OUR VISION

We strive to be a world class integrated high-grade calcium carbonate producer and owner of one of the largest deposits in Asia, offering a sustainable supply of high quality and consistent and innovative products to meet domestic and international market demand.

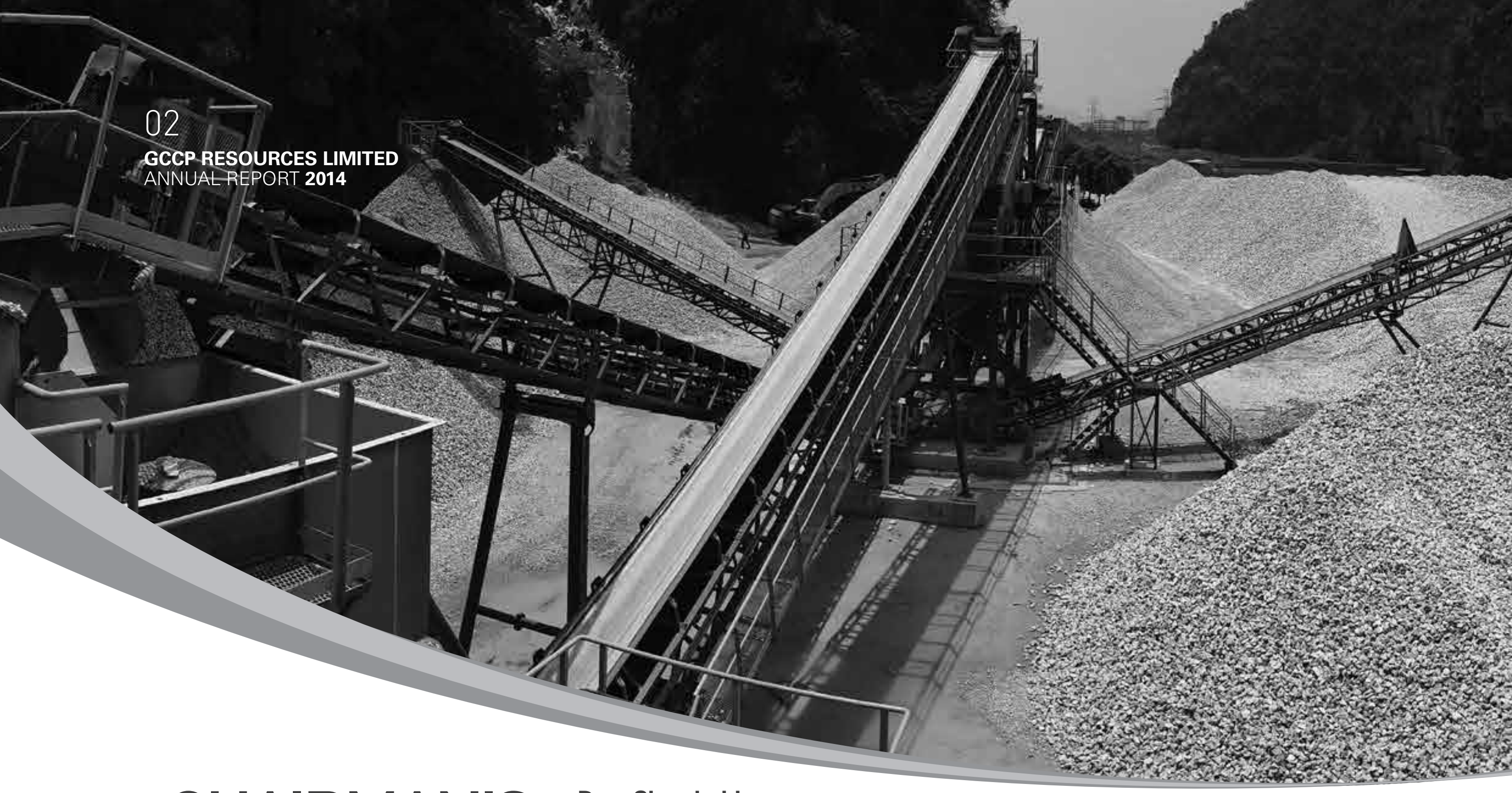
OUR MISSION

We are committed to exceed the needs and expectations of our customers though the delivery of innovative products and the relentless pursuit of best-in-class mining and manufacturing capabilities.

We are also committed to create a safe and rewarding working environment for our dedicated team; fulfil our social responsibility to the community and environment by observing and surpassing relevant domestic and international standards; and to generate long term value for our shareholders.

CORPORATE PROFILE

GCCP Resources Limited ("GCCP") is primarily engaged in the quarrying and the processing of calcium carbonate. The Group owns one of the biggest ground calcium carbonate ("GCC") grade calcium carbonate reserves in Malaysia. The quarries, namely Gridland Quarry and Hyper Act Quarry, are located in Ipoh, in the state of Perak. Collectively, the quarries hold about 186 million tons of precipitated calcium carbonate ("PCC") and GCC-grade calcium carbonate resources and 26 million tons of PCC and GCC-grade calcium carbonate reserves. The Group is currently undertaking preparatory work for the operation of its 60-acre Hyper Act Quarry, while its 25-acre Gridland Quarry is currently producing up to 40,000 tons of crushed calcium carbonate per month. GCCP was listed on the Catalist of the Singapore Exchange Securities Trading Limited on 30 April 2015.



CHAIRMAN'S MESSAGE

GCCP owns one of the largest calcium carbonate reserves in Malaysia at an estimated 26 million tons, along with about 186 million tons of resources.

Dear Shareholders,

On behalf of the Board of Directors of GCCP, I am pleased to present to you our Annual Report for the financial year ended 31 December 2014 ("FY14"). This is our inaugural annual report following the successful listing of our shares on 30 April 2015 on the Catalist of the Singapore Exchange.

The listing of our shares represents a significant milestone for GCCP. All 122 million new shares were successfully placed out during the Initial Public Offer ("IPO"). Through the IPO, we raised approximately S$23.2 million in net proceeds, which will mainly be used for business expansion and working capital purposes.

The listing of GCCP will provide us with the platform to embark on the path of continual growth. We would like to express our sincere gratitude to all who have contributed to the success of the listing exercise. On this note, I am pleased to take you through some of the key developments since the commencement of our operations and, more importantly, our plans for the next couple of years.

Operational and Financial Review

Our Group started out primarily in the trading of iron ore and coal. In October 2009 and May 2014 respectively, we acquired two high-grade calcium carbonate quarries, Gridland Quarry and Hyper Act Quarry. In this same two years, the Group was mainly focused on the preparation, exploration and development of Gridland and Hyper Act for commercial production.

Quarrying of the calcium carbonate at Gridland began in January 2013. The calcium carbonate were then stockpiled in anticipation of the commissioning of the crushing plant in June 2014. Today, the plant is crushing about 40,000 tons of PCC-grade calcium carbonate per month.

In FY14, we recorded maiden revenue of MYR0.6 million from the sale of crushed calcium carbonate against zero revenue in the preceding year ("FY13"), as we had ceased our trading operations at the end of 2012 to concentrate on the calcium carbonate business. FY14's gross profit was MYR0.2 million, representing a gross profit margin of 37.3%.

General and administrative expenses were MYR38.5 million in FY14, compared to MYR1.9 million in FY13. The increase was mainly due to IPO expenses incurred and a one-off accounting fair value loss on the conversion of convertible loan into shares at a conversion price below the valuation price of GCCP. Similarly, finance costs increased to MYR4.8 million from MYR0.5 million in FY13 largely due to the interest accrued for the convertible loan.

Taking into consideration the above factors, GCCP posted a loss attributable to shareholders of MYR43.0 million in FY14 compared to a loss of MYR2.3 million in FY13.

Outlook and Business Strategy

GCCP owns one of the largest calcium carbonate reserves in Malaysia at an estimated 26 million tons, along with about 186 million tons of resources. High-grade calcium carbonate is a key ingredient used in the manufacture of a diverse range of products and processes across a broad spectrum of industries including paper, plastics, paint, rubber, pharmaceuticals, food and beverage, and water treatment. Due to its widespread application, demand for calcium carbonate has been generally stable over the years, and we expect it to remain so going forward.

The preparation for this IPO has not distracted us from our primary mission – the operational readiness of our assets. This was in fact, the chief reason for the capital-raising activity. We have also commenced the construction of a crusher plant and a powder production plant on this same site.

Of our IPO proceeds, about SGD15 million will be channelled towards the construction of the crushing plant and a powder production plant. The new crushing plant at Hyper Act should be operational by the fourth quarter of 2015, while the powder production plant is slated to be commissioned by the first quarter of 2016. The upcoming crushing plant at Hyper Act Quarry will be able to handle production of up at 1,000 tons of GCC-grade calcium carbonate per hour. The new powder production plant will yield us an initial production capacity of 20,000 tons of calcium carbonate powder per month with a targeted production capacity of 60,000 tons per month by 2018. Even at Gridland Quarry, where we are currently producing with an initial production capability of 40,000 tons per month or about 400 tons per hour of PCC-grade crushed calcium carbonate, we have set ourselves a production target of 100,000 tons per month by 2018.

In tandem with the increase in capacity, we are stepping up efforts, initially to establish domestic sales channels and networks, then to enlarge our customer base. The lack of high-quality calcium carbonate supply in our proximity should lead to sustained demand from local customers. Currently, we are already serving NSL Chemicals, whose factory is adjacent to our Gridland Quarry, with an initial order of 20,000 tons of crushed calcium carbonate. At the same time, we will not neglect the potential of the region. Recently, we have also dispatched a trial order of crushed calcium carbonate to Pulai Rock Quarry Sdn Bhd that was destined for the India market. We are hopeful that this will help us extend our reach beyond the domestic base to the region, to include China, India, and other parts of North and Southeast Asia.

About SGD8.2 million of the net proceeds have been earmarked for working capital. Our plan is to increase our calcium carbonate resources and output. We will carry out further exploration within the permitted areas, with the aim of increasing our proven reserves. This will, in turn, add to the production life span of our assets. We expect to leverage our superior-quality raw materials and discipline in cost management to move up the value-added chain into the production of higher profitability PCC. Looking ahead, we also do not rule out the possibility of acquiring more calcium carbonate quarries.

The Company had on 7 May 2015, announced that the Singapore Exchange has no objections to the Company's wavier application for the Company's FY14 annual report to make reference to the Independent Qualified Person Report dated 2 February 2015 by Greater China Mineral and Energy Consultants Limited, which was prepared in connection to the Company's listing and summary of reserves resources estimates that were previously disclosed in the Company's offer documents dated 20 April 2015.

Acknowledgement

To our Board, management team, and staff, I thank all for their tireless contribution that have made GCCP a success and also helped bring this IPO to fruition. I would also like to thank our shareholders, bankers and strategic partners for their support and confidence in GCCP.

We will remain dedicated and diligent in our endeavours and look forward to sharing our success with all who have placed their confidence and trust in us as we scale greater heights together.

Alex Loo
Executive Chairman & CEO

BOARD OF DIRECTORS

Loo An Swee ("Alex Loo")

Executive Chairman and Chief Executive Officer

Alex Loo, 47, founded the Group in 2009 through the incorporation of Gridland Sdn Bhd. He is responsible for the Group's overall management and strategy development, customer and supplier relationship management, and general operations. He also plays an instrumental role in the Group's expansion and sourcing for investment opportunities to promote business growth. He was appointed a Director on 2 December 2013.

Prior to GCCP Resources, Mr Loo founded and served as CEO of Vantage Wood Sdn Bhd and Vantage Resources Sdn Bhd, dealing with timber supply and coal trading respectively. Mr Loo started his career as a marketing executive with Renaware Marketing Sdn Bhd and subsequently as a marketing executive with Dragonway Furniture and Fitting Sdn Bhd after obtaining the Malaysian Certificate of Education (Sijil Pelajaran Malaysia) in 1985.

Pang Kim Chon

Executive Director and COO

Pang Kim Chon, 51, joined the Group in 2013, and oversees the overall operations of the Group, including sales, marketing and daily operations. He was appointed a Director on 2 December 2013.

Mr Pang possesses more than 20 years of management and operational experience. Before joining GCCP, Mr Pang was Executive Director of Vantage Resources Sdn Bhd. Prior to that, Mr Pang spent 10 years with Rimyasa Development Sdn Bhd, starting out as an administration manager in 1988 and climbing through the ranks to become its Managing Director before he moved on to Vantage Resources.

Mr Pang holds a Bachelor of Management (Honours) from University Sains Malaysia.

Tan Eng Ann

Lead Independent Director

Tan Eng Ann, 47, was appointed to the Board as Lead Independent Director on 30 September 2014 and serves as Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees. He possesses over 18 years of experience in the financial field. Mr Tan is currently the Chief Financial Officer of R H International Pte Ltd, and prior to that, Executive Director and Chief Financial Officer of Chiwayland International Limited (formerly known as R H Energy Ltd), which he joined in 2007.

Prior to R H Energy, Mr Tan was CFO of Beijing Concept Holdings Pte Ltd and before that, Finance Director of Technics Oil and Gas Limited. He also held managerial positions in Standard Chartered Bank, AIB Govett (Asia) Ltd, and Yamaichi Merchant Bank where he first started his career.

Mr Tan is a qualified Chartered Financial Analyst of the Association for Investment Management and Research and a fellow member of the Institute of Singapore Chartered Accountants. He holds a Bachelor of Accountancy (Honours) from Nanyang Technological University.

Dato Koh Boon Thye ("Dato Thomas Koh")

Independent Director

Dato Thomas Koh, 57, was appointed on 30 September 2014 and serves as Chairman of the Remuneration Committee and a member of the Nominating and Audit Committees. Dato Koh possesses a wealth of experience in the legal industry and is currently a Senior Partner in law firm Messrs Isharidah Ho Chong & Menon, having joined the firm since 1993.

Prior to this, he was a Partner at Messrs KH Koh, Azhar & Koh where he headed the conveyancing department, and before that Partner in the litigation department of Messrs Yusoff Shamsuddin & Partners. Dato Koh commenced his legal practice at Messrs Rashid & Lee after graduating with a Bachelor of Laws (Hons) from the University of London in 1982.

Dato Koh was admitted as a Barrister to the Bar of England and Wales in 1983 and as an Advocate and Solicitor of the High Court of Malaya in 1984. In addition, he was awarded the Darjah Dato' Paduka Tuanku Ja'afar (DPTJ) in 2008.

EXECUTIVE OFFICERS

Denys Collin Munang
Independent Director

Denys Collin Munang, 47, was appointed to the Board on 30 September 2014 and possesses extensive management experience in the calcium carbonate production industry. He serves as Chairman of the Nominating Committee and sits on the Remuneration and Audit Committees. Mr Munang is currently the Group Chief Executive Officer and Deputy Managing Director of Pontian United Plantations Berhad.

Prior to his involvement in the plantation industry, Mr Munang held various senior positions in the Omya AG group of companies covering the Group's Malaysia, West Asia and Asia Pacific markets during the course of his employment.

Before joining Pontian United Plantations, Mr Munang was Vice President of Felda Global Venture Holdings Bhd where he was Head of Strategy, Business and Corporate for Global Plantation. He also served on the Board of the Australian Agricultural Corporation from 2012-2014.

Denys Collin Munang holds a Bachelor's degree in Economics from the University of Sydney.

Ian Lim
Chief Financial Officer

Ian Lim, 42, joined the Group as Chief Financial Officer in February 2014 and is responsible for overseeing financial and accounting management and reporting.

Mr Lim possesses more than 20 years of experience in audit and accounting in various industries including food and beverage, trading and manufacturing. He commenced his career in C.T. Lim & Co in 1993 as an audit assistant and was subsequently promoted to audit senior, where he was responsible for assisting the firm in providing auditing service and other value-added services such as accounting, tax and secretarial services. He moved on to work for several companies and took up various finance positions. Prior to joining the Group, he was a Country Financial Controller in shipping services company Globelink Container Line (M) Sdn Bhd.

Mr Lim obtained the Sijil Tinggi Pelajaran Malaysia (STPM) in 1992 and is a Chartered Certified Accountant under the Association of Chartered Certified Accountants. He is also a Chartered Accountant of the Malaysian Institute of Accountants.

