

GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Financial Results for the First Quarter Ended 31 March 2020

This announcement in respect of the Company's financial results for the first quarter ended 31 March 2020 is released pursuant to the SGX-ST's requirement for the Company to perform quarterly financial reporting pursuant to Rule 705(2) of the Catalist Rules. The requirement is in view of the modified opinion issued by the Company's statutory auditor ("Auditor") for the financial year ended 31 December 2018. Pursuant to the Company's announcement dated 11 August 2020, a modified opinion was issued by the Auditor for the financial year ended 31 December 2019.

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		
	Three Months Ended		
	31 March 2020 (Unaudited) MYR'000	31 March 2019 (Unaudited) MYR'000	Change %
Revenue	2,172	2,507	(13)
Cost of sales	(1,533)	(1,681)	(9)
Gross profit	639	826	(23)
Other items of income			
Interest income	8	9	(11)
Rental income of equipment	18	18	-
Items of expense			
Selling and distribution expenses	(524)	(513)	2
General and administrative expenses	(1,568)	(2,446)	(36)
Finance costs	(207)	(261)	(21)
Loss before tax	(1,634)	(2,367)	(31)
Income tax expense	-	-	-
Loss for the period, representing total comprehensive loss attributable to owners of the Company	(1,634)	(2,367)	(31)

n.m. – not meaningful

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

	Group		
	Three Months Ended		
	31 March 2020 (Unaudited) MYR'000	31 March 2019 (Unaudited) MYR'000	Change %
Interest income	8	9	(11)
Rental income of equipment	18	18	-
Finance costs	(207)	(261)	(21)
Depreciation of leasehold lands	(669)	(658)	2
Depreciation of property, plant and equipment	(601)	(684)	(12)
Exploration expenditure	-	(149)	n.m.

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 March 2020 (Unaudited) MYR'000	31 December 2019 (Audited) MYR'000	31 March 2020 (Unaudited) MYR'000	31 December 2019 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	82,138	83,408	-	-
Investments in subsidiaries	-	-	2,414	2,414
	<u>82,138</u>	<u>83,408</u>	<u>2,414</u>	<u>2,414</u>
Current assets				
Inventories	2,482	2,341	-	-
Trade and other receivables	1,144	1,280	92,804	92,762
Fixed deposits – pledged	1,250	1,242	-	-
Cash and bank balances	37	87	0	6
	<u>4,913</u>	<u>4,950</u>	<u>92,804</u>	<u>92,768</u>
Total assets	<u>87,051</u>	<u>88,358</u>	<u>95,218</u>	<u>95,182</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	17,635	16,559	5,536	5,152
Tax payable	-	54	-	-
Borrowings	9,079	9,253	-	-
	<u>26,714</u>	<u>25,866</u>	<u>5,536</u>	<u>5,152</u>
Net current (liabilities)/assets	<u>(21,801)</u>	<u>(20,916)</u>	<u>87,268</u>	<u>87,616</u>
Non-current liabilities				
Borrowings	2,909	3,430	-	-
Total liabilities	<u>29,623</u>	<u>29,296</u>	<u>5,536</u>	<u>5,152</u>
Net assets	<u>57,428</u>	<u>59,062</u>	<u>89,682</u>	<u>90,030</u>
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	(102,381)	(100,747)	(70,127)	(69,779)
Total equity	<u>57,428</u>	<u>59,062</u>	<u>89,682</u>	<u>90,030</u>
Total equity and liabilities	<u>87,051</u>	<u>88,358</u>	<u>95,218</u>	<u>95,182</u>

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 March 2020 (Unaudited)		As at 31 December 2019 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
9,079	-	9,242	11

