



**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 FIRST QUARTER ENDED 30 SEPTEMBER 2016**

	Individual Quarter Preceding Year	Cumulative Quarter Preceding Year		
	Current Year Quarter	Corresponding Quarter	Current Year To-Date	Corresponding Period
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	58,017	51,466	58,017	51,466
Operating expenses	(51,219)	(44,493)	(51,219)	(44,493)
Other operating income	3,158	586	3,158	586
Profit from operations	9,956	7,559	9,956	7,559
Finance costs	(336)	(379)	(336)	(379)
Profit before tax	9,620	7,180	9,620	7,180
Taxation	(1,514)	(890)	(1,514)	(890)
Net profit for the period	8,106	6,290	8,106	6,290
Other comprehensive income:				
Foreign currency translation differences for foreign operations	29	203	29	203
	29	203	29	203
Total comprehensive income for the period	8,135	6,493	8,135	6,493
Profit attributable to owners of the company	8,106	6,290	8,106	6,290
Comprehensive income attributable to owners of the company	8,135	6,493	8,135	6,493
Earnings per share :				
Basic EPS (sen)	0.59	0.51	0.59	0.51
Fully diluted EPS (sen)	0.59	0.50	0.59	0.50

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 2016 and the accompanying explanatory notes attached to the interim financial statements.



**GD EXPRESS CARRIER BHD**

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016**

	Unaudited 30.09.2016 (RM'000)	Audited 30.06.2016 (RM'000)
<b>ASSETS</b>		
Non-current Assets		
Property, plant and equipment	48,997	47,324
Prepaid lease payments	20,591	20,716
	<u>69,588</u>	<u>68,040</u>
Current Assets		
Inventories	1,533	1,216
Trade receivables	45,247	47,560
Other receivables and prepaid expenses	8,280	8,818
Tax recoverable	1,623	1,515
Deposits with licensed banks	285,710	286,097
Cash and bank balances	28,183	21,346
	<u>370,576</u>	<u>366,552</u>
<b>Total Assets</b>	<u><b>440,164</b></u>	<u><b>434,592</b></u>
<b>EQUITY AND LIABILITIES</b>		
Capital and reserves		
Share capital	69,162	69,162
Reserves	325,782	317,647
<b>Total Equity</b>	<u><b>394,944</b></u>	<u><b>386,809</b></u>
Non-Current Liabilities		
Hire-purchase payables – non-current portion	13,019	13,688
Borrowings (secured) – non-current portion	5,476	5,716
Provision for retirement benefits	247	246
Deferred tax liabilities	2,898	3,048
<b>Total Non-current Liabilities</b>	<u><b>21,640</b></u>	<u><b>22,698</b></u>
Current liabilities		
Trade payables	2,916	2,123
Other payables and accrued expenses	13,449	16,556
Hire-purchase payables - current portion	5,768	5,101
Short term borrowings (secured) - current portion	946	945
Provision for taxation	501	360
<b>Total Current Liabilities</b>	<u><b>23,580</b></u>	<u><b>25,085</b></u>
<b>Total Liabilities</b>	<u><b>45,220</b></u>	<u><b>47,783</b></u>
<b>Total Equity And Liabilities</b>	<u><b>440,164</b></u>	<u><b>434,592</b></u>
<b>Net Assets per share attributable to owners of the company (RM)</b>	<u><b>0.29</b></u>	<u><b>0.28</b></u>



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 2016 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 FIRST QUARTER ENDED 30 SEPTEMBER 2016**

	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 2015	61,816	12,388	189	66,966	141,359
Profit for the period	-	-	-	6,290	6,290
Other comprehensive income	-	-	203	-	203
Total comprehensive income for the year	-	-	203	6,290	6,493
Transactions with owners Arising from warrants exercised	-	1	-	-	1
	-	1	203	6,290	6,494
At 30 September 2015	61,816	12,389	392	73,256	147,853
At 1 July 2016	69,162	228,421	304	88,922	386,809
Profit for the period	-	-	-	8,106	8,106
Other comprehensive income	-	-	29	-	29
Total comprehensive income for the year	-	-	29	8,106	8,135
Transactions with owners Arising from warrants exercised	-	-	-	-	-
	-	-	29	8,106	8,135
At 30 September 2016	69,162	228,421	333	97,028	394,944

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 2016 and the accompanying explanatory notes attached to the interim financial statements.