Loh Heng Kwai
Director of Operations (Gridland)

Loh Heng Kwai, 53, is the Group's Director of Operations (Gridland). He joined the Group in October 2011 and is responsible for designing and planning quarrying operations in Gridland Quarry. He also oversees quarry operations including worker supervision and safety and regulatory requirement compliance.

Mr Loh has more than 30 years of work experience. He has strong expertise in the cement industry with experience as an assistant senior executive at Lafarge Malayan Cement Sdn Bhd, where he was responsible for the day to day operations of the cement plant, such as monitoring the production process and supervising of the workers, and as a supply chain manager at Tasek Corporation Bhd, where he was responsible for cement production and the meeting of production targets.

Mr Loh holds a Bachelor of Arts degree from Ottawa University in Kansas, USA.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Loo An Swee, Alex *(Executive Chairman and CEO)*
Pang Kim Chon *(Executive Director and COO)*
Tan Eng Ann *(Lead Independent Director)*
Dato Koh Boon Thye, Thomas *(Independent Director)*
Denys Collin Munang *(Independent Director)*

AUDIT COMMITTEE
Tan Eng Ann *(Chairman)*
Dato Koh Boon Thye, Thomas
Denys Collin Munang

NOMINATING COMMITTEE
Denys Collin Munang *(Chairman)*
Tan Eng Ann
Dato Koh Boon Thye, Thomas

REMUNERATION COMMITTEE
Dato Koh Boon Thye, Thomas *(Chairman)*
Tan Eng Ann
Denys Collin Munang

COMPANY SECRETARY
Yoo Loo Ping, ACIS

REGISTERED OFFICE
Offshore Incorporations (Cayman) Limited
Floor 4, Willow House, Cricket Square
PO Box 2804
Grand Cayman KY1-1112
Cayman Islands

BUSINESS OFFICE
56-2, Jalan PJU 5/21
The Strand, Kota Damasaru
47810 Petaling Jaya,
Selangor, Malaysia
Tel: +603 6142 6822 / 6823
Fax: +603 6142 6826

SHARE REGISTRAR AND SHARE TRANSFER OFFICE
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

CONTINUING SPONSOR
PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318

INDEPENDENT AUDITORS
Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge: Adrian Koh
(Date of appointment: since the financial year ended 30 December 2014)
Chartered Accountant,
a member of the Institute of Singapore Chartered Accountants

PRINCIPAL BANKER
United Overseas Bank (Malaysia) Bhd
Commercial Banking Division
Level 9 Menara UOB
Jalan Raja Laut
50350 Kuala Lumpur
Malaysia

OPERATIONS REVIEW

Our Company is an exempted company incorporated in the Cayman Islands on 1 November 2013. The Company undertook a restructuring exercise and acquired the entire shareholding interest in Gridland and Hyper Act, becoming the holding company within the Group.

The Company, collectively with its subsidiaries, the Group, is principally engaged in the business of quarrying and the processing of limestone by crushing the quarried limestone into varying particle sizes as required by our customers. Our business operations are principally located in Simpang Pulai, Ipoh, Perak, Malaysia.

Our Quarries

Gridland Quarry and Hyper Act Quarry are wholly owned by Gridland and Hyper Act respectively and are approximately 3.3km apart from each other. Our quarries cover a total acreage of approximately 85.0 acres.

Both quarries are in the industrialised area of the city of Ipoh, Perak, Malaysia. There are numerous active quarries producing raw calcium carbonate material and limestone processing plants belonging to multinational and domestic companies in the same area, which can be accessed via the North-South Expressway in Malaysia.

Gridland Quarry

Gridland Quarry has a total acreage of approximately 25.0 acres and has a mining elevation ranging from 50.0m to 240.0m. The Gridland Quarry is located in the Sengat Quarry Zone which, based on the Independent Qualified Person's Report, is well known for good limestone deposits. The Gridland Quarry is accessible to any motor vehicles or highway trucks through the surrounding area.

As of 30 September 2014, the limestone Mineral Resource in the Gridland Quarry comprises a total Measured and Indicated Mineral Resource of 26Mt, which includes a Measured Mineral Resource of 1.4Mt and an Indicated Mineral Resource of 24Mt.

As of 30 September 2014, the limestone Ore Reserves in the Gridland Quarry comprise 4.3Mt of Probable Ore Reserves. At the Gridland Quarry, approximately 18.0 acres is dedicated to quarrying of limestone, 4.0 acres is utilised for the Gridland Crushing Plant and the remaining area is used as a working area and safety corridor.

Our Group, through the Gridland Quarry, produces crushed limestone of varying particle sizes of up to 90.0mm that are sold to our customers who are typically parties who require our crushed limestone for the manufacture of PCC. The Gridland Quarry commenced production of crushed limestone in June 2014 and has a production capacity of up to 40,000t of crushed limestone per month. Between 1 June 2014 till 31 December 2014, the production capacity of the quarry remained unchanged.

Hyper Act Quarry

The Hyper Act Quarry has a total acreage of approximately 60.0 acres and has a mining elevation ranging from 100.0m to 400.0m. The Hyper Act Quarry is situated in the Keramat Pulai Quarry Zone and access to the Hyper Act Quarry is through a main public access road.

As of 30 September 2014, the limestone Mineral Resource in the Hyper Act Quarry comprises a total Measured and Indicated Mineral Resource of 160Mt (totals may appear to be inconsistent due to appropriate rounding and are inclusive of Ore Reserves), which includes a Measured Mineral Resource of 47Mt and an Indicated Mineral Resource of 120Mt.

OPERATIONS REVIEW

As of 30 September 2014, the limestone Ore Reserves in the Hyper Act Quarry comprise a total of 22.0Mt, which includes Proved Ore Reserves of 2.2Mt and Probable Ore Reserves of 19.7Mt.

Development plans for Hyper Act Quarry

As at 23 February 2015, our Group is in the process of undertaking the preparatory work involved in making the Hyper Act Quarry operational, in particular the construction of a crushing plant ("**Hyper Act Crushing Plant**") and limestone powder production plant ("**Powder Plant**"). Our Group intends to, subsequent to the receipt of approvals by the relevant authorities and the completion of the construction of the Hyper Act Crushing Plant and Powder Plant, produce crushed limestone of varying particle sizes of up to 100.0mm and limestone powder, both of which will be sold to customers to produce GCC.

We have yet to commence quarrying or production of crushed limestone or limestone powder at the Hyper Act Quarry.

For further details on our quarries, please refer to the sections entitled "General Information on our Company and our Group – Our Quarries" and "General Information on our Company and our Group – Business Strategies and Future Plans" of the offer document dated 20 April 2015 (the "**Offer Document**").

Operating Expenditure

Capital Expenditure ("CAPEX") as at 30 September 2014

Gridland ("GLD") Quarry

Table 1 Summary of Capital Expenditures at GLD Mine

Description	Price (MYR)	Price (USD)
Land Acquisition	9,250,143	2,819,736
Mobile Equipment	1,550,250	472,565
Fixed Equipment	6,000,000	1,828,989
Office Equipment	100,000	30,483
Total CAPEX of GLD	**16,900,393**	**5,151,774**

Note:

(1) The summary used above are set out in Table 1 Summary of Capital Expenditures at GLD Mine entitled "Independent Qualified Person's Report" of the Offer Document.

Hyper Act ("HAM") Proposed Capital Expenditure

Table 2 Summary of Capital Expenditures at proposed HAM Mine

Description	Price (MYR)	Price (USD)
Land Acquisition	9,072,000	2,765,432
Fixed Equipment	17,225,700	5,250,937
GCC Powder Plant	193,090,598	58,860,112
Total CAPEX of HAM	**219,388,298**	**66,876,482**

Note:

(1) The summary used above are set out in Table 2 Summary of Capital Expenditures at proposed HAM Mine entitled "Independent Qualified Person's Report" of the Offer Document.

OPERATIONS REVIEW

From 30 September 2014 to 31 December 2014, there has been no increase in the capital expenditure for Gridland and HAM quarries.

RESOURCE AND RESERVES

Resource and Reserves statements

According to the Independent Qualified Person's Report, the Resource and Reserves estimates in the Gridland Quarry and Hyper Act Quarry are reported in conformity with the Joint Ore Reserves Committee ("**JORC**") Code. A summary of statement of Resources and Reserves at the Gridland Quarry and Hyper Act Quarry as at 30 September 2014 is as set out below:

Gridland Ore Reserve

Table 3. Ore Reserve Statement of GLD, as at 30 September 2014^*

Category	Mineral Type	Gross attributable to SKP JMG.PRK.(Q) BIL. 16/2015/11/(BK)		Net attributable to the Business Enterprise		Remarks
Ore Reserves, GLD Mine						
		Tonnes (million)	Grade $CaCO_3$ %	Tonnes (million)	Grade $CaCo_3$ %	Change from previous update (%)
Proved	Insufficient studies to determine					
Probable	Limestone	4.3	98.2	4.3	98.2	–
Total	Limestone	**4.3**	**98.2**	**4.3**	**98.2**	**–**

Notes:

(1) The procedures and parameters used for resource estimation are set out in section VIII of Appendix F entitled "Independent Qualified Person's Report" of the Offer Document.

(2) The total figure is the aggregate of the Measured and Indicated Mineral Resource and may appear to be inconsistent due to appropriate rounding

Hyper Act Marketing Ore Reserve

Table 4. Ore Reserve Statement of HAM, as at 30 September 2014^

Category	Mineral Type	Gross attributable to SKP JMG.PRK. (Q) 51/2015/15/(BK)		Net attributable to the Business Enterprise		Remarks
Ore Reserves, HAM Mine						
		Tonnes (million)	Grade $CaCO_3$ %	Tonnes (million)	Grade $CaCo_3$ %	Change from previous update (%)
Proved	Limestone	2.2	96.1	2.2	96.1	–
Probable	Limestone	19.7	96.1	19.7	96.1	–
Total	Limestone	**22.0**	**96.1**	**22.0**	**96.1**	**–**

Notes:

(1) The procedures and parameters used for reserve estimation are set out in section VIII of Appendix F entitled"Independent Qualified Person's Report" of our Offer Document.

(2) Insufficient studies conducted to determine.

(3) The total figure is the aggregate of the Proved and Probable Ore Reserves and may appear to be inconsistent due to appropriate rounding.

The Resource and Reserves estimates should not be regarded as a representation that all these amounts can be achieved and/or be economically exploited and nothing contained herein should be interpreted as an assurance of the economic life of our limestone Reserves and Resource or the economic viability of our future operations. The actual quarry life can also differ from the projected quarry life for a number of reasons, including, inter alia, changes in the production rate.

There are no material changes to the exploration, development and production activities to the Gridland Quarry, the Hyper Act Quarry and/or the business since the effective date of the Independent Qualified Person's Report, being 30 September 2014, which has or may have a material impact on the key bases and assumptions and/or the findings or opinions under the Independent Qualified Person's Report.

The Company had on 7 May 2015, announced that the SGX-ST has no objections to the Company's waiver application to the strict compliance to the requirements of Rule 1204(23)(a) and (c) of the Catalist Rules.

OPERATIONS REVIEW

The Board of Directors of the Company confirms that there are no material changes to the level of reserves and resources between 1 October 2014 and 31 December 2014 as there were no significant quarrying activities and as a result, the Company would not expect material changes to the level of reserves or resources.

Licences, Permits and Approvals

Gridland Quarry

Our Group has obtained all material licences, permits and approvals for our business operations in the Gridland Quarry. The details of such licences, permits and approvals are set out below:

Name of Approval/Licence	Description of Approval/Licence	Issuing Body	Date of Expiry
Removal of mineral licence (also known as "**Form K**")	For removal of mineral from the lands PN258388 Lot 302284 and PN258390 Lot 302283 at Mukim Sungai Raya, Daerah Kinta, Negeri Perak	Department of Lands and Mines of Perak	31 December 2015
Quarry scheme approval letter ("**Quarry Scheme Approval Letter**")	Approval letter in respect of the quarry operating shceme for PN 258390 Lot 302284 of Sungai Raya, Kinta and PN 380610 Lot 332220 Sungai Raya, Kinta	Minerals and Geoscience Department of Perak	31 December 2015
Letter of Authorisation for Quarry Blasting	Approval letter for quarry blasting	Minerals and Geosceince Department of Perak	Non applicable
Letter of Approval for Installation of Machinery	Approval for installation of machinery	Occupational Safety and Health Administration	Non applicable
Letter of Approval in relation to the application to extend the apporval of buying, carrying and use of explosives ("**Explosives Approval**")	Approval to extend the apporval of purchasing, carrying and use of explosives	Police contingent headquarters of the Royal Malaysia Police Ipoh, Perak	31 December 2015

Note:

(1) Reference number for The Quarry Scheme Approval Letter (also known as "SKP", Surat Kelulusan Pengkuarian) of Gridland is **JMG. PRK. (Q) Bill.16/2015/11/(BK)**

HAM Quarry

Even though HAM has not commenced quarry operation as at 31 December 2014, our Group has successfully obtained the Quarry Scheme Approval Letter, also known as "SKP" (Skim Kelulusan Pengkuarian) for HAM quarry with reference number **JMG.PRK. (Q) 51/2015/15/(BK)** which expires on 30 June 2015.

Renewal of the quarry scheme approval letter has to be done annually.

Quality Assurance

We place great emphasis on the quality of our crushed limestone. We believe that having an established quality management system is one of the main factors contributing to our success and reputation of quality products.

We monitor the quality of our limestone through on-site inspections at the quarries. Samples of crushed limestone are collected once a month from our stockpiles at the quarries and analysed by sending to third party laboratories for chemical composition, colour and brightness. It is anticipated that the proposed Hyper Act production and manufacturing plant would have its own laboratory and such testing may be conducted in-house.

Our quality assurance processes are led by a quarry manager. He is responsible for overseeing the various inspections conducted on-site and at the crusher plants. As at 25 February 2015, the quarry manager is assisted by two (2) workers.

Safety Policy

Due to the nature of our business, incidents that may have detrimental effects on the health and safety of our workers and the condition of our machinery and equipment may occur from time to time.

OPERATIONS REVIEW

Our Group aims to operate our business in such a manner that all reasonable and practicable measures will be taken to protect our workers and the condition of our machinery and equipment from such detrimental effects. In order for our Group to achieve our aim, our Group has an existing set of environmental, health and safety policies to protect the health and safety of our staff and workers and maintain the good working condition of our machinery and equipment.

Corporate Social Responsibility

Environmental Protection And Community Development

The nature of our business is often being perceived as anti-environmental. However to mitigate the negative impact and to change the negative mindset, the Company's policy in respect of environmental protection and community development is to develop and manage its quarrying operations with an aim to maximise its compliance with the environmental regulations, as set out in the section entitled "General Information on our Company and our Group – Government Regulations" of this Offer Document, and minimise any harm to the environment while remaining sensitive to local cultural and community expectations.

Our Group has made efforts to integrate with the local population in the vicinity where our Gridland Quarry and Hyper Act Quarry are located and to assist them in social and economic development.

We have provided the local community with employment opportunities, as well as training and skills development for our local staff and provided business opportunities for local businesses. We are also developing a corporate social responsibility policy which will formally address our Group's impact on the local community. It is also the Group's policy to regularly plant trees in areas where limestone has been extracted and landscaping activities will be conducted continually to preserve the greenery of the surrounding areas.

Quarrying of limestone

There is no specific legislation that governs the quarrying of limestone, and each specific task in the quarrying of limestone is governed by specific and separate legislation including the Perak Quarry Rules 1992 (the "**Quarry Rules**"), the Mineral (Perak) Enactment 2003, the Environmental Quality Act 1974 ("**EQA**") and the Explosives Act 1957.

To be able to secure the approval to quarry limestone from the Gridland Quarry and the Hyper Act Quarry, Gridland and Hyper Act are required to submit, and (where applicable) secure the approvals of the relevant authority for an environmental impact assessment report and quarry scheme report and to submit an environmental management plan, all of which have been obtained by or complied with by Gridland and further details of which are set out below.

Environment Impact Assessment Report

Pursuant to Section 34A(2) of EQA, the person intending to carry out any prescribed activity shall appoint a qualified person to conduct an environmental impact assessment and to submit a report which shall contain an assessment of the impact such activity will have or is likely to have on the environment and the proposed measures that shall be undertaken to prevent, reduce or control the adverse impact on the environment.

