



GDEX BERHAD
(Registration No. 200301028159 (630579-A))

CHARTING A GREATER FUTURE

ANNUAL REPORT
2024



CONTENTS

1	GDEX Positioning Statement
2	Corporate Information
3	Group Structure
4	Chairman’s Statement
8	Charting a Greater Future
10	Group Chief Executive Officer’s Statement
16	Management Discussion and Analysis
21	5-Year Non-Financial Indicators (GDEX Group)
22	GDEX Purpose and Compass
24	Directors’ Profile
38	Key Management Profile
44	GDEX Graduation Day 2024
46	Corporate Sustainability Report 2024
98	Awards, Certifications, and Memberships
100	Corporate Governance Overview Statement
124	Additional Compliance Information
125	Statement on Risk Management and Internal Control
131	Audit and Risk Management Committee Report
136	5-Year Group Financial Highlights
139	Directors’ Responsibility Statement
140	Financial Statements
266	Analysis of Shareholdings
270	Analysis of Warrant C Holdings
273	Group Property Particulars
274	Notice of Twenty-First Annual General Meeting Form of Proxy



CHARTING A GREATER FUTURE

At GDEX Berhad, we are driven by a profound and unwavering purpose – to foster sustainable growth that paves the way for a brighter and more promising future. Our commitment goes beyond mobilising businesses; we aspire to unify commerce and create a seamless network of solutions to empower industries, people, and communities.

By harmonising the power of human potential with cutting-edge technology, we navigate a transformative journey where innovation serves as a stepping stone towards progress. We believe that the future of business lies in resilience and collaboration. As we continue to expand our reach, we are committed to building a strong, interconnected ecosystem where businesses thrive, growth is sustained, and value is created for all our stakeholders.

Together, we are charting a course for a future where connectivity enhances opportunity, innovation drives success, and sustainability becomes the foundation upon which we build lasting impact. We are GDEX, and we are shaping a future where growth and sustainability are inextricably linked, harnessed by the strength of both human ingenuity and technological advancement.

CORPORATE INFORMATION

BOARD OF DIRECTORS

TAN SRI MUHAMMAD BIN IBRAHIM
Independent Non-Executive Chairman

TEONG TECK LEAN
Managing Director/Group Chief Executive Officer

TEOH CHO MIN
*Executive Director/Chief Sustainability Officer
(Appointed on 1 September 2024)*

TEONG TSANG WHON
*Executive Director/
Head of Global Business Development
(Appointed on 1 September 2024)*

CHONG HUI CHUEN
*Alternate Director to Teoh Cho Min/
Chief Operating Officer
(Appointed on 1 September 2024)*

TAN KAY BENG
*Alternate Director to Teong Tsang Whon/
Chief Business and Partnership Officer
(Appointed on 1 September 2024)*

ISAAC MAH MING ZHI
*Non-Independent Non-Executive Director
(Appointed on 17 February 2025)*

NURAINI BINTI ISMAIL
Independent Non-Executive Director

LOW NGAI YUEN
Independent Non-Executive Director

DATO' AZMAN BIN MAHMUD
Independent Non-Executive Director

HO SWEE FONG
*Independent Non-Executive Director
(Appointed on 1 November 2024)*

YUJI NASHIMOTO
*Non-Independent Non-Executive Director
(Appointed on 1 February 2024)*

YIK YEN SHAN, VINCENT
*Non-Independent Non-Executive Director
(Resigned on 12 January 2025)*

HIROSHI ETANI
*Non-Independent Non-Executive Director
(Resigned on 1 February 2024)*

LEE KAH HIN
*Executive Director/Chief Investment Officer
(Resigned on 25 February 2024)*

LIM CHEE SEONG
*Executive Director/Chief Financial Officer
(Resigned on 14 August 2024)*

CHUA PUT MOY
*Independent Non-Executive Director
(Resigned on 1 November 2024)*

AUDIT AND RISK MANAGEMENT COMMITTEE

Nuraini binti Ismail (*Chairperson*)
Low Ngai Yuen
Ho Swee Fong

COMBINED NOMINATION AND REMUNERATION COMMITTEE

Ho Swee Fong (*Chairperson*)
Nuraini binti Ismail
Low Ngai Yuen

COMPANY SECRETARIES

Chin Wai Yi
(MAICSA 7069783)
SSM Practicing Certificate
No. 202008004409
Chia Siew Li
(MAICSA 7075719)
SSM Practicing Certificate
No. 202208000715

AUDITORS

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CORPORATE HEAD OFFICE

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SHARE REGISTRAR

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E-10-4, Megan Avenue 1
189, Jalan Tun Razak
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Wilayah Persekutuan
Malaysia
Tel : (603) 2181 0516
Fax : (603) 2181 0516
Website : www.gapadvisory.my
Email : ir.shareregistry@gapadvisory.my

PRINCIPAL BANKER

Malayan Banking Berhad
Registration No.: 196001000142 (3813-K)

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK NAME AND CODE

GDEX : 0078

WARRANT NAME AND CODE

GDEX-WC : 0078WC

GROUP STRUCTURE



GDEX BERHAD
(Registration No. 200301028159 (630579-A))

INVESTMENT HOLDING

Listed on
Main Market of Bursa
Malaysia Securities
Berhad

- Malaysia Subsidiary Companies
- Singapore Subsidiary Companies
- Indonesia Subsidiary Company
- Vietnam Subsidiary Company
- Cambodia Subsidiary Company
- Hong Kong Subsidiary Company
- Indonesia Associate Company



GREATER FUTURE

CHAIRMAN'S STATEMENT



CHAIRMAN'S STATEMENT

cont'd

DEAR ESTEEMED SHAREHOLDERS,

In 2024, the Malaysian economy demonstrated strong growth, achieving a growth rate of 5.1% on the back of a positive labour market and supportive government policies. This strong performance was fueled by strong investment activity and a sustained improvement in exports.

The e-commerce sector continued its upward trajectory, with Malaysia's courier shipments experiencing significant growth of 48% during the first nine months of 2024. Additionally, the parcels per capita reached a record high of 37 in 2024, surpassing the anticipated 30 parcels per capita by 2025, as outlined in the National Courier Accelerator Plan (PAKEJ) for the five-year period from 2021 until 2025.

To cater to this growing demand, the industry will require substantial additional investments. However, several factors are still concerning as the industry continues to face challenges, including unfair competition from foreign players employing price dumping tactics, which jeopardises the sustainability of the courier and logistics industry. Furthermore, inflationary pressure and persistent supply chain disruptions caused by geopolitical risks have further strained industry operations.

Against this background, the Malaysian Communications and Multimedia Commission (MCMC) introduced reference pricing for courier services in December 2024. This measure aims to ensure a fair and sustainable operating environment for all industry players. I hope this policy's intent will work and that enforcement measures are taken to ensure its effectiveness.

Given the vital role of this industry in Malaysia's economy, we are hopeful that the Ministry of Communications and Digital will continue to engage the stakeholders and develop the next strategic roadmap. This roadmap should empower domestic courier and logistic companies to emerge as regional champions, driving job creation, economic growth, and prosperity for the nation.

Despite the challenges faced throughout the year, the Group's financial performance for the financial year ended 31 December 2024 demonstrated a positive trajectory towards recovery. We remain steadfast in our pursuit of innovation and long-term profitability. Empowered by our transformative GDEX 2.0 strategy and a robust network across the region, we are well-positioned to navigate current and future challenges while seizing emerging opportunities.

TAN SRI MUHAMMAD BIN IBRAHIM

CHAIRMAN



CHAIRMAN'S STATEMENT

cont'd

UNIFYING COMMERCE IN ASEAN

In 2024, we continued to strengthen our GDEX 2.0 ecosystem through strategic partnerships. On 26 November 2024, we achieved a major milestone by formalising a strategic partnership with Shopify, a globally recognised commerce technology company.

Today, our ecosystem offers comprehensive end-to-end solutions, including logistics, e-commerce and website development, point-of-sale software solutions, and cybersecurity services. Our holistic approach is designed to help businesses seamlessly integrate their front-end and back-end operations, manage multichannel supply chains, and drive growth. By leveraging our regional presence in Southeast Asia, we facilitate smooth market connectivity for businesses and elevate Malaysian brands to become regional champions.

With a vision for enhanced global expansion, we aim to replicate our successful platform model across Southeast Asia and eventually extend our reach into key international markets. This strategic move will unlock new growth opportunities and accelerate our scalability on a wider stage.

To ensure our long-term success, we prioritise the development of our human capital. We have invested over 30,000 training hours to upskill our workforce, empowering them to embrace technological advancements and drive operational excellence.

As we look ahead, we are confident in our ability to adapt to evolving market dynamics and deliver sustainable value to our stakeholders. By embracing digital transformation, prioritising sustainability, and fostering strong partnerships, we are shaping the future of logistics.



2025 OUTLOOK: IGNITING GROWTH

The Ministry of Finance presents a positive outlook for Malaysia's economy in 2025, projecting a growth rate between 4.5% and 5.5%. This positive forecast is underpinned by the sustained strength of the services sector and a robust private sector performance. As the courier and logistics industry is highly correlated to economic growth, 2025 is expected to be a positive year for the industry.



CHAIRMAN'S STATEMENT

cont'd

According to the “e-Economy SEA 2024” report by Google, Temasek, and Bain & Company, Malaysia’s e-commerce value is projected to grow significantly by approximately 56%, reaching around USD25 billion from an estimated USD16 billion in 2024. In addition, the ongoing shift from marketplace platforms to direct brand operations offers significant opportunities for our Group. This trend is expected to drive demand for our comprehensive suite of services as businesses transition to this new model.

Building on these favourable economic conditions and the growing digital landscape, we anticipate that the Group will deliver positive earnings growth in 2025. Our strategic focus on innovation and responsiveness to market trends positions us well to capitalise on emerging opportunities and enhance our competitive advantage.



ACCOLADES AND APPRECIATION

GDEX has achieved remarkable recognition by winning a total of seven awards in 2024, both locally and globally. Among the most prestigious ones are the “2024 CIO 100” award at the IDC Foundry Events Asia Pacific and the “Best IT Project – Information Security” for the Artificial Intelligence Cyber Shield Project. These accolades recognised GDEX’s strategic initiatives and its growing stature in the fields of technology and innovation.

On behalf of the Board and senior management of GDEX, I express my deepest gratitude to our dedicated frontliners, affectionately known as “Abang-adik GDEX”, who tirelessly serve our customers day and night. Their commitment is the backbone of our success. I also want to acknowledge the strategic leadership of the GDEX management team in navigating the complexities of the business environment. Furthermore, I extend our sincere appreciation to our valued shareholders and business partners for their unwavering support.

I would like to place on record our appreciation to Mr Lim Chee Seong for his valuable contributions during his tenure as Executive Director on the Board and Chief Financial Officer of GDEX. Mr Lim resigned from his position on 14 August 2024 to pursue personal commitments and further academic studies.

On 1 September 2024, Mr Teoh Cho Min, who serves as the Chief Sustainability Officer of GDEX, joined the Board as an Executive Director. On the same day, Mr Teong Tsang Whon, Head of Global Business Development at GDEX, also joined the Board as an Executive Director. I warmly welcome both and look forward to their valuable insights as we navigate the evolving landscape.

Additionally, I extend my appreciation to Miss Chua Put Moy for her dedicated service as an Independent Non-Executive Director. Miss Chua resigned from her position on 1 November 2024 to focus on personal commitments. I am pleased to welcome Miss Ho Swee Fong as her successor, effective 1 November 2024.

As we move forward, I am confident that GDEX will continue to thrive and fulfill the aspirations of our stakeholders.

Tan Sri Muhammad Bin Ibrahim
Chairman



CHARTING A GREATER FUTURE

We at **GDEX** Berhad believe in paving the way for a future that is fuelled by innovation, service excellence, and most importantly, dedication. This journey that we have embarked on is not merely about delivering shipments, but rather, connecting communities and businesses for a meaningful and efficient future. By embracing pioneering technologies and sustainable practices, we are constantly evolving to meet the demands of a rapidly growing territory. As we look ahead with every delivery, interaction, and innovation powering our vision to create a more connected and brighter tomorrow, we are **CHARTING A GREATER FUTURE**.



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

During the financial year ended 31 December 2024 (FY2024), GDEX has demonstrated unwavering adaptability and resilience in navigating challenging business conditions. As we journey towards renewed growth, strategic transformation remains at the forefront of our agenda.

Our dedication to this transformation is stronger than ever, as we evolve from traditional delivery services to a comprehensive provider of integrated digital commerce solutions. This transformation positions us as a leading supply chain solutions provider, capable of meeting the diverse needs of our clientele.

The theme guiding our journey in 2024, "Unifying Commerce in ASEAN", underscores the vast opportunities that lie ahead. We are committed to deploying the right technologies and tools that facilitate seamless omnichannel integration, addressing the challenges faced by local businesses seeking rapid scalability in the region. Our ultimate goal is to elevate Malaysian and regional brands onto the global stage.

We remain steadfast in our pursuit of continuous innovation to future-proof our business model, ensuring we meet the insatiable needs of our customers while fostering growth in the digital economy. By leveraging our technological capabilities and strategic partnerships, we are poised to unlock new avenues for success and drive sustainable growth in the years to come.

EXPRESS DELIVERY AND LOGISTICS: CONTINUOUS IMPROVEMENT

After a challenging FY2022 and FY2023, which was marked by predatory pricing from industry players and inflationary pressures, our express delivery division has returned to profitability in FY2024. This improved financial performance was driven primarily by the acquisition of new customers and projects from prominent brands, along with effective cost management in our express delivery segment.

On the industry front, in December 2024, the Malaysian Communications and Multimedia Commission (MCMC) introduced a reference pricing for parcel delivery. This measure sets a minimum price for courier packages, ensuring a more conducive and sustainable operating environment for all industry players. We will continue to collaborate closely with key stakeholders such as MCMC, to foster a more progressive and efficient operating environment for the industry.

Meanwhile, our logistics segment, which provides logistics and warehouse fulfillment services to various clients, also recorded improved financial performance in FY2024. Following the cessation of business activities by a major customer in the fourth quarter of FY2023, we have been able to progressively onboard a variety of brands, thereby reducing client concentration risk and strengthening our overall business resilience.

In FY2024, we continued to strive for operational excellence and improve our turnaround time. By leveraging data analytics, we are able to enhance delivery speed and overall efficiency. Our advanced fleet management system plays a crucial role in monitoring and optimising the routes taken by our trucks, ensuring maximum productivity. We place a strong emphasis on both our people and processes to consistently deliver service quality that surpasses industry standards. Our state-of-the-art GDEX Auto Hub which commenced operations in May 2023, has tripled our sorting capacity to 350,000 shipments per day, positioning us well to meet future demand.

TEONG TECK LEAN

MANAGING DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICER



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd



As we anticipate significant future earnings from our IT division, we sought shareholders' approval at the Extraordinary General Meeting (EGM) on 11 June 2024. Shareholders overwhelmingly voted in favour of our proposed diversification plan into IT services. This marks a significant step in GDEX's strategy to become a comprehensive end-to-end solutions provider by integrating our express delivery and logistics expertise with the technology solutions provided by our IT investee companies.

Leveraging our ecosystem, GDEX nurtures our IT investee companies to achieve faster scalability, greater operational productivity, and reduced redundancy, drawing on our vast experience across multiple industries.

INFORMATION TECHNOLOGY: FUTURE PROOFING

In line with our GDEX 2.0 transformation initiatives, the Group acquired substantial equity stakes in three IT companies in 2022, namely Xilnex Holdings Sdn Bhd (formerly known as Web Bytes Sdn Bhd) ("Xilnex"), Sweetmag Solutions (M) Sdn Bhd (Sweetmag) and Anon Security Sdn Bhd (Anon). Our expanded portfolio of services now includes cloud-based smart retail solutions, bespoke e-commerce development, and cybersecurity solutions.

Our investee company, Xilnex, is making significant strides forward. Its flagship product, Xilnex, is one of the pioneering cloud-based point-of-sale (POS) solutions in the region and has secured more than 5,000 retail merchants as customers across ASEAN. Xilnex Holdings Sdn Bhd (formerly known as Web Bytes Sdn Bhd) is investing a major proportion of its revenue to further its growth in ASEAN.

Meanwhile, in 2024, Sweetmag, our e-commerce platform enabler, secured numerous new clients from diverse industries, such as the consumer and automobile industries. It has successfully completed several notable e-commerce migrations and launched new online platforms for its clients.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

As for Anon, our cybersecurity unit, it has secured additional distributorships from major cybersecurity principals. It has also expanded its customer base through its strong system integration capabilities. The escalating sophistication of cyber threats, coupled with the enforcement of the Cybersecurity Act since August 2024, presents significant long-term opportunities for Anon.

Partnerships make up a vital component of the GDEX 2.0 ecosystem, which allows us to broaden our ecosystem to offer more comprehensive solutions. Our strategic partners hail from various industries, such as insurance and cybersecurity, such as BlackBerry (through Anon). In FY2024, one of the notable partnerships established was with Shopify, with GDEX becoming Shopify's partner in Malaysia.

Collectively, our investee companies play a pivotal role in enhancing our GDEX 2.0 ecosystem, broadening our service offerings and delivering a more comprehensive value proposition for our clients. This integrated approach firmly establishes GDEX as the preferred partner for businesses seeking end-to-end supply chain solutions, reinforcing our leadership in driving innovation and efficiency within the industry. Our strategic partnership with Shopify will further enhance our market presence, enabling us to better support our clients' ambitions across the region.



EXCITING PATH FORWARD



Having successfully built our ecosystem in Malaysia, we are now poised to replicate this success regionally, with our initial focus on Indonesia and Vietnam. Our strategies include forging new strategic partnerships while deepening existing alliances to broaden our service offerings and accelerate scalability.

Looking ahead, we recognise significant opportunities to streamline our processes. By developing value-added shared services and enhancing automation through advanced artificial intelligence tools, we aim to operate more efficiently and optimise our resource allocation.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

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The year 2024 has brought a unique set of challenges for the logistics industry, requiring agility and adaptability. I am immensely proud of the dedication and resilience demonstrated by the entire GDEX team as we navigate these complexities.

Investing in our people remains a cornerstone of our success. GDEX was among the first in the industry to establish a learning academy focusing on Technical and Vocational Education and Training (TVET) programme for school leavers. In FY2024, we have provided valuable training to 5,584 employees. Notably, 46 employees obtained their Malaysia Skills Diploma, while 20 successfully completed the Level 3 Malaysian Skills Certificate (Sijil Kemahiran Malaysia), awarded by the Skills Development Department (JPK) of the Ministry of Human Resources. This accomplishment underscores our commitment to upskilling our workforce and fostering a culture of continuous learnings.

Furthermore, in line with our commitment to environmental stewardship, we prioritise initiatives aimed at reducing our carbon footprint and promoting sustainable business practices. Our efforts include harnessing solar energy and implementing sustainable packaging, reflecting our dedication to sustainability as we continuously seek innovative ways to improve.

Finally, I would like to extend my heartfelt gratitude to all GDEX employees for their commitment and hard work. I also appreciate our esteemed shareholders and business partners for their steadfast support. With a focus on innovation, operational excellence, and strategic partnerships, I am confident that brighter days lie ahead for GDEX.

Teong Teck Lean

Managing Director and Group Chief Executive Officer



GDEXchange

In the pipeline

In the pipeline

GDEXchange - Comprehensive Business Solutions

- Evolved from a pure domestic logistics player to a comprehensive regional/global business solutions provider
- Specialised in digital solutions:
 - Xilnex** Cloud-based smart retail solutions
 - Sweetmag** E-Commerce & App development
 - Anon** Cybersecurity solution and services
- Strategic partnerships to strengthen ecosystem
- Riding on mega trend



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MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

GDEX Berhad (“GDEX” or “the Group”) has evolved from a pure domestic logistics player to a comprehensive regional business solutions provider. Today, we stand at the forefront of an exciting new era – where logistics and technology converge to redefine supply chain solutions across Southeast Asia.

Over the past three years, the Group has expanded its offerings by incorporating various IT solutions to strengthen supply chain solutions. The workings of our ecosystem, GDEXchange, is designed to seamlessly connect back-end and front-end of businesses. This integrated approach has solidified our position as a premier express delivery service provider in the region.

Moreover, we are actively pursuing more strategic partnerships with global technology leaders to enhance our ecosystem and extend our market reach. Our vision is to make GDEX a leading logistics and technology provider in Southeast Asia, capitalising on the region’s booming e-commerce and growing demand for IT-driven logistics solutions.

FINANCIAL REVIEW

Income Statement

In the financial year ended 31 December 2024 (FY2024), GDEX reported total revenue of RM419.2 million, an increase of 5.5% from RM397.2 million in the previous year.

The express delivery segment recorded a 2.3% revenue growth, reaching RM351.3 million and contributing 83.8% of the Group’s total revenue for FY2024. More significantly, this division returned to profitability with an operating profit of RM14.1 million, a sharp turnaround from operating loss of RM19 million in the previous year. This positive performance was driven by higher operating leverage, normalisation of costs following the winding down of the former sorting hub. Additionally, cost efficiencies were improved through process standardisation, operational streamlining and optimised headcount, which further strengthened the segment’s financial performance.

On the other hand, the logistics services segment experienced a 29% decline in revenue to RM13.8 million in FY2024, compared to RM19.4 million previously. This was largely attributable to the full-year impact of losing a key client in the fourth quarter of FY2023. However, the Group witnessed a return to operational profitability in the fourth quarter of FY2024, as we successfully secured new clients to fill our warehouse space.

Notably, the revenue from the information technology segment increased significantly by 60.5% to RM53.7 million, as compared to RM33.4 million in 2023, driven by acquisition of a new subsidiary and higher contributions from smart retail management systems, web and enterprise solutions, as well as cybersecurity software distribution.

The Group swung into the black with a profit before tax of RM2.3 million for FY2024 versus a loss before tax of RM39.4 million for FY2023. This is mainly attributed by the higher revenue achieved and effective cost optimisation in the express delivery segment.

Overall, GDEX remains focused on implementing strategic measures to enhance efficiency, drive revenue growth, and improve profitability in the long term.

MANAGEMENT DISCUSSION AND ANALYSIS

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Financial Position

GDEX maintained a robust financial position with a net cash surplus. As at end-FY2024, the Group's liquid financial assets, comprising deposits, cash, and short-term investments, amounted to RM202.1 million, versus RM194.7 million in the previous year. Shareholders' equity decreased to RM430.1 million as at end-FY2024 from RM439.7 million as at end-FY2023.

The Group maintains prudent financial management amidst evolving market conditions and remains ready to pursue strategic initiatives as well as capitalise on opportunities for sustainable growth.

Cashflow Management

In FY2024, GDEX demonstrated robust cashflow management, with net cash from operating activities increasing slightly to RM40.4 million in FY2024 from RM40.1 million in the previous year, mainly due to the marked improvement in operating profit.

Meanwhile, net cash used in investing activities in FY2024 decreased to RM2.8 million compared to RM3.5 million last year, primarily due to a decrease in additions to property, plant, and equipment.

Net cash used in financing activities decreased to RM38.5 million in FY2024 compared to RM50.8 million last year, primarily attributed to lower share repurchase, reduced hire purchase payables, and lower finance cost paid.

GDEXchange

The Group has rebranded our ecosystem from GDEX 2.0 to GDEXchange, reflecting a deeper focus on the seamless integration of business solutions and strategic partnerships within the evolving logistics landscape. Designed to leverage major industry trends, including e-commerce and cloud storage conversion, GDEXchange ensures our continued relevance in an increasingly digital-first economy.

Our strategic partnership with Shopify further strengthens our ecosystem, empowering businesses to scale effortlessly across Southeast Asia. As a result, GDEX has established itself as the trusted go-to-market partner for businesses seeking technology-driven business solutions.

The Group aims to accelerate revenue growth through tech-driven solutions while scaling our businesses across the region, solidifying GDEX's position as a leader in the logistics and technology industries.

HIGHLIGHTS ON INVESTMENT COMPANIES

Noi Bai Express and Trading Joint Stock Company ("NETCO")

GDEX's Vietnamese express delivery subsidiary, NETCO, continues to be a significant contributor to the Group, contributing 12.8% of the Group's revenue in FY2024. Guided by its motto of "Serving Customers, Build Trust", NETCO operates an extensive express delivery network covering all 63 of Vietnam's provinces through nine strategic hubs and 37 branches. With a strong presence, NETCO caters to the needs of over 4,000 corporate and public sector clients across the country.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

In FY2024, NETCO experienced a drop in revenue, down by 14% to VND294.0 billion (approximately RM53.6 million) from VND326.8 billion (approximately RM62.6 million) in the previous year, primarily attributed to competitive operating environment faced by its customers. Despite the lower revenue, NETCO reported a lower net loss after tax of VND23 billion (approximately RM4.2 million), as compared to a net loss of VND45.9 billion (approximately RM8.8 million) in the previous year due to cost optimisation initiatives.

We hold an optimistic outlook for NETCO's future prospects, particularly considering the robust performance of the Vietnamese economy, which recorded a robust GDP growth of 7.1% in 2024.

Xilnex Holdings Sdn Bhd (formerly known as Web Bytes Sdn Bhd) ("Xilnex")

On 12 December 2024, Web Bytes Sdn Bhd rebranded as Xilnex Holdings Sdn Bhd, reflecting its transformation into a leading regional provider of smart retail management solutions. Specialising in software for the retail and food & beverage (F&B) industries, the company's flagship product, Xilnex, is a cloud-based point-of-sales (POS) retail management system. Since 2015, Xilnex has expanded beyond Malaysia, having established a presence in Singapore, Indonesia, Cambodia, Vietnam, Canada, and Australia. GDEX currently holds a 38% stake in the company.

Xilnex is aggressively expanding its footprint to solidify its position as a regional leader in retail technology solutions. Following the establishment of branches in Cambodia and Vietnam in 2023, the company entered the Philippines market in 2021 and is now actively growing its presence in Thailand. In the Philippines alone, over 300 retail stores have chosen Xilnex solutions, further cementing its reputation as a trusted technology partner. The company is committed to increasing its overseas revenue contribution to the Group in the coming years.

In recent years, Xilnex has forged various strategic collaborations to enhance its technological offerings. Notably, it partnered with Alp Capital Sdn Bhd to introduce a POS-integrated DuitNow QR solution that supports seamless cross-border collections for retailers. Additionally, its collaboration with Real Analytics Sdn Bhd led to the launch of Xilnex Insights, an advanced data analytics platform designed for retail and F&B businesses, featuring Data Scientist-as-a-Service (DSaaS) as its core offering.

With continuous innovation and expansion, Xilnex is poised to redefine the future of retail technology across the region.

Sweetmag Solutions (M) Sdn Bhd ("Sweetmag")

Sweetmag specialises in end-to-end design, development, and support of e-commerce and corporate website solutions for major brands and retailers. Its expertise includes offering clients a wide range of options to enhance their online presence and drive sales. GDEX holds a 51% stake in Sweetmag.

As part of its strategic growth initiatives, Sweetmag has expanded its operations into Singapore, Hong Kong, Taiwan, and New Zealand. Additionally, Sweetmag has established a new entity in Hong Kong. This expansion strengthens its market presence and enables it to scale in the Asia Pacific region.

Sweetmag is driving innovation and digital transformation through dedicated divisions which focus on technology and e-commerce growth. Its Technology & Product Development Division enhances technological capabilities and develops cutting-edge products to improve business efficiency and address evolving market needs. Meanwhile, its E-Commerce Growth Division focuses on driving e-commerce success through digital marketing, Search Engine Optimisation (SEO) services, and data-driven strategies, which help increase online visibility and customer engagement.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

As a Shopify Plus Partner, Sweetmag is recognised for its expertise in delivering high-performing e-commerce solutions for enterprise-level brands. The company has successfully implemented and launched numerous Shopify Plus projects, making them one of the strongest technical partners in 2024 with the highest number of completed Shopify Plus projects. Their solutions help businesses scale, optimise operations, and enhance customer experiences.

Among Sweetmag's notable projects in 2024 include works for Sime Darby Motors, BYD, Padini, Thermos Malaysia, and Mydin.

Anon Security Sdn Bhd ("Anon Security")

Anon Security is a leading provider of cybersecurity solutions powered by artificial intelligence and machine learning capabilities. It serves as a regional distributor for renowned cybersecurity brands, including BlackBerry Cylance, Dtex, Ridge Security, CloudSEK, and Cellopoint. GDEX holds a 60% stake in Anon Security.

Anon Security plays a key role in GDEX's comprehensive supply chain solutions. By leveraging Anon Security's expertise, GDEX not only protects the integrity of the Group's critical business data and operations but also offers robust cybersecurity measures to its large pool of clients.

One of Anon Security's most significant achievements this year was securing the National Cyber Security Agency (NACSA) Cyber Security Service Provider License for Managed Security Operation Centre (SOC) and Penetration Testing services. This certification is a testament to its dedication in providing best-in-class cybersecurity solutions, reinforcing its credibility to safeguard organisations against evolving threats.

Anon Security's relentless pursuit of innovation has been recognised through a variety of prestigious accolades. These include a place among the *Top 10 AI Companies in Cybersecurity APAC 2024* and *AI Company of the Year 2024* by Cyber Security Review magazine, as well as *Fast Growth Distributor APAC 2024* by Ridge Security.

PT Satria Antaran Prima TBK ("SAPX")

Our Indonesian associate, SAPX, is a leading express delivery provider in Indonesia, supported by an extensive network of 273 distribution points across the archipelago and a fleet of 431 vehicles. Leveraging this infrastructure, SAPX continues to meet the rising demand for express delivery services driven by Indonesia's robust economic growth.

In FY2024, SAPX achieved a revenue of IDR682.5 billion (approximately RM196.9 million), marking a 5.6% increase compared to IDR622.2 billion (approximately RM186.4 million) in FY2023. However, the company reported a drop of 14% in net profit, reaching IDR982 million (approximately RM0.28 million) from IDR1.2 billion (approximately RM0.32 million) in FY2023.

Looking ahead to 2025, SAPX plans to strengthen its focus on the B2B segment, enhance partnerships with platform aggregators, and solidify its position as a market leader in cash-on-delivery (COD) market. Additionally, the company is also implementing cost efficiency measures, such as integrating sorting centres and consolidating warehouses, while investing in IT and digital systems to improve operational efficiency and customer satisfaction. These strategic initiatives are expected to position SAPX for sustained growth and competitiveness in Indonesia's dynamic logistics industry.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

OPERATIONS REVIEW

Malaysia Express Delivery Operation

The new GDEX Auto Hub, commercialised on 30 May 2023, has revolutionised our operations by tripling the Group's sorting capacity to 350,000 shipments daily. This significant enhancement underscores our commitment to boosting operational efficiency and customer service quality.

The 145,000 sq ft automated facility is equipped with intelligent sorting technology, achieving a high sorting accuracy of 99.99%. This technology has shortened turnaround times and minimised the risk of parcel damage, ensuring a seamless delivery experience. Additionally, process streamlining and an enhanced procurement policy have allowed us to optimise resources, leading to a reduction in headcount, vehicles, and branches in 2024 without compromising service levels.

As part of our sustainability efforts, the GDEX Auto Hub incorporates environmental-friendly equipment within the hub, including electric forklifts and pallet jacks powered by rechargeable batteries. These initiatives reflect our dedication to reducing the carbon footprint of daily operations while fostering a greener logistics ecosystem.

Express delivery remains the Group's core earnings engine and we are optimistic of this division's profitability in 2025. This will be supported by our cross-selling effort across all business units, alongside improved productivity and cost optimisation initiatives.

Malaysia Logistics Operation

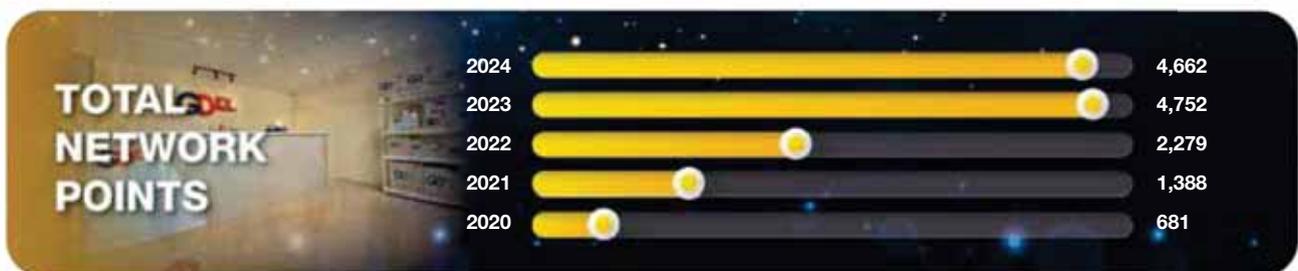
GDEX offers comprehensive warehousing and fulfillment services designed to allow businesses to focus on their core competencies while outsourcing logistics operations. Following the cessation of business activities of a major customer in fourth quarter of FY2023, we have prioritised diversifying our customer base by attracting more small and medium enterprise customers to mitigate the customer concentration risk. In addition, we have optimised our warehouse space to align with the reduced revenue. With these strategic measures in place, we are optimistic about filling our warehouse space and achieving satisfactory performance in 2025.

THE FUTURE OF GDEX

We have reinvented ourselves as a logistics and technology solutions provider and our commitment remains steadfast in making GDEXchange scalable, agile, and future-proof. Looking ahead, we anticipate scalable revenue growth, with our revenue mix shifting towards higher-margin IT services, reinforcing our position as a technology-driven industry leader. Additionally, we are dedicated to expanding our profit margins through cost optimisation and process automation, ensuring greater efficiency and long-term profitability.

Beyond technology, we are investing in our workforce, equipping our teams with critical skills and a forward-thinking mindset to excel in a dynamic business landscape. These initiatives, along with our proactive approach to emerging market trends, position GDEX for exciting growth and long-term success in the years ahead.

5-YEAR NON-FINANCIAL INDICATORS (GDEX GROUP)



GDEX PURPOSE AND COMPASS

GDEX Berhad established its Purpose and Compass, symbolising the Group’s evolution from being a last mile delivery service provider to providing various logistics and technology solutions to mobilise businesses and connect people. The GDEX Purpose embodies the boundless potential within the GDEX ecosystem, dedicated to delivering forward-thinking solutions that empower businesses to thrive. In turn, the GDEX Compass represents the harmonious fusion of human expertise and cutting-edge technology, designed to foster adaptability, agility, and growth. Together, the GDEX Purpose and Compass is set to champion dynamic collaborations and flawless integrations, setting a powerful course for a resilient, connected future.



Our Purpose

Delivering Sustainable
Growth Towards a Better
World



Our Compass

Harmonising People and
Technology to Mobilise
Businesses, Everywhere



DIRECTORS' PROFILE



DIRECTORS' PROFILE

cont'd

TAN SRI MUHAMMAD BIN IBRAHIM

Independent Non-Executive Chairman

Malaysian | Male | Aged 64



Tan Sri Muhammad, 64, is an Independent Non-Executive Chairman of the Company. He was appointed to the Board on 1 May 2020. He is the Pro-Chancellor of the University of Selangor. Tan Sri Muhammad was the Governor of the Malaysian Central Bank from 2016 to 2018. His career at the Central Bank spanned over a period of 34 years. He was also the Chairman of the Monetary Policy Committee and Financial Stability Committee. He was active in the regional and international community on issues of central banking, economics, and finance. He was a former Commissioner of the Securities Commission of Malaysia and an Independent Director of Petronas. Tan Sri Muhammad holds a Master's Degree from Harvard University and the International Islamic University. He is a member of the Malaysian Institute of Accountants and a Fellow Chartered Banker of the Asia Institute of Chartered Bankers.

Tan Sri Muhammad is also a director of Hextar Technologies Solutions Berhad.

DIRECTORS' PROFILE

cont'd



TEONG TECK LEAN

*Managing Director /
Group Chief Executive Officer*

Malaysian | Male | Aged 64

Mr Teong was appointed to the Board on 8 February 2005. He holds a degree in Electrical and Electronics Engineering from the University of Manitoba, Canada in 1983. Mr Teong started his career as an engineer with Texas Instruments in 1984. He later joined Lembaga Letrik Negara where he served as a Consumer Engineer for four (4) years. He then joined the stock broking industry and became a dealer with OSK Securities Berhad in 1990. During this stint in the broking industry, he developed extensive contacts and the skills pertinent to managing a service-centric business. In 2000, he acquired a controlling stake in GD Express Sdn Bhd. He was instrumental in turning the Group around by putting corporate policies and best practices in place, which resulted in the listing of GDEX on the MESDAQ Market (currently known as ACE Market) on Bursa Securities in 2005. Currently, Mr Teong is responsible for the business development, setting strategic direction and overall management of the Group, as well as overseeing operations of the entire organisation.

Mr Teong is also a director of GDEX Foundation, a company limited by guarantee. He currently serves as the chairman of the board of SJKC Chung Hwa (P) Kuala Lumpur.

DIRECTORS' PROFILE

cont'd

TEOH CHO MIN, JOHN

*Executive Director /
Chief Sustainability Officer*

Malaysian | Male | Aged 50



Mr John joined GDEX in July 2019 in the Strategy & Business of Advisory Division, assisting the Group Chief Executive Officer (“GCEO”) in setting and driving the organisation’s vision, mission, and group strategies, as well as developing the Group’s strategic plan in line with the direction set by the GCEO and Board of Directors.

He was promoted to the position of Chief Strategy Officer in October 2021 and was later appointed as the Chief Sustainability Officer in June 2023. On 1 September 2024, he assumed the role of Executive Director. Mr John is currently responsible for driving the adoption of sustainability within the organisation in all activities by formulating, implementing, monitoring, and communicating sustainability initiatives, policies, frameworks, as well as processes. Backed by his vast experience and exposure in fund management and research analysis, he is tasked to assist the GCEO to optimise investment plans and opportunities to achieve the desired investment objectives of the Group. His other role is to supervise Human Resources, Learning & Development, Investigation, and Accreditation Department.

Prior to joining GDEX, he was a Senior Fund Manager at Eastspring Investments Bhd, managing RM2 billion of insurance funds. Mr John has been in research analysis and fund management for 18 years, with experience in the unit trust and insurance industries. He started his fund management career as a research analyst at TA Asset Management in 2001, and later moved on to be a fund manager at Alliance Investment Management and Hong Leong Assurance. Mr John graduated with a Bachelor of Economics (Hons) Degree from the University of Malaya in 1999.

Mr John is also a Director of LLG Cultural Development Bhd.

DIRECTORS' PROFILE

cont'd



TEONG TSANG WHON, EDMUND

*Executive Director /
Head of Global Business Development*

Malaysian | Male | Aged 32

Mr Edmund graduated with a Bachelor of Accounting and Finance from Monash University in 2014 and later obtained his Chartered Financial Analyst (“CFA”) certificate in 2019. He started his career in Deloitte Singapore as a Senior Audit Associate, specialising in financial audit. He joined GDEX as an Investment Analyst in November 2016, contributing to the strategic planning and financial modelling of the Group. In 2019, he assumed the role of Product Lead, spearheading the growth of new products.

From January 2021 until October 2023, Mr Edmund assumed the role of Head of Business Development, where he oversaw diverse portfolios in retail, online platforms, partnerships, international express, and marketing. In his current role as Head of Global Business Development, Mr Edmund focuses on Vietnam, Indonesia, Malaysia, and Singapore markets, focusing on supply chain and technology solutions within GDEX’s ecosystem. Mr Edmund was appointed as the Executive Director of GDEX Berhad on 1 September 2024.

DIRECTORS' PROFILE

cont'd

NURAINI BINTI ISMAIL

Independent Non-Executive Director

Malaysian | Female | Aged 62



Puan Nuraini was appointed to the Board on 1 January 2022. She is currently the Chairperson of the Audit and Risk Management Committee and a member of the Combined Nomination and Remuneration Committee. Puan Nuraini is a Fellow member of the Association of Chartered Certified Accountants (FCCA) with more than 35 years of work experience. Her working experience includes the areas of finance, treasury, corporate finance, debt capital markets, trade finance, banking, financial, credit and trading risks, audit & governance, corporate planning, logistics, as well as operations. Being a Jabatan Perkhidmatan Awam (JPA) scholar, she started her career at the Accountant General Office in 1985 and thereafter joined an audit firm to commence her professional working experience.

Before her appointment to the Board of GDEX Berhad, Puan Nuraini was with PETRONAS for 29 years, since 1992, and the last position held before her retirement in 2021 was Vice President of Treasury. She has held various senior positions in PETRONAS Group including Senior General Manager of Group Treasury of PETRONAS, General Manager of Finance & Accounts Services and General Manager for Commercial Services of Malaysian International Trading Corporation Sdn Bhd. She was also appointed as a Non-Independent Non-Executive Director of Petronas Dagangan Berhad from 11 November 2011 until 31 May 2021 and was a member of the Audit Committee from 1 December 2013 until 31 May 2021. In addition to her corporate experience, Puan Nuraini has also contributed to the academic community. She sits on the Board of Trustee of Yayasan Universiti Teknologi Petronas.

Puan Nuraini is also appointed as an Independent Non-Executive Director of Bank Islam Malaysia Berhad, BIMB Securities Sdn Bhd, MCIS Insurance Berhad, LBS Bina Group Berhad, IIUM Holdings Sdn Berhad (IIUMH), a wholly-owned subsidiary of the International Islamic University of Malaysia, IIUM Educare Sdn Bhd and Daya Bersih Sdn Bhd which are wholly owned subsidiaries of IIUMH.

Her past experience includes serving as Secretary of the National Trust Fund and Secretary General of Yayasan UTP University Technology Petronas.

Prior to joining PETRONAS, she had served in various organisations, including Bank Bumiputra Malaysia Berhad, Bumiputra Merchant Bankers, and Mayban Finance Berhad.

DIRECTORS' PROFILE cont'd



HO SWEE FONG, AUDREY

Independent Non-Executive Director

Malaysian | Female | Aged 62

Ms Ho is a seasoned corporate professional with over 35 years of experience spanning equity research, stakeholder management, performance management, and strategic planning.

From 1986 to 2004, she held leadership positions in both local and international research organisations. During this time, she spearheaded the development of investment themes and authored insightful equity and economic research reports.

Between 2005 and 2017, Ms Ho served as the Head of Investor Relations at Digi.Com Berhad and Maxis Berhad. In these roles, she designed and implemented highly effective investor relations programs and led investor roadshows across major financial centers.

Most recently, from 2018 to July 2024, Ms Ho served as the Director of Corporate Strategy at Prudential Assurance Berhad. In this leadership role, she managed a team responsible for corporate strategic planning and performance management.

Ms Ho joined the GDEX Board on 1 November 2024 and currently serves as a member of the Audit and Risk Management Committee and as a Chairperson of the Combined Nomination and Remuneration Committee.

DIRECTORS' PROFILE

cont'd

LOW NGAI YUEN

Independent Non-Executive Director

Malaysian | Female | Aged 48



Ms. Low joined the Board on 1 November 2018. She serves as a member of the Audit and Risk Management Committee and the Combined Nomination and Remuneration Committee. She is also an Independent Director at OCK Group Berhad and the Group Chief Merchandise and Marketing Officer at AEON Co (M) Berhad.

A dedicated activist, Ms. Low is the President of Persatuan Kakiseni, a 25-year-old organisation championing the arts and advocating for its advancement. In 2013, she founded Pertubuhan Pembangunan Kendiri Wanita dan Gadis (WOMENgirls), an NGO focused on empowering women as role models to inspire younger generations. She is also a founding member and former Executive Director (2016-2021) of the Global Entrepreneurship Movement Association (GEMA), which fosters technology transfer, bridges gaps for underserved communities, and facilitates market access and cross-border entrepreneurship.

Ms. Low is widely recognised as a multiple award-winning content producer, director, and television veteran. Her acclaimed social film, *Orang Itu*, which highlights themes of humanity, was released on Netflix in 2021. It received critical acclaim, earning a 10/10 review from film critic Tan Sri Johan Jaafar in *The Star*, and was named among the top five must-watch Malaysian films of the year.

Currently, Ms. Low serves on several national platforms, including:

- Pahang Economic Advisory Council 2024/5 (Majlis Penasihat Ekonomi Negeri Pahang, MPEN)
- National Cultural Council 2025/7 (Majlis Kebudayaan Negara, MAKEN - Timbalan Pengerusi)
- Steering Committee of the 30% Club Malaysia

DIRECTORS' PROFILE

cont'd



DATO' AZMAN BIN MAHMUD

Independent Non-Executive Director

Malaysian | Male | Aged 64

Dato' Azman was appointed to the Board of GDEX Berhad on 1 June 2021. He graduated from Universiti Putra Malaysia in 1986 with a Bachelor of Engineering (Agriculture) in 1986. Dato' Azman has also attended several leadership and professional development programmes such as 'A Cutting Edge of Development Thinking', Harvard Kennedy School, USA; 'Leading Change & Organizational Renewal', Harvard Business School, USA; Strategy Execution Programme, INSEAD France; APAC Government Leadership Programme (AGLP) in Croton Ville, New York, USA; and Temasek Foundation International Asia Leader's Connect, Singapore.

After having served with the Malaysian Investment Development Authority (MIDA) for over three decades, Dato' Azman ended his tenure as the Chief Executive Officer. He was entrusted with immense responsibility to drive investments into the country and led the organisation in advising, formulating, as well as recommending strategies, policies, investment and industry development programmes in the manufacturing and services sectors to the Government of Malaysia. In his former role as CEO of MIDA, he was also pivotal in attracting foreign investments into the country, in addition to being instrumental in driving domestic investments in various industries and sectors. He was appointed as Chairman of Exim Bank, a government-owned development financial institution from October 2021 until September 2023.

He also holds chairmanship positions on several boards of companies which include Panasonic Malaysia Sdn Bhd, Panasonic Manufacturing Malaysia Berhad, SME Aerospace Sdn Bhd, Privasia Technology Bhd, and Cnergiz Bhd. He is also an Independent Non-Executive Director at Texchem Resources Berhad.

In addition, he is a board member of companies within the Panasonic Group of Companies in Malaysia, Akademi Transformasi Asnaf Perlis Sdn Bhd (a subsidiary of Majlis Agama Islam Perlis) and Kulim Technology Park Corporation (a high technology industrial park developer under the State Economic Development Corporation of Kedah).

DIRECTORS' PROFILE

cont'd

YUJI NASHIMOTO

Non-Independent Non-Executive Director

Japanese | Male | Aged 50

Mr Nashimoto was appointed to the Board on 1 February 2024. He graduated from Keio University with a Degree in Business Commerce in 1998. He began his career at Yamato and worked in various management roles, such as Manager at Yamato Holding Co., Ltd and Vice President at Yamato Transport USA. Mr Nashimoto is currently the Managing Director at Yamato Transport (S) Pte. Ltd.

He has contributed to Yamato's business growth in Europe, the US, and Asia for 20 years. Mr Nashimoto has great expertise in cross-border e-commerce and global forwarding, where he has helped acquire many customers and contributed to the company's growth.

Mr Nashimoto also has extensive experience in the e-commerce industry, in addition to IT skills honed during his concurrent role as the head of the IT department at Yamato Transport USA; equipping him with cross-functional experience in operations and technology.



DIRECTORS' PROFILE

cont'd



ISAAC MAH MING ZHI

Non-Independent Non-Executive Director

Singaporean | Male | Aged 42

Mr Isaac Mah was appointed to the Board on 17 February 2025. He is an experienced finance and investment professional with a strong background in corporate finance, strategic investments, and financial management. A Chartered Accountant, he is currently the Group Chief Financial Officer (GCFO) of Singapore Post Limited (SingPost) and has been with SingPost since 2019 and has held various leadership roles including CFO of Freight Management Holdings Pty Ltd and Head of Strategic Investments and Investor Relations.

Mr Isaac Mah started his career in the banking industry as Business Analyst, Strategic Planning in Hong Leong Bank, Kuala Lumpur, Malaysia. He then spent eight years in SGX and NZX listed GuocoLeisure Limited, (subsequently re-branded as GL Limited) as part of the Strategy, Business development team, and subsequently in Corporate Finance and Planning for the company which has interest in the UK, USA, Australia, New Zealand and the wider Asia Pacific region.

He holds a Bachelor of Arts (First Class Honours) in Accounting and Finance from the University of East London, and he is also a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW). Mr Isaac Mah is a representative of SingPost, a major shareholder of the Company, which is operating in a similar business to the Company.

DIRECTORS' PROFILE

cont'd

CHONG HUI CHUEN, CAREN

*Alternate Director to Teoh Cho Min, John /
Chief Operating Officer*

Malaysian | Female | Aged 43

Ms Caren holds a Bachelor of Engineering (Honors) in Electronic Systems Engineering from Sheffield Hallam University, UK, completed in 2003. She started her career in the semiconductor industry, joining StatsChipPAC (M) Sdn Bhd as a Test Engineer in 2004, followed by Intersil International Operations Sdn Bhd as a Lead Test Engineer in 2007.

