

GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Financial Statements and Dividend Announcement for the Second Quarter Ended 30 June 2015

GCCP Resources Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 30 April 2015. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**" or "**PPCF**").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

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

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318.

Background

The Company together with its subsidiaries (the "**Group**") undertook the transactions described below as part of a corporate reorganisation implemented in preparation for its listing on the Catalist Board of the SGX-ST ("**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 USD 200, 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. *(For details of the restructuring exercise please refer to page 71, entitled "Restructuring Exercise" of the Offer Document dated 20 April 2015)*

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS

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

	Group					
	Three Months Ended			Six Months Ended		
	30 June 2015 (Unaudited) MYR'000	30 June 2014 (Unaudited) MYR'000	Change %	30 June 2015 (Unaudited) MYR'000	30 June 2014 (Unaudited) MYR'000	Change %
Revenue	2	197	(99)	96	197	(51)
Cost of sales	(5)	(164)	(97)	(63)	(164)	62
Gross profit/(loss)	(3)	33	n.m.	33	33	-
Other item of income						
Interest income	13	10	30	20	15	33
Other items of expense						
General and administrative expenses	(8,027)	(667)	1,103	(19,916)	(1,938)	928
Finance costs	(93)	(74)	26	(134)	(115)	16
Foreign exchange gain/(loss), net	1,743	(14)	n.m.	1,672	(14)	n.m.
Loss before tax	(6,367)	(712)	794	(18,325)	(2,019)	808
Income tax expense	-	-	-	-	-	-
Loss for the period, representing total comprehensive income attributable to owners of the Company	(6,367)	(712)	794	(18,325)	(2,019)	808

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

	Group					
	Three Months Ended			Six Months Ended		
	30 June 2015 (Unaudited) MYR'000	30 June 2014 (Unaudited) MYR'000	Change %	30 June 2015 (Unaudited) MYR'000	30 June 2014 (Unaudited) MYR'000	Change %
Interest income	13	10	30	20	15	33
Finance costs	(93)	(74)	26	(134)	(115)	16
Loss on conversion of convertible loan	-	-	-	(9,079)	-	n.m.
Amortisation of leasehold lands	(196)	(98)	100	(380)	(182)	109
Depreciation of property, plant and equipment	(316)	(235)	34	(617)	(306)	101
Foreign exchange gain/(loss), net	1,743	(14)	n.m.	1,672	(14)	n.m.
Exploration expenditure	(138)	(79)	75	(465)	(116)	301

n.m. – not meaningful

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

	Group		Company	
	30 June 2015 (Unaudited) MYR'000	31 December 2014 (Audited) MYR'000	30 June 2015 (Unaudited) MYR'000	31 December 2014 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	35,292	29,908	-	-
Prepayments for property, plant and equipment	11,664	4,000	-	-
Investments in subsidiaries	-	-	5,000	5,000
	46,956	33,908	5,000	5,000
Current assets				
Inventories	1,816	896	-	-
Trade and other receivables	7,084	21	90,526	41,343
Prepayments	-	1,943	-	676
Pledged deposits	1,089	1,069	-	-
Income tax recoverable	2	2	-	-
Cash and cash equivalents	56,318	9,457	21,149	2,884
	66,309	13,388	111,675	44,903
Total assets	113,265	47,296	116,675	49,903
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	7,283	6,770	534	2,782
Loans and borrowings	774	594	-	-
Derivative financial instruments	-	47,168	-	47,168
	8,057	54,532	534	49,950
Net current assets/(liabilities)	58,252	(41,144)	111,141	(5,047)
Non-current liability				
Loan and borrowings	3,714	23,670	-	21,960
Total liabilities	11,771	78,202	534	71,910
Net assets/(liabilities)	101,494	(30,906)	116,141	(22,007)
Equity attributable to owners of the Company				
Share capital	166,745	16,020	166,745	16,020
Accumulated losses	(65,251)	(46,926)	(50,604)	(38,027)
Total equity/(deficit)	101,494	(30,906)	116,141	(22,007)
Total equity and liabilities	113,265	47,296	116,675	49,903

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

Amount repayable in one year or less, or on demand

As at 30 June 2015 (Unaudited)		As at 31 December 2014 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
774	-	594	-