Amount repayable after one year

As at 31 March 2020 (Unaudited)		As at 31 December 2019 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
2,909	-	3,430	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 31 March 2020 (Unaudited)	As at 31 December 2019 (Audited)	Secured by
	MYR'000	MYR'000	
Term loan	5,003	5,523	A first party first and second legal charge on leasehold quarry lands, personal guarantee executed by a director, corporate guarantee executed by the Company and debenture over fixed and floating charges.
Term loan for the purchase of office units	1,242	1,302	A first party first and second legal charge on leasehold quarry lands and office units, charge on fixed deposits, joint and several guarantees of a director of the Company and a former director of the Company and debenture over fixed and floating charges.
Obligations under finance leases	708	823	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	2,015	2,015	A first party first and second legal charge on leasehold land and buildings, pledge of first party fixed deposit receipt together with Memorandum of Legal Charge over Deposit and Letter of Set-Off; and debenture over fixed and floating charge.
Bank overdrafts	2,013	2,014	A first party first and second legal charge on leasehold land and buildings and debenture over fixed and floating charge.
Bank overdrafts	1,007	1,007	Charge on the leasehold land of the Company, corporate guarantee by the Holding Company and guarantee by a director of the Company.
	<u>11,988</u>	<u>12,683</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	
	Three Months Ended	
	31 March 2020 (Unaudited) MYR'000	31 March 2019 (Unaudited) MYR'000
Operating activities		
Loss before income tax	(1,634)	(2,367)
<u>Adjustments for:</u>		
Depreciation of leasehold lands	669	658
Depreciation of property, plant and equipment	601	684
Exploration expenditure	-	149
Interest income	(8)	(9)
Finance costs	207	261
Operating cash flows before changes in working capital	(165)	(624)
<u>Changes in working capital</u>		
(Increase)/decrease in trade and other receivables	(82)	(47)
Increase/(decrease) in trade and other payables	1,240	(200)
(Increase)/Decrease in inventories	(141)	1,583
Net changes in working capital	1,017	1,336
Cash generated from operations	852	712
Exploration expenditure	-	(149)
Interest received	8	9
Income tax Paid	(4)	-
Net cash generated from operating activities	856	572
Financing activities		
Repayment of term loans	(576)	(45)
Repayment of obligations under finance leases	(116)	(155)
Loan from directors	2	0
Placement of pledged deposits	(8)	(9)
Interest paid	(207)	(261)
Net cash used in from financing activities	(905)	(470)
Net (decrease)/increase in cash and cash equivalents	(49)	102
Cash and cash equivalents at beginning of period	(4,949)	(5,079)
Effect of exchange rate changes on cash and cash equivalents	-	-*
Cash and cash equivalents at end of the period (Note A)	(4,998)	(4,977)

* Amount less than MYR500

Note A: Cash and cash equivalents

	Group	
	Three Months Ended	
	31 March 2020 (Unaudited) MYR'000	31 March 2019 (Unaudited) MYR'000
Cash and bank balances as per statement of financial position	37	27
Bank overdraft	(5,035)	(5,004)
Cash and cash equivalents as per statement of cash flow	(4,998)	(4,977)

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

1QFY2020 (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 Jan 2020	164,588	(100,747)	(9,086)	4,307	59,062
Loss for the period, representing total comprehensive loss for the period	-	(1,634)	-	-	(1,634)
Balance as at 31 Mar 2020	<u>164,588</u>	<u>(102,381)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>57,428</u>
Balance as at 1 Jan 2019	164,588	(91,542)	(9,086)	4,307	68,267
Loss for the period, representing total comprehensive loss for the period	-	(2,367)	-	-	(2,367)
Balance as at 31 Mar 2019	<u>164,588</u>	<u>(93,909)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>65,900</u>

Company

1QFY2020 (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 Jan 2020	164,588	(69,779)	(9,086)	4,307	90,030
Loss for the period, representing total comprehensive loss for the period	-	(348)	-	-	(348)
Balance as at 31 Mar 2020	<u>164,588</u>	<u>(70,127)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>89,682</u>
Balance as at 1 Jan 2019	164,588	(68,130)	(9,086)	4,307	91,679
Loss for the period, representing total comprehensive loss for the period	-	(1,275)	-	-	(1,275)
Balance as at 31 Mar 2019	<u>164,588</u>	<u>(69,405)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>90,404</u>

- 1(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.**

Share Capital – Ordinary Shares

	Number of issued shares (excluding treasury shares)	Share capital (MYR)
Balance as at 31 December 2019 and 31 March 2020	1,169,445,976	155,501,496

As at 31 March 2020, the Company held 23,986,957 treasury shares (31 March 2019: 23,986,957), equivalent to 2.05% of the total number of issued and paid up share capital of the Company.

