

GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Results for the Financial Year Ended 31 December 2018**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS**

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		
	Financial Year Ended		
	31 December 2018 (Unaudited) MYR'000	31 December 2017 (Audited) MYR'000	Change %
Revenue	19,800	21,745	(9)
Cost of sales	(13,460)	(9,424)	43
Gross profit	6,340	12,321	(49)
Other items of income			
Interest income	350	764	(54)
Sale of scrap metal	21	-	n.m.
Rental of equipment	-	446	n.m.
Foreign exchange gain/(loss), net	96	(338)	n.m.
Items of expense			
General and administrative expenses	(9,637)	(10,689)	(7)
Selling and distribution expenses	(3,513)	(7,204)	(51)
Finance costs	(1,965)	(2,333)	(16)
Loss before tax	(8,308)	(7,033)	18
Income tax credit/(expense)	(182)	192	n.m.
Loss for the period, representing total comprehensive loss attributable to owners of the Company	(8,490)	(6,841)	24

n.m. – not meaningful

1(a)(ii) Loss before tax for the period is arrived at after charging the following:

	Group		
	Financial Year Ended		
	31 December 2018 (Unaudited) MYR'000	31 December 2017 (Audited) MYR'000	Change %
Interest income	350	764	(54)
Rental of equipment income	-	446	n.m.
Foreign exchange gain/(loss), net	96	(338)	n.m.
Finance costs	(1,965)	(2,333)	(16)
Amortisation of leasehold lands	(2,634)	(2,566)	3
Depreciation of property, plant and equipment	(2,886)	(2,837)	2
Exploration expenditure	(1,119)	(4,138)	(73)

n.m. – not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31 December 2018 (Unaudited) MYR'000	31 December 2017 (Audited) MYR'000	31 December 2018 (Unaudited) MYR'000	31 December 2017 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	89,648	95,227	-	-
Investments in subsidiaries	-	-	2,414	2,414
	89,648	95,227	2,414	2,414
Current assets				
Inventories	2,613	3,984	-	-
Trade and other receivables	2,205	10,762	92,402	93,592
Pledged deposits	1,204	22,199	-	-
Income tax recoverable	-	2	-	-
Cash and short-term deposits	268	1,130	8	916
	6,290	38,077	92,410	94,508
Total assets	95,938	133,304	94,824	96,922
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	12,316	10,173	3,145	2,250
Loans and borrowings	8,281	7,936	-	-
	20,597	18,109	3,145	2,250
Net current (liabilities)/assets	(14,307)	19,968	89,265	92,258
Non-current liabilities				
Trade payables	-	3,408	-	-
Amount due to directors	-	4,933	-	558
Loans and borrowings	7,074	30,097	-	-
	7,074	38,438	-	558
Total liabilities	27,671	56,547	3,145	2,808
Net assets	68,267	76,757	91,679	94,114
Equity attributable to owners of the Company				
Share capital	164,588	164,588	164,588	164,588
Treasury shares	(9,086)	(9,086)	(9,086)	(9,086)
Other reserves	4,307	4,307	4,307	4,307
Accumulated losses	(91,542)	(83,052)	(68,130)	(65,695)
Total equity	68,267	76,757	91,679	94,114
Total equity and liabilities	95,938	133,304	94,824	96,922

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 December 2018 (Unaudited)		As at 31 December 2017 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
8,281	-	7,936	-

Amount repayable after one year

As at 31 December 2018 (Unaudited)		As at 31 December 2017 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
7,074	-	30,097	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 31 December 2018 (Unaudited)	As at 31 December 2017 (Audited)	Secured by
	MYR'000	MYR'000	
Term loans	-	147	Charges on freehold residential land with a 2 storey bungalow owned by an executive director of the Group.
Term loans	6,965	27,138	Charges on 2 plots of leasehold quarry lands, a crusher plant, two units of excavators, pledged deposits, an executive director's guarantee and corporate guarantee.
Term loans	-	1,790	Charges on a plot of industrial land, an executive director's guarantee and corporate guarantee.
Term loan for the purchase of office units	1,476	1,717	Charges on the leasehold quarry lands and office units, charge on pledged deposits, jointly and severally guaranteed by the executive directors of the Group.
Obligations under finance leases	1,567	1,841	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	2,326	2,388	Charge on the leasehold quarry lands, pledged deposits, jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	2,014	2,006	Charge on the leasehold quarry lands and jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	1,007	1,006	Charge on the leasehold industrial land and jointly and severally guaranteed by executive directors of the Group.
	<u>15,355</u>	<u>38,033</u>	