Ms Caren joined GD Express Sdn Bhd in November 2013 as an Advisor for Process Innovation and assumed an additional portfolio, as Stand-In Head for Business Service and Support Group in 2017. Ms Caren is responsible for project management, which involves collaborating with various departments and resources, as well as making recommendations and improvements for business processes.

She was appointed Chief Operating Officer on 1 December 2018. In this role, she is responsible for the effective and efficient planning and coordination of the Courier Operations, Logistics Operations, Hub Operations, Linehaul Operations, Fleet Division, Customer Service, as well as the Process Innovation Division. In 2023, she took on the added responsibility of overseeing the Business Group portfolio. She was appointed as the Alternate Director to Mr Teoh Cho Min, John, the Executive Director of the Company, on 1 September 2024.



DIRECTORS' PROFILE

cont'd



TAN KAY BENG, NICHOLAS

*Alternate Director to Teong Tsang Whon, Edmund /
Chief Business and Partnership Officer*

Malaysian | Male | Aged 52

Mr Nicholas assumed the role of Chief Business & Partnership Officer at GDEX in May 2023, bringing with him a wealth of experience and expertise. Graduating with a Bachelor's Degree in Information Systems from Campbell University, United States in 1997, Mr Nicholas is a seasoned professional, responsible for steering the development and execution of strategic partnership initiatives within the organisation.

Before joining GDEX, Mr Nicholas served as a Senior IT Executive at Li Fung, a Fortune 100 company, for 20 years. Eight of those years were dedicated to roles at Li Fung's Hong Kong headquarters, where he played a crucial part in Information Technology, Business Development, and Leadership Development. His extensive leadership positions with Li Fung involved managing relationships with prominent clients such as Kohl's Department Store, Tommy Hilfiger, Lucky Brand, and Nike, among others.

Mr Nicholas' role at GDEX involves cultivating and managing relationships with external partners, stakeholders, and industry leaders. He focuses on leveraging these strategic partnerships to drive business growth, enhance organisational effectiveness, and capitalise on mutually beneficial opportunities. He also assumed an additional role as Head of Procurement for GDEX in January 2024. In this capacity, he oversees the procurement function, ensuring effective and strategic sourcing to support the company's objectives. He was appointed as the Alternate Director to Mr Teong Tsang Whon, Edmund, the Executive Director of the Company, on 1 September 2024.

DIRECTORS' PROFILE

cont'd

1. Family relationship with Directors and/or Major Shareholders

Save for the following, none of the Directors have any family relationship with other Directors and/or major shareholders of the Company:

Mr Teong Tsang Whon is the son of Mr Teong Teck Lean, the Managing Director/Group Chief Executive Officer and Substantial Shareholder of the Company.

Mr Teong Teck Lean and his spouse, Madam Wang Heng Tsuey are substantial shareholders and directors of GD Express Holdings (M) Sdn Bhd ("GDEHM") and GD Holdings International Limited ("GDHIL") in which Mr Teong, GDEHM, and GDHIL are substantial shareholders of the Company.

2. Conflict of Interest

None of the Directors have any conflict of interest with the Company other than disclosed under the Directors' Profile and Note 35 to the Financial Statements in this Annual Report.

3. Conviction for Offences (Other than traffic offences)

None of the Directors had any conviction for offences (other than traffic offences, if any) within the past five (5) years or been imposed of any public sanction or penalty by relevant regulatory bodies during the financial year ended 31 December 2024.

4. Attendance at Board Meetings

Details of the Directors' attendance at the Board Meetings are disclosed in the Corporate Governance Overview Statement on page 103 and 104 of this Annual Report.

KEY MANAGEMENT PROFILE





KEY MANAGEMENT PROFILE

TEOH CHO MIN, JOHN

*Executive Director/
Chief Sustainability Officer*

Malaysian
Male
Aged 50

Please refer
to Directors' Profile
on page 27.



TEONG TECK LEAN

*Managing Director/
Group Chief
Executive Officer*

Malaysian
Male
Aged 64

Please refer
to Directors' Profile
on page 26.



TEONG TSANG WHON, EDMUND

*Executive Director/
Head of Global Business
Development*

Malaysian
Male
Aged 32

Please refer
to Directors' Profile
on page 28.



KEY MANAGEMENT PROFILE

cont'd



MELVIN FOONG MUN HOE

Chief Information Officer

Malaysian | Male | Aged 44

Mr Melvin was appointed as the Chief Information Officer on 18 July 2022. He is responsible for the overall technology stack of GDEX Berhad. He oversees the company's Information Technology division, comprising multiple teams, including software development, cybersecurity, and infrastructure. Mr Melvin was previously from Rakuten Trade where he last served as the Deputy Chief Information Officer. In this role, he achieved positive results in software quality as well as improved system uptime and reliability. Before joining Rakuten Trade, he was the Group Chief Technology Officer of the multinational company Premium Worldwide Co., Ltd for two years, where he was based in Myanmar. He has held various senior roles across e-commerce, property development, health, retail, manufacturing, education, hotels, logistics, and automotive industries. He has a cumulative 20 years of work experience covering software development, database administration, digital forensics, and cybersecurity.

(He has no directorships in other public companies and listed issuers. He does not have any family relationship with any director and/ or major shareholder of the company. He does not have any conflict of interest with the company and has no convictions for any offences within the past five (5) years, other than traffic offences, if any.)

KEY MANAGEMENT PROFILE

cont'd



MARMIZAHSALWA AHMAD TARMIZI

Chief Regulatory Officer

Malaysian | Female | Aged 44

Ms Marmizahsalwa was among the first batch of students selected for GDEX's scholarship programme. From being a recipient of the Dean's List Award for every semester, she graduated with a Vice-Chancellor's Award and First Class Honours in the Bachelor of Business Administration (International Business) programme, from Universiti Teknologi MARA in 2005. Upon graduation, she started her career in GDEX as an executive in the Corporate Planning and Development Department. She was promoted to Head of Customer Service in 2007. Then, in 2008, she was appointed as Head of Domestic, Public Relations, and Communications. She was then given additional responsibilities as Manager for Corporate Planning and Development in 2011. Following that, she was appointed as Head of Corporate Planning and Development in 2012. Later, in August 2013, Ms Marmizahsalwa was appointed as Head of Country Operations, where she was in charge of planning and coordinating GDEX's courier operations in Malaysia and Singapore. Two years later, she was assigned as Special Projects Manager in the Chief Operating Officer's Office to handle all corporate development projects. Ms Marmizahsalwa then held the position of Head of Regulatory & Corporate Office, where she oversees legal, regulatory, corporate compliance, corporate affairs, and corporate administration matters. Today, she holds the position of GDEX Chief Regulatory Officer (CRO). In addition, Ms Marmizahsalwa was also appointed as Deputy Secretary of the Association of Malaysian Express Carriers (AMEC), which aims to protect, promote, and develop the express carrier industry as a whole.

(She has no directorships in other public companies and listed issuers. She does not have any family relationship with any director and/or major shareholder of the company. She does not have any conflict of interest with the company and has no convictions for any offences within the past five (5) years, other than traffic offences, if any.)

KEY MANAGEMENT PROFILE

cont'd

WONG YINN-EIN

Chief Financial Officer

Malaysian | Female | Aged 48

Ms Wong is a seasoned accounting professional with 25 years in the Oil and Gas industry, holding various finance and business support roles. Prior to her appointment as the Acting Chief Financial Officer of GDEX Berhad, she managed financial control and reporting for entities across Australia, Malaysia, and New Zealand, overseeing an impressive annual revenue of USD100 million.

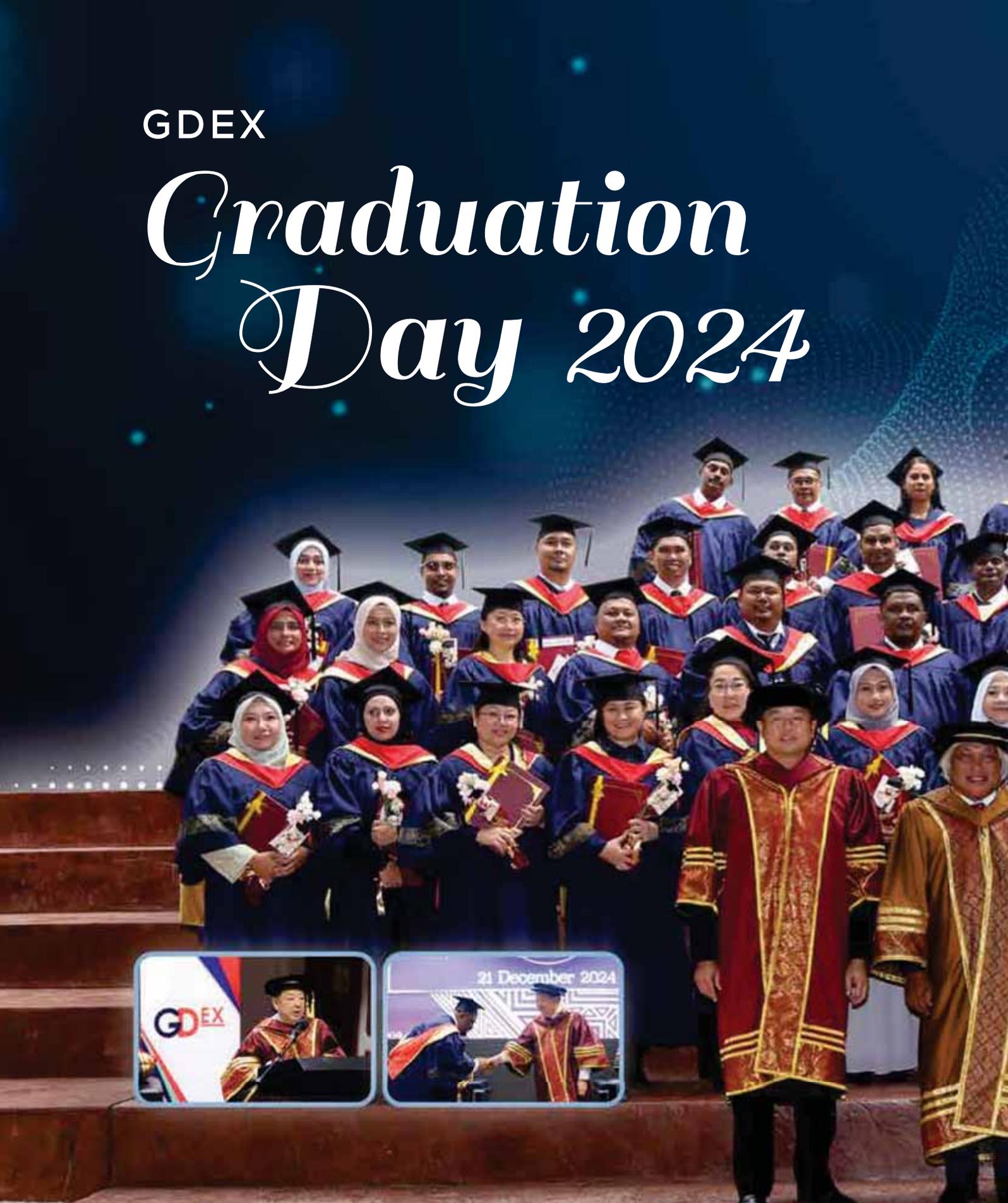
Her expertise spans offshore banking, Oracle Fusion ERP, and business process improvements. Starting her career at Ancom Berhad, Ms Wong's journey has seen her rise through the ranks from Accounts Officer to Acting Chief Financial Officer. She officially assumed the role of Chief Financial Officer in GDEX Berhad on 1 December 2024.

(She has no directorships in other public companies and listed issuers. She does not have any family relationship with any director and/or major shareholder of the company. She does not have any conflict of interest with the company and has no convictions for any offences within the past five (5) years, other than traffic offences, if any.)



GDEX

Graduation Day 2024



GDEX Berhad was charged with excitement while hosting its long-awaited graduation ceremony, marking four years since its last ceremony in January 2020. From just 10 graduates in 2020, to an inspiring cohort of 66 graduates, each of them celebrated their resilience, growth, and dedication. Among them, 46 graduates are earned their diplomas, while 20 received their skills certificates.

The ceremony turned out be a memorable and a rather emotional one, especially for the families of the graduates as this moment represents the culmination of dreams and sacrifices of their loved ones. The pride and joy that families of the graduates felt was evident with eyes glistening with tears of happiness and accomplishment. In a room filled with love and support, these recognise graduates step forward, not just with certificates, but with the foundation of bright futures ahead. GDEX Berhad is more than honoured to share this journey with them as we recognize and celebrate the potential of every graduate on this special day.



CORPORATE SUSTAINABILITY REPORT

2024





CORPORATE SUSTAINABILITY REPORT

cont'd

SCOPE OF REPORTING

This report covers the financial year from 1 January 2024 to 31 December 2024 (FY2024), which highlights all products and services provided by GDEX Berhad. This report showcases our progress in fulfilling our commitments made on our sustainability journey as a group, guided by the 14 Material Matters we have identified. These material matters were determined and validated through comprehensive engagement with our stakeholders.



REPORTING FRAMEWORK

The GDEX Berhad Corporate Sustainability Report for FY2024 has been prepared in reference to the following reporting guidelines and frameworks:

- Global Reporting Initiative (GRI) 2021
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- Bursa Malaysia Illustrative Sustainability Reporting Guide
- United Nations Sustainable Development Goals



FEEDBACK

We value and welcome feedback from our esteemed stakeholders. For any additional clarification, please feel free to reach out to us.

GDEX Sustainability
Email: sustainability@gdexpress.com



STATEMENT OF ASSURANCE

Assurance undertaken

In strengthening the credibility of the Sustainability Report, this Sustainability Report has been subjected to an internal review by the company's internal auditors as well as the Combined Nomination and Remuneration Committee ("CNRC"). The Report has also been approved by the Board of Directors.

Subject matter

All contents of this sustainability report.

Scope

The boundary of the internal review includes the core businesses of the Group.



CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX® 2024

Sustainability Highlights



CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX'S APPROACH TO SUSTAINABILITY

In FY2024, GDEX Berhad (“GDEX”) continues to integrate sustainability at the core of its operations, aligning with the Group’s commitment to creating long-term value for stakeholders while minimising environmental impact. Through our stakeholder engagement, we identified 14 material matters that encompass environmental stewardship, social responsibility, and robust governance practices. With this, GDEX aims to drive meaningful and impactful progress in achieving our sustainability goals by leveraging innovative solutions, enhancing operational efficiency, and fostering strong partnerships.

Material Sustainability Matters

We continue to actively engage with our stakeholders to identify the most relevant material matters for the Group. A comprehensive materiality assessment and stakeholder engagement process were conducted via an online survey. This engagement process adheres to the Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition), outlined in three key stages: Identification, Prioritisation, and Validation. This includes the stakeholder perspectives that align with GDEX’s strategic objectives, and the identified material matters that were thoroughly reviewed and validated by the Combined Nomination and Remuneration Committee (“CNRC”) and the Sustainability Working Committee (“SWC”).



Identification

In FY2024, we conducted an online survey as part of our materiality assessment to ensure the materiality matrix remains relevant and focused on our business operations as well as to identify new material matters.

Prioritisation

We prioritised our sustainability matters by actively engaging with stakeholders to evaluate and rank each concern. This process enabled us to categorise the matters into three levels: low materiality, medium to high materiality, and very high materiality.

Validation

The prioritisation of material sustainability matters is reviewed and validated by the Board of Directors in collaboration with the CNRC and SWC.

CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX Materiality Matrix

Influence on Stakeholder Assessment and Decisions



Significance of Company's Economic, Environmental and Social Impacts



Economic



Environment



Social



Governance

CORPORATE SUSTAINABILITY REPORT

cont'd

No	Material Sustainability Matters	Relevant Stakeholders	SDGs
ECONOMIC			
1	Financial Performance	Employees Shareholders	
2	Operational Excellence	Employees	
3	Digitalisation and Artificial Intelligence (AI)	Employees Customers	
4	Research & Development (R&D) and Innovation	Employees Customers	
ENVIRONMENT			
5	Pollution Management	Regulators Community Employees	
6	Sustainable Resource Management	Employees	

CORPORATE SUSTAINABILITY REPORT

cont'd

No	Material Sustainability Matters	Relevant Stakeholders	SDGs
SOCIAL			
7	Customer Experience	Customers	 
8	Company Culture and Philosophy	Employees	  
9	Occupational Health and Safety	Employees Vendors	 
10	Employee Well Being and Engagement	Employees	  
11	Talent Development and Retention	Employees	  
12	Community Engagement	Community	   
GOVERNANCE			
13	Anti-Bribery and Corruption	Employees Suppliers Vendors Business Partners	 
14	Data Security and Privacy	Employees Customers	 

CORPORATE SUSTAINABILITY REPORT

cont'd

Stakeholder Engagement

As part of our commitment, we actively engage with our stakeholders through various communication channels to gain a deeper understanding of their key concerns and to explore potential feasible solutions. By integrating stakeholder feedback in our materiality assessment process, this enables us to enhance our disclosure and sustainability reporting strategies. Our commitment extends to fostering strong and transparent relationships with all key stakeholders, including employees, customers, suppliers, vendors, and business partners, as well as government agencies, regulators, local communities, and shareholders. We aim to build trust, drive continuous improvement, and create long-term value for all parties involved through effective open dialogue session.

We continue to foster robust communication across the GDEX community to strengthen our commitment to good governance and effective implementation of our sustainability initiatives. We continue to ensure transparency, collaboration, and alignment with stakeholder expectations in our sustainable journey. The following provides an overview of our engagement focus, objectives, and approaches for both internal and external stakeholders.



Stakeholder	Engagement focus/ objectives	Engagement approach	Frequency
Employees 	<ul style="list-style-type: none"> Employee welfare Safety, health, and security Equal opportunity Career development 	<ul style="list-style-type: none"> Training programmes Educational programmes Awareness campaign Safety inspections Survey Teambuilding Townhall Workshops Employees' Retreat Family Day GDEX Day GDEX WhatsApp Community 	M N M N
Customers 	<ul style="list-style-type: none"> Service satisfaction Innovative offerings Security protection 	<ul style="list-style-type: none"> Customer survey GDEX Website and social media platforms Call Centre Customer Care Centre (CCC) Customer visits Point of Presence (POP) outlets Campaigns and promotions Event sponsorships 	D N

CORPORATE SUSTAINABILITY REPORT

cont'd

Stakeholder	Engagement focus/ objectives	Engagement approach	Frequency
Suppliers, Vendors & Business Partners 	<ul style="list-style-type: none"> Competitive pricing Reliability 	<ul style="list-style-type: none"> Supplier quotation Supplier evaluation Integrators collaboration External audit exercise Drafting and vetting of legal documents Financial matters Supplier Conference 	
Government Agencies & Industry Regulators 	<ul style="list-style-type: none"> Corporate governance Regulatory compliance Licensing Certifications 	<ul style="list-style-type: none"> Audits Site visits Visitations Seminars and training Workshops 	
Local Communities 	<ul style="list-style-type: none"> Community support and development Employment opportunities 	<ul style="list-style-type: none"> Community events Charity Internship programme 	
Shareholders 	<ul style="list-style-type: none"> Corporate governance Financial performance Growth plans Shareholders' returns 	<ul style="list-style-type: none"> Annual report Annual General Meeting Analyst briefing and roadshows Investor relations website Press release Media interviews Announcements to Bursa Malaysia 	

CORPORATE SUSTAINABILITY REPORT

cont'd

Strength in Certification

We continue our commitment to maintaining exemplary standards and delivering reliable, high-quality services to our customers, as we advance on our sustainability journey. GDEX upholds our commitment to various certifications such as:

1. ISO 14001:2015 for Environmental Management System (“EMS”)
2. ISO 9001:2015 for Quality Management System (“QMS”)
3. ISO 37001:2016 for Anti-Bribery Management System (“ABMS”)
4. Good Distribution Practice for Medical Devices (“GDPMD”)



ECONOMIC PERFORMANCE

We continuously integrate sustainability into our core business operations and long-term economic planning that fully aligns with GDEX’s strategic vision. Our commitment to innovation and service excellence drives us to continuously enhance our logistics solutions, ensuring seamless, efficient, and reliable supply chain services — including express delivery and warehouse fulfilment for businesses across diverse industries.

As a key enabler of commerce and connectivity, we take pride in bridging communities and empowering businesses by facilitating the movement of goods that support aspirations, livelihoods, and economic growth. Sustainability remains at the heart of our operations, as we proactively implement environmentally responsible practices to reduce our carbon footprint, optimise resource efficiency, and ensure full compliance with regulatory and environmental standards. Beyond business growth, we recognise our corporate responsibility in generating lasting value for all stakeholders. We strive to create a resilient and sustainable ecosystem that benefits our customers, partners, employees, and the communities we serve, by upholding strong governance practices, ethical business conduct, and stakeholder engagement. Our commitment to sustainability also extends to fostering job creation, developing skills and talent, as well as providing inclusive economic opportunities, which reinforce our role as a responsible corporate identity in Malaysia’s evolving logistics landscape.

At GDEX, we remain committed to advancing and investing in digitalisation and cutting-edge technology to meet the growing demand for superior logistics solutions. Recognising the transformative power of innovation, we continue to enhance our capabilities to deliver faster, more efficient, and sustainable services. As a result, in FY2024, we recorded a total revenue of RM419.2 million. Since 2023, we have proudly introduced the GDEX Auto Hub, a state-of-the-art sorting facility representing a significant investment of RM25 million. This hub integrates environmental-friendly technology, reinforcing our dedication to sustainability while optimising operational efficiency. Beyond logistics, we are continuously expanding our service portfolio to cater to evolving market needs. Our strategic diversification into IT solutions and services has led us into new business segments, including smart retail, web and enterprise solutions, as well as cybersecurity solutions. In November 2024, GDEX entered into a strategic partnership with global commerce technology provider, Shopify, to help Malaysian retail businesses enhance their online commerce experience and expand market reach. These ventures position GDEX as an integrated solutions provider, enabling businesses to navigate the digital economy with confidence and agility.

CORPORATE SUSTAINABILITY REPORT

cont'd

As we drive forward, our unwavering focus on technological advancement, service excellence, and sustainability will continue to define our journey, ensuring we create lasting value for our customers and stakeholders.

Operational Excellence

At GDEX Malaysia, we are committed to maintaining exceptional service standards, with a strong emphasis on timely, reliable deliveries. Our pursuit of operational excellence is unwavering, driven by a culture of continuous evaluation and improvement. Through rigorous assessments of our operational processes that are aligned with our Quality Policy, we ensure that our logistics operations remain efficient, precise, and customer-centric. A testament to this commitment is the GDEX Auto Hub in Petaling Jaya, a cutting-edge facility that enables us to sort up to 350,000 shipments a day. By integrating automation and digitalisation, the Auto Hub significantly enhances our operational efficiency, ensuring that we continue to provide fast, seamless, and high-quality delivery services. As a key milestone in our GDEX 2.0 transformation roadmap, this facility plays a crucial role in developing a comprehensive, tech-driven logistics ecosystem. Through automation, AI-driven logistics solutions, and data analytics, we are redefining last-mile delivery efficiency while maintaining sustainability and operational excellence.

To reinforce our service reliability and resilience, we conduct regular reviews of our Business Continuity Plan. This ensures a robust, future-ready framework that enhances our ability to adapt to disruptions, sustain peak performance, and uphold the trust of our customers and stakeholders. As we advance, GDEX remains steadfast in leveraging innovation, optimising processes, and expanding our logistics capabilities in delivering not just shipments, but confidence and value to businesses and communities across the nation.

Digitalisation and Technology

GDEX continues to enhance our operational efficiency through strategic digitalisation initiatives, including myGDEX and myGDEX Prime, which streamline booking, tracking, and payment processes for a seamless customer experience. Since the launch of the GDEX Auto Hub in Petaling Jaya, which is equipped with cutting-edge automation and sorting technology, this facility has significantly boosted our parcel-handling capacity, optimising logistics workflows and ensuring faster, more reliable deliveries.

With the increasing digital shift, cybersecurity and data protection remain a top priority. GDEX has deployed AI and Machine Learning-powered cybersecurity solutions across our digital platforms, enabling real-time threat detection, prevention, and mitigation. These advanced measures reinforce our position as one of Malaysia's most secure logistics service providers, ensuring customer data remains protected against evolving cyber risks.

Digitalisation has also contributed to our sustainability efforts through the reduction of paper consumption and operational costs. Our implementation of digital platforms, myGDEX and myGDEX Prime, have reduced paper usage and carbonised printing costs by RM1.05 million in FY2024. This reflects our commitment to environmental responsibility and operational efficiency. Moving forward, we will continue expanding paperless solutions and eco-friendly digital innovations to further reduce our environmental footprint.

CORPORATE SUSTAINABILITY REPORT

cont'd

As part of our commitment to operational excellence, GDEX continues to digitise and optimise fleet management with our in-house developed iFleet Management System. This user-friendly application replaces traditional manual data recording methods, enabling seamless data collection, monitoring, and reporting level of insight that would be impossible to achieve manually. The system enhances fleet efficiency by tracking key vehicle-related data, including:

- Real-time speed, location, and idling time via GPS tracking
- Comprehensive vehicle cost tracking, covering fuel, maintenance, road tax, and other expenditures
- Vehicle documentation management, including insurance, inspection records, accident claims, and summons
- Utilisation logs, such as trip records, refueling data, and inspection logs

By leveraging real-time analytics and automation, GDEX optimises fleet performance, reduces operational costs, and ensures compliance with regulatory requirements, reinforcing our commitment to efficiency and sustainability.



In line with the growing cashless economy, GDEX has established strong partnerships with leading third-party payment providers, including Touch 'n Go, Boost, GrabPay, and ShopeePay. These collaborations are fully integrated into our e-payment platforms, myGDEX and myGDEX Prime, offering customers a seamless, secure, and convenient digital payment experience.

By embracing digital payment solutions, GDEX continues to streamline transactions, enhance customer convenience, and drive financial efficiency, ensuring that our services remain future-ready and customer-centric.

At GDEX, we remain steadfast in our mission to elevate logistics excellence through continuous digital advancements, robust cybersecurity measures, and eco-conscious business strategies. Our journey towards next-generation logistics is well underway, setting new industry benchmarks for efficiency, security, and sustainability.

CORPORATE SUSTAINABILITY REPORT

cont'd

Supply Chain Management

At GDEX, we are committed to ensuring a sustainable, reliable, and ethical supply chain through the implementation of rigorous procurement policies and practices. This commitment enables us to maintain high service quality, ensure timely deliveries, optimise cost-efficiency, and uphold ethical business standards. To achieve this, we follow a comprehensive and transparent evaluation process when selecting and engaging with suppliers, vendors, agents, contractors, and business partners. This process is designed to guarantee that all third-party entities align with GDEX's quality, integrity, and sustainability principles.

All appointed suppliers and business partners must:

- Fully comply with ISO certification quality standards
- Adhere to GDEX's Vendors' Code of Conduct
- Comply with GDEX's Anti-Bribery and Corruption Policy

To maintain these high standards, we conduct annual assessments of our suppliers and vendors, ensuring they continue to meet our stringent compliance and performance benchmarks. Additionally, we regularly review and refine the GDEX Procurement Policy to adapt to evolving industry standards, regulatory requirements, and best practices. We also conduct engagements with our vendors and suppliers, through the GDEX Suppliers Conference.

By embedding transparency, accountability, and sustainability into our procurement framework, GDEX reinforces its position as a trusted logistics provider while fostering long-term, responsible partnerships within our supply chain network.



ENVIRONMENT

In FY2024, GDEX continued to enhance its operational strategies to support its long-term commitment to address climate change, find possible mitigation steps, and work towards net-zero carbon emission by 2050. As part of our ongoing sustainability initiatives, we remain focused on reducing our carbon footprint by aligning our sustainability initiatives with the principles of the Paris Climate Agreement 2015 and the United Nations' Sustainable Development Goals (SDGs).

GDEX successfully launched its fourth environmental initiative with the installation of the second phase of solar photovoltaic system at the GDEX Auto Hub sorting facility in Petaling Jaya. This initiative continues to mark a significant step in our journey towards renewable energy adoption, reinforcing our commitment to minimising environmental impact, while improving energy efficiency across our operations.

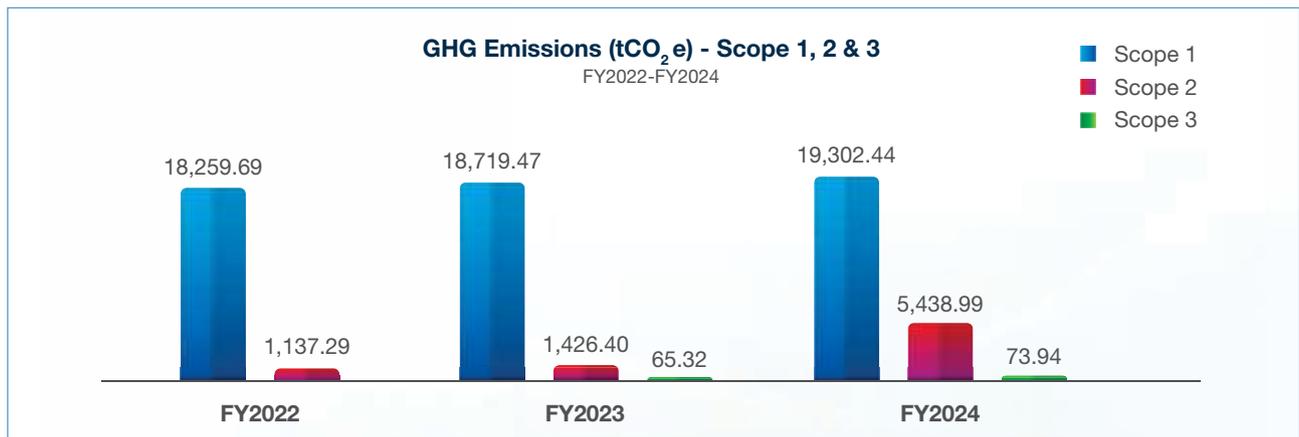
Furthermore, we remain committed to strengthening GDEX's environmental policies and practices, with a particular focus on waste management and carbon emissions reduction. We have integrated the ISO 14001:2015 Environmental Management System (EMS) and ISO 9001:2015 Quality Management System into our business operations, ensuring a structured and systematic approach to environmental responsibility and quality assurance. As of FY2024, the ISO 14001:2015 EMS certification has been successfully implemented across more than 88% of GDEX's operating subsidiaries in Malaysia. In addition, both of these internationally recognised standards undergo independent annual verification by SIRIM QAS International, signify our strong commitment to maintaining high environmental and operational standards.

CORPORATE SUSTAINABILITY REPORT

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Greenhouse Gas (GHG) Emissions



GDEX's GHG emissions have increased from FY2023 to FY2024, reflecting the company's strong business expansion and growing operational capacity. Scope 1 emissions, primarily from fuel consumption of diesel and petrol, rose from 18,719.47 metric tonnes of carbon dioxide equivalent (tCO₂e) in FY2023 to 19,302.44 tCO₂e in FY2024. This aligns with the increase in logistics activities during the financial year. Meanwhile, Scope 2 emissions, associated with electricity consumption, saw a rise from 1,426.4 tCO₂e to 5,438.99 tCO₂e, driven by infrastructure growth and enhanced service capabilities through automation. The uptick in Scope 2 emissions was also attributable to the inclusion of emissions generated by 98 GDEX branches in FY2024. Scope 3 emissions remained relatively low but increased from 65.32 tCO₂e in FY2023 to 73.94 tCO₂e in FY2024. The solar photovoltaic system installed at the GDEX Headquarters in Petaling Jaya, along with the addition of the second phase of solar panels installed at the GDEX Auto Hub, continued to generate a substantial 120,283 kWh of renewable energy in FY2024. As GDEX continues to expand, the company remains committed to integrating sustainable practices, including energy efficiency improvements, renewable energy adoption such as solar panels, and carbon-conscious logistics solutions; ensuring responsible and sustainable growth.

CORPORATE SUSTAINABILITY REPORT

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	GHG Emissions (tCO ₂ e)		
	FY2022	FY2023	FY2024
Scope 1 (Company vehicles)	18,259.69	18,719.47	19,302.44
Scope 2 (Energy consumption)	1,137.29	1,426.40	5,438.99
Scope 3 Category 6: (Business Travel)	N/A	56.54	62.21
Scope 3 Category 7: (Employee Commuting)	N/A	8.78	11.73
Total	19,396.98	20,211.19	24,815.37

*Scope 1 GHG emissions are calculated according to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories for Stationary and Mobile Combustion

Scope 2 GHG emissions are calculated according to the Malaysia 2017 CDM Electricity Baseline (FY2022 & FY2023).

Scope 2 GHG emissions are calculated according to the Malaysia Energy Commission Grid Emissions Factor 2022 (FY2024).

Scope 3 GHG emissions are calculated according to the United States Environmental Protection Agency Emission Factor 2023 (FY2023).

Scope 3 GHG emissions are calculated according to the United States Environmental Protection Agency Emission Factor 2024 (FY2024).

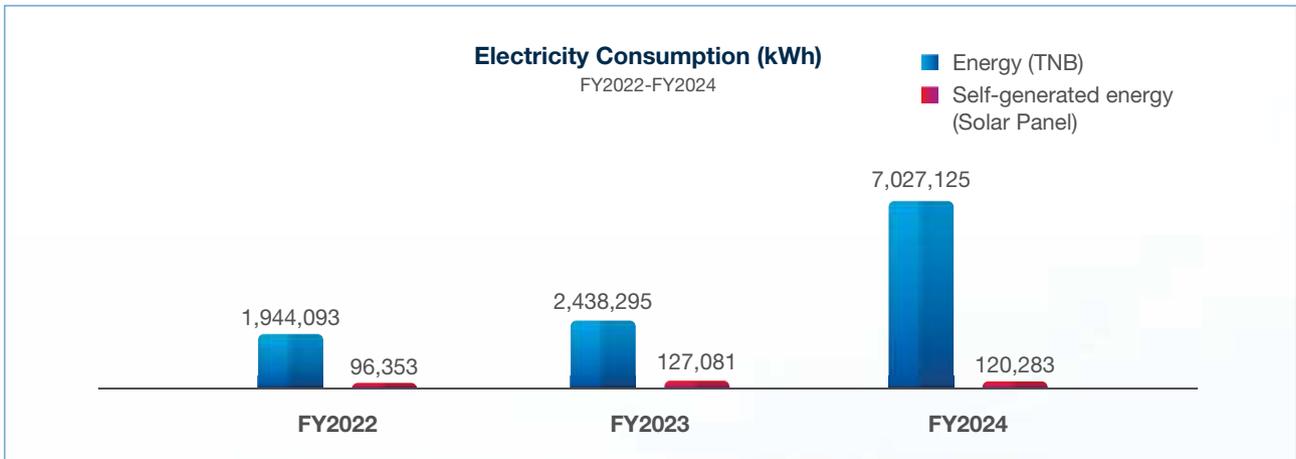
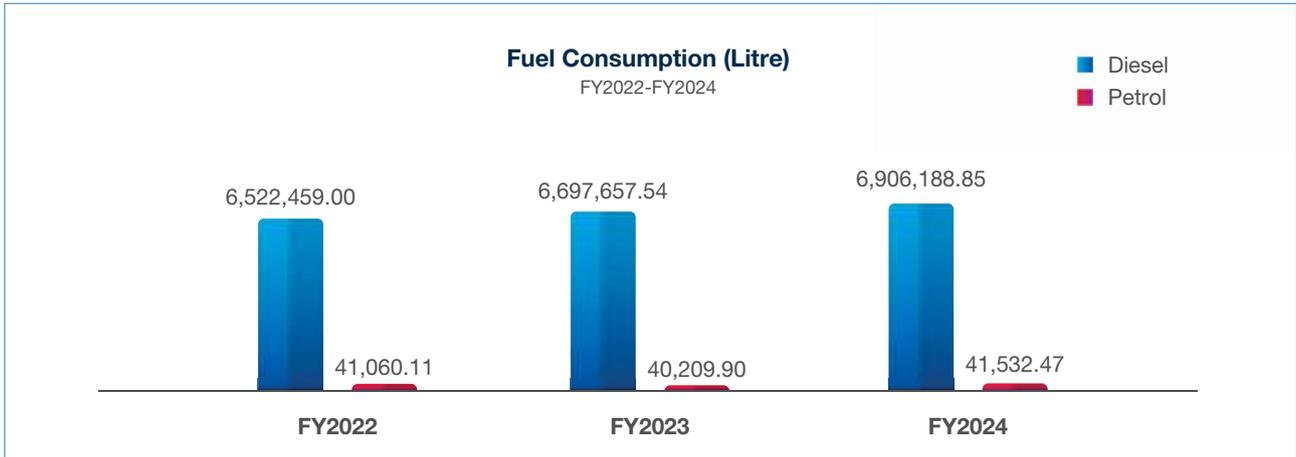
Energy and Fuel Consumption

In FY2024, GDEX's total fuel consumption amounted to 6,947,721.32 litres, reflecting an increase of 209,854.78 litres compared to FY2023, where fuel consumption stood at 6,737,866.54 litres. The total fuel consumption in FY2024 comprises 6,906,188.85 litres of diesel and 41,532.47 litres of petrol, contributing to total carbon emissions of 19,302.44 tCO₂e. The slight increase in fuel consumption from FY2023 to FY2024 is primarily driven by the expansion of our business activities, which had led to a higher volume of deliveries and transportation requirements.

Despite this increase, GDEX remains committed to improving fuel efficiency and reducing our carbon emissions through ongoing fleet optimisation, regular vehicle maintenance, and adoption of more fuel-efficient transportation models. We are progressively replacing our one-tonne and three-tonne trucks with more fuel-efficient models to lower the overall fuel consumption, which will indirectly reduce our overall carbon emissions as part of our commitment towards sustainable logistics. Furthermore, we have established a dedicated team of skilled employees responsible for conducting regular maintenance on all company-owned vehicles, in order for the group to optimise fuel efficiency and minimise fuel wastage. This proactive approach ensures that our fleet remains in optimal condition, to enhance energy efficiency, reduce operational costs, and extend the lifespan of our vehicles.

CORPORATE SUSTAINABILITY REPORT

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GDEX’s overall energy consumption for FY2024 is 7,147,408 kWh, an increase from 2,565,376 kWh in FY2023. This rise in energy consumption is primarily attributed to the inclusion of the electricity usage of 98 GDEX branches nationwide, expansion of our operational footprint, growth in business activities, as well as the increasing use of automated and digitalised logistics systems to enhance service efficiency. As GDEX continues to scale its operations, the demand for electricity has naturally increased, supporting the integration of advanced technology, warehouse automation, and digital infrastructure across our facilities.

To mitigate our energy footprint, GDEX has invested in renewable energy solutions, including the installation of solar panels at our Petaling Jaya facility, generating 120,283 kWh of electricity for internal consumption. This initiative represents a critical step toward reducing reliance on conventional energy sources while contributing to our broader sustainability goals.

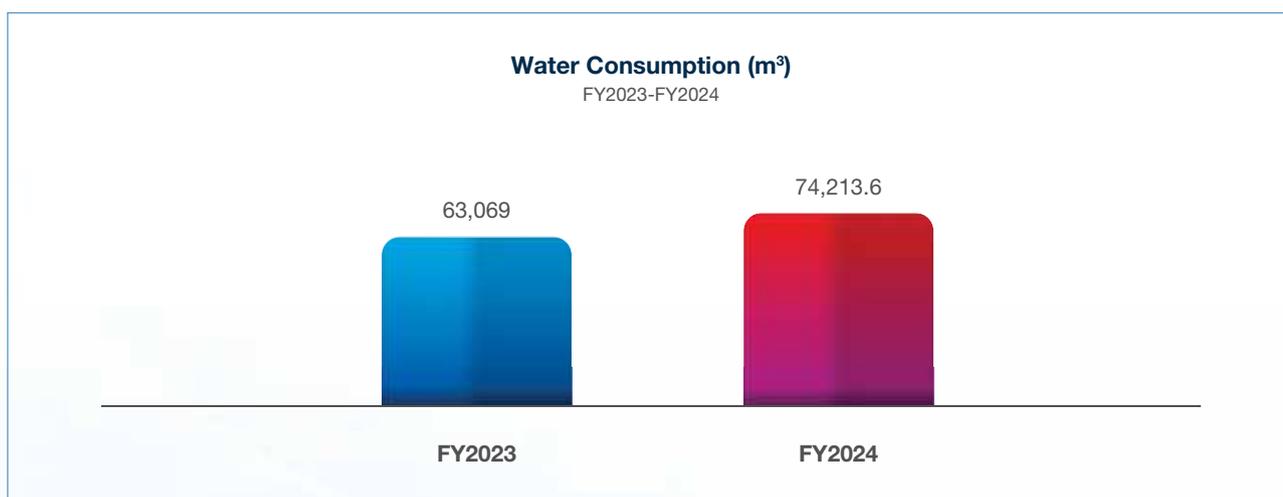
CORPORATE SUSTAINABILITY REPORT

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Additionally, GDEX remains committed to promoting energy conservation practices among employees. Through regular awareness campaigns and training sessions, we emphasise simple yet effective measures, such as turning off electrical appliances when not in use and reducing unnecessary engine idling to conserve fuel and lower carbon emissions. By integrating both technological advancements and behavioural changes, we aim to balance business growth with responsible energy consumption, enhancing our commitment to environmental sustainability.

Water Consumption

GDEX recorded total water consumption of 74,213.6 m³ in FY2024, reflecting an increase from 63,069 m³ in FY2023. This represents a rise of 11,144.6 m³, primarily attributed to the higher business activity levels across our sites. As GDEX continues to grow, we remain committed to enhancing water efficiency and conservation efforts. We are actively exploring and implementing measures, such as water-saving initiatives, employee awareness programs, and operational best practices to optimise water usage. We will continue to monitor and integrate sustainable water management solutions to minimise our environmental impact, while supporting our business growth.



Waste and Effluents

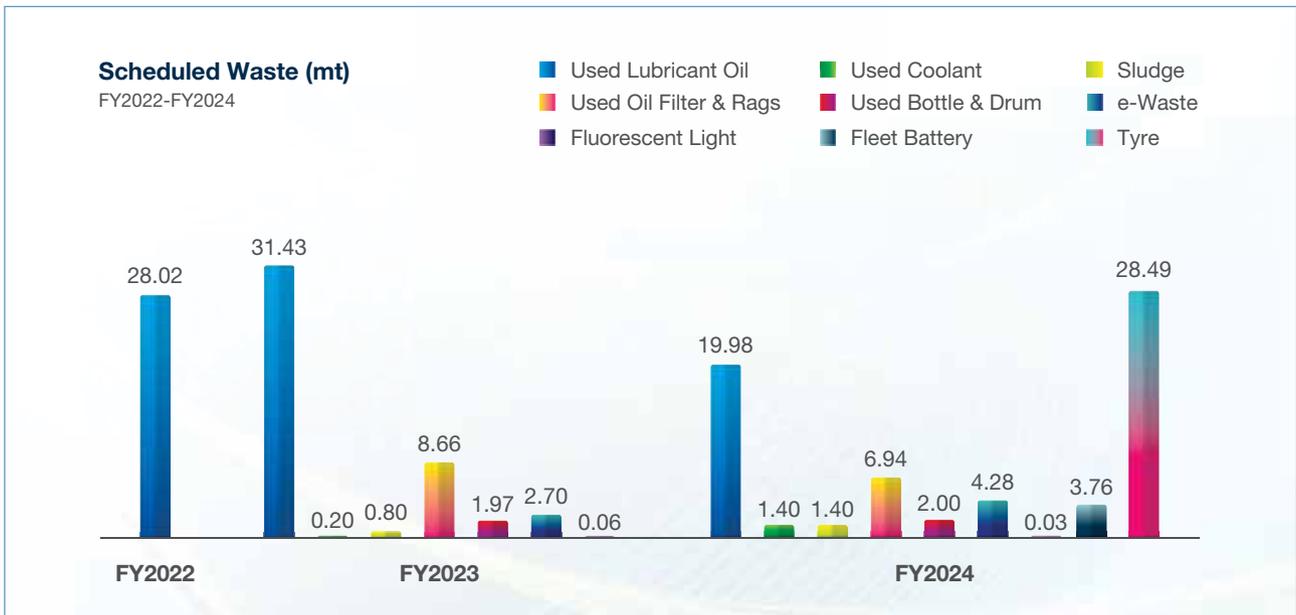
We continue to prioritise the safe and responsible disposal of waste, in full compliance with the Environmental Quality (Scheduled Waste) Regulations 2005 and we are pleased to report that in 2024, GDEX did not incur any environmental-related incidents, fines, or penalties in Malaysia. This reflects our robust commitment to regulatory adherence and environmental stewardship. We have implemented stringent and regular reviews of our waste management practices in order to maintain a high standard of environmental compliance. In line with this, we have a dedicated waste disposal shed specifically designed for the safe storage and disposal of petroleum and lubricant waste. Additionally, we have implemented a scheduled waste disposal program to ensure the proper handling and disposal of hazardous materials, further reinforcing our commitment to environmental responsibility and best practices in waste management.

CORPORATE SUSTAINABILITY REPORT

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In FY2024, GDEX reduced its general waste to 1,249.20 metric tonnes, as compared to 1,329 metric tonnes in FY2023. This demonstrates our commitment to improved waste management practices, enhanced recycling initiatives, and optimised resource usage, which reflect our efforts to minimise landfill contributions, improve waste segregation, and adopt more sustainable disposal methods across our operations.

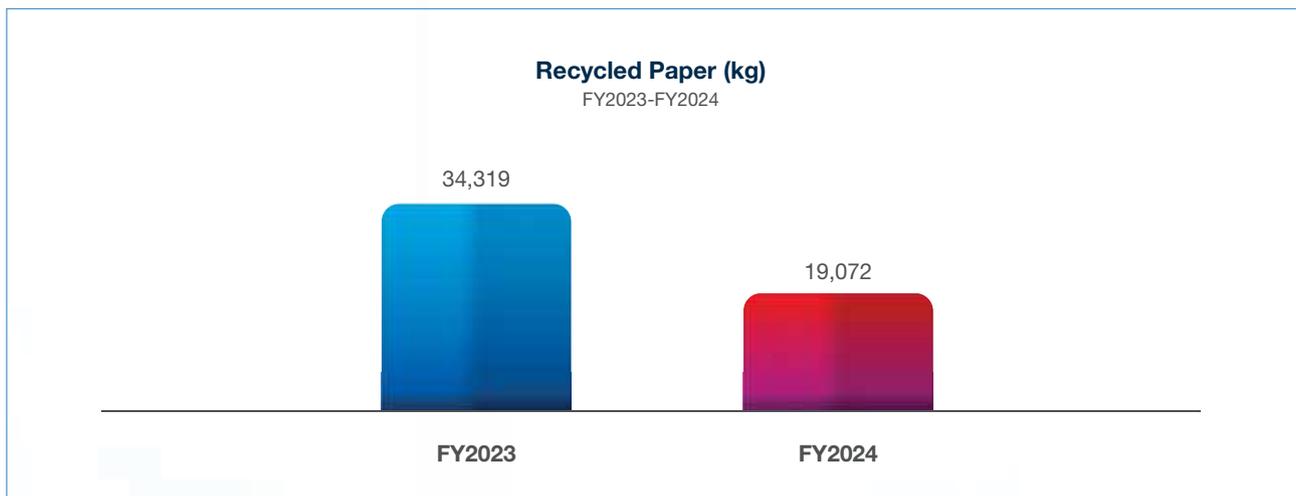


CORPORATE SUSTAINABILITY REPORT

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As for scheduled waste, we recorded a reduction in the disposal of used lubricant oil from 31.43 metric tonnes in FY2023 to 19.98 metric tonnes in FY2024. This reduction is contributed through our initiative in improving the fleet maintenance efficiency. We continue to disclose the additional scheduled waste such as used coolant (1.40 metric tonne), sludge (1.40 metric tonne), used oil filter and rags (6.94 metric tonne), used bottle and drum (2.00 metric tonne), e-waste (4.28 metric tonne), fluorescent light (0.03 metric tonne), fleet battery (3.76 metric tonne) as well as tyres (28.49 metric tonne). Moving forward, we will continue to refine our waste management practices and integrate more circular economy principles to further minimise our environmental footprint.

