



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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2018

	Current Quarter Three Months Ended 30 June		Year Ended 30 June	
	Unaudited	Audited	Unaudited	Audited
	2018	2017	2018	2017
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	74,360	64,867	292,988	250,510
Operating expenses	(62,369)	(53,202)	(258,252)	(217,058)
Other operating income	2,564	3,245	11,729	12,254
Profit from operations	14,555	14,910	46,465	45,706
Finance costs	(524)	(399)	(1,874)	(1,393)
Share of post-tax profit of associated company	40	119	16	161
Profit before tax	14,071	14,630	44,607	44,474
Taxation	(7,549)	(3,117)	(20,980)	(7,645)
Net profit for the quarter/year	6,522	11,513	23,627	36,829
Other comprehensive income:				
Foreign currency translation differences for foreign operations	8	(22)	(124)	110
	8	(22)	(124)	110
Total comprehensive income for the quarter/year	6,530	11,491	23,503	36,939
Profit attributable to owners of the company	6,522	11,513	23,627	36,829
Comprehensive income attributable to owners of the company	6,530	11,491	23,503	36,939
Earnings per share :				
Basic EPS (sen)	0.12	0.21	0.42	0.66
Fully diluted EPS (sen)	0.11	0.20	0.40	0.65

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 2017 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 JUNE 2018

	Unaudited 30.06.2018 (RM'000)	Audited 30.06.2017 (RM'000)
ASSETS		
Non-current Assets		
Property, plant and equipment	85,850	68,061
Prepaid lease payments	21,507	22,038
Investment Properties	17,200	-
Investment in associated company	5,677	5,661
Investment in convertible bonds	10,380	10,380
Goodwill	1,097	-
	141,711	106,140
Current Assets		
Inventories	1,078	1,555
Trade receivables	51,011	49,867
Other receivables and prepaid expenses	17,558	12,215
Tax recoverable	2,895	1,916
Short term investment	17,036	-
Deposits with licensed banks	253,637	289,578
Cash and bank balances	32,640	16,760
	375,855	371,891
Total Assets	517,566	478,031
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	327,809	313,837
Reserves	121,872	112,311
Total Equity	449,681	426,148
Non-Current Liabilities		
Hire-purchase payables – non-current portion	26,064	21,281
Provision for retirement benefits	325	282
Deferred tax liabilities	4,452	4,047
Total Non-current Liabilities	30,841	25,610
Current liabilities		
Trade payables	2,038	3,185
Other payables and accrued expenses	19,665	14,230
Hire-purchase payables - current portion	15,154	8,392
Provision for taxation	187	466
Total Current Liabilities	37,044	26,273
Total Liabilities	67,885	51,883
Total Equity And Liabilities	517,566	478,031
Net Assets per share attributable to owners of the company (RM)	0.08	0.08



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 2017 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 CHANGES IN EQUITY FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2018

	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 2016	69,162	228,421	304	88,922	386,809
Profit for the year	-	-	-	36,829	36,829
Other comprehensive income	-	-	110	-	110
Total comprehensive income for the year	-	-	110	36,829	36,939
Transactions with owners					
Arising from warrants exercised	125	3,222	-	-	3,347
Arising from dividend reinvestment plan	13,146	-	-	(13,146)	-
Arising from bonus issued	209,109	(209,109)	-	-	-
Dividends	-	-	-	(708)	(708)
Corporate exercise expenses	-	(239)	-	-	(239)
Transfer arising from "no par value" regime	22,295	(22,295)	-	-	-
	244,675	(228,421)	110	22,975	39,339
At 30 June 2017	313,837	-	414	111,897	426,148
At 1 July 2017	313,837	-	414	111,897	426,148
Profit for the year	-	-	-	23,627	23,627
Other comprehensive income	-	-	(124)	-	(124)
Total comprehensive income for the year	-	-	(124)	23,627	23,503
Transactions with owners					
Arising from warrants exercised	702	-	-	-	702
Dividends	13,270	-	-	(13,942)	(672)
	13,972	-	(124)	9,685	23,533
At 30 June 2018	327,809	-	290	121,582	449,681