**GD EXPRESS CARRIER BHD**

(Company No. 630579-A)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016**

	Current Quarter Ended 30.09.2016 (RM'000)	Preceding Year Corresponding Quarter Ended 30.09.2015 (RM'000)
Cash flows from operating activities		
Profit for the period	8,106	6,290
Adjustments for non-cash items	1,221	2,845
Operating profit before changes in working capital	9,327	9,135
(Increase)/Decrease in working capital		
Inventories	(317)	(119)
Receivables, deposits and prepayment	2,852	283
Payables and accruals	(2,314)	(2,800)
Cash generated from operations	9,548	6,499
Income tax paid	(1,631)	(2,023)
Net cash from operating activities	7,917	4,476
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,791)	(689)
Proceeds from disposal of property, plant and equipment	36	12
Interest received	3,137	506
Decreased/(Increased) in fixed deposit pledged with licensed bank	21,047	(781)
Net cash generated from / (used in) investing activities	21,429	(952)
Cash flows from financing activities		
Repayment of term loans	(240)	(161)
Net payment of hire purchase payables	(1,302)	(1,030)
Proceed from allotment of share	-	1
Finance costs paid	(336)	(379)
Net cash used in financing activities	(1,878)	(1,569)
Net change in cash and cash equivalents	27,468	1,955
Effect of exchange difference	29	199
Cash and cash equivalents at beginning of period	27,397	31,672
Cash and cash equivalents at end of period	54,894	33,826



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST QUARTER  
ENDED 30 SEPTEMBER 2016 *(Continued)*

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

	Current Quarter Ended 30.09.2016 (RM'000)	Preceding Year Corresponding Quarter Ended 30.09.2015 (RM'000)
Purchase of :		
Property, plant and equipment	4,092	689
Financed by:		
Cash payments and other payables	2,791	689
Hire-purchase	1,301	-
	<u>4,092</u>	<u>689</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 2016 and the accompanying explanatory notes attached to the interim financial statements.



## GD EXPRESS CARRIER BHD

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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 2016.

#### 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 2016.

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

In the current financial period, the Group have adopted revised Standards and Amendments issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual periods beginning on or after 1 July 2016 as follows:

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plant
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Amendments to MFRSs	Annual Improvements to MFRSs 2012 - 2014 Cycle

The adoption of these revised Standards and Amendments has not affected the amounts reported in the financial statements of the Group for the current period and prior years.

##### Standards and Amendments in Issue but Not Yet Effective

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



MFRS 9	Financial Instruments <sup>1</sup>
Amendments to MFRS 9 and MFRS 7	Mandatory Effective Date of MFRS9 and Transition Disclosures <sup>1</sup>
MFRS 15	Revenue from Contracts with Customers <sup>1</sup>
MFRS 16	Leases <sup>4</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to MFRS 107	Disclosure Initiative <sup>3</sup>
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses <sup>3</sup>

- 1 Effective for annual periods beginning on or after 1 January 2018.
- 2 Effective date of the Amendments which was originally for annual periods beginning on or after 1 January 2016, have been deferred to a date to be announced by the MASB.
- 3 Effective for annual periods beginning on or after 1 January 2017.
- 4 Effective for annual periods beginning on or after 1 January 2019. Earlier application is permitted provided MFRS 15 is also applied.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group in the period of initial application except as discussed below:

#### MFRS 9 Financial Instruments

MFRS 9 (IFRS 9 issued by IASB in July 2015) introduces new requirements for the classification and measurement of financial assets and financial liabilities and for derecognition.

#### Key requirements of MFRS 9:

- ◆ all recognised financial assets that are within the scope of MFRS 139 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at fair values at the end of subsequent accounting periods. In addition, under MFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of equity instruments (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- ◆ with regard to the measurement of financial liabilities designated as at fair value through profit or loss, MFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under MFRS 139, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.
- ◆ in relation to the impairment of financial assets, MFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under MFRS 139. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.