Reduce, Reuse, and Recycle (3R)



Our digitalisation efforts have resulted in a total recycled paper volume of 19,072 kg, a 44.4% decrease from 34,319 kg in FY2023. As part of our commitment to sustainable resource management, we continue to implement paperless initiatives, such as electronic documentation, digital invoicing, and automated processes, to further reduce paper dependency. In FY2024, we also recycled a total of 115,900 kg of carton boxes, a decrease of 10,560 kg compared to 126,460 kg recycled in FY2023. Additionally, we actively encourage employees to adopt responsible paper usage practices, including double-sided printing, reusing paper where possible, and prioritising digital communications. We continue to remain dedicated to further reducing paper consumption and enhancing our recycling programs in alignment with our broader sustainability commitments.

CORPORATE SUSTAINABILITY REPORT

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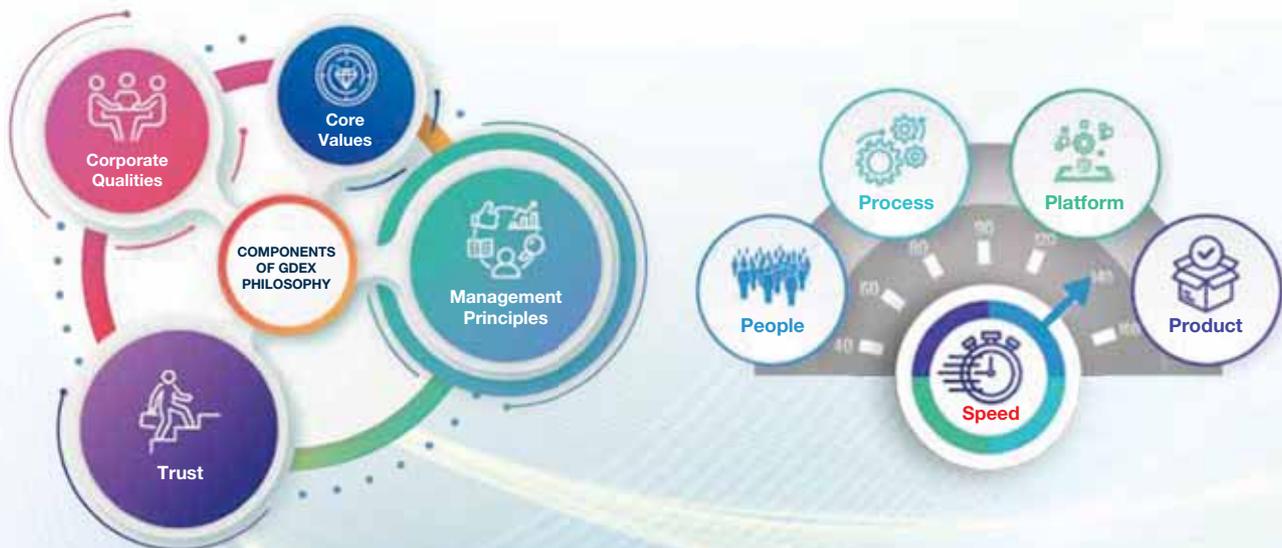
SOCIAL

Our commitment to customers

Our unwavering dedication to delivering excellent services stems from a deep-seated belief that customer satisfaction is not just a priority but the very essence of our business growth and sustainability. This is rooted in the GDEX philosophy renewed in 2020, where we steadfastly uphold the principles of the 4P's and 1S, representing People, Process, Platform, Product, and Speed. These corporate qualities continue to serve as the foundation for our continuous evolution and long-term success.

We continue to engage with our customers actively, in valuing their feedback as an essential component of our service enhancement efforts. Through constant monitoring and evaluation, we ensure that our standards not only meet, but exceed expectations. Our commitment to accessibility is reflected in the continuous enhancement of our GDEX Point of Presence ("POP") outlets, strategically located in key neighbourhoods to provide greater convenience and seamless service experiences.

As we continue to expand our business, we remain committed to revitalising and modernising our branches, creating inviting spaces where customers feel welcomed and valued. This will enable us to foster positive interactions with our dedicated staff to strive to build lasting relationships based on trust, efficiency, and superior service quality. At GDEX, every step forward is guided by our promise to serve our customers better, ensuring that their needs remain at the centre of our journey toward excellence.



CORPORATE SUSTAINABILITY REPORT

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Customer Satisfaction

The FY2024 Customer Satisfaction Survey results highlight GDEX's strong commitment to service excellence, with 8,154 respondents commending high satisfaction levels across three main experience categories. An impressive 94% overall satisfaction rating underscores our dedication to delivering excellent experiences and services. The GDEX delivery experience received 96% approval, showcasing our reliability and efficiency, while the online experience scored 93%, reflecting our efforts to enhance digital accessibility. Additionally, 92% of customers expressed satisfaction with our customer service, demonstrating our commitment to responsive and supportive interactions. These results reaffirm our mission to continuously improve and innovate, ensuring that we meet and exceed customer expectations.

FY2024 Customer Satisfaction Survey



CORPORATE SUSTAINABILITY REPORT

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Our employees

At GDEX, we appreciate every individual employee as we recognise them as our most vital asset and the driving force behind our business success. We foster a workplace culture built on fairness, respect, and inclusivity, ensuring that every team member feels valued and empowered as a big family. As a socially responsible organisation, we uphold exemplary employment practices, actively engaging in open dialogue with our employees to address their needs, concerns, and aspirations.

We believe that the dedication and contributions of our employees are integral to the growth and progress of our organisation. To show our appreciation, we provide comprehensive incentives and benefits designed to reward their commitment and service. These include competitive remuneration packages, performance-based bonuses, and achievement-driven rewards that recognise excellence. Additionally, we are committed to career development and professional growth, offering structured upskilling and training programs to equip our employees with the necessary skills for advancement. Recognising the importance of well-being, we also provide extensive medical benefits to ensure their health and peace of mind.

At GDEX, we go beyond just offering jobs we cultivate careers and foster an environment where employees can thrive, contribute meaningfully, and build a future with us.

We ensure that our workplace is built on principles of equality, fairness, and integrity as part of our commitment to upholding the pillars of International Human Rights: Protect, Respect, and Remedy. We steadfastly champion equal opportunities for all employees, valuing diversity and fostering an inclusive environment where dedication and hard work are recognised and rewarded. We take pride in our strong ethical framework, and we are pleased to report that there were no recorded cases of human rights violations in FY2024, reflecting our commitment to maintaining a responsible and respectful workplace.

Our Employee Handbook clearly outlines employee welfare and benefits, ensuring that every team member is well-informed about their rights, entitlements, and workplace policies, which showcase our transparency and fairness. In recognition of the importance of a healthy work-life balance, we implement structured scheduling practices that prevent excessive working hours, enabling our employees to maintain their well-being while maximising productivity.

Furthermore, we strictly adhere to Child Labour Laws, employing only individuals aged 18 and above, aligning with international efforts to eliminate child and forced labour. Our recruitment policies are fully compliant with the Employment Act 1955, ensuring adherence to all government regulations and the national minimum wage policy. Through these initiatives, we reaffirm our dedication to ethical labour practices, safeguarding the rights, dignity, and welfare of every GDEX employee.

CORPORATE SUSTAINABILITY REPORT

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FY2024 Proportion of Employees

3,567
Total employees



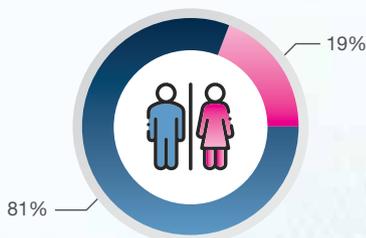
123
Temporary or contract employees

3

Disabled employees

By Gender

■ Male ■ Female



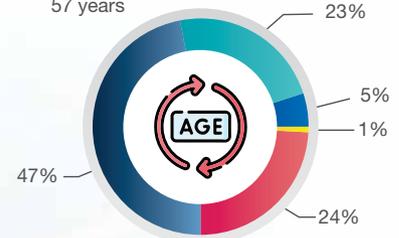
By Diversity

■ Local ■ Foreign



By Age Distribution

■ 18-27 years ■ 28-37 years ■ 38-47 years ■ 48-57 years
■ Above 57 years



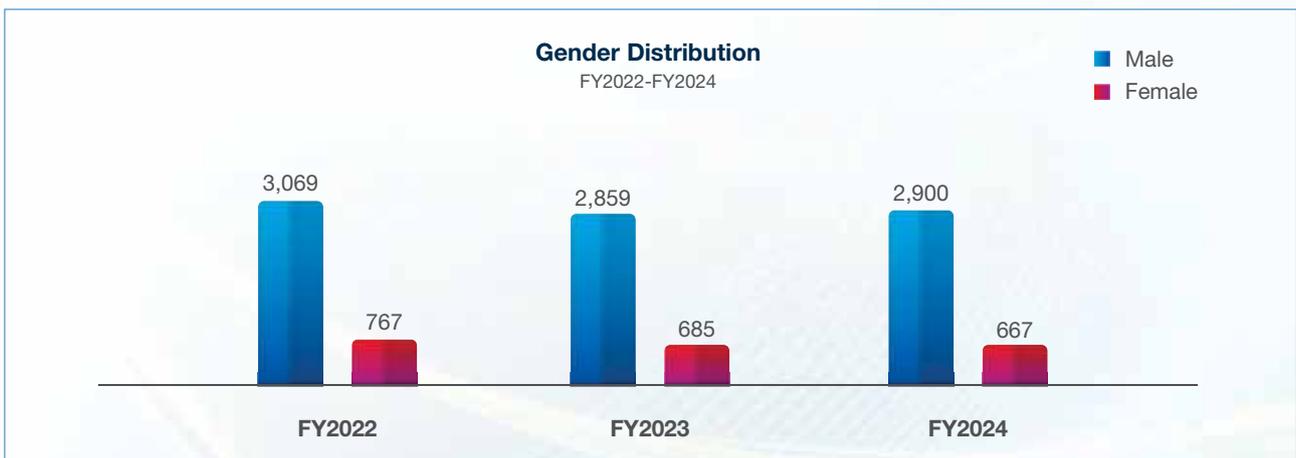
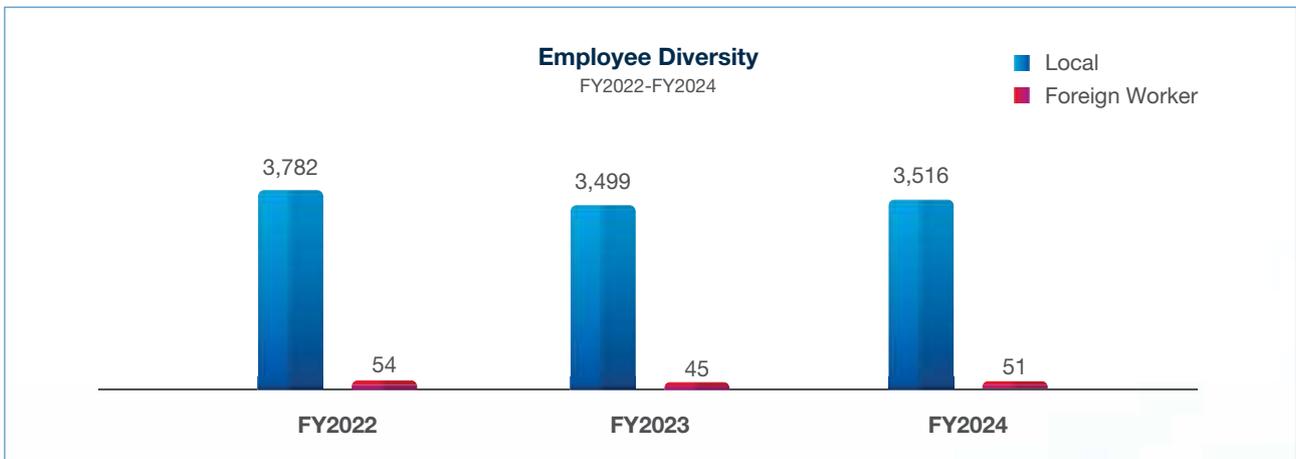
Our commitment to fostering an inclusive and dynamic workforce is reflected in our FY2024 workforce composition, totalling 3,567 employees, where 3,516 are local hires, while 51 are foreign employees. This demonstrates our dedication to supporting local talent while embracing a diverse workforce. Additionally, we employ 123 contract staff, further reinforcing our commitment to workforce flexibility and talent development.

CORPORATE SUSTAINABILITY REPORT

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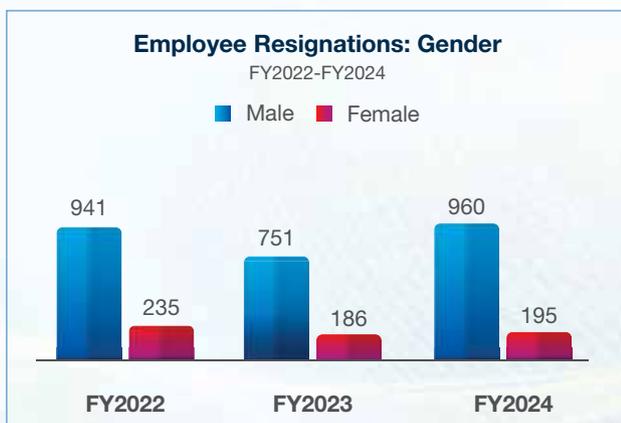
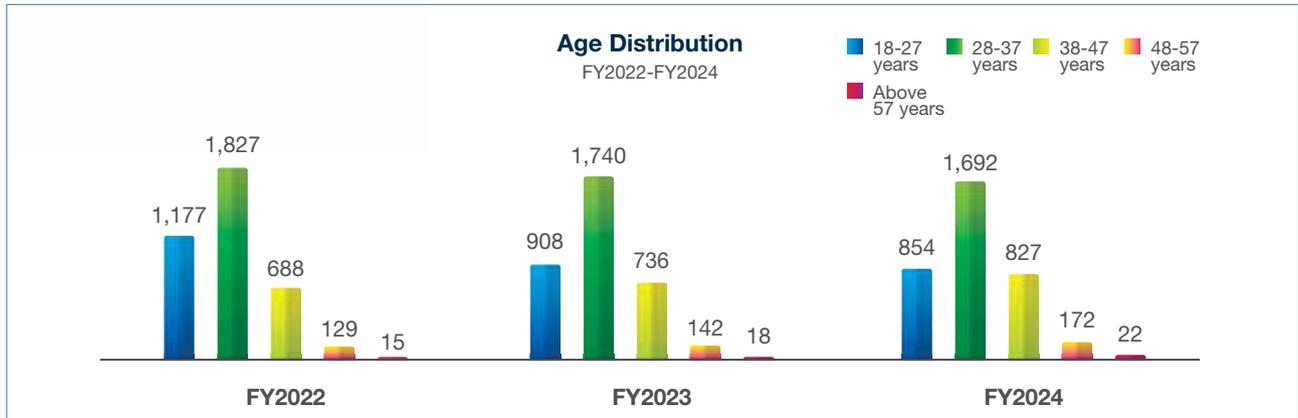
We remain steadfast in our mission to support local talent and economic growth, particularly through the provision of employment opportunities to unemployed youths, helping to strengthen both the community and the industry. Meritocracy and fairness are at the core of our hiring practices at GDEX, where we firmly uphold a non-discriminatory recruitment policy, ensuring equal opportunities for all candidates. GDEX is committed to the diversity of our employees to ensure equal opportunities in regards to their differences in nationality, race, religion, gender, sexual orientation, and age.

In terms of workforce distribution, 81% of our employees are male, while 19% are female; a composition largely influenced by the labour-intensive nature of the express delivery and logistics sector. However, we continue to advocate for workplace inclusivity, ensuring that all employees, regardless of gender, have equal access to opportunities for growth, training, and career advancement. Through these efforts, we reaffirm our commitment to building a skilled, diverse, and empowered workforce that drives GDEX towards continued excellence.



CORPORATE SUSTAINABILITY REPORT

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CORPORATE SUSTAINABILITY REPORT

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In FY2024, GDEX welcomed 1,194 new hires, comprising 1,018 males and 176 females, reinforcing our commitment to workforce growth and talent acquisition. However, during the same period, we recorded 1,155 employee resignations. We continue to provide opportunities for individuals from all backgrounds, including adults with disabilities and those without formal education, in line with GDEX's approach of inclusivity and non-discrimination. Thus, we have increased the employment of persons with disabilities to a total of three employees, as compared to one disabled employee in FY2023. This is a positive step forward in strengthening workplace diversity and clearly reflects our commitment to equal opportunity employment. We always value every individual's ability to contribute to GDEX's success, regardless of their personal circumstances. In addition, the Group is supportive of the underprivileged, people with disabilities, and those without formal education by providing job and training opportunities.

At GDEX, we have the Whistleblowing Governance Unit in place to maintain a safe, fair, and respectful workplace for all employees. This serves as a confidential and secure channel for employees to report any cases of discrimination, misconduct, or unwelcomed workplace behaviour. We encourage our employees to raise concerns directly to the top management without fear of retaliation as our commitment to a transparent and open culture within GDEX. We strongly uphold strict confidentiality for all reports and ensure that any significant cases are thoroughly and formally investigated.

We are pleased to reaffirm that in FY2024, GDEX recorded zero incidents of discrimination, child labour, or forced labour violations, reinforcing our unwavering commitment to ethical employment practices and human rights compliance. Moving forward, we will continue to enhance our workplace policies, ensuring that all employees feel respected, valued, and empowered to thrive within our organization.

Talent Development and Retention

We continue to prioritise continuous learning and employee engagement through various development initiatives. Beyond specialised training courses, we host an annual network conference where executives from the supervisory level onward exchange insights and align with the Group's strategic direction, fostering unity and collaboration.

The GDEX Academy continues to play a vital role in workforce development, offering industrial training for school leavers and employees, leading to professional certificate and diploma in logistics and express delivery. This initiative is a collaboration with the Ministry of Human Resources' Department of Skills Development where we strictly adhere to National Occupational Skill Standards (NOSS), ensuring industry-relevant training. Additionally, our training curriculum is jointly developed with Pembangunan Sumber Manusia Berhad (PSMB) to equip employees with the latest technological, regulatory, and industrial knowledge.

In December 2024, we witnessed the graduation ceremony of 66 employees, of which 20 graduated with Malaysian Skills Certificate and 46 earned their Malaysian Skills Diploma. GDEX is honoured to be a part of their journey, as we recognise and celebrate the potential and dedication to lifelong learning of every graduate.

Apart from that, we actively conduct workshops on Human Resources policies, Anti-Bribery Management, Whistleblowing, No Gift Policy, as well as Health & Safety Procedures to uphold good governance and compliance within GDEX. Through these efforts, we remain committed to nurturing talent, ensuring ethical practices, and strengthening our future workforce.

CORPORATE SUSTAINABILITY REPORT

cont'd

Occupational Safety and Health

At GDEX, ensuring the safety and well-being of our employees remains a top priority. Given our operations' heavy reliance on vehicles and machinery, we enforce a comprehensive safety policy to protect our workforce, contractors, customers, and stakeholders. The GDEX Safety and Health Committee oversees policy compliance, ensuring a secure work environment to uphold strict adherence to safety regulations. In the event of an accident or incident, an independent investigation is conducted to determine the root cause and implement preventive measures to avoid future occurrences. As part of our business expansion strategy, GDEX adheres to best safety practices for every new branch opening, relocation, or expansion. A Network Committee collaborates with the Safety and Health Committee, ensuring that all branch operations comply with the Branch Set-Up Flow and ISO guidelines. This structured approach guarantees that safety, health, and labour standards are upheld at every location.

We reinforced our safety commitment through safety-related training sessions where a total of 1,975 employees were trained with various safety-related training in 2024. These efforts foster a strong safety culture and reinforce GDEX's commitment to workplace health, security, and operational excellence.

List of Safety and Health Training

1	Spill Drill
2	Safe Motorcycle Defensive Riding
3	Defensive Driving & Vehicle Maintenance
4	OSH Coordinator Training
5	Hub Operation & Dangerous Goods Awareness
6	Forklift Certification and Safety Training
7	Riders' Awareness Workshop
8	Work Related Road Safety Training
9	Scheduled Waste Training
10	First Aider Training
11	Hazardous Material Training
12	Road Safety & Vehicle Maintenance Awareness for GDEX Drivers/Riders

In FY2024, GDEX recorded 15 workplace accident cases, with zero fatalities. Our Lost Time Incident Rate (LTIR) remained low at 1.51, in line with the Occupational Safety and Health Act (OSHA) 1994, which defines lost time incidents as work-related injuries resulting in lost productive hours for both employees and contractors.

We aim to further reduce incidents in the coming year through ongoing improvements and alignment with the Department of Occupational Safety and Health (DOSH) Vision Zero campaign as part of our commitment to enhance workplace safety. We also continuously enforce safety policies strictly and conduct comprehensive workforce training. One theft incident at a branch was reported in 2024, which has prompted us to strengthen security measures and implement preventive strategies to mitigate future risks. GDEX continues to prioritise safety, security, and well-being, ensuring a safer workplace for all.

CORPORATE SUSTAINABILITY REPORT

cont'd

Additionally, we implement comprehensive safety measures, including designated safety lanes, clearly visible hazard labels and signs, and well-defined handling procedure instructions. These proactive steps reflect GDEX's strong commitment to maintaining a safe and healthy workplace, ensuring that all employees operate in a secure and hazard-free environment.



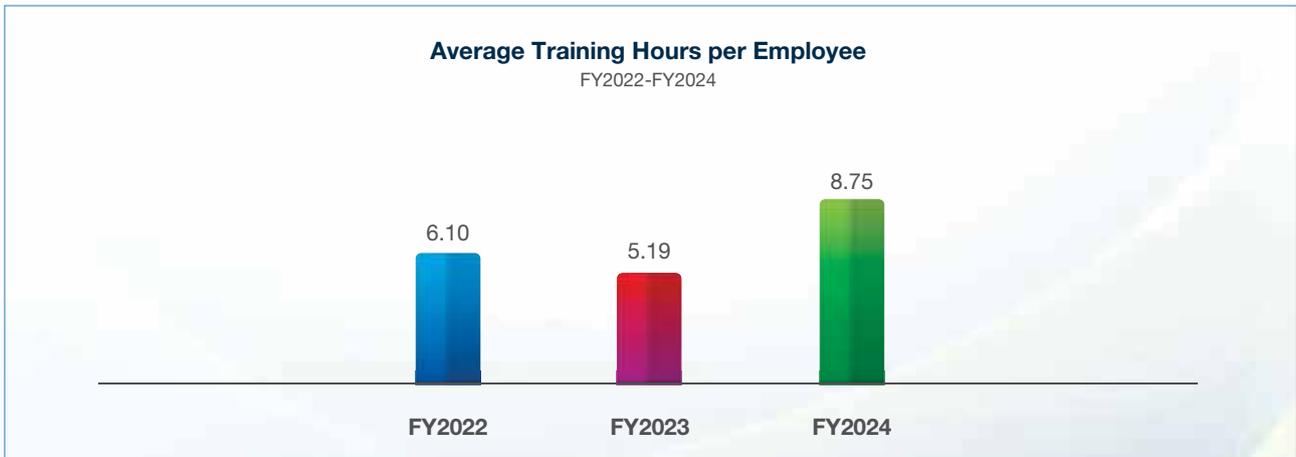
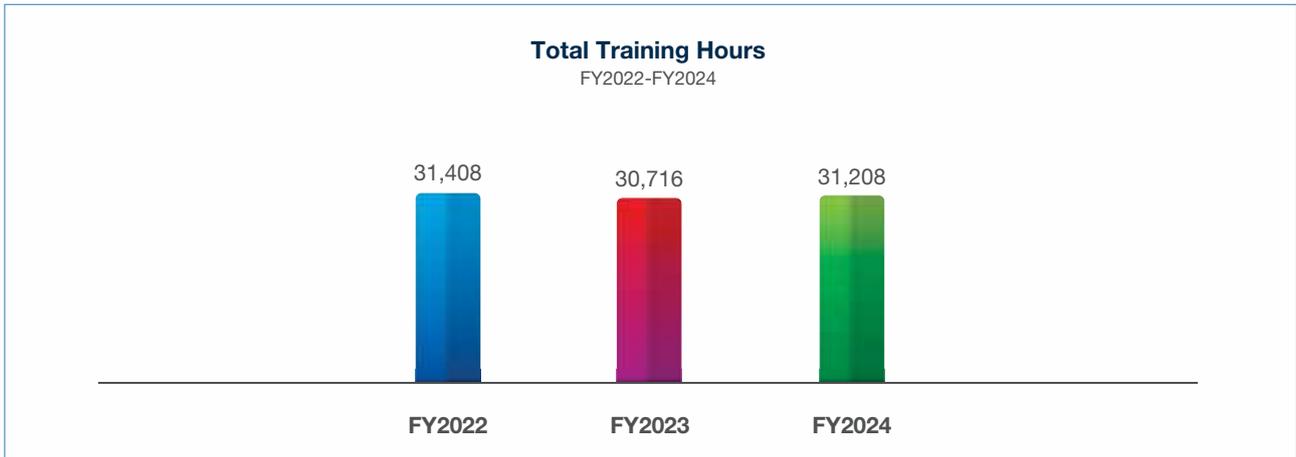
Learning and Development

In FY2024, we successfully conducted 31,208 total training man-hours, averaging 8.75 training hours per employee, marking an improvement from FY2023. This increase highlights GDEX's commitment to workforce development, ensuring employees are well-equipped with up-to-date industry knowledge, emerging technologies, and best practices. Our Group's Multimedia Remote Learning (MMRL) programme continue to remain our main initiative in providing comprehensive training resources, enabling employees across Malaysia to continuously enhance their skills and professional competencies. By strengthening upskilling efforts, we empower our workforce to maintain high competency levels, adaptability, and operational excellence, ultimately enhancing service quality and customer satisfaction.



CORPORATE SUSTAINABILITY REPORT

cont'd



CORPORATE SUSTAINABILITY REPORT

cont'd

Engaging and Empowering Communities

As part of our continuous commitment to community engagement, we actively reach out to the local community to participate in the GDEX enterprise development programme. This impactful initiative continues to be supported by the G-Partner programme and KITA crowdsourcing platform. This programme was designed to boost the local's economy through entrepreneurship especially targeting the young entrepreneurs who drive local business growth and job creation. Throughout FY2024, we made a significant impact on 43,759 individuals, a noteworthy increase from 5,282 individuals reached in the previous year. These efforts culminated in a total investment of RM87,749.35 through our various Corporate Social Responsibility ("CSR") events, as summarised in the table below:

Date	Programme	SDGs
23 rd April 2024	Educational Trip Programme to GDEX Auto Hub with Yamato Transport (M) Sdn Bhd	  
10 th July 2024	GDEX Share Love at NASOM Teluk Pulai	
15 th - 27 th August 2024	GDEX Journey of Knowledge at Sekolah Kebangsaan Kampung Selayang	 
10 th September 2024	GDEX Rivers of Renewal at Kanching River	  
26 th September 2024	Formalisation of Collaboration between Government-Industry TVET Coordination Body ("GITC") and GDEX	
20 th October 2024	United Nations Association Malaysia ("UNAM") UN Forum: Eight Decades, Issues and Challenges	
9 th November 2024	National Courier Day 2024 (Hari Kurier Negara 2024)	

CORPORATE SUSTAINABILITY REPORT

cont'd

Educational Trip Programme to GDEX Auto Hub with Yamato Transport (M) Sdn Bhd ("Yamato")

GDEX and Yamato were excited to welcome the eager Form 4 students from SMK Seri Gombak as they took a dive into the fascinating world of logistics. On 23 April 2024, the students visited the GDEX HQ and GDEX Auto Hub in Petaling Jaya, where they were introduced to the complex workings of logistics operations. The students gained valuable insights into the behind-the-scenes processes, from managing supply chains to coordinating deliveries, that ensure the seamless flow of goods and services.

It was a wonderful day of learning and inspiration, as we shared our knowledge and hopefully sparked an interest in the next generation of industry leaders. We hope this educational visit encouraged these young minds to consider future careers in the industry, potentially shaping them into the leaders who will drive innovation and progress in logistics.



CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX Share Love at NASOM Teluk Pulai

GDEX had the privilege of sharing love and providing support at The National Autism Society of Malaysia (NASOM) in Teluk Pulai, Klang, on 10 July 2024. As part of our commitment to uplifting the local communities, we donated five sets of desktop computers to enhance the children's learning experience and aid in their development. This contribution enables the empowerment of the children by providing them with access to educational resources and opportunities to learn and grow their skills.

The day was filled with fun and engaging activities, and our team had the privilege of interacting with the children, participating in activities that fostered connection and understanding, and creating memories that will last a lifetime. We are deeply grateful to NASOM for providing us with this priceless opportunity to connect with the children and contribute to their educational journey.



CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX Journey of Knowledge at Sekolah Kebangsaan Kampung Selayang

At GDEX, we believe in the transformative power of creativity to inspire and uplift people. As part of our ongoing commitment to support education and foster a positive learning environment, we were delighted to contribute two vibrant murals to Sekolah Kebangsaan Kampung Selayang.

These murals were designed to transform ordinary blank walls into stunning works of art, bringing energy and life to the school's surroundings. The artwork was thoughtfully crafted to resonate with the students, capturing their curiosity and inspiring a sense of wonder. We hope to motivate the students to think out of the box by unlocking their potential and fuelling them with new ideas as they navigate their educational journeys. We are proud to leave a lasting impact that not only brightens the physical environment but also the hearts and minds of the school community.



CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX Rivers of Renewal at Kanching River

GDEX Rivers of Renewal is a heartfelt environmental initiative to rejuvenate and preserve the natural surroundings of the Kanching Eco Forest Park (Taman Eko Rimba Kanching) in Rawang, Selangor. We aim to create a cleaner, greener, and more sustainable environment for the benefit of both wildlife and the surrounding local communities through this programme. This initiative focused on waste collection, as well as the painting of rest huts and a bridge, combining efforts to improve the overall environment for both wildlife and local communities.

On the day of the event, a team of dedicated volunteers successfully collected 175 kg of waste from Levels 2 and 3 of the park. The waste collected includes plastic, aluminium, paper, glass, and organic materials. This effort not only contributed to a cleaner and safer ecosystem but also highlighted the importance of collective action in environmental conservation.

We hope that the success of the GDEX Rivers of Renewal event will inspire ongoing efforts to protect and conserve our natural resources. We believe this initiative can have a ripple effect, motivating individuals, organisations and communities to take impactful steps toward preserving the planet by fostering environmental awareness and encouraging active participation.



CORPORATE SUSTAINABILITY REPORT

cont'd



CORPORATE SUSTAINABILITY REPORT

cont'd

Donation for Typhoon Yagi Relief Efforts in Vietnam

Typhoon Yagi struck Vietnam on 7 September 2024, causing widespread devastation and forcing more than 50,000 people to evacuate their homes. Among those affected were 12 NETCO employees and their families, whose homes suffered extensive damage due to the destructive impact of the typhoon. In response, GDEX, through GD Holdings (M) Sdn Bhd, extended our solidarity and support by donating RM 100,000.00 to NETCO to assist with the recovery efforts. This donation was aimed at providing immediate aid to the affected employees and their families to help rebuild their lives and homes during this challenging time. Through this initiative, we hope to alleviate some of the burdens faced by the typhoon victims and inspire hope as they begin the process of recovery and rebuilding. This effort underscores GDEX's dedication to supporting our people and communities, especially in times of crisis.



CORPORATE SUSTAINABILITY REPORT

cont'd

Our Commitment to the Nation

Collaboration between Government-Industry TVET Coordination Body ("GITC") and GDEX



The Government-Industry TVET Coordination Body ("GITC") and GDEX Berhad formalised a groundbreaking collaboration agreement on 26 September 2024, aimed at developing a skilled and competent workforce to meet the needs of the courier and logistics industry. This strategic partnership seeks to bridge the gap between education and industry by fostering practical, hands-on experience by developing an internship programme and work-based learning opportunities. A key component of this collaboration involves the exchange of knowledge and expertise between GITC and GDEX. We will work closely to align technical and vocational education and training (TVET) curriculum with real-world industry requirements, as well as explore opportunities for joint projects and initiatives related to TVET and the logistics industry.

This collaboration marks GITC's first with a corporate partner. GITC was established back in February 2022 to steer the national TVET agenda by coordinating industry cooperation via an industry-led platform at the national level to articulate the skills and manpower requirement according to sectors. In addition, GITC serves as a unified source of reference for industry inputs on TVET development and government demand. This collaboration represents a milestone in integrating public and private sector efforts to elevate the TVET ecosystem in Malaysia.



CORPORATE SUSTAINABILITY REPORT

cont'd

UNAM UN Forum: Eight Decades, Issues and Challenges

GDEX is proud to demonstrate its commitment to the nation by supporting and collaborating with the United Nations Association Malaysia (“UNAM”). This year, we joined hands with the Ministry of Foreign Affairs, the United Nations in Malaysia, and the Ministry of Defence to commemorate the 79th Anniversary of UN Day in Malaysia on 24 October 2024.

The UNAM UN Forum: Eight Decades, Issues, and Challenges was a significant event that brought together key stakeholders to reflect on the progress made over the past 79 years and address the challenges that lie ahead. The forum also addressed pressing challenges and identified actionable pathways for sustainable growth, peace, and development. Through this collaboration, GDEX reaffirmed our commitments and underscored the importance of private-sector contributions in fostering impactful discussions and generating solutions to global and national challenges. By joining hands with UNAM and key government ministries, we continue to advocate for impactful partnerships that contribute to societal progress.



CORPORATE SUSTAINABILITY REPORT

cont'd

National Courier Day 2024 (Hari Kurier Negara 2024)

The inaugural National Courier Day 2024 (Hari Kurier Negara 2024) was attended by couriers across the industry, celebrating excellence. The lively event, officiated by the Minister of Communications, Yang Berhormat Datuk Ahmad Fahmi bin Mohamed Fadzil, highlighted the courier industry's vital role in driving Malaysia's economy and connecting communities nationwide.

During the event, GDEX walked away with the following awards:

1. National Courier Day 2024 Logo Design Competition — Grand Prize
2. Industry Staff Award 2024 for Best Courier — Courier (1st Mile & Last Mile) Category
3. MYKURIER Star Rating Program Award — 4 stars



CORPORATE SUSTAINABILITY REPORT

cont'd



These accolades underscore GDEX's position as a leader in the Malaysian logistics landscape, driven by innovation, teamwork, and commitment to excellence. This achievement would not have been possible without the dedicated GDEX team.

CORPORATE SUSTAINABILITY REPORT

cont'd



GOVERNANCE

GDEX's Board of Directors (the "Board") plays a vital role in steering the Group's sustainability strategy and objectives with a steadfast commitment to the three critical pillars of sustainability: Economic, Environmental, and Social ("EES"). By embedding sustainability governance throughout the organisation, the Board ensures that these principles are integrated into every facet of GDEX's operations, driving long-term value creation for stakeholders. The Board takes on an active role in fostering a strong and dedicated sustainability culture within the organisation through the assistance from two key committees - the CNRC and the SWC. Both committees ensure that the objectives set for each year are achieved and contribute meaningfully to GDEX's overall mission of sustainable growth.

GDEX not only reinforces our commitment to sustainability but also establishes ourselves as a forward-thinking organisation that integrates economic growth, environmental stewardship, and social responsibility into our core business practices through this comprehensive governance structure. This proactive approach ensures that GDEX remains resilient and adaptable while continuing to create value for our stakeholders and the communities we serve.



Corporate Governance

At GDEX, we place strong emphasis on robust corporate governance, fully acknowledging our critical role in achieving our sustainability objectives and driving long-term success. With our well-structured governance framework, the Board are empowered to engage in strategic decision-making and planning that aligns with the Group's direction in its sustainability journey.

We rigorously adhere to the principles and best practices outlined by the Malaysian Code on Corporate Governance ("MCCG"), the Minority Shareholders Watch Group ("MSWG"), the Corporate Governance Scorecard, the FTSE4Good Bursa Malaysia Index, S&P Global Corporate Sustainability Assessment ("CSA"), UN Global Compact Network Malaysia and Brunei ("UNGCMYB") and Bursa Malaysia Corporate Governance Guide. These benchmarks serve as a compass, ensuring that GDEX remains transparent, accountable, and aligned with stakeholders' expectations while contributing to broader ESG initiatives. This approach will ensure that GDEX meets the dynamic and evolving demands of the business environment.

To reflect our commitment to open communication and continuous improvement in corporate governance and sustainability performance, we publish our annual comprehensive Corporate Governance Report on our official website at <https://gdexpress.com/about-us/investor/>.

CORPORATE SUSTAINABILITY REPORT

cont'd

Data Security and Privacy

GDEX has proactively implemented cutting-edge Artificial Intelligence and Machine Learning-powered cybersecurity solutions to safeguard the privacy and security of data belonging to our customers, vendors, and employees. These advancements in technologies enable us to detect, prevent, and respond to potential threats in real time. This will ensure that sensitive information remains secure and reflect our unwavering commitment to continually enhancing our cybersecurity measures and maintaining a secure environment for all stakeholders. GDEX continues to conduct regular reviews of our cybersecurity management framework and mitigation strategies. In FY2024, there were no reported complaints related to data breaches involving customers, vendors, or employees, underscoring the effectiveness of our data protection protocols.

The Group is making significant progress toward obtaining the ISO 27001 Standard for Information Security Management Systems ("ISMS") in FY2025. This globally recognised certification demonstrates our dedication to upholding the highest standards of information security. It will strengthen our ability to protect sensitive data, enhance risk management practices, and build trust with our stakeholders.

Anti-Bribery and Anti-Corruption

Since 2020, GDEX has implemented an Anti-Bribery and Corruption Policy and a No Gift Policy that apply to all GDEX directors, employees, and third parties engaged by the company. Both of these policies align with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, reflecting our commitment to fostering a corporate culture rooted in ethics, integrity, and transparency. We uphold a strict zero-tolerance stance toward bribery and corruption across all aspects of our operations that adhere to ISO 37001:2016 Anti-Bribery Management System. The Anti-Bribery and Corruption Committee is responsible for overseeing the implementation and management of the company's Anti-Bribery Management System within the Group. To ensure that all issues related to bribery and corruption are addressed promptly and effectively, this committee has direct access to the Board of Directors and senior management of GDEX. In addition, our No Gift Policy clearly prohibits employees from soliciting, accepting, or offering gifts, entertainment, corporate hospitality, or any items of monetary value to or from parties with direct or indirectly in connection with GDEX. The Whistleblowing Policy and Procedures provides a clear and standardised framework for whistleblowers to report any concerns or irregularities to ensure transparency and accountability throughout the Group. All our policies are accessible to the public on our corporate website at www.gdexpress.com.

In FY2024, we are proud to report that there were no cases of corruption; a testament to our strong governance practices and continuous efforts to promote integrity. We are proud to disclose that to date, we have covered 90% of our workforce, who have received comprehensive training on anti-bribery and anti-corruption. As we move forward, we remain steadfast in upholding the highest standards of good governance and integrity, ensuring that our business operations continue to be conducted responsibly and ethically at all levels.

Regulatory Compliance and Engagement

The Group aligns with the latest regulations and guidelines issued by various authorities and regulatory bodies, underscoring our dedication to fostering good governance within the GDEX Group. We actively engage with ministries, regulators, government agencies, and organisations. The following list is a summary of all engagement activities that the Group has participated in during FY2024.

CORPORATE SUSTAINABILITY REPORT

cont'd

LIST OF REGULATORY ENGAGEMENT

Date	Event Title and Information	Regulators and organisations
12 January 2024	Royal Malaysia Customs Department Session with Industry Members on Low Value Goods Tax <ul style="list-style-type: none"> A discussion on implementation challenges and action plan on solutions of low value goods tax 	Royal Malaysia Customs Department (RMCD)

Date	Event Title and Information	Regulators and organisations
2 February 2024	Sesi Libat Urus Bersama Nexus Produktiviti, Persatuan Perniagaan dan Pemain Industri Bagi Pembangunan Dokumen 'New Deal for Business (NDFB)' <ul style="list-style-type: none"> A business solution proposal to increase productivity growth and economic power 	Malaysia Productivity Corporation (MPC)
7 February 2024	Focus Group Discussion with Land Owner in Petaling Jaya (Section 51 & 51A) <ul style="list-style-type: none"> A briefing of a comprehensive plan that includes physical and spatial planning as well as proposals that contain detailed studies from the aspects of land use, traffic, public transport, public facilities and green areas 	Majlis Perbandaran Petaling Jaya (MBPJ)
8 February 2024	Sesi Libat Urus Bersama Industri Pengangkutan Darat Berkenaan Pelaksanaan Sistem Kawalan Diesel Bersubsidi 2.0 (SKDS 2.0) – Sesi 1 <ul style="list-style-type: none"> A discussion on the implementation plan of diesel subsidy and new system 	Kementerian Perdagangan Dalam Negeri Dan Kos Sara Hidup (KPDN)
13 February 2024	Cadangan Pindaan Perintah Perlindungan Data Peribadi Peraturan (Golongan Pengguna Data), Akta Perlindungan Data Peribadi [Akta 709] Berdasarkan Klasifikasi Industri Malaysia 2008 Ver 1.0 (MSIC 2008) Termasuk Entiti Pertubuhan dan Badan Profesional <ul style="list-style-type: none"> A discussion on the latest changes in the Personal Data Protection Act (PDPA) 	Ministry of Digital (MOD)
16 February 2024	Sesi Libat Urus Bagi Penyampaian Taklimat e-Invois Bersama-sama Industri Logistik dan Pos & Kurier <ul style="list-style-type: none"> A discussion on implementation challenges and action plan on solutions of new e-invoice mechanism 	Ministry of Finance (MOF)

CORPORATE SUSTAINABILITY REPORT

cont'd

Date	Event Title and Information	Regulators and organisations
27 February 2024	Insight Exchange Bersama Nexus Produktiviti, Persatuan Perniagaan dan Pemain Industri Bagi Pembangunan Dokumen 'New Deal for Business (NDFB)' <ul style="list-style-type: none"> A business solution proposal to increase productivity growth and economic power with additional information 	Malaysia Productivity Corporation (MPC)
28 February 2024	Stakeholder Engagement Session for the Development of the Code of Practice for Postal Services (1st Session) <ul style="list-style-type: none"> A discussion on detailed clauses in the Code of Practice for Postal Services 	Postal Forum Malaysia

Date	Event Title and Information	Regulators and organisations
4 March 2024	Rangkaian Pelan Accelerator Kurier Negara (PAKEJ) Roundtable Session 1 <ul style="list-style-type: none"> A discussion on the new pillar of PAKEJ – Sustainability 	Malaysian Communications & Multimedia Commission (MCMC)
6 March 2024	Personal Data Protection Act (PDPA) Training <ul style="list-style-type: none"> Training on PDPA Act 	Postal Forum Malaysia
7 March 2024	Sesi Libat Urus Bersama Industri Pengangkutan Darat Berkenaan Pelaksanaan Sistem Kawalan Diesel Bersubsidi 2.0 (SKDS 2.0) – Sesi 2 <ul style="list-style-type: none"> A discussion on the implementation plan of diesel subsidy 	Kementerian Perdagangan Dalam Negeri Dan Kos Sara Hidup (KPDN)
7 March 2024	Malaysia Postal Security Group <ul style="list-style-type: none"> A discussion on the new guideline for all courier licences on Postal Security 	Malaysian Communications & Multimedia Commission (MCMC)
11 March 2024	Perbincangan Berhubung Pengenaan Cukai Perkhidmatan ke atas Perkhidmatan Logistik (Logistics Services) <ul style="list-style-type: none"> A discussion on the implementation plan of service tax for logistics players 	Ministry of Finance (MOF)
13 March 2024	Sesi Libat Urus New Deal for Business (NDFB) dengan Pihak Industri Bersama YB Menteri Ekonomi <ul style="list-style-type: none"> A briefing by the Economic Minister of Malaysia on the New Deal for Business (NDFB) 	Malaysia Productivity Corporation (MPC)

CORPORATE SUSTAINABILITY REPORT

cont'd

Date	Event Title and Information	Regulators and organisations
22 April 2024	Stakeholder Engagement Session for the Development of Code of Practice for Postal Services <ul style="list-style-type: none"> A discussion on all clauses in the Code of Practice for Postal Services 	Postal Forum Malaysia
23 April 2024	PAKEJ & Sustainability Workshop <ul style="list-style-type: none"> To appoint Environmental, Social, and Governance working group chairperson as a part of the future ESG plan of the Courier Industry 	Malaysian Communications & Multimedia Commission (MCMC)
30 April 2024	Majlis Publisiti Cadangan Penyediaan Draf Rancangan Kawasan Khas Petaling Jaya <ul style="list-style-type: none"> An update briefing of comprehensive (amended) plan that includes physical and spatial planning as well as proposals that contain detailed studies from aspects of land use, traffic, public transport, public facilities and green areas 	Majlis Perbandaran Petaling Jaya (MBPJ)

Date	Event Title and Information	Regulators and organisations
3 May 2024	Taklimat Sistem Integriti Korporat Malaysia (CISM) <ul style="list-style-type: none"> A briefing on Corporate Integrity System 	Malaysia External Trade Development Corporation (MATRADE)
6 May 2024	International Regulatory Conference 2024 <ul style="list-style-type: none"> An awareness update of regulatory policies from around the world that impact the courier and postal industry 	Malaysian Communications & Multimedia Commission (MCMC)
29 May 2024	AMEC Member Networking Session <ul style="list-style-type: none"> A get together session with new members of AMEC and new office bearers 	Association of Malaysian Express Carrier (AMEC)

CORPORATE SUSTAINABILITY REPORT

cont'd

Date	Event Title and Information	Regulators and organisations
13 June 2024	MyKurier Safety Rating Programme <ul style="list-style-type: none"> Received a 4-Star award result from MIROS 	Postal Forum Malaysia & Malaysian Institute of Road Safety Research (MIROS)
19 June 2024	Elevating Customer Service Experience in Postal and Courier <ul style="list-style-type: none"> A training to increase postal courier customer service skills 	Postal Forum Malaysia
20 June 2024	Association of Malaysian Express Carriers (AMEC) Discussion with Malaysia Competition Commission (MyCC) <ul style="list-style-type: none"> A discussion on courier industry masking matters 	Malaysia Competition Commission (MyCC)

Date	Event Title and Information	Regulators and organisations
2 July 2024	Workshop on the Draft of the Postal Services (Postal Security) Rules and Briefing on the Postal Services (Compounding of Offences) Regulations 2024 <ul style="list-style-type: none"> A further discussion on the new guideline for all courier licences on Postal Security 	Postal Forum Malaysia
23 July 2024	PAKEJ & Sustainability Action Plan Refinement Workshop <ul style="list-style-type: none"> Represented the Governance Group & chaired the Social Group to discuss the focus components in the ESG plan of the Courier Industry 	Malaysian Communications & Multimedia Commission (MCMC)
31 July 2024	Anti-Money Laundering Act (AMLA) and its Implications to Courier Industry <ul style="list-style-type: none"> An awareness update on money laundering cases around the world that impacts the courier and postal industry 	<ul style="list-style-type: none"> Postal Forum Malaysia Suruhanjaya Pencegahan Rasuah Malaysia (SPRM) Immigration Department of Malaysia

Date	Event Title and Information	Regulators and organisations
6 August 2024	Cyber Digital Services, Defence and Security Asia 2024 (CYBERDSA '24) <ul style="list-style-type: none"> Awareness event to nurture growth and showcase the development of Cybersecurity Malaysia 	Ministry of Digital (MOD)

CORPORATE SUSTAINABILITY REPORT

cont'd

Date	Event Title and Information	Regulators and organisations
2 October 2024	MSWG: What Can Seriously Go Wrong with RPTs? <ul style="list-style-type: none"> To further understand the legal requirements and gain insights from recent RPT cases 	Bursa Malaysia
11 October 2024	The CoSec's Playbook Series: Navigating and Managing Board Conflicts of Interest <ul style="list-style-type: none"> A discussion focused on the best practices for navigating conflicts to ensure ethical decision-making, maintain board integrity, and protect the interests of the organisation 	Institute of Corporate Directors Malaysia (ICDM)
16 October 2024	Skrine Conference: Lasting Strategies in a Changing World <ul style="list-style-type: none"> Awareness event on the new PDPA and obtained insights on how legal strategies can be adapted and refined to address the rapidly changing global environment 	Skrine & Company
22 October 2024	Mesyuarat Koordinasi & Kesiapsiagaan MCMC Bersama Agensi Berkepentingan, Pemain Industri Telco, Pos dan Kurier Bagi Menghadapi Monsun Timur Laut (MTL 2024/2025) <ul style="list-style-type: none"> This meeting aims to ensure preparedness and strong cooperation among all relevant agencies, communication service providers (Telcos), and postal and courier services, in efforts to minimise the impact of the monsoon on communication, postal, and courier services nationwide 	Malaysian Communications & Multimedia Commission (MCMC)
24 October 2024	UNAM UN Forum: Eight Decades, Issues and Challenges <ul style="list-style-type: none"> To foster dialogue on how the UN can adapt to contemporary global challenges and continue to promote a more just and sustainable world 	Institute of Diplomacy and Foreign Relations (IDFR)
29 October 2024	Taklimat Berkenaan Kawalan Pengimportan Barangan di Pintu Masuk Negara oleh Bahagian Penguatkuasaan Farmasi, Kementerian Kesihatan Malaysia (BPFKKM) <ul style="list-style-type: none"> To understand about the importation control of goods at the country's entry points, specifically focusing on regulations governed by the Pharmaceutical Enforcement Division, Ministry of Health Malaysia (BPFKKM) 	<ul style="list-style-type: none"> Malaysian Communications & Multimedia Commission (MCMC) Pharmaceutical Enforcement Division, Ministry of Health Malaysia (BPFKKM)

CORPORATE SUSTAINABILITY REPORT

cont'd

Date	Event Title and Information	Regulators and organisations
7 November 2024	<p>Majlis SIRIM Industri 2024</p> <ul style="list-style-type: none"> To receive an Award Certificate of Appreciation for GDEX's ongoing commitment to Anti-Bribery Management System and Good Distribution Practice for Medical Devices 	Standards and Industrial Research Institute of Malaysia (SIRIM)
11 November 2024	<p>Workshop on the Enhancement of the CIMS Courier Infrastructure Locations: Pick-Up Drop-Off (PUDO) Data Module</p> <ul style="list-style-type: none"> To recognise the postal and courier industry's contributions to service and data quality improvement, raising standards for all stakeholders 	Malaysian Communications & Multimedia Commission (MCMC)
14 November 2024	<p>Plan for Parcel Analytics Data Ingestion via API</p> <ul style="list-style-type: none"> A briefing of the establishment of API integration between MCMC and courier licensees, which will facilitate seamless data submission, minimise human errors, and eliminate repetitive tasks 	Malaysian Communications & Multimedia Commission (MCMC)
19 November 2024	<p>Understanding the Challenging Role of an Independent Director</p> <ul style="list-style-type: none"> To equip current and aspiring independent directors with the knowledge, skills, and tools needed to navigate challenges and fulfil their responsibilities effectively 	Bursa Malaysia (Listing Requirement Training)
25 November 2024	<p>Sesi Taklimat Kumpulan Kerja PAKEJ #1</p> <ul style="list-style-type: none"> A further discussion on the aspects of the Environmental (EWG), Social (SWG), and Governance (GWG) Working Groups involved in the National Courier Accelerator Plan (PAKEJ) initiative 	Malaysian Communications & Multimedia Commission (MCMC)
27 November 2024	<p>Digital Society Research Grant (DSRGX) Research Collaboration Consultation Workshop</p> <ul style="list-style-type: none"> To gather feedback from stakeholders to confirm and refine the concept, ensuring alignment with industry expectations and needs, as well as garner preliminary interest towards the DSRGX concept 	Malaysian Communications & Multimedia Commission (MCMC)

CORPORATE SUSTAINABILITY REPORT

cont'd

Date	Event Title and Information	Regulators and organisations
2 December 2024	Seminar on Information Security Incident Management <ul style="list-style-type: none"> A seminar which aims to equip licensees with essential knowledge and skills to effectively manage cybersecurity incidents 	Malaysian Communications & Multimedia Commission (MCMC)
5 December 2024	Effective Customer Relationship Management (CRM) In Complaint Handling Training <ul style="list-style-type: none"> A training designed to equip participants with the skills to understand the origins of complaints, uncover root causes through probing, and respond appropriately, whether verbally or in writing 	Malaysian Communications & Multimedia Commission (MCMC)
12 December 2024	Communication Infrastructure Management System (CIMS) Refresher Training Session <ul style="list-style-type: none"> A clinic organised by the Geospatial and Data Management Division (GDMD) for new and existing CIMS users, offering module guidance and a feedback session 	Malaysian Communications & Multimedia Commission (MCMC)

Conclusion

GDEX remains committed to its sustainability journey by implementing various green initiatives that align with the global goal of achieving net-zero carbon emissions by 2050. The successful installation of the second phase solar panel system at our GDEX Auto Hub marks another significant step in reducing our carbon footprint. Moving forward, we will introduce more sustainability-driven initiatives to enhance energy efficiency, reduce emissions, and promote eco-friendly logistics solutions. Beyond environmental efforts, we continue to strengthen our business sustainability by upholding strong governance practices and social responsibility, ensuring ethical operations, employee well-being, and community engagement. These efforts not only contribute to a greener future but also enhance long-term business performance and value creation for our stakeholders.