Amount repayable after one year

As at 30 June 2015 (Unaudited)		As at 31 December 2014 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
3,714	-	23,670	-

Details of any collateral

The secured loans and borrowings comprised of:

	As at 30 June 2015 (Unaudited)	As at 31 December 2014 (Audited)	Secured by
	MYR'000	MYR'000	
Term loans	3,282	1,178	Charges on a freehold residential land with a 2 storey bungalow held by a director of the Group. Charges on the leasehold corporate office lots of the Group.
Obligation under finance leases	1,206	1,126	Charges on the assets bought under the leases and jointly and severally guaranteed by directors of the Group.
Convertible loans	-	21,960	Charge on the ordinary shares of the Company's subsidiaries, Gridland Sdn. Bhd. and Hyperact Marketing Sdn. Bhd.
	<u>4,488</u>	<u>24,264</u>	

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

	Group			
	Three Months Ended		Six Months Ended	
	30 June 2015 (Unaudited) MYR'000	30 June 2014 (Unaudited) MYR'000	30 June 2015 (Unaudited) MYR'000	30 June 2014 (Unaudited) MYR'000
Operating activities				
Loss before income tax	(6,367)	(712)	(18,325)	(2,019)
Adjustments for:				
Amortisation of leasehold lands	196	98	380	182
Depreciation of property, plant and equipment	316	235	617	306
Exploration expenditure	138	79	465	116
Loss on conversion of convertible loan	-	-	9,079	-
Write off of property, plant and equipment	-	1	-	1
Interest income	(13)	(10)	(20)	(15)
Foreign exchange (gain)/loss, net	(1,743)	14	(1,672)	14
Finance costs	93	74	134	115
Operating cash flows before changes in working capital changes	(7,380)	(221)	(9,342)	(1,300)
Changes in working capital				
Increase in trade and other receivables	(4,823)	(202)	(4,803)	(163)
Decrease/(increase) in prepayments	5,022	3,388	(317)	(2,556)
Increase/(decrease) in trade and other payables	853	(8,579)	513	(1,941)
Increase in inventories	(281)	(217)	(920)	(217)
Net changes in working capital	771	(5,610)	(5,527)	(4,877)
Cash flows used in operations	(6,609)	(5,831)	(14,869)	(6,177)
Exploration expenditure	(138)	(79)	(465)	(116)
Interest received	13	10	20	15
Interest paid	(93)	(74)	(134)	(115)
Income tax refunded	-*	-*	-*	-*
Net cash used in operating activities	(6,827)	(5,974)	(15,448)	(6,393)
Investing activities				
Purchase of property, plant and equipment	(13,779)	(16,872)	(14,045)	(14,515)
Net cash used in investing activities	(13,779)	(16,872)	(14,045)	(14,515)
Financing activities				
Proceed from initial public offering ("IPO") of ordinary shares	72,518	-	72,518	-
Proceed from convertible loans	-	25,862	-	25,862
Proceed from term loan	2,300	-	2,300	-
Repayment of term loans	(117)	(46)	(195)	(2,118)
Proceeds from finance leases	238	-	238	168
Repayment of obligation under finance leases	(94)	(34)	(159)	(69)
Placement of pledged deposits	(13)	(173)	(20)	(223)
Net cash used in financing activities	74,832	25,609	74,682	23,620
Net increase in cash and cash equivalents	54,226	2,763	45,189	2,712
Cash and cash equivalents at beginning of period	349	(1,961)	9,457	(1,909)
Effect of exchange rate changes on cash and cash equivalents	1,743	(14)	1,672	(15)
Cash and cash equivalents at end of the period	56,318	788	56,318	788

* Amounts less than MYR500

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

Group

(Unaudited)	Share Capital	Accumulated Losses	Total Equity
	MYR'000	MYR'000	MYR'000
Balance as at 1 January 2015	16,020	(46,926)	(30,906)
Loss for the financial period, representing total comprehensive income for the period	-	(18,325)	(18,325)
Conversion of convertible loan	78,207	-	78,207
Issuance of new shares (IPO)	72,518	-	72,518
Balance as at 30 June 2015	166,745	(65,251)	101,494
Balance as at 1 January 2014	1	(3,881)	(3,880)
Loss for the period, representing total comprehensive income for the period	-	(2,019)	(2,019)
Balance as at 30 June 2014	1	(5,900)	(5,899)