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 2017 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	30.06.2018 (RM'000)	Year Ended 30.06.2017 (RM'000)
Cash flows from operating activities		
Profit for the year	23,627	36,829
Adjustments for non-cash items	27,743	8,452
Operating profit before changes in working capital	51,370	45,281
(Increase)/Decrease in working capital		
Inventories	476	(338)
Receivables, deposits and prepayment	(6,457)	(5,026)
Payables and accruals	4,015	(1,265)
Cash generated from operations	49,404	38,652
Net Income tax paid	(22,052)	(6,941)
Net cash from operating activities	27,352	31,711
Cash flows from investing activities		
Subscription of investment in an associates	-	(5,500)
Subscription of Investment in convertible bond	-	(10,380)
Consideration paid for acquisition of a subsidiary	(19,300)	-
Short term investment	(17,036)	-
Addition to property, plant and equipment	(9,150)	(14,307)
Addition to prepaid lease payments	-	(1,843)
Proceeds from disposal of property, plant and equipment	352	143
Interest received	11,356	11,538
Net (increased)/decreased in fixed deposit pledged with licensed bank	(22,002)	48,480
Increase in deposits paid for property, plant and equipment	-	(367)
Net cash generated from / (used in) investing activities	(55,780)	27,764
Cash flows from financing activities		
Repayment of term loans	-	(6,661)
Net payment of hire purchase payables	(11,944)	(6,540)
Proceed from allotment of shares	702	3,108
Corporate exercise expenses	-	-
Dividends paid	(672)	(708)
Finance costs paid	(1,873)	(1,393)
Net cash used in financing activities	(13,787)	(12,194)
Net change in cash and cash equivalents	(42,215)	47,281
Effect of exchange difference	(145)	94
Cash and cash equivalents at beginning of year	74,772	27,397
Cash and cash equivalents at end of year	32,412	74,772



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2018 *(Continued)*

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

	30.06.2018 (RM'000)	Year Ended 30.06.2017 (RM'000)
Purchase of :		
Property, plant and equipment	31,324	31,732
Financed by:		
Cash payments and other payables	9,150	14,307
Hire-purchase	23,488	17,425
	<u>32,638</u>	<u>31,732</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 2017 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 2017.

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 2017.

Adoption of New and Revised Malaysian Financial Reporting Standards ("MFRSs")

In the current financial year, the Group have applied the new Standard and Amendments to MFRSs 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 2017 as follows:

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRSs contained in the document entitled Annual Improvement MFRSs 2014 – 2016 Cycle.	

The adoption of these new Standards and Amendments did not have any effect on the financial performance or position of the Group in the current year and prior years.

New and Revised Standards, Amendments and Issues Committee Interpretations ("IC Interpretation") in issue but not yet effective

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

MFRS 9	Financial Instruments ¹
MFRS 15	Revenue from Contracts with Customers ¹
MFRS 16	Leases ²
MFRS 17	Insurance Contracts ³
Amendments to MFRS 2	Classification and Measurement of Share-Based Payment Transactions ¹



Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts ¹
Amendments to MFRS 9	Prepayment Features with Negative Compensation ²
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement ²
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures ²
Amendments to MFRS 140	Transfer of Investment Property ¹
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration ¹
IC Interpretation 23	Uncertainty over Income Tax Payments ²
Amendments to MFRSs	Annual Improvements to MFRSs 2014-2016 Cycle ¹

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

² Effective for annual periods beginning on or after 1 January 2019.

³ Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective for annual periods beginning on or after a date to be determined.

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 and disclosed in the audited financial statements for the financial year ended 30 June 2017.

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 financial year under review.