BURSA MALAYSIA

SUSTAINABILITY PERFORMANCE REPORT 2024

Indicator	Measurement Unit	2024
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	19,302.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	5,439.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	74.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	7,147.41
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	1,452.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	203.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	1,249.00
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	74.214000
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Functional 18-27	Percentage	1.54
Functional 28-37	Percentage	3.98
Functional 38-47	Percentage	2.05
Functional 48-57	Percentage	0.56
Functional Above 57 years	Percentage	0.14
Operational 18-27	Percentage	22.40
Operational 28-37	Percentage	43.45
Operational 38-47	Percentage	21.14
Operational 48-57	Percentage	4.26
Operational Above 57 years	Percentage	0.48
Gender Group by Employee Category		
Functional Male	Percentage	4.18
Functional Female	Percentage	4.09
Operational Male	Percentage	77.12
Operational Female	Percentage	14.61
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	70.00
Female	Percentage	30.00
30-39	Percentage	10.00
40-49	Percentage	20.00
50-59	Percentage	30.00
60 and above	Percentage	40.00

Internal assurance

External assurance

No assurance

(*)Restated

BURSA MALAYSIA

SUSTAINABILITY PERFORMANCE REPORT 2024

cont'd

Indicator	Measurement Unit	2024
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	87,749.35
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	43,759
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.51
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,975
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Functional	Hours	3,745
Operational	Hours	27,463
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	3.45
Bursa C6(c) Total number of employee turnover by employee category		
Functional	Number	79
Operational	Number	1,076
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	96.00
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Functional	Percentage	90.00
Operational	Percentage	90.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	88.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

AWARDS, CERTIFICATION, AND MEMBERSHIPS

2014

- **2014 Certificate of Recognition by the Employees President Fund (“EPF”)** — *Best Employer 2014 EPF Petaling Jaya*
- **2014 Driver and Rider Championship Award Postal and Courier Industry by the Malaysian Communications and Multimedia Commission (“MCMC”)** — *Overall Championship*
- **2014 Frost & Sullivan Malaysia Excellence Awards** — *Domestic Express Service Provider of the Year – Private Sector*

2015

- **2015 Frost & Sullivan Malaysia Excellence Awards** — *Malaysia Excellence in Growth - Domestic Express Services*
- **2015 Forbes Asia Malaysia Excellence Awards** — *Best Under A Billion Award - Private Sector*
- **2015 Certificate of Appreciation by MCMC** — *Driver and Rider Championship Award #SampaiDenganSelamat Postal and Courier Industry*
- **2015 Certificate of Recognition by EPF** — *Best Employer 2015 EPF Petaling Jaya*

2016

- **2016 Frost & Sullivan** — *Malaysia Domestic Express Services Provider of the Year*
- **2016 Certificate of Appreciation by EPF** — *Compliance with EPF 1991 Act, Selangor*
- **2016 E-Commerce Delivery Awards by MCMC** — *Operational Excellence Award – Top 5 Delivery Performance*
- **2016 E-Commerce Delivery Awards by MCMC** — *Road Safety Excellence Award – Top 3 Companies*
- **2016 E-Commerce Delivery Awards by MCMC** — *Road Safety Excellence Award – Top 3 Riders*

2013

- **2013 Frost & Sullivan Malaysia Excellence Awards** — *Domestic Express Service Provider of the Year - Private Sector*

List of Memberships and Associations

1. The Chartered Institute of Logistics and Transport (“CILT”)
2. Malaysia-Japan Economic Association (“MAJECA”)
3. Federation Of Malaysian Manufacturers (“FMM”)
4. Association of Malaysian Express Carriers (“AMEC”)
5. The Japanese Chamber of Trade & Industry, Malaysia (“JACTIM”)
6. Malaysia-China Chamber of Commerce (“MCCC”)
7. Malaysia Chamber of Commerce and Industries Philippines, INC (“MCCI”)
8. ASEAN Business Advisory Council Malaysia Circle (“ABMC”)
9. Malaysia Retail Chain Association (“MRCA”)
10. Universal Postal Union (“UPU”)
11. Energy Industries Council (“EIC”)
12. UN Global Compact Network Malaysia & Brunei (“UNGCMYB”)
13. Singapore Business Federation (“SBF”)

AWARDS, CERTIFICATION, AND MEMBERSHIPS

cont'd

2017

- **2017 MCMC Campaign #SampaiDenganSelamat** — Champion – Lorry Category
— 3rd Place – Rider Category

2018

- **2018 E-Commerce Delivery Awards by MCMC** — Best Innovation Award – GDEX GO
- **2018 Frost & Sullivan Asia-Pacific Best Practices Awards** — Malaysia Express Service Provider of the Year – Private Sector
- **2018 MCMC Campaign #SampaiDenganSelamat** — Champion – Wacry Competition
— 2nd Place – Rider Category

2019

- **2019 Frost & Sullivan Asia-Pacific Best Practices Awards** — 2019 Malaysia Express Logistics Service Customer Value Leadership Award

2021

- **2021 MCMC Star Rating Awards** — Top 3 Overall Delivery Performance
- **2021 MCMC Star Rating Awards** — Best Delivery Performance for Peninsular Malaysia
- **2021 Certificate of Recognition by EPF** — Best Electronic E-Payment Employer Award

2023

- **2023 Industry Engagement for Customer Service for Postal & Courier Industry** — Gold medal for Best Complaint Management
- **2023 The World CIO 200 Summit by Global CIO Forum** — Legend title at The World CIO 200 Awards
- **2023 IDC Future Enterprise Awards** — IDC's Best in Future of Trust 2023 (Malaysia)
- **2023 Excellence Reverse Testing Centre Award** — Delivery performance
— Warehouse performance

2024

- **2024 IDC Foundry Events Asia Pacific** — 2024 CIO 100
- **2024 MYKURIER Star Rating Program Award** — 4-star Rating
- **2024 Huawei Malaysia Supplier Ecosystem Convention** — 2024 Gold Supplier Award
- **2024 Sangfor EPIC Global Awards** — 2023 Best Cloud Computing (HCI) Use Case Award
- **2024 The World CIO 200 Summit by Global CIO Forum** — Legend title at The World CIO 200 Awards
- **2024 Top in Tech Innovation Awards 3rd Edition** — Merit Mention in the Best Brick and Mortar category
- **2024 Artificial Intelligence Cyber Shield Project** — Best IT Project - Information Security



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the “**Board**”) of GDEX Berhad (the “**Company**”) operates according to the governance framework and is collectively responsible for good corporate governance of the Company under the Companies Act 2016, Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) as well as the relevant laws and regulations for the financial year 2024. The Board acknowledges that maintaining good corporate governance is essential to enhance the long-term growth and corporate value of the Company as well as delivering sustainable growth in the interests of all its shareholders and other stakeholders. Accordingly, it is the Board’s responsibility to ensure that the principles and best practices in corporate governance as set out in the Malaysian Code on Corporate Governance (the “**MCCG**”) are observed and practised throughout the Company and its subsidiaries (the “**Group**”).

This Corporate Governance Overview Statement (the “**Statement**”) has been prepared in accordance with paragraph 15.25(2) of the Listing Requirements of Bursa Securities, providing an overview of the application of the three (3) key principles set out in the MCCG. The Board believes that this new code of corporate governance will ensure the highest standards of transparency, integrity, and accountability in all the Group’s businesses. This Statement should be read together with the Corporate Governance Report which can be found on the Company’s website at www.gdexpress.com.

This Statement describes how the Group has applied the corporate governance practices of the MCCG during the financial year ended 31 December 2024.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

1. Board of Directors

The Group acknowledges the pivotal role played by the Board in the stewardship of its directions and operations, and ultimately the enhancement of long-term shareholders’ value. To fulfil this role, the Board plays a critical role in setting the appropriate tone at the top, and is charged with leading and managing the Group in an effective, well governed, and ethical manner. The directors individually have the legal duty to act in the best interest of the Group and are also collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board’s responsibilities, amongst others include the following:

- a) Developing, reviewing, and monitoring the Group’s strategic plan and direction as well as ensuring that resources are available to meet its objectives.
- b) Identifying and reviewing principal risks and ensuring the implementation of appropriate systems to manage these risks.
- c) Supervising the operation of the Group to evaluate whether established targets are achieved.
- d) Monitoring the compliance with legal, regulatory requirements, and ethical standards.
- e) Promoting better investor relations and shareholder communications.
- f) Ensuring that the Group’s core values, purpose and compass; and shareholders’ interests are met.
- g) Reviewing the adequacy and the integrity of the Group’s risk management and internal control systems; including systems for compliance with applicable laws, regulations, rules, directives, and guidelines.
- h) Establishing such committees, policies, and procedures to effectively discharge the Board’s roles and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

1. Board of Directors *cont'd*

- i) Initiating a self-evaluation program for the Board and follow up action to manage issues arising and arranging for directors to attend courses and seminars; participating in development programs as the Board deems appropriate.
- j) Implementing and ensuring that the Company has appropriate corporate governance structures in place, including standards of ethical behaviour and promoting a culture of corporate responsibility.

To assist in the discharge of its responsibilities, the Board has established the following Board Committees to perform certain of its functions and provide recommendations and advice:

- (i) Audit and Risk Management Committee (“**ARMC**”)
- (ii) Combined Nomination and Remuneration Committee (“**CNRC**”)

Each Board Committee operates within their approved terms of reference set by the Board which are periodically reviewed. The Board appoints the Chairman and members of each Board Committee.

The Chairman of the respective Board Committees will report to the Board on the outcome of any discussions and make recommendations thereon to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board may form other committees delegated with specific authorities to act on their behalf. These committees will operate under approved terms of reference or guidelines and are formed whenever required.

Board meeting agenda includes statutory matters, governance, and management reports, which include strategic risks and strategic projects. The Board approves an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

The profile of each Director is presented in the Annual Report of the Company.

2. Separation of position of the Chairman and Managing Director/Group Chief Executive Officer

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and Managing Director/Group Chief Executive Officer of the Company are separately held and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority. This segregation of roles also facilitates a healthy and open exchange of views between the Board and management in their deliberation of the business, strategic aims, and key activities of the Company.

The Chairman of the Board, Tan Sri Muhammad bin Ibrahim, an Independent Non-Executive Chairman, leads the Board with a focus on governance and compliance. The Chairman also acts as a facilitator at Board meetings to ensure that relevant views and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

2. Separation of position of the Chairman and Managing Director/Group Chief Executive Officer *cont'd*

The Chairman's key responsibilities, amongst others, include the following:

- a) Leadership of the Board;
- b) Overseeing the effective discharge of the Board's oversight role;
- c) Facilitating the effective contribution of all Directors;
- d) Conducting the Board's function and meetings;
- e) Briefing all Directors in relation to issues arising at meetings;
- f) Scheduling regular and effective evaluations of the Board's performance;
- g) Promoting constructive and respectful relations between Board members, and between the Board and the Management; and
- h) Ensuring that any conflicts of interest is duly declared by the relevant Director, who is then abstained from making decisions in such Board meetings.

The Managing Director/Group Chief Executive Officer, Teong Teck Lean, oversees the day-to-day operations to ensure the smooth and effective running of the Group. He also implements the policies, strategies, and decisions adopted by the Board; monitors the operating financial results against plans and budgets; and acts as a conduit between the Board and management in ensuring the success of the Group's governance and management functions.

During Board meetings, the Chairman maintains a collaborative atmosphere and ensures that all Directors contribute to the discussion. The Chairman and Managing Director/Group Chief Executive Officer arrange informal meetings and events from time to time to build constructive relationships between the Board members.

3. Supply of and Access to Information

All Directors have full and unrestricted access to all information and Senior Management within the Group, whether collectively as a Board or in their individual capacity in furtherance of their duties and responsibilities as Directors of the Company, subject to a formal written request to the Chairman furnishing satisfactory and explicit justification for such request.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors and Board Committees in advance of the scheduled meetings. Notices of meetings are sent to Directors at least seven (7) days before the meetings. Management provides the Board with detailed meeting materials at least seven (7) days in advance of the Board or Board Committees' meetings. Senior Management may be invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary.

Technology is effectively used in the meetings of Board and Board Committees, and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

4. Commitment of the Board

The Board would meet at least five (5) times a year, at quarterly intervals which are scheduled at the onset of the financial year to help facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to deal with urgent and important matters that require attention of the Board. All Board meetings are furnished with proper agendas with due notice given and Board papers are prepared by the management and circulated to all Directors prior to the meetings.

All pertinent issues discussed at the Board meetings are properly recorded by the Company Secretaries. The details of Directors' attendance during the financial year ended 31 December 2024 are set out as follows:

Directors	Board Meetings	Audit and Risk Management Committee Meetings	Combined Nomination and Remuneration Committee Meetings
Tan Sri Muhammad bin Ibrahim	5/5	N/A	N/A
Teong Teck Lean	5/5	N/A	N/A
Low Ngai Yuen	5/5	5/5	2/2
Dato' Azman bin Mahmud	5/5	N/A	N/A
Nuraini binti Ismail	5/5	5/5	2/2
Yik Yen Shan, Vincent ⁽¹⁾	5/5	N/A	N/A
Yuji Nashimoto ⁽²⁾	5/5	N/A	N/A
Teong Tsang Whon ⁽³⁾	1/1	N/A	N/A
Teoh Cho Min ⁽⁴⁾	1/1	N/A	N/A
Ho Swee Fong ⁽⁵⁾	1/1	1/1	N/A
Tan Kay Beng ⁽⁶⁾ (Alternate Director to Teong Tsang Whon)	1/1	N/A	N/A
Chong Hui Chuen ⁽⁷⁾ (Alternate Director to Teoh Cho Min)	1/1	N/A	N/A
Isaac Mah Ming Zhi ⁽⁸⁾	N/A	N/A	N/A
Hiroshi Etani ⁽⁹⁾	N/A	N/A	N/A

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. Board Responsibilities cont'd

4. Commitment of the Board cont'd

All pertinent issues discussed at the Board meetings are properly recorded by the Company Secretaries. The details of Directors' attendance during the financial year ended 31 December 2024 are set out as follows:
cont'd

Directors	Board Meetings	Audit and Risk Management Committee Meetings	Combined Nomination and Remuneration Committee Meetings
Lee Kah Hin ⁽¹⁰⁾	N/A	N/A	N/A
Lim Chee Seong ⁽¹¹⁾	3/3	N/A	N/A
Chua Put Moy ⁽¹²⁾	4/4	4/4	2/2

Notes:

- ⁽¹⁾ Resigned as Non-Independent Non-Executive Director with effect from 12 January 2025
- ⁽²⁾ Appointed as Non-Independent Non-Executive Director with effect from 1 February 2024.
- ⁽³⁾ Appointed as Executive Director with effect from 1 September 2024.
- ⁽⁴⁾ Appointed as Executive Director with effect from 1 September 2024.
- ⁽⁵⁾ Appointed as Independent Non-Executive Director with effect from 1 November 2024.
- ⁽⁶⁾ Appointed as Alternate Director to Teong Tsang Whon with effect from 1 September 2024.
- ⁽⁷⁾ Appointed as Alternate Director to Teoh Cho Min with effect from 1 September 2024.
- ⁽⁸⁾ Appointed as Non-Independent Non-Executive Director with effect from 17 February 2025.
- ⁽⁹⁾ Resigned as Non-Independent Non-Executive Director with effect from 1 February 2024.
- ⁽¹⁰⁾ Resigned as Executive Director/Chief Investment Officer with effect from 25 February 2024.
- ⁽¹¹⁾ Resigned as Executive Director/Chief Financial Officer with effect from 14 August 2024.
- ⁽¹²⁾ Resigned as Independent Non-Executive Director with effect from 1 November 2024.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities, which is evidenced by the satisfactory attendance record of the Directors at each Board meeting.

It is the Board's policy for Directors to notify the Board before accepting any new directorship notwithstanding that the Listing Requirements of Bursa Securities allow a Director to sit on the board of a maximum of five (5) listed issuers. Such notification is expected to include an indication of time that will be spent on the new appointment. At present, all Directors of the Company have complied with the Listing Requirements where they do not sit on the board of more than five (5) listed issuers.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board

The Board, via the CNRC, continues to identify and attend appropriate briefings, seminars, conferences, and courses to keep abreast of changes in legislations and regulations affecting the Group.

All Directors have completed the Mandatory Accreditation Programme Part I. The Directors are encouraged to attend the Mandatory Accreditation Program Part II before the timeline prescribed by Bursa Securities. The Directors are mindful that they would continue to enhance their skills and knowledge to maximise their effectiveness as Directors during their tenure. Throughout their period in office, the Directors are continually updated on the Group's business and regulatory requirements.

Details of training programmes attended by the Directors during the financial year under review are as follows:-

Name of Director	Training Programmes	Date
Tan Sri Muhammad bin Ibrahim	IIBF Industry Talk Series No.1/2024: Charting the Future of Islamic Banking and Takaful Through Radical Ideas	5 March 2024
	Universiti Malaya: In Preparation for a Career Path; A Guide	30 May 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	24 June 2024 to 25 June 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	International Conference on Marketing, Entrepreneurship and Economics 2024 (ICMEE 2024)	8 October 2024 to 10 October 2024
	MSU Global Talk Series: Challenges, Opportunities, and Impact of Financial Inclusion on Economics, Finance and Accounting	12 November 2024
	Shah Alam Dialogue: Malaysia's Economic Transformation: Perspectives on Globalization and Geopolitical Developments in Trade, Employment, and Education	5 December 2024
	Visiting Professional Lecture: Fair and Equitable Tax: A Desirable Tax Regime or An Illusion	23 December 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board *cont'd*

Details of training programmes attended by the Directors during the financial year under review are as follows:-
cont'd

Name of Director	Training Programmes	Date
Teong Teck Lean	PAKEJ and Sustainability Workshop	23 April 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	24 June 2024 to 25 June 2024
	ASEAN 2025: Preparing Malaysia for Chairmanship	6 August 2024
	Cyber Digital Services, Defence and Security Asia (CYBERDSA 2024)	6 August 2024
	Roundtable: Current State Discussion for The Review of Malaysia's E-Commerce Legislation - Supporting Services	14 August 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	Forbes Global CEO Conference	20 November 2024 to 21 November 2024
Low Ngai Yuen	DMWF Asia: Exploring the Future of Digital Marketing Technologies	28 February 2024 to 29 February 2024
	The 2024 Omnichannel Marketing Universe, Retail & E-Commerce Summit Asia	6 March 2024
	Marketing Exchange: Retail & e-Commerce Forum	7 March 2024
	Drum Marketing Awards – APAC Trends	24 April 2024
	24th edition Seamless Dubai World Trade Centre: Data-driven Ethics & Balancing Insights with Integrity	14 May 2024 to 15 May 2024
	Mandatory Accreditation Programme Part II: Leading for Impact	4 June 2024 & 10 July 2024
	Maximising Social Media ROI: Tailored Strategies for Multi-Generational Engagement (Webinar)	11 June 2024
	Retail's Big Show Asia Pacific 2024	12 June 2024 to 13 June 2024
	E-Commerce Marketing Conference: Future-Driven Outcomes	25 July 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board *cont'd*

Details of training programmes attended by the Directors during the financial year under review are as follows:-
cont'd

Name of Director	Training Programmes	Date
Low Ngai Yuen <i>cont'd</i>	Human Resource 3.0: Improving People Risk Management through Diversity, Equality & Inclusion	7 August 2024
	Retail & E-commerce Summit Asia, Vietnam	22 August 2024
	Anti-Bribery and Anti-Corruption in relation to Section 17A MACC Act 2009, Corporate Liability Provision	5 September 2024
	ECX24: Financial Management and Legal Considerations for Scaling a Business	5 October 2024
	Asia Retail and eCommerce Innovation Summit Malaysia 2024	10 October 2024
	Kuala Lumpur Islamic Finance Forum 2024: Accentuating Halal Economy Potential In Islamic Finance	5 November 2024
	2nd ESG and Sustainability Conference - Elevating Social Goals in Malaysia's Path Forward	6 November 2024
	What's NEXT in Marketing: Malaysia 2024 (The Role of Artificial Intelligence in Marketing Innovation)	3 December 2024
Dato' Azman bin Mahmud	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	6 March 2024 to 7 March 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	MSWG: Understanding the Challenges and Role of An Independent Director	19 November 2024
	a) Sustainability Risks & Opportunities b) Section 17A of Malaysian Anti-Corruption Commission Act 2009 on Anti-Corruption Measures	3 December 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board *cont'd*

Details of training programmes attended by the Directors during the financial year under review are as follows:-
cont'd

Name of Director	Training Programmes	Date
Nuraini binti Ismail	How Big Corporate Scandals Happen and What Boards Can Do to Prevent It	5 April 2024
	Cyber Resilience into Business DNA: Safeguarding our Digital Assets in new age of threats - Cyber Resilience Awareness	8 April 2024
	Enhanced Conflict of Interest and Disclosure Obligations- Unpacking the Implications & Disclosure Obligations of Listed Issuers, their Directors and Key Officers	23 April 2024
	Asset Liability Management	1 August 2024 to 2 August 2024
	Preventing Fraud; Board's Roles & Responsibilities - FIDE Forum	8 August 2024
	AML/CFT/CFS: Key Challenges and Trends	4 September 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	Director's Conference: <ul style="list-style-type: none"> Building a Future - Proof Strategy: Navigating Technological Disruptions Leadership and Governance in Digitalisation Digitalisation: Opportunities & Risks Rising to the Challenges: Board Dynamics in Digital Transformation. Cybercrime and Fraud in Today's Digital Age 	1 October 2024
	Climate Risk Management: What Insurance Company Directors Need to Know	9 October 2024
	An Update on Technology and Cybersecurity Risks	18 October 2024
	The Commercial Organization Offence/Corporate Liability under Section 17A MACC/ SPRM 2009	13 November 2024
	Anti-Money Laundering Training	6 December 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board *cont'd*

Details of training programmes attended by the Directors during the financial year under review are as follows:-
cont'd

Name of Director	Training Programmes	Date
Yuji Nashimoto	Induction Training (Internal)	16 April 2024
	Bursa Malaysia Mandatory Accreditation Programme (MAP)	29 April 2024 to 30 April 2024
	Bursa Malaysia Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	4 December 2024 to 5 December 2024
Teoh Cho Min	Mandatory Accreditation Programme I	25 March 2024 to 26 March 2024
	PAKEJ and Sustainability Workshop	23 April 2024 to 24 April 2024
	Capital Markets Malaysia ESG Week	13 May 2024 to 17 May 2024
	CDP APAC 2024 Beginner Disclosure Workshop	26 June 2024
	PAKEJ and Sustainability Action Plan Refinement Workshop	23 July 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	MSWG Training: What Can Seriously Go Wrong with RPTs?	24 September 2024
	Training: Sustainability Reporting Masterclass	3 October 2024
	Bursa PLCs IR4U Series 14: Capacity Building Series: Preparing for the IFRS® Sustainability Disclosure Standards in Malaysia (Webinar)	28 October 2024
	Bursa Malaysia Workshop on IFRS Sustainability Standards (Webinar)	7 November 2024
	Mandatory Accreditation Programme Part II: Leading for Impact	18 November 2024 to 19 November 2024
	Bursa PLCs IR4U Series 17: Capacity Building Series - Driving Change: Practical Steps to Embed Sustainability in Your Organisation (Webinar)	3 December 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board *cont'd*

Details of training programmes attended by the Directors during the financial year under review are as follows:-
cont'd

Name of Director	Training Programmes	Date
Teong Tsang Whon	Bursa Malaysia Mandatory Accreditation Programme	25 March 2024 to 26 March 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	Bursa Malaysia Mandatory Accreditation Programme Part II; Leading for Impact (LIP)	18 September 2024 to 19 September 2024
Tan Kay Beng	XTS Warehouse Automation Seminar	16 January 2024
	Procure to Pay Seminar	14 March 2024
	Data Analytics Tools - Quaditix	29 March 2024
	e-Invoicing - Fujifilm	4 April 2024
	Azure Seminar	7 May 2024
	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024
	Huawei Connect Shanghai	19 September 2024 to 21 September 2024
	Workday HCM Seminar	3 October 2024
	International Greentech & Eco Products Exhibition & Conference Malaysia	10 October 2024
	Malaysia Cloud and Datacenter Convention 2024	24 October 2024
	MGTC Green Investment Tax Allowance	5 November 2024
	Oracle Data and AI Forum	12 November 2024
	Revolutionize Your Business with AI	13 November 2024
	EVM Asia Exhibition	20 November 2024
	Google Gemini – AI Tool	10 December 2024
NotebookLM AI Tool	10 December 2024	

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

5. Continuous Development of the Board *cont'd*

Details of training programmes attended by the Directors during the financial year under review are as follows:-
cont'd

Name of Director	Training Programmes	Date
Chong Hui Chuen	Anti-Bribery and Anti-Corruption in Relation to Section 17A MACC Act 2009 - Corporate Liability Provision	5 September 2024

The Company Secretary also highlights the relevant guidelines on statutory and regulatory requirements from time to time, to the Board. The external auditors on the other hand, have briefed the Board on changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

6. Board Committees

ARMC

The ARMC monitors risk management and internal control system design to safeguard the Group's assets and maintain the integrity of financial reporting. The ARMC maintains direct, unfettered access to the Company's external auditors, internal auditors, and management.

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The members of the ARMC are as follows:

Name	Designation
Nuraini binti Ismail ⁽¹⁾	Chairperson, Independent Non-Executive Director
Low Ngai Yuen	Member, Independent Non-Executive Director
Ho Swee Fong ⁽²⁾	Member, Independent Non-Executive Director
Chua Put Moy ⁽³⁾	Chairperson, Independent Non-Executive

Notes:

⁽¹⁾ Redesignated as the Chairperson of ARMC of the Company with effect from 1 November 2024

⁽²⁾ Appointed as the member of ARMC of the Company with effect from 1 November 2024

⁽³⁾ Resigned as the Chairperson of ARMC of the Company with effect from 1 November 2024

A copy of the ARMC's Terms of Reference can be found in the Company's website at www.gdexpress.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

6. Board Committees *cont'd*

CNRC

The CNRC oversees matters related to the nomination of new Directors; annually reviews the required mix of skills, experience, and other requisite qualities of Directors; as well as the annual assessment of the effectiveness of the Board as a whole, its Committees, and the contribution of each individual Director, in addition to identifying candidates to fill board vacancies and nominating them for approval by the Board.

The CNRC comprises three (3) members, all of whom are Independent Non-Executive Directors. The members of the CNRC are as follows:

Name	Designation
Nuraini binti Ismail	Chairperson, Independent Non-Executive Director
Low Ngai Yuen	Member, Independent Non-Executive Director
Chua Put Moy ⁽¹⁾	Member, Independent Non-Executive Director
Ho Swee Fong ⁽²⁾	Member, Independent Non-Executive Director

Notes:

⁽¹⁾ Resigned as the member of CNRC of the Company with effect from 1 November 2024

⁽²⁾ Appointed as the member of CNRC of the Company with effect from 1 November 2024

During the financial year ended 31 December 2024, the CNRC held two (2) meetings. Below is a summary of the key activities undertaken by the CNRC in discharge of its duty:

- (a) Reviewed the composition of the Board and Board Committees in respect of the mix of skills and experience of each individual Director, including the core competencies of the Non-Executive Directors;
- (b) Assessed and reviewed the independence of the Independent Directors;
- (c) Reviewed the terms of office and performance of the ARMC and each of its members to ascertain that the ARMC and its members have carried out their duties in accordance with the ARMC's terms of reference;
- (d) Determined the Directors who would stand for re-election;
- (e) Reviewed the remuneration package of the Non-Executive Directors;
- (f) Reviewed the remuneration package of the Executive Directors and Senior Management;
- (g) Reviewed and recommended the appointment of Directors and Alternate Directors;
- (h) Reviewed the Sustainability Strategy Updates and Corporate Sustainability Report;
- (i) Reviewed the i) Code of Ethics and Conduct; ii) Directors' and Senior Management Assessment and Remuneration Policy; iii) Terms of Reference of CNRC; iv) Board Charter; v) Diversity Policy; vi) Directors' Fit and Proper Policy; vii) Succession Planning Policy; viii) Corporate Disclosure Policy and Procedure; xi) Terms of Reference of ARMC; and x) Audit Services Charter;
- (j) Reviewed the career and succession planning of the management; and
- (k) Reviewed the Group Investment Policy and Investment Guidelines.

A copy of the CNRC's Terms of Reference can be found in the Company's website at www.gdexpress.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

7. Board Charter

The Company has established a Board Charter to promote high standards of corporate governance and the Board Charter is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its committees. The Board Charter clearly sets out the key values and principles of the Company and further sets out the duties and responsibilities of the Board and Board Committees. The Board Charter also provides structured guidance and ethical standards for the Board in discharging their duties towards the Group as well as its operating practices. The Board Charter further entails the following issues and decisions reserved for the Board:

- a) Appointment and removal of directors and board committees;
- b) Appointment and removal of Managing Director / Group Chief Executive Officer;
- c) Capital structuring/restructuring;
- d) Company's policies;
- e) Significant Business Agreements/Alliances/Partnerships;
- f) Investment amount of more than RM6 million;
- g) Litigation/settlement;
- h) Risk profile and appetite;
- i) Maximum gearing level and minimum cash level;
- j) Winding up/liquidation;
- k) Reviewing and approving the annual strategic business plan and financial budget;
- l) Approving transactions exceeding the authority delegated to Managing Director / Group Chief Executive Officer;
- m) Declaring and recommending dividend payment which is subject to the approval of shareholders in the Annual General Meeting ("AGM");
- n) Reviewing and approving the Group and the Company financial statements, encompassing annual audited financial statements and quarterly reports;
- o) Issuance of new securities and any corporate exercise involving the Group and the Company;
- p) Reviewing and approving material acquisitions and disposals of undertakings and properties, equipment or assets outside the ordinary course of business and exceeding threshold under the management's approval;
- q) Reviewing and approving new investments, divestments, mergers and acquisitions, establishment of subsidiaries or joint ventures, and any other corporate exercise which requires the shareholders' approval;
- r) Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- s) Limits of Authority;
- t) Risk Management Policies;
- u) Financing and borrowing activities;
- v) Ensuring regulatory compliance; and
- w) Reviewing the adequacy and integrity of internal controls.

The Board Charter is reviewed annually by the Board to ensure it complies with legislations and best practices, and remains effective and relevant to the Board's objectives.

A copy of the Board Charter can be found in the Company's website at www.gdexpress.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

8. Code of Ethics and Conduct

The Company has established a Code of Ethics and Conduct, which is also enshrined in the Board Charter to promote a corporate culture which engenders ethical conduct that permeates throughout the Group.

The Group practises the relevant principles and values in the Group's dealings with employees, customers, suppliers, and business associates. The Directors, officers, and employees of the Group are also required to observe, uphold, and maintain high standards of integrity in carrying out their roles and responsibilities, to comply with the relevant laws and regulations as well as the Group's policies. Ongoing training is provided to staff on the Code of Ethics, Conduct, and general workplace behaviour to ensure they continuously uphold high standards of conduct when performing their duties.

The Board is provided guidance through the Code of Ethics and Conduct on disclosure of conflict of interest and other disclosure information/requirements to ensure that the Directors comply with the relevant regulations and practices. In order to address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including requiring such Directors to abstain from participating in deliberations during meetings and abstaining from voting on any matter in which they may also be interested or conflicted. The Directors of the Group are also required to disclose and confirm their directorships and shareholdings in the Group and any other entities where they have interests.

Notices on the closed period for trading in the Company's shares are sent to Directors, principal officers, and the relevant employees on a quarterly basis; specifying the timeframe during which they are prohibited from dealing in the Company's shares, unless they comply with the procedures for dealings during closed period as stipulated in the Listing Requirements.

Details of the Code of Ethics and Conduct can be found on the Company's website at www.gdexpress.com.

9. Whistleblowing Policy and Procedures

The Company has adopted a Whistleblowing Policy and Procedures as the Board believes that a sound whistleblowing system will strengthen and support good management, and at the same time, demonstrate accountability, good risk management and sound corporate governance practices. The policy is to encourage reporting of any major concerns over any wrongdoings within the Group.

The policy outlines the relevant procedures such as when, how, and to whom, a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retaliation.

Details of the Whistleblowing Policy and Procedures can be found on the Company's website at www.gdexpress.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. Board Responsibilities *cont'd*

10. Company Secretaries

The Board is assisted by two (2) qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Group's Constitution, policies, procedures, and compliance with the relevant regulatory requirements, codes, guidance, and legislations. All the Directors have unrestricted access to the advices and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes, and developments in corporate governance through attendance at relevant conferences and training programmes. The Company Secretaries have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretaries and Administrators for practising company secretaries. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging its functions. In addition, the Company Secretaries are also accountable to the Board and are responsible for the following:

- a) Advising the Board on its roles and responsibilities;
- b) Advising the Board on matters related to corporate governance and the Listing Requirements;
- c) Ensuring that Board procedures and applicable rules are observed;
- d) Maintaining records of the Board and ensuring effective management of the Company's statutory records;
- e) Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded;
- f) Assisting communications between the Board and Management;
- g) Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time; and
- h) Preparing agendas and co-coordinating the preparation of Board papers.

II. Board Composition

1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making, given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills, and attributes among the Directors, which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital, and other relevant industry knowledge, as well as entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

1. Composition and Diversity *cont'd*

The CNRC ensures that the composition of the Board is refreshed periodically while the tenure, performance, and contribution of each Director is assessed by the CNRC through the Board Evaluation. In addition, each of the retiring Directors will provide their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

As at 31 December 2024, there were three (3) female Independent Non-Executive Directors on the Board, which account for 30% of the total Board members. In pursuing its gender diversity agenda, the Board is committed to have a higher female representation on its Board when necessary and have the appropriate director candidate. The Board's current diversity is as follows:

Board of Directors	Gender		Ethnicity			Age Group (Years)			
	Male	Female	Bumiputera	Chinese	Others	30-39	40-49	50-59	60 and above
	7	3	3	6	1	1	2	3	4

The Board of Directors' profile can be found in the Annual Report of the Company.

2. Independency of Independent Directors

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, as well as taking into account the interest of all stakeholders. The Board, via the CNRC, assesses each Director's independence to ensure on-going compliance with this requirement annually. The CNRC is satisfied that the Independent Directors are independent of Management and free from any business or other relationships which could interfere with the exercise of independent judgement, objectivity, and the ability to act in the best interest of the Company.

As at the date of this statement, none of the Independent Directors has exceeded a cumulative term of nine (9) years. Nonetheless, the Board would justify and seek annual shareholders' approval to retain the Independent Directors after the ninth (9th) year through a two-tier voting process.

3. Appointment of Board and Senior Management

The Board of Directors comprise a collective of individuals having an extensive, complementary knowledge and competencies, as well as expertise to make active, informed, and positive contribution to the management of the Group in terms of the business' strategic direction and development. The appointment of the Board and its Senior Management are based on objective criteria, merit, and with due regard for diversity in skills, experience, age, cultural background, and gender.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

3. Appointment of Board and Senior Management *cont'd*

The CNRC will assess the suitability of candidates before formally considering and recommending them for appointment to the Board or Senior Management. In proposing its recommendation, the CNRC will consider and evaluate the candidates' required skills, knowledge, expertise, competence, experience, characteristics, and professionalism. For appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in the Listing Requirements of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees, and AGM.

4. Gender Diversity

The Company has adopted a diversity policy which outlines its approach to achieving and maintaining diversity (including gender diversity) on its Board and in Senior Management positions. This includes requirements for the Board to establish measurable objectives for achieving diversity on the Board and in management positions, and for the appropriate Board Committees to monitor the implementation of the policy, assess the effectiveness of the Board nomination process and the appointment process for management positions in achieving objectives of the policy.

The Group is committed to workplace diversity, ensuring that the Group values and respects differences and that the workplace is fair, accessible, flexible, inclusive, and free from discrimination. Based on the following summary of the employment gender diversity, there is balanced gender diversity across all the levels of employees in the Company during the financial year under review:

Category	Female		Male		Total	
	Total	%	Total	%	Total	%
General	670	15%	2741	60%	3411	74%
Managerial	91	2%	129	3%	220	5%
Supervisor	176	4%	781	17%	957	21%
Grand Total	937	20%	3651	80%	4588	100%

A copy of the Diversity Policy can be found in the Company's website at www.gdexpress.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

5. Identifying Suitable Candidates

The Board has scrutinised the Company's requirement in relation to the Board's appointment of Independent Directors in order to identify directors who have the right mix of skills and experience, and are able to contribute positively to the Board. In order to achieve such outcome, the Board had sourced suitable candidates through various means, such as recommendation from the existing Board, Senior Management, directors' registry, and the use of independent search firms.

Nonetheless, the Board will utilise independent search firms in identifying suitable candidates for appointment of directors in the future when the need arises.

6. Chairperson of the CNRC

The CNRC is led by Nuraini binti Ismail, the Independent Non-Executive Director, who directs the CNRC for succession planning as well as appointment of Board members and Senior Management by conducting annual review of board effectiveness and skill assessments. This provides the CNRC with relevant information of the Group's needs, allowing them to source for suitable candidates when the need arises.

7. Annual Evaluation

The CNRC is responsible in evaluating the performance and effectiveness of the entire Board, the Board Committees, and individual Directors on a yearly basis. The evaluation process is led by the CNRC Chairman and supported by the Company Secretary via questionnaires. The CNRC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement, and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

The assessment criteria used in the assessment of Board and individual Directors include mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies as well as contribution of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board, in addition to overall effectiveness and efficiency in discharging their function.

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Peer Evaluation, and Assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas relating to Board Structure, Board Operations, Board and Chairman's roles and responsibilities, as well as Board Committees' role and responsibilities.

For Directors' Peer Evaluation, the assessment criteria include abilities and competencies, calibre and personality, technical knowledge, objectivity, and the level of participation at Board and Committee meetings, including his/ her contribution to Board processes.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. Board Composition *cont'd*

7. Annual Evaluation *cont'd*

Any appointment of a new Director to the Board or Board Committee is recommended by the CNRC for consideration and approval by the Board. In accordance with the Company's Constitution, one-third (1/3) of the Directors for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The Constitution also provides that all directors shall retire at least once every three (3) years.

During the year, the Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome, that the skills and experience of the current Directors satisfy the requirements of the skills matrix, and that the Chairman possesses the leadership to safeguard stakeholders' interest and ensure the development of the Group.

The CNRC also considered the results of the evaluation when considering the re-election of Directors and recommended to the Board for endorsement of the Directors standing for re-election at the forthcoming AGM of the Company.

III. Remuneration

The objective of the Group's internal remuneration policy is to provide fair and competitive remuneration to its Board and Senior Management, in order for the Company to attract and retain Board and Senior Management of calibre to run the Group successfully. The responsibilities for developing the remuneration policy and determining the remuneration packages of Executive Directors and Senior Management lie with the CNRC. Nevertheless, it is ultimately the responsibility of the Board to approve the remuneration of Executive Directors and Senior Management.

Based on the remuneration framework, the remuneration packages for the Executive Directors and Senior Management compose of a fixed component (i.e. salary, allowance, and etc.) and a variable component (i.e. bonus, benefit-in-kind and etc.), which is determined by the Group's overall financial performance in each financial year, designed to support the Group's strategy and provide a balance between motivating and challenging the Group's Senior Management to deliver the Group's business priorities as set out by Executive Directors, strong performance, while also driving the long-term sustainable success of the Group.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed attendance fee, with additional fees if they are members of Board Committees, with the Chairman of the ARMC or CNRC receiving a higher fee in respect of his/her service as Chairman of the respective Committees. The fees for Directors are determined by the Board with approval from shareholders at the AGM and no Director is involved in deciding his/her own remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

III. Remuneration

During the financial year under review, the CNRC had reviewed the remuneration for the Executive Directors and Senior Management, which reflects their level of responsibilities as well as the performance of the Group, and having considered that their remuneration packages are comparable within the industry norm.

The detailed disclosure for the remuneration of individual Directors (on named basis) and Senior Management (on band basis) that includes fees, salary, bonus, benefits-in-kind, and other emoluments from the Company and the Group for the financial year ended 31 December 2024 are set out in the Corporate Governance Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

The current ARMC consists of three (3) Independent Non-Executive Directors and all of them are financial literate, with sufficient understanding of the Group's business. All members of the ARMC undertook continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices, and rules. The composition of the ARMC is presented in the ARMC Report of this Annual Report.

The Chairman of the ARMC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the ARMC's findings and recommendation remains intact.

The ARMC has adopted a Terms of Reference, which sets out its goals, objectives, duties, responsibilities, and criteria on the composition of the ARMC. This includes a former key audit partner of the Group to observe a cooling-off period of at least three (3) years before being able to be appointed as a member of the ARMC.

In presenting the annual audited financial statements and interim financial statements on a quarterly basis to the shareholders, the Board is responsible for presenting a clear, balanced, and understandable assessment of the Group's performance and position. The ARMC is entrusted to provide assistance to the Board in reviewing the Group's financial reporting process and accuracy of its financial results, as well as scrutinising information for disclosure to ensure accuracy, adequacy, completeness, and compliance with the accounting standards.

The Board places great emphasis on the objectivity and independence of the external auditors. Through the ARMC, the Board maintains a transparent relationship with the external auditors in seeking professional advice on internal control and ensuring compliance with the appropriate accounting standards. The ARMC is empowered to communicate directly with the external auditors to highlight any issues of concern at any point in time.

The ARMC ensures the external auditors are independent of the activities it audits and reviews the contracts for the provision of non-audit services by the external auditors, in order to assure that it does not give rise to conflict of interests. The excluded contracts would include management consulting, internal audit, and standard operating policies and procedures documentation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

I. ARMC *cont'd*

For the financial year ended 31 December 2024, fees paid to the external auditors by the Group are stated in the table below:

Nature of Services	Company (RM'000)	Subsidiaries (RM'000)
Audit	273.25	102.70
Non-Audit:		
Review of the Statement of Risk Management and Internal Control	5.8	-

The external auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct, and Practice) of the Malaysian Institute of Accountants (“**By-Laws**”) and the International Ethics Standards Board for Accountants’, International Code of Ethics for Professional Accountants (including International Independence Standards) (“**IESBA Code**”).

Further information on the roles and responsibilities of the ARMC may be found in the ARMC Report of this Annual Report.

II. Risk Management and Internal Control Framework

The Board assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such objective, a risk management policy has been adopted by the Group. The Group’s risk management systems are designed to manage, mitigate, and eliminate risks (where possible) to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board is assisted by the ARMC in reviewing the adequacy of risk management and internal control system of the Group. This covers all material controls including financial, operational, compliance, and risk management systems. The ARMC is supported by an in-house and independent internal audit function in order to determine the adequacy and effectiveness of its risk management and internal control systems.

The Board acknowledges its responsibility in maintaining a sound system of internal control, which provides reasonable assurance in ensuring the effectiveness and efficiency of the Group’s operations and to safeguard shareholders’ investment and its assets and interests, in compliance with the relevant laws and regulations as well as the Group’s internal financial administration procedures and guidelines.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

II. Risk Management and Internal Control Framework *cont'd*

The Group has established an Internal Audit Department, which reports directly to the ARMC as specified in the Terms of Reference of the ARMC. The internal auditors carry out its function in accordance with the 3 Years Internal Audit Plan which has been approved by the ARMC.

Further information may be found in the Statement on Risk Management and Internal Control of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Company recognises the importance of accountability to its stakeholders through effective and constructive communication as well as timely dissemination of information on all material business and corporate developments to the shareholders, stakeholders, and the public, in general. The Board has formalised a corporate disclosure policy and procedure not only to comply with the disclosure requirements as stipulated in the Listing Requirements, but also to set out the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Group's financial performance, major corporate developments, and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities, and press conferences. It is the Group's practice that any material information for public announcement; including annual, quarterly financial statements, press releases, and presentation to investors, analysts, and media are factual and reviewed internally before issuance to ensure accuracy, and is expressed in a clear and objective manner.