- ♦ the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in MFRS 139. Under MFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The Directors are currently assessing the impact of adoption of MFRS 9 and have not made any accounting policy decision. Thus, the impact of adopting the new MFRS 9 on the Group's annual financial statements cannot be determined now until the process is completed.

#### MFRS 15 Revenue from Contracts with Customers

In May 2015, MFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contract with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition.

- Step 1: Identify the contract with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in MFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by MFRS 15.

The Directors are currently assessing the impact on adoption of MFRS 15 on the amounts reported and disclosures in the financial statements. However, it is not practicable to provide a reasonable estimate of the effect of MFRS 15 until the Group completes a detailed review.

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## MFRS 16 Leases

MFRS 16 specifies how an MFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with MFRS 16's approach to lessor accounting substantially unchanged from its predecessor, MFRS 117.

At lease commencement, a lessee will recognise a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessees shall use their incremental borrowing rate.

The Directors anticipate that the application of MFRS 16 in the future may have an impact on the amounts reported and disclosures made in the Group financial statements. However, it is not practicable to provide a reasonable estimate of the effect of MFRS 16 until the Group performs a detailed review.

### 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 normally be affected by the numerous public and festive holidays during the quarter and period under review.

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

During the current quarter and period under review, there were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence.

### 5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the current quarter and period under review.

### 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 current quarter and period under review.



7. DIVIDEND PAID

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

	2017	Year Ended 30 June
	30 June 2016	30 June 2015
First and final dividend for the financial year		
Approved and declared on	-	2 December 2015
Date paid	-	10 February 2016
Number of ordinary shares on which dividends were paid	-	1,248,851,284
Amount per share (Single-tier)	-	1.000 sen
Dividend Reinvestment Plan (Total shares issued)	-	8,329,099
Net dividend paid in cash (RM'000)	-	677*

As announced on 10 February 2016, the Company had issued 8,329,099 new ordinary shares of RM0.05 each in the Company pursuant to the Dividend Reinvestment Plan ("DRP), which represented approximately 94.59% of the total number of 8,805,147 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 11 February 2016. The net dividend in cash after the new shares issued amounted to RM677,018 was paid on 10 February 2016.

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

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

	Current Quarter		Period Ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	3,137	506	3,137	506
Other income	21	80	21	80
Interest expense	(336)	(379)	(336)	(379)
Depreciation and amortization	(2,539)	(2,124)	(2,539)	(2,124)
Provision for doubtful debts	-	-	-	-
Bad debts written off	-	-	-	-
Foreign exchange gain or loss	-	-	-	-
Provision for retirement benefits	-	-	-	-
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 period ended 30 September 2016.

### Operating Segments

	Group			
	Segment Revenue		Segment Profit / (Loss)	
	Period Ended		Period Ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Express delivery	57,194	49,683	10,254	6,722
Logistics	823	1,783	(298)	837
Total	<u>58,017</u>	<u>51,466</u>	<u>9,956</u>	<u>7,559</u>
Finance costs			(336)	(379)
Profit before tax			<u>9,620</u>	<u>7,180</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:

Segment Assets	Carrying Amount of Segment Assets As At	
	30.09.2016	30.09.2015
	(RM'000)	(RM'000)
Express delivery	434,299	183,721
Logistics	<u>4,242</u>	<u>5,795</u>
	438,541	189,516
Unallocated corporate assets		
- Tax recoverable	<u>1,623</u>	<u>2,086</u>
	<u>440,164</u>	<u>191,602</u>



	Carrying Amount of Segment Liabilities As At	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Segment Liabilities		
Express delivery	41,522	41,147
Logistics	299	105
	<u>41,821</u>	<u>41,252</u>
Unallocated liabilities		
- Tax liabilities	501	58
- Deferred tax liabilities	2,898	2,439
	<u>45,220</u>	<u>43,749</u>
Other segment information		
Additions to non-current assets		
- Express delivery	4,000	564
- Logistics	92	125
Depreciation and amortisation		
- Express delivery	2,439	2,030
- Logistics	100	94
	<u>100</u>	<u>94</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			
	Revenue by Geographical Market For the Quarter Ended		Carrying Amount of Segment Non-Current Assets As at	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Malaysia	57,806	51,117	69,307	65,257
Singapore	211	349	281	417
Total	<u>58,017</u>	<u>51,466</u>	<u>69,588</u>	<u>65,674</u>

#### 10. 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 period under review.



11. CHANGES IN THE COMPOSITION OF THE GROUP

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

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

13. CAPITAL COMMITMENTS

All capital commitments undertaken have been included in the financial statements for the current quarter and period under review.