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Financial Year Ended	
	31 December 2018 (Unaudited) MYR'000	31 December 2017 (Audited) MYR'000
Operating activities		
Loss before income tax	(8,308)	(7,033)
<u>Adjustments for:</u>		
Amortisation of leasehold lands	2,634	2,566
Depreciation of property, plant and equipment	2,886	2,837
Exploration expenditure	1,119	4,138
Write off of property, plant and equipment	2	8
Discount received on property, plant and equipment	460	-
Interest income	(350)	(764)
Unrealised exchange loss	12	338
Finance costs	1,965	2,333
Operating cash flows before changes in working capital	420	4,423
<u>Changes in working capital</u>		
Decrease in trade and other receivables	8,563	3,472
(Decrease)/increase in trade and other payables	(1,283)	5,896
Decrease/(increase) in inventories	1,371	(2,957)
Net changes in working capital	8,651	6,411
Cash generated from operations	9,071	10,834
Exploration expenditure	(1,119)	(4,138)
Interest received	350	764
Income tax paid	(182)	*
Net cash generated from operating activities	8,120	7,460
Investing activities		
Purchase of property, plant and equipment	(402)	(3,943)
Net cash generated from/(used in) investing activities	(402)	(3,943)
Financing activities		
Proceeds from term loan	-	2,287
Proceed from finance leases	360	649
Repayment of term loans	(22,350)	(1,300)
Repayment of obligations under finance leases	(634)	(571)
Repayment of loan from director	(4,933)	(694)
Withdrawal of pledged deposits	20,994	(862)
Interest paid	(1,965)	(2,333)
Net cash used in financing activities	(8,528)	(2,824)
Net increase/(decrease) in cash and cash equivalents	(809)	693
Cash and cash equivalents at beginning of year	(4,270)	(4,625)
Effect of exchange rate changes on cash and cash equivalents	-	(338)
Cash and cash equivalents at end of the year (Note A)	(5,079)	(4,270)

* Amount less than MYR500

Note A: Cash and cash equivalents

	Group	
	Financial Year Ended	
	31 December 2018 (Unaudited) MYR'000	31 December 2017 (Audited) MYR'000
Cash and short-term deposits as per statement of financial position	268	1,130
Bank overdraft	(5,347)	(5,400)
Cash and cash equivalents as per statement of cash flow	(5,079)	(4,270)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group

FY2018 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 January 2018	164,588	(83,052)	(9,086)	4,307	76,757
Loss for the year, representing total comprehensive loss for the year	-	(8,490)	-	-	(8,490)
Balance as at 31 December 2018	<u>164,588</u>	<u>(91,542)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>68,267</u>

FY2017 (Audited)

Balance as at 1 January 2017	164,588	(76,211)	(9,086)	4,307	83,598
Loss for the year, representing total comprehensive loss for the year	-	(6,841)	-	-	(6,841)
Balance as at 31 December 2017	<u>164,588</u>	<u>(83,052)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>76,757</u>

Company

FY2018 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 January 2018	164,588	(65,695)	(9,086)	4,307	94,114
Loss for the year, representing total comprehensive loss for the year	-	(2,435)	-	-	(2,435)
Balance as at 31 December 2018	<u>164,588</u>	<u>(68,130)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>91,679</u>

FY2017 (Audited)

Balance as at 1 January 2017	164,588	(46,839)	(9,086)	4,307	112,970
Loss for the year, representing total comprehensive loss for the year	-	(18,856)	-	-	(18,856)
Balance as at 31 December 2017	<u>164,588</u>	<u>(65,695)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>94,114</u>

1(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

<u>Share Capital – Ordinary Shares</u>	<u>Number of issued shares</u>	<u>Share capital (MYR)</u>
Balance as at 30 September 2018 and 31 December 2018	1,169,445,976	155,501,496

As at 31 December 2018, the Company held 23,986,957 treasury shares (31 December 2017: 23,986,957).