The Group has a dedicated Investor Relations page which is accessible by the public via its website at www.gdexpress.com, which enhances such communication with stakeholders through its analyst reports, announcements made, Annual Reports, as well as the corporate and governance structure of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

II. Conduct of General Meetings

The Company's AGM is an important means of communicating with its shareholders. To ensure effective participation during engagement with the shareholders at the AGM of the Company, all members of the Board would be present at the meeting to respond to questions raised by shareholders and proxies. In addition, the Chairman of the Board would chair the AGM in an orderly manner and encourage the shareholders and proxies to speak at the meeting. The overall performance of the Group would be presented at the meeting.

To ensure shareholders have sufficient time to go through the Annual Report, notice of the AGM is circulated at least twenty-eight (28) calendar days before the date of the AGM. The AGM of the Company was conducted through live streaming and online remote voting using Remote Participation and Voting facilities. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

The Board also encourages participation from shareholders by having "question and answer" session during the AGM, during which the Directors are available to provide meaningful response to questions raised by the shareholders.

In line with the Listing Requirements, the Company has implemented and will continue to implement poll voting for all proposed resolutions set out in the notice of any general meeting. An independent scrutineer will also be appointed to validate the votes cast at any general meeting of the Company.

ADDITIONAL COMPLIANCE INFORMATION

1. MATERIAL CONTRACTS

During the financial year ended 31 December 2024, there were no material contracts entered into by the Company and its subsidiary companies with Directors and/or major shareholders.

2. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The details of the recurrent related party transactions are disclosed in Note 35 to the financial statements in this Annual Report.

3. AUDIT AND NON-AUDIT FEES

For the financial year ended 31 December 2024, the total amount of audit and non-audit fees paid/payable to the external auditors of the Company and of the Group were as follows:

	The Company (RM'000)	The Group (RM'000)
Audit Fees	273.25	704.12
Non-Audit Fees	5.8	6.6

4. UTILISATION OF PROCEEDS

During the financial year ended 31 December 2024, the Company did not undertake any corporate proposal to raise proceeds.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Chapter 15, paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Principle B, Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance (“MCCG”), the Board of Directors (“Board”) is pleased to provide this Statement on Risk Management and Internal Control (“SORMIC”) for the financial year ended 31 December 2024. The SORMIC is prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors for Listed Issuers.

THE BOARD’S RESPONSIBILITY

The Board recognises the importance of a sound risk management framework and internal control systems for good corporate governance, and acknowledges its primary responsibilities to:

- i) Identify principal risks and ensure implementation of appropriate internal control measures to manage them; and
- ii) Review the effectiveness and adequacy of its financial, operational, and compliance internal control measures throughout the financial year.

However, the Board also acknowledges that such risk management and internal control systems are designed to manage the Group’s risks within an acceptable risk profile, rather than eliminate the risk of failure to achieve the policies and business objectives of the Group. Accordingly, it can only provide reasonable but not absolute mitigation against material misstatement of management and financial information and records, or against financial losses or fraud.

The Group has established an ongoing process to identify, evaluate, and manage significant risks faced by the Group and its achievement of objectives and strategies. The process involves, amongst others, updating the risk profile and internal control documentation when there are changes to the business environment or regulatory guidelines. The process is being reviewed by the Board bi-annually or as and when there are any changes made in the MCCG, and is generally in line with the guidelines as contained in the publication titled Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

The Board is of the view that the systems of risk management and internal control are in place for the year under review and up to the date of approval of this statement. The risk management and internal control systems are sound and sufficient to safeguard the shareholders’ investment, interests of customers, regulators and employees, as well as the Group’s assets. Notwithstanding this, the Board is vigilant and continues to review the effectiveness and adequacy of the systems of risk management and internal control, in view of the dynamic and changing business environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

COSO INTERNAL CONTROL AND ISO 31000:2018 RISK MANAGEMENT FRAMEWORKS

I. Control Environment



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

II. Risk management

The Board has entrusted the Audit and Risk Management Committee (“ARMC”) to review the risk management processes within the Group.

The ARMC is assisted by the Risk Management Working Committee (“RMWC”) which comprises Entity Risk Owners to identify and assess relevant business risks as well as devise relevant risk response actions plan to mitigate them accordingly.

The risk management methodology applied is ISO 31000:2018 Risk Management Standard (the standard). Below are the top significant risks which are being scrutinised by the ARMC. Together with the other risks, the ARMC reviews the Risk Management Update report to ensure the risk response action plans devised are indeed carried out to mitigate the risks faced by the Group. The outcome of the Risk Management Update review is also presented to the Board.



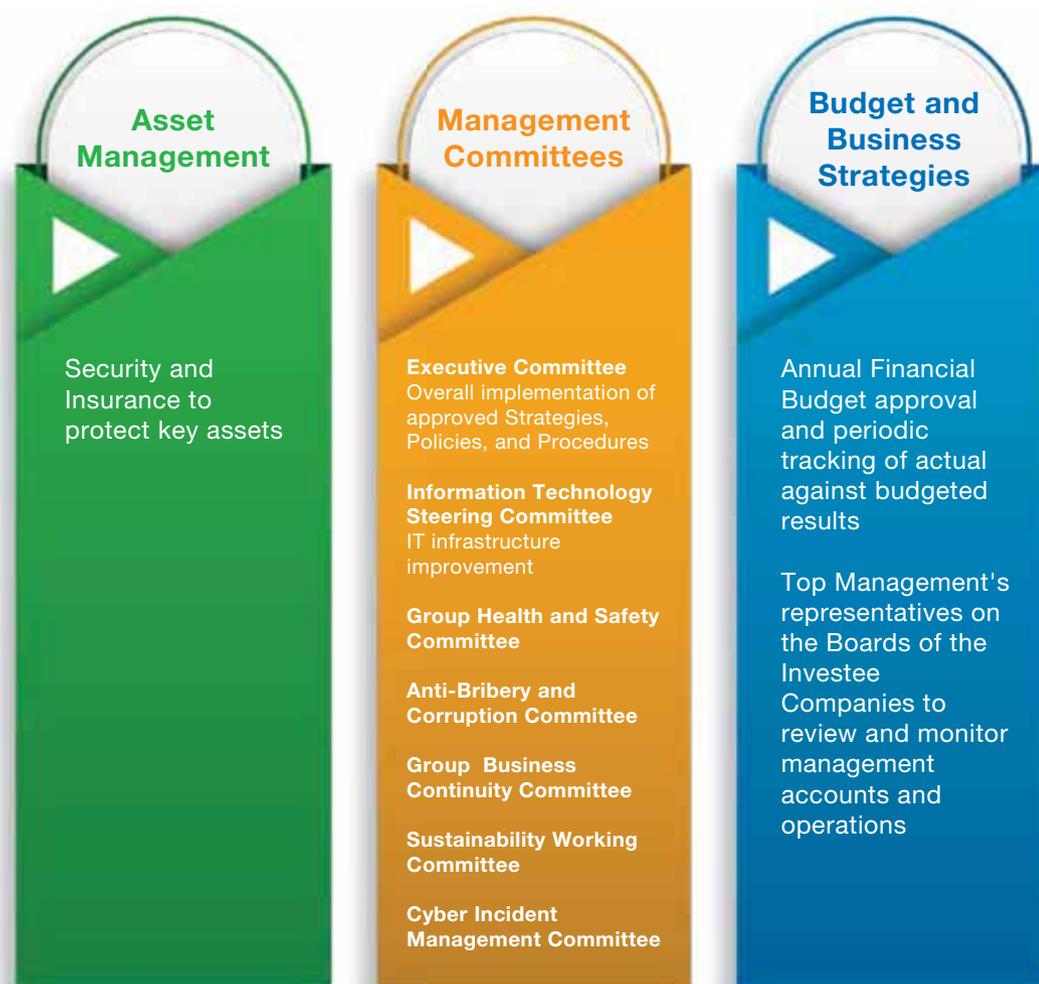
In addition to the above significant risks, the Group recognised climate change as a material risk and opportunity that directly impact our business operations, stakeholders, and long-term resilience. In line with this direction and recent amendments to the ISO standards, the key companies of the Group had assessed and addressed the risks and opportunities related to climate change within the ISO management systems accordingly.

Note 1:

After completion of the approved cyber attack remedial action plan, periodic Cyber Incident Management Committee meetings are still being carried out to ensure the remaining approved cyber security improvement action plans such as i) Development and testing of the Group’s Business Continuity Plan; ii) Strengthening of the Information Technology Security Policies and Procedures and iii) ISO 27001 Certification, among others, are being progressed per the timeline set by the Management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL cont'd

III. Control Activities



IV. Information and Communication

Financial performance and key business indicators (including the financial performances of the Investee Companies) are tabled and deliberated at the regular Executive Committee meetings. Major business strategies and operational issues are also discussed at these meetings.

The Executive Directors report the financial performances of the Group to the Board during the regular Board meetings. Major investments and business strategies are also discussed and approved by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

V. Monitoring

Internal Audit Function

The review of the adequacy and integrity of the Group's Risk Management and Internal control systems is the delegated responsibility of the ARMC. The ARMC is assisted by the Internal Audit Function in discharging its duties and responsibilities by providing the Board with the assurance it requires on the adequacy and integrity of the system of internal controls.

The Internal Audit Function is undertaken by an in-house team and adopts a risk-based approach in preparing an audit plan that is reviewed and approved by the ARMC. The audit plan covers the review of risk exposures and control processes implemented by the Management, review of the critical areas within the Group, including the adequacy of operational controls and information systems, as well as compliance with established policies and procedures. Where improvement opportunities were being identified during internal audit reviews, recommendations are then made, and appropriate action plans are agreed upon amongst management, as well as operational and functional units. The internal audit reports summarising the results of periodic internal audit visits are presented to the ARMC on a quarterly basis and follow-up visits are performed to track the implementation progress of agreed action plans.

The ARMC evaluates the Internal Audit Function to assess its effectiveness in discharging of its responsibilities. The Internal Audit Function carries out its duties and responsibilities by applying the International Professional Practices Framework.

During the period under review, there are no material findings that would result in any material losses, contingencies, or uncertainties that would warrant a separate disclosure in this annual report. Notwithstanding this, the Board will continue to embrace a risk and control-conscious approach and maintain constant vigilance in order to meet its business objectives in the ever changing and challenging business environment.

ISO and other Certifications

9001 and 14001

The Group's core subsidiaries are ISO certified in Quality Management and Environmental Systems. Regular Internal and Certification audits are being carried out to ensure requirements of the Quality Management and Environmental systems are met to improve customers' satisfaction as well as comply with best environmental practices.

37001:2016

Pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and Paragraph 15.29(1)(a) of the Main Market Listing Requirements of Bursa Securities, the core companies of the Group had successfully achieved the ISO 37001:2016 requirements. Such achievement shows high commitments by the Board to ensure the best Anti-Bribery and Corruption system is being implemented by the Group to mitigate such risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

Good Distribution Practice For Medical Devices (GDPMD)

The core companies of the Group had successfully obtained GDPMD management system certification in June 2023 to comply with the Malaysian medical device regulatory requirements, as stipulated in the Medical Device Act 2012 (Act 737).

Assurance

The Management assists the Board in the implementation of the Board's policies and procedures on risk management and internal control by identifying, evaluating, monitoring, and reporting of risks and internal control; taking appropriate and timely preventive and corrective actions as needed, as well as providing assurance to the Board that the procedures have been carried out.

The Board has obtained assurance from the Managing Director/Group Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management and internal control systems of the Group. As such, nothing has come to their attention that may have a material impact on the business and operations of the Group, which in turn may affect the Group's financial performance during the financial year ended 31 December 2024.

Review of the Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control for its inclusion in the annual report of the Company for the financial year ended 31 December 2024 and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of risk management and internal controls.

This Statement is made in accordance with the resolution of the Board of Directors dated 21 April 2025.



AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“**Board**”) of GDEX Berhad (“**the Company**”) is pleased to present the report of the Audit and Risk Management Committee (“**Committee**” or “**ARMC**”) for the financial year ended 31 December 2024.

COMPOSITION AND ATTENDANCE AT MEETINGS

The composition of the ARMC and the changes that took place during the financial year ended 31 December 2024 are as detailed below:

Name	Designation	Number of meetings attended
Nuraini binti Ismail ⁽¹⁾	Chairperson, Independent Non-Executive Director	5/5
Low Ngai Yuen	Member, Independent Non-Executive Director	5/5
Ho Swee Fong ⁽²⁾	Member, Independent Non-Executive Director	1/1
Chua Put Moy ⁽³⁾	Chairperson, Independent Non-Executive Director	4/4

Notes:

- (1) Member of Association of Chartered Certified Accountants (United Kingdom) / Redesignated as the Chairperson of ARMC of the Company with effect from 1 November 2024
- (2) Appointed as the member of ARMC of the Company with effect from 1 November 2024
- (3) Member of Malaysian Institute of Accountants / Resigned as the Chairperson of ARMC of the Company with effect from 1 November 2024

The composition of the ARMC complies with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Terms of Reference (“**TOR**”) of the ARMC.

RESPONSIBILITIES AND DUTIES OF THE ARMC

The ARMC is responsible for assisting the Board in fulfilling its statutory and fiduciary responsibilities of monitoring the Company and its subsidiaries’ (collectively referred as “**the Group**”) management of its financial risk processes, accounting and financial reporting practices, conflict of interest situations and related party transactions, ensuring the efficacy of the Group’s system of internal control and in maintaining oversight of both the internal and external audit functions.

The TOR of the ARMC are reviewed regularly and approved by the Board. The current TOR of the ARMC is available on the Company’s website at www.gdexpress.com.

The Chairperson of the ARMC engages on a continuous basis with the management, the Internal Auditors and the External Auditors in order to be kept informed of significant matters affecting the Group.

REVIEW OF THE PERFORMANCE OF THE ARMC

The Combined Nomination and Remuneration Committee (“**CNRC**”) had on 26 February 2025, reviewed on the term of office and performance of the Committee and its members. The CNRC is satisfied that the Committee carried out its duties in accordance with its TOR.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

cont'd

SUMMARY OF WORKS OF THE ARMC

The Committee had carried out the following works during the financial year ended 31 December 2024 in discharging its duties and responsibilities:

1. *Financial Reporting*

- (a) Reviewed the unaudited quarterly financial results of the Group. The Committee had sought explanations and additional information from the Chief Financial Officer and the management on the reasons for variances/fluctuations in the financial performance of the Group, including the key income and operating expenses, before recommending the same to the Board for approval.
- (b) Reviewed and discussed the annual audited financial statements of the Group and the Company with the External Auditors, Messrs. Deloitte PLT (“**Deloitte**”) with particular focus on significant matters highlighted in their management letter, including financial reporting issues, significant judgements made by the management, significant and unusual events or transactions, if any, and how these matters are addressed, and the responses/actions taken by the management on the resolution of such issues, before submission to the Board for their approval. The review was to ensure that the financial reporting and disclosures requirements comply with:
 - Provisions of the Companies Act 2016
 - Listing Requirements of Bursa Malaysia Securities Berhad
 - Applicable and approved Malaysian Financial Reporting Standards (“**MFRSs**”) International Financial Reporting Standards (“**IFRS**”)
 - Other legal and regulatory requirements

In the review of the annual audited financial statements, the Committee discussed with management and Deloitte the accounting policies and principles, financial reporting standards that were applied, and also their judgement of the items that may affect the financial statements, including accounting estimates and assumptions, going concern, materiality and related disclosures.

2. *Risk Management and Internal Audit*

- (a) Reviewed and discussed the internal audit reports which were tabled during the meetings, the audit recommendations for improvements to the existing system of internal controls, and work processes are made to the management for resolutions where necessary, as well as the management’s action and response to these recommendations.
- (b) Reviewed and discussed the implementation status taken by the management in response to the audit recommendations on the audit findings raised in the audit reports and ensure that appropriate management actions being taken to rectify the weaknesses and all the key audit findings as highlighted, and control lapses have been addressed effectively and efficiently. This scope also includes follow-up on the management letter issued by Deloitte during the statutory audit.
- (c) Reviewed and updated the Board the risk profile of the Group which covered bribery & corruption and sustainability in addition to other business risks. The Committee has also ensured risk response actions plan is duly established and carried out by the management to mitigate significant risks of the Group appropriately.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

cont'd

SUMMARY OF WORKS OF THE ARMC *cont'd*

2. *Risk Management and Internal Audit cont'd*

- (d) Reviewed and assessed the competency and resources' adequacy of the risk management and internal audit function.
- (e) Reviewed the Risk Management and Audit Department's Key Performance Indicators.

3. *External Audit*

- (a) Reviewed and discussed audit updates presented by Deloitte on the matters arising from the audit of the Group and the Company for the financial year ended 31 December 2024.
- (b) Reviewed and discussed with Deloitte their audit planning report, which set out audit strategy, the scope of work, key audit matters, and proposed audit fees.
- (c) Reviewed the annual audited financial statements of the Group and the Company before submission to the Board for approval and released the same to Bursa Malaysia Securities Berhad.
- (d) Reviewed and discussed Deloitte's observations, the results of the annual audit and management letter together with management's responses to the audit observations.
- (e) Assessed and discussed the audit performance and effectiveness of Deloitte, including independence, objectivity, and reporting, professional scepticism, communication, interaction, experience and expertise, audit finalisation, the quality of skills and capabilities of audit staff, resources as well as the terms of engagement. The Committee is satisfied with the performance of Deloitte, which remains effective, objective, and independent.
- (f) Reviewed the audit and non-audit fees of the Group.
- (g) Recommended the re-appointment of Deloitte as the auditors of the Company.
- (h) Had private sessions with Deloitte without the management's presence to discuss other issues of concern, if any, arising from the audit.

4. *Related Party Transactions and Conflict of Interest*

- (a) Reviewed the recurrent related party transactions ("RRPT") of a revenue or trading nature entered into by the Company and its subsidiaries and associated companies and considered any related party transactions, potential conflict of interest and conflict of interest situation that may or have arisen within the Company or the Group including any transactions, procedure or course of conduct that raises questions on management integrity.
- (b) Reviewed the draft Circular to Shareholders concerning the proposed renewal of shareholders' mandate for RRPT of a revenue or trading nature before submitting the same to the Board for consideration and approval.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

cont'd

SUMMARY OF WORKS OF THE ARMC *cont'd*

5. *Anti-Bribery and Corruption*

- (a) Reviewed and assured adequate risk management and internal control frameworks are being put in place by management to mitigate associated bribery and corruption risks.

6. *Others*

Reviewed and discussed on the following and where applicable recommended the same to the Board for approval:

- a) Inter-Company Loan Policy.
- b) Research and Development Policy.
- c) Dividend Policy.
- d) Back-up and Disaster Recovery Transformation Report.
- e) Whistleblowing Report.
- f) Implementation of the Corporate Governance Framework by the Investee Companies.
- g) ARMC Report and Statement on Risk Management and Internal Control.
- h) Latest updates/amendments to the Bursa Malaysia Securities Berhad Main Market Listing Requirements.
- i) TOR of the ARMC.
- j) Audit Services Charter.
- k) Anti-Bribery and Corruption Update Reports and the effectiveness of the Anti-Bribery and Corruption Management system.
- l) Non-Assurance Services*.

* approved by the management.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

cont'd

INTERNAL AUDIT FUNCTION AND SUMMARY OF WORKS

Internal Audit Function

The Board has established an in-house and independent internal audit department to assist the ARMC and the Board in providing an independent assessment on the adequacy, efficiency, and effectiveness of the Group's risk management, internal control, and governance systems. It is the responsibility of the internal audit department to provide the ARMC with independent and objective reports on the extent of compliance of the various operating units within the Group's established policies and procedures as well as relevant statutory requirements.

The Internal Audit department comprises of three (3) professionals who are assisting the person responsible for the internal audit. Details on the person responsible for the internal audit are set out below:

Name	:	Chow Kim Wai
Qualification	:	<ul style="list-style-type: none"> a) Bachelor of Commerce, Auckland University, New Zealand (majoring in Accounting) b) Member of the Malaysian Institute of Accountant c) Member of the CPA Australia d) Member of the Institute of Internal Auditors Malaysia
Independence	:	Does not have any family relationship with any director and/or major shareholder of the Company
Public Sanction or Penalty	:	Has no convictions for any offences within the past 5 years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

The Internal Audit Charter is established to ensure the Internal Audit function is free from any relationship or conflict of interest, which could impair objectivity and independence. Besides, Internal Audit SOP is established to ensure the Internal Audit function carries out its duties closely in line with the International Professional Practices Framework (IPPF).

During the financial year ended 31 December 2024, the Internal Audit function carried out the following activities to assure ARMC regarding the risk management, internal control, and governance state of the Group:

- i) Performed internal audit as per the approved internal audit plan on key business processes to assure the ARMC the internal control state to mitigate significant risks of the Group.
- ii) Carried out risk management exercises to assess key business, bribery and corruption as well as sustainability risks of the Group and ensured appropriate risk response actions plan are being devised to mitigate them accordingly. Such reports have been presented and deliberated at ARMC and reported to the Board half-yearly.
- iii) Followed-up and updated the ARMC status of Management Actions Plan to ensure appropriate actions are being carried out by the management to address significant findings.

The Committee is pleased to disclose that there were no significant weaknesses identified that would have resulted in any material losses, contingencies, or uncertainties to the Group, which would require separate disclosure in the financial statements.

The total cost incurred by the Internal Audit Department concerning the conduct of the internal audit functions of the Group during the financial year ended 31 December 2024 amounted to RM340,980.00.

5-YEAR GROUP FINANCIAL HIGHLIGHTS

	12 Months Year Ended 31 December 2024	12 Months Year Ended 31 December 2023	12 Months Year Ended 31 December 2022	18 Months Period Ended 31 December 2021	12 Months Year Ended 30 June 2020
Results of Operation	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	419,171	397,182	383,473	636,937	364,010
Profit/(Loss) from Operations	6,914	(43,495)	(26,149)	51,661	19,878
Profit/(Loss) before tax	2,261	(39,392)	(19,377)	58,180	23,740
(Loss)/Profit after tax	(1,957)	(38,710)	(15,344)	42,429	18,491
EBITDA	60,800	21,725	38,240	134,120	70,544
Return on revenue	-0.5%	-9.7%	-4.0%	6.7%	5.1%
(Loss)/Profit attributable to:-					
Owners of the parent	(1,855)	(34,802)	(17,268)	41,463	18,534
Non-controlling interests	(102)	(3,908)	1,924	966	(43)
	(1,957)	(38,710)	(15,344)	42,429	18,491

	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021	As at 30 June 2020
Financial Position	RM'000	RM'000	RM'000	RM'000	RM'000
Total assets	601,782	607,620	666,254	637,900	656,056
Total liabilities	171,714	167,930	176,045	141,576	159,630
Net assets	430,069	439,690	490,209	496,324	496,427
Paid-up capital	337,896	337,896	337,896	337,896	337,896
Treasury shares	(27,842)	(27,634)	(22,928)	(20,949)	(905)
Shareholders' equity:-					
Owners of the parent	406,833	416,404	463,015	483,906	483,181
Non-controlling interests	23,236	23,286	27,194	14,418	13,246
	430,069	439,690	490,209	496,324	496,427

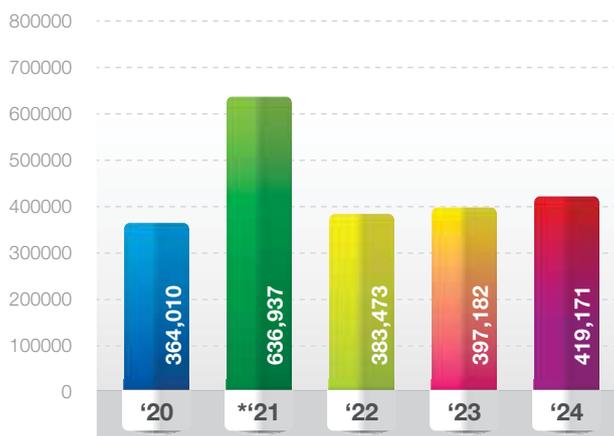
5-YEAR GROUP FINANCIAL HIGHLIGHTS

cont'd

	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021	As at 31 June 2020
Share information					
Number of shares in issue	5,641,410,835	5,641,410,835	5,641,410,835	5,641,410,835	5,641,410,835
Basic (loss)/earnings per share (sen)	(0.03)	(0.63)	(0.31)	0.73	0.33
Diluted (loss)/earnings per share (sen)	(0.03)	(0.63)	(0.31)	0.76	0.33
Net assets per share (RM)	0.08	0.08	0.09	0.09	0.09
Share price at end of financial year (RM)	0.18	0.20	0.15	0.350	0.355

Revenue

(RM'000)



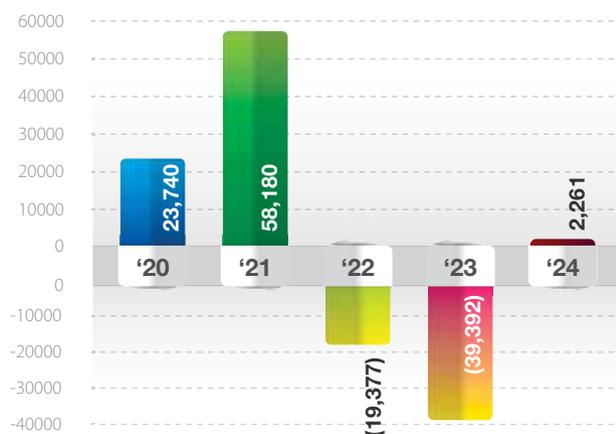
* For 18 months period

5-YEAR GROUP FINANCIAL HIGHLIGHTS

cont'd

Profit/(Loss) before tax

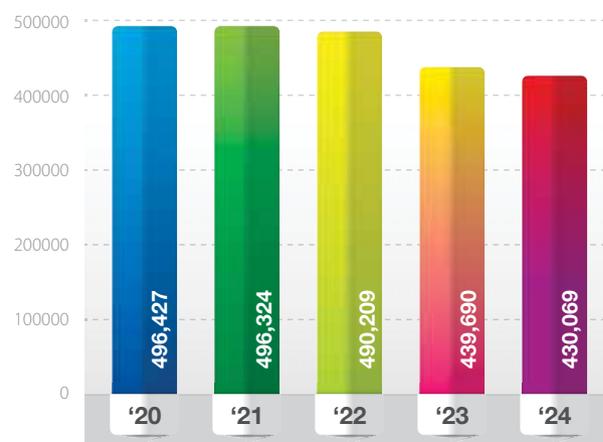
(RM'000)



2021: For 18 months period

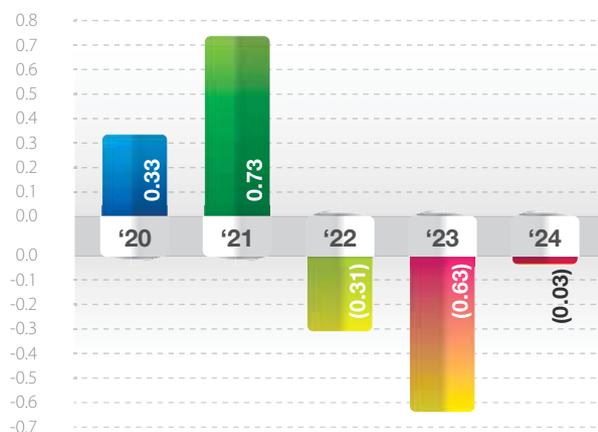
Net Assets

(RM'000)



Basic Earnings Per Share

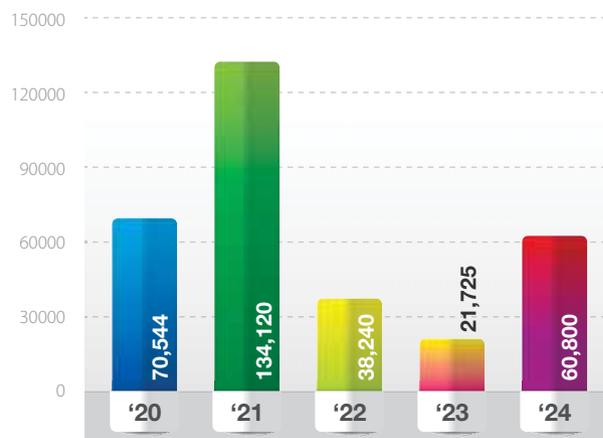
(Sen)



2021: For 18 months period

Earnings Before Interest, Tax, Depreciation, and Amortisation (EBITDA)

(RM'000)



2021: For 18 months period

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are obligated under paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to issue a statement explaining their responsibility for preparing the annual audited financial statements.

Under the Companies Act 2016, the Directors are required to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia.

It is the responsibility of the Directors to ensure that the financial statement is given a true and fair view of the financial position of the Company and its subsidiaries (collectively referred as “**the Group**”) at the end of the financial year, as well as the results and cash flows of the Group for the financial year then ended.

The Directors are of the opinion that the financial statements have been drawn up in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group for the financial year ended 31 December 2024.

In the process of preparing these financial statements, and other than as disclosed in the notes to the financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the year. In cases where judgement and estimates were made, they were based on reasonableness and prudence.

The Directors have also taken all such necessary steps to ensure that proper internal controls are in place to safeguard the assets of the Group and to detect and prevent fraud and other irregularities.

This Statement is made in accordance with the resolution of the Board of Directors dated 25 April 2025.

FINANCIAL STATEMENTS

- 141 Directors' Report
- 149 Independent Auditors' Report
- 155 Statements of Profit or Loss and Other Comprehensive Income
- 157 Statements of Financial Position
- 159 Statements of Changes in Equity
- 162 Statements of Cash Flows
- 166 Notes to the Financial Statements
- 265 Statement by Directors
- 265 Declaration by the Officer Primarily Responsible for the Financial Management of the Company

DIRECTORS' REPORT

The directors of **GDEX BERHAD** hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiary companies is mainly in the provision of express delivery, logistics, and information technology services and property management.

Further information of the subsidiary companies including name, place of incorporation, principal activities, and percentage of issued share capital held by the Company in each subsidiary company are disclosed in Note 16 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group	The Company
	RM	RM
Profit before tax	2,261,225	3,423,169
Income tax expense	(4,218,595)	(852,784)
(Loss)/Profit for the year	<u>(1,957,370)</u>	<u>2,570,385</u>
(Loss)/Profit for the year attributed to:		
Owners of the parent	(1,855,087)	2,570,385
Non-controlling interests	(102,283)	-
	<u>(1,957,370)</u>	<u>2,570,385</u>

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIRECTORS' REPORT

cont'd

DIVIDENDS

As mentioned in Note 33 to the Financial Statements, a first and final tax exempt dividend of 0.10 sen per share amounting to RM5,541,903 which was proposed in the previous financial year and dealt with in the previous directors' report was paid in cash by the Company during the current financial year.

The directors proposed a dividend of 0.20 sen per share in respect of the financial year ended 31 December 2024. The proposed dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements of the Group and of the Company for the financial year ended 31 December 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the current financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

TREASURY SHARES

During the financial year, the Company repurchased 1,281,500 of its ordinary shares listed and quoted on the main market of Bursa Malaysia from the open market at prices ranging from RM0.16 to RM0.17 per ordinary share. The total consideration paid, including transaction costs, of RM207,956 was financed by internally generated funds. The shares repurchased were held as treasury shares in accordance with Section 127 of the Companies Act, 2016 in Malaysia.

The Company has the right to cancel, resell or distribute the treasury shares as dividends or transfer the treasury shares for the purposes of an employees' share scheme or as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution is suspended. None of the treasury shares repurchased have been sold, cancelled or transferred during the financial year.

DIRECTORS' REPORT

cont'd

TREASURY SHARES *cont'd*

The number of ordinary shares as of 31 December 2024 after taking into account the new shares issued and deducting the shares brought back is 5,540,129,335 ordinary shares. Further details are disclosed in Note 25 to the financial statements.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were finalised, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- (a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the financial year in which this report is made.

DIRECTORS' REPORT

cont'd

DIRECTORS

The directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Muhammad bin Ibrahim
Teong Teck Lean
Low Ngai Yuen
Dato' Azman bin Mahmud
Nuraini binti Ismail
Yuji Nashimoto (appointed on 1 February 2024)
Teong Tsang Whon (appointed on 1 September 2024)
Teoh Cho Min (appointed on 1 September 2024)
Tan Kay Beng (alternate director to Teong Tsang Whon, appointed on 1 September 2024)
Chong Hui Chuen (alternate director to Teoh Cho Min, appointed on 1 September 2024)
Ho Swee Fong (appointed on 1 November 2024)
Isaac Mah Ming Zhi (appointed on 17 February 2025)
Hiroshi Etani (resigned on 1 February 2024)
Lee Kah Hin (resigned on 25 February 2024)
Lim Chee Seong (resigned on 14 August 2024)
Chua Put Moy (resigned on 1 November 2024)
Yik Yen Shan, Vincent (resigned on 12 January 2025)

The directors of the subsidiary companies in office which have not been disclosed above during the financial year and during the period from the end of the financial year to the date of this report are:

Teong Lynn Tze, Rachel
Kwok Nguk Mooi
Kong Hwai Ming
Nguyen Duc The
Nguyen Xuan Hiep
Luong Thanh Dien
Kwek Huang Kun
Ooi Boon Sheng
Kew Lee Ming
Kong Ewe Keat
Foong Mun Lake (Bernard)
Melvin Foong Mun Hoe
Marmizahsalwa Binti Ahmad Tarmizi
Seh Pei Fang
Ismarina Binte Ismail
Prilli Budi Pasravita Soetantyo
Trieu Lan Huong
Nguyen Kim Thua
Tiang Siew Ling (appointed on 1 May 2024)
Chin Wei Leong (appointed on 15 August 2024)

DIRECTORS' REPORT

cont'd

DIRECTORS' INTERESTS

The shareholdings and warrants in the Company of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

	← Number of ordinary shares →			
	Balance as of 1.1.2024/ date of appointment	Bought	Sold	Balance as of 31.12.2024
Shares in the Company				
Direct interest				
Tan Sri Muhammad bin Ibrahim	2,300,000	-	-	2,300,000
Teong Teck Lean	119,412,652	-	(10,000,000)	109,412,652
Chong Hui Chuen	131,774	-	-	131,774
Shares in the Company				
Indirect interest				
Teong Teck Lean				
<u>Substantial shareholdings</u>				
GD Express Holdings (M) Sdn. Bhd.	1,384,804,622	-	-	1,384,804,622
GD Holdings International Limited	636,831,693	-	-	636,831,693
GDEX Foundation	19,990,408	-	-	19,990,408
Teong Teck Lean				
<u>Immediate family member</u>				
Wang Heng Tsuey	12,604,215	-	-	12,604,215

DIRECTORS' REPORT

cont'd

DIRECTORS' INTERESTS *cont'd*

	Number of Warrants 2021/2028 over ordinary shares			Balance as of 31.12.2024
	Balance as of 1.1.2024/ date of appointment	Issued	Sold	
Warrants 2021/2028 in the Company				
Direct interest				
Teong Teck Lean	29,599,217	-	-	29,599,217
Chong Hui Chuen	16,460	-	-	16,460
Indirect interest				
Teong Teck Lean				
<u>Substantial shareholding</u>				
GD Express Holdings (M) Sdn. Bhd.	259,984,583	-	-	259,984,583
GD Holdings International Limited	79,041,641	-	-	79,041,641
GDEX Foundation	2,498,801	-	-	2,498,801
Teong Teck Lean				
<u>Immediate family member</u>				
Wang Heng Tsuey	1,575,526	-	-	1,575,526

By virtue of the above directors' interest in the shares of the Company, they are deemed to have beneficial interest in the shares of all the subsidiary companies and related corporation to the extent the Company has an interest.

The other directors in office at the end of the financial year did not hold shares, nor had beneficial interest in the shares of the Company during and at the end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of full-time employees of the Company as disclosed below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REPORT

cont'd

DIRECTORS' BENEFITS *cont'd*

The details of the directors' remuneration for the financial year ended 31 December 2024 are set out below:

	The Group	The Company
	RM	RM
Fees	969,200	969,200
Salaries and other emoluments	2,566,660	928,976
Defined contribution plan	292,220	59,090
	3,828,080	1,645,266

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate except for the options granted to certain directors pursuant to the Company's warrant as disclosed above and in Note 24 to the financial statements.

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for financial year ended 31 December 2024 are as follows:

	The Group	The Company
	RM	RM
Auditors' remuneration:		
Statutory audit	704,116	273,250
Non-audit services	6,600	5,800
	710,716	279,050

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The details of significant event in respect of the acquisition of indirect subsidiary company by a subsidiary company during the financial year are disclosed in Note 16 to the financial statements.

DIRECTORS' REPORT

cont'd

SUBSEQUENT EVENTS

Details of significant events subsequent to the end of the financial year are disclosed in Note 39 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group maintains directors' liability insurance for purposes of Section 289 of the Companies Act, 2016, throughout the year, which provides appropriate insurance cover for the directors and officers of the Company and of its subsidiary companies. The amount of insurance premium paid during the financial year amounted to RM23,277.

No indemnity was given to or insurance effected for auditors of the Company during the financial year.

AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the directors,

TEONG TECK LEAN

TEOH CHO MIN

Petaling Jaya,
25 April 2025

INDEPENDENT AUDITORS' REPORT

to the members of GDEX Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **GDEX BERHAD** which comprise the statements of financial position as of 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to financial statements, including material accounting policy information, as set out on pages 155 to 264.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT

to the members of GDEX Berhad
(Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<i>Key Audit Matter</i>	<i>Our audit performed and responses thereon</i>
<p>Revenue from express delivery services</p> <p>The Group's revenue is mainly derived from express delivery services rendered with the characteristics of large volume of transactions involving immaterial value individually. For the current financial year, the Group has recorded revenue of approximately RM351 million from express delivery, representing approximately 84% of the Group's total revenue.</p> <p>The Group tracks the rendering of express delivery services in its operating systems. Therefore, revenue recognition largely relies on the effectiveness of design, implementation and operation of the internal control relating to its operating systems.</p> <p>As there is higher inherent risk of revenue recognition in light of the large volume of express delivery and the involvement of operating systems, we considered the recognition of revenue from express delivery as a key audit matter.</p>	<p>Our audit approach includes both controls testing and substantive procedures as follows:</p> <ul style="list-style-type: none"> • Performed test on the design and implementation and operating effectiveness of relevant controls surrounding revenue recognition on express delivery services; • Involved our internal information technology specialist in understanding, evaluating and testing of general controls on the operating systems relating to revenue from express delivery; and • We agreed the sales transactions from the operating systems to the accounting system. In addition, we checked, on a sampling basis, the information in proof of delivery against the information of revenue recognised and recorded in the accounting system.

INDEPENDENT AUDITORS' REPORT

to the members of GDEX Berhad
(Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Key Audit Matters *cont'd*

<i>Key Audit Matter</i>	<i>Our audit performed and responses thereon</i>
<p>Goodwill arising from consolidation</p> <p>As of 31 December 2024, goodwill arising from consolidation of approximately RM31 million recorded by the Group mainly comprised the following:</p> <p>(a) approximately RM13 million arising from acquisition of 51% shareholdings in Sweetmag Solutions (M) Sdn. Bhd. and its subsidiary; and</p> <p>(b) approximately RM12 million arising from the increase in the shareholdings of Xilnex Holdings Sdn. Bhd. (formerly known as Web Bytes Sdn. Bhd.) from 32.69% to 38.00%.</p> <p>Determining whether the goodwill is impaired requires management estimation of the recoverable amount, which is determined based on an estimation of the present value of future cash flows expected to be generated. The key assumptions used in the estimation of the recoverable amount involves a significant degree of management judgement.</p> <p>The key assumptions used are as disclosed in Note 18 to the financial statements.</p>	<p>Our audit procedures to address this area included, among others, the following:</p> <ul style="list-style-type: none"> ● Obtained understanding of management processes and controls for testing impairment of goodwill arising from consolidation; ● Reviewed the impairment assessment of goodwill prepared by management and challenged the reasonableness of the key assumptions used in cash flows projections; ● Involved our internal valuation specialist in reviewing the appropriateness of the valuation methodology and discount rate adopted by management in the determination of recoverable amount; ● Evaluated the work of our internal valuation specialist including the relevance and reasonableness of that specialist's findings or conclusions; ● Assessed for impairment by comparing the recoverable amount determined from an estimation of the present value of future cash flows expected to be generated from the key cash generating unit to its carrying amount; ● Performed sensitivity analysis on management's key assumptions to assess if any reasonably possible downside changes in these assumptions can lead to impairment loss; and ● Assessed the adequacy and appropriateness of the disclosures made in the financial statements.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

INDEPENDENT AUDITORS' REPORT

to the members of GDEX Berhad
(Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT

to the members of GDEX Berhad
(Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Auditors' Responsibilities for the Audit of the Financial Statements *cont'd*

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT

to the members of GDEX Berhad
(Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Auditors' Responsibilities for the Audit of the Financial Statements *cont'd*

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 16 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

KOK PEI LOO
Partner - 03524/08/2026 J
Chartered Accountant

Kuala Lumpur,
25 April 2025

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 31 December 2024

	Note	The Group		The Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
Revenue	6	419,171,219	397,182,231	4,729,885	4,226,400
Other operating income	7	11,972,757	9,104,463	5,652,300	5,468,671
Direct costs	7	(121,715,278)	(125,073,269)	-	-
Staff costs	7	(213,283,134)	(222,608,320)	(4,217,364)	(4,329,409)
Depreciation of property, plant and equipment	11	(26,201,696)	(28,021,999)	(5,164)	(4,954)
Amortisation of intangible assets	12	(739,679)	(772,745)	-	-
Amortisation of right-of-use assets	13	(26,781,180)	(27,320,734)	(209,970)	(300,941)
Other operating expenses	7	(35,509,162)	(37,024,627)	(2,511,165)	(1,825,188)
Share of profits of associates	17	164,072	144,303	-	-
Finance costs	8	(4,816,694)	(5,001,435)	(15,353)	(35,566)
Profit/(Loss) before tax		2,261,225	(39,392,132)	3,423,169	3,199,013
Income tax (expense)/credit	9	(4,218,595)	682,018	(852,784)	(830,327)
(Loss)/Profit for the year		(1,957,370)	(38,710,114)	2,570,385	2,368,686

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 31 December 2024
cont'd

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Other comprehensive income/(loss)					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		(2,018,306)	1,019,164	-	-
Items that will not be reclassified subsequently to profit or loss:					
Fair value gain/(loss) on other investments	19	66,339	(43,089)	8,358,625	19,801,375
Remeasurement of post-employment benefit obligations	29	-	233,815	-	20,194
Other comprehensive (loss)/income for the year, net of tax		(1,951,967)	1,209,890	8,358,625	19,821,569
Total comprehensive (loss)/income for the year, net of tax		(3,909,337)	(37,500,224)	10,929,010	22,190,255
(Loss)/Profit for the year attributable to:					
Owners of the parent		(1,855,087)	(34,802,517)	2,570,385	2,368,686
Non-controlling interests	16	(102,283)	(3,907,597)	-	-
		(1,957,370)	(38,710,114)	2,570,385	2,368,686
Total comprehensive (loss)/income for the year attributable to:					
Owners of the parent		(3,807,054)	(33,592,627)	10,929,010	22,190,255
Non-controlling interests		(102,283)	(3,907,597)	-	-
		(3,909,337)	(37,500,224)	10,929,010	22,190,255
Loss per ordinary share:					
Basic (sen)	10	(0.03)	(0.63)		
Diluted (sen)	10	(0.03)	(0.63)		

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION

as of 31 December 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	11	98,448,817	121,350,279	21,234	26,398
Intangible assets	12	1,485,956	1,698,563	-	-
Right-of-use assets	13	113,889,831	113,122,946	174,911	601,883
Investment properties	15	1,050,000	-	-	-
Investment in subsidiary companies	16	-	-	88,291,832	90,291,832
Investment in associates	17	33,302,152	33,729,175	-	415,146
Goodwill arising from consolidation	18	30,962,890	29,173,232	-	-
Other investments	19	13,750	69,411	56,955,250	48,596,625
Investment in Redeemable Convertible Preference Shares	20	2,160,000	2,160,000	2,160,000	2,160,000
Loan to a subsidiary company	16	-	-	4,800,000	-
Deferred tax assets	30	1,198,173	1,682,763	-	-
Total Non-Current Assets		282,511,569	302,986,369	152,403,227	142,091,884
Current Assets					
Inventories	23	3,065,639	2,905,998	-	-
Trade receivables	21	70,238,886	59,416,035	-	-
Other receivables, deposits and prepayments	21	28,582,393	30,430,046	778,253	703,708
Amount owing by subsidiary companies	16	-	-	129,299,930	128,627,993
Loan to a subsidiary company	16	-	-	200,000	-
Loan to an associate	17	-	2,384,000	-	-
Tax recoverable		15,328,915	14,839,332	1,324,595	1,318,424
Short term funds	22	1,283,232	100,000	-	-
Deposits with licensed banks	34	138,701,338	149,441,463	125,980,544	131,835,549
Cash and bank balances	34	62,070,163	45,116,410	13,525,259	9,166,387
Total Current Assets		319,270,566	304,633,284	271,108,581	271,652,061
Total Assets		601,782,135	607,619,653	423,511,808	413,743,945

STATEMENTS OF FINANCIAL POSITION

as of 31 December 2024

cont'd

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	24	337,896,408	337,896,408	337,896,408	337,896,408
Treasury shares	25	(27,842,230)	(27,634,274)	(27,842,230)	(27,634,274)
Reserves	26	96,778,888	106,141,399	105,622,943	100,235,836
Non-controlling interests	16	23,235,458	23,286,460	-	-
Total Equity		430,068,524	439,689,993	415,677,121	410,497,970
Non-Current Liabilities					
Hire-purchase payables	27	276,480	675,543	-	-
Bank borrowings	28	2,457,869	1,062,390	-	-
Lease liabilities	14	70,799,437	83,191,292	-	313,840
Provision for restoration costs	31	1,531,606	793,942	-	4,557
Provision for retirement benefits	29	900,660	799,933	6,517	5,571
Deferred tax liabilities	30	2,378,022	2,462,264	-	-
Total Non-Current Liabilities		78,344,074	88,985,364	6,517	323,968
Current Liabilities					
Trade payables	32	12,814,820	12,536,537	-	-
Other payables and accrued expenses	32	46,025,430	47,650,992	529,817	540,816
Provision for restoration costs	31	508,586	322,535	-	-
Amount owing to subsidiary companies	16	-	-	7,119,283	2,081,920
Hire-purchase payables	27	814,186	3,595,902	-	-
Bank borrowings	28	1,264,454	1,469,768	-	-
Lease liabilities	14	28,268,407	12,187,949	179,070	299,271
Tax liabilities		3,673,655	1,180,613	-	-
Total Current Liabilities		93,369,537	78,944,296	7,828,170	2,922,007
Total Liabilities		171,713,611	167,929,660	7,834,687	3,245,975
Total Equity and Liabilities		601,782,135	607,619,653	423,511,808	413,743,945

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 31 December 2024

Note	Share capital	Treasury shares	Non-distributable reserves		Distributable reserve - Retained earnings	Attributable to the owners of the parent	Non-controlling interests	Total equity
			Fair value reserve	Translation reserve				
	RM	RM	RM	RM	RM	RM	RM	RM
The Group								
As of 1 January 2023	337,896,408	(22,928,178)	(21,000)	1,307,803	146,759,930	463,014,963	27,194,057	490,209,020
Loss for the year	-	-	-	-	(34,802,517)	(34,802,517)	(3,907,597)	(38,710,114)
Other comprehensive (loss)/income	-	-	(43,089)	1,019,164	233,815	1,209,890	-	1,209,890
Total comprehensive (loss)/income for the year	-	-	(43,089)	1,019,164	(34,568,702)	(33,592,627)	(3,907,597)	(37,500,224)
Share repurchased	25	(4,706,096)	-	-	-	(4,706,096)	-	(4,706,096)
Dividends	33	-	-	-	(8,312,707)	(8,312,707)	-	(8,312,707)
As of 31 December 2023	337,896,408	(27,634,274)	(64,089)	2,326,967	103,878,521	416,403,533	23,286,460	439,689,993

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 31 December 2024

cont'd

	Note	Share capital	Treasury shares	Non-distributable reserves Fair value reserve	Translation reserve	Distributable reserve - Retained earnings	Attributable to the owners of the parent	Non-controlling interests	Total equity
		RM	RM	RM	RM	RM	RM	RM	RM
The Group									
As of 1 January 2024		337,896,408	(27,634,274)	(64,089)	2,326,967	103,878,521	416,403,533	23,286,460	439,689,993
Loss for the year		-	-	-	-	(1,855,087)	(1,855,087)	(102,283)	(1,957,370)
Other comprehensive income/(loss)		-	-	66,339	(2,018,306)	-	(1,951,967)	-	(1,951,967)
Total comprehensive income/(loss) for the year		-	-	66,339	(2,018,306)	(1,855,087)	(3,807,054)	(102,283)	(3,909,337)
Transfer upon the disposal of equity investments designated at FVOCI		-	-	(42,000)	-	42,000	-	-	-
Acquisition of a subsidiary company	16	-	-	-	-	-	-	1,581,214	1,581,214
Dilution of interest		-	-	-	-	(13,554)	(13,554)	13,554	-
Share repurchased	25	-	(207,956)	-	-	-	(207,956)	-	(207,956)
Dividends	33	-	-	-	-	(5,541,903)	(5,541,903)	(1,543,487)	(7,085,390)
As of 31 December 2024		337,896,408	(27,842,230)	(39,750)	308,661	96,509,977	406,833,066	23,235,458	430,068,524

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 31 December 2024
cont'd

	Note	Share capital RM	Treasury shares RM	Non- distributable reserve - Fair value reserve RM	Distributable reserve - Retained earnings RM	Total equity RM
The Company						
As of 1 January 2023		337,896,408	(22,928,178)	18,929,625	67,428,663	401,326,518
Profit for the year		-	-	-	2,368,686	2,368,686
Other comprehensive income		-	-	19,801,375	20,194	19,821,569
Total comprehensive income for the year		-	-	19,801,375	2,388,880	22,190,255
Shares repurchased	25	-	(4,706,096)	-	-	(4,706,096)
Dividends	33	-	-	-	(8,312,707)	(8,312,707)
As of 31 December 2023		337,896,408	(27,634,274)	38,731,000	61,504,836	410,497,970
As of 1 January 2024		337,896,408	(27,634,274)	38,731,000	61,504,836	410,497,970
Profit for the year		-	-	-	2,570,385	2,570,385
Other comprehensive income		-	-	8,358,625	-	8,358,625
Total comprehensive income for the year		-	-	8,358,625	2,570,385	10,929,010
Shares repurchased	25	-	(207,956)	-	-	(207,956)
Dividends	33	-	-	-	(5,541,903)	(5,541,903)
As of 31 December 2024		337,896,408	(27,842,230)	47,089,625	58,533,318	415,677,121

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2024

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
(Loss)/Profit for the year	(1,957,370)	(38,710,114)	2,570,385	2,368,686
Adjustments for:				
Income tax expense/(credit)	4,218,595	(682,018)	852,784	830,327
Depreciation of property, plant and equipment	26,201,696	28,021,999	5,164	4,954
Interest expense on:				
Hire-purchase	120,959	315,883	-	-
Lease liabilities	4,243,375	4,365,640	15,261	35,344
Bank borrowings	367,113	277,021	-	-
Unwinding of discount on provision of restoration costs	85,247	42,891	92	222
Amortisation of right-of-use assets	26,781,180	27,320,734	209,970	300,941
Amortisation of intangible assets	739,679	772,745	-	-
Net remeasurement of loss allowances on trade receivables	1,401,576	583,756	-	-
Bad debts written off	112,173	280,995	-	-
Bad debts recovered	(46,459)	(14,470)	-	-
Gain on disposal of property, plant and equipment	(319,855)	(125,499)	-	-
Property, plant and equipment written off	335,304	68,817	-	-
Interest income	(7,238,131)	(6,585,150)	(5,537,874)	(5,237,438)

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2024
cont'd

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Gain on lease termination and modification	(1,792,364)	(633,338)	(17,049)	-
Provision for retirement benefits	102,759	114,554	946	2,754
Dividend income from:				
Short term funds	-	(164,196)	-	(164,196)
Investment in Redeemable Convertible Preference Shares	(97,259)	(64,800)	(97,259)	(64,800)
Share of profits of associates	(164,072)	(144,303)	-	-
Impairment of property, plant and equipment	-	1,834,279	-	-
Operating Profit/(Loss) Before Working Capital Changes	53,094,146	16,875,426	(1,997,580)	(1,923,206)
(Increase)/Decrease in:				
Inventories	163,674	(1,197,777)	-	-
Trade receivables	(8,954,441)	(96,647)	-	-
Other receivables, deposits and prepayments	2,149,702	7,039,255	22,714	81,279
(Decrease)/Increase in:				
Trade payables	(2,170,991)	(175,664)	-	-
Other payables and accrued expenses	(1,221,806)	11,142,217	(10,999)	(524,633)
Cash Generated From/ (Used In) Operations	43,060,284	33,586,810	(1,985,865)	(2,366,560)
Income tax refunded	198,401	10,740,581	-	-
Income tax paid	(2,856,058)	(4,240,565)	(858,955)	(720,787)
Retirement benefit paid	-	(16,500)	-	-
Net Cash From/(Used In) Operating Activities	40,402,627	40,070,326	(2,844,820)	(3,087,347)

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2024

cont'd

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES				
Interest received	3,863,575	5,955,703	2,360,517	4,737,511
Proceeds from disposal of property, plant and equipment	666,065	246,009	-	-
Increase in deposits with licensed banks	(5,097,207)	(83,715)	(11,181,259)	(2,031,059)
(Increase)/Decrease in short term funds	(172,805)	19,468,823	-	19,468,823
Additions to property, plant and equipment	(2,910,676)	(28,580,074)	-	(11,112)
Additions to intangible assets	-	(132,050)	-	-
Acquisition of a subsidiary company	(2,238,466)	-	-	-
Loan (advances)/repayment from:				
A subsidiary company	-	-	(5,000,000)	1,000,000
An associate	2,384,000	1,846,000	-	-
Dissolution of associate	591,095	-	415,146	-
Decrease/(Increase) in investment of subsidiary companies	-	-	1,000,000	(100,000)
Decrease/(Increase) in:				
Equity investments	122,000	(30,000)	-	-
Investment in Redeemable Convertible Preference Shares	-	(2,160,000)	-	(2,160,000)
Movement in amount owing by/(to) subsidiary companies (net)	-	-	5,465,426	(14,687,367)
Net Cash (Used In)/From Investing Activities	(2,792,419)	(3,469,304)	(6,940,170)	6,216,796

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2024
cont'd

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES				
Consideration paid for shares repurchased	(207,956)	(4,706,096)	(207,956)	(4,706,096)
Payments of hire-purchase	(3,656,400)	(6,215,785)	-	-
Payments of lease liabilities - principal	(21,116,667)	(25,059,179)	(204,639)	(285,378)
Additional drawdown of bank borrowings	-	130,410	-	-
Repayments of bank borrowings	(1,660,872)	(1,701,766)	-	-
Interest expense paid on:				
Hire-purchase payables	(120,959)	(315,883)	-	-
Lease liabilities	(4,243,375)	(4,365,640)	(15,261)	(35,344)
Bank borrowings	(367,113)	(277,021)	-	-
Dividends paid	(7,085,390)	(8,312,707)	(5,541,903)	(8,312,707)
Net Cash Used In Financing Activities	(38,458,732)	(50,823,667)	(5,969,759)	(13,339,525)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(848,524)	(14,222,645)	(15,754,749)	(10,210,076)
Effect of exchange differences	(1,547,283)	781,962	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	92,339,973	105,780,656	56,389,950	66,600,026
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 34)	89,944,166	92,339,973	40,635,201	56,389,950

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiary companies include mainly in the provision of express delivery, logistics, information technology services and property management. The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the Company in each subsidiary company are disclosed in Note 16.