14. RELATED PARTY TRANSACTIONS

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

	Transaction Value Three Months Ended		Balance Outstanding As At	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
<u>Revenue</u>				
Provision of express delivery services				
- Singapore Post Limited	7	18	7	19
- Quantium Solutions International(Malaysia) Sdn Bhd	685	610	673	586
- Quantium Solutions Singapore Pte Ltd	33	190	34	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 first quarter ended 30 September 2016 versus the same quarter in Year 2015

##### Group Performance

	Current Quarter Three Months Ended		Cumulative Quarter Three Months Ended	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Revenue	58,017	51,466	58,017	51,466
Profit Before Taxation	9,620	7,180	9,620	7,180

Current quarter group revenue increased by RM6.551 million or 12.7%, as compared to the preceding year corresponding quarter. Group profit before tax reported in the current quarter increased by 34.0% or RM2.440 million to RM9.620 million from RM7,180 million reported in the preceding year corresponding quarter.

The improved performance was mainly due to increase in business volume as a result of the increased in demand of the courier services for e-commerce business during the quarter and financial period ended 30 September 2016 under review.

##### Segmental Performance

	Courier Services Cumulative Quarter Three Months Ended		Logistics Services Cumulative Quarter Three Months Ended	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Revenue	57,194	49,683	823	1,783
Profit/(loss) Before Taxation	9,918	6,343	(298)	837

##### Courier Services

The revenue reported in courier services for the current quarter ended 30 September 2016 increased by 15.1% or RM7.511 million as compared to RM49.683 million reported in the corresponding quarter ended 30 September 2015. The profit before taxation for the current quarter ended 30 September 2016 increased by 56.4% or RM3.575 million as compared to RM6.343 million reported in the corresponding quarter ended 30 September 2015 which was mainly due to positive sales growth during the current quarter under review.



Logistics Services

The revenue reported in the logistics services for the current quarter ended 30 September 2016 was RM0.823 million, reduced by 53.8% or RM0.960 million as compared to corresponding quarter ended 30 September 2015. The loss before taxation reported in the current quarter under review was RM0.298 million, decreased by 135.6% or RM1.135 million as compared to the profit before tax of RM0.837 million reported in the previous year corresponding quarter ended 30 September 2015.

The performance in the logistics segment had declined under the current quarter and period ended 30 September 2016 under review is mainly due to decline in demand of warehousing services. However, the logistics segment will continue to play an important role to support the courier services segment by providing warehousing, forwarding, distribution and pick and pack services.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Group Performance

	30.09.2016 (RM'000)	3 Months Ended 30.06.2016 (RM'000)
Revenue	58,017	58,862
Profit Before Taxation	9,620	15,437

Group revenue for the current quarter under review was slightly lower by RM0.845 million or 1.4% compared to RM 58.862 million recorded for the preceding quarter, basically due to slow in demand of e-commerce business immediate after the festive season, as compared to immediate preceding quarter.

Profit before tax for the Group decreased by RM5.817 million or 37.7% in the current quarter under review as compared to the preceding quarter, basically due to increase in operating costs, especially the manpower cost, premises rental expenses, and supplies costs which to cater and ready for the business expansion and growth in the e-commerce business transactions.

Segmental Performance

	Courier Services Three Months Ended		Logistics Services Three Months Ended	
	30.09.2016 (RM'000)	30.06.2016 (RM'000)	30.09.2016 (RM'000)	30.06.2016 (RM'000)
Revenue	57,194	57,843	823	1,019
Profit Before Taxation	9,918	15,406	(298)	31

Courier Services

The total revenue generated from courier services for the current quarter under review was RM57.194 million, which was RM0.649 million or 1.1% slightly lower than the immediate preceding quarter of M57.843 million. The profit before taxation reported in current quarter was RM9.918 million, which was RM5.488 million or 35.6% lower than the immediate preceding quarter of RM15.406 million.