The Company did not have any outstanding convertibles or hold any subsidiary holdings as at 31 December 2018 and 31 December 2017. There have been no awards or options granted pursuant to the GCCP Performance Share Plan or GCCP Employee Share Option Scheme since adoption.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

	As at 31 December 2018	As at 31 December 2017
Total number of issued shares excluding treasury shares	1,169,445,976	1,169,445,976

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial year reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as the Company did not hold any subsidiary holdings as at the end of the current financial year reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except for the adoption of the International Financial Reporting Standards ("IFRSs") and amendments to IFRSs applicable for the financial year beginning on or after 1 January 2018, the same accounting policies and methods of computations have been applied in the financial statements for the current reporting year as those of the audited financial statements for the financial year ended 31 December 2017. The adoption of new IFRSs and amendments to IFRSs did not result in any significant change to the Group's and the Company's accounting policies and has no significant impact on the financial statements of the Group and the Company for the current financial reporting year.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Please refer to paragraph 4 above.

6. **Loss per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Loss per share ("LPS")	Group	
	Financial Year Ended	
	31 December 2018 (Unaudited)	31 December 2017 (Audited)
Loss attributable to owners of the Company (MYR'000)	8,490	6,841
Weighted average number of ordinary shares Basic and diluted LPS (MYR cents)	1,169,445,976 0.73	1,169,445,976 0.58

Note:

(1) *The basic and diluted LPS are the same as there were no potentially dilutive securities in issue as at 31 December 2018 and 31 December 2017 respectively.*

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**

- (a) **Current year reported on; and**
(b) **Immediately preceding financial year**

Net asset value	Group		Company	
	31 December 2018 (Unaudited)	31 December 2017 (Audited)	31 December 2018 (Unaudited)	31 December 2017 (Audited)
	Net asset value attributable to the owners of the Company (MYR'000)	68,267	76,757	91,679
Net asset per share at the end of the period (MYR)*	0.06	0.07	0.08	0.08

* *The calculation of net asset value per ordinary share was based on 1,169,445,976 ordinary shares (excluding treasury shares) as at 31 December 2018 and 31 December 2017.*

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss on the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Review for the performance of the Group for the 12 months ended 31 December 2018 ("FY2018") as compared to the 12 months ended 31 December 2017 ("FY2017").

Consolidated Statement of Comprehensive Income

Revenue

Revenue decreased by 9% to MYR19.8 million in FY2018, as compared to MYR21.7 million in FY2017, mainly due to the lower sales in ground calcium carbonate ("**GCC**") crushed stones from Hyper Act Quarries due to a decline in demand from export markets. Please refer to paragraph 14(a) for the breakdown of sales of precipitated calcium carbonate ("**PCC**") and GCC crushed stones.

Cost of sales

Cost of sales increased by 43% to MYR13.5 million in FY2018, as compared to MYR9.4 million in FY2017. This was mainly due to machinery breakdown and costs consequently incurred in leasing replacement equipment. The increase also took into account higher cost of fuel and explosives required for operations, along with higher maintenance cost for both crushing plants at Gridland Quarry and Hyper Act Quarries.

Gross profit/margin

Gross profit in FY2018 amounted to MYR6.3 million (gross profit margin: 32%), compared to MYR12.3 million in FY2017 (gross profit margin: 57%). The lower gross profit margin was mainly due to the increase in sales of smaller-sized PCC crushed stones with lower margin from Gridland Quarry in FY2018, as compared to higher export sales with better margin in FY2017 and the higher cost of sales mentioned above.

Other items of income

Interest income

Interest income reduced from MYR764,000 in FY2017 to MYR350,000 in FY2018 as a result of the withdrawal of a significant amount of the pledged deposits during the third quarter in FY2018 to repay the outstanding term loans. Although pledged deposits decreased by over 90%, interest only decreased by 54% mainly as the withdrawal was done only after interest was earned on two out of three pledged deposits after maturity.

Sale of scrap metal

In FY2018, there was a sale of scrap metal of MYR21,000, gathered from the maintenance works at Gridland Quarry. There was no such sale in FY2017.

