

PRESS RELEASE

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For immediate release

Completion of 50% stake acquisition by GDEX in Netco Vietnam



(L-R): 3CC Co-Founder / General Director Luong Dien Thanh, Daiwa Vietnam Trang Trinh, GDEX Managing Director / Group Chief Executive Officer Teong Teck Lean, Netco Founder / Chief Executive Officer Nguyen Duc The, GDEX Executive Director / Chief Investment Officer Jerry Lee Kah Hin, 3CC Co-Founder / Managing Partner Huynh Minh Viet, and Netco Deputy Chief Executive Officer Nguyen Xuan Hiep.

Petaling Jaya, 20 Decemeber 2019 - The Board of Directors of GD Express Carrier Bhd (“GDEX”) wished to inform that the Group has successfully acquired 50% equity stake in Noi Bai Express and Trading Joint Stock Company (“Netco”), following the fulfilment of all the conditional precedents set forth in the Sales and Purchase Agreement, including obtaining the approval from Department of Planning and Investment Hanoi.

The acquisition marks another milestone for the Group’s ASEAN Regional Expansion, after Indonesia. The group continued to exercise prudent and thorough execution strategy to ensure sustainable growth and expansion is attained.

GDEX co-invest in Netco with another Vietnamese investment holding company, 3 Comma Capital Company Limited (“3CC”), that will own 20% stake in Netco. The existing shareholders will be holding 30% stake after this transaction.

As stipulated in the shareholder's agreement, GDEX will have 2 board representatives out of the total 5 seats including the Board Chairman's position. In addition to that, GDEX has the rights to appoint General Director/Chief Executive Officer and other key management of Netco.

Netco is profitable and the Group is positive that it will contribute positively to the Group in future. For its audited financial year ended 31 December 2018, Netco reported revenue of VND363.3 billion with net profit of VND11.2 billion. The company currently operates with 4 hubs, 45 branches, 41 Point-of-Delivery and 144 units of trucks.

In order to ensure smooth transition and continuation of Netco's growth trajectory, GDEX makes no changes to the management team of Netco and will work closely with the local team to strengthen the company's performance.

Quote from Chairman, Dato' Capt. Ahmad Sufian:

We are delighted to have made an entrance into Vietnam, an extension of our regional expansion effort after Indonesia. We are committed in building a sustainable ASEAN delivery network.

Quote from Managing Director/Group Chief Executive Officer, Mr Teong:

We are looking forward to work closely with the local team in Netco to enlarge our network within Vietnam, and explore cross border opportunities for the Group.