction Value		Balance Outstanding	
	Three Months Ended		As at 30 June	
	2015	2014	2015	2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue				
Provision of express delivery services				
- Singapore Post Limited	24	65	14	72
- Quantium Solutions International(Malaysia) Sdn Bhd	1,165	-	1,063	-
- Quantium Solutions Singapore Pte Ltd	505	-	596	-



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PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. REVIEW OF PERFORMANCE

Performance for the quarter ended 30 June 2015 versus the same quarter in Year 2014

Group Performance

	Current Quarter Three Months Ended 30 June		Year Ended 30 June	
	2015	2014	2015	2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	51,831	41,598	196,759	158,703
Profit Before Taxation	10,412	6,977	31,314	24,272

Current quarter group revenue increased by RM10.233 million or 24.6%, as compared to the preceding year corresponding quarter. Group revenue for the current financial year ended 30 June 2015 increased by 24.0% or RM38.056 million to RM196.759 million from RM158.703 million reported in last financial year ended 30 June 2014.

Current quarter group profit before tax increased by 49.2% or RM3.435 million from RM6.977 million reported in the preceding year corresponding quarter to RM10.412 million in the current quarter ended 30 June 2015. YTD Group profit before tax increased by 29.0% or RM7.042 million from RM24.272 million reported in last financial year ended 30 June 2014 to RM31.314 million in current financial year ended 30 June 2015.

The improved performance was mainly due to increase in business volume as a result of the increased in demand of the courier and logistics services for e-commerce business during the current financial quarter/year under review.

Segmental Performance

	Courier Services Year Ended 30 June		Logistics Services Year Ended 30 June	
	2015	2014	2015	2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	188,401	153,694	8,358	5,009
Profit Before Taxation	27,471	22,081	3,843	2,191

Courier Services

The revenue reported in courier services for the current financial year ended 30 June 2015 increased by 22.6% or RM34.707 million as compared to RM153.694 million reported in the last financial year ended 30 June 2014. The profit before taxation for the current financial year ended 30 June 2015 increased by 24.4%



or RM5.390 million as compared to RM22.081 million reported in the last financial year ended 30 June 2014 which was mainly due to positive sales growth during the current financial year under review.

Logistics Services

The revenue reported in the logistics services for the current financial year ended 30 June 2015 was RM8.358 million, increased by 66.9% or RM3.349 million as compared to last financial year ended 30 June 2014. The profit before taxation reported in the current quarter under review was RM3.843 million, increased by 75.4% or RM1.652 million as compared to the profit before tax of RM2.191 million reported in the previous year corresponding quarter ended 30 June 2014.

The improved performance in the logistics segment was mainly due to the increase in demand from the customers to the supply chain services ranging from import, to forwarding, warehousing and distribution. This will increase the business volume and, hence improve the bottom line of the logistics segment.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Group Performance

	30 June 2015 (RM'000)	3 Months Ended 31 March 2015 (RM'000)
Revenue	51,831	51,089
Profit Before Taxation	10,412	7,274

Group revenue for the current quarter under review was slightly higher by RM0.742 million or 1.5% compared to RM 51.098 million recorded for the preceding quarter. Profit before tax for the Group increased by RM3.138 million or 43.1% in the current quarter under review as compared to the preceding quarter.

Improved in group performance for the quarter under review mainly due to the group achieved cost efficiency through better cost control and monitoring.

Segmental Performance

	Courier Services		Logistics Services	
	Three Months Ended		Three Months Ended	
	30 June 2015 (RM'000)	31 March 2015 (RM'000)	30 June 2015 (RM'000)	31 March 2015 (RM'000)
Revenue	49,988	48,750	1,843	2,339
Profit Before Taxation	9,053	6,572	1,359	702

Courier Services

The total revenue generated from courier services for the current quarter under review was RM49.988 million, which was RM1.238 million or 2.54% slightly higher than the immediate preceding quarter of M48.750 million. The profit before taxation reported in current quarter was RM9.053 million, which was RM2.481 million or 37.8% higher than the immediate preceding quarter of RM6.572 million.



Logistics Services

The revenue generated from logistics services for the current quarter under review was RM1.843 million, which was RM0.496 million or 21.2% lower than the immediate preceding quarter of RM2.339 million. The profit before taxation reported was RM1.359 million, increased by 93.6% or RM0.657 million as compared to the immediate preceding quarter of RM0.702 million.