Rental of equipment

There was no rental of equipment income in FY2018. In FY2017 there was a rental of equipment income of MYR446,000 derived from the rental of site equipment to a quarry contractor that had ceased operations in the third quarter of FY2017.

Foreign exchange gain, net

A foreign exchange gain of MYR166,000 was recorded in FY2018, as compared to a foreign exchange loss of MYR338,000 in FY2017. The gain in FY2018 was mainly due to the appreciation of Malaysian Ringgit against the Singapore Dollar arising from the conversion of the payments to vendors paid in Singapore Dollars, whereas the loss in FY2017 was due to the depreciation of US Dollar against Malaysian Ringgit arising from the conversion of sales proceeds collected in US Dollar to Malaysian Ringgit.

Items of expense

The Group's items of expense consisted of general and administrative expenses, selling and distribution expenses and finance costs.

General and administrative expenses ("G&A Expenses")

G&A Expenses recorded a 7% decrease from MYR10.7 million in FY2017 to MYR9.9 million in FY2018 mainly due to the absence of:-

- (a) MYR1.1 million of impairment of subsidiary which was incurred in FY2017; offset by
- (b) MYR0.3 million of additional legal and professional fees incurred in FY2018.

Selling and distribution expenses

Selling and distribution expenses comprised sales commission, transportation cost and other freight related charges incurred for the shipments delivered to the customers. Selling and distribution expenses decreased from MYR7.2 million in FY2017 to MYR3.5 million in FY2018 mainly due to the termination in the chartering of vessels and its related expenses for exports of GCC as a result of the decline in demand.

Finance costs

The decrease in finance costs to MYR2.0 million in FY2018 from MYR2.3 million in FY2017, was due to the lower interest expenses incurred after the repayment of a significant portion of term loans. The decrease in finance cost was only 16% because the repayment was made at the end of the third quarter quartering FY2018.

Exploration expenditure

Exploration expenditure decreased to MYR1.1 million in FY2018 from MYR4.1 million, mainly due to the decrease in exploration activities to focus on production activities.

Loss before income tax

In view of the above mentioned, the Group recorded a loss before tax of MYR8.3 million in FY2018, compared to a loss of MYR7.0 million in FY2017, mainly due to the higher cost of sales and lower revenue generated in FY2018.

Consolidated Statement of Financial Position

Non-current assets

Non-current assets as at 31 December 2018 stood at MYR89.6 million, compared to MYR95.2 million as at 31 December 2017, the decrease was due to depreciation and amortisation charges of MYR5.5 million offset by the addition in property, plant and equipment of MYR0.4 million in Gridland Quarry, and the discount received of MYR0.5 million for the crusher plant in Hyper Act Quarries as a compensation by vendor of the crusher plant for the underperformance of the crusher plant commissioned. They have committed to rectify the faulty parts of the crusher plant in the next quarter.

Current assets

As at 31 December 2018, current assets decreased to MYR6.3 million from MYR38.0 million as at 31 December 2017 mainly due to:-

- (a) a MYR1.4 million decrease in inventories due to the slowdown in production of crushed stones at Hyper Act Quarries;
- (b) a decrease in trade and other receivables of MYR8.5 million due to the recovery of a refundable deposit of approximately MYR6 million and prompt collections of receivables from customers. The recovery of the refundable deposit was via the offsetting against the loan amount and other payables due to a director who had assumed the recovery of the refundable deposit ("Offsetting");
- (c) the withdrawal of pledged deposits of MYR21.0 million to repay part of the term loans; and
- (d) the decrease of cash and short-term deposits to MYR0.3 million as at 31 December 2018 from MYR1.1 million as at 31 December 2017.

Non-current liabilities

As at 31 December 2018, the Group recorded non-current liabilities of MYR7.1 million as compared to MYR38.4 million as at 31 December 2017. This was mainly due to:-

- (a) the reclassification of the non-current portion of the claims made by the discontinuing service contractor amounting to MYR3.4 million to trade payables under current liabilities due to the legal demand issued by the contractor;
- (b) the repayment of MYR4.9 million interest free loan owing to a director through the Offsetting; and
- (c) the partial repayment of term loans of MYR23.0 million through the withdrawal of pledge deposits of MYR21.0 mill and a total of MYR 2.0 million paid through fixed monthly payments.