Company

(Unaudited)	Share Capital	Accumulated Losses	Total Equity
	MYR'000	MYR'000	MYR'000
Balance as at 1 January 2015	16,020	(38,027)	(22,007)
Loss for the period, representing total comprehensive income for the period	-	(12,577)	(12,577)
Conversion of convertible loan	78,207	-	78,207
Issuance of new shares (IPO)	72,518	-	72,518
Balance as at 30 June 2015	166,745	(50,604)	116,141
Balance as at 1 January 2014	1	(29)	(28)
Loss for the period, representing total comprehensive income for the period	-	(334)	(334)
Balance as at 30 June 2014	1	(363)	(362)

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

Shares Capital – Ordinary Shares

	Number of issued shares	Issued and paid-up share capital (MYR)
Opening balance as at 1 April 2015	1,071,432,933	94,226,729
Issuance of new shares (IPO)	122,000,000	75,009,977
Balance as at 30 June 2015	1,193,432,933	169,236,706

Save as disclosed above, the Company did not have any outstanding convertibles or treasury shares as at 30 June 2014 and 30 June 2015.

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

	As at 30 June 2015	As at 31 December 2014
Total number of issued shares excluding treasury shares	1,193,432,933	10,000

**The number of shares for the financial year ended 31 December 2014 is before the effect of share split by 47 times on 26 February 2015 and also the placement of 122,000,000 new IPO shares as at 30 April 2015.*

The Company did not have any treasury shares as at 30 June 2015 and 30 June 2014.

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

The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

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

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

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

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

Except for the adoption of the Financial Reporting Standards ("FRSs") and amendments to FRSs applicable for the financial period beginning on or after 1 January 2015, the same accounting policies and methods of computations have been applied in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 31 December 2014. The adoption of new FRSs and amendments to FRSs did not result in any significant change to the Group's and the Company's accounting policies and has no significant impact on the financial statements of the Group for the current financial reporting period.

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

Please refer to paragraph 4 above.

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

Loss per share ("LPS")	Group			
	Three Months Ended		Six Months Ended	
	30 June 2015 (Unaudited)	30 June 2014 (Unaudited)	30 June 2015 (Unaudited)	30 June 2014 (Unaudited)
Loss attributable to owners of the Company (MYR'000)	6,367	712	18,325	2,019
Weighted average number of ordinary shares used in the computation of basic and diluted loss per share	1,055,351,558 ⁽¹⁾	887,190,800 ⁽²⁾	1,055,351,558 ⁽¹⁾	887,190,800 ⁽²⁾
Basic and diluted loss per share (MYR cents) ⁽³⁾	0.60	0.08	1.74	0.23

(1) The weighted average number of shares for the financial period ended 30 June 2015 is calculated based on 1,055,351,558 shares, after taking into account the effect of share split, the conversion shares arising from the convertible loan and the placement of 122,000,000 new IPO shares on 30 April 2015.

(2) The weighted average number of shares for the period financial ended 30 June 2014 is calculated based on 887,190,800 shares, after taking into account the effect of share split on 15 April 2014 and 26 February 2015 in order to better reflect position of the weighted average number of shares as per 2QFY2015 for the purpose of comparison.

(3) The basic and diluted loss per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2015 and the impact of the convertible loans outstanding had an anti-dilutive effect on the basic loss per share for the financial period ended 30 June 2014.

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

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

Net assets/(liabilities) value	Group		Company	
	30 June 2015 (Unaudited)	31 December 2014 (Unaudited)	30 June 2015 (Unaudited)	31 December 2014 (Unaudited)
Net assets/(liabilities) value attributable to the owners of the Company (MYR'000)	101,494	(30,906)	116,141	(22,007)
Net assets/(liabilities) per share at the end of the period (MYR)*	0.08	(3,091)	0.09	(2,201)

(1) The calculation of net assets/(liabilities) value per ordinary share for 2QFY2015 was based on 1,193,432,933 shares, after taking into account the effect of share split, the conversion shares arising from the convertible loans and the placement of 122,000,000 new IPO shares on 30 April 2015.

(2) The calculation of net assets/(liabilities) value per ordinary share for 31 December 2014 was based on the 10,000 shares, which was before the share split by 47 times, the conversion shares arising from the convertible loans and the placement of 122,000,000 new IPO shares, which all took place in year 2015.