There have been no significant changes in the nature of the principal activities of the Company and of its subsidiary companies and associates during the current financial year.

The Company's registered office is located at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

The Company's principal place of business is located at No 19, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on 25 April 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

Adoption of Amendments to MFRSs

In the current financial year, the Group and the Company have adopted the Amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") and effective for the financial year beginning on or after 1 January 2024 as follows:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of the above Amendments to MFRS did not result in significant changes in the accounting policies of the Group and of the Company and had no significant effect on the financial performance or position of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS *cont'd*

New Standards and Amendments to MFRSs in Issue but Not Yet Effective

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

Amendments to MFRS 121	Lack of Exchangeability ¹
Amendments to MFRS 9 and MFRS 7	Measurement of Financial Instruments ²
Amendments to MFRS 9 and MFRS 7	Contract Referencing Nature-dependent Electricity ²
Amendments to MFRSs	Amendments to Annual Improvements - Volume 11 ²
MFRS 18	Presentation and Disclosure in Financial Statements ³
MFRS 19	Subsidiaries without Public Accountability: Disclosure ³
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

⁴ Effective date deferred to a date to be determined and announced by MASB.

The directors anticipate that the abovementioned new MFRSs and Amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these new MFRSs and Amendments to MFRSs may have an impact on the financial statements of the Group and of the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effect of the said new MFRSs and Amendments to MFRSs until the Group and the Company undertake a detailed review.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost unless otherwise indicated in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Basis of Accounting *cont'd*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary company begins when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Subsidiary Companies and Basis of Consolidation *cont'd*

The Group accounts for all changes in its ownership interest in a subsidiary company that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received and paid, is adjusted to or against Group's reserves.

Non-controlling interests in subsidiary companies are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets is initially be measured at non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiary companies is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary companies to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Investment in subsidiary companies which are eliminated on consolidation, are stated at cost less impairment losses, if any, in the Company's separate financial statements.

Investment in Subsidiary Companies

Investment in unquoted shares of subsidiary companies, which is eliminated on consolidation, is stated in the Company's financial statements at cost less impairment losses.

Business Combinations

Acquisitions of subsidiary companies and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At acquisition date, the identifiable assets acquired and liabilities assumed are recognised at their fair value.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Goodwill on Consolidation

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Revenue

(i) Revenue from contract with customers

Under MFRS 15 *Revenue from Contract with Customers*, the Group and the Company recognise 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.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Revenue *cont'd*

(i) Revenue from contract with customers *cont'd*

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and the Company perform;
- the Group's and the Company's performance create and enhance an asset that the customer controls as the Group and the Company perform; or
- the Group's and the Company's performance does not create an asset with an alternative use to the Group and the Company and have an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

For contracts that contain more than one performance obligations (to specify), the Group allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, except for the allocation of discounts and variable consideration.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimate it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expect to be entitled in exchange for transferring the promised goods or services to the customer, net of discounts, rebates and compensation in relation to the services performed and to the extent that it is highly probable that a significant reversal will not occur.

The Group and the Company recognise revenue when (or as) they transfer control over a good or service to customer. A good or service is transferred when (or as) the customer of the Group obtains control over the good or service at a point in time for express delivery services, sales of information technology products, insurance agent services, general trading and services; and over time for logistics and information technology services. The Company recognises management fee income earned from its subsidiary companies over time during the service period.

The Group and the Company recognise revenue over time using the output method, which is based on the right consideration in an amount that corresponds directly with the value of the Group's and the Company's performance completed to date, net of sales and service tax, discounts and rebates.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Revenue *cont'd*

(ii) Interest income

Interest income is recognised using the effective interest method in profit or loss.

Foreign Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Ringgit Malaysia, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated in RM using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rate at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve account.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the year.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income and accumulated in a separate component of equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income and accumulated in a separate component of equity.

Borrowing Costs

Borrowing costs incurred by the Group that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Employee Benefits

(i) Short-Term Employee Benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group and of the Company.

(ii) Post-Employment Benefits

(a) Defined Contribution Plan

The Group and the Company make contributions to the Employees Provident Fund ("EPF") and contributions are charged to profit or loss. Once the contributions have been paid, there are no further payment obligations. The approved provident fund is a defined contribution plan.

(b) Defined Benefit Plan

The Group and the Company have an unfunded non-contributory defined retirement benefit scheme covering eligible employees.

Provision for retirement benefits is computed at a fixed amount for each year of service of all eligible permanent employees who have served at least one year with the Group and the Company. The Group's and the Company's obligation for the defined benefit plan is recognised based on estimates of the amount payable to the eligible employees upon their retirement as provided by the actuarial estimation of costs and liabilities of Retirement Benefit Scheme of the Group and of the Company.

Leases

(a) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset that may be specified explicitly or implicitly, and should be physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Leases *cont'd*

(a) Definition of a lease *cont'd*

- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the assets is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermined how and for what purpose it will be used.

At inception or on assessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

(b) Recognition and initial measurement

The Group and the Company as a lessee

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the premises on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments.

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group and the Company recognise the lease payments associated with these leases as an operating expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Leases *cont'd*

(c) Subsequent measurement

The right-of-use asset is subsequently amortised using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when the Group and the Company change their assessment of whether it will exercise a purchase, extension or termination option.

Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's and the Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax for current and prior year is recognised as a liability (or asset) to the extent that it is unpaid (or recoverable).

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unabsorbed capital allowances can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Income Tax *cont'd*

(b) Deferred Tax *cont'd*

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary companies and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intend to settle its current tax assets and liabilities on a net basis.

(c) Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in comprehensive income or directly in equity), in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Investment in Associates

Associate

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Investment in Associates *cont'd*

Accounting treatment

On acquisition of an investment in associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the year in which the investment is acquired.

An associate is equity accounted for from the date on which the investee becomes an associate unless the Group does not have contractual equity interest over the associate.

Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group applies MFRS 136 Impairment of Assets to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Impairment of Non-Financial Assets other than Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are depreciated using the straight-line method at the following annual rates to write off the cost of these assets over their estimated useful lives:

Leasehold and freehold buildings	2%
Office equipment, furniture and fittings	10% - 20%
Computer hardware and software	10% - 50%
Tools and equipment	12.5%
Motor vehicles and electric vehicle charging station	10% - 20%
Renovation	20%
Cold room equipment	12.5%
Rackings	12.5%

Capital-in-progress is not depreciated until it is completed and ready for intended use.

The estimated useful lives, residual values and depreciation method of property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Property, Plant and Equipment *cont'd*

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Property, Plant and Equipment Acquired Under Hire-Purchase Arrangements

Property, plant and equipment acquired under hire-purchase arrangements are capitalised in the financial statements and the corresponding obligations treated as liabilities. Finance charges are allocated to profit or loss to give a constant periodic rate of interest on the remaining hire-purchase liabilities.

Assets held under hire-purchase arrangements are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant arrangement.

Intangible Assets

(a) Internally-generated intangible assets - Development expenditure

An internally-generated intangible asset arising from information technology related project is recognised when the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the intangible asset will generate future economic benefits;
- adequate resources to complete the development and to use or sell the intangible asset are available; and
- the expenditures attributable to the intangible asset during its development can be reliably measured.

Capitalised development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives:

Development expenditure	20% - 33.3%
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NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Intangible Assets *cont'd*

(b) Intangible Assets Acquired in a Business Combination *cont'd*

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives:

Customer relationship	20%
Internally-generated software	22%

The estimated useful lives and amortisation method of customer relationship and internally-generated software are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis. Management assessed that there are no material changes in estimate as of the end of the reporting period.

Inventories

Inventories, which mainly consist of trading goods and consumables, are stated at lower of cost or net realisable value (determined on the 'first-in, first-out' basis). Cost comprises the original cost of purchase plus incidental costs incurred in bringing the inventories to their present location. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

Treasury shares

Shares repurchased by the Company are held as treasury shares and are measured and carried at the cost of purchase. Treasury shares are presented in the financial statements as a set-off against equity.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. Should such shares be re-issued by re-sale in the open market, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity. Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the distributable retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Provisions

Provisions are recognised when the Group or the Company have a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Financial Instruments

(a) Financial assets

Initial recognition and subsequent measurement

Financial assets of the Group and of the Company are classified, at initial recognition, as either:

- (i) Financial assets at amortised cost (debt instruments);
- (ii) Financial assets at fair value through profit or loss (“FVTPL”); or
- (iii) Financial assets designated at FVTOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group or the Company commit to purchase or sell the asset.

Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Financial Instruments *cont'd*

(a) Financial assets *cont'd*

Initial recognition and subsequent measurement *cont'd*

Financial assets at amortised cost (debt instruments) *cont'd*

All of the financial assets of the Group and the Company are measured at amortised cost unless otherwise stated. Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets through profit or loss ("FVTPL")

The investment in Redeemable Convertible Preference Shares and short term funds of the Group and of the Company are measured at FVTPL. Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in profit or loss.

Equity instruments designated as at FVTOCI

On initial recognition, the Group and the Company had made an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

The Group and the Company designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see Note 19).

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Financial Instruments *cont'd*

(a) Financial assets *cont'd*

Derecognition *cont'd*

A financial asset (or, where applicable, a part of a financial asset or part of a Group and a Company of similar financial assets) is primarily derecognised (i.e. removed from the Group's and the Company's statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset; or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all instruments not held at fair value through profit or loss. ECLs of the Group and of the Company for all instruments measured at amortised cost except trade receivables are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs of the trade receivable of the Group are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Financial Instruments *cont'd*

(a) Financial assets *cont'd*

Impairment of financial assets *cont'd*

The Group and the Company consider a financial asset in default when contractual payments are past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Financial liabilities

Initial recognition and subsequent measurement

All financial liabilities of the Group and of the Company are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of the financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policy, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as follows:

(a) Impairment of goodwill and intangible assets acquired in business combination

Determining whether goodwill and intangible assets acquired in business combination are impaired require an estimation of the recoverable amount of the cash-generating units ("CGUs") to which goodwill has been allocated and the identified intangible assets acquired in business combination.

The value-in-use of each CGU requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable pre-tax discount rate in order to calculate the present value of those cash flows in reviewing the impairment of goodwill and intangible assets acquired in business combination of the CGU.

The carrying amount of goodwill arising from consolidation and intangible assets acquired in business combination as of the end of the reporting period are RM30,962,890 (2023: RM29,173,232) and RM1,485,956 (2023: RM1,461,848) respectively with no impairment loss recognised during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *cont'd*

(ii) Key sources of estimation uncertainty *cont'd*

(b) Impairment of trade receivables

The Group records impairment losses on its trade receivables using ECL models. The impairment losses computed based on the ECL models requires judgement to ensure impairment losses recorded reflect the credit risk of the Group's trade receivables in accordance with the requirements of MFRS 9. Areas of judgement includes determination of criteria for significant increase in credit risk and selection of appropriate ECL models. Details of impairment losses of the Group's trade receivables are disclosed in Note 21.

5. SEGMENT REPORTING

Operating segments

The Group has four (2024: four) main operating segments and operates predominantly in Malaysia, Singapore, Vietnam and Indonesia, 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 summary describe the operations in each of the Group's reportable operating segments:

- (i) Express delivery - provision of express delivery services.
- (ii) Logistics - logistics, operation and freight distribution.
- (iii) Information technology - web design, e-commerce, website development, business software solutions and other related services, cyber security consulting, trading of computer and information technology, multimedia services, software application, internet, computer networking services, and consultancy services.
- (iv) Property management - property, facilities and assets management services.
- (v) Others - cafe operator, investment holding, insurance agent services and training provider.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

5. SEGMENT REPORTING *cont'd*

Operating segments *cont'd*

The following is an analysis of the Group's revenue and results by the operating segments:

	The Group			
	Segment Revenue		Segment Profit/(Loss)	
	2024	2023	2024	2023
	RM	RM	RM	RM
Express delivery	351,271,854	343,214,780	14,090,075	(18,996,911)
Logistics	13,779,359	19,418,558	(9,296,062)	(12,468,363)
Information technology	53,673,416	33,445,853	4,078,593	(881,929)
Property management	-	-	(2,366,576)	(2,883,186)
Others	446,590	1,103,040	407,817	695,389
Total	419,171,219	397,182,231	6,913,847	(34,535,000)
Finance costs			(4,816,694)	(5,001,435)
Share of profits of associates			164,072	144,303
Profit/(Loss) before tax			2,261,225	(39,392,132)

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

5. SEGMENT REPORTING *cont'd*

Operating segments *cont'd*

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

	The Group	
	Carrying Amount of Segment Assets and Liabilities	
	2024	2023
	RM	RM
Segment Assets		
Express delivery	449,023,716	478,637,927
Logistics	36,983,717	28,980,395
Information technology	56,497,612	34,415,310
Property management	42,439,243	42,957,033
Others	310,759	6,106,893
	585,255,047	591,097,558
Unallocated assets*		
- Tax recoverable	15,328,915	14,839,332
- Deferred tax assets	1,198,173	1,682,763
	601,782,135	607,619,653
Segment Liabilities		
Express delivery	119,468,579	138,562,035
Logistics	22,675,446	12,287,754
Information technology	23,427,877	12,955,820
Property management	61,817	417,442
Others	28,216	63,732
	165,661,935	164,286,783
Unallocated liabilities*		
- Tax liabilities	3,673,654	1,180,613
- Deferred tax liabilities	2,378,022	2,462,264
	171,713,611	167,929,660

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

5. SEGMENT REPORTING *cont'd*

Operating segments *cont'd*

	The Group Other Segment Information	
	2024 RM	2023 RM
Other Segment Information		
Additions to property, plant and equipment		
- Express delivery	1,623,679	24,050,571
- Logistics	46,223	3,022,363
- Information technology	1,111,142	1,268,091
- Property management	129,632	239,049
Depreciation of property, plant and equipment		
- Express delivery	22,108,568	23,307,782
- Logistics	1,800,409	2,263,769
- Information technology	1,111,507	965,651
- Property management	1,173,479	1,475,634
- Others	7,733	9,163
Impairment of property, plant and equipment		
- Express delivery	-	293,154
- Logistics	-	1,541,125
Additions to right-of-use assets		
- Express delivery	10,888,824	20,526,433
- Logistics	22,512,737	1,527,028
- Information technology	99,173	815,718
Amortisation of right-of-use assets		
- Express delivery	15,876,754	15,806,435
- Logistics	10,062,512	10,673,957
- Information technology	432,796	429,892
- Property management	409,118	409,118
- Others	-	1,332

* For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated directly to reportable segments except for items listed above.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

5. SEGMENT REPORTING *cont'd*

Geographical segments

The following is an analysis of the Group's revenue by geographical market:

	The Group Revenue By Geographical Market	
	2024	2023
	RM	RM
Malaysia	364,015,939	331,271,055
Singapore	1,495,000	2,936,743
Vietnam	53,642,390	62,561,051
Indonesia	17,890	413,382
	419,171,219	397,182,231

The following is an analysis of the carrying amount of segment non-current assets by the geographical market in which the assets are located:

	The Group Carrying Amount of Segment Non-Current Assets	
	2024	2023
	RM	RM
Malaysia	271,454,543	288,841,529
Singapore	243,512	605,165
Vietnam	10,813,514	13,537,467
Indonesia	-	2,208
	282,511,569	302,986,369

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

6. REVENUE

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Income from provision of services:				
Express delivery	351,271,854	343,214,780	-	-
Logistics	13,779,359	19,418,558	-	-
Information technology	53,673,416	33,445,853	-	-
Insurance agent	428,699	689,659	-	-
General trading and services	17,891	413,381	-	-
Management fee	-	-	3,123,372	4,226,400
Dividend income from a subsidiary company	-	-	1,606,513	-
	419,171,219	397,182,231	4,729,885	4,226,400

Revenue of the Group and of the Company consists of revenue earned from services which is transferred at a point in time and over time, net of discounts, rebates and compensation in relation to the service performed are as follows:

	The Group	
	2024	2023
	RM	RM
<u>Point-in-time</u>		
Express delivery services	351,271,854	343,214,780
Sales of information technology products	20,587,211	5,387,547
Insurance agent services	428,699	689,659
General trading and services	17,891	413,381
<u>Over time</u>		
Logistics services	13,779,359	19,418,558
Information technology services	33,086,205	28,058,306
	419,171,219	397,182,231

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

6. REVENUE *cont'd*

	The Company	
	2024	2023
	RM	RM
<u>Over time</u>		
Management fee	3,123,372	4,226,400
<u>Point-in-time</u>		
Dividend income	1,606,513	-
	<u>4,729,885</u>	<u>4,226,400</u>

As of the end of reporting period, there are performance obligations that are unsatisfied or partially satisfied as the Group has right to invoice the customer before express delivery services, and website development and supporting services provided by the Group. The transaction price allocated to the unsatisfied performance obligation as of 31 December 2024 is RM9,986,103 (2023: RM6,618,209). The remaining performance obligations are expected to be recognised within one year.

7. DIRECT COSTS, OTHER OPERATING INCOME/(EXPENSES) AND STAFF COSTS

Included in direct costs, other operating income/(expenses) and staff costs are the following credits/(charges):

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest income:				
Deposits with licensed banks	7,238,131	6,585,150	5,437,874	5,214,521
Loan to a subsidiary company (Note 35)	-	-	100,000	22,917
Dividend income from:				
Short term funds	-	164,196	-	164,196
Investment in Redeemable Convertible Preference Shares	97,259	64,800	97,259	64,800

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

7. DIRECT COSTS, OTHER OPERATING INCOME/(EXPENSES) AND STAFF COSTS *cont'd*

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Direct costs:				
Transportation	(85,569,970)	(101,423,043)	-	-
Warehouse charges	(6,975,406)	(8,071,733)	-	-
Telephone charges	(2,738,508)	(3,083,573)	-	-
Information technology	(26,431,394)	(12,494,920)	-	-
Rental expenses	(599,676)	(822,505)	-	-
Rental income of warehouse and premises	33,537	18,441	-	-
Impairment of property, plant and equipment (Note 11)	-	(1,834,279)	-	-
Gain on disposal of property, plant and equipment	319,855	125,499	-	-
Property, plant and equipment written off	(335,304)	(68,817)	-	-
Directors' remuneration:				
Fees	(969,200)	(630,000)	(657,200)	(450,000)
Salaries and other emoluments	(2,566,660)	(2,294,782)	(928,976)	(1,063,810)
EPF	(292,220)	(252,047)	(59,090)	(86,570)
Auditors' remuneration:				
Statutory audit:				
Auditors of the Company	(375,950)	(339,950)	(273,250)	(237,250)
Other auditors	(328,166)	(267,572)	-	-
Non-audit services:				
Auditors of the Company	(5,800)	(5,800)	(5,800)	(5,800)
Other auditors	(800)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

7. DIRECT COSTS, OTHER OPERATING INCOME/(EXPENSES) AND STAFF COSTS *cont'd*

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Net remeasurement of loss allowances on trade receivables (Note 21)	(1,401,576)	(583,756)	-	-
Bad debts written off	(112,173)	(280,995)	-	-
Bad debts recovered	46,459	14,470	-	-
Gain/(Loss) on foreign exchange	146,832	4,534	(9,104)	14,207
Provision for retirement benefits (Note 29)	(102,759)	(114,554)	(946)	(2,754)
Gain on lease termination and modification	1,792,364	633,338	17,049	-

Staff costs include salaries, bonuses, contributions to EPF and all other staff related expenses. Contributions to EPF by the Group and the Company during the current financial year amounted to RM17,118,540 and RM399,691 (2023: RM17,781,006 and RM351,666) respectively.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

Compensation of Key Management Personnel

The remuneration of key management personnel, excluding directors, during the financial year is as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Short-term employee benefits	2,093,727	1,010,138	1,447,499	1,176,306
Defined contribution plans	170,750	86,570	170,750	140,044
	2,264,477	1,096,708	1,618,249	1,316,350

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

7. DIRECT COSTS, OTHER OPERATING INCOME/(EXPENSES) AND STAFF COSTS *cont'd*

Compensation of Key Management Personnel *cont'd*

Directors' remuneration of the Group and of the Company during the financial year is as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Executive Directors:				
Salaries and other emoluments	2,483,600	2,246,382	845,916	1,015,410
Defined contribution plan	292,220	252,047	59,090	86,570
	2,775,820	2,498,429	905,006	1,101,980
Non-Executive Directors:				
Fees	969,200	630,000	657,200	450,000
Other emoluments	83,060	48,400	83,060	48,400
	1,052,260	678,400	740,260	498,400
	3,828,080	3,176,829	1,645,266	1,600,380

8. FINANCE COSTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest on:				
Hire-purchase	120,959	315,883	-	-
Lease liabilities	4,243,375	4,365,640	15,261	35,344
Bank borrowings	367,113	277,021	-	-
Unwinding of discount on provision of restoration costs (Note 31)	85,247	42,891	92	222
	4,816,694	5,001,435	15,353	35,566

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

9. INCOME TAX EXPENSE/(CREDIT)

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Estimated tax payable:				
Current year	3,490,597	2,320,416	806,032	909,186
Under/(Over) provision in prior years	701,469	(618,218)	46,752	(78,859)
	4,192,066	1,702,198	852,784	830,327
Deferred tax (Note 30):				
Current year	570,245	(1,378,339)	-	-
Overprovision in prior years	(543,716)	(1,005,877)	-	-
	26,529	(2,384,216)	-	-
	4,218,595	(682,018)	852,784	830,327

A reconciliation of income tax expense/(credit) applicable to profit/(loss) before tax at the applicable statutory income tax rate to income tax expense/(credit) at the effective income tax rate of the Group and of the Company are as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit/(Loss) before tax	2,261,225	(39,392,132)	3,423,169	3,199,013
Tax at tax rate of 24% (2023: 24%)	542,694	(9,454,112)	821,560	767,763
Effect of different tax rates	(25,131)	410,933	-	-
Tax effects of:				
Income not taxable	(1,093,458)	(520,871)	(385,563)	-
Expenses not deductible	4,823,531	2,865,950	370,035	141,423
Utilisation of deferred tax assets previously not recognised	(653,394)	(71,905)	-	-
Deferred tax assets not recognised	466,600	7,712,082	-	-
(Under)/Over provision in prior years:				
Current tax	701,469	(618,218)	46,752	(78,859)
Deferred tax	(543,716)	(1,005,877)	-	-
Income tax expense/(credit)	4,218,595	(682,018)	852,784	830,327

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

9. INCOME TAX EXPENSE/(CREDIT) *cont'd*

As of 31 December 2024, the estimated amount of deductible temporary differences, unabsorbed capital allowances and unused tax losses of certain subsidiary companies of the Company, for which the deferred tax assets have not been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	The Group	
	2024	2023
	RM	RM
Temporary differences arising from:		
Property, plant and equipment	(24,203,161)	(30,726,746)
Timing differences between right-of-use assets and lease liabilities	4,253,407	2,594,739
Trade receivables	1,909,869	1,759,659
Deferred revenue	1,785,898	1,692,173
Deferred expenses	(495,135)	(749,550)
Provision for retirement benefits	836,095	741,309
Provision of restoration costs	867,949	831,594
Unused tax losses	22,212,148	20,882,068
Unabsorbed capital allowances	39,312,069	50,232,200
	46,479,139	47,257,446

The unused tax losses and unabsorbed capital allowances which are subject to agreement by the tax authorities, are available for offset against the future chargeable profits.

The unused tax losses will be disregarded upon expiry of the 10 years from the year of assessment as follows:

Year of assessment	Year of assessment to be disregarded	The Group	
		2024	2023
		RM	RM
2018	2029	661,211	661,211
2019	2030	87,000	134,000
2020	2031	171,400	735,424
2021	2032	564,544	123,213
2022	2033	9,213,809	9,079,815
2023	2034	7,135,161	6,736,290
2024	2035	966,908	-
		18,800,033	17,469,953

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

9. INCOME TAX EXPENSE/(CREDIT) *cont'd*

The unused tax losses amounting to RM3,412,115 (2023: RM3,412,115) pertaining to a foreign subsidiary company does not have an expiry date.

On 23 October 2020, GD Express Sdn Bhd, a subsidiary company of the Company, was obtained approval for a five-year exemption of 70% on statutory income pursuant to the Income Tax (Exemption) (No.11) Order 2006 (P.U(A) 112/2006) to carry out the approved activities of Integrated Logistics Services (“ILS”) under an expansion project and E-commerce/E-fulfilment under a diversification project. By virtue of the pioneer status, 70% of the statutory income arising from these activities of the subsidiary company during the financial year will be exempted from income tax. The subsidiary company has not claimed the incentive but instead applied and was granted an extension of time in getting the Pioneer Certificate from 22 October 2022 to 22 October 2023. Subsequent to the extension of time, the subsidiary company made an application to the Malaysian Investment Development Authority (“MIDA”) for the conversion of pioneer status to investment tax allowance on 8 September 2023. The conversion is still under review by MIDA as of 31 December 2024.

Sweetmag Digital (M) Sdn. Bhd., a subsidiary company of Sweetmag Solutions (M) Sdn. Bhd., has been granted with a Multimedia Super Corridor (“MSC”) status with pioneer income tax exemption under Section 7 of the Promotion of Investments Act, 1986 for a period of 5 years with a further extension of another 5 years whereby the subsidiary company’s statutory income from its principal activities is exempted from income tax commencing from 13 September 2022 subject to the subsidiary company achieving certain criteria set by the Malaysia Digital Economy Corporation Sdn. Bhd.

10. LOSS PER ORDINARY SHARE

Basic

The basic loss per ordinary share of the Group has been calculated by dividing the Group’s loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2024	2023
	RM	RM
Loss attributable to owners of the Company	(1,855,087)	(34,802,517)
Weighted average number of ordinary shares	5,641,410,835	5,546,106,585
Basic loss per ordinary share (sen)	(0.03)	(0.63)

Diluted

The diluted loss per ordinary share of the Group has been calculated by dividing the Group’s loss for the year attributable to owners of the Company by the weighted average number of ordinary shares that would have been issued upon full exercise of the outstanding warrants, adjusted by the number of such shares that would have been issued at fair value.

The diluted loss per ordinary share is the same as basic loss per ordinary share as the exercise price of warrants is higher than the average market price of the ordinary shares during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

11. PROPERTY, PLANT AND EQUIPMENT

The Group	Leasehold and freehold buildings RM	Office equipment, furniture and fittings RM	Computer hardware and software RM	Tools and equipment RM	Motor vehicles and electric vehicle charging station RM	Renovation RM	Cold room equipment RM	Rackings RM	Capital-in - progress RM	Total RM
Cost										
As of 1 January 2023	30,754,803	27,196,953	26,172,655	20,911,116	162,449,596	30,848,803	-	-	1,573,932	299,907,858
Additions	-	1,087,273	2,185,674	16,652,836	198,000	7,515,560	-	-	940,731	28,580,074
Disposals	-	(179,348)	(385,746)	(6,012)	(1,453,125)	(24,800)	-	-	-	(2,049,031)
Written off	-	(78,104)	(477,382)	(1,529,778)	-	(174,667)	-	-	-	(2,259,931)
Adjustment	-	-	1,124,562	-	-	-	-	-	-	1,124,562
Reclassifications	-	(8,560)	1,577,718	(2,313,764)	-	-	387,924	1,956,000	(1,599,318)	-
Exchange differences	-	65,202	19,817	-	284,467	14,105	-	-	25,386	408,977
As of 31 December 2023	30,754,803	28,083,416	30,217,298	33,714,398	161,478,938	38,179,001	387,924	1,956,000	940,731	325,712,509
Cost										
As of 1 January 2024	30,754,803	28,083,416	30,217,298	33,714,398	161,478,938	38,179,001	387,924	1,956,000	940,731	325,712,509
Additions	-	978,612	424,020	58,164	92,200	152,293	-	-	1,205,387	2,910,676
Acquisition of a subsidiary (Note 16)	2,626,651	121,886	404,329	-	1,291,250	333,566	-	-	-	4,777,682
Disposals	-	(419,046)	(436,224)	(425,770)	-	-	-	(32,908)	-	(1,313,948)
Written off	-	(153,064)	(340,396)	(9,351)	(372,681)	(205,298)	-	-	-	(1,080,790)
Adjustment	-	-	-	(1,173,947)	-	-	-	-	-	(1,173,947)
Exchange differences	-	(16,981)	(184,297)	-	(890,020)	(13,152)	-	-	(64,706)	(1,169,156)
As of 31 December 2024	33,381,454	28,594,823	30,084,730	32,163,494	161,599,687	38,446,410	387,924	1,923,092	2,081,412	328,663,026

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

11. PROPERTY, PLANT AND EQUIPMENT *cont'd*

The Group	Leasehold and freehold buildings	Office equipment, furniture and fittings	Computer hardware and software	Tools and equipment	Motor vehicles and electric vehicle charging station	Renovation	Cold room equipment	Rackings	Capital-in - progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Accumulated Depreciation										
As of 1 January 2023	2,970,299	21,721,247	17,637,642	11,441,663	103,376,399	21,258,600	-	-	-	178,405,850
Charge for the year	612,881	1,305,047	3,859,461	3,123,859	14,746,041	4,374,710	-	-	-	28,021,999
Reclassification	-	(2,005)	(7,920)	(349,579)	-	-	94,629	264,875	-	-
Disposals	-	(159,358)	(370,525)	(3,761)	(1,387,720)	(7,157)	-	-	-	(1,928,521)
Written off	-	(58,787)	(475,620)	(1,527,577)	-	(129,130)	-	-	-	(2,191,114)
Exchange differences	-	62,816	4,655	-	138,163	14,103	-	-	-	219,737
As of 31 December 2023	3,583,180	22,868,960	20,647,693	12,684,605	116,872,883	25,511,126	94,629	264,875	-	202,527,951

The Group	Leasehold and freehold buildings	Office equipment, furniture and fittings	Computer hardware and software	Tools and equipment	Motor vehicles and electric vehicle charging station	Renovation	Cold room equipment	Rackings	Capital-in - progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Accumulated Depreciation										
As of 1 January 2024	3,583,180	22,868,960	20,647,693	12,684,605	116,872,883	25,511,126	94,629	264,875	-	199,244,257
Charge for the year	636,296	1,595,288	2,910,810	3,524,679	13,486,433	4,048,190	-	-	-	26,201,696
Acquisition of a subsidiary (Note 16)	276,651	88,466	362,382	-	932,114	219,577	-	-	-	1,879,190
Disposals	-	(149,888)	(404,960)	(412,890)	-	-	-	-	-	(967,738)
Written off	-	(112,475)	(264,513)	(7,154)	(290,392)	(70,952)	-	-	-	(745,486)
Exchange differences	-	(14,033)	(37,120)	-	(451,378)	(13,152)	-	-	-	(515,683)
As of 31 December 2024	4,496,127	24,276,318	23,214,292	15,789,240	130,549,660	29,694,789	94,629	264,875	-	228,379,930

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

11. PROPERTY, PLANT AND EQUIPMENT *cont'd*

The Group	Leasehold and freehold buildings	Office equipment, furniture and fittings	Computer hardware and software	Tools and equipment	Motor vehicles and electric vehicle charging station	Renovation	Cold room equipment	Rackings	Capital-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Accumulated Impairment Loss										
As of 1 January 2023	-	-	-	-	-	-	-	-	-	-
Impairment loss for the year	-	-	-	-	-	-	293,154	1,541,125	-	1,834,279
As of 31 December 2023/1 January 2024/31 December 2024	-	-	-	-	-	-	293,154	1,541,125	-	1,834,279
Net Book Value										
As of 31 December 2024	28,885,327	4,318,505	6,870,438	16,374,254	31,050,027	8,751,621	141	117,092	2,081,412	98,448,817
As of 31 December 2023	27,171,623	5,214,456	9,569,605	21,029,793	44,606,055	12,667,875	141	150,000	940,731	121,350,279

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

11. PROPERTY, PLANT AND EQUIPMENT *cont'd*

The Company	Office equipment, furniture and fittings RM	Computer hardware and software RM	Total RM
Cost			
As of 1 January 2023	8,200	14,796	22,996
Additions	850	10,262	11,112
As of 31 December 2023/1 January 2024/31 December 2024	9,050	25,058	34,108
Accumulated Depreciation			
As of 1 January 2023	940	1,816	2,756
Charge for the year	1,096	3,858	4,954
As of 31 December 2023/1 January 2024	2,036	5,674	7,710
Charge for the year	1,131	4,033	5,164
As of 31 December 2024	3,167	9,707	12,874
Net Book Value			
As of 31 December 2024	5,883	15,351	21,234
As of 31 December 2023	7,014	19,384	26,398

Included in property, plant and equipment of the Group are motor vehicles under hire-purchase and mortgage loans arrangements with net book value of approximately RM11,897,321 (2023: RM20,696,251) and RM4,560,481 (2023: RM6,682,931) respectively. These motor vehicles have been charged to local licensed banks for hire-purchase and mortgage loans obligations as disclosed in Notes 27 and 28.

Included in the cost of property, plant and equipment of the Group is an amount of RM127,801,392 (2023: RM83,539,467) representing fully depreciated property, plant and equipment which are still in use by the Group.

In previous financial year, an impairment loss of RM1,834,279 had been made on cold room equipment and rackings. The impairment loss recognised in profit or loss represented the excess of the carrying amount over the recoverable amount (determined on net selling price basis) of the cold room equipment and rackings.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

12. INTANGIBLE ASSETS

The Group	Development expenditure RM	Customer relationship RM	Internally generated software RM	Total RM
Cost				
As of 1 January 2023	2,121,012	955,593	1,144,517	4,221,122
Additions	132,050	-	-	132,050
As of 31 December 2023/1 January 2024	2,253,062	955,593	1,144,517	4,353,172
Acquisition of a subsidiary company (Note 16)	-	527,072	-	527,072
As of 31 December 2024	2,253,062	1,482,665	1,144,517	4,880,244
Accumulated Amortisation				
As of 1 January 2023	1,881,864	-	-	1,881,864
Amortisation charge for the year	134,483	271,153	367,109	772,745
As of 31 December 2023/1 January 2024	2,016,347	271,153	367,109	2,654,609
Amortisation charge for the year	236,715	243,828	259,136	739,679
As of 31 December 2024	2,253,062	514,981	626,245	3,394,288
Net Carrying Amount				
As of 31 December 2024	-	967,684	518,272	1,485,956
As of 31 December 2023	236,715	684,440	777,408	1,698,563

Development expenditure principally comprise internally generated expenditure incurred by a subsidiary company, Xilnex Holdings Sdn. Bhd. (formerly known as Web Bytes Sdn. Bhd.) on its major information technology projects where it is reasonably anticipated that the costs will be recovered through future commercial activities.

Intangible assets pertaining to customer relationship and internally generated software arose from the acquisition of subsidiary companies, namely Xilnex Holdings Sdn. Bhd. and Sweetmag Solutions (M) Sdn. Bhd. in 2022 and acquisition of subsidiary company, Avenger Capital Sdn. Bhd. in 2024.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

13. RIGHT-OF-USE ASSETS

The Group	Long-term Leasehold Land RM	Leased Properties RM	Motor Vehicles RM	Total RM
Cost				
As of 1 January 2023	27,498,182	134,823,661	191,091	162,512,934
Additions	-	22,762,098	107,081	22,869,179
Derecognition arising from:				
Lease expiration	-	(10,504,258)	(203,038)	(10,707,296)
Lease termination	-	(7,529,112)	-	(7,529,112)
Lease modification	-	(4,528,256)	-	(4,528,256)
Exchange differences	-	115,902	11,948	127,850
As of 31 December 2023/1 January 2024	27,498,182	135,140,035	107,082	162,745,299
Additions	-	33,395,886	104,848	33,500,734
Derecognition arising from:				
Lease expiration	-	(32,841,222)	-	(32,841,222)
Lease termination	-	(4,377,135)	(103,034)	(4,480,169)
Lease modification	-	(4,549,307)	-	(4,549,307)
Exchange differences	-	(343,673)	-	(343,673)
As of 31 December 2024	27,498,182	126,424,584	108,896	154,031,662

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

13. RIGHT-OF-USE ASSETS *cont'd*

The Group	Long-term Leasehold Land RM	Leased Properties RM	Motor Vehicles RM	Total RM
Accumulated Amortisation				
As of 1 January 2023	6,833,369	30,672,311	187,054	37,692,734
Amortisation charge for the year	558,379	26,662,278	100,077	27,320,734
Derecognition arising from:				
Lease expiration	-	(10,387,196)	(203,038)	(10,590,234)
Lease termination	-	(3,519,605)	-	(3,519,605)
Lease modification	-	(1,308,336)	-	(1,308,336)
Exchange differences	-	12,994	14,066	27,060
As of 31 December 2023/1 January 2024	7,391,748	42,132,446	98,159	49,622,353
Amortisation charge for the year	558,379	26,117,269	105,532	26,781,180
Derecognition arising from:				
Lease expiration	-	(32,841,222)	-	(32,841,222)
Lease termination	-	(2,868,206)	(101,878)	(2,970,084)
Lease modification	-	(211,198)	-	(211,198)
Exchange differences	-	(239,198)	-	(239,198)
As of 31 December 2024	7,950,127	32,089,891	101,813	40,141,831
Net Carrying Amount				
As of 31 December 2024	19,548,055	94,334,693	7,083	113,889,831
As of 31 December 2023	20,106,434	93,007,589	8,923	113,122,946

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

13. RIGHT-OF-USE ASSETS *cont'd*

The Company	Leased Properties RM
Cost	
As of 1 January 2023	-
Addition	902,824
As of 31 December 2023/1 January 2024	902,824
Derecognition arising from:	
Lease termination	(314,451)
Lease modification	(238,551)
As of 31 December 2024	349,822
Accumulated Amortisation	
As of 1 January 2023	-
Amortisation charge for the year	300,941
As of 31 December 2023/1 January 2024	300,941
Amortisation charge for the year	209,970
Derecognition arising from:	
Lease expiration	(139,876)
Lease modification	(196,124)
As of 31 December 2024	174,911
Net Carrying Amount	
As of 31 December 2024	174,911
As of 31 December 2023	601,883

The Group's right-of-use assets consists of long-term leasehold land, leased properties and motor vehicles. The lease terms for lease properties and motor vehicles range from 1 to 13 years (2023: 1 to 14 years).

The Company's right-of-use assets comprise leased properties. The lease terms for these properties range from 1 to 2 years (2023: 2 years), with an option to renew for an additional 1 year (2023: 1 year).

The additions of right-of-use assets of RM33,500,734 (2023: RM22,869,179) and RMNil (2023: RM 902,824) for the Group and the Company respectively during the current financial year were made to replace expired contracts either by new leases for identical underlying assets or extended through exercising extension options.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

13. RIGHT-OF-USE ASSETS *cont'd*

Included in the Group's and the Company's addition of right-of-use assets is an amount of RM1,121,416 (2023: RM426,653) and RMNil (2023: RM4,335) which represents provision of restoration costs for the leases entered during the current financial year as disclosed in Note 31.

Long-term leasehold land relates to:

- (i) Lease of land for the Group's factory building at No. 19, and lease of vacant land at No. 21 for car park purposes, located at Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia for which the cost amounted to RM7,398,658 (2023: RM7,398,658). These lands were amalgamated under a new land title at Lot No. PT43, Seksyen 20, which was issued on 27 August 2016. The amalgamated leasehold land is leased over a period of 99 years expiring on 13 August 2056. The Group does not have an option to purchase the leasehold interest in land at the expiry of the lease period. The amalgamated leasehold land is amortised over the period of its remaining lease term of 32 years (2023: 33 years).
- (ii) Lease of land for the Group's factory building at No. 17 Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia for which the cost amounted to RM16,619,756 (2023: RM16,619,756). The land for the factory building and office is leased over a period of 99 years expiring on 1 February 2058. The Group does not have an option to purchase the leasehold interest in land at the expiry of the lease period. The leasehold land is amortised over the period of its remaining lease term of 34 years (2023: 35 years).
- (iii) Lease of land for the Group's factory building at 8 ½ Mile, Batu Kitang Road, Kuching for which the cost amounted to RM3,479,768 (2023: RM3,479,768). The land for the factory building and office is leased over a period of 60 years expiring on 23 October 2076. The Group does not have an option to purchase the leasehold land at the expiry of the lease period. The leasehold land is amortised over the period of its remaining lease term of 52 years (2023: 53 years).

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Amount recognised in profit or loss:				
Amortisation of right-of-use assets	26,781,180	27,320,734	209,970	300,941
Expenses relating to short-term leases (Note 7)	513,277	605,405	-	-
Expenses relating to leases of low value assets (Note 7)	86,399	217,100	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

14. LEASE LIABILITIES

The maturity analysis of the lease liabilities are as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Maturity analysis:				
Less than 1 year	23,905,788	16,785,165	183,000	320,723
1 to 2 years	34,394,985	40,422,769	-	320,722
2 to 5 years	26,588,229	19,113,453	-	-
More than 5 years	32,321,366	38,934,322	-	-
Undiscounted lease liabilities	117,210,368	115,255,709	183,000	641,445
Less: Unearned interest	(18,142,524)	(19,876,468)	(3,930)	(28,334)
Present value of lease liabilities	99,067,844	95,379,241	179,070	613,111

The lease liabilities component is analysed as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-current	70,799,437	83,191,292	-	313,840
Current	28,268,407	12,187,949	179,070	299,271
	99,067,844	95,379,241	179,070	613,111

The currency exposure profile of lease liabilities is as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	96,904,849	92,331,056	179,070	613,111
Singapore Dollar	123,520	356,949	-	-
Vietnamese Dong	2,039,475	2,691,236	-	-
	99,067,844	95,379,241	179,070	613,111

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

14. LEASE LIABILITIES *cont'd*

The Group and the Company do not face a significant liquidity risk with regard to their lease liabilities.