Current liabilities

As at 31 December 2018, current liabilities stood at MYR20.6 million, compared to MYR18.1 million as at 31 December 2017 mainly due to:-

- (a) a MYR2.1 million increase in trade and other payables, arising largely from the reclassification of MYR3.4 million mentioned above, offset by the slowdown in production activities incurred in the current financial year at the Hyper Act Quarries; and
- (b) a slight increase of MYR0.4 million of loans and borrowings, mainly due to the reclassification of the loans and borrowings from non-current liabilities to current liabilities.

Negative Working Capital

As at 31 December 2018, the Group has a negative working capital of MYR14.3 million, compared to a positive working capital of MYR20.0 million as at 31 December 2017. Notwithstanding that, the Board is of the reasonable opinion that, after having made due and careful enquiry and taking into account of the Group's positive cash flows generated from operating activities, continued support from existing lenders and revenue, stream from existing work orders of the limestones is able to provide for the costs of operation. The Board is also exploring alternative funding options other than those currently available to ensure the Group to meet its short term obligations as and when they fall due.

Consolidated Statement of Cash Flow

In FY2018, the Group recorded net cash generated from operating activities of MYR8.2 million as compared to net cash generated of MYR7.5 million in FY2017.

The net cash generated from operating activities comprised operating cash generated before changes in working capital of MYR0.5 million adjusted for net working capital inflows of MYR8.7

million, interest received of MYR0.3 million, exploration expenditure of MYR1.1 million and income tax paid of MYR0.2 million.

The changes in working capital were mainly due to the following:

- (a) a decrease in trade and other receivables of MYR8.5 million. The decrease was due to the recovery of the refundable deposit of approximately MYR6.0 million and prompt collections of receivables from customers in FY2018;
- (b) a decrease in inventories of MYR1.4 million due to the slowdown in production of crushed stones at Hyper Act Quarries; and
- (c) a decrease in trade and other payables of MYR1.0 million due to the slowdown of production activities at Hyper Act Quarries.

In FY2018, net cash used in investing activities amounted to MYR0.4 million, incurred for the purchase of property plant and equipment at Gridland Quarry.

Net cash used in financing activities amounted to MYR8.5 million was mainly due to the following:

- (a) proceeds from finance lease of MYR0.4 million received for the acquisition of property, plant and equipment;
- (b) repayment of term loans amounting to MYR22.4 million;
- (c) repayment of MYR0.6 million of obligations under finance leases;
- (d) repayment of MYR4.9 million interest free loan from a director;
- (e) the payment of MYR2.0 million interest incurred on the loans and borrowings; offset against
- (f) the withdrawal of MYR21.0 million from pledged deposits to repay a significant amount of term loans.

As at 31 December 2018, the Group's cash and cash equivalents was a deficit of MYR5.1 million after netting off MYR0.2 million cash and short-term deposits as shown in the statement of financial position against drawing down from the bank overdraft of MYR5.4 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Overall, the financial results are in line with previous discussion under Section 10 of the Company's unaudited financial results announcement for the third quarter ended 30 September 2018 dated 12 November 2018.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group expects sales momentum from Gridland Quarry (PCC stones) to carry over to the current financial year on the back of healthy construction outlook in Malaysia whilst sales from Hyper Act Quarries (GCC stones) are not expected to pick up in the near term in view of continued stiff competition. In light of this, the Group has decided to shut down crushing operations at Hyper Act Quarries for two months to focus on upgrading and maintenance works before resuming in March 2019. Notwithstanding this, the Group will continue to secure customers for the existing stockpiles of GCC stones.

11. Dividend

If a decision regarding dividend has been made:-

- (a) **Whether an interim (final) dividend has been declared (recommended); and**
None.
- (b)(i) **Amount per share (cents)**
Not applicable.
- (b)(ii) **Previous corresponding period (cents)**
Not applicable.
- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**
Not applicable.
- (d) **The date the dividend is payable.**
Not applicable.
- (e) **The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**
Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

No dividend for the FY2018 has been recommended as the Group was not profitable for FY2018.

13. If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPT pursuant to Rule 920(1)(a)(ii). There were no IPTs that exceeded S\$100,000 during the financial year under review.