The said environment impact assessment report shall be submitted to and be approved by the Director General of Department of Environment before any quarry activity commences.

Gridland has submitted and obtained approval from the Director General of the Department of Environment on 26 January 2010 for its quarry operation at the lands known as PN 258390, Lot 302284, Sungai Raya, Kinta and PN 380610 Lot 332220 Sungai Raya, Kinta, Perak ("**EIA Approval Letter**").

OPERATIONS REVIEW

Environmental Management Plan

Pursuant to the EIA Approval Letter, an environmental management plan was prepared for Gridland's quarry operation at the lands known as PN 258390 Lot 302284, Sungai Raya, Kinta, Perak and PN 380610 Lot 332220, Sungai Raya, Kinta, Perak.

The said environmental management plan provides guidelines for environment control, proposes action plans for mitigation and abatement of the impacts during different stages of quarry development, operation and abandonment.

Quarry Operating Scheme

The Quarry Rules stipulate that a quarry operating scheme must be prepared, submitted and approved by the relevant authority before a quarry operation commences. The quarry operating scheme shall demonstrate that sufficient consideration has been given to the safety of the public and persons involved in the work, provide that measures of dumping of waste materials and a program of reclamation and protection on abandoned workings, provide measures for environmental protection in accordance with any law currently in force relating to environmental or pollution control, and contain any other details and information as may be required.

The current quarry scheme approval letter issued by the Minerals and Geoscience Department of Perak approving Gridland to carry out quarrying operations at the lands known as PN 258390, Lot 302284, Sungai Raya, Kinta, Perak and PN 380610 Lot 332220 Sungai Raya, Kinta, Perak is valid until 31 December 2015, and is subject to certain conditions, including but not limited to the following:

(a) the quarry scheme approval letter being displayed at the office of the quarry at all times;
(b) the boundaries of the quarry land being marked clearly, correctly and preserved;
(c) public liability insurance being obtained to cover any potential damage to public property; and
(d) primary and secondary explosions not being carried out simultaneously.

Compliance to the above legislations and schemes will ensure that substantial negative impact on the environmental can be mitigated.

The environmental risks associated to the quarry business are perceived as follows:

– **Excessive dust emission**
  This issue can be addressed with the used of hydraulic crawler drill which used with a dust collector. The spraying of water can also minimize the emission of dust to the environment.

– **Dumping area and water drainage**
  There will not be much overburden as most of the residuals will be used as fill in the work area itself. There is also no toxic or heavy metals are known to be present in the mined rock.

– **Waste management**
  Diesel and lubricants need to be safely handled as they would pollute the underground water.

REPORT ON CORPORATE GOVERNANCE

GCCP Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") was admitted to the Official List of the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist**") on 30 April 2015 ("**Listing**"), after the end of the Company's financial year ended 31 December 2014 ("**FY2014**").

The Board of Directors (the "**Board**") and the management (the "**Management**") of the Company are committed to maintain a high degree of corporate governance and transparency for the benefit of its stakeholders. As such, the Board has where practical, adopted the corporate governance practices recommended in the Code of Corporate Governance 2012 (the "**Code**") the Listing Manual (Section B: Rules of Catalist) of the SGX-ST (the "**Catalist Rules**") and the accompanying disclosure guide subsequently provided by the SGX-ST in January 2015 (the "**Guide**").

This report outlines the Company's corporate governance processes and structures that have been adopted by the Group with specific references to the principles and guidelines of the Code, and also the specific disclosures required by the Code, in so far as it applies to the Group for FY2014. Proper explanations will be provided for any deviations from the Code and/or the Guide.

(A) BOARD MATTERS

Principle 1 – The Board's Conduct of its Affairs

The Board oversees the corporate policy and overall strategy for the Group. The principal roles and responsibilities of the Board include (a) oversight of the overall strategic plans including sustainability and environmental issues as part of its strategic formulation, strategic human resources framework, and financial objectives of the Group; and (b) oversight and the guardian of shareholders' interest and the Company's assets through a robust system of effective internal controls, risk management, financial reporting and compliance.

The Board is the highest authority of approval and specific functions of the Board are either carried out by the Board or through various committees established by the Board, namely, the Audit Committee (the "**AC**"), the Nominating Committee (the "**NC**") and the Remuneration Committee (the "**RC**") (collectively, the "**Board Committees**"). Each committee has the authority to examine issues relevant under their clearly defined term of references and to make fair, proper and appropriate recommendations to the Board when required. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

Matters that require the Board's approval include, amongst others, the following:

- Significant capital investment;
- Material transaction;
- Delegation of authority to Management*; and
- Strategic and Board's direction.

* *The Board will deliberate the proposed authority matrix after its first quarter results announcement slated for release on or before 14 June 2015. Further updates will be provided in the next annual report for the financial year ended 31 December 2015 ("**FY2015**").*

REPORT ON CORPORATE GOVERNANCE

The Board would conduct scheduled meetings on a quarterly basis. Additional meetings would be convened as and when circumstances warrant. The Articles of Association of the Company (the "**Articles of Association**") allow for Board meetings to be conducted via any form of audio or audio-visual communication.

The Company welcomes Directors to request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business from the Management.

When necessary or appropriate, members of the Board may exchange views outside the formal environment of board meetings. Each Board member is expected to objectively discharge his or her duties and responsibilities at all times as fiduciaries in the best interest of the Company.

As the Company was listed on 30 April 2015, the attendance record of each Director at meetings of the Board is referred to the verification meeting held in FY2014. Save for one verification meeting, there were no Board Committee meetings held during the FY2014 disclosed as follows:

	Board(1)	**AC**	**NC**	**RC**
Number of meetings held in FY2014(1)	1	–	–	–
Name of Director	**Number of meetings attended in FY2014**			
Loo An Swee	1	–	–	–
Pang Kim Chon	1	–	–	–
Tan Eng Ann	1	–	–	–
Dato Thomas Koh	1	–	–	–
Denys Collin Munang	1	–	–	–

Note:

*(1) As part of the Company's initial public offering ("**IPO**"), the Board attended one verification meeting during FY2014.*

Newly appointed directors will be given a formal and comprehensive orientation by the Executive Directors and Management to familiarise them with the businesses, governance and operations of the Group. The newly appointed directors will also be given an opportunity for a site visit. Upon appointment, the Director will receive a formal letter of appointment setting out his duties and responsibilities. The Company would provide first-time directors training in relevant areas such as accounting, legal or industry specific training, where relevant.

The Directors may join institutes and group associations of specific interests, and attend relevant training seminars or informative talks from time to time so that they are in a better position to discharge their duties. The Company encourages the directors to attend courses in areas of directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, changes in the Companies Act (Chapter 50) of Singapore (the "**Companies Act**") and industry-related matters, to develop themselves professionally, at the Company's expense. Before Listing, briefings, updates and trainings for the Directors include:

- briefing by Rodyk & Davidson LLP in connection with the preparation of the initial public offering, on Directors' role and responsibilities and the disclosure requirements of the Company pursuant to the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), the Catalist Rules and continuing obligations; and

REPORT ON CORPORATE GOVERNANCE

- Training attended by Dato Koh Boon Thye and Denys Collins Munang: "Listed Company Director Essentials – Understanding the Regulatory Environment in Singapore: What Every Director Ought to Know" conducted by the Singapore Institute of Directors.

Principle 2 – Board Composition and Guidance

The Board comprises five (5) directors, as set out in the table below. There are two Executive Directors namely Mr Loo An Swee who is our Executive Chairman and Chief Executive Officer ("**CEO**"), and Mr Pang Kim Chon who is our Executive Director and Chief Operating Officer ("**COO**"). The Non-Executive and Independent Directors comprise of Mr Tan Eng Ann, Dato Koh Boon Thye, and Mr Denys Collin Munang.

Director	Designation	Date of Initial Appointment as Director	Date of Last Re-Election	AC	NC	RC
Loo An Swee(1)	Executive Chairman and CEO	2 December 2013	Nil	–	–	–
Pang Kim Chon	Executive Director and COO	2 December 2013	Nil	–	–	–
Tan Eng Ann(1)	Lead Independent Director	30 September 2014	Nil	Chairman	Member	Member
Dato Koh Boon Thye	Independent Director	30 September 2014	Nil	Member	Member	Chairman
Denys Collin Munang	Independent Director	30 September 2014	Nil	Member	Chairman	Member

Note:

(1) *Mr Loo An Swee and Mr Tan Eng Ann will retire pursuant to Article 86 and are subjected to re-election as directors at the forthcoming Annual General Meeting ("**AGM**") of the Company to be held on 29 May 2015. All independent directors were appointed via a shareholders' meeting on 30 September 2014.*

In view that Mr Loo An Swee, the Chairman of the Board and the CEO is the same person, Guideline 2.2 of the Code is met as the Independent Directors makes up of more than half of the Board.

In FY2014, the NC did not evaluate on an annual basis whether or not a Director is independent in accordance with the Code. However, based on the offer documents dated 20 April 2015 (the "**Offer Document**") lodged with the SGX-ST, each independent Director had confirmed their independence. The NC will evaluate each Independent Director and their performance for the financial year ending 31 December 2015 ("**FY2015**").

The NC shall adopt the Code's definition of what constitutes an independent director in their review from FY2015 forward.

REPORT ON CORPORATE GOVERNANCE

The following key information regarding directors are set out on the following pages of this Annual Report:

(a) Pages 4 to 5 – Academic and professional qualifications, date of first appointment as director, date of last re-election as director, if any, directorships or chairmanships both present and those held over the preceding three years in other listed companies and other major appointments, whether appointment is executive or non-executive, or considered by the NC to be independent; and

(b) Page 33 – Shareholdings, if any, in the Company and its subsidiaries.

(c) Page 33 – Interest of Directors at the end of FY2014 in shares, debentures, warrants and share options in Company and in related corporations.

For their individual evaluation, each member of the NC would abstain from deliberations in respect of the assessment of his own independence. There is no Independent Director who has served beyond nine years since the date of his first appointment.

In FY2014, the NC has not reviewed the size and composition of the Board for effective decision making, which would take into account factors such as the scope and nature of the operations of the Group and the core competencies of Board members in the fields of financial, legal and strategic management.

The Board is of the view that the diversity of expertise that the Non-Executive Directors possess would assist the Company to constructively challenge and assist in the development of the business strategies and in the reviewing and monitoring of the Management's performance against set targets.

The Independent Directors may at any time meet separately without the presence of Management to facilitate an effective check on the Management. In FY2014, no such meeting was held by the Independent Directors as the Company was listed on the Catalist on 30 April 2015.

The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. The current Board composition provides a diversity of skills, experience, and knowledge to the Company which is elaborated in the table as follows:–

Balance and Diversity of the Board		
	Number of Director(s)	**Proportion of Board**
Core Competencies		
Accounting or finance related	3	60%
Business and management experience	5	100%
Legal or corporate governance knowledge	1	20%
Relevant industry knowledge	3	60%
Strategic planning experience	5	100%

REPORT ON CORPORATE GOVERNANCE

The Board will take the following steps to maintain or enhance its balance and diversity:

- Annual review by the NC to assess if the existing attributes and core competencies of the Board and Board Committees are complementary which would enhance the efficacy of the Board; and

- Annual peer evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

Principle 3 – Chairman and Chief Executive Officer

The roles of the Chairman and Chief Executive Officer (the "**CEO**") in the Company are not separated. Mr Loo An Swee is our Executive Chairman, and also acts as our Group CEO.

In view that Mr Loo An Swee, the Chairman and the CEO is the same person, Guideline 2.2 of the Code is met as the Independent Directors make up of more than half of the Board.

Mr Loo has the executive responsibility for the day-to-day operations of the Group and provides overall leadership to the Board. The Chairman, with the help of the Company Secretary, ensures that Board meetings are held as and when necessary and sets the meeting agenda in consultation with the Chairman, and fellow directors and other executives, and if warranted, with professional advisors.

The Chairman also has the responsibility to ensure the quality, quantity and timeliness of the flow of information between the Management, the Board and shareholders. He assumes the lead role in promoting high standards of corporate governance processes as well as the culture of openness and debate at Board meetings. He also encourages constructive relationship within the Board and between the Board and Management while facilitating the effective contributions of Non-Executive and Independent Directors during the Board meetings.

To comply with Guideline 3.3 of the Code, the Company has appointed Mr Tan Eng Ann as our Lead Independent Director, who will meet periodically with the other Independent Directors without the presence of any Executive Directors or Management, and provide feedback to the Chairman after such meetings, if any. The Lead Independent Director would be made available to shareholders whenever they have concerns and for which contact through normal channels with the Chairman and CFO has failed to resolve or when such contact is deemed inappropriate.

Principle 4 – Board Membership

The Company has established the NC to make recommendations to the Board on all Board appointments and re-appointments. The salient key terms of reference of the NC include, amongst others, the following:

(a) reviewing and recommending the nomination or re-nomination of the Directors having regard to their contribution and performance;

(b) determining on an annual basis whether or not a Director is independent;

(c) deciding whether or not a Director is able to and has been adequately carrying out his duties as a director; and

(d) reviewing and approving any new employment of persons whom are related to our Directors and the proposed terms of their employment.

REPORT ON CORPORATE GOVERNANCE

The NC will evaluate and recommend on how the Board's performance is to be evaluated and propose objective performance criteria, subject to the approval of the Board, which primary objective is to address how the Board has enhanced long-term shareholders' value.

The Board will also implement an annual process to be carried out by the NC for assessing the effectiveness of the Board as a whole, the respective Board Committees as well as the contribution of each individual Director to the effectiveness of the Board. Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as Director.

The NC comprises three (3) directors, all whom including the Chairman, are non-executive and independent. The NC members are:

– Denys Collin Munang (Chairman)
– Tan Eng Ann
– Dato Koh Boon Thye

The Articles of Association requires every Director to retire after three (3) years being in office at each AGM. Pursuant to Article 86, the retiring Directors would submit themselves for re-nomination and re-election.

In addition, pursuant to Article 85(6), newly appointed Directors are required hold office until and submit themselves for re-election at the next AGM following their appointments.

The NC has noted that the following directors will retire via rotation at the forthcoming AGM pursuant to the Article no. 86 of the Articles of Association:

Name of Director	Designation	Retiring Pursuant to Article of Association
Loo An Swee	Executive Chairman and CEO	86
Tan Eng Ann	Lead Independent Director	86

Pursuant to the Article no. 86 of the Articles of Association, Mr Loo An Swee and Mr Tan Eng Ann will retire via rotation, being eligible and having consented, be nominated for re-election as Director at the forthcoming AGM, and subject to being duly re-elected, both Mr Loo An Swee and Mr Tan Eng Ann will remain as the Executive Chairman and CEO, and Lead Independent Director respectively. Upon re-election as Director, Mr Tan Eng Ann will also remain as the AC Chairman and a member of NC and RC. Mr Tan Eng Ann is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

In assessing and recommending a candidate for appointment to the Board, the NC will take into consideration the competencies, skills, experience and diversity the existing Board would require. A description of the candidate's requirements, which could include but not limited to; the background, qualifications, experience and knowledge that the candidate should bring would then be provided after the NC's analysis and evaluation.

REPORT ON CORPORATE GOVERNANCE

Other important issues to be considered as part of the process for the selection, appointment and re-appointment of Directors include the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candor), if applicable, as an Independent Director.

The NC may also engage external search consultants to search for new directors at the Company's expense to shortlist and recommend potential directors. All recommendations would be put forth to the NC for their discussion and recommendation to the Board thereafter.

New directors are appointed by way of a board resolution after the NC recommends the appointment for approval of the Board.

As a broad-based NC policy, the board nomination criteria for evaluating an Executive Director *vis-à-vis* a Non-Executive or Independent Director is different. For an Executive Director, the nomination process would in general be tied to his ability to contribute through his acumen and thinking process of the businesses.

As for a Non-Executive or Independent Director, nominations are based on a myriad of criteria whereby he should possess the independence of mind despite confirmation via in writing, as evaluated by the NC. The existing Independent Directors were selected from contacts as recommended to Management, where Management had in their opinion, deemed that these professionals will be able to give an independent view to take the Group's businesses to a higher level.

For FY2015, the NC will consider evaluating Directors based on the following considerations:

(a) expected and/or competing time commitments of each Director;

(b) number of board representation held by each Director;

(c) size and composition of the Board; and

(d) nature and scope of the Group's operations and size.