The Company did not have any outstanding convertibles or subsidiary holdings as at 31 March 2020 and 31 March 2019. 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 period and as at the end of the immediately preceding year.**

	As at 31 March 2020	As at 31 December 2019
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 period 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 have any subsidiary holdings as at the end of the current financial period 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 modifications or emphasis of a matter)

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: -

(a) Updates on the efforts taken to resolve each outstanding audit issues

The auditors have issued a disclaimer of opinion on the Group's financial statements for the financial year ended 31 December 2019 ("FY2019") the basis for which has been disclosed on pages 57 to 60 of the Company's Annual Report for FY2019 ("AR2019"). The same audit issues, save for the opening balances of 1 January 2019, were also the bases for the auditors of the Group's financial statements for the financial year ended 31 December 2018 ("FY2018") to issue a disclaimer of opinion for FY2018 as disclosed in Note 28 of AR2019.

Efforts taken to address and resolve each outstanding audit issue are as follows:

(1) Appropriateness of the Going Concern Assumption

- (i) The Group has obtained continual support from the Group's and the Company's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and the Company and continue to provide uninterrupted supplies and services which will ease the cash outflow for the Group and the Company;
- (ii) The Group continues to generate revenue from the sales of the crushed stones at Gridland Quarry and the expected revenue from Hyper Act Quarries, after the repair works are completed, to provide for the costs of operations for the Group and the Company; and
- (iii) The Group continues to monitor and optimize its headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company.

(2) Impairment assessment of property, plant and equipment

For FY2019, management performed an impairment assessment to determine the recoverable amounts of the Group's property, plant and equipment based on value-in-use computations. Assumptions used for the computations, as disclosed in Note 3 of AR2019, were based on the going concern of the Group. Given the material uncertainties over the going concern of the Group, the auditors are unable to assess the reasonableness and appropriateness of the net carrying values of the Group's property, plant and equipment. Henceforth, this audit issue arises due to the Appropriateness of the Going Concern Assumption. As such, efforts taken to address and resolve this audit issue are identical to that for the Appropriateness of the Going Concern Assumption mentioned above.

(3) Impairment assessment of investments in subsidiaries and amounts due from subsidiaries

The material uncertainties over the going concern of the Group leads to the auditors being unable to assess (i) the reasonableness and appropriateness of the net carrying values of the Group's property, plant and equipment, and (ii) if the disclosure of credit risk with respect to the Company's amounts due from subsidiaries, as disclosed in Note 23(b) of the AR2019, is appropriate. Henceforth, this audit issue arises due to the Appropriateness of the Going Concern Assumption. As such, efforts taken to address and resolve this audit issue are identical to that for the

Appropriateness of the Going Concern Assumption mentioned above.

(4) Comparative figures

This audit issue arises due to the disclaimer of opinion on the financial statements for FY2018 by the Group's previous auditor, Ernst & Young LLP, which affects the opening balances as at 1 January 2019 entered into for the determination of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for FY2019. As such, the auditors are unable to determine whether adjustments might have been found necessary in respect of the Group's and the Company's financial statements for FY2019. The root cause for the disclaimer of opinion for FY2018 was the Appropriateness of the Going Concern Assumption. As such, efforts taken to address and resolve this audit issue are identical to that for the Appropriateness of the Going Concern Assumption mentioned above.

(b) Confirmation from the board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

The Board confirms that the impact of all outstanding audit issues on the financial statements of the Group for FY2019 have been adequately disclosed.

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 new International Financial Reporting Standards ("IFRSs") and amendments to and interpretations of IFRSs applicable for the financial period beginning on or after 1 January 2020 as disclosed in Paragraph 5 below, the same accounting policies and methods of computations have been applied in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 31 December 2019, being the latest audited financial statements of the Company as at the date of this announcement.