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Amount recognised in profit or loss:				
Interest expense on lease liabilities (Note 8)	4,243,375	4,365,640	15,261	35,344

15. INVESTMENT PROPERTIES

The Group	At fair value Leasehold properties RM
As of 1 January 2023/31 December 2023/1 January 2024	-
Addition arising from acquisition of a subsidiary company (Note 16)	1,050,000
As of 31 December 2024	1,050,000

The following are recognised in profit or loss in respective of investment properties:

	The Group	
	2024 RM	2023 RM
Rental income	22,200	-
Direct operating expenses	6,167	-

Included in investment properties of the Group are the leasehold land and leasehold buildings with fair value of RM834,210 and RM215,790 respectively, charged to a local licensed bank to secure the term loans (as disclosed in Note 28).

The fair value of the Group's investment properties (leasehold properties) as of 31 December 2024 was determined by the directors based, among others, on valuations carried out in November 2024 by an independent firm of professional valuers not related to the Group, using the Comparison Approach, which involves an analysis of recent market evidence by reference to the values of comparable properties in the neighbourhood.

As of 31 December 2024, the fair value of the Group's investment properties (leasehold properties) is classified as a Level 2 fair value item for the purposes of fair value hierarchy disclosure.

There were no transfers between Level 1 and 2 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2024	2023
	RM	RM
Unquoted shares - at cost:		
At beginning of year	93,275,356	93,175,356
Additions during the year	-	100,000
Capital reduction during the year	(2,000,000)	-
At end of year	91,275,356	93,275,356
Less: Accumulated impairment loss	(2,983,524)	(2,983,524)
Net	88,291,832	90,291,832

During the current financial year, Sweetmag Solutions (M) Sdn. Bhd. ("Sweetmag Solutions"), a subsidiary company of the Company, has reduced its issued and paid-up ordinary share capital by RM2,000,000 from RM7,460,000 to RM5,460,000 via the Capital Reduction exercise pursuant to Section 117 of the Companies Act, 2016. The number of issued and paid-up ordinary shares comprising 122,450 shares remain unchanged. The exercise was completed on 28 June 2024. An amount of RM1,000,000 arising from the Capital Reduction exercise is receivable from Sweetmag Solutions as of 31 December 2024.

During the current financial year, the directors reviewed the Company's investment in subsidiary companies for indication of impairment and concluded that the accumulated impairment loss of RM2,983,524 (2023: RM2,983,524) is deemed adequate in respect of investment in subsidiary companies.

Details of the subsidiary companies are as follows:

Name	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2024	2023	
		%	%	
Direct subsidiary companies				
GD Express Sdn. Bhd.	Malaysia	100	100	Provision of express delivery services
GD Venture (M) Sdn. Bhd.	Malaysia	100	100	Provision of transportation services to related company and third party
GDEX SEA Sdn. Bhd.	Malaysia	100	100	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Details of the subsidiary companies are as follows: *cont'd*

Name	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2024 %	2023 %	
Direct subsidiary companies <i>cont'd</i>				
GD Logistics (M) Sdn. Bhd.*	Malaysia	100	100	Logistics operations
GD Facilities & Assets Management Sdn. Bhd.*	Malaysia	100	100	Provision of facilities and assets management services
GD Valueguard Sdn. Bhd.*	Malaysia	100	100	Insurance agent services
GD Express (Singapore) Pte. Ltd.*	Singapore	100	100	Provision of express delivery services
GDEX Regional Alliance Pte. Ltd.*	Singapore	100	100	Dormant
PT Anon Security Indonesia ("PT Anon") # (formerly known as PT Gede Advisory Indonesia)	Indonesia	100	100	Provision of advisory services
Noi Bai Express and Trading Joint Stock Company ("NETCO")*	Vietnam	50	50	Provision of express delivery services
VIVL Pte. Ltd. ("VIVL") *	Singapore	90	90	Provision of advisory services
Sweetmag Solutions (M) Sdn. Bhd. * ("Sweetmag Solutions")	Malaysia	51	51	Web design, consulting, e-commerce and website development
Xilnex Holdings Sdn. Bhd. * ("Xilnex Holdings") (formerly known as Web Bytes Sdn. Bhd.)	Malaysia	38	38	Provision of business software solutions and other related services

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Details of the subsidiary companies are as follows: *cont'd*

Name	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2024 %	2023 %	
Direct subsidiary companies <i>cont'd</i>				
Anon Security Sdn. Bhd. * ("Anon Security")	Malaysia	60	60	Cyber security software provider and consultation
Frontier Scion Sdn. Bhd.*	Malaysia	100	100	Provision of training services
Indirect subsidiary companies held through GD Logistics (M) Sdn. Bhd.				
GD Secured Solutions Sdn. Bhd.*	Malaysia	100	100	Provision of express delivery services
GD Distribution Services Sdn. Bhd.*	Malaysia	100	100	Dormant
GD Customised Solution Sdn. Bhd.*	Malaysia	100	100	Insurance agent services
Indirect subsidiary company held through GD Facilities & Assets Management Sdn. Bhd.				
GDEX Properties Sdn. Bhd. *	Malaysia	100	100	Property management

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Details of the subsidiary companies are as follows: *cont'd*

Name	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2024 %	2023 %	
Indirect subsidiary companies held through Sweetmag Solutions (M) Sdn. Bhd.				
Sweetmag Digital (M) Sdn. Bhd. *	Malaysia	100	100	Digital agency with services of consulting, designing, developing and supporting robust ecommerce and corporate website solutions
Sweetmag Digital Pte. Ltd.*	Singapore	100	100	Dormant
Sweetmag Digital (H.K.) Limited*	Hong Kong	100	-	Dormant
Indirect subsidiary companies held through Xilnex Holdings Sdn. Bhd.				
ALP Capital Sdn. Bhd.*	Malaysia	90	90	Payment processing agent
Mealnovate Ventures Sdn. Bhd.*	Malaysia	100	100	Cafe operator
Xilnex Cambodia Co., Ltd #	Cambodia	100	100	Computer programming activities
Xilnex Vietnam Co. Ltd*	Vietnam	100	100	Dormant
Real Analytics Sdn, Bhd.*	Malaysia	60	-	Dormant

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Details of the subsidiary companies are as follows: *cont'd*

Name	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2024 %	2023 %	
Indirect subsidiary companies held through Anon Security Sdn. Bhd.				
Avengers Capital Sdn. Bhd.*	Malaysia	67	-	Investment holding
Indirect subsidiary companies held through Avengers Capital Sdn. Bhd.				
Quadcube Sdn. Bhd.*	Malaysia	100	-	Provision of information technology consultancy services
MSE Dotnet (Johor) Sdn. Bhd.*	Malaysia	70	-	Provision of multimedia services and activities
Infoversal Sdn. Bhd.*	Malaysia	51	-	Trading of computer and information technology related products and services
MSE Dotnet Sdn. Bhd.*	Malaysia	100	-	Provision of software application, internet and computer networking services and consultancy services

* Audited by auditors other than the auditors of the Company.

Not required to be audited under respective local statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Composition of the Group

Information about the composition of the Company's subsidiary companies at the end of the reporting period is as follows:

Principal activities	Place of incorporation and operation	Number of subsidiary companies	
		2024	2023
Express delivery	Malaysia	2	2
	Singapore	1	1
	Vietnam	1	1
Insurance agent	Malaysia	2	2
Cafe operator	Malaysia	1	1
Logistics	Malaysia	1	1
Investment holding	Malaysia	2	1
Property management	Malaysia	2	2
Information technology	Malaysia	9	5
	Cambodia	1	1
Training provider	Malaysia	1	1
Advisory services	Indonesia	1	1
Dormant	Malaysia	3	2
	Singapore	3	3
	Vietnam	1	1
	Hong Kong	1	-
		32	25

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Acquisition of indirect subsidiary company in year 2024

(a) Avengers Capital Sdn. Bhd. ("Avengers Capital")

On 25 April 2024, Anon Security Sdn. Bhd. ("Anon Security"), a subsidiary of the Company had entered into a Share Sale and Purchase Agreement ("SSPA") and Shareholders Agreement ("SA") in relation to the acquisition of 67% shareholdings in Avenger Capital, a company incorporated in Malaysia. The principal activity of Avenger Capital is investment holding.

The proposed acquisition had been completed on 1 July 2024 in accordance with the terms of the SSPAs and Anon Security had subscribed to a total of 67 ordinary shares for a total consideration of RM5,000,000.

Management determined that the Company obtained control over Avengers Capital for the Group's consolidation for year ended 31 December 2024 in accordance with the requirements of MFRS 10 *Consolidated Financial Statements*.

Table below summarised the assets and liabilities assumed at the date of the Company's obtaining control over Avengers Capital.

Assets and liabilities assumed at the date of acquisition

	Avengers Capital Total fair value RM
Non-current assets	
Property, plant and equipment (Note 11)	2,898,492
Investment properties (Note 15)	1,050,000
	<u>3,948,492</u>
Current assets	
Inventories	323,315
Trade receivables	3,335,700
Other receivables, deposits and prepayments	204,790
Tax recoverable	397,438
Other investments	1,010,427
Cash and bank balances	2,761,534
	<u>8,033,204</u>
Total assets	<u>11,981,696</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Acquisition of indirect subsidiary company in year 2024 *cont'd*

(a) Avengers Capital Sdn. Bhd. ("Avengers Capital") *cont'd*

Assets and liabilities assumed at the date of acquisition *cont'd*

	Avengers Capital Total fair value RM
<hr/>	
Non-current liabilities	
Deferred tax liabilities	193,291
Hire-purchase payables	389,374
Bank borrowings	2,476,067
	3,058,732
Current liabilities	
Trade payables	2,449,274
Other payables and accrued expenses	1,636,678
Hire-purchase payables	86,247
Bank borrowings	359,784
	4,531,983
Total liabilities	7,590,715
Fair value of identifiable net assets	4,390,981
Intangible assets representing customer relationship (Note 12)	527,072
Deferred tax liability arising from intangible assets	(126,497)
Goodwill (Note 18)	1,789,658
Non-controlling interest	(1,581,214)
Total consideration	5,000,000

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Acquisition of indirect subsidiary company in year 2024 *cont'd*

(a) Avengers Capital Sdn. Bhd. ("Avengers Capital") *cont'd*

Net cash outflow on acquisition of Avengers Capital

	The Group 2024 RM
Consideration paid in cash	5,000,000
Less: Cash and bank balances acquired	(2,761,534)
Net cash outflow	2,238,466

Goodwill arising on acquisition

The goodwill is attributable to the operations of information technology services of Avengers Capital and its subsidiary companies ("Avengers Group") as an individual CGU.

Incorporation of subsidiary companies

(a) During financial year ended 31 December 2024

On 5 November 2024, a non-wholly owned subsidiary company, Xilnex Holdings Sdn. Bhd. has incorporated a new non-wholly owned subsidiary company, Real Analytics Sdn. Bhd. in Malaysia with issued and paid-up share capital of RM6 with 6 ordinary shares of RM1 each.

On 18 October 2024, a non-wholly owned subsidiary company, Sweetmag Solutions (M) Sdn. Bhd. has incorporated a new wholly-owned subsidiary company, Sweetmag Digital (HK) Limited in Hong Kong with issued and paid-up share capital of HKD10,000 with 100 ordinary shares of HKD100 each.

(b) During financial year ended 31 December 2023

On 16 June 2023, the Company incorporated a new wholly-owned subsidiary company, Frontier Scion Sdn. Bhd. in Malaysia with issued and paid-up share capital of RM2,000 with 2,000 ordinary shares of RM1 each.

On 22 December 2023, the Company increased its investment in Frontier Scion Sdn. Bhd. by the allotment and issuance of 98,000 new ordinary shares of RM1 each by cash.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Details for non-wholly-owned subsidiary companies that have non-controlling interests

The table below shows details of non-wholly-owned subsidiary companies that have non-controlling interests.

Name of subsidiary companies	Proportion of ownership interests held by non-controlling interests		(Loss)/Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2024	2023	2024	2023	2024	2023
			RM	RM	RM	RM
NETCO	50%	50%	(2,096,639)	(4,394,847)	9,444,406	11,541,045
VIVL	10%	10%	(1,309)	(1,240)	(3,846)	(2,538)
Sweetmag Solutions and its subsidiary companies	49%	49%	797,804	730,565	3,967,605	4,713,288
Xilnex Holdings Sdn Bhd and its subsidiary companies	62%	62%	649,997	308,886	7,600,282	6,936,731
Anon Security and its subsidiary companies	40%	40%	547,864	(550,961)	2,227,011	97,934
Total			(102,283)	(3,907,597)	23,235,458	23,286,460

Summarised financial information in respect of the subsidiary companies that have non-controlling interest is set out as below. The summarised financial information below represents amounts before intragroup eliminations.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

NETCO

	2024 RM	2023 RM
<u>Statement of financial position</u>		
Non-current assets	10,813,513	13,537,467
Current assets	24,091,144	28,110,834
Non-current liabilities	(542,645)	(2,204,684)
Current liabilities	(13,743,290)	(14,631,617)
Net assets	20,618,722	24,812,000
Equity attributable to owners of the Company	11,174,316	13,270,955
Non-controlling interest	9,444,406	11,541,045
	20,618,722	24,812,000
<u>Statement of profit or loss and other comprehensive income</u>		
Revenue	53,642,390	62,561,051
Other operating income	409,801	573,326
Expenses	(57,010,032)	(73,211,896)
Income tax expense	(1,235,435)	1,287,825
Loss for the year, representing total comprehensive loss for the year	(4,193,278)	(8,789,694)
Loss attributable to owners of the Company	(2,096,639)	(4,394,847)
Loss attributable to non-controlling interest	(2,096,639)	(4,394,847)
Loss for the year	(4,193,278)	(8,789,694)
<u>Statement of cash flows</u>		
Net cash (used in)/from:		
Operating activities	1,064,895	(7,439,675)
Investing activities	1,481,782	(85,580)
Financing activities	(3,529,655)	(2,884,905)
Net changes in cash and cash equivalents	(982,978)	(10,410,160)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

VIVL

	2024 RM	2023 RM
<u>Statement of financial position</u>		
Current assets	902	949
Current liabilities	(83,908)	(70,865)
Net liabilities	(83,006)	(69,916)
Equity attributable to owners of the Company	(79,159)	(67,378)
Non-controlling interest	(3,847)	(2,538)
	(83,006)	(69,916)
<u>Statement of profit or loss and other comprehensive income</u>		
Expenses	(13,090)	(12,400)
Loss for the year, representing total comprehensive loss for the year	(13,090)	(12,400)
Loss attributable to owners of the Company	(11,781)	(11,160)
Loss attributable to non-controlling interest	(1,309)	(1,240)
Loss for the year	(13,090)	(12,400)
<u>Statement of cash flows</u>		
Net cash from/(used in):		
Operating activities	(12,586)	(12,988)
Financing activities	12,586	12,988
Net changes in cash and cash equivalents	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Sweetmag Solutions and its subsidiary companies

	2024 RM	2023 RM
<u>Statement of financial position</u>		
Non-current assets	400,763	653,330
Current assets	10,482,193	10,001,795
Non-current liabilities	-	(31,556)
Current liabilities	(2,803,407)	(1,022,191)
Net assets	8,079,549	9,601,378
Equity attributable to owners of the Company	4,111,944	4,888,090
Non-controlling interests	3,967,605	4,713,288
	8,079,549	9,601,378
<u>Statement of profit or loss and other comprehensive income</u>		
Revenue	7,387,945	5,532,043
Other operating income	791,412	212,794
Expenses	(6,492,495)	(4,393,083)
Income tax (expense)/credit	(58,691)	139,195
Profit for the year, representing total comprehensive income for the year	1,628,171	1,490,949
Profit attributable to owners of the Company	830,367	760,384
Profit attributable to non-controlling interests	797,804	730,565
Profit for the year	1,628,171	1,490,949
Dividend attributable to owners of the Company	1,606,513	-
Dividend attributable to non-controlling interests	1,543,487	-
Dividend paid for the year	3,150,000	-
<u>Statement of cash flows</u>		
Net cash from/(used in):		
Operating activities	1,514,012	1,427,363
Investing activities	4,950,848	(5,655,937)
Financing activities	(4,295,770)	(98,414)
Net changes in cash and cash equivalents	2,169,090	(4,326,988)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Xilnex Holdings and its subsidiary companies

	2024 RM	2023 RM
<u>Statement of financial position</u>		
Non-current assets	4,358,499	3,539,914
Current assets	20,197,849	17,289,257
Non-current liabilities	(626,307)	(830,547)
Current liabilities	(13,321,369)	(10,443,638)
Net assets	10,608,672	9,554,986
Equity attributable to owners of the Company	3,008,390	2,618,255
Non-controlling interests	7,586,728	6,936,731
Dilution of interests in a subsidiary company	13,554	-
	10,608,672	9,554,986
<u>Statement of profit or loss and other comprehensive income</u>		
Revenue	30,885,961	25,827,206
Other operating income	728,573	615,339
Expenses	(29,911,040)	(25,831,361)
Share of loss of an associate	(33,324)	(846)
Income tax expense	(630,038)	(112,629)
Profit for the year, representing total comprehensive income for the year	1,040,132	497,709
Profit attributable to owners of the Company	390,135	188,823
Profit attributable to non-controlling interests	649,997	308,886
Profit for the year	1,040,132	497,709
<u>Statement of cash flows</u>		
Net cash from/(used in):		
Operating activities	729,136	2,903,905
Investing activities	(588,324)	(2,446,425)
Financing activities	(364,695)	(1,359,374)
Net changes in cash and cash equivalents	(223,883)	(901,894)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Anon Security and its subsidiary companies

	2024 RM	2023 RM
<u>Statement of financial position</u>		
Non-current assets	6,448,948	145,445
Current assets	11,928,015	1,549,028
Non-current liabilities	(7,565,090)	(53,074)
Current liabilities	(7,547,829)	(1,393,565)
Net assets	3,264,044	247,834
Equity attributable to owners of the Company	1,037,033	149,901
Non-controlling interest	645,797	97,933
Acquisition of a subsidiary company	1,581,214	-
	3,264,044	247,834
<u>Statement of profit or loss and other comprehensive income</u>		
Revenue	17,148,680	3,097,053
Other income	1,270,022	700
Expenses	(16,180,147)	(4,518,881)
Income tax expense	(803,559)	(43,724)
Profit/(Loss) for the year, representing total comprehensive income/(loss) for the year	1,434,996	(1,377,404)
Profit/(Loss) attributable to owners of the Company	887,132	(826,442)
Profit/(Loss) attributable to non-controlling interest	547,864	(550,962)
Profit/(Loss) for the year	1,434,996	(1,377,404)
<u>Statement of cash flows</u>		
Net cash from/(used in):		
Operating activities	8,532,609	(1,158,238)
Investing activities	(2,775,391)	(9,878)
Financing activities	(183,733)	(48,551)
Net changes in cash and cash equivalents	5,573,485	(1,216,667)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

16. INVESTMENT IN SUBSIDIARY COMPANIES *cont'd*

Anon Security and its subsidiary companies *cont'd*

Amounts owing by/(to) subsidiary companies

Amounts owing by/(to) subsidiary companies, which arose mainly from management fees receivable, unsecured advances and payments on behalf, is unsecured, interest-free and repayable on demand. Transactions with subsidiary companies are disclosed in Note 35.

Loan to a subsidiary company

The maturity analysis of the loan to a subsidiary company is as below:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-current	-	-	4,800,000	-
Current	-	-	200,000	-
	-	-	5,000,000	-

Loan to Anon Security

On 16 February 2024, the Company entered into a Facility Agreement with Anon Security in which the Company granted Anon Security a loan of RM5,000,000 with the rate of interest at 4% per annum for a period of 5 years with an option to extend for another 5 years at a new rate of interest to be mutually agreed by both parties. Minimum annual principal repayment is amounting to RM2 million.

An interest receivable of RM100,000 from the loan to Anon Security as of 31 December 2024 is recorded in amount owing by subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

17. INVESTMENT IN ASSOCIATES

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unquoted shares - at cost				
At beginning of year	27,236,730	27,236,730	415,146	415,146
Disposal of investment due to dissolution of associate	(591,095)	-	(415,146)	-
At end of year	26,645,635	27,236,730	-	415,146
Share of post acquisition reserve				
At beginning of year	6,492,445	6,348,142	-	-
Share of loss of Xilnex Holding's associate (GDComma - indirect)	(33,324)	-	-	-
Share of profit of SAPX	126,109	146,588	-	-
Share of profit/(loss) of GDComma (direct)	71,287	(2,285)	-	-
At end of year	6,656,517	6,492,445	-	-
	33,302,152	33,729,175	-	415,146

The details of associates are as follows:

Name	Country of incorporation	Proportion of ownership interest/voting rights held by the Group		Principal activities
		2024	2023	
PT Satria Antaran Prima TBK ("SAPX")	Indonesia	44.50%	44.50%	Provision of express delivery services
GDComma	Vietnam	-	51.40%	Provision of IT outsourcing services

During the financial year, the directors reviewed the Group's and the Company's investment in associates for indication of impairment and concluded that the carrying amounts as of the end of reporting period are equivalent to their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

17. INVESTMENT IN ASSOCIATES *cont'd*

Investment in SAPX

Summarised financial information of SAPX is set out below. The summarised financial information represents the amount in the financial statements of the associate and not the Group's share of those amounts.

	2024 RM	2023 RM
Statement of financial position		
Non-current assets	30,437,228	22,952,633
Current assets	76,836,517	73,630,740
Total assets	107,273,745	96,583,373
Non-current liabilities	(9,359,934)	(2,307,748)
Current liabilities	(42,211,645)	(41,526,760)
Total liabilities	(51,571,579)	(43,834,508)
Net assets of the associate	55,702,166	52,748,865
Statement of comprehensive income		
Revenue for the year	196,920,236	186,396,932
Profit for the year	283,392	329,410
Share of profit of the associate	126,109	146,588

Reconciliation of the above summarised financial information to the carrying amount of the interest in associate recognised in the consolidated financial statements:

	2024 RM	2023 RM
Proportion of net assets of the associate	24,787,464	23,473,245
Goodwill	15,458,472	15,458,472
Other adjustments *	(4,507,116)	(4,507,116)
Exchange differences	(2,305,729)	(1,117,619)
	33,433,091	33,306,982

* The other adjustments is recognised to the extent to the unrelated interests in the associate from upstream transaction as a result of redemption of convertible bonds in 2019.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

17. INVESTMENT IN ASSOCIATES *cont'd*

Investment in GDComma

On 8 March 2024, approval was granted at the shareholders' and the Board of Directors' meetings to dissolve GDComma Resources Joint Stock Company and to liquidate corporate assets, pursuant to Enterprise Law No. 59/2020/QH14 passed by the National Assembly on 17 June 2020 regarding the liquidation of corporate assets under the Socialist Republic of Vietnam. Accordingly, GDComma has been officially dissolved on 18 July 2024. Subsequently, the investment in GDComma has been derecognised by the Group.

Loan to associate

The maturity analysis of the loan to associate is as below:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current	-	2,384,000	-	-

Loan to SAPX

In previous financial year, the Company has provided a short-term loan of RM2,384,000 (equivalent to INR8,000,000,000) to SAPX, its associate through its subsidiary company, PT Anon to support SAPX's business expansion. The loan has been fully repaid during the current financial year.

18. GOODWILL ARISING FROM CONSOLIDATION

	The Group	
	2024	2023
	RM	RM
At beginning of year	29,173,232	29,173,232
Acquisition of a subsidiary company (Note 16)	1,789,658	-
At end of year	30,962,890	29,173,232

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

18. GOODWILL ARISING FROM CONSOLIDATION *cont'd*

The carrying amount of goodwill allocated to CGUs as of the end of the reporting period are as follows:

	The Group	
	2024	2023
	RM	RM
Express delivery operations of NETCO	3,249,371	3,249,371
Web design, consulting, e-commerce and website development operations of Sweetmag Group	13,359,260	13,359,260
Business software solution and other related activities of Xilnex Holdings	12,413,874	12,413,874
Cyber security operations of Anon Security Group	1,940,385	150,727
	30,962,890	29,173,232

The Group tests goodwill annually for the impairment. The directors reviewed the impairment assessment of the Group's goodwill arising from consolidation and concluded that the carrying amount does not exceed the recoverable amount of the CGUs.

The recoverable amount of individual CGU is determined based on 'value-in-use' where management make an estimate of the expected future cash flows from the CGUs covering a five-years period. The key assumptions for the value-in-use calculation include management's expectation on the growth of revenue.

The pre-tax discount rate applied to the expected future cash flows is as per below:

	2024	2023
	%	%
NETCO	8.9	8.9
Sweetmag Group	7.1	10.4
Xilnex Holdings	8.1	14.8
Anon Security Group	15.5	11.2

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

18. GOODWILL ARISING FROM CONSOLIDATION *cont'd*

The terminal value was estimated using the perpetuity growth model, with a growth rate to perpetuity of the discount rate as per below applied to steady-state estimate earnings at the end of the projected period.

	2024	2023
	%	%
NETCO	4.3	3.6
Sweetmag Group	2.3	2.9
Xilnex Holdings	2.0	5.0
Anon Security Group	2.0	1.5

The Group has conducted an analysis on the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the CGUs to which goodwill is allocated. The directors believe that any reasonable change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amounts of the CGUs.

19. OTHER INVESTMENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Equity investments measured at FVTOCI:				
At beginning of year	69,411	82,500	48,596,625	28,795,250
Addition	-	30,000	-	-
Disposal	(122,000)	-	-	-
Fair value gain/(loss)	66,339	(43,089)	8,358,625	19,801,375
At end of year	13,750	69,411	56,955,250	48,596,625

On 3 October 2018, the Company subscribed to 16.5%, equivalent to 137,500,000 new ordinary shares of IDR100 each at an issue price of IDR250 per share in SAPX for a total consideration of IDR34,375,000,000 (equivalent to approximately RM9.866 million) from the IPO of SAPX.

During the current financial year, a subsidiary company of the Company had disposed its unquoted investment for a total consideration of RM122,000. The Group has recognised a fair value gain of RM66,339 in other comprehensive income for the financial year ended 31 December 2024.

In previous financial year, a subsidiary company of the Company subscribed to unquoted investment for a total consideration of RM30,000.

The Group and the Company have irrevocably elected to classify these equity instruments as FVTOCI as they are not held for trading but for medium to long-term strategic purposes.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

20. INVESTMENT IN REDEEMABLE CONVERTIBLE PREFERENCE SHARES

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial asset measured at FVTPL:				
At beginning of year	2,160,000	-	2,160,000	500,000
Addition	-	2,160,000	-	2,160,000
Reclassification to other receivable	-	-	-	(500,000)
At end of year	2,160,000	2,160,000	2,160,000	2,160,000

On 6 January 2023, the Company had entered into a subscription agreement with Servedeck Innovation Sdn. Bhd. (“Servedeck”) to subscribe for 680,244 units of Seed B Redeemable Convertible Preference Shares (“Seed B RCPS”) at a total subscription price of RM2,160,000. On 13 January 2023, the Company completed the subscription of the said Seed B RCPS upon fulfilment of condition precedent. The said RCPS carried the right to receive a cumulative preference dividend accrued in the balance sheet of Servedeck payable in arrears until the maturity date, which shall be calculated at the rate of 3% per annum based on the subscription price per RCPS.

The Seed B RCPS is convertible into 10% of fully paid and issued unencumbered ordinary shares in the enlarged issued and paid-up share capital of Servedeck on a fully diluted basis upon Servedeck achieving the revenue of RM4,000,000 at any point of time. In the event of Servedeck is unable to achieve the revenue of RM4,000,000 by 31 December 2023, Servedeck is required to refund 20% of the subscription price in cash to the Company within 3 months. Upon maturity date of 13 January 2025, the Company has the option to either convert or redeem the RCPS.

During the financial year, the Company assessed that Servedeck has not met the stipulated revenue target in accordance with the terms of the subscription agreement. As a result, the Company entered into a redemption agreement for the RCPS on 1 November 2024. Notwithstanding the execution of the redemption agreement, the redemption process had not commenced as of 31 December 2024, as the Company has not issued a formal notice of redemption to Servedeck.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

21. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables consist of:

	The Group	
	2024	2023
	RM	RM
Third party receivables	69,713,346	61,474,584
Amount owing by related parties	916,615	1,327,626
Unbilled revenue	4,374,235	-
	75,004,196	62,802,210
Less: Allowance for impairment	(4,765,310)	(3,386,175)
Net	70,238,886	59,416,035

The currency exposure profile of gross trade receivables is as follows:

	The Group	
	2024	2023
	RM	RM
Ringgit Malaysia	67,224,099	53,658,066
Singapore Dollar	646,793	438,364
Vietnamese Dong	7,133,304	8,691,418
Cambodian Riel	-	14,362
	75,004,196	62,802,210

Trade receivables of the Group represent amounts receivable mainly for the provision of express delivery, logistics and information technology services. The credit period granted to customers range from 30 to 121 days (2023: 30 to 121 days). No interest is charged on trade receivables.

The Group has applied a simplified approach in calculating loss allowances for trade receivables at an amount equal to lifetime ECL. The Group estimated the loss allowance on trade receivables by applying an ECL rate at end of each reporting period. The ECL rate is computed based on estimated irrecoverable amounts determined by reference to past default experience of the Group and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on a case by case basis subsequently.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

21. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *cont'd*

Trade receivables include amounts (see below for aged analysis) that are past due at the end of the reporting period but against which the Group has not recognised an allowance for impairment because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral or other credit enhancements over trade receivables balances.

The movement of allowance for impairment during the financial year is as follows:

	The Group	
	2024	2023
	RM	RM
At beginning of year	3,386,175	2,790,537
Net remeasurement of loss allowances (Note 7)	1,401,576	583,756
Exchange differences	(22,441)	11,882
At end of year	4,765,310	3,386,175

In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period.

	The Group	
	Gross trade receivables	Lifetime ECL
	RM	RM
2024		
Not past due and impaired	70,248,702	1,060,094
Past due and impaired:		
120 to 150 days	766,306	488,796
150 to 365 days	1,035,025	519,962
More than 365 days	2,954,163	2,696,458
	75,004,196	4,765,310

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

21. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *cont'd*

	The Group	
	Gross trade receivables	Lifetime ECL
	RM	RM
2023		
Not past due and impaired	59,439,000	1,661,828
Past due and impaired:		
120 to 150 days	392,141	57,492
150 to 365 days	945,318	272,194
More than 365 days	2,025,751	1,394,661
	62,802,210	3,386,175

Other receivables, deposits and prepayments consist of:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other receivables	9,507,421	10,671,176	675,358	579,888
Refundable deposits	10,849,815	10,285,213	2,760	5,420
Prepaid expenses	7,345,599	8,598,135	100,135	118,400
Goods and Services Tax receivable	92,617	100,340	-	-
Deferred expenses	786,941	775,182	-	-
	28,582,393	30,430,046	778,253	703,708

Other receivables are neither past due nor impaired as of the end of the reporting period. As of end of the reporting period, there is no indication that the other receivables are not recoverable.

Included in refundable deposits is rental and utilities deposits for branches of RM9,299,607 (2023: RM8,398,542).

Included in prepaid expenses of the Group of RM1,338,538 (2023: RM2,262,712) is insurance and road tax for the motor vehicles and deposit for hire purchase agreements that will be net off against the final instalment of the hire purchase agreements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

21. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *cont'd*

The currency exposure profile of other receivables is as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	1,020,257	1,473,806	675,358	579,888
Vietnamese Dong	7,846,636	9,101,518	-	-
Singapore Dollar	637,341	85,134	-	-
Indonesian Rupiah	3,187	10,718	-	-
	9,507,421	10,671,176	675,358	579,888

22. SHORT TERM FUNDS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Investment in unit trust funds measured at:				
FVTPL	1,183,232	-	-	-
FVTOCI	100,000	100,000	-	-
	1,283,232	100,000	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

23. INVENTORIES

	The Group	
	2024	2023
	RM	RM
At cost:		
Consumables	2,173,779	2,267,703
Trading	891,860	638,295
	3,065,639	2,905,998

The cost of inventories recognised by the Group as an expense during the financial year was RM9,758,311 (2023: RM12,383,585).

24. SHARE CAPITAL

	The Group and The Company			
	Number of ordinary shares		2024	2023
	2024	2023	RM	RM
Issued and fully paid:				
At beginning and end of year	5,641,410,835	5,641,410,835	337,896,408	337,896,408

Warrants 2021/2028

On 12 January 2021, the issue of 703,935,325 free warrants on the basis of 1 free warrant for every 8 ordinary shares held by the entitled shareholders on the entitlement date was completed upon admission of the warrants to the Official List of Bursa and the listing of and quotation for the warrants 2021/2028 on the Main Market of Bursa Malaysia Securities Berhad.

The Warrants 2021/2028 of the Company are constituted by a Deed Poll dated on 10 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

24. SHARE CAPITAL *cont'd*

The salient features of the Warrants 2021/2028 are as follows:

- (a) The issue date of the Warrants 2021/2028 is on 5 January 2021 and the expiry date is on 4 January 2028.
- (b) The Warrants 2021/2028 can be exercised at any time during the year commencing on and inclusive of the date of issue of the warrants up to and including the expiry date. Any Warrants 2021/2028 not exercised during the exercise year will lapse and cease to be valid.
- (c) Each Warrant 2021/2028 entitles the registered holder to subscribe for 1 new ordinary share of the Company at the exercise price fixed at RM0.45 payable in cash at any time during the exercise year and shall be subject to adjustments in accordance with the provision of the Deed Poll.
- (d) The new ordinary shares arising from the exercise of the Warrants 2021/2028 shall, upon allotment and issue, rank pari passu with the existing issued ordinary shares of the Company, save and except that they will not be entitled to any right, allotment, dividend and/or any other distribution that may be declared, made or paid before the date of allotment and issue of the new ordinary shares of the Company.

25. TREASURY SHARES

The shareholders of the Company, by a resolution passed at the previous Annual General Meetings, had granted an approval to the Company to buy back its own shares of up to 10% of the issued and paid-up share capital of the Company.

The Company repurchased its issued ordinary shares from the open market as summarised below:

	Number of shares	Total	Purchase price per share		
		consideration RM	Highest RM	Lowest RM	Average RM
Share repurchased during the financial year:					
June 2024	781,500	129,890	0.165	0.165	0.165
August 2024	500,000	78,066	0.155	0.155	0.155
	1,281,500	207,956	0.165	0.155	0.160

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

25. TREASURY SHARES *cont'd*

The Company repurchased its issued ordinary shares from the open market as summarised below: *cont'd*

	Number of shares	Total consideration RM	Purchase price per share		
			Highest RM	Lowest RM	Average RM
Share repurchased in prior financial year:					
January 2023	8,416,700	1,391,676	0.170	0.160	0.165
February 2023	7,533,200	1,505,684	0.205	0.185	0.200
March 2023	5,960,100	1,137,706	0.195	0.185	0.191
April 2023	1,596,400	325,379	0.210	0.195	0.204
May 2023	1,720,000	345,651	0.200	0.200	0.201
	25,226,400	4,706,096	0.210	0.160	0.187

The total consideration paid, including transaction costs, of RM207,956 (2023: RM4,706,096) was financed by internally generated funds. The shares repurchased were held as treasury shares in accordance with Section 127 of the Companies Act, 2016 in Malaysia.

The Company has the right to cancel, resell or distribute the treasury shares as dividends or transfer the treasury shares for the purposes of an employees' share scheme or as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution is suspended. None of the treasury shares repurchased had been sold or cancelled during the current and prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

26. RESERVES

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-distributable:				
Translation reserve	308,661	2,326,967	-	-
Fair value reserve	(39,750)	(64,089)	47,089,625	38,731,000
	268,911	2,262,878	47,089,625	38,731,000
Distributable:				
Retained earnings	96,509,977	103,878,521	58,533,318	61,504,836
	96,778,888	106,141,399	105,622,943	100,235,836

Translation reserve

Exchange differences arising from translation of foreign controlled entities' financial statements are taken to the translation reserve as described in the accounting policies.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity investment designated at fair value through other comprehensive income until the investment is derecognised or impaired.

Retained earnings

The entire retained earnings of the Company are available for distribution of dividend under the single-tier income tax system.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

27. HIRE-PURCHASE PAYABLES

	The Group	
	2024	2023
	RM	RM
Total outstanding	1,140,213	4,377,995
Less: Interest-in-suspense	(49,547)	(106,550)
Principal outstanding	1,090,666	4,271,445
Less: Amount due within 12 months (shown under current liabilities)	(814,186)	(3,595,902)
Non-current portion	276,480	675,543

The non-current portion is repayable as follows:

	The Group	
	2024	2023
	RM	RM
Within 1 - 2 years	244,154	675,543
Within 2 - 5 years	32,326	-
	276,480	675,543

The interest rates implicit in these hire-purchase obligations ranges from 2.10% to 6.65% (2023: 2.10% to 6.65%) per annum. The hire-purchase payables are secured by a charge over the property, plant and equipment under hire-purchase as disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

28. BANK BORROWINGS

	The Group	
	2024	2023
	RM	RM
Non-current		
Mortgage loans (secured)	4,096	1,062,390
Term loan (secured)	2,453,773	-
	2,457,869	1,062,390
Current		
Mortgage loans (secured)	948,489	1,469,768
Term loan (secured)	178,293	-
Bank overdraft	137,672	-
	1,264,454	1,469,768
Total bank borrowings	3,722,323	2,532,158

The non-current portion of bank borrowings is repayable as follows:

	The Group	
	2024	2023
	RM	RM
Within 1 - 2 years	192,590	1,062,390
Within 2 - 5 years	2,265,279	-
	2,457,869	1,062,390

The mortgage loans bear interest at rates ranging from 7% to 9.3% (2023: 7% to 9.3%) per annum for a tenure of 3 years (2023: 3 years) from the date of the first disbursement of the mortgage loan. The mortgage loans are secured by way of legal charge over motor vehicles.

The term loans bear effective interest rates ranging from 4.25% to 7.15% per annum for a tenure of 10 years. The term loans are secured by way of legal charge over leasehold land and buildings (as disclosed in Note 15) and guarantee by the directors of the subsidiary company.

The bank overdraft bears effective interest rate of 6.85% per annum. The bank overdraft is secured by way of guarantee by the directors of the subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

28. BANK BORROWINGS *cont'd*

The currency exposure profile of bank borrowings is as follows:

	The Group	
	2024	2023
	RM	RM
Ringgit Malaysia	2,769,738	-
Vietnamese Dong	952,585	2,532,158
	3,722,323	2,532,158

29. PROVISION FOR RETIREMENT BENEFITS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
At beginning of year	799,933	932,227	5,571	23,011
Charge to profit or loss (Note 7)	102,759	114,554	946	2,754
Benefit paid	-	(16,500)	-	-
Recognised as other comprehensive income:				
Remeasurements of post-employment benefit obligations	-	(233,815)	-	(20,194)
Exchange differences	(2,032)	3,467	-	-
At end of year	900,660	799,933	6,517	5,571

The most recent actuarial valuation of the defined benefit plan was carried out on 18 January 2024 by Nicholas Actuarial Solutions Sdn. Bhd., a qualified and independent actuarial firm. Under this scheme, eligible employees on attainment of retirement age of 60, are entitled to a one time payment of retirement benefits, which is computed based on a fixed amount for each year of the employee's completed service with the Group and the Company as provided by the actuarial estimation of costs and liabilities of Retirement Benefit Scheme of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

29. PROVISION FOR RETIREMENT BENEFITS *cont'd*

The principal assumptions used in calculating the provision for retirement benefits are as follows:

	The Group		The Company	
	2024	2023	2024	2023
Discount rate	4.64%	4.64%	4.64%	4.64%
Yearly average staff turnover rate	17.50%	17.50%	17.50%	17.50%

Barring any unforeseen circumstances, the management believes that no reasonable change in the above assumptions would cause the amount of provision to be materially affected. Thus, no sensitivity analysis is disclosed.

30. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group	
	2024	2023
	RM	RM
At beginning of year	(779,501)	(3,147,233)
Exchange differences	(54,031)	(16,484)
Acquisition of a subsidiary company (Note 16)	(319,788)	-
Credit/(Charge) to profit or loss (Note 9):		
Property, plant and equipment	130,479	1,175,383
Timing differences between right-of-use assets and lease liabilities	131,917	(139,615)
Intangible assets	12,648	-
Trade receivables	-	(22,875)
Provision for retirement benefits	2,832	(1,097)
Other payables and accrued expenses	805,000	112,400
Unused tax losses	(1,235,435)	1,296,247
Unabsorbed capital allowances	126,030	(36,227)
	(26,529)	2,384,216
At end of year	(1,179,849)	(779,501)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

30. DEFERRED TAX ASSETS/(LIABILITIES) *cont'd*

The deferred tax assets and deferred tax liabilities are presented after appropriate offsetting as follows:

	The Group	
	2024	2023
	RM	RM
Deferred tax assets	1,198,173	1,682,763
Deferred tax liabilities	(2,378,022)	(2,462,264)
	(1,179,849)	(779,501)

Deferred tax provided in the financial statements are in respect of the tax effects of the following:

	The Group	
	2024	2023
	RM	RM
Deferred tax assets (before offsetting):		
Temporary differences arising from:		
Timing differences between right-of-use assets and lease liabilities	233,050	3,000
Provision for retirement benefits	2,832	-
Other payables and accrued expenses	1,205,000	400,000
Unused tax losses	-	1,279,763
Unabsorbed capital allowances	126,030	-
	1,566,912	1,682,763
Offsetting	(368,739)	-
Deferred tax assets (after offsetting)	1,198,173	1,682,763

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

30. DEFERRED TAX ASSETS/(LIABILITIES) *cont'd*

Deferred tax provided in the financial statements are in respect of the tax effects of the following: *cont'd*

	The Group	
	2024	2023
	RM	RM
Deferred tax liabilities (before offsetting):		
Temporary differences arising from:		
Timing differences between right-of-use assets and lease liabilities	(214,000)	(106,164)
Property, plant and equipment	(1,911,591)	(1,848,779)
Intangible assets	(617,875)	(504,026)
Fair value adjustment of investment in an associate	(3,295)	(3,295)
	(2,746,761)	(2,462,264)
Offsetting	368,739	-
Deferred tax liabilities (after offsetting)	(2,378,022)	(2,462,264)

31. PROVISION OF RESTORATION COSTS

Provision of restoration costs relates to estimated cost of restoring the rented premises to its original condition at the end of the lease term.

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current	508,586	322,535	-	-
Non-current	1,531,606	793,942	-	4,557
	2,040,192	1,116,477	-	4,557

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

31. PROVISION OF RESTORATION COSTS *cont'd*

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
At beginning of year	1,116,477	782,326	4,557	-
Addition	1,121,416	426,653	-	4,335
Derecognition arising from lease expiration, termination and modification	(271,210)	(142,269)	(4,649)	-
Unwinding of discount on provision of restoration costs (Note 8)	85,247	42,891	92	222
Exchange differences	(11,738)	6,876	-	-
	2,040,192	1,116,477	-	4,557

32. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Trade payables comprise mainly amounts outstanding for services rendered by suppliers and rental of trucks provided by the business partner of a subsidiary company. The average credit period granted to the Group is 30 days to 120 days (2023: 30 to 120 days).

The currency exposure profile of trade payables is as follows:

	The Group	
	2024	2023
	RM	RM
Ringgit Malaysia	5,898,555	5,301,424
Vietnamese Dong	6,593,641	7,144,225
Singapore Dollar	20,154	90,888
Indonesian Rupiah	302,470	-
	12,814,820	12,536,537

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

32. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES *cont'd*

Other payables and accrued expenses consist of:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other payables	4,728,194	11,166,276	294,767	342,580
Accrued expenses	19,866,165	17,605,009	119,497	94,639
Accrued staff costs	5,692,312	6,751,070	115,555	103,597
Advances from customers	514,946	4,515	-	-
Sales and Service Tax payable	5,237,710	5,505,913	-	-
Deferred revenue	9,986,103	6,618,209	-	-
	46,025,430	47,650,992	529,817	540,816

The currency exposure profile of other payables is as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	3,950,203	10,603,286	294,765	342,580
Vietnamese Dong	713,537	487,457	-	-
Singapore Dollar	64,454	66,593	-	-
Indonesian Rupiah	-	8,940	-	-
	4,728,194	11,166,276	294,765	342,580

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

33. DIVIDENDS

	The Group 2024 RM	The Company 2024 RM	The Group and The Company 2023 RM
In respect of financial year ended 31 December 2023:			
First and final tax exempt dividend of 0.10 sen per share:			
Cash	5,541,903	5,541,903	-
In respect of financial year ended 31 December 2024:			
Single tier interim dividends paid by non-wholly owned subsidiary companies to non-controlling interests:			
Cash	1,543,487	-	-
	7,085,390	5,541,903	-
In respect of financial year ended 31 December 2022:			
First and final tax exempt dividend of 0.15 sen per share:			
Cash	-	-	8,312,707

A first and final tax exempt dividend of 0.10 sen per share amounting to RM5,541,903 which was proposed in the previous financial year and dealt with in the previous directors' report was paid in cash by the Company during the current financial year.

In respect of the financial year ended 31 December 2024, the directors proposed a dividend of 0.20 sen per share. The proposed dividend which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Single tier interim dividends amounting to RM1,543,487 were paid in cash by non-wholly owned subsidiary companies to non-controlling interests during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

34. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Deposits with licensed banks	138,701,338	149,441,463	125,980,544	131,835,549
Cash and bank balances	62,070,163	45,116,410	13,525,259	9,166,387
	200,771,501	194,557,873	139,505,803	141,001,936
Less: Non cash and cash equivalents:				
Deposits with licensed banks with maturity term more than 3 months	(110,689,663)	(102,217,900)	(98,870,602)	(84,611,986)
Bank overdraft	(137,672)	-	-	-
	89,944,166	92,339,973	40,635,201	56,389,950

Deposits with licensed banks earn interest at rates ranging from 2.50% to 8.50% (2023: 1.30% to 7.50%) per annum. Deposits with licensed banks of the Group and of the Company have maturity terms of 1 day to 12 months (2023: 7 days to 12 months).

Included in the deposits with licensed banks of the Group are RM362,964 (2023: RM362,964) pledged for bank guarantees.

Cash Held on Behalf of Customer from Cash on Delivery Service

As of 31 December 2024, cash held on behalf of customers from cash on delivery service amounted to RM608,011 (2023: RM360,210). These cash held on behalf of customers do not form part of the Group's cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

34. CASH AND CASH EQUIVALENTS *cont'd*

Cash Held on Behalf of Customer from Cash on Delivery Service *cont'd*

The currency exposure profile of cash and bank balances and deposits with the licensed banks are as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ringgit Malaysia	186,040,207	177,571,938	139,150,464	140,637,360
United States Dollar	360,721	367,304	355,330	364,567
Singapore Dollar	1,849,053	2,993,843	-	-
Indonesian Rupiah	5,443,099	3,166,978	-	-
Vietnamese Dong	7,078,421	10,457,810	9	9
	200,771,501	194,557,873	139,505,803	141,001,936

35. RELATED PARTY TRANSACTIONS

The related party and its relationship with the Company is as follows:

Name of related party	Relationship
Yamato Holdings Co., Ltd.	A substantial shareholder of GDEX Berhad.
Yamato Transport (M) Sdn. Bhd.	A subsidiary of substantial shareholder of GDEX Berhad.
Yamato Transport (S) Pte. Ltd.	An indirect subsidiary of substantial shareholder of GDEX Berhad.
Yamato Transport Co., Ltd	A subsidiary of substantial shareholder of GDEX Berhad.
Singapore Post Limited	A substantial shareholder of GDEX Berhad.
Quantum Solutions International (Malaysia) Sdn. Bhd.	A subsidiary of substantial shareholder of GDEX Berhad.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

35. RELATED PARTY TRANSACTIONS *cont'd*

During the current financial year, significant related company or party transactions undertaken based on agreed terms are as follows:

-	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
With related party,				
Yamato Transport Co., Ltd				
Advisory fees	(120,000)	(120,000)	(120,000)	(120,000)
Yamato Transport (M) Sdn. Bhd.				
Express delivery fee	8,698,386	210,860	-	-
Yamato Transport (S) Pte. Ltd.				
Express delivery fee	442,446	11,627,344	-	-
Singapore Post Limited				
Express delivery fee	-	13,127	-	-
Quantium Solutions International (Malaysia) Sdn. Bhd.				
Express delivery fee	400,769	1,263,765	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

35. RELATED PARTY TRANSACTIONS *cont'd*

During the current financial year, significant related company or party transactions undertaken based on agreed terms are as follows: *cont'd*

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
With subsidiary companies,				
GD Venture (M) Sdn. Bhd.				
Management fee	-	-	68,351	180,000
GD Express Sdn. Bhd.				
Management fee	-	-	2,636,129	3,120,000
GD Facilities & Assets Management Sdn. Bhd.				
Management fee	-	-	24,298	192,000
GD Valueguard Sdn. Bhd.				
Management fee	-	-	2,915	120,000
GD Logistics (M) Sdn. Bhd.				
Management fee	-	-	233,380	600,000
GDEX Properties Sdn. Bhd.				
Management fee	-	-	6,677	-
PT Anon Security Indonesia				
Management fee	-	-	5,614	-
GD Express (Singapore) Pte. Ltd.				
Management fee	-	-	37,598	-
Frontier Scion Sdn. Bhd.				
Management fee	-	-	4,488	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

35. RELATED PARTY TRANSACTIONS *cont'd*

During the current financial year, significant related company or party transactions undertaken based on agreed terms are as follows: *cont'd*

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
With subsidiary companies, <i>cont'd</i>				
Anon Security Sdn. Bhd.				
Management fee	-	-	19,200	-
GD Customised Solution Sdn. Bhd.				
Management fee	-	-	1,014	-
GD Secured Solutions Sdn. Bhd.				
Management fee	-	-	83,708	-
Xilnex Holdings Sdn. Bhd.				
Interest income (Note 7)	-	-	-	22,917
Sweetmag Solutions Sdn. Bhd.				
Dividend income (Note 6)	-	-	1,606,513	-
Anon Security Sdn. Bhd.				
Interest income (Note 7)	-	-	100,000	-

36. FINANCIAL INSTRUMENTS

Capital Risk Management

The objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. The Group's overall strategy remains unchanged during the current financial year.