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

During the current quarter and financial year ended 30 June 2018 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 financial year ended 30 June 2018 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 financial year ended 30 June 2018 under review, except for the followings:-



- (i) As announced on 9 January 2018, issuance of 624,592 ordinary shares pursuant to the exercise of 624,592 warrants "B" at an exercise price of RM0.3825 per ordinary share and was listed on 10 January 2018. The issued and paid up share capital increased from RM313,836,577 comprising of 5,576,236,692 ordinary shares to RM314,075,483 comprising of 5,576,7861,2814 ordinary shares.
- (ii) As announced on 8 February 2018, the Company had issued 24,552,737 ordinary shares at the issued price of RM0.5405 per ordinary share, pursuant to the Dividend Reinvestment Plan ("DRP") and was listed on 13 February 2018. The issued and paid up share capital increased from RM314,075,483 comprising of 5,576,861,284 ordinary shares to RM327,346,237 comprising of 5,601,414,021 ordinary shares.
- (iii) As announced on 13 February 2018, issuance of 1,210,172 ordinary shares pursuant to the exercise of 1,210,172 warrants "B" at an exercise price of RM0.3825 per ordinary share and was listed on 14 February 2018. The issued and paid up share capital increased from RM327,346,237 comprising of 5,601,414,021 ordinary shares to RM327,809,128 comprising of 5,602,624,193 ordinary shares.

7. DIVIDEND PAID

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

	2018	Year Ended 30 June 2017
First and final dividend for the financial year	30 June 2017	30 June 2016
Approved and declared on	6 December 2017	6 December 2016
Date paid	12 February 2018	17 February 2016
Number of ordinary shares on which dividends were paid	5,576,861,284	1,385,416,456
Amount per share (Single-tier)	0.25 sen	1.000 sen
Dividend Reinvestment Plan (Total shares issued)	24,552,737	8,632,275
Net dividend paid in cash (RM'000)	<u>672*</u>	<u>708*</u>

* As announced on 8 February 2018, the Company had issued 24,552,737 new ordinary shares pursuant to the Dividend Reinvestment Plan ("DRP").

The new shares represented approximately 95.18% of the total number of 25,794,917 new ordinary 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 during the financial year ended 30 June 2017. The said new shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 13 February 2018. The net dividend in cash after the new shares issued amounted to RM672,090 was paid on 12 February 2018.

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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	
	2018	2017	2018	2017
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	2,506	2,613	11,356	11,538
Other income	8	632	322	716
Interest expense	(524)	(399)	(1,874)	(1,393)
Depreciation and amortization	(4,080)	(3,251)	(14,947)	(11,398)
Impairment loss on Goodwill	(949)	N/A	(949)	N/A
Impairment loss/(Reversal of impairment loss) on trade receivables	(381)	378	(381)	378
Bad debts written off	(329)	(526)	(329)	(526)
Realised foreign exchange gain or loss	(95)	(43)	(95)	(43)
Property, plant and equipment written off	N/A	(11)	N/A	(11)
Provision for retirement benefits	(41)	(39)	(41)	(39)
Provision for and write off of inventories	N/A	N/A	N/A	N/A
Impairment of Property, plant & equipment	N/A	N/A	N/A	N/A
Exceptional items	N/A	N/A	N/A	N/A

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9. OPERATING SEGMENTS

The Group has three 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 financial year ended 30 June 2018.

Operating Segments

	Group			
	Segment Revenue Year Ended 30 June		Segment Profit / (Loss) Year Ended 30 June	
	2018 (RM'000)	.2017 (RM'000)	2018 (RM'000)	2017 (RM'000)
Express delivery	286,094	246,122	48,135	45,718
Logistics	6,528	4,388	652	(229)
Property Investment	366	-	(976)	-
Total	292,988	250,510	47,811	45,489
Finance costs			(1,874)	(1,393)
Impairment loss on Goodwill			(949)	-
Impairment loss/(Reversal of impairment loss) on trade receivables - net			(381)	378
Profit before tax			44,607	44,474

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 And Liabilities As At 30 June	
	2018 (RM'000)	.2017 (RM'000)
	Segment Assets	
Express delivery	467,047	473,234
Logistics	3,668	2,881
Property investment	43,956	-
	514,671	476,115
Unallocated corporate assets		
- Tax recoverable	2,895	1,916
	517,566	478,031