3. COMMENTARY ON PROSPECTS

Malaysia's economy is expected to grow at a slower pace in 2015 due to a confluence of weaker domestic demand, uncertainty in the global crude oil prices and exports, and also the depreciation of the Ringgit Malaysia against the US Dollar. The current economic condition continues to be challenging, however, growing popularity in e-commerce worldwide as well as in Malaysia has ensured a continued demand for express delivery services.

Despite the challenging outlook for the remaining period of 2015, we will continue to enhance our competitiveness and improve our service quality, and at the same time focus on growing our business.

4. VARIANCE FROM PROFIT FORECAST

No profit forecast was issued during the financial quarter under review.

5. TAXATION

Taxation in respect of the current financial quarter and year ended 30 June 2015 comprises the following:

	Current Quarter		Year Ended 30 June	
	Three Months Ended 30 June 2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Income Tax:-				
Current quarter/year provision	1,165	618	3,267	2,755
Under/(Over) provision in prior year	301	-	301	(2,351)
	<u>1,466</u>	<u>618</u>	<u>3,568</u>	<u>404</u>
Deferred Tax:-				
Current quarter/year provision	549	276	549	276
(Over)/under provision in prior year	(832)	207	(832)	207
	<u>1,183</u>	<u>1,101</u>	<u>3,285</u>	<u>887</u>



GD Express Sdn Bhd ("GD Express"), the subsidiary company of GD Express Carrier Bhd ("GDEX"), had obtained the Pioneer Certificate from Malaysian Investment Development Authority ("MIDA") on 24 January 2014, where the benefits includes, amongst others, the eligibility of GD Express for tax exemption of 70% of its statutory income for five (5) years on its Integrated Logistics Services ("ILS") related activities, with effect from 26 September 2012 to 25 September 2017.

As the result of the above, there was an adjustment of tax over provision of RM2.351 million reported in the last financial year ended 30 June 2014.

6. UTILISATION OF PROCEEDS

During the current year under review, the Company has received the proceeds of RM16.386 million from the exercise and conversion of warrants, i.e. 57,083,959 warrants A at an exercise price of RM0.195, 35,010,760 warrants A at an exercise price of RM0.15 and 20 warrants B at an exercise price of RM1.53 per ordinary share respectively, and also proceeds of RM9.288 million from 298,591,204 new ordinary shares of RM0.05 each pursuant to the Dividend Reinvestment Plan, for its working capital and business expansion.

Saved as disclosed above, the Company has not raised any proceeds from any of its corporate exercise during the current quarter and financial period under review.

7. STATUS OF CORPORATE PROPOSALS

As announced on 16 December 2014, Bursa Malaysia Securities Berhad via its letter dated 15 December 2014, which was received on 16 December 2014, had approved the following proposals, pursuant to the announcements made by the Company under the current period under review:

- (i) As announced on 13 November 2014,
 - (a) Bonus issue of up to 310,845,988 new ordinary shares of RM0.05 each in the Company ("**GDEX Shares**") ("**Bonus Shares**") on the basis of 1 Bonus Share for every 3 existing GDEX Shares held on an entitlement date to be determined later ("**Entitlement Date**") ("**Proposed Bonus Issue**");
 - (b) Issue of up to 186,507,593 free warrants in GDEX ("**Warrants-B**") on the basis of 1 Warrant-B for every 5 existing GDEX Shares held on the same Entitlement Date as the Proposed Bonus Issue;
 - (c) Increase in authorised share capital; and
 - (d) Amendments to the Memorandum and Articles of Association of GDEX.

Subsequently, the above proposals were approved by the shareholders in the Extraordinary General Meeting held on 13 January 2015 and was completed on 5 February 2015 following the listing of 12,254,253 new ordinary shares of RM0.05 each in GDEX pursuant to the Bonus Issue and 179,154,934 Warrants-B pursuant to the Free Warrants Issue, as announced on 12 February 2015.

- (ii) As announced on 3 December 2014, the second Dividend Reinvestment Plan for the entire Dividend (as approved by the shareholders on 3 December 2014 at the Company's 11th Annual General Meeting) which will provide the shareholders of the Company with the option to reinvest the Dividend into new ordinary shares of RM0.05 each in GDEX ("**GDEX Shares**"). The proposal was completed on 9 February 2015.