The capital structure of the Group consists of debt and equity.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Gearing Ratio

The gearing ratio of the Group at the end of the reporting period is as follows:

	The Group	
	2024	2023
	RM	RM
Debt	103,880,833	102,182,844
Equity	430,068,524	439,689,993
Debt to equity ratio (%)	24.15	23.24

Debt consists of hire-purchase payables, bank borrowings and lease liabilities (as disclosed in Notes 27, 28 and 14).

Equity consists of share capital, treasury shares, reserves and non-controlling interests (as disclosed in Notes 24, 25, 26 and 16).

Categories of Financial Instruments

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial assets				
<u>Financial assets measured at amortised cost:</u>				
Trade receivables	70,238,886	59,416,035	-	-
Other receivables and refundable deposits (Note 21)	20,357,236	20,956,389	678,118	585,308
Amount owing by subsidiary companies	-	-	129,299,930	128,627,993
Loan to a subsidiary company	-	-	5,000,000	-
Loan to an associate	-	2,384,000	-	-
Deposits with licensed banks	138,701,338	149,441,463	125,980,544	131,835,549
Cash and bank balances	62,070,163	45,116,410	13,525,259	9,166,387

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial assets <i>cont'd</i>				
<u>Financial assets measured at FVTPL:</u>				
Investment in Redeemable Convertible Preference Shares	2,160,000	2,160,000	2,160,000	2,160,000
Short term funds	100,000	-	-	-
<u>Financial assets measured at FVTOCI:</u>				
Other investments	13,750	69,411	56,955,250	48,596,625
Short term funds	100,000	100,000	-	-
Financial liabilities				
<u>Other financial liabilities:</u>				
Trade payables	12,814,820	12,536,537	-	-
Other payables and accrued expenses (Note 32)	30,286,671	35,522,355	529,817	540,816
Amount owing to subsidiary companies	-	-	7,119,283	2,081,920
Hire-purchase payables	1,090,666	4,271,445	-	-
Bank borrowings	3,722,323	2,532,158	-	-
Lease liabilities	99,067,844	95,379,241	179,070	613,111

Financial Risk Management Objectives

The operations of the Group are subject to various financial risks, including credit risk, market price risk, foreign currency risk, cash flow risk and liquidity risk. The Group has taken measures to minimise its exposure to risks and/or costs associated with the financing, investing and operating activities.

Credit Risk Management

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty defaults on its obligations. The Group is exposed to credit risk mainly from trade receivables and other receivables and refundable deposits; whereas the Company's exposure to credit risk mainly from intercompany indebtedness.

The Group's and the Company's credit risk on deposits with licensed banks and cash and bank balances are limited as the Group and the Company place their funds with credit worthy financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Credit Risk Management *cont'd*

The Group does not have significant credit risk exposure to any single counterparty, other than the largest customer of the Group. Concentration of credit risk related to this customer does not exceed 15% of gross monetary assets at any time during the financial year. Concentration of credit risk to any other counterparty did not exceed 5% of gross monetary assets at any time during the financial year.

The carrying amount of financial assets recognised in the financial statements represents the Group's and the Company's maximum exposure to credit risk without taking into account collateral or other credit enhancements held.

In addition, the Company is exposed to credit risk in relation to financial guarantee given by certain banks provided to the subsidiary companies. The financial guarantees have not been recognised in the financial statements since the fair value on initial recognition was not material as the financial guarantees provided by the Company does not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies. The maximum exposure to credit risk in relation to the financial guarantees contract is RM27,500,000 (2023: RM37,500,000) as of the end of the reporting period.

Credit quality analysis

The Group uses two categories of trade receivables to determine the allowance for impairment for each category based on their credit risk.

A summary of the assumptions underpinning the Group's ECL model is as follows:

Category	Group's definition of category
Lifetime ECL	Receivables for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are from 1 to 365 days.
Credit impaired	Interest and/or principal repayments are more than 365 days.

The Group accounts for its credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Group considers historical loss rates for each category of trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

The Group provides for credit losses as follows:

Group internal credit rating	Credit quality by days past due	Basis for recognition of ECL provision	Gross carrying amount RM	Gross carrying amount (net of ECL provision) RM
2024				
Lifetime ECL	1 to 365	Lifetime ECL	72,050,033	69,981,181
Credit impaired	More than 365	Credit impaired	2,954,163	257,705
2023				
Lifetime ECL	1 to 365	Lifetime ECL	60,776,459	58,784,945
Credit impaired	More than 365	Credit impaired	2,025,751	631,090

There are no significant changes to estimation technique or assumption made during the financial year.

Market Price Risk Management

The Group and the Company are exposed to market price risks rising from equity investments and investment in short term funds.

Other investments as disclosed in Note 19 are held for strategic rather than trading purposes. The Group and the Company do not actively trade these equity investments.

Short term funds as disclosed in Note 22 are held for trading purposes.

Market Price Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to market price risks at the end of the reporting period. If equity price has been 10% higher/lower, the profit/(loss) before tax of the Group and of the Company for the current financial year would increase/decrease by RM129,698 (2023: RM16,941) and RM5,695,525 (2023: RM4,859,662) respectively as a result of the changes in fair value of other investments and short-term funds.

The methods and assumptions used in preparing the sensitivity analysis above have not changed significantly from the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group and the Company are exposed to foreign currency risk on balances that are denominated in foreign currency, which are disclosed elsewhere in the financial statements. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

If the relevant foreign currency were to increase by 10% against Ringgit Malaysia, (loss)/profit before tax will (decrease)/increase by:

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
United States Dollar	(36,072)	(36,730)	33,533	36,457
Singapore Dollar	(76)	(516)	-	-
Indonesian Rupiah	-	-	5,695,525	4,859,663
Vietnamese Dong	1	1	1	1

Cash Flow Risk Management

The Group and the Company review their cash flow position regularly to manage their exposure to fluctuations in future cash flows associated with their monetary financial instruments.

Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's and the Company's short, medium and long-term funding and liquidity management requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Liquidity Risk Management *cont'd*

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

The Group	Contractual interest rate (%)	Less than 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM	Total RM
2024						
Financial liabilities						
Non-interest bearing:						
Trade payables	-	12,814,820	-	-	-	12,814,820
Other payables and accrued expenses	-	30,286,671	-	-	-	30,286,671
Interest bearing:						
Hire-purchase payables	2.10 to 6.65	834,670	78,997	194,220	32,326	1,140,213
Lease liabilities	2.50 to 11.35	23,905,788	34,394,985	26,588,229	32,321,366	117,210,368
Bank borrowings	7.00 to 9.30	1,264,454	192,590	646,342	1,618,937	3,722,323
		69,106,403	34,666,572	27,428,791	33,972,629	165,174,395
2023						
Financial liabilities						
Non-interest bearing:						
Trade payables	-	12,536,537	-	-	-	12,536,537
Other payables and accrued expenses	-	35,522,355	-	-	-	35,522,355
Interest bearing:						
Hire-purchase payables	2.10 to 6.65	3,673,508	704,487	-	-	4,377,995
Lease liabilities	2.50 to 11.35	16,785,165	40,422,769	19,113,453	38,934,322	115,255,709
Bank borrowings	7.00 to 9.30	1,469,768	1,062,390	-	-	2,532,158
		69,987,333	42,189,646	19,113,453	38,934,322	170,224,754

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Liquidity Risk Management *cont'd*

The Company	Contractual interest rate (%)	Less than 1 year RM	1 to 2 years RM	Total RM
2024				
Financial liabilities				
Non-interest bearing:				
Other payables and accrued expenses	-	529,817	-	529,817
Amount owing to subsidiary companies	-	7,119,283	-	7,119,283
Financial guarantee contract not recognised	-	27,500,000	-	27,500,000
Interest bearing:				
Lease liabilities	4.15	183,000	-	183,000
		35,332,100	-	35,332,100
2023				
Financial liabilities				
Non-interest bearing:				
Other payables and accrued expenses	-	540,816	-	540,816
Amount owing to subsidiary companies	-	2,081,920	-	2,081,920
Financial guarantee contract not recognised	-	37,500,000	-	37,500,000
Interest bearing:				
Lease liabilities	4.15	320,723	320,722	641,445
		40,443,459	320,722	40,764,181

Fair Values

The carrying amounts of deposits with licensed banks, cash and bank balances, trade receivables, other receivables and refundable deposits, trade payables, other payables and accrued expenses of the Group approximate their fair values because of the short maturity period of these instruments.

The carrying amounts of deposits with licensed banks, cash and bank balances, other receivables and refundable deposits, amount owing by/(to) subsidiary companies, other payables and accrued expenses, inter-company indebtedness and financial guarantee contracts of the Company approximate their fair values because of the short maturity period of these instruments.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Fair Values *cont'd*

The financial instruments carried at fair value, are categorised into Levels 1 to 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of the short term funds of the Group are measured at fair value in the statements of financial position as of the end of the reporting period using Level 1 inputs for the purpose of fair value hierarchy by reference to their published closing price at the end of the reporting period.

The fair values of the quoted investments of the Group and of the Company of RM13,750 and RM56,955,250 (2023: RM64,750 and RM48,596,625) respectively are measured at fair value in the statements of financial position as of the end of the reporting period using Level 1 inputs for the purpose of fair value hierarchy based on the market value of the quoted investments.

The fair value of the investment in Seed B Redeemable Convertible Preference Shares as of 31 December 2024 is classified within Level 3 of the fair value hierarchy. The fair value is determined based on the expected redemption proceeds under the terms of the redemption agreement, and in the opinion of the directors, approximates its original cost due to the short expected time frame to redemption and absence of any indicators of impairment.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

36. FINANCIAL INSTRUMENTS *cont'd*

Fair Values *cont'd*

The fair values of loan to an associate, hire-purchase payables and bank borrowings are estimated using discounted cash flow analysis based on current borrowing rates for similar type of borrowing/financing arrangements (Level 2 inputs), as follows:

	The Group			
	2024		2023	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
Financial Asset				
Loan to an associate	-	-	2,384,000	2,270,476
Financial Liabilities				
Hire-purchase payables	673,881	589,186	4,271,445	4,074,506
Bank borrowings	3,722,323	3,218,828	2,532,158	2,258,196
	The Company			
	2024		2023	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
Financial Asset				
Loan to a subsidiary	5,000,000	4,385,965	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024
cont'd

37. CAPITAL COMMITMENTS

	The Group	
	2024	2023
	RM	RM
Approved and contracted for:		
Purchase of tools and equipment	33,262	6,035
Renovation of office buildings/warehouse	1,440	41,212
Purchase of technology system	319,180	459,724
	353,882	506,971

38. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from/(used in) financing activities:

The Group	Hire-purchase payables (Note 27)	
	2024	2023
	RM	RM
At beginning of year	4,271,445	10,487,230
Repayments of hire purchase - principal	(3,656,400)	(6,215,785)
Acquisition of a subsidiary company (Note 16)	475,621	-
Interest expense incurred (Note 8)	120,959	315,883
Interest expense paid	(120,959)	(315,883)
At end of year	1,090,666	4,271,445

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

cont'd

38. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES *cont'd*

The Group	Bank borrowings (excluding bank overdraft) (Note 28)	
	2024	2023
	RM	RM
At beginning of year	2,532,158	4,038,379
Additional drawdown of bank borrowings	-	130,410
Acquisition of subsidiary company (Note 16)	2,835,851	-
Repayments made	(1,660,872)	(1,701,766)
Interest expense incurred (Note 8)	367,113	277,021
Interest expense paid	(367,113)	(277,021)
Exchange differences	(122,486)	65,135
At end of year	3,584,651	2,532,158

	Lease liabilities (Note 14)			
	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
At beginning of year	95,379,241	105,743,572	613,111	-
Additions to right-of-use assets	32,379,318	22,442,556	-	898,489
Derecognition arising from lease expiration, termination and modification	(7,369,348)	(7,837,558)	(229,402)	-
Payments of lease liabilities - principal	(21,116,667)	(25,059,179)	(204,639)	(285,378)
Interest expenses incurred (Note 8)	4,243,375	4,365,640	15,261	35,344
Interest expenses paid	(4,243,375)	(4,365,640)	(15,261)	(35,344)
Exchange differences	(204,700)	89,850	-	-
At end of year	99,067,844	95,379,241	179,070	613,111

39. EVENTS AFTER THE REPORTING PERIOD

- (a) On 15 January 2025, the Company had entered into a Share Purchase Agreement for the sale of 5,000 Redeemable Convertible Preference Shares, Class A ("A-RCPS") held in Alp Capital Sdn. Bhd. to a subsidiary company, Xilnex Holdings Sdn. Bhd., for a total consideration of RM500,000.
- (b) On 11 March 2025, GDEX Properties Sdn. Bhd., a subsidiary company of the Company had entered into a Letter Offer to Purchase for the sale of factory to a third party, for a total consideration of RM10,500,000.

STATEMENT BY DIRECTORS

The directors of **GDEX BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

TEONG TECK LEAN

Petaling Jaya,
25 April 2025

TEOH CHO MIN

DECLARATION BY THE OFFICER

Primarily Responsible For The Financial Management Of The Company

I, **WONG YINN-EIN**, the officer primarily responsible for the financial management of **GDEX BERHAD**, do solemnly and sincerely declare that the accompanying financial statements together with the notes thereto are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

WONG YINN-EIN

Subscribed and solemnly declared by
the abovenamed **WONG YINN-EIN** at
PETALING JAYA
on this 25th day of April, 2025.

Before me,

CHIN CHIA MAN
B449
COMMISSIONER FOR OATHS

ANALYSIS OF SHAREHOLDINGS

as at 4 April 2025

ORDINARY SHARES

Total Number of Issued Shares	:	5,641,410,835
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	549	4.18	18,902	0.00
100 to 1,000	1,687	12.85	841,071	0.02
1,001 to 10,000	5,473	41.67	31,515,810	0.57
10,001 to 100,000	4,628	35.24	159,004,296	2.87
100,001 to 277,006,466 ⁽¹⁾	790	6.01	1,546,256,623	27.91
277,006,467 and above ⁽²⁾	6	0.05	3,802,492,633	68.63
TOTAL	13,133	100.00	5,540,129,335⁽³⁾	100.00

Notes:

⁽¹⁾ Less than 5% of issued shares.

⁽²⁾ 5% and above of issued shares.

⁽³⁾ Excluding a total of 101,281,500 shares bought back by the Company and retained as treasury shares.

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect Interest	
	No. of Shares Held	% ⁽¹⁾	No. of Shares Held	% ⁽¹⁾
TEONG TECK LEAN	109,412,652	1.97	2,054,230,938 ⁽²⁾	37.08
GD EXPRESS HOLDINGS (M) SDN BHD	1,384,804,622	25.00	-	-
GD HOLDINGS INTERNATIONAL LIMITED	636,831,693	11.49	-	-
SINGAPORE POST LIMITED	680,072,053	12.28	-	-
SINGAPORE TELECOMMUNICATIONS LIMITED	-	-	680,072,053 ⁽³⁾	12.28
TEMASEK HOLDINGS (PRIVATE) LIMITED	-	-	680,072,053 ⁽⁴⁾	12.28
YAMATO HOLDINGS CO., LTD	1,287,938,501	23.25	-	-

ANALYSIS OF SHAREHOLDINGS

as at 4 April 2025
cont'd

SUBSTANTIAL SHAREHOLDERS cont'd

Notes:

- ⁽¹⁾ Excluding a total of 101,281,500 shares bought back by the Company and retained as treasury shares.
- ⁽²⁾ Deemed interested by virtue of: (i) his shareholdings held through GD Express Holdings (M) Sdn Bhd, GD Holdings International Limited and GDEX Foundation; and (ii) his spouse's direct shareholding in the Company.
- ⁽³⁾ Deemed interested by virtue of its substantial shareholding in Singapore Post Limited.
- ⁽⁴⁾ Deemed interested by virtue of its substantial shareholding in Singapore Telecommunications Limited, which is held through Singapore Post Limited.

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares Held	% ⁽¹⁾	No. of Shares Held	% ⁽¹⁾
TAN SRI MUHAMMAD BIN IBRAHIM	2,300,000	0.04	-	-
TEONG TECK LEAN	109,412,652	1.97	2,054,230,938 ⁽²⁾	37.08
TEONG TSANG WHON	-	-	-	-
TEOH CHO MIN	-	-	-	-
NURAINI BINTI ISMAIL	-	-	-	-
LOW NGAI YUEN	-	-	-	-
HO SWEE FONG	-	-	-	-
DATO' AZMAN BIN MAHMUD	-	-	-	-
ISAAC MAH MING ZHI	-	-	-	-
YUJI NASHIMOTO	-	-	-	-
CHONG HUI CHUEN (ALTERNATE DIRECTOR TO TEOH CHO MIN)	131,774	0.00	-	-
TAN KAY BENG (ALTERNATE DIRECTOR TO TEONG TSANG WHON)	-	-	-	-

Notes:

- ⁽¹⁾ Excluding a total of 101,281,500 shares bought back by the Company and retained as treasury shares.
- ⁽²⁾ Deemed interested by virtue of: (i) his shareholdings held through GD Express Holdings (M) Sdn Bhd, GD Holdings International Limited and GDEX Foundation; and (ii) his spouse's direct shareholding in the Company.

ANALYSIS OF SHAREHOLDINGS

as at 4 April 2025

cont'd

LIST OF TOP 30 SHAREHOLDERS AS AT 4 APRIL 2025

Name of Shareholders	Holdings	
	No. of Shares	% of Issued Capital
1. CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR NOMURA SECURITIES CO LTD (CLIENT AC)	1,287,938,501	23.25
2. AFFIN HWANG NOMINEES (ASING) SDN BHD DBS VICKERS SECS (S) PTE LTD FOR SINGAPORE POST LIMITED	680,072,053	12.28
3. GD EXPRESS HOLDINGS (M) SDN. BHD.	666,574,339	12.03
4. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (SINGAPORE BCH)	449,677,457	8.12
5. GD EXPRESS HOLDINGS (M) SDN. BHD.	418,230,283	7.55
6. AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD FOR GD EXPRESS HOLDINGS (M) SDN. BHD. (5933-1501)	300,000,000	5.42
7. CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	150,000,000	2.71
8. CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	130,620,787	2.36
9. GD HOLDINGS INTERNATIONAL LIMITED	115,359,314	2.08
10. DING MEI SIANG	92,951,920	1.68
11. CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS-PB)	71,794,922	1.30
12. TEONG TECK LEAN	65,269,665	1.18
13. AFFIN HWANG NOMINEES (ASING) SDN BHD EXEMPT AN FOR DBS VICKERS SECURITIES (SINGAPORE) PTE LTD (CLIENTS)	61,710,223	1.11
14. LOI SIEW HOONG	54,198,493	0.98
15. AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD	51,570,200	0.93
16. UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	40,382,692	0.73
17. UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	32,237,890	0.58
18. AGNES CHAN WAI CHING	30,221,928	0.55
19. AHMAD SUFIAN @ QURNAIN BIN ABDUL RASHID	25,000,000	0.45

ANALYSIS OF SHAREHOLDINGS

as at 4 April 2025

cont'd

LIST OF TOP 30 SHAREHOLDERS AS AT 4 APRIL 2025 *cont'd*

Name of Shareholders	Holdings	
	No. of Shares	% of Issued Capital
20. LEONG CHEE TONG	22,656,916	0.41
21. KONG HWAI MING	21,861,953	0.39
22. GDEX FOUNDATION	19,990,408	0.36
23. TEE CHERN JYU	18,037,529	0.33
24. CHAN MOON FOOK	15,093,097	0.27
25. CHIN CHEE SUE	14,492,804	0.26
26. WANG HERNG TSUEY	12,604,215	0.23
27. TEONG TECK LEAN	12,148,238	0.22
28. MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TEONG TECK LEAN (PW-M00797)(421083)	11,192,200	0.20
29. TEONG TECK LEAN	10,338,521	0.19
30. TEONG TECK LEAN	9,782,404	0.18

ANALYSIS OF WARRANT C HOLDINGS

as at 4 April 2025

Number of Warrants	:	703,935,325
Exercise price of the warrants	:	RM0.45
Expiry date of warrants	:	4 January 2028
Rights of Warrants Holder	:	The Warrants holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in our Company until and unless such Warrants holders exercise their Warrants into new ordinary shares of the Company.

DISTRIBUTION OF WARRANT HOLDINGS

Size of Warrant holdings	No. of Warrant holders	%	No. of Warrant	%
Less than 100	3,818	30.04	152,481	0.02
100 to 1,000	4,108	32.33	1,787,356	0.25
1,001 to 10,000	3,807	29.96	11,029,470	1.57
10,001 to 100,000	756	5.95	24,282,887	3.45
100,001 to 35,196,766 ⁽¹⁾	215	1.69	189,496,554	26.92
35,196,767 and above ⁽²⁾	4	0.03	477,186,577	67.79
TOTAL	12,708	100.00	703,935,325	100.00

Notes:

⁽¹⁾ Less than 5% of issued Warrants C.

⁽²⁾ 5% and above of issued Warrants C.

ANALYSIS OF WARRANT C HOLDINGS

as at 4 April 2025
cont'd

DIRECTORS' WARRANT HOLDINGS

Name of Directors	No. of Warrants Held			
	Direct	%	Indirect	%
TAN SRI MUHAMMAD BIN IBRAHIM	-	-	-	-
TEONG TECK LEAN	29,599,217	4.20	343,100,371 ⁽¹⁾	48.74
TEONG TSANG WHON	-	-	-	-
TEOH CHO MIN	-	-	-	-
NURAINI BINTI ISMAIL	-	-	-	-
LOW NGAI YUEN	-	-	-	-
HO SWEE FONG	-	-	-	-
DATO' AZMAN BIN MAHMUD	-	-	-	-
ISAAC MAH MING ZHI	-	-	-	-
YUJI NASHIMOTO	-	-	-	-
CHONG HUI CHUEN (ALTERNATE DIRECTOR TO TEOH CHO MIN)	16,470	0.00	-	-
TAN KAY BENG (ALTERNATE DIRECTOR TO TEONG TSANG WHON)	-	-	-	-

Notes:

⁽¹⁾ Deemed interested by virtue of: (i) his shareholdings held through GD Express Holdings (M) Sdn Bhd, GD Holdings International Limited and GDEX Foundation; and (ii) his spouse's direct shareholding in the Company.

LIST OF TOP 30 WARRANT HOLDERS AS AT 4 APRIL 2025

Name of Warrant Holders	Holdings	
	No. of Warrants	%
1. GD EXPRESS HOLDINGS (M) SDN. BHD.	170,205,798	24.18
2. CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR NOMURA SECURITIES CO LTD (CLIENT AC)	160,992,312	22.87
3. GD EXPRESS HOLDINGS (M) SDN. BHD.	89,778,785	12.75
4. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (SINGAPORE BCH)	56,209,682	7.99
5. AGNES CHAN WAI CHING	14,774,922	2.10
6. GD HOLDINGS INTERNATIONAL LIMITED	14,419,914	2.05
7. DING MEI SIANG	11,618,990	1.65

ANALYSIS OF WARRANT C HOLDINGS

as at 4 April 2025

cont'd

LIST OF TOP 30 WARRANT HOLDERS AS AT 4 APRIL 2025 cont'd

Name of Warrant Holders	Holdings	
	No. of Warrants	%
8. MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TEONG TECK LEAN (PW-M00797)(421083)	10,500,000	1.49
9. CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS-PB)	8,411,865	1.20
10. TEONG TECK LEAN	7,822,308	1.11
11. AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD FOR TEONG TECK LEAN (6186-1501)	6,232,503	0.89
12. WONG HAW MING	6,070,100	0.86
13. UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	5,047,836	0.72
14. LEE KAR LEONG	3,570,000	0.51
15. ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE CHUAN (7007197)	3,500,000	0.50
16. TEE CHERN JYU	3,308,591	0.47
17. UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	3,200,564	0.45
18. KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG CHOON KHONG	2,933,900	0.42
19. MILLENNIUM SECTOR SDN BHD	2,710,021	0.39
20. GDEX FOUNDATION	2,498,801	0.36
21. TEONG TECK LEAN	2,303,077	0.33
22. CHIN CHEE SUE	1,811,600	0.26
23. CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR LGT BANK AG (FOREIGN)	1,723,624	0.24
24. CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KOH CHONG HAP (PENANG-CL)	1,677,238	0.24
25. HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE SHEN YOONG (CCTS)	1,600,000	0.23
26. TAN SIEW HONG	1,580,000	0.22
27. WANG HERNG TSUEY	1,575,526	0.22
28. TEONG TECK LEAN	1,518,529	0.22
29. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (HONGKONG BRANCH)	1,488,916	0.21
30. LEE YUEN SHANG	1,478,068	0.21

GROUP PROPERTY PARTICULARS

No.	Location of Property	Description/ Existing use	Approximate Land Area (sq.ft)	Tenure	Approximate Age of Building (years)	Net Book Value as at 31.12.2024 (RM)	Date of Revaluation (R)/Date of Acquisition (A)
(1)	17, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan.	Corporate Head Office	108,629	99 years expiring 01 February 2058	65	15,085,263	-
(2)	19 - 21, Jalan Tandang, 46050 Petaling Jaya, Selangor Darul Ehsan.	Corporate Head Office and Distribution Hub	91,666	99 years lease expiring 13 August 2056	49	4,846,114	20.06.2009 and 30.06.2009
(3)	Sub-lots No. 1 - 4, 8½ Mile, Batu Kitang Road, 93250 Kuching, Sarawak.	Branch Office, Distribution Hub and Warehouse	26,886	60 years lease expiring 23 October 2076	8	4,676,930	-
(4)	Unit 41-18 Q Sentral, 2A Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.	Commercial Office rented as Investment Property	2,917	Freehold	9	3,312,000	30.6.2020
(5)	J-8-6, J-8-7 & J-8-8, SOHO KL, Solaris Mont Kiara, No. 2, Jalan Solaris, Mont Kiara 50480 Kuala Lumpur, Wilayah Persekutuan.	Commercial Office rented as Investment Property	3,749	Freehold	15	2,448,700	31.12.2021
(6)	Lot No. 196803, Jalan Hala Jati 12, Kawasan Perindustrian Taman Meru, Off Jalan Jelapang 30020 Ipoh, Perak Darul Ridzwan.	Double Storey Factory Building	143,956	60 Year Lease expiring 21 June 2052	32	10,212,000	23.07.2024
(7)	Sub-lots No. 5 - 8, 8½ Mile, Batu Kitang Road, 93250 Kuching, Sarawak.	Branch Office, Distribution Hub and Warehouse	32,291	60 years lease expiring 23 October 2076	8	4,440,489	-
(8)	Unit 3A-01 & 02 & 12, Tower A, Vertical Business Suites, Avenue 3, Bangsar South, No 8 Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.	Corporate Head Office of a subsidiary	3,498.00	99 years lease expiring 16 August 2123	11	3,411,886	30.06.2024

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First Annual General Meeting (“**21st AGM**”) of the Company will be held at Ballroom 03, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Wednesday, 11 June 2025 at 10:00 a.m. and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

AGENDA

As Ordinary Business

- | | |
|--|---|
| 1. To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2024, together with the Directors’ and Auditors’ Reports thereon. | Please refer to Explanatory Note 1 |
| 2. To approve the payment of a final single-tier dividend of 0.20 sen per ordinary share in respect of the financial year ended 31 December 2024. | Ordinary Resolution 1 |
| 3. To approve the payment of Directors’ fees and benefits payable to the Independent Non-Executive Directors of the Company up to an aggregate amount of RM516,000.00 for the period from 12 June 2025 until the conclusion of the next Annual General Meeting of the Company. | Ordinary Resolution 2 |
| 4. To note the retirement of Low Ngai Yuen as Director who is not seeking for re-election pursuant to Clause 96 of the Constitution of the Company. | Please refer to Explanatory Note 3 |
| 5. To re-elect Tan Sri Muhammad bin Ibrahim as Director pursuant to Clause 96 of the Constitution of the Company. | Ordinary Resolution 3 |
| 6. To re-elect the following Directors pursuant to Clause 103 of the Constitution of the Company. | |
| (a) Teong Tsang Whon | Ordinary Resolution 4 |
| (b) Teoh Cho Min | Ordinary Resolution 5 |
| (c) Ho Swee Fong | Ordinary Resolution 6 |
| (d) Isaac Mah Ming Zhi | Ordinary Resolution 7 |
| 7. To re-appoint Messrs Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |

As Special Business

To consider and, if thought fit, to pass the following resolutions:

- | | |
|--|------------------------------|
| 8. Authority under Section 75 and Section 76 of the Companies Act 2016 for the Directors to allot and issue shares | Ordinary Resolution 9 |
|--|------------------------------|

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

“THAT pursuant to Section 75 and Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued share/ total number of voting shares of the Company (excluding treasury shares) at the time of issue.

THAT pursuant to Section 85 of the Companies Act 2016, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company's shares arising from any issuance of new Company's shares pursuant to Section 76 of the Companies Act 2016.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

9. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Ordinary Resolution 10

“THAT approval be and is hereby given to the Company and its subsidiaries (**“Group”**) to enter into and give effect to the specified recurrent related party transactions of a revenue or trading nature and with the specified classes of related parties as specified in Section 3.5 of the Circular to Shareholders dated 30 April 2025, provided that:

- a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
- b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the third party;
- c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:
 - (i) the related transacting parties and their respective relationship with the Company; and
 - (ii) the nature of the recurrent transactions.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING cont'd

THAT such authority shall continue to be in force until:

- a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the general meeting at which such mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM, the authority is renewed; or
- b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- c) revoked or varied by resolution passed by the shareholders of the Company at a general meeting of the Company,

whichever occurs first.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

10. Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares

Ordinary Resolution 11

"THAT subject to the Companies Act 2016 ("**Act**"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to utilise an amount not exceeding the Company's aggregate retained profits as at 31 December 2024 to purchase such amount of ordinary shares in the Company ("**Proposed Renewal of Share Buy-Back Authority**") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company.

THAT an amount not exceeding the Company's retained profits to be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority.

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either retain the shares so purchased as treasury shares (as defined in Section 127 of the Act) and/or to cancel the shares so purchased and if retained as treasury shares, may resell the treasury shares and/or to distribute them as share dividend and/or subsequently cancel them.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at:

- a) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Share Buy-Back Authority as may be agreed or allowed by any relevant governmental and/or regulatory authority.”

11. To transact any other business that may be transacted at an annual general meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

CHIN WAI YI (MAICSA 7069783) (SSM PC No.: 202008004409)
CHIA SIEW LI (MAICSA 7075719) (SSM PC No.: 202208000715)
Company Secretaries
Kuala Lumpur
30 April 2025

Notes:

1. *A member of the Company who is entitled to attend, speak and vote at this 21st AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.*
2. *Where a member appoints more than one (1) proxy to attend and vote at the same 21st AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.*

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

3. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 (“SICDA”), he/she may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.*
4. *Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. *The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.*
6. *The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 21st AGM or at any adjournment thereof, as follows:*

(a) *In hard copy form*

The original instrument appointing a proxy must be deposited at Agmo Studio Sdn Bhd, Level 38, MYEG Tower, Empire City Damansara, Jalan PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor, Malaysia not less than forty-eight (48) hours before the time set for holding the 21st AGM or any adjournment thereof.

(b) *By electronic means*

The Proxy Form can also be lodged electronically via <https://web.vote2u.my> with your email address and password that you have registered with Vote2U. Please register a new account if you do not have an account. Please refer to the Administrative Guide for Shareholders for further details.

7. *The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.*
8. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 29 May 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 21st AGM.*
9. *Any alteration in the Proxy Form must be initialed.*
10. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 21st AGM will be put to the vote by poll.*

EXPLANATORY NOTES:

1. Item 1 of the Agenda - Audited Financial Statements

Item 1 of the Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require the formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

2. Item 3 of the Agenda - Directors' Fees and Benefits Payable

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors of the Company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolution 2, if passed, will facilitate the payment of proposed Directors' fees and any benefits payable of RM516,000.00 for the period from 12 June 2025 until the conclusion of the next annual general meeting to the Independent Non-Executive Directors.

3. Item 4 of the Agenda – Retirement of Director pursuant to Clause 96 of the Constitution of the Company

Ms. Low Ngai Yuen is due to retire at the 21st AGM pursuant to Clause 96 of the Constitution of the Company. Ms. Low Ngai Yuen has informed the Board of her intention not to seek for re-election at the 21st AGM, hence she will retain office until the conclusion of the 21st AGM and retire in accordance with Clause 96 of the Constitution of the Company.

4. Item 5 of the Agenda - Re-election of Director pursuant to Clause 96 of the Constitution of the Company

Pursuant to the Malaysian Code on Corporate Governance 2021, the profile of the Director who are standing for re-election as per Agenda items is as follows:

Description	Ordinary Resolution 3
Name of the Director	Tan Sri Muhammad bin Ibrahim (“Tan Sri Muhammad”) (Independent Non-Executive Chairman)
Age	64
Gender	Male
Present Directorship(s)	(1) GDEX Berhad (2) Hextar Technologies Solutions Berhad
Family relationship with any Director and/or major shareholder of the Company	He has no family relationship with any Director and/or major shareholder of the Company.
Working experience	Tan Sri Muhammad bin Ibrahim, 64, is an Independent Non-Executive Chairman of the Company. He was appointed to the Board on 1 May 2020. He is the Pro-Chancellor of the University of Selangor. Tan Sri Muhammad was the Governor of the Malaysian Central Bank from 2016 to 2018. His career at the Central Bank spanned over a period of 34 years. He was also the Chairman of the Monetary Policy Committee and Financial Stability Committee. He was active in the regional and international community on issues of central banking, economics, and finance. He was a former Commissioner of the Securities Commission of Malaysia and an Independent Director of Petronas. Tan Sri Muhammad holds a Master’s Degree from Harvard University and the International Islamic University. He is a member of the Malaysian Institute of Accountants and a Fellow Chartered Banker of the Asia Institute of Chartered Bankers. Tan Sri Muhammad is also a director of Hextar Technologies Solutions Berhad.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

The Board, based on the recommendation of the Combined Nomination and Remuneration Committee, supports the re-election of Tan Sri Muhammad as Independent Non-Executive Chairman of the Company based on the following justifications:

1. Tan Sri Muhammad fulfills the requirements of independence set out in Bursa Malaysia Securities Berhad Main Market Listing Requirements. He remains objective and independent in expressing his view and participating in Board's deliberations and decision making process.
2. Tan Sri Muhammad has exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Chairman of the Company.

5. Item 6 of the Agenda - Re-election of Directors pursuant to Clause 103 of the Constitution of the Company

Pursuant to the Malaysian Code on Corporate Governance 2021, the profiles of the Directors who are standing for re-election as per Agenda items is as follows:

Description	Ordinary Resolution 4
Name of the Director	Teong Tsang Whon ("Mr Teong") (Executive Director)
Age	32
Gender	Male
Present Directorship(s)	(1) GDEX Berhad
Family relationship with any Director and/or major shareholder of the Company	Mr Teong is the son of Mr Teong Teck Lean, the Managing Director/Group Chief Executive officer and Substantial Shareholder of the Company.
Working experience	<p>Mr Teong graduated with a Bachelor of Accounting and Finance from Monash University in 2014 and later obtained his Chartered Financial Analyst ("CFA") certificate in 2019. He started his career in Deloitte Singapore as a Senior Audit Associate, specialising in financial audit. He joined GDEX as an Investment Analyst in November 2016, contributing to the strategic planning and financial modelling of the Group. In 2019, he assumed the role of Product Lead, spearheading the growth of new products.</p> <p>From January 2021 until October 2023, Mr Teong assumed the role of Head of Business Development, where he oversaw diverse portfolios in retail, online platforms, partnerships, international express, and marketing. In his current role as Head of Global Business Development, Mr Teong focuses on Vietnam, Indonesia, Malaysia, and Singapore markets, focusing on supply chain and technology solutions within GDEX's ecosystem. Mr Teong was appointed as the Executive Director of GDEX Berhad on 1 September 2024.</p>

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

The Board, based on the recommendation of the Combined Nomination and Remuneration Committee, supports the re-election of Mr Teong as Executive Director of the Company based on the following justifications:

1. Mr Teong has vast experience in supply chain and technology solution.
2. Mr Teong has exercised his due care and carried out his professional duties proficiently during his tenure as Executive Director of the Company.

Description	Ordinary Resolution 5
Name of the Director	Teoh Cho Min (“Mr Teoh”) (Executive Director)
Age	50
Gender	Male
Present Directorship(s)	(1) GDEX Berhad
Family relationship with any Director and/or major shareholder of the Company	He has no family relationship with any Director and/or major shareholder of the Company.
Working experience	<p>Mr Teoh joined GDEX in July 2019 in the Strategy & Business of Advisory Division, assisting the Group Chief Executive Officer (“GCEO”) in setting and driving the organisation’s vision, mission, and group strategies, as well as developing the Group’s strategic plan in line with the direction set by the GCEO and Board of Directors.</p> <p>He was promoted to the position of Chief Strategy Officer in October 2021 and was later appointed as the Chief Sustainability Officer in June 2023. On 1 September 2024, he assumed the role of Executive Director. Mr Teoh is currently responsible for driving the adoption of sustainability within the organisation in all activities by formulating, implementing, monitoring, and communicating sustainability initiatives, policies, frameworks, as well as processes. Backed by his vast experience and exposure in fund management and research analysis, he is tasked to assist the GCEO to optimise investment plans and opportunities to achieve the desired investment objectives of the Group. His other role is to supervise Human Resources, Learning & Development, Investigation, and Accreditation Department.</p> <p>Prior to joining GDEX, he was a Senior Fund Manager at Eastspring Investments Bhd, managing RM2 billion of insurance funds. Mr Teoh has been in research analysis and fund management for 18 years, with experience in the unit trust and insurance industries. He started his fund management career as a research analyst at TA Asset Management in 2001, and later moved on to be a fund manager at Alliance Investment Management and Hong Leong Assurance. Mr Teoh graduated with a Bachelor of Economics (Hons) Degree from the University of Malaya in 1999.</p> <p>Mr Teoh is also a Director of LLG Cultural Development Bhd.</p>

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

The Board, based on the recommendation of the Combined Nomination and Remuneration Committee, supports the re-election of Mr Teoh as Executive Director of the Company based on the following justifications:

1. Mr Teoh has overall responsibility for driving the adoption of sustainability within the Company in all activities by formulating, implementing, monitoring and communicating sustainability initiatives, policies, framework as well as processes.
2. Mr Teoh has exercised his due care and carried out his professional duties proficiently during his tenure as Executive Director of the Company.

Description	Ordinary Resolution 6
Name of the Director	Ho Swee Fong ("Ms Ho") (Independent Non-Executive Director)
Age	62
Gender	Female
Present Directorship(s)	(1) GDEX Berhad
Family relationship with any Director and/or major shareholder of the Company	She has no family relationship with any Director and/or major shareholder of the Company.
Working experience	<p>Ms Ho is a seasoned corporate professional with over 35 years of experience spanning equity research, stakeholder management, performance management, and strategic planning.</p> <p>From 1986 to 2004, she held leadership positions in both local and international research organisations. During this time, she spearheaded the development of investment themes and authored insightful equity and economic research reports.</p> <p>Between 2005 and 2017, Ms Ho served as the Head of Investor Relations at Digi.Com Berhad and Maxis Berhad. In these roles, she designed and implemented highly effective investor relations programs and led investor roadshows across major financial centers.</p> <p>Most recently, from 2018 to July 2024, Ms Ho served as the Director of Corporate Strategy at Prudential Assurance Berhad. In this leadership role, she managed a team responsible for corporate strategic planning and performance management.</p> <p>Ms Ho joined the GDEX Board on November 1, 2024, and currently serves as a member of the Audit and Risk Management Committee and as a Chairperson of the Combined Nomination and Remuneration Committee.</p>

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

The Board, based on the recommendation of the Combined Nomination and Remuneration Committee, supports the re-election of Ms Ho as Independent Non-Executive Director of the Company based on the following justifications:

1. Ms Ho fulfills the requirements of independence set out in Bursa Malaysia Securities Berhad Main Market Listing Requirements. She remains objective and independent in expressing her view and participating in Board's deliberations and decision making process.
2. Ms Ho has exercised her due care and carried out her professional duties proficiently during her tenure as Independent Non-Executive Director of the Company.

Description	Ordinary Resolution 7
Name of the Director	Isaac Mah Ming Zhi ("Mr Isaac Mah") (Non-Independent Non-Executive Director)
Age	42
Gender	Male
Present Directorship(s)	(1) GDEX Berhad
Family relationship with any Director and/or major shareholder of the Company	He has no family relationship with any Director and/or major shareholder of the Company.
Working experience	<p>Mr Isaac Mah was appointed to the Board on 17 February 2025. He is an experienced finance and investment professional with a strong background in corporate finance, strategic investments, and financial management. A Chartered Accountant, he is currently the Group Chief Financial Officer (GCFO) of Singapore Post Limited (SingPost) and has been with SingPost since 2019 and has held various leadership roles including CFO of Freight Management Holdings Pty Ltd and Head of Strategic Investments and Investor Relations.</p> <p>Mr Isaac Mah started his career in the banking industry as Business Analyst, Strategic Planning in Hong Leong Bank, Kuala Lumpur, Malaysia. He then spent eight years in SGX and NZX listed GuocoLeisure Limited, (subsequently re-branded as GL Limited) as part of the Strategy, Business development team, and subsequently in Corporate Finance and Planning for the company which has interest in the UK, USA, Australia, New Zealand and the wider Asia Pacific region.</p> <p>He holds a Bachelor of Arts (First Class Honours) in Accounting and Finance from the University of East London, and he is also a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW). Mr. Isaac Mah is a representative of SingPost, a major shareholder of the Company, which is operating in a similar business to the Company.</p>

The Board, based on the recommendation of the Combined Nomination and Remuneration Committee, supports the re-election of Mr Isaac Mah as Non-Independent Non-Executive Director of the Company based on the following justifications:

1. Mr Isaac Mah has vast experience in strategic investments and investor relations.
2. Mr Isaac Mah has exercised his due care and carried out his professional duties proficiently during his tenure as Non-Independent Non-Executive Director of the Company.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

6. **Item 7 of the Agenda – Re-appointment of Auditors**

The auditors of the Company must be re-appointed at each Annual General Meeting. The Proposed Ordinary Resolution 8 proposes the re-appointment of Messrs Deloitte PLT to hold office until the conclusion of the next Annual General Meeting.

The Audit and Risk Management Committee, at its meeting held on 26 February 2025, had undertaken an annual assessment of the suitability and effectiveness of the audit process, performance, suitability and independence of Messrs Deloitte PLT.

7. **Item 8 of the Agenda - Authority under Section 75 and Section 76 of the Companies Act 2016 for the Directors to allot and issue shares**

The Company had, at its Twentieth Annual General Meeting held on 11 June 2024, obtained its shareholders' approval for the general mandate for the issuance of shares pursuant to Section 75 and Section 76 of the Companies Act 2016 ("**Act**"). As of the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

The proposed Ordinary Resolution 9 is a renewal of the general mandate for the issuance of shares by the Company under Section 75 and Section 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

The waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 will allow the Directors of the Company to issue new shares of the Company, which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

The authority will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares for purposes of funding investment project(s), working capital and/or acquisition.

8. **Item 9 of the Agenda - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 10 is a renewal of Shareholders' Mandate which will enable the Group to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Please refer to the Circular to Shareholders dated 30 April 2025 for further information.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING cont'd

9. Item 10 of the Agenda - Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares

The proposed Ordinary Resolution 11, if passed, will empower the Company to purchase and/or hold up to 10% of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.

Please refer to the Statement to Shareholders dated 30 April 2025 for further information.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 21st AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 21st AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 21st AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");*
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and*
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.*

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GDEX BERHAD
(Registration No. 200301028159 (630579-A))

CDS ACCOUNT NO. OF
AUTHORISED NOMINEE

NUMBER OF SHARES HELD

PROXY FORM

*I/We, _____ NRIC/Passport/No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

contact no. _____ email address _____ being a member/ members of **GDEX Berhad** (“**Company**”) hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Twenty-First Annual General Meeting of the Company (“**21st AGM**”) which will be held at Ballroom 03, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Wednesday, 11 June 2025 at 10:00 a.m. and at any adjournment thereof.

IMPORTANT NOTE:

Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the 21st AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/Passport No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			
				100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	The Chairman of the 21st AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf			

My/our proxy/proxies is/are to vote as indicated below:

Please indicate with an “X” in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

No.	Resolutions	For		Against	
		Proxy 1	Proxy 2	Proxy 1	Proxy 2
Ordinary Business					
Ordinary Resolution 1	To approve the payment of a final single-tier dividend of 0.20 sen per ordinary share in respect of the financial year ended 31 December 2024				
Ordinary Resolution 2	To approve the payment of Directors’ fees and benefits payable to the Independent Non-Executive Directors of the Company up to an aggregate amount of RM516,000.00 for the period from 12 June 2025 until the conclusion of the next Annual General Meeting of the Company				
Ordinary Resolution 3	To re-elect Tan Sri Muhammad bin Ibrahim as Director				
Ordinary Resolution 4	To re-elect Teong Tsang Whon as Director				
Ordinary Resolution 5	To re-elect Teoh Cho Min as Director				
Ordinary Resolution 6	To re-elect Ho Swee Fong as Director				
Ordinary Resolution 7	To re-elect Isaac Mah Ming Zhi as Director				
Ordinary Resolution 8	To re-appoint Messrs Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration				
Special Business					
Ordinary Resolution 9	To authorise the Directors to allot and issue shares or grant rights pursuant to Section 75 and Section 76 of the Companies Act 2016				
Ordinary Resolution 10	To approve the Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature				
Ordinary Resolution 11	To approve the Proposed Renewal of Authority for the Company to purchase its own Ordinary Shares				

Dated this _____ day of _____ 2025

Signature/Common Seal of Shareholder

Contact No: _____

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Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 21st AGM may appoint a proxy to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his/her proxy without limitation.
2. Where a member appoints more than one (1) proxy to attend and vote at the same 21st AGM, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 (“**SICDA**”), he/she may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
6. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 21st AGM or at any adjournment thereof, as follows:

(a) In hard copy form

The original instrument appointing a proxy must be deposited at Agmo Studio Sdn Bhd, Level 38, MYEG Tower, Empire City Damansara, Jalan PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor, Malaysia not less than forty-eight (48) hours before the time set for holding the 21st AGM or any adjournment thereof.

(b) By electronic means

The proxy form can also be lodged electronically via <https://web.vote2u.my> with your email address and password that you have registered with Vote2U. Please register a new account if you do not have an account. Please refer to the Administrative Guide for Shareholders for further details.

Fold along this line (1)

Please Affix
Stamp

**The Administration and Polling
Agent of GDEX BERHAD**

Agmo Studio Sdn Bhd
Level 38, MYEG Tower,
Empire City Damansara, Jalan PJU 8,
Damansara Perdana, 47820 Petaling Jaya,
Selangor Malaysia.

Fold along this line (2)

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 29 May 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 21st AGM.
9. Any alteration in the Proxy Form must be initialed.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 21st AGM will be put to the vote by poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 21st AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 21st AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 21st AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”);
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.

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