### Logistics Services

The revenue generated from logistics services for the current quarter under review was RM0.823 million, which was RM0.196 million or 19.2% lower than the immediate preceding quarter of RM1.019 million. The loss before taxation reported was RM0.298 million, decreased by 1061.3% or RM0.329 million as compared to the immediate preceding quarter profit of RM0.031 million.

#### 3. COMMENTARY ON PROSPECTS

Despite being buffeted by many global and domestic headwinds, the Malaysian economy continued to be resilient in the second half of calendar year 2016. With the entrance of new competitors, the existing players are getting more aggressive thus creating intense competition in the market. The Group however remains optimistic and expects to make steady progress in earnings and performance due to the growing popularity of e-commerce business.

#### 4. VARIANCE FROM PROFIT FORECAST

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

#### 5. TAXATION

Taxation in respect of the current financial quarter and period ended 30 September 2016 comprises the following:

	Current Quarter Three Months Ended		Cumulative Quarter Three Months Ended	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Income Tax:-				
Current quarter/year provision	1,664	890	1,664	890
Deferred Tax:-				
Current quarter/year provision	(150)	-	(150)	-
	<u>1,514</u>	<u>890</u>	<u>1,514</u>	<u>890</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.

#### 6. UTILISATION OF PROCEEDS

The Group 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

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:

	2016 (RM'000)	As at 30 September 2015 (RM'000)
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	5,768	4,554
Term loans	946	532
Long term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	13,019	10,755
Term loans	5,476	11,697
Total borrowings	25,209	27,538

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

On 10 February 2016, the Company paid a final single tier dividend of 1.00 sen per share amounting to RM12.488 million in respect of the financial year ended 30 June 2015 which was approved by the shareholders in the Twelfth Annual General Meeting of the Company held on 2 December 2015. The dividend was paid by way of DRP amounting to RM11.811 million and cash amounting to RM0.677 million.

The Directors had proposed a final single tier dividend of 1.00 sen per share amounting to approximately RM13.8 million in respect of the financial year ended 30 June 2016. 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 2016.

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



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		Period Ended	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Net profit attributable to ordinary shareholders	8,106	6,290	8,106	6,290
Weighted average number of ordinary share in issue (units)	<u>1,383,239,537</u>	<u>1,236,331,308</u>	<u>1,383,239,537</u>	<u>1,236,331,308</u>
Basic earnings per share (sen)	<u>0.59</u>	<u>0.51</u>	<u>0.59</u>	<u>0.51</u>

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		Period Ended	
	30.09.2016 (RM'000)	30.09.2015 (RM'000)	30.09.2016 (RM'000)	30.09.2015 (RM'000)
Net profit attributable to ordinary shareholders	<u>8,106</u>	<u>6,290</u>	<u>8,106</u>	<u>6,290</u>
Weighted average number of ordinary share in issue (units)	1,383,239,537	1,236,331,308	1,383,239,537	1,236,331,308
Adjustment for share warrants	<u>3,500,639</u>	<u>12,224,653</u>	<u>3,500,639</u>	<u>12,224,653</u>
Weighted average number of ordinary share in issue (units)	<u>1,386,740,176</u>	<u>1,248,555,961</u>	<u>1,386,740,176</u>	<u>1,248,555,961</u>
Diluted earnings per share (sen)	<u>0.59</u>	<u>0.50</u>	<u>0.59</u>	<u>0.50</u>

12. REALISED AND UNREALISED EARNINGS DISCLOSURE

	As At	As At
	30.09.2016 (RM'000)	30.06.2016 (RM'000)
Total Retained Earnings of the Group:		
- Realised	93,794	85,815
- Unrealised	<u>(2,898)</u>	<u>(3,048)</u>
	90,896	82,767
Consolidation adjustments	<u>6,132</u>	<u>6,155</u>
Total retained earnings	<u>97,028</u>	<u>88,922</u>



13. AUDIT REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's annual financial statements for the year ended 30 June 2016 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 24 November 2016.

By Order of the Board

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

Selangor Darul Ehsan  
Date: 24 November 2016