	As At 30 June	
	2018 (RM'000)	.2017 (RM'000)
Segment Liabilities		
Express delivery	62,276	47,121
Logistics	399	249
Property investment	571	-
	63,246	47,370
Unallocated liabilities		
- Tax liabilities	187	466
- Deferred tax liabilities	4,452	4,047
	67,885	51,883
Other segment information		
Additions to property, plant and equipment		
- Express delivery	31,560	31,161
- Logistics	295	211
- Property investment	783	-
Depreciation and amortisation		
- Express delivery	13,608	10,975
- Logistics	401	422
- Property investment	938	-
	938	-

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 Year Ended 30 June		Carrying Amount of Segment Non-Current Assets As At 30 June	
	2018	2017	2018	.2017
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Malaysia	291,845	249,614	141,677	105,967
Singapore	1,143	896	34	173
Total	292,988	250,510	141,711	106,140

10. MATERIAL EVENTS SUBSEQUENT TO END OF THE YEAR

Between the end of the current financial year 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 financial year ended 30 June 2018 under review.



11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and financial year ended 30 June 2018 under review which including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations except for the followings:-

As announced on 26 October 2017, GD Facilities & Assets Management Sdn Bhd (Company No: 715516-V) ("GD Facilities & Assets Management"), the 100% wholly owned subsidiary of the Company, entered into Conditional Share Sale Agreement ("SSA") with Abric Berhad (Company No: 187259-W) ("ABRIC") for the acquisition of 2,000,000 ordinary shares, representing 100% equity interest in Abric Properties Sdn Bhd(Company No: 81666-M) ("Abric Properties"), a wholly owned subsidiary of ABRIC for a total consideration of RM19,300,000. As announced on 15 January 2018, the Condition Precedent in the SSA has been fulfilled and the acquisition has been completed on the same date. Upon completion of this acquisition, Abric Properties had become a 100% wholly owned subsidiary of GD Facilities & Assets Management.

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 financial year ended 30 June 2018 under review.

14. 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 30 June		As At 30 June	
	2018	2017	2018	2017
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue				
Provision of express delivery services				
- Singapore Post Limited	3	5	1	2
- Quantum Solutions International(Malaysia) Sdn Bhd	551	737	344	539
- Quantum Solutions Singapore Pte Ltd	27	33	26	34
- Yamato Transport (M) Sdn Bhd	354	63	362	41
Expenses				
Provision of advisory services				
-Yamato Asia Pte Ltd	(25)	(54)	(11)	(20)
Provision and development of software solution				
-Web Bytes Sdn Bhd	(33)	-	(30)	-



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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 fourth (4th) quarter ended 30 June versus the 30 June 2017

Group Performance

	Current Quarter Three Months Ended 30 June		2018 (RM'000)	Year Ended 30 June 2017 (RM'000)
	2018 (RM'000)	2017 (RM'000)		
Revenue	74,360	64,867	292,988	250,510
Profit Before Taxation	14,071	14,630	44,607	44,474

Group revenue for the current quarter and financial year ended 30 June 2018 under review increased by 14.6% and 17.0% respectively as compared to the preceding year corresponding quarter and financial year ended 30 June 2017.

Group profit before tax decreased 3.8% for the current quarter under review as compared to preceding year corresponding quarter due to aggressive network expansion. The group profit before tax for the financial year ended 30 June 2018 increased 0.3% as compared to last financial year ended 30 June 2017.

Segmental Performance

	Courier Services Current Quarter Ended 30 June		Logistics Services Current Quarter Ended 30 June		Property Investment Current Quarter Ended 30 June	
	2018 (RM'000)	2017 (RM'000)	2018 (RM'000)	2017 (RM'000)	2018 (RM'000)	2017 (RM'000)
Revenue	72,747	63,411	1,533	1,456	80	-
Profit/(loss) Before Taxation	14,627	14,831	92	(201)	(648)	-

Courier Services

The revenue for the current quarter ended 30 June 2018 increased 14.7% and profit before taxation decreased 1.4% respectively as compared to the corresponding quarter ended 30 June 2017. Better revenue reported in the current quarter under review mainly due to positive sales growth, as a result of higher demand of express delivery for e-commerce business. However, there was a decline in profit before taxation which mainly due to higher operating expenses incurred for network expansion as well as intense competition in the market.