In FY2014, no cap on the maximum number of listed company directorships that the Directors are allowed to hold was set. Nevertheless, if in future the Board finds that time commitment is lacking from any particular director, the Board may consider imposing a cap in future.

There is no alternate director appointed in FY2014.

Principle 5 – Board Performance

The NC will be responsible for assessing the effectiveness of the Board as a whole, the Board Committees and each individual Director. The NC decides how the Board's performance may be evaluated and proposes objective performance criteria that are approved by the Board.

REPORT ON CORPORATE GOVERNANCE

The criteria for evaluation of the performance of individual directors include qualitative and quantitative factors such as performance of principal functions and fiduciary duties, Director's attendance at meetings and contribution and performance at such meetings. The NC and the Board strive to ensure that each Director, with his contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made. The NC will meet once a year, and as warranted by circumstances, to discharge its functions. In FY2014, no NC meeting was held as the Company was listed on the Catalist on 30 April 2015.

The NC will put in place a Board performance evaluation process whereby the Board and its Board Committees will complete a group assessment collectively. The Company Secretary will collate the Board's evaluations and provide the summary observations to the NC Chairman. The NC would then discuss the evaluation and conclude the performance results during the NC meeting. An evaluation form would be adopted after the review, and the NC would review the Board's, respective Board committees' and individual Directors' performance for FY2015. The evaluation criteria would be reviewed as and when required to keep up with any prevailing good practice, from time to time to be determined by the NC. For FY2015, the NC, will review the performance of the Board in terms of its roles and responsibilities and the conduct of its affairs as a whole. The NC may have the option to use an external facilitator for the evaluation process.

Principle 6 – Access to Information

The Management including the Executive Directors will keep the Board apprised of the Group's operations and performance through quarterly updates and reports as well as through informal discussions. Key executives who can provide additional insight into the matters at hand would be invited to the Board meeting.

Prior to any meetings of the Board or committees, Directors are provided, where appropriate, with sufficient relevant information to enable them to be prepared for the meetings. On an ongoing basis, all Board members have separate and independent access to Management should they have any queries or require additional information on the affairs of the Group.

Before each meeting, Management would provide the Board members with the required explanatory documents relating to matters to be brought before the Board. The Management also provides the Board with quarterly updates on financial results, operational performance, business development and other important and relevant information.

The Directors also have access to the Company Secretary who attends all Board and its committees' meetings. The Company Secretary also assists the Chairman and the Board to implement and strengthen corporate governance practices and processes. The Board is given the names and contact details of the Company's Management and the Company Secretary to facilitate direct, separate and independent access. The role of the Company Secretary includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with. Under the direction of the Chairman, the Company Secretary's responsibilities would include ensuring good information flows within the Board and its board committees and between Management and non-executive Directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development as required. The appointment and removal of the Company Secretary is subjected to the approval of the Board as a whole.

Where the Directors either individually or as a group, in the furtherance of their duties, require independent professional advice, assistance is available to assist them in obtaining such advice at the Company's expense.

REPORT ON CORPORATE GOVERNANCE

(B) REMUNERATION MATTERS

Principle 7 – Procedures for Developing Remuneration Policies

The terms of reference of the RC cover the functions described in the Code including but not limited to, the following:

(i) to recommend to the Board a framework of remuneration for Directors and Executive Officers;

(ii) to determine specific remuneration packages for each Executive Director. The recommendations of the RC should be submitted for endorsement by the entire Board;

(iii) to review the remuneration of related employees who are related to the Directors or the Chief Executive Officer to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scope and level of responsibilities; and

(iv) to review the Company's obligations arising in the event in the termination of executive directors' and executive officers' contract of service, to ensure that such contract of service contain fair and reasonable termination clauses which are not overly generous.

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses and other benefits-in-kind shall be covered by the RC. Each member of the RC shall abstain from voting on any resolutions in respect of his remuneration package.

Any bonuses, pay increases and/or promotions for these related employees will also be subjected to the review and approval of the RC. In the event that a member of the RC is related to the employee under review, he will abstain from participating in the review.

The RC comprises entirely Non-Executive Directors, including the Chairman, all of whom are independent. The RC meets at least once a year, and as warranted by circumstances, to discharge its functions. The RC members are:

– Dato Koh Boon Thye (Chairman)
– Denys Collin Munang
– Tan Eng Ann

No member of the RC will be involved in the setting of his remuneration package. As and when deemed appropriate by the RC, remuneration consultants to seek independent advice could be engaged at the Company's expense. The RC shall ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.

Principle 8 – Level and Mix of Remuneration

For FY2015, the RC will recommend to the Board the quantum of directors' fees and the Board in turn endorses the recommendation for shareholders' approval at each AGM. In FY2014, a recommendation is made to shareholders to approve the total payment of S$30,000 to the three (3) Non-Executive Directors taking into account of their contributions during the pre-IPO meetings of the Company.

REPORT ON CORPORATE GOVERNANCE

The remuneration packages take into consideration the performance of the Group and individual assessment of each Non-Executive Director, the level of contribution to the Company and Board, taking into account various factors including but not limited to efforts and time spent, responsibilities and duties of the Directors.

For the Executive Directors and Executive Officers, each of their service agreements and/or compensation packages will be reviewed by the RC. These service agreements cover the terms of employment and specifically, the salaries and bonuses of the Executive Directors and Executive Officers. The Company may terminate a service agreement if, inter alia, the relevant Executive Director or Executive Officers is guilty of dishonesty or serious or persistent misconduct, become bankrupt or otherwise act to the Company's prejudice. Executive Directors of the Company are not entitled to any Directors' fees.

The Company has entered into separate service agreements (the "**Service Agreements**") with the Executive Directors, namely, Mr Loo An Swee and Mr Pang Kim Chon. Please refer to the Offer Document, pages 140 and 142 for the full details of their Service Agreements.

The RC will ensure that the Independent Directors are not over compensated to the extent that their independence may be compromised. Non-Executive Directors are able to participate in the GCCP Employee Share Option Scheme, and the GCCP Performance Share Plan, and hold shares in the Company so as to better align their interests with the interests of shareholders.

For FY2015, the RC will review the compensation and remuneration packages of Directors and Executive Officers and believes that their remuneration commensurates with their respective roles and responsibilities. The Company may engage any external remuneration consultant to assist in the review of compensation and remuneration packages.

There are no termination, retirement and post-employment benefits that may be granted to the Directors or the CEO, COO and the two Executive Officers.

Principle 9 – Disclosure on Remuneration

The breakdown (in percentage terms) of the remuneration of Directors of the Company in FY2014 is set out below:

Directors	Salary and allowance[4] (%)	Consultancy Fees (%)	Variable Bonus[2] (%)	Director's Fees[1] (%)	Total (%)
From S$0 to S$250,000					
Loo An Swee	92	0	8	0	100
Pang Kim Chon	92	0	8	0	100
Tan Eng Ann	0	0	0	100	100
Dato Koh Boon Thye	0	0	0	100	100
Denys Collin Munang	0	0	0	100	100

REPORT ON CORPORATE GOVERNANCE

Given the highly competitive conditions, sensitive and confidential nature of such information of each Director and Executive Officers, the Company believes that the disclosure of the full remuneration as recommended by the Code may not be in the best interests of the Group. Nevertheless, the Company has provided the full remuneration in the bands of S$250,000 and a breakdown in percentage terms.

The breakdown (in percentage terms) of the remuneration of two (2) top Executive Officers of the Group for FY2014 is set out below:

Remuneration and Name of Executive Officers[3]	Designation	Salary and allowance[2] (%)	Consultancy Fees (%)	Variable Bonus[2] (%)	Total (%)
From S$0 to S$250,000					
Ian Lim Koh Huat	Chief Financial Officer	92	0	8	100
Loh Heng Kwai	Director of Operations, Gridland Sdn Bhd	92	0	8	100

Notes:

1. *The director's fees are subject to shareholders' approval at the coming Annual General Meeting.*
2. *The salary, allowance and variable bonus amounts shown are inclusive of Central Provident Funds and Employees Provident Funds contributions respectively.*
3. *The Group has currently only 2 Executive Officers.*

In aggregate, the total remuneration paid to the 2 top Executive Officers was S$206,000 in FY2014.

Save for remuneration paid to Loo Han Hwa, who is the brother of our Executive Chairman and CEO, Mr Loo An Swee, in respect of his employment as a general worker with Gridland Sdn Bhd since August 2012 and the remuneration paid to Loo Wooi Hong, the son of Mr Loo An Swee, in respect of his employment as an administrative executive of Gridland since November 2014, there were no employees, who are immediate family members of our Directors, substantial shareholders or controlling shareholders (including related employees who have since left our Company), whose remuneration exceeded S$50,000 in FY2014. The remuneration paid to Loo Han Hwa and Loo Wooi Hong did not exceed S$50,000 in FY2014.

The remuneration received by the Executive Directors and Executive Officers takes into consideration his or her individual performance and contribution toward the overall performance of the Group in FY2014. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary and fixed allowance. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

PERFORMANCE SHARE PLAN AND EMPLOYEE SHARE OPTIONS SCHEME

In conjunction with the Company's listing on Catalist, we have adopted a performance share plan known as the "GCCP Performance Share Plan" (the "**Performance Share Plan**") and a share option scheme known as the "GCCP Employee Share Option Scheme" (the "**ESOS**"), both of which were approved by the shareholders by way of written resolutions of shareholders passed on 26 February 2015. The Board has delegated the administration of the Performance Share Plan and ESOS to the RC.

REPORT ON CORPORATE GOVERNANCE

Both the Performance Share Plan and the ESOS will provide eligible participants (each a "**Participant**" and collectively, the "**Participants**") with an opportunity to participate in the equity of our Company and to motivate them towards better performance through increased dedication and loyalty. Both the Performance Share Plan and the ESOS form an integral component of the compensation plan and are designed primarily to reward and retain employees whose services are vital to the growth and performance of the Company and/or the Group.

The Performance Share Plan and ESOS are designed to complement each other. The aim of implementing more than one incentive plan is to increase our Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve better performance by providing the Group with a more comprehensive set of remuneration tools and further strengthen our competitiveness in attracting and retaining local and foreign talent.

Unlike the ESOS whereby Participants are required to pay for the exercise of the options, the Performance Share Plan allows the Group to provide an incentive for Participants to achieve certain specific performance targets by awarding fully paid shares to Participants after these targets have been met.

In addition, the assessment criteria for granting options under the ESOS are more general (for example, based on length of service and general performance of the Group) and do not relate to specific performance targets imposed by the Group. On the other hand, the assessment criteria for granting of awards under the Performance Share Plan will be based on specific performance targets or to impose time-based service conditions, or a combination of both.

The aggregate number of shares which may be offered by way of grant of options to the controlling shareholder and their respective associates under the Share Option Scheme shall not exceed 25% of the total number of shares available under the ESOS, with the number of shares which may be offered by way of grant of options to each controlling shareholder and his respective associate not exceeding 10% of the total number of shares available under the ESOS.

For the ESOS, the total number of Shares over which the RC may grant options on any date, when added to the number of shares issued and issuable in respect of (i) all options granted under the ESOS; (ii) all awards granted under the Performance Share Plan; and (iii) all outstanding options or awards granted under such other share-based incentive schemes of the Company, shall not exceed 15.0% of the number of issued shares (excluding treasury shares) on the day immediately preceding the offer date of the option.

The options that are granted under the ESOS may have exercise prices that are, at the RC's discretion, set at a price (the "**Market Price**") equal to the average of the last dealt prices for the shares on Catalist for five (5) consecutive market days immediately preceding the relevant date of grant of the relevant option; or at a discount to the Market Price (subject to a maximum discount of 20.0%). Options which are fixed at the Market Price (the "**Market Price Option**") may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the Market Price (the "**Discounted Option**") may only be exercised after the second anniversary from the date of grant of that option. Options granted under the ESOS will have a life span of ten (10) years.

The ESOS shall continue in operation for a maximum duration of ten (10) years commencing on the date on which the ESOS is adopted by the Company by way of written resolution and may be continued for any further period thereafter with the approval of shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

REPORT ON CORPORATE GOVERNANCE

For the Share Performance Plan, the total number of shares which may be delivered pursuant to the vesting of awards on any date, when added to the aggregate number of shares issued and/or issuable in respect of (i) all awards granted under the Performance Share Plan; (ii) all options granted under the ESOS; and (iii) all other shares issued and/or issuable under any other share-based incentive schemes or share plans of the Company, shall not exceed 15.0% of the total number of issued shares (excluding treasury shares) of the Company from time to time.

The aggregate number of shares that are available to the controlling shareholders and their associates under the Performance Share Plan shall not exceed 25.0% of the total number of shares available under the Performance Share Plan. The number of shares that are available to each controlling shareholder or each of their associates under the Performance Share Plan shall not exceed 10.0% of the shares available under the Performance Share Plan.

The Performance Share Plan shall continue in force at the discretion of the RC, subject to a maximum period of ten (10) years commencing on the date on which the Performance Share Plan is adopted by the Company in by way of written resolutions, provided always that the Performance Share Plan may continue beyond the above stipulated period with the approval of shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Performance Share Plan, any awards made to Participants prior to such expiry or termination will continue to remain valid.

As at the date of the annual report for FY2014, no options have been granted under the ESOS, and no awards have been granted under the Performance Share Plan.

(C) ACCOUNTABILITY AND AUDIT

Principle 10 – Accountability

The Board is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects, including interim and other price sensitive public information and reports to regulators (if required). Management provides directors on a quarterly basis, with sufficient relevant information on the Group's financial performance and commentary of the competitive conditions of the industry in which the Group operates. The Company adopts a policy which welcomes directors to request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business from Management.

The AC reports to the Board on the financial results for review and approval. The Board approves the financial results after review and authorises the release of the results on SGXnet and the public.

The Company will upload its latest announcement(s) which has been disseminated via SGXnet on its website: http://www.gccpresources.com.

Principle 11 – Risk Management and Internal Controls

The Board has the overall responsibility for the Group's risk management and internal controls in safeguarding shareholders' interests and the Group's assets. The Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information, and to safeguard and maintain accountability of assets. Procedures will be put in place to identify major business risks and evaluate potential financial implications, as well as for the authorisation of capital expenditure and investments.

REPORT ON CORPORATE GOVERNANCE

The AC, on behalf of the Board, reviews the adequacy and effectiveness of the Group's system of internal controls, including financial, operational, compliance and information technology controls, and risk management policies and systems established by Management on an annual basis. The Group currently does not have a Risk Management Committee. The Group also addresses the sustainability risks with compliance to the relevant laws and regulations to mitigate the negative impact to the environment. In addition the Group also sets policies which is based on ethical consideration on issues related to corporate social responsibility.

Management is required to regularly review the Group's business and operations to identify areas of significant business risks and controls to mitigate the risks. The Management will highlight all significant matters to the Board and AC.

In FY2014, the AC did not receive any assurance from the CEO and the Chief Financial Officer as it was not listed as at 31 December 2014, that:

- accounting and other records have been properly maintained and the Company's risk management and internal control systems are adequate and effective; and

- the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances as it was listed after FY2014. Nevertheless, such assurance will be sought for FY2015.

The design, implementation and operation of the accounting and internal control systems are intended to prevent and detect fraud and errors. The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

In page 164 of the Offer Document, the Board, with the concurrence of the AC, has provided an opinion that the Group's risk management systems and system of internal controls is adequate and effective in addressing financial, operational, and compliance risks as at FY2014 and also the date of listing up to 30 April 2015. Also as disclosed in page 164 of the Offer Document, the AC may commission an annual internal audit until such time as the AC is satisfied that the Group's internal control are robust and effective enough to mitigate the Group's internal control weakness if any. After making all reasonable enquiries, the Board is of the opinion that the risk management and internal control systems including information technology controls are in place to mitigate any possible internal control weakness in FY2014.