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

Review for the performance of the Group for the three months ended 30 June 2015 ("2QFY2015") as compared to the three months ended 30 June 2014 ("2QFY2014").

Consolidated Statement of Comprehensive Income

Revenue

The Group generated revenue of MYR2,259 in 2QFY2015 mainly from the sales of by-products from the odd-sized crushed stones from its Gridland Quarry, compared to MYR197,000 in the previous corresponding quarter. Revenue for 2QFY2015 was affected when the delivery of crushed calcium carbonate originally scheduled for June 2015 was deferred at the customer's request.

Other items of income

Interest income

The Group recorded interest income of MYR13,000 in 2QFY2015, versus MYR10,000 in 2QFY2014, mainly due to higher interest derived from a fixed deposit placed with the bank.

Other items of expense

The Company's items of expense consisted of general and administrative expenses, finance costs and net foreign exchange loss.

General and administrative expenses

General and administrative expenses mainly comprised staff-related expenses, professional fees, printing cost, office and equipment rental, amortisation of leasehold land, depreciation of machineries.

General and administrative expenses recorded an increase to MYR8.0 million in 2QFY2015, as compared to MYR0.7 million in 2QFY2014. The increase was mainly attributable to placement commissions of MYR2.0 million incurred in relation to the initial public offering of new shares, executive directors' remunerations of approximately MYR0.3 million, professionals fees incurred in relation to the Group's listing on Catalist (the "**Listing**") of approximately MYR4.0 million, salaries and wages of MYR0.3 million, land filling cost, categorised as exploration expenditure of MYR0.1 million, amortisation of leasehold land of approximately MYR0.2 million and other administrative expenditure of MYR0.5 million. The increase in amortisation of leasehold land was due to the capitalisation of the additional development cost on the Hyper Act site.

Finance costs

Finance costs pertained to the interest charged from term loans, obligations under finance leases and bank overdrafts. There was no significant change in finance costs, which amounted to MYR93,000 in 2QFY2015 as compared to MYR74,000 in 2QFY2014.

Foreign exchange gain and loss, net

The Group recorded foreign exchange gain of MYR1.7 million in 2QFY2015, as compared to a loss of MYR14 thousand in 2QFY2014, mainly due to the movement of funds from our Singapore Dollar bank account to Malaysia Ringgit bank account and the resulting conversion to Malaysian Ringgit from Singapore dollar.

Loss before income tax

Taking the above into account, the Group recorded a loss before tax of MYR6.4 million in 2QFY2015, as compared to MYR0.7 million in 2QFY2014.

Consolidated Statement of Financial Position

Non-current assets

As at 30 June 2015, non-current assets of MYR46.9 million accounted for 41% of the Group's total assets. Non-current assets comprised property, plant and equipment.

Property, plant and equipment, which comprised leasehold lands, plant and machinery, furniture, fixtures and equipment, motor vehicles, quarrying infrastructure, amounted to MYR35.3 million, representing 75% of non-current assets.

Prepayments for property, plant and equipment of MYR11.7 million, which were incurred for the Hyper Act site, comprised the deposit of MYR6.4 million for commissioning of a crusher plant, the cost of MYR2.7 million for the development of infrastructure, and deposits of approximately MYR2.6 million for the powder production plant. These prepayments accounted for the remaining 25% of non-current assets.

The increase in both property, plant and equipment and prepayments for property, plant and equipment as at 30 June 2015, compared to that as at 31 December 2014, were mainly due to progress made in the construction of the crusher plant and the on-going preparation work for the powder plant at the Hyper Act Quarry.