Logistics Services

The revenue for the current quarter ended 30 June 2018 increased 5.3% as compared to the preceding year corresponding quarter ended 30 June 2017. The profit before tax increased 145.8% as a result of increased in “value added service” to support the courier service segment.

Property Investment

The revenue and loss before tax for the current quarter ended 30 June 2018 increased 100% as this is the new segment adopted for the current quarter under review, mainly contributed from rental income for properties rented.

2. COMPARISON WITH PRECEDING QUARTER’S RESULTS

Group Performance

	30 June 2018 (RM'000)	3 Months Ended 31 March 2018 (RM'000)
Revenue	74,360	73,402
Profit Before Taxation	14,071	9,192

Group revenue for the current quarter under review increased 1.3% compared to the preceding quarter ended 31 March 2018.

Group profit before tax reported in the current quarter increased 53.1% as compared to the preceding quarter ended 31 March 2018, due to positive growth in revenue and effective cost monitoring during the current quarter under review.

Segmental Performance

	Courier Services		Logistics Services		Property Investment	
	Current Quarter Ended 30 June	31 March	Current Quarter Ended 30 June	31 March	Current Quarter Ended 30 June	31 March
	2018 (RM'000)	2018 (RM'000)	2018 (RM'000)	2018 (RM'000)	2018 (RM'000)	2018 (RM'000)
Revenue	72,747	71,449	1,533	1,666	80	287
Profit/(loss) Before Taxation	14,627	10,423	92	46	(648)	(1,277)

Courier Services

Total revenue and profit before taxation reported in the current quarter increased 1.8% and 40.3% respectively as compared to the immediate preceding quarter ended 31 March 2018. Better performance in the current quarter under review mainly due to higher demand of express delivery services by e-commerce business and effective cost monitoring.



Logistics Services

The revenue from logistics services for the current quarter under review declined 8.0%, and profit before tax increased 100.0% as compared to immediate preceding quarter ended 31 March 2018. Improved performance of logistics services mainly due to increase in “value added service” to support the courier service segment.

Property Investment

The revenue and loss before tax for the current quarter ended 30 June 2018 decreased 72.1% and 49.3% as this is the new segment adopted for the current quarter under review, mainly contributed from rental income for properties rented.

3. COMMENTARY ON PROSPECTS

The Group remains optimistic and expects to make steady progress in performance due to the growing popularity in e-commerce business. Nevertheless, the Group continues to expect more intense competition in the express delivery industry, with some impact on its business margin. We will continue to invest in resources and infrastructure to expand domestic and regional network, as well as pro-actively seeking further strategic investment opportunities.

4. VARIANCE FROM PROFIT FORECAST

No profit forecast was issued during the quarter and financial year ended 30 June 2018 under review.

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5. TAXATION

Taxation in respect of the current quarter and financial year ended 30 June 2018 comprises the following:

	Current Quarter Three Months Ended 30 June		Year Ended 30 June	
	2018 (RM'000)	2017 (RM'000)	2018 (RM'000)	2017 (RM'000)
Income Tax:-				
Current quarter/period provision	3,053	1,462	12,188	6,263
Under provision in prior quarter/year	3,201	383	7,896	383
	<u>6,254</u>	<u>1,845</u>	<u>20,084</u>	<u>6,646</u>
Deferred Tax:-				
Current quarter/period provision	1,307	1,527	908	1,254
(over) provision in prior quarter/year	(12)	(255)	(12)	(255)
	<u>1,295</u>	<u>1,272</u>	<u>896</u>	<u>999</u>
	<u>7,549</u>	<u>3,117</u>	<u>20,980</u>	<u>7,645</u>

On 24 January 2014, GD Express Sdn Bhd ("GD Express"), the wholly-owned subsidiary company of GD Express Carrier Bhd ("GDEX"), was granted the Pioneer Certificate from Malaysian Investment Development Authority ("MIDA"), 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, commencing on 26 September 2012. The existing pioneer status tax incentive has lapsed on 25 September 2017. GD Express is currently in the process of applying the new tax incentive.