Principle 12 – Audit Committee ("AC")

The terms of reference of the AC include the following:

Our Audit Committee shall meet periodically to perform the following functions:

(a) consider the appointment or re-appointment of the external auditors, the level of their remuneration and matters relating to resignation or dismissal of the external auditors, and review with the external auditors the audit plans, their evaluation of the system of internal accounting controls, their audit reports, their management letter and Management's response before submission of the results of such review to the Board for approval;

REPORT ON CORPORATE GOVERNANCE

(b) consider the appointment or re-appointment of the internal auditors, the level of their remuneration and matters relating to resignation or dismissal of the internal auditors, and review with the internal auditors the internal audit plans and their evaluation of the adequacy of the system of internal accounting controls and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the annual report (where necessary);

(c) review the system of internal accounting controls and procedures established by Management and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the Management where necessary);

(d) review the assistance and co-operation given by the Company's officers to the internal and external auditors;

(e) review the quarterly and annual, and, financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

(f) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and consider the adequacy of the Management's response;

(g) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(h) review and approve the review procedures Interested Person Transactions on a quarterly basis;

(i) maintain an Interested Person Transactions register and review the same on a quarterly basis;

(j) review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;

(k) review the effectiveness and adequacy of our administrative, operating, internal accounting and financial control procedures;

(l) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or the findings are material, immediately announced via SGXNET;

(m) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(n) generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;

(o) review arrangements by which our staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

(p) review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time.

REPORT ON CORPORATE GOVERNANCE

The AC comprises three (3) members, all of whom, including the Chairman, are non-executive, independent directors. The members of the AC are:

– Tan Eng Ann (Chairman)
– Dato Koh Boon Thye
– Denys Collin Munang

The AC has explicit authority to investigate any matter within its terms of references. It has full access to Management and full discretion to invite any Director or key management personnel to attend its meetings, and to be provided with reasonable resources to enable it to discharge its functions properly. The Executive Directors and key management personnel will be invited to be present at the AC meetings to report and brief the AC members on the financial and operating performance of the Group and to answer any queries from the AC members on any aspect of the operations of the Group.

The external auditors will be invited to be present at AC meetings, as and when required, to, inter alia, answer or clarify any matter on accounting and auditing or internal controls. The aggregate amount of expense paid or payable to Ernst & Young LLP ("**Ernst & Young**") for FY2014 are as follows:

Audit fees	:	S$70,000
Non-audit fees	:	–
IPO-related fees*	:	S$352,000
Total	:	S$422,000

* *IPO-related fees of S$352,000 paid/payable to the external auditors and its member firms for their roles as reporting accountants in relation to the listing of the Company.*

The AC is of the opinion that the independence and objectivity of the external auditors have not been affected as the amount of non-audit fees paid in FY2014 was for the expenses in relation to the IPO of the Company and is not expected to recur.

The financial statements of the Company and its subsidiaries are audited by Ernst & Young. In FY2014, the AC is of the view that the audit firms are adequately resourced, of appropriate standing within the international affiliation. The AC is satisfied that the appointment of Ernst & Young as external auditors would not compromise the standard and effectiveness of the audit of the Company and that the Company has complied with Rule 712 and Rule 715 of the Catalist Rules. The AC has recommended to the Board, the nomination of Messrs Ernst & Young LLP is for reappointment as external auditors of the Group at the forthcoming AGM of the Company to be held on 29 May 2015.

The Company has an arrangement whereby staff of the Group and any external parties may, in confidence, raise concerns about possible irregularities in matters of financial reporting or other matters. The arrangement also provides for independent investigation of such matters and permits whistle blowers to report directly via email to the designated AC Chairman's email account.

The AC has power to conduct or authorise investigations into any matter within the AC's scope of responsibility. On a regular basis, all whistle-blowing cases reported and the resolution would be reported to the AC. Depending on the nature of the concern raised or information provided, the investigation may be conducted.

REPORT ON CORPORATE GOVERNANCE

The Board was of the view that the members of the AC are appropriately qualified to discharge their duties and responsibilities. Mr Tan Eng Ann, the AC Chairman is a Chartered Accountant and also a qualified Chartered Financial Analyst of the Association for Investment Management and Research.

Principle 13 – Internal Audit

The AC relies on reports from the Management and external and internal auditors on any material non-compliance and internal control weaknesses. Thereafter, the AC oversees and monitors the implementations thereto.

The Group has outsourced its internal audit function to RSM Ethos Pte. Ltd. (the "**IA**") which reports directly to the AC. The IA has an administrative reporting function to Management where planning, co-ordinating, managing and implementing internal audit work cycle are concerned.

The work undertaken by the IA, are carried out in accordance with the standards set by internationally recognised professional bodies including Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The IA will report their audit findings and recommendations directly to the AC. For FY2014, and prior to the listing on 30 April 2015, the IA has conducted an internal control review, as disclosed in page 164 of the Offer Document.

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14 – Shareholder Rights

Principle 15 – Communication with Shareholders

Principle 16 – Conduct of Shareholder Meetings

The Company strives to disclose information on a timely basis to shareholders and ensure any disclosure of price sensitive information is not made to a selective group. The information is communicated to our shareholders via:

– annual reports – the Board strives to include all relevant information about the Group, including future developments and disclosures required by the Companies Act, Financial Reporting Standards and the Catalist Rules; and

– SGXnet and press releases (as and when required) on major developments of the Group.

SGXnet disclosures and press releases of the Group are also available on the Company's website at http://www.gccpresources.com. The Company may publish presentation slides used during the investor briefings on SGXnet and on its website – http://www.gccpresources.com. A copy will be made available on the Company's website and published via SGXnet.

At the shareholders will be given the opportunity to air their views and ask Directors or Management questions regarding the Company and the Group at the AGM. The notice of AGM will be sent together with the annual report, released on SGXnet and on the Company's website as well as published in the newspapers to inform shareholders of upcoming meetings.

REPORT ON CORPORATE GOVERNANCE

The Group has appointed an external media and investor relations consultant to assist the Group to facilitate and gather the exchange of views and queries of shareholders, and also to promote meaningful disclosures to shareholders.

The Board, Management and the external auditors will also be present to address any relevant queries the shareholders may have. At the forthcoming AGM, the Company will prepare the minutes of the AGM which would include substantial or relevant comments from shareholders and the minutes of the AGM will be made available to shareholders, upon their request.

The Company's Articles of Association do not allow for abstentia voting at general meetings of shareholders as authentication of shareholder identity information and other related security issues remains a concern. However, the Articles of Association of the Company does allow a shareholder to vote either in person or appoint not more than two proxies to attend and vote in his stead. Such proxy to be appointed need not be a shareholder.

At the upcoming Annual General Meeting, the Company intends to conduct the voting by a show of hands. However, for the AGM to be held for FY2015, the Company will comply with the Catalist Rules where all voting will be by way of a poll.

Consistent with the disclosure in the Offer Document, the Board did not propose any payment of final dividend for FY2014. The Company does not have any fixed dividend policy yet as it is still not profitable yet. As and when the Company is profitable, and if the Board determines it to be in the best interest of the Company and shareholders, the Board may declare dividends by way of an ordinary resolution of shareholders.

(E) DEALINGS IN SECURITIES

The Company has adopted an internal code on dealings in securities, which has been disseminated to all Directors and officers within the Group. The Company will also send a notification via email to notify all its Directors and officers a day prior to the close of window for trading of the Company's securities.

Directors and officers of the Company are reminded not to deal (whether directly or indirectly) in the Company's securities on short-term considerations and be mindful of the law on insider trading as prescribed under the Securities and Future Act, Cap. 289. The internal code on dealings in securities also makes clear that the Company, its Directors and officers should not deal in the Company's securities and securities of other listed companies, while in possession of unpublished price-sensitive information and prohibits trading as well as in the following periods:

(i) the period commencing two weeks before the announcement of the Company's financial statements for the first, second and third quarters of its financial year; and

(ii) the period commencing one month before the announcement of the Company's financial statements for its full financial year.

Each of the above periods will end on the date of the announcement of the relevant financial results of the Company.

REPORT ON CORPORATE GOVERNANCE

(F) INTERESTED PERSON TRANSACTIONS ("IPT")

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and that the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There were no IPTs with value more than S$100,000 transacted during FY2014. The Company does not have an IPT mandate.

(G) USE OF PROCEEDS (CATALIST RULE 1204(5f) AND (22))

The Company has not utilized any of the Company's share placement (the "**Placement**") net proceeds as at the date of this report. The breakdown of the proposed utilisation of the proceeds are as follows:

Use of proceeds from the Placement	Amount in aggregate (S$'000)	Estimated amount allocated for each dollar of the gross proceeds to be raised from the issue of the Placement Shares as a percentage of the gross proceeds (%)
Development of the Hyper Act Quarry	15,000	53.5
Working Capital	8,232	29.3
Expenses incurred in connection with the Placement(1)	4,828	17.2
Total	**28,060**	**100.0**

Note:

(1) The estimated expenses amounted to approximately S$4.8 million, out of which approximately S$1.3 million will be capitalised against the capital of the Company and the balance of the estimated expenses will be charged to the profit and loss of the Company in FY2015.

(H) MATERIAL CONTRACTS

Save for the service agreements entered with the Executive Directors as disclosed on pages 140 and 142 of the Offer Document, there was no other material contract involving the interests of the CEO, any Director or controlling shareholders of the Company which has been entered into by the Group, which are either still subsisting at the end of FY2014 or if not then subsisting, entered into since the end of the previous financial year.

(I) NON-SPONSOR FEES (CATALIST RULE 1204(21))

For FY2014, the Company paid to its sponsor, PrimePartners Corporate Finance Pte. Ltd. a non-sponsor fee of S$220,000 for acting as the issue manager, sponsor and placement agent pursuant to the Company's IPO.

FINANCIAL CONTENTS

DIRECTORS' REPORT

The directors present their report to the members together with the audited consolidated financial statements of GCCP Resources Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2014.

The Company was incorporated on 1 November 2013. It carried out a restructuring exercise (please refer to note 2 of the financial statement for details). On 30 April 2015, the Company was listed on the Catalist of the Singapore Exchange Securities Trading Limited.

Directors

The directors of the Company in office at the date of this report are:

Loo An Swee	(Executive Chairman and Chief Executive Officer)
Pang Kim Chon	(Executive Director and Chief Operating Officer)
Tan Eng Ann	(Lead Independent Director)
Dato Koh Boon Thye	(Independent Director)
Denys Collin Munang	(Independent Director)

Pursuant to Article 86 of the Articles of Association of the Company, Mr Loo An Swee and Mr Tan Eng Ann are subject to retirement and re-election at the forthcoming annual general meeting.

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company except as follows:

	Direct interest	
Name of director	**At the beginning of the financial year**	**At the end of the financial year**
	Number of Ordinary shares of the Company	
Loo An Swee	138	5,887
Pang Kim Chon	20	940

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

DIRECTORS' REPORT

Directors' interests in shares and debentures (Continued)

There is no change in any of the above mentioned director's interests in the Company after the end of the financial year and 21 January 2015.

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit 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.

Options

No options were issued by the Company during the financial year. As at 31 December 2014, there are no options on the unissued shares of the Company or any other body corporate which were outstanding.

The Company does not have any share option scheme or performance share plan in place as at 31 December 2014.

Audit Committee, Nominating Committee and Remuneration Committee

Details of the Company's Audit Committee, Nominating Committee and Remuneration Committee are set out in the Report on Corporate Governance in the Annual Report.

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor of the Group.

On behalf of the Board of Directors,

Loo An Swee
Director

Pang Kim Chon
Director

6 May 2015

STATEMENT BY DIRECTORS

We, Loo An Swee and Pang Kim Chon, being two of the directors of GCCP Resources Limited, do hereby state that, in the opinion of the directors,

(i) the accompanying statements of financial position, consolidated statement of comprehensive income, statements of changes in equity and consolidated statement of cash flows together with notes thereto are drawn up so as to present fairly, the state of affairs of the Group and of the Company as at 31 December 2014 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors:

Loo An Swee
Director

Pang Kim Chon
Director

6 May 2015

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014
TO THE MEMBERS OF GCCP RESOURCES LIMITED

Report on the financial statements

We have audited the accompanying financial statements of GCCP Resources Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") set out on pages 37 to 73, which comprise the statements of financial position of the Group and of the Company as at 31 December 2014, the statements of changes in equity of the Group and of the Company, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group and of the Company as at 31 December 2014 and the results and changes in equity of the Group and of the Company and its cash flows of the Group for the financial year then ended in accordance with International Financial Reporting Standards ("**IFRS**") as issued by International Accounting Standards Board.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

6 May 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	**Group**	
		2014	**2013**
		MYR	**MYR**
Revenue	4	**572,701**	–
Cost of sales		**(358,972)**	–
Gross profit		**213,729**	–
Other item of income			
Interest income	5	**31,804**	26,102
Other items of expense			
General and administrative expenses		**(38,512,326)**	(1,919,605)
Finance costs	6	**(4,777,508)**	(448,221)
Loss before tax	7	**(43,044,301)**	(2,341,724)
Income tax expense	8	**–**	–
Loss for the year, representing total comprehensive income for the year attributable to owners of the Company		**(43,044,301)**	(2,341,724)
Loss per share attributable to owners of the Company			
Basic and diluted loss per share	9	**4,392**	249

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Note	Group 2014 MYR	Group 2013 MYR	Company 2014 MYR	Company 2013 MYR
ASSETS					
Non-current assets					
Property, plant and equipment	10	**29,908,428**	9,304,960	**–**	–
Prepayments for property, plant and equipment	22	**4,000,000**	3,482,000	**–**	–
Investments in subsidiaries	11	**–**	–	**5,000,002**	5,000,002
		33,908,428	12,786,960	**5,000,002**	5,000,002
Current assets					
Inventories	12	**895,773**	–	**–**	–
Other receivables	13	**20,579**	57,359	**41,343,076**	–
Prepayments		**1,943,432**	11,397	**676,102**	11,398
Pledged deposits	14	**1,068,684**	833,245	**–**	–
Cash at banks and on hand	15	**9,456,786**	149,926	**2,883,830**	13,644
Income tax recoverable		**2,396**	1,168	**–**	–
		13,387,650	1,053,095	**44,903,008**	25,042
Total assets		**47,296,078**	13,840,055	**49,903,010**	5,025,044
EQUITY AND LIABILITIES					
Current liabilities					
Other payables	16	**6,185,586**	11,671,011	**2,196,916**	5,053,281
Accrued operating expenses		**584,666**	181,862	**584,666**	–
Loans and borrowings	17	**594,272**	4,432,316	**–**	–
Derivative financial instruments	18	**47,168,110**	–	**47,168,110**	–
		54,532,634	16,285,189	**49,949,692**	5,053,281
Net current liabilities		**(41,144,984)**	(15,232,094)	**(5,046,684)**	(5,028,239)
Non-current liability					
Loans and borrowings	17	**23,669,661**	1,435,796	**21,960,440**	–
Total liabilities		**78,202,295**	17,720,985	**71,910,132**	5,053,281
Net liabilities		**(30,906,217)**	(3,880,930)	**(22,007,122)**	(28,237)
Equity attributable to owners of the Company					
Share capital	19	**16,019,659**	645	**16,019,659**	645
Accumulated losses		**(46,925,876)**	(3,881,575)	**(38,026,781)**	(28,882)
Total deficit		**(30,906,217)**	(3,880,930)	**(22,007,122)**	(28,237)
Total equity and liabilities		**47,296,078**	13,840,055	**49,903,010**	5,025,044