(iii) As announced on 9 February 2015, Bursa Malaysia Securities Berhad has via its letter dated 6 February 2015 which was received on 9 February 2015, resolved to approve the listing of and quotation for up to 143,743,906 Placement Shares to be issued in relation to the Proposed Private Placement on the Main Market of Bursa Securities.

(iv) On 10 July 2015, the Group had submitted an application to Bursa Malaysia Securities Berhad on 10 July 2015 for an extension of time to complete the implementation of the Private Placement. Subsequent to that, as announced on 15 July 2015, Bursa Malaysia Securities Berhad had via its letter dated 15 July 2015 approved the application for an extension of time of 6 months from 6 August 2015 to 5 February 2016 to complete the implementation of the Private Placement.

Saved as disclosed above, there were no corporate proposals announced but not completed as at the reporting date.

8. GROUP BORROWINGS AND DEBT SECURITIES

The Group borrowings consist of the following:

	2015 (RM'000)	As at 30 June 2014 (RM'000)
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	4,398	2,741
Short term revolving credit	-	1,000
Term loans	532	507
Long term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	10,652	5,569
Term loans	11,859	15,474
Total borrowings	27,441	25,291

There was no unsecured debt during the current quarter and financial year-to-date.

9. MATERIAL LITIGATION

The Directors of GDEX confirm that the Group is not 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 Group as at the date of this report.

10. DIVIDEND

The proposed single tier first and final dividend of 22.5% or 1.125 sen per share in respect of the financial year ended 30 June 2014 was approved by the shareholders at the Eleventh Annual General Meeting of the Company held on 3 December 2014 and was paid on 6 February 2015 as mentioned in Note 7 in Part A – EXPLANATORY NOTES PURSUANT TO MFRS 134 above.



The Directors proposed a 1.0 sen single tier dividend in respect of the financial year ended 30 June 2015. The proposed dividend which subject to the approval of the shareholders at the forthcoming Annual General Meeting of the company, has not been included as a liability in the financial statements for the year ended 30 June 2015.

Save as disclosed above, there were no other dividends declared during the current quarter under review and financial period-to-date.

11. EARNINGS PER SHARE

i. Basic Earnings Per Share

The basic earnings per ordinary shares of the Group has been calculated by dividing profit attributable to owners of the Company by the number of ordinary shares in issue during the current quarter and financial period.

	Three Months Ended 30 June		Year Ended 30 June	
	2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Net profit attributable to ordinary shareholders	9,229	5,876	28,029	23,385
Weighted average number of ordinary share in issue (units)	1,207,460,087	1,116,541,131	1,165,545,851	1,086,723,127
Basic earnings per share (sen)	0.76	0.53	2.40	2.15

ii. Diluted Earnings Per Share

The dilutive earnings per share of the Group has been calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares that would have been issued upon full exercise of the remaining warrants, adjusted by the number of such shares that would have been issued at fair value as follows:-

	Three Months Ended 30 June		Year Ended 30 June	
	2015 (RM'000)	2014 (RM'000)	2015 (RM'000)	2014 (RM'000)
Net profit attributable to ordinary shareholders	9,229	5,876	28,029	23,385
Weighted average number of ordinary share in issue (units)	1,207,460,087	1,116,541,131	1,165,545,851	1,086,723,127
Adjustment for share warrants	15,761,788	111,776,337	16,323,568	105,972,574
Weighted average number of ordinary share in issue (units)	1,223,221,875	1,228,317,468	1,181,869,419	1,192,695,701
Diluted earnings per share (sen)	0.75	0.48	2.37	1.96



12. REALISED AND UNREALISED EARNINGS DISCLOSURE

	2015	As at 30 June 2014
	(RM'000)	(RM'000)
Total Retained Earnings of the Group:		
- Realised	63,015	45,379
- Unrealised	(2,449)	(2,732)
	<hr/> 60,566	<hr/> 42,647
Consolidation adjustments	6,133	6,114
Total retained earnings	<hr/> <hr/> 66,699	<hr/> <hr/> 48,761

13. AUDIT REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's annual financial statements for the year ended 30 June 2014 was not subject to any audit qualification.

14. AUTHORISATION FOR ISSUE

The Unaudited Condensed Interim Financial Statements were authorized for issue by the Board in accordance with a resolution of the Directors on 28 August 2015.

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Tan Ai Ning (MAICSA 7015852)
Company Secretaries

Selangor Darul Ehsan
Date: 28 August 2015