Current assets

As at 30 June 2015, current assets of MYR66.3 million accounted for 59% of the Group's total assets. Current assets as at 30 June 2015 comprised mainly:

- a) inventories of MYR1.8 million representing 3% of current assets, compared to MYR0.9 million as at 31 December 2014; the increase of which was due to the holding and accumulation of stock piles pending deliveries to customers;
- b) trade and other receivables amounting to MYR7.1 million representing 11% of current assets compared to MYR21,000 as at 31 December 2014. This comprised deposits of MYR4.7 million paid to powder plant suppliers, deposits of MYR1.6 million paid to the various contractors engaged for the construction works carried out at the Hyper Act site, MYR0.5 million paid as deposits for various utilities and a deposit of MYR0.3 million paid for the renovation of the corporate office;
- c) prepayments for 2QFY2015 which previously comprised deposits for the property, plant and equipment were reclassified to non-current assets to better reflect the nature of the transactions of the Group in 2QFY2015. As at 31 December 2014, the prepayments were MYR1.9 million; and

- d) cash and cash equivalents of MYR56.3 million representing 85% of current assets as compared to MYR9.4 million as at 31 December 2014. The increase in cash in 2QFY2015 was mainly due to the proceeds received from the placement of 122,000,000 new shares as at 30 April 2015 through the Listing.

Non-current liabilities

As at 30 June 2015, non-current liabilities of MYR3.7 million accounted for 31% of total liabilities. Non-current liabilities comprised loans and borrowings, which consists of obligations under finance leases of MYR0.8 million and a term loan of MYR2.9 million. The reduction in non-current liabilities in 2QFY2015 as compared to MYR23.7 million as at 31 December 2014 was mainly due to the conversion of a convertible loan of MYR22.0 million into issued shares of the Company.

Current liabilities

As at 30 June 2015, current liabilities of MYR8.1 million accounted for 69% of total liabilities as compared to MYR54.5 million of current liabilities as at 31 December 2014.

The reduction was mainly due to the conversion of convertible loan to issued shares on 23 March 2015.

Current liabilities comprised:

- a) Trade and other payables as at 30 June 2015 of MYR7.3 million. This consisted of MYR3.3 million accrued for the commissioning of crushing plant at Hyper Act quarry, MYR2.2 million accrued for expenditure from development activities at Hyper Act site, MYR0.5 million accrued for professional fees arising from listing exercise, accrued equipment expenditure of MYR0.7 million, salaries and wages of MYR0.1 million, operating expenses of MYR0.4 million, and an amount of MYR0.1 million due to a director. As at 31 December 2014 the trade and other payables was MYR6.8 million. The increase in trade and other payables was mainly due to an increase in construction activities at the Hyper Act site, which resulted to higher payables in 2QFY2015 as compared to 31 December 2014; and
- b) loans and borrowings of MYR0.7 million consisting of obligation under finance lease of MYR0.4 million, term loans of MYR0.3 million. As at 31 December 2014 the loans and borrowings was MYR0.6 million. The increase in 2QFY2015 in loans and borrowings was due to the additional purchases of motor vehicles under finance lease.
- c) The derivative financial instruments which appeared in 31 December 2014 was converted to ordinary shares on 23rd March 2015.

Consolidated Statement of Cash Flow

In 2QFY2015, the Group recorded net cash outflow from operating activities of MYR6.8 million as compared to MYR6.0 million in 2QFY2014. The net operating cash outflow comprised operating cash outflow before changes in working capital of MYR7.4 million, after adjusting for working capital inflow of MYR0.7 million, net interest paid of MYR93,000 and exploration expenditure of MYR0.1 million, and partially offset by interest received of MYR13,000. The working capital outflow were mainly due to:

- (a) increase in inventories of MYR0.3 million; and
(b) increase in trade and other receivables of MYR4.8 million;

which were partially offset by:

- (c) increase in trade and other payables of MYR0.8 million; and

(d) decrease in prepayments of MYR5.0 million.

Net cash outflow from investing activities in 2QFY2015 amounted to MYR13.7 million, arising from the acquisition of property, plant and equipment and the prepayment made for property, plant and equipment.

Net cash inflow from financing activities of MYR74.8 million in 2QFY2015 was arose from proceeds of MYR72.5 million received from the placement of new shares from the Listing and a term loan of MYR2.3 million secured for the acquisition of the Company's corporate office premises.

As at 30 June 2015, the Group's cash and cash equivalents stood at MYR56.3 million.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

An order for the Group's crushed precipitated calcium carbonate (PCC) that was deferred in the second quarter was subsequently fulfilled in July 2015. Along with this, the Group has also secured a couple of initial contracts for the supply of crush calcium carbonate in the months ahead.

The Group has applied for and successfully secured a permit to export its products to Indonesia. This will facilitate its fulfilment of an initial order for PCC from an Indonesia-based customer. The Group is looking