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Share capital (Note 19) MYR	Accumulated losses MYR	Total equity MYR
Group			
Balance as at 1 January 2013	5,000,002	(1,539,851)	3,460,151
Loss for the year, representing total comprehensive income for the year	–	(2,341,724)	(2,341,724)
Contributions by and distributions to owners:			
Issuance of shares pursuant to the Restructuring Exercise	645	–	645
Adjustment arising from the Restructuring Exercise	(5,000,002)	–	(5,000,002)
Total transactions with owners in their capacity as owners	(4,999,357)	–	(4,999,357)
Balance as at 31 December 2013 and 1 January 2014	645	(3,881,575)	(3,880,930)
Loss for the year, representing total comprehensive income for the year	–	(43,044,301)	(43,044,301)
Contributions by and distributions to owners:			
Conversion of convertible loan	11,019,014	–	11,019,014
Issuance of new ordinary shares	5,000,000	–	5,000,000
Total transactions with owners in their capacity as owners	16,019,014	–	16,019,014
Balance as at 31 December 2014	16,019,659	(46,925,876)	(30,906,217)
Company			
Balance as at 1 January 2013	645	–	645
Loss for the year, representing total comprehensive income for the year	–	(28,882)	(28,882)
Balance as at 31 December 2013 and 1 January 2014	645	(28,882)	(28,237)
Loss for the year, representing total comprehensive income for the year	–	(37,997,899)	(37,997,899)
Contributions by and distributions to owners:			
Conversion of convertible loan	11,019,014	–	11,019,014
Issuance of new ordinary shares	5,000,000	–	5,000,000
Total transactions with owners in their capacity as owners	16,019,014	–	16,019,014
Balance as at 31 December 2014	16,019,659	(38,026,781)	(22,007,122)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	Group	
		2014	**2013**
		MYR	**MYR**
Operating activities			
Loss before tax, total		**(43,044,301)**	(2,341,724)
Adjustments for:			
Depreciation of property, plant and equipment		**1,242,384**	458,259
Write-off of property, plant and equipment		**1,239**	59,920
Exploration expenditure		**339,965**	653,516
Interest income		**(31,804)**	(26,102)
Unrealised exchange loss		**931,203**	–
Unrealised fair value loss on derivative financial instruments		**26,064,858**	–
Finance costs		**4,777,508**	448,221
Total adjustments		**33,325,353**	1,593,814
Operating cash flows before changes in working capital		**(9,718,948)**	(747,910)
Changes in working capital:			
Decrease in other receivables		**36,780**	2,295,583
Increase in inventories		**(895,773)**	–
Increase in prepayments		**(1,932,035)**	(7,986)
(Decrease)/increase in other payables		**(5,485,425)**	6,520,752
Increase in accrued operating expenses		**402,804**	164,693
Total changes in working capital		**(7,873,649)**	8,973,042
Cash flow (used in)/from operations		**(17,592,597)**	8,225,132
Exploration expenditure		**(339,965)**	(653,516)
Interest received		**31,804**	26,102
Interest paid		**(179,656)**	(448,221)
Income taxes (paid)/refunded		**(1,228)**	32
Net cash flows (used in)/from operating activities		**(18,081,642)**	7,149,529
Investing activities			
Purchases of property, plant and equipment	A	**(21,449,391)**	(8,142,331)
Net cash flows used in investing activities		**(21,449,391)**	(8,142,331)
Financing activities			
Proceeds from issuance of ordinary shares		**5,000,000**	645
Proceeds from convertible loans		**50,692,309**	–
Proceeds from term loans		**–**	1,579,500
Repayment of term loans		**(2,270,966)**	(131,401)
Repayment of hire purchase		**(150,233)**	(91,689)
Placement of pledged deposits		**(235,439)**	(211,308)
Net cash flows from financing activities		**53,035,671**	1,145,747
Net increase in cash and cash equivalents		**13,504,638**	152,945
Effect of exchange rate changes on cash and cash equivalents		**(2,138,658)**	–
Cash and cash equivalents at 1 January		**(1,909,194)**	(2,062,139)
Cash and cash equivalents at 31 December	15	**9,456,786**	(1,909,194)
A. Purchases of property, plant and equipment			
Additions to property, plant and equipment	10	**21,847,091**	4,660,331
Add: Prepayments made in current year		**4,000,000**	3,482,000
Less: Prepayments made in prior year		**(3,482,000)**	–
Less: Purchase under hire purchase		**(915,700)**	–
Net cash outflow for purchases of property, plant and equipment		**21,449,391**	8,142,331

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

1. Corporate information

1.1 *The Company*

The Company was incorporated in Cayman Islands on 1 November 2013 as a company limited by shares under the name of Ultimate Prime Ventures Limited.

The registered office of the Company is located at Floor 4, Willow House, PO Box 2804, Grand Cayman KY1-1112, Cayman Islands and the principal place of business of the Group is located at No 56-2, Jalan PJU 5/21, The Strand Kota Damansara, 47810, Petaling Jaya, Selangor, Malaysia.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 11.

The Company changed its name to GCCP Resources Limited on 10 July 2014.

1.2 *The Restructuring Exercise*

The Group undertook the transactions described below as part of a corporate reorganisation implemented in preparation for its listing on the Catalist Board of Singapore Exchange Securities Trading Limited ("The Restructuring Exercise").

The details of the Restructuring Exercise are as follows:

(a) *Incorporation of the Company*

The Company was incorporated by the shareholders of Gridland Sdn. Bhd. ("GSB") and Hyper Act Marketing Sdn. Bhd. ("HAM") in Cayman Islands on 1 November 2013 as a company limited by shares, with an initial subscriber share capital of USD200, for the purpose of becoming the holding company of the Group.

(b) *Acquisition of GSB and HAM*

In accordance with the terms of a Term Sheet agreement dated 6 December 2013 entered into between the Company and the shareholders of GSB and HAM ("Shareholders"), the entire issued share capital of GSB and HAM were transferred from the Shareholders to the Company for a consideration of MYR 5,000,000 and MYR 2 respectively, based on the respective issued share capital of GSB and HAM as at 3 December 2013.

Pursuant to the completion of the Restructuring Exercise, GSB and HAM became wholly owned subsidiaries of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies

2.1 *Basis of preparation*

Pursuant to the Restructuring Exercise as disclosed in Note 1.2, the Company became the holding company of the companies now comprising the Group in December 2013. The companies now comprising the Group were under the common control of the Controlling Shareholder before and after the Restructuring Exercise. Accordingly, for the purpose of this report, the Restructuring Exercise has been accounted for by applying the pooling of interest method of accounting as if the Restructuring Exercise had been completed on 1 January 2013.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Malaysian Ringgit ("MYR") except when otherwise stated.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective date (annual periods beginning on or after)
Amendments to IAS 19 Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to IFRS 2010-2012 Cycle	1 July 2014
Annual Improvements to IFRS 2011-2013 Cycle	1 July 2014
Annual Improvements to IFRS 2012-2014 Cycle	1 January 2016
Amendments to IAS 16 & IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to IAS 1: Disclosure Initiative	1 January 2016
IFRS 15 *Revenue from Contracts with Customers*	1 January 2017
IFRS 9 *Financial Instruments*	1 January 2018

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.3 *Standards issued but not yet effective (Continued)*

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application except for the following:

IFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Group is currently assessing the impact of IFRS 15.

2.4 *Basis of consolidation and business combinations*

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group as at the end of the reporting period. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has all of the following:

– Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)

– Exposure, or rights, to variable returns from its involvement with the investee

– The ability to use its power over the investee to affect its returns

The Group 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.4 *Basis of consolidation and business combinations (Continued)*

Basis of consolidation (Continued)

The consolidated financial statements of the Group for the year ended 31 December 2013 have been presented as if the Group had been in existence for the period presented and the assets and liabilities are brought into the consolidated financial statements at the existing carrying amounts. The retained earnings recognised in the consolidated financial statements are the retained earnings of Gridland Sdn. Bhd., Hyper Act Marketing Sdn. Bhd. and the Company as at 31 December 2013.

Under this method, the Company has been treated as the holding company of Gridland Sdn. Bhd. and Hyper Act Marketing Sdn. Bhd. for the year ended 31 December 2013 presented rather than from the date of completion of the Restructuring Exercise. Accordingly, the consolidated results of the Group include the results of the subsidiaries for the entire year.

Pursuant to this,

– Assets, liabilities, reserves, revenue and expense of Gridland Sdn. Bhd. and Hyper Act Marketing Sdn. Bhd. are consolidated at their existing carrying amounts; and

– No amount is recognised for goodwill.

2.5 *Functional and foreign currency*

The financial statements are presented in Malaysian Ringgit ("MYR"), which are also the Company's and its subsidiaries' functional currency.

Transactions in foreign currencies are initially recorded in MYR at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated to the spot rate of exchange ruling at the reporting date. All differences are taken to profit or loss.

2.6 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.12. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.6 *Property, plant and equipment (Continued)*

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

– Leasehold lands:	27 to 43 years
– Office equipment:	10 years
– Furniture and fittings:	10 years
– Renovation:	10 years
– Motor vehicles:	5 years
– Water tank and pump:	10 years
– Tool and utensil:	10 years
– Sign board:	10 years
– Plant and machinery:	5 years
– Crusher plant:	15 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The asset's useful life and depreciation method are reviewed at each reporting period and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

2.7 *Impairment of non-financial assets*

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.7 *Impairment of non-financial assets (Continued)*

Impairment losses are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss.

2.8 *Financial instruments – initial recognition and subsequent measurement*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) *Financial assets*

Initial recognition and measurement

Financial assets are classified at initial recognition as loans and receivables. There are no other categories of financial assets. Financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method, less impairment. 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 in interest income in profit or loss. The losses arising from impairment are recognised in the profit or loss in other operating expenses.

De-recognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.8 *Financial instruments – initial recognition and subsequent measurement* (Continued)

(b) *Impairment of financial assets*

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other operating expenses in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.8 *Financial instruments – initial recognition and subsequent measurement (Continued)*

(c) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are classified at initial recognition as loans and borrowings and payables, as appropriate. The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss. Financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

The Group's financial liabilities include other payables, loans and borrowings including bank overdrafts, term loans and obligations under finance leases.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are 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.

De-recognition

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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(d) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statements of 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 2014

2. Summary of significant accounting policies (Continued)

2.9 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at banks and on hand and demand deposits which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.10 *Provisions*

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

– Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 *Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.12 *Borrowing costs* *(Continued)*

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period.

All other borrowing costs are recognised in profit or loss and other comprehensive income in the period in which they are incurred.

2.13 *Employee benefits*

Defined contribution plans

The Group makes contributions to the Employees Provident Fund scheme in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.14 *Leases*

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed to determine whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in profit or loss on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.15 *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Interest income

Interest income is recognised using the effective interest method.

2.16 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.16 *Taxes (Continued)*

(b) *Deferred tax (Continued)*

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) *Sales tax*

Revenue, expenses and assets are recognised net of the amount of sales tax except:

– When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and

– Receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.17 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.18 *Exploration and evaluation expenditure*

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation activity includes:

– Researching and analysing historical exploration data

– Gathering exploration data through geophysical studies

– Exploratory drilling and sampling

– Determining and examining the volume and grade of the resource

– Surveying transportation and infrastructure requirements

– Conducting market and finance studies

Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Once the legal right to explore has been acquired, exploration expenditure is charged to profit or loss as incurred, unless the directors conclude that a future economic benefit is more likely than not to be realised. These costs include directly attributable employee remuneration, materials and fuels used, surveying costs, drilling costs and payments made to contractors.

In evaluating whether the expenditures meet the criteria to be capitalised, several different sources of information are used. The information that is used to determine the probability of future benefits depends on the extent of exploration that has been performed.

2.19 *Segment reporting*

For management purposes, the Group is organised into one main operating segment, which involves exploration for limestone. All of the Group's activities are interrelated, and discrete financial information is reported to the Board as a single segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. Summary of significant accounting policies (Continued)

2.19 ***Segment reporting*** *(Continued)*

Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole. Total expenditure incurred by the Group arises in Malaysia Ringgit ("MYR") and all of the Group's non-current assets reside in Malaysia.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 ***Judgments made in applying accounting policies***

No critical judgments were made by management in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

3.2 ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *Fair values of derivative financial instruments*

The fair values of derivative financial instruments are determined using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The assumptions applied in determination of the valuation of these derivative financial instruments and a sensitivity analysis are described in more detail in Note 23.

The carrying amount of the derivative financial instruments as at 31 December 2014 is MYR 47,168,110 (2013: Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

3. Significant accounting judgments and estimates (Continued)

3.2 *Key sources of estimation uncertainty (Continued)*

(b) *Useful lives of property, plant and equipment*

The Group's property, plant and equipment include leasehold lands, office equipment, plant and machinery, crusher plant, motor vehicles, water tank and pump, furniture fittings, tool and utensils, renovation and signboard. Management estimates the useful lives of these property, plant and equipment to be within 5 to 43 years. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at the end of each reporting period is disclosed in Note 10 to the financial statements. A 10% difference in the expected useful lives of these assets from management's estimates would result in approximately 0.3% (2013: 2.2%) variance in the Group's loss before tax.

(c) *Impairment of non-financial assets and investments*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting period. Property, plant and equipment and investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

Property, plant and equipment and investment in subsidiaries were subjected to impairment tests for the financial year ended 31 December 2014 in view of continuing losses from operations. The recoverable amount of these assets and where applicable, cash-generating units, have been determined based on the value in use calculations. When value in use calculations are undertaken, management must make an estimate of expected future cash flows from the assets or cash-generating units and choose a suitable discount rate in order to derive the present value of those cash flows. The carrying amount of the Group's property, plant and equipment and investments in subsidiaries at the statements of financial position date are disclosed in Notes 10 and 11 to the financial statements respectively.

4. Revenue

Revenue represents invoiced sales after allowance for goods returned and trade discounts.

5. Interest income

	Group	
	2014	**2013**
	MYR	**MYR**
Interest income from deposits	**31,804**	26,102

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

6. Finance costs

	Group	
	2014	**2013**
	MYR	**MYR**
Interest expense on:		
– Term loan	**109,062**	254,937
– Obligations under finance leases	**23,097**	18,852
– Bank overdraft	**47,497**	174,432
– Convertible loans	**4,597,852**	–
	4,777,508	448,221

7. Loss before tax

The following items have been included in arriving at loss before tax:

	Group	
	2014	**2013**
	MYR	**MYR**
Audit fees:		
– Auditors of the Company	**185,003**	–
– Other auditors	**–**	10,200
Depreciation of property, plant and equipment	**1,242,384**	458,259
Director fee	**94,455**	50,000
Exploration expenditure	**339,965**	653,516
Write-off of plant and equipment	**1,239**	59,920
Employee benefit expense (Note 20)	**1,203,856**	469,383
Operating lease expense	**101,884**	205,142
Inventories recognised as an expense in cost of sales	**358,972**	–
Initial public offering expenses*	**4,602,607**	–
Fair value loss on derivative financial instruments (Note 18)	**26,064,858**	–

* Initial public offering expenses included Singapore Dollar ("S$") 352,000 (MYR 930,000) fees paid/payable to the Auditors of the Company relating to IPO exercise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

8. Income tax expense

Relationship between tax expense and loss before tax

A reconciliation between tax expense and the product of loss before tax multiplied by the applicable corporate tax rate for the years ended 31 December 2014 and 2013 is as follows:

	Group	
	2014	**2013**
	MYR	**MYR**
Loss before tax	**(43,044,301)**	(2,341,724)
Tax at applicable tax rate of 25% (2013: 25%)	**(1,261,601)**	(585,431)
Adjustments:		
Non-deductible expenses	**196,218**	500,282
Deferred tax assets not recognised	**1,065,383**	85,149
Income tax expense recognised in profit or loss	**–**	–

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately MYR 4,552,683 (2013: MYR 1,342,484) that are available for offset against future taxable profit of the Group, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation.

9. Loss per share

Basic loss per share was calculated by dividing the Group's loss for the year attributable to owners of the Company by the weighted average pre-invitation share capital of 9,801 shares.

During the year, the Company undertook a 47 for 1 share split. The weighted average number of ordinary shares used in calculating the basic and diluted loss per share has been adjusted as if the share split was undertaken at the beginning of the comparative period.

The calculation of diluted loss per share amounts is based on the loss for the year attributable to equity holder of the Company, adjusted to reflect the interest on convertible loans and the fair value gain/loss on the derivative component of the convertible loans, where applicable.