The interest free director's loan of MYR5.8 million was set-off via the Offsetting.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year

(a) Revenue segment information

The Group’s business is organised into one main operating segment, which involves exploration of limestone. All of the Group’s activities are interrelated and discrete financial information are reported to the Board as a single segment.

Revenue were derived from the sales of PCC stones from Gridland Quarry and GCC stones from Hyper Act Quarries in FY2018.

As at 31 December 2018, the Group has generated the following revenues from the sales of GCC limestone from Hyper Act Quarries and sales of PCC stones from Gridland Quarry.

Segment by product	FY2018 MYR'000	FY2017 MYR'000
Gridland Quarry (PCC stone)	16,168	12,737
Hyper Act Quarries (GCC Stone)	3,632	9,008
Total	19,800	21,745

(b) Geographical segment information

Segment by area	FY2018 MYR'000	FY2017 MYR'000
Malaysia	6,320	2,053
Indonesia	13,480	19,692
Total	19,800	21,745

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Please refer to paragraph 8.

16. A breakdown of sales

	<u>Group</u>		
	<u>FY2018 MYR'000</u>	<u>FY2017 MYR'000</u>	<u>Increase/(decrease) %</u>
Sales reported for first half year	9,172	8,166	12
Profit/(loss) after tax before deducting minority interests reported for first half year	(3,508)	94	n.m.
Sales reported for second half year	10,628	13,579	(22)
Loss after tax before deducting minority interests reported for second half year	(4,982)	(6,935)	(25)

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend had been declared for FY2018 and FY2017.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Loo Wei Hong ("Loo WH")	26	Son of our CEO, Alex Loo	Marketing Manager Loo WH is responsible for the marketing of the limestone products of the Companies. His role is to identify and formulate strategies to penetrate new customer base locally and overseas to increase the market shares of the Group.	Not applicable.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

19a. Rule 705 (6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the quarter:-

For the quarter ended 31 December 2018 ("4QFY2018"), funds / cash were mainly used for the following activities:-

Purpose	Projected Usage Amount (MYR)	Actual Usage Amount (MYR)
Development cost	200,000	-
Total	200,000	-

Variance Explanation:

No development activities took place at both quarries as efforts are concentrated on production activities for timely deliveries.

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (financial period from 1 January 2019 to 31 March 2019 ("1QFY2019"), the Company's use of funds/cash for development activities is expected to be as follows:-

Purpose	Projected Usage Amount (MYR)
Development cost	200,000
Total	200,000

19b. Rule 705 (6)(b) of the Catalist Listing Manual

The Board of Directors hereby confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

20. Rule 705 (7) of the Catalist Listing Manual

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated;

Hyper Act Quarries

In FY2018 Hyper Act Quarries has incurred a cost of MYR128,000 in exploration to retrieve samples for testing in order to continuously determining the extraction points for quality limestone.

A summary of the exploration expenditure at Hyper Act Quarries incurred in FY2018 for the aforementioned activities are as follows:-

	Amount (MYR'000)
Exploration expenditure	128
Total:	128

Hyper Act Quarries has incurred a total of MYR3.0 million on production activities in FY2018.

A summary of the production of crushed stones at Hyper Act Quarries for the year under review is as follows:-

	Metric ton (MT)
Crushed GCC limestone	237,494

Gridland Quarry

Gridland Quarry has incurred a total of MYR991,000 in FY2018 for exploration activities which involved blasting to open new faces to increase the extraction points for the feeds to the crusher plant.

A summary of the expenditure at Gridland Quarry incurred in FY2018 for the aforementioned activities are as follows:-

	Amount (MYR'000)
Exploration expenditure	991
Total:	991

Gridland Quarry has incurred MYR7.2 million on production activities in FY2018.

A summary of the production of crushed stones at Gridland Quarry for FY2018 is as follows:-

	Metric ton (MT)
Crushed PCC limestone	392,862

21. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the SGX-ST Listing Manual Section B: Rules of Catalist.

**BY ORDER OF THE BOARD
GCCP RESOURCES LIMITED**

Loo An Swee, Alex
Executive Chairman and CEO
1 March 2018

*This announcement has been prepared by the GCCP Resources Limited (the "**Company**") and its contents have been reviewed by the PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship, (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).