

GDEX to look into creating industrial REIT as part of next growth phase | The Edge Markets



KUALA LUMPUR (April 26): GDEX Bhd aims to be a pure-play last-mile delivery company with regional presence.

It will also start to look into investment in real assets, such as land and warehouses, and potentially create an industrial real estate investment trust (REIT) in future.

GDEX on Dec 22, 2020 changed its official name from GD Express Carrier Bhd to GDEX Bhd to mark a new growth phase of the group.

In line with the rebranding exercise, GDEX said it wants to transform its current business while building more core businesses to ensure the growth trajectory of the group.



In a corporate presentation following the name change, GDEX said it will accelerate growth in both organic and inorganic ways to create value for all stakeholders.

GDEX said to fuel the growth of the group, it will develop more new products and business segments, adding that digital and technology

competency are the focus for developments.

On its new products offerings, GDEX said it aims to provide more comprehensive digital solutions for customers.

The firm said to build new business segments, it plans to create additional revenue streams and profit centres to drive the growth of the group.

GDEX said investment for inorganic growth includes strengthening the current core business by investing in strategic areas.

The firm said it will focus on its cash flow and profitability.

It said it will expand its business portfolio inorganically to accelerate growth.

GDEX explained it will expand further in the logistics sector by moving into forwarding services, customs clearance and the cold chain, which are very synergistic with the last-mile business.

From there, the group can further expand into the land, air and sea cargo business, it said.

In a text message to the theedgemarkets.com, GDEX managing director and group chief executive officer (CEO) Teong Teck Lean said the remodelling of the group will be similar to in the early 2000s.

“We want to be high-growth again,” he said.

When Teong Teck Lean became the CEO of fledgling courier outfit in 2000, it was an ailing company running at a loss, with a lack of self-belief and low morale even among its shareholders.

Teong said technology is very key to the group’s future expansion.

He explained that with the in-house-built IT department, and investment in Web Bytes, the group can expand the business into the technology solution development segment.

“With presence in the region, our know-how in supply chain management and our strength in IT, the group can expand into cross-border remittance and even look into the financing business to assist our customers.

“These are financial-sector related,” he said.

Teong said with the infrastructure built across various segments of business, GDEX can offer a very comprehensive service to customers.

“GDEX can distribute consumer lines of products, such as healthcare products, communications equipment/parts and other consumer products, in the region,” he said.

At 9.48am, GDEX had risen 1.28% or half a sen to 39.5 sen, valuing it at RM2.23 billion.

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