No adjustment has been made to the basic loss per share amounts presented for the year ended 31 December 2014 in respect of a dilution as the impact of the convertible loans outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

10. Property, plant and equipment

	Leasehold lands MYR	Office equipment MYR	Furniture and fittings MYR	Renovation MYR	Motor vehicles MYR	Water tank and pump MYR	Tool and utensil MYR	Sign board MYR	Plant and machinery MYR	Crusher plant MYR	Total MYR
Group											
Cost:											
At 1 January 2013	5,432,757	32,574	36,622	20,607	617,961	67,640	9,200	500	–	–	6,217,861
Additions	4,459,351	1,430	4,550	–	–	–	–	–	195,000	–	4,660,331
Write-off	–	–	–	–	–	(65,700)	(9,200)	–	–	–	(74,900)
At 31 December 2013 and 1 January 2014	9,892,108	34,004	41,172	20,607	617,961	1,940	–	500	195,000	–	10,803,292
Additions	12,610,412	7,987	1,280	6,350	1,349,538	17,000	–	560	1,746,836	6,107,128	21,847,091
Write-off	–	(1,430)	–	–	–	–	–	–	–	–	(1,430)
At 31 December 2014	22,502,520	40,561	42,452	26,957	1,967,499	18,940	–	1,060	1,941,836	6,107,128	32,648,953
Accumulated depreciation:											
At 1 January 2013	901,728	4,523	5,671	4,121	123,592	13,528	1,840	50	–	–	1,055,053
Charge for the year	286,628	3,400	3,335	2,061	123,591	194	–	50	39,000	–	458,259
Write-off	–	–	–	–	–	(13,140)	(1,840)	–	–	–	(14,980)
At 31 December 2013 and 1 January 2014	1,188,356	7,923	9,006	6,182	247,183	582	–	100	39,000	–	1,498,332
Charge for the year	484,416	2,677	5,203	2,272	234,249	1,327	–	55	274,682	237,503	1,242,384
Write-off	–	(191)	–	–	–	–	–	–	–	–	(191)
At 31 December 2014	1,672,772	10,409	14,209	8,454	481,432	1,909	–	155	313,682	237,503	2,740,525
Net carrying amount:											
At 31 December 2013	8,703,752	26,081	32,166	14,425	370,778	1,358	–	400	156,000	–	9,304,960
At 31 December 2014	20,829,748	30,152	28,243	18,503	1,486,067	17,031	–	905	1,628,154	5,869,625	29,908,428

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

10. Property, plant and equipment (Continued)

Assets held under finance leases

During the financial year ended 31 December 2014, the Group acquired motor vehicles with an aggregate cost of MYR 1,349,538 (2013: nil) by means of finance leases. The cash outflow on acquisition of property, plant and equipment amount to MYR 17,449,391 (2013: MYR 4,660,331) for the financial year ended 31 December 2014.

The carrying amount of motor vehicles held under finance leases as at 31 December 2014 was MYR 1,204,370 (2013: MYR 370,778).

Leased assets are pledged as security for the related finance lease liabilities.

Assets pledged as security

In addition to assets held under finance leases, the Group's leasehold lands with a carrying amount of MYR 8,749,383 (2013: MYR 8,703,752) are mortgaged to secure the Group's bank loan. The leasehold lands were subsequently discharged from the mortgage when the bank loan was fully repaid during the financial year.

11. Investments in subsidiaries

Composition of the Group

The Group has the following investments in subsidiaries.

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2014	2013
			%	%
Held by the Company				
Gridland Sdn. Bhd.[(1)]	Malaysia	Quarrying, processing and sale of limestone	100	100
Hyperact Marketing Sdn. Bhd.[(1)]	Malaysia	Quarrying, processing and sale of limestone	100	100

(1) Audited by Ernst & Young, Malaysia

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

12. Inventories

	Group	
	2014	2013
	MYR	MYR
Work-in-progress (at cost)	136,536	–
Finished goods (at cost)	759,237	–
	895,773	–
Inventories recognised as an expense in cost of sales	358,972	–

13. Other receivables

	Group		Company	
	2014	2013	2014	2013
	MYR	MYR	MYR	MYR
Other receivables	20,579	7,294	20,579	–
Amounts due from related companies	–	5,765	–	–
Amounts due from subsidiaries	–	–	41,322,497	
Deposits	–	44,300	–	–
Total other receivables	20,579	57,359	41,343,076	–
Add:				
– Cash at banks and on hand (Note 15)	9,456,786	149,926	2,883,830	13,644
– Pledged deposits (Note 14)	1,068,684	833,245	–	–
Total loans and receivables	10,546,049	1,040,530	44,226,906	13,644

Amounts due from related companies/subsidiaries

These amounts are non-trade related, unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

14. Pledged deposits

Pledged deposits are short-term deposits made for varying periods of between one month and twelve months, and earn interests at the respective short-term deposit rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

15. Cash at banks and on hand

Cash at banks earns interest at floating rates based on daily bank deposit rates.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	Group		Company	
	2014	2013	2014	2013
	MYR	MYR	MYR	MYR
Cash at banks and on hand	**9,456,786**	149,926	**2,883,830**	13,644
Bank overdrafts (Note 17)	**–**	(2,059,120)	**–**	–
Cash and cash equivalents	**9,456,786**	(1,909,194)	**2,883,830**	13,644

16. Other payables

	Group		Company	
	2014	2013	2014	2013
	MYR	MYR	MYR	MYR
Other payables	**6,084,568**	838,877	**2,095,898**	14,263
Amounts due to directors	**101,018**	8,472,134	**101,018**	5,025,972
Amounts due to subsidiary	**–**	–	**–**	13,046
Amounts due to shareholders	**–**	2,360,000	**–**	–
Total other payables	**6,185,586**	11,671,011	**2,196,916**	5,053,281
Add:				
– Accrued operating expenses	**584,666**	181,862	**584,666**	–
– Loans and borrowings (Note 17)	**24,263,933**	5,868,112	**21,960,440**	–
Total financial liabilities carried at amortised cost	**31,034,185**	17,720,985	**24,742,022**	5,053,281

Other payables

Other payables are unsecured, non-interest bearing, and have an average term of 1 month.

Amounts due to directors/subsidiary/shareholders

These amounts are non-trade related, unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

17. Loans and borrowings

	Group	
	2014	**2013**
	MYR	**MYR**
Current:		
Obligations under finance leases[1] (Note 22)	**275,271**	104,877
Term loans:		
– MYR loan at BLR + 2.25% per annum[3]	**–**	1,972,593
– MYR loan at BLR + 1.00% per annum[4]	**319,001**	295,726
Bank overdrafts[2]	**–**	2,059,120
	594,272	4,432,316
Non-current:		
Obligations under finance leases[1] (Note 22)	**851,089**	256,016
Term loan:		
– MYR loan at BLR + 1.00% per annum[4]	**858,132**	1,179,780
Convertible loans[5]	**21,960,440**	–
	23,669,661	1,435,796
Total loans and borrowings	**24,263,933**	5,868,112

	Company	
	2014	**2013**
	MYR	**MYR**
Non-current:		
Convertible loans[5]	**21,960,440**	**–**

(1) Obligations under finance leases

These obligations are secured by a charge over the leased assets (Note 10). The discount rate implicit in the leases ranges from 4.40% to 5.11% (2013: 4.50% to 5.11%) per annum. These obligations are denominated in MYR.

(2) Bank overdrafts

Bank overdrafts are denominated in MYR, bear interest at 8.85% (2013: 8.85%) per annum and are secured by a first party first and second legal charge on the leasehold quarry lands as disclosed in Note 10, charge on pledged deposits as disclosed in Note 14, and jointly and severally guaranteed by the directors of the Group.

(3) MYR loan at BLR + 2.25% per annum

The loan is secured by a first party first and second legal charge on the leasehold quarry lands as disclosed in Note 10, charge on pledged deposits as disclosed in Note 14, and jointly and severally guaranteed by the directors of the Group.

(4) MYR loan at BLR + 1.00% per annum

The loan is secured by a third party second legal charge on a freehold residential land with a 2-storey bungalow held by a director of the Group.

(5) Convertible loans

In January and April 2014, the Company entered into Convertible Loan Agreements for a principal amount of Singapore Dollars ("S$") 5 million each at an interest rate of 16% per annum that converts into ordinary fully paid shares when the Company receives approval to list on the Singapore Stock Exchange. The term of the Convertible Loan Agreements is 24 months from the drawdown date. The holders have the right to demand repayment if the Company does not complete an initial public offering on the Singapore Stock Exchange after 24 months from the drawdown date or abort the process for the application of the initial public offering.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

17. Loans and borrowings (Continued)

(5) Convertible loans (Continued)

In August 2014, the Company entered into another Convertible Loan Agreements for a total aggregate principal amount of Singapore Dollars ("S$") 8.8 million at an interest rate of 16% per annum that converts into ordinary fully paid shares when the Company receives approval to list on the Singapore Stock Exchange. The term of the Convertible Loan Agreements is 24 months from the drawdown date. The holders have the right to demand repayment if the Company does not complete an initial public offering on the Singapore Stock Exchange after 24 months from the drawdown date or abort the process for the application of the initial public offering.

The Convertible loans are extended to the Company on the condition that pledge documents are duly executed by the Company. The Company shall pledge its shares in GSB and HAM to the convertible loan holders as security for the fulfilment of the Company's obligations to the loan holders. The pledge documents contain a term to the effect that the pledge shall be discharged within seven business days of the conversion or the repayment of all outstanding payments under the convertible loan agreements.

As at 31 December 2014, part of a convertible loan with nominal value of S$4 million have been converted into 400 new ordinary shares of the Company.

The carrying amount of the liability component of the convertible loan at the statement of financial position date is arrived at as follows:

	2014 MYR	2013 MYR
Face value of convertible loans	37,314,866	–
Fair value of derivative financial instruments at the date of drawdown (Note 18)	(20,516,773)	–
Liability component of convertible loan at initial recognition	16,798,093	–
Interest expense recognised during the financial period	4,597,852	–
Foreign exchange loss	564,495	–
Liability component of convertible loan at period end	21,960,440	–

18. Derivative financial instruments

	Group and Company	
	2014 MYR	2013 MYR
Derivative financial instrument at initial recognition	20,516,773	–
Foreign exchange loss	586,479	–
Fair value adjustment	26,064,858	–
Derivative financial instrument at year end	47,168,110	–

Derivative component of the convertible loan relates to the investors' right to convert into ordinary fully paid shares at a conversion price which ranges from 50% to 65% of the target valuation of S$200 million divided by the number of shares prior to conversion.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

19. Share capital

	Group and Company			
	2014		2013	
	Number of shares	MYR	Number of shares	MYR
Issued and fully paid ordinary shares				
At 1 January	**200**	**645**	5,000,002	5,000,002
Issuance of shares pursuant to Restructuring Exercise	**–**	**–**	200	645
Adjustment arising from the Restructuring Exercise	**–**	**–**	(5,000,002)	(5,000,002)
Subdivision of shares (1 share to 47 shares)[(1)]	**9,200**	**–**	–	–
Issuance of new ordinary shares	**200**	**5,000,000**	–	–
Conversion of convertible loan[(2)]	**400**	**11,019,014**	–	–
At 31 December	**10,000**	**16,019,659**	200	645

Pursuant to the Restructuring Exercise disclosed in Note 1.2, the Company acquired the entire equity in Gridland Sdn. Bhd. and Hyper Act Marketing Sdn. Bhd. for MYR 5,000,000 and MYR 2 respectively.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

(1) On 2 May 2014, the shareholders approved the subdivision of every one (1) share into 47 shares, whereupon the issued and paid-up share capital was enlarged from 200 to 9,400 shares.

(2) On 2 May 2014, S$4 million of the convertible loan was converted into 400 fully paid ordinary shares of the Company.

20. Employee benefits

	Group	
	2014 MYR	2013 MYR
Employee benefits expense (including directors):		
Salaries and bonuses	**1,063,366**	417,180
Employees Provident Fund	**134,425**	47,387
Social Security Organisation ("SOCSO")	**6,065**	4,816
	1,203,856	469,383

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

21. Related party transactions

Compensation of key management personnel

	Group	
	2014	**2013**
	MYR	**MYR**
Salaries and bonuses	**766,122**	–
Employees Provident Fund	**72,000**	–
Social Security Organisation ("SOCSO")	**1,240**	–
Director fee	**94,455**	50,000
	933,817	50,000
Comprise amounts paid to:		
Directors of the Group	**715,977**	–
Other key management personnel	**217,840**	50,000
	933,817	50,000

22. Commitments

(a) ***Capital commitments***

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2014	**2013**
	MYR	**MYR**
Capital commitments in respect of property, plant and equipment	**23,627,500**	3,596,200

As at 31 December 2014, the Company made prepayment amounted to MYR 4,000,000 (2013: MYR 3,482,000) for the purchase of leasehold land, building and plant and machinery.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

22. Commitments (Continued)

(b) ***Operating lease commitments – as lessee***

The Group has entered into commercial leases for the rental of office premises and employee's accommodations. These leases have lives of 12 months (2013: 2 and 9 months). There are no restrictions placed upon the Group by entering into these leases. Future minimum rentals payable under non-cancellable operating leases at the end of the reporting are as follows:

	Group	
	2014	**2013**
	MYR	**MYR**
Not later than one year	**10,948**	5,400

(c) ***Finance lease commitments***

The Group has finance leases for motor vehicles. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	2014		2013	
	Minimum lease payments MYR	**Present value of payments (Note 17) MYR**	**Minimum lease payments MYR**	**Present value of payments (Note 17) MYR**
Group				
Not later than one year	**321,766**	**275,271**	119,088	104,877
Later than one year but not later than five years	**921,105**	**851,089**	269,482	256,016
Total minimum lease payments	**1,242,871**	**1,126,360**	388,570	360,893
Less: Amounts representing finance charges	**(116,511)**	**–**	(27,677)	–
Present value of minimum lease payments	**1,126,360**	**1,126,360**	360,893	360,893

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

23. Fair value of assets and liabilities

(a) ***Fair value hierarchy***

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Liabilities measured at fair value***

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Note	Significant unobservable inputs (Level 3) 2014 MYR Audited
Financial liabilities:		
Derivative financial instruments		
– Embedded derivative within the convertible loans	18	47,168,110

There have been no transfers between Level 1 and Level 2 or Level 2 and Level 3 during the financial year ended 31 December 2014.

As at 31 December 2014, the Group does not have any financial instruments which are classified under Level 1 and Level 2 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

23. Fair value of assets and liabilities (Continued)

(b) ***Liabilities measured at fair value*** *(Continued)*

(i) Information about significant unobservable input used in Level 3 fair value measurements

The following table shows information about fair value measurements using significant unobservable input (Level 3)

	Valuation technique	**Significant unobservable input**	**Value**
Embedded derivative within the convertible loans	Discounted cash flow	Probability of IPO being successful	80%

The fair value of the embedded derivative within the convertible loans has been determined by estimating the probability that the listing will occur and applying this probability to the value of the "free" shares being provided to the convertible loan holders. In performing this valuation, it is noted that the value of the "free" shares does not change irrespective of the listing price of the Company. The maximum theoretical value of "free" shares issued to the convertible loan holders upon conversion is worth S$23,811,000 (MYR 62,930,000). The exchange rate at 31 December 2014 was used to convert the instrument into Malaysia Ringgit.

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable input that reflect reasonably possible alternative assumption.

2014	**Carrying amount MYR**	**Effect of reasonably possible alternative assumption Profit or loss MYR**
Recurring fair value measurements		
Liabilities		
Derivative financial instruments	56,012,130	8,844,020

In order to determine the effect of the above reasonably possible alternative assumption, the Company adjusted the following key unobservable input used in the fair value measurement:

– For derivative financial liability, the Company adjusted the fair value measurement based on management's assumption on the success rate of the IPO by increasing the adjustments to 95%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

23. Fair value of assets and liabilities (Continued)

(b) ***Liabilities measured at fair value*** *(Continued)*

(ii) Valuation policies and procedures

The Group's Chief Financial Officer (CFO) oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts to perform the valuation. The CFO is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and IFRS 13 fair value measurement guidance.

For valuations performed by external valuation experts, the CFO reviews the appropriateness of the valuation methodologies and assumptions adopted. The CFO also evaluates the appropriateness and reliability of the inputs (including those developed internally by the Group) used in valuations.

Significant changes in fair value measurements from period to period are evaluated by the CFO for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources., or internal sources if necessary and appropriate.

(c) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not a reasonable approximation of fair value***

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	2014		**2013**	
	Carrying amount MYR	**Fair value MYR**	**Carrying amount MYR**	**Fair value MYR**
Group				
Financial liabilities				
Loans and borrowings (non-current)				
– Obligations under finance leases	**851,089**	**921,105**	256,016	269,482

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

24. Financial risk management objectives and policies

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The board of directors reviews and agrees policies and procedures for the management of these risks. It is, and has been throughout the years under review, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Group does not apply hedge accounting.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) ***Credit risk***

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from other receivables. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Exposure to credit risk

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Financial assets that are neither past due nor impaired

Other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and bank balances that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings.