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

The adoption of the 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 period.

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	
	Three Months Ended	
	31 March 2020 (Unaudited)	31 March 2019 (Unaudited)
Loss attributable to owners of the Company (MYR'000)	1,634	2,367
Weighted average number of ordinary shares	1,169,445,976	1,169,445,976
Basic and diluted Loss Per Ordinary Share (MYR cents) ⁽¹⁾	0.14	0.20

Notes:

(1) *The basic and diluted Loss Per Ordinary Share are the same as there were no potentially dilutive securities in issue as at 31 March 2020 and 31 March 2019 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 period reported on; and**
(b) **Immediately preceding financial year**

Net asset value	Group		Company	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value attributable to the owners of the Company (MYR'000)	57,428	59,062	89,682	90,030
Net asset per share at the end of the period (MYR)*	0.05	0.05	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 March 2020 and 31 December 2019.

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 three months ended 31 March 2020 ("1QFY2020") as compared to the three months ended 31 March 2019 ("1QFY2019").

Consolidated Statement of Comprehensive Income

Revenue

Revenue for the Group decreased due to the reduction of orders for precipitated calcium carbonate ("PCC") crushed stones as a result of the Movement Control Order ("MCO") imposed by the Malaysia Government on 18 March 2020 and there was no sales of ground calcium carbonate ("GCC") crushed stones for the first quarter of FY2020.

Cost of sales

Cost of sales reduced by 9% against the same quarter of last year and this is in line with the reduction of sales volume in the first quarter.

Gross profit margin

The decrease in gross profit margin was mainly due to absence of sales contribution from Hyper Act Quarries which is currently under maintenance, as GCC crushed stones generally contribute higher gross profit margin as opposed to PCC.

Items of expense

General and administrative expenses

The decrease in *General and administrative expenses* was mainly due to (i) the reduction in staff remuneration and staff-related expenses as a result of inactivity at the Hyper Act Quarries and optimization of headcount of approximately MYR655,000; and (ii) decrease in professional fees such as audit and investors' relation fees, and administrative expenses such as conservancy of approximately MYR223,000, as a result of the Group's drive to contain costs.

Finance Cost

The reduction of finance cost was due to lesser borrowings of approximately MYR54,000.

Exploration Cost

There was no exploration activity for quarter under review and accordingly, no exploration cost was recorded.

Consolidated Statement of Financial Position

Non-current assets

The decrease is mainly due to depreciation of property, plant and equipment and leasehold lands

Current assets

Current assets decreased mainly due to:-

- a) a decrease in trade and other receivables in line with lower sales as a result of the MCO as shipment was halted from 18 March 2020 onwards; and
- b) an increase in inventories as a result of slower sales.

Non-current liabilities

As at 31 March 2020, non-current liabilities decreased against 31 December 2019 mainly due to the reclassification of borrowings that are due in the next twelve months to current liabilities of approximately MYR 521,000.

Current liabilities

Current liabilities increased mainly due to:-

- a) an increase in trade and other payables largely due to the slower payment to the trade creditors, arising from longer payment terms granted by the creditors; and
- b) a decrease in loans and borrowings mainly due to the repayment of loans of approximately MYR695,000, offset by the reclassification of borrowings from non-current liabilities as mentioned above.

Negative Working Capital

As at 31 March 2020, the Group was at a negative working capital position of MYR21.8 million. The increase in negative working capital of MYR0.9 million compared to as at 31 December 2019 is mainly due to the increase in trade payables during the quarter under review.

After taking into consideration the

- (a) continual support from the Group's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and continue to provide us with uninterrupted supplies and services which will ease the cash outflow;
- (b) existing stream of revenue generated from sales of the crushed stones at Gridland Quarry and the expected revenue from Hyper Act Quarries when production commences after the repair works are completed are expected to be able to provide for the costs of operations;
- (c) continuous monitoring and optimization of headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company;
- (d) 6-month automatic payment deferment grant, effective 1 April 2020, extended by all banks in Malaysia for term loans and hire purchases due to the Covid-19 and MCO situation; and
- (e) undertaking by a Director to provide financial support to the Company whenever necessary at an interest-free rate,

hence the Board is of the opinion that the Group is able to operate as a going concern and able to meet its obligations as they fall due and the Group's working capital is sufficient to meet its present requirements and for the next twelve months.

Consolidated Statement of Cash Flow

The net cash utilized for 1QFY2020 was MYR49,000 against the net cash generated of MYR102,000 for 1QFY2019.

Operating Activities

The net cash generated from operating activities was MYR852,000, mainly due to the increase of trade and other payables as a result of extended credit terms by suppliers and creditors; offset by the increase in inventories due to the stock-ups conducted prior to the implementation of the MCO.

Financing Activities

Net cash used in financing activities was MYR905,000 primarily due to repayment of terms loan and repayment of obligations under finance leases, and interest paid in respect of the borrowings.

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 Full Year Result ended 31 December 2019 dated 28 February 2020.

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 year 2020 started badly for all businesses, domestically, regionally and globally, due to the COVID-19 pandemic. The Group was not spared as well. The Movement Control Order ("MCO") imposed by the Malaysia Government from 18 March 2020 to 8 June 2020 caused production and sales disruptions to the Group. The inactivity period during the MCO has caused delays in the Group's progress of the repair works at Hyper Act Quarries and the deferment in receipt of revenue at Gridland Quarry as orders by customers were unable to be delivered during the MCO. The pandemic is expected to stay for some time.

With the progressive resumption of activities, after the lifting of the MCO, starting from June 2020, Gridland Quarry will continue to deliver high quality PCC crushed stones to its existing customers and expects the production and sales to be back to its normalcy in the next 12 months.

The major repair works at Hyper Act Quarries has also resumed progressively from June 2020, and it is now expected to complete by the end of FY2020. Nevertheless, the Group will endeavour to expedite the works in order to resume operations of the quarries as soon as possible.

Despite the downtime at Hyper Act Quarries, the Group will be able to sustain in the next 12 months with the income generated from the sales at Gridland Quarry, the continual support from the creditors and the financial support provided by a Director of the Company.

Works, such as tests on its resources for marble-grade verification and marble industry market studies, are currently being undertaken by the Group to evaluate the possibility of diversifying into the marble industry at its Hyper Act Quarries. Updates will be provided at the appropriate time as required under the Catalist Rules to all shareholders.

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 interim dividend for the first quarter ended 31 March 2020 has been recommended, as the Group was not profitable.

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 period under review.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

14a. Rule 705 (6)(a) of the Catalist Listing Manual

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

For the quarter ended 31 March 2020 ("1QFY2020"), 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 during 1QFY2020 as efforts were placed on maintenance works at Hyper Act Quarries.

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 April 2020 to 30 June 2020 ("2QFY2020")), the Company's had not projected any usage of funds/cash for development activities in view of the implementation of the MCO.

14b. 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.

15. 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 the quarter under review, Hyper Act Quarries did not incur any cost on exploration activity. The main priority of Hyper Act Quarries is concentrating on the maintenance and repair works which is expected to be completed by the end of FY2020. There was no production of crushed stones at Hyper Act Quarries in 1QFY2020.

Gridland Quarry

Gridland Quarry did not incur any cost for exploration activities where it was focused on the production of raw material in 1QFY2020. The Gridland Quarry produced 58,008MT of crushed stones in 1QFY2020.

16. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

Not Applicable. There was no incorporation of new entities, acquisition, and realisation of shares in HY2020.

17. 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.

18. Confirmation Pursuant to Rule 705(5) of the Catalist Listing Manual.

The Board of Directors of the Company hereby confirms that to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements of the Company and the Group for the first quarter ended 31 March 2020 to be false or misleading in any material aspect.

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

Loo An Swee, Alex
Executive Director and CEO
13 August 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of 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).