6. UTILISATION OF PROCEEDS

The Group has not raised any proceeds from any of its corporate exercise during the current quarter and financial year ended 30 June 2018 under review.

7. STATUS OF CORPORATE PROPOSALS

As announced on 26 October 2017, GD Facilities & Assets Management Sdn Bhd (Company No.715516-V) ("GD Facilities & Assets Management"), a wholly-owned subsidiary of the Company had on 26 October 2017 entered into a Conditional Share Sale Agreement ("SSA") with Abric Berhad (Company No. 187259-W) ("ABRIC") for the acquisition of 2,000,000 ordinary shares ("Sale Shares") representing 100% equity interest in Abric Properties Sdn Bhd (Company No. 82666-M) ("Abric Properties") a wholly-owned subsidiary of ABRIC for a total purchase consideration of RM19,300,000. Upon the completion of the Acquisition, Abric Properties shall become a wholly-owned subsidiary of the Purchaser. The above corporate proposal was completed subsequently on 15 January 2018.



As announced on 2 March 2018, GD Express Sdn Bhd (Company No: 347624-X) (“GDSB”) , a wholly owned subsidiary of the company had on 1 March 2018 entered into a Conditional Share Sale Agreement (“SSA”) with the shareholders of MBE Business Corporation Sdn Bhd (Company No: 311988-A) (“MBC”) and MBE Business Holding Sdn Bhd (Company No: 724584-K) (“MBH”) (collectively “MBE Malaysia”), for the proposed acquisition of 100% of the share capital of MBC and MBH for a total purchase consideration of RM4,000,000 and RM1,500,000 respectively. However, as announced on 2 May 2018, GDSB and the shareholders of MBE Malaysia had on the same date executed a confirmation letter confirming their mutual agreement to terminate the SSA. The termination of the Proposed Acquisition will not have any material impact on the existing business of financial position of the Group and GDSB.

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:

	2018 (RM'000)	As at 30 June 2017 (RM'000)
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	15,154	8,392
Long term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	26,064	21,282
Total borrowings	41,218	29,674

There was no unsecured debt during the current quarter and financial year ended 30 June 2018.

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 final single tier dividend of 0.25 sen per share amounting to approximately RM13.9 million in respect of financial year ended 30 June 2017 was approved by the shareholders at the Fourteenth (14th) Annual General Meeting of the company, held on 6 December 2017 and was paid on 12 February 2018 as disclosed in Note 7 in PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 above.



The Directors proposed a final single tier dividend of 0.20 sen per share in respect of the current financial year ended 30 June 2018. The proposed dividend which subject to the approval of shareholders at the forthcoming Annual General Meeting (AGM) of the company, had not been included as a liability in the financial statements for the financial year ended 30 June 2018.

Save as disclosed above, there were no other dividends declared during the current quarter and financial year ended 30 June 2018 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 year.

	Current Quarter Three Months Ended 30 June		Year Ended 30 June	
	2018 (RM'000)	2017 (RM'000)	2018 (RM'000)	2017 (RM'000)
Net profit attributable to ordinary shareholders	6,522	11,513	23,627	36,829
Weighted average number of ordinary share in issue (units)	5,586,223,268	5,576,236,692	5,586,223,268	5,549,336,936
Basic earnings per share (sen)	0.12	0.21	0.42	0.66

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:-

	Current Quarter Three Months Ended 30 June		Year Ended 30 June	
	2018 (RM'000)	2017 (RM'000)	2018 (RM'000)	2017 (RM'000)
Net profit attributable to ordinary shareholders	6,522	11,513	23,627	36,829
Weighted average number of ordinary share in issue (units)	5,586,223,268	5,576,236,692	5,586,223,268	5,549,336,936
Adjustment for share warrants	131,441,861	298,576,420	247,923,928	137,738,344
Weighted average number of ordinary share in issue (units)	5,717,665,129	5,874,813,112	5,834,147,196	5,687,075,280
Diluted earnings per share (sen)	0.11	0.20	0.40	0.65



13. AUDIT REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's annual financial statements for the year ended 30 June 2017 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 30 August 2018.

By Order of the Board

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

Selangor Darul Ehsan
Date: 30 August 2018