(b) ***Liquidity risk***

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with various banks. In addition, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operation and mitigate the effect of fluctuations in cash flows.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debts maturity within 12 months can be rolled over with existing lenders, if necessary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

24. Financial risk management objectives and policies (Continued)

(b) ***Liquidity risk*** *(Continued)*

Analysis of financial instruments by remaining contractual maturities

The table below summarise the maturity profile of the Group's and of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less MYR	One to five years MYR	Total MYR
Group			
2014			
Financial assets:			
Other receivables	**20,579**	**–**	**20,579**
Cash at banks and on hand	**9,456,786**	**–**	**9,456,786**
Pledged deposits	**1,068,684**	**–**	**1,068,684**
Total undiscounted financial assets	**10,546,049**	**–**	**10,546,049**
Financial liabilities:			
Other payables	**6,185,586**	**–**	**6,185,586**
Accrued operating expenses	**584,666**	**–**	**584,666**
Loans and borrowings	**798,174**	**28,048,915**	**28,847,089**
Derivative financial instruments	**47,168,110**	**–**	**47,168,110**
Total undiscounted financial liabilities	**54,736,536**	**28,048,915**	**82,785,451**
Total net undiscounted financial liabilities	**44,190,487**	**28,048,915**	**72,239,402**
2013			
Financial assets:			
Other receivables	57,359	–	57,359
Cash at banks and on hand	149,926	–	149,926
Pledged deposits	833,245	–	833,245
Total undiscounted financial assets	1,040,530	–	1,040,530
Financial liabilities:			
Other payables	11,671,011	–	11,671,011
Accrued operating expenses	181,862	–	181,862
Loans and borrowings	4,556,636	1,610,630	6,167,266
Total undiscounted financial liabilities	16,409,509	1,610,630	18,020,139
Total net undiscounted financial liabilities	15,368,979	1,610,630	16,979,609

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

24. Financial risk management objectives and policies (Continued)

(b) ***Liquidity risk*** *(Continued)*

Analysis of financial instruments by remaining contractual maturities (Continued)

	One year or less MYR	One to five years MYR	Total MYR
Company			
2014			
Financial assets:			
Other receivables	**41,343,076**	**–**	**41,343,076**
Cash at banks and on hand	**2,883,830**	**–**	**2,883,830**
Total undiscounted financial assets	**44,226,906**	**–**	**44,226,906**
Financial liabilities:			
Other payables	**2,196,916**	**–**	**2,196,916**
Accrued operating expenses	**584,666**	**–**	**584,666**
Loans and borrowings	**–**	**26,101,703**	**26,101,703**
Derivative financial instruments	**47,168,110**	**–**	**47,168,110**
Total undiscounted financial liabilities	**49,949,692**	**26,101,703**	**76,051,395**
Total net undiscounted financial liabilities	**5,722,786**	**26,101,703**	**31,824,489**
2013			
Financial assets:			
Cash at banks and on hand	13,644	–	13,644
Financial liabilities:			
Other payables	5,053,281	–	5,053,281
Total net undiscounted financial liabilities	5,039,637	–	5,039,637

25. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a sufficient cash in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2014 and 2013.

The Group's capital comprises of issued capital add loans and borrowings less accumulated losses. As at 31 December 2014, the Group has net deficit of MYR 6,642,284 (2013: MYR 1,987,182). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

26. Segment information

For management purposes, the Group is organised into one main operating segment, which involves exploration for limestone. All of the Group's activities are interrelated, and discrete financial information is reported to the Board as a single segment.

Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole. Total expenditure incurred by the Group arises in Malaysia Ringgit ("MYR") and all of the Group's non-current assets reside in Malaysia. The Group's revenue is also sourced from Malaysia.

Information about a major customer

Revenue from one major customer amount to MYR 348,859 (2013: nil) arising from sale of limestone.

27. Subsequent event

One of its subsidiaries, Gridland Sdn. Bhd. ("GSB") was served with a writ of summons filed on 6 February 2015 by Ujiteknik Geoenviro Sdn Bhd ("UGSB"), a service provider that GSB had engaged for the provision of drilling exploration and extraction of limestone samples for the purposes of preparing the Independent Qualified Person's Report ("UGSB Services").

UGSB is claiming for, among others, MYR 321,368 ("Claim Amount") in damages in relation to sums that are allegedly unpaid by GSB for the UGSB Services, interest accruing from the Claim Amount and legal cost. The matter was fixed for mention on 11 March 2015.

GSB's counsel has filed Statement of Defence and Counter Claim on 8 April 2015 claiming for, among others, MYR 162,222,222 in damages for depreciation to GSB's drilling project which was discontinued due to delay by UGSB, MYR 618,412 for interest payable by GSB due to the delay by UGSB, all interest accruing and legal cost. Further, GSB's counsel is preparing the relevant application to transfer the matter to the High Court at Ipoh, as the amount claimed by GSB has exceeded the monetary jurisdiction of the Sessions Court at Ipoh.

28. Authorisation of financial statements for issue

The financial statements of the Group and Company for the years ended 31 December 2014 were authorised for issue in accordance with a resolution of the directors on 6 May 2015.

STATISTICS OF SHAREHOLDINGS

AS AT 30 APRIL 2015

Class of shares	:	Ordinary shares of US$0.00000023 each
Authorised share capital	:	US$50,000.00
Issued and fully paid-up capital (excluding Treasury Shares)	:	US$269.04
Number of issued shares (excluding Treasury Shares)	:	1,193,432,933
Voting rights (excluding Treasury Shares)	:	One vote per share

Treasury Shares

The Company does not hold any Treasury Shares.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	0	0.00	0	0.00
100 – 1,000	1	0.37	1,000	0.00
1,001 – 10,000	72	27.07	539,000	0.05
10,001 – 1,000,000	168	63.16	36,311,000	3.04
1,000,001 AND ABOVE	25	9.40	1,156,581,933	96.91
TOTAL	**266**	**100.00**	**1,193,432,933**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	LOO AN SWEE	461,190,880	38.64
2	WILMA GLOBAL INVESTMENTS LIMITED	178,719,080	14.98
3	CHUNG MAN CHONG	133,078,620	11.15
4	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	102,442,486	8.58
5	CIMB SECURITIES (SINGAPORE) PTE. LTD.	56,594,000	4.74
6	UOB KAY HIAN PRIVATE LIMITED	55,371,153	4.64
7	GRANDALE ENTERPRISES LIMITED	35,487,632	2.97
8	GRIFFIN PRIVE FUND SPC FOR AND ON BEHALF OF DELTA SEGREGATED PORTFOLIO	25,451,870	2.13
9	WANG YU HUEI	24,616,713	2.06
10	NOVAGOLD LIMITED	17,743,816	1.49
11	LOH HENG KWAI	13,307,862	1.12
12	GRIFFIN PRIVE FUND SPC FOR AND ON BEHALF OF FALCON SEGREGATED PORTFOLIO	7,303,367	0.61
13	SOO KEE WEE	6,292,133	0.53
14	CHOW SOEK SIAN (ZHOU SHUXIAN)	6,000,000	0.50
15	LIM KOH HUAT	4,435,954	0.37
16	CHUA CHYE SUN	4,000,000	0.34
17	CILIANDRA FANGIONO	3,932,583	0.33
18	FONG KIM CHIT	3,932,583	0.33
19	NG HAN MENG	3,932,583	0.33
20	HOW HEE TECK	3,835,000	0.32
	TOTAL	**1,147,668,315**	**96.16**

STATISTICS OF SHAREHOLDINGS

AS AT 30 APRIL 2015

PUBLIC FLOAT

Based on the information available to the Company as at 30 April 2015, approximately 26.86% of the issued ordinary shares of the Company are held by the public. Accordingly the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist issued by the Singapore Exchange Securities Trading Limited.

SUBSTANTIAL SHAREHOLDERS

As recorded in the Register of Substantial Shareholders as at 30 April 2015

		Direct Interest		Deemed Interest	
No.	**Name of Substantial Shareholder**	**No. of Shares**[1]	**%**	**No. of Shares**[1]	**%**
1	Loo An Swee ("**Alex Loo**")[2]	461,190,880	38.64	178,719,080	14.98
2	Wilma Global Investments Limited ("**Wilma Global**")[2]	178,719,080	14.98	–	–
3	Pang Kim Chon[2]	–	–	178,719,080	14.98
4	Chung Mun Chong	133,078,620	11.15	–	–
5	Accion Capital Management Pte. Ltd ("**Accion**")[3, 4]	–	–	64,494,367	5.40
6	Pay Cher Wee[4]			99,981,999	8.37

Notes:

1. Based on the total issued share capital of 1,193,432,933 ordinary shares of the Company as at 30 April 2015.
2. Wilma Global is an investment holding company incorporated in the British Virgin Islands. Alex Loo and Pang Kim Chon, holds 50.4% and 49.6% of Wilma Global respectively and are each deemed interested in the shares held by Wilma Global.
3. GPF (Delta) for and on behalf of Delta Segregated Portfolio ("**GPF (Delta)**") and GPF (Falcon) for and on behalf of Falcon Segregated Portfolio ("**GPF (Falcon)**") are segregated portfolios under Griffin Prive Fund SPC ("**GPF**"), a fund company established as a segregated portfolio company in the Cayman Islands. The fund manager of GPF is Accion, with full discretionary power and authority over the investments for each segregated portfolio of GPF. Accordingly, Accion is deemed interested in the shares held by GPF (Delta) and GPF (Falcon). Accion does not hold any shares in GPF (Delta) and GPF (Falcon). The directors and shareholders of Accion are Chua Thiam Joo, Pay Cher Wee and Teo Kian Huat.

   As at 30 April 2015, GPF (Delta) holds 47,191,000 shares while GPF (Falcon) holds 17,303,367 shares in the share capital of the Company.
4. Pay Cher Wee is the sole shareholder of Grandale Enterprises Limited, and a director and shareholder of Accion. He is deemed interested in the Shares held by Grandale Enterprises Limited and the shares which Accion is deemed interested in.

   As at 30 April 2015, Grandale Enterprise Limited holds 35,487,632 shares in the share capital of the Company.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of GCCP RESOURCES LIMITED will be held at TKP Conference Centre, 55 Market Street #03-01, Conference Room 2, Singapore 048941 on Friday, 29 May 2015 at 2.30 p.m. to transact the following business:–

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the financial year ended 31 December 2014 together with the Independent Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to Article 86 of the Articles of Association of the Company, and who have, being eligible, offered themselves for re-election as Directors:

   Mr Loo An Swee **(Resolution 2)**
   Mr Tan Eng Ann **(Resolution 3)**

   The profiles of the above mentioned directors can be found under the sections entitled "Board of Directors" and the "Report on Corporate Governance" in the Annual Report 2014.
   [See Explanatory Note (i)]

3. To approve the payment of Directors' fees of S$30,000 for the financial year ended 31 December 2014. *[See Explanatory Note (ii)]* **(Resolution 4)**

4. To re-appoint Ernst & Young LLP as the Independent Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to allot and issue new shares**

   That pursuant to Rule 806 of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist (the "Catalist Rules"), the Directors of the Company be authorised and empowered to:

   (a) (i) allot and issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or

NOTICE OF ANNUAL GENERAL MEETING

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury Shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from the exercising of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), the Act and the Articles of Association, for the time being, of the Company; and

NOTICE OF ANNUAL GENERAL MEETING

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier. **(Resolution 6)**

[See Explanatory Note (iii)]

7. **Authority to issue Shares under the GCCP Employee Share Option Scheme (the "ESOS")**

That the Directors of the Company be authorised to offer and grant options in accordance with the provisions of the ESOS and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the exercise of options under the ESOS, provided always that the aggregate number of new Shares to be allotted and issued pursuant to the ESOS, when added to the aggregate number of Shares issued and issuable in respect of all options granted under the ESOS all awards granted under the GCCP Performance Share Plan, and all outstanding options or awards granted under such other share-based incentive schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) in the capital of the Company on the day preceding the offer date of the option, as determined in accordance with the provisions of the ESOS.

[See Explanatory Note (iv)] **(Resolution 7)**

8. **Authority to allot and issue shares under the GCCP Performance Share Plan**

That the Directors of the Company be authorised and empowered to grant awards in accordance with the provisions of the GCCP Performance Share Plan and to allot and issue from time to time, such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the GCCP Performance Share Plan, provided always that the aggregate number of shares issued and issuable pursuant to vesting of awards granted under the GCCP Performance Share Plan, when added to (i) the number of shares issued and issuable in respect of all awards granted or awarded thereunder; (ii) all shares issued and issuable in respect of all options granted or awards granted under the ESOS; and (iii) all other shares issued and/or issuable under any other share-based incentive schemes or share plans implemented by the Company for the time being in force, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) of the Company on the day preceding the relevant date of the award.

[See Explanatory Note (v)] **(Resolution 8)**

By Order of the Board

Yoo Loo Ping
Company Secretary
Singapore,
14 May 2015

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Loo An Swee, upon re-election as a Director of the Company, will remain as the Executive Chairman and Chief Executive Officer.

Mr Tan Eng Ann, upon re-election as a Director of the Company, will remain as our Lead Independent Director, Chairman of the Audit Committee, and a member of the Nominating and Remuneration Committees, and the Board of Directors (save for Mr Tan Eng Ann) considers him independent for the purposes of Rule 704(7) of the Catalist Rules.

(ii) Ordinary Resolution 4 should be read in conjunction with the proposed remuneration for Non-Executive Directors for the financial year ended 31 December 2014 as presented on Page 22 of the Report on Corporate Governance in the Annual Report 2014.

(iii) The Ordinary Resolution 6 in item 6 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of Shares that may be issued, the percentage of issued Shares (excluding treasury shares) will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(iv) The Ordinary Resolution 7 in item 7 above, if passed, will empower the Directors to issue Shares up to an amount in aggregate not exceeding fifteen per centum (15%) of the issued share capital (excluding treasury shares) of the Company pursuant to the ESOS (which was approved via a written resolution of the members of the Company on 26 February 2015), and such other share-based incentive scheme or share plan, on the date preceding the offer date of the option. This authority is in addition to the general authority to issue Shares sought under Ordinary Resolution No. 6.

(v) The Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant awards under the GCCP Performance Share Plan in accordance with the provisions of the GCCP Performance Share Plan and to allot and issue from time to time such number of fully-paid shares as may be required to be issued pursuant to the vesting of the awards under the GCCP Performance Share Plan subject to the maximum number of shares prescribed under the terms and conditions of the GCCP Performance Share Plan.

NOTICE OF ANNUAL GENERAL MEETING

The aggregate number of ordinary shares which may be allotted and issued pursuant to the GCCP Performance Share Plan, all options granted under the ESOS, and all other shares issued and/or issuable under any other share-based incentive schemes or share plans of the Company for the time being in force, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) of the Company from time to time. This authority is in addition to the general authority to issue shares sought under Ordinary Resolution No. 6.

Notes:

1. A Member of the Company (other than the Central Depository (Pte) Limited (the "CDP")) entitled to attend and vote at the above meeting and who is holder of two or more shares shall be entitled to appoint not more than two proxies to attend and vote in his stead by completing and signing the Member Proxy Form. A proxy need not be a member of the Company.

2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing; or if such appointer is a corporation under its common seal, if any, and, if none, then under the hand of some officer duly authorised in the behalf.

3. An individual Depositor whose name is shown in the records of the CDP as at a time not earlier than forty-eight (48) hours, may attend as a CDP's proxy and shall not be required to lodge any proxy form. A Depositor may appoint a nominee(s) to attend and vote in his stead by completing and signing the Depositor Proxy Form. Where a Depositor(s) is a corporation and wishes to be represented at the Meeting, it must nominate an appointee(s) to attend and vote as a proxy for CDP at the Meeting in respect of the number of the Depositor(s) Shares.

4. In the case where an instrument of proxy appoints more than one proxy (including the case when a Depositor Proxy Form is used), the proportion of the shareholding concerned (expressed of as a percentage of the whole) to be represented by each proxy shall be specified in the Instrument of proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

5. The Member Proxy Form and Depositor Proxy Form must be lodged at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than forty-eight (48) hours before the Meeting.

NOTICE OF ANNUAL GENERAL MEETING

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company:

(i) consents to the collection, use and disclosure 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 Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");

(ii) warrants that where the member discloses the personal data of the member's 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 collection, use and disclosure by the Company (or its agents) of the personal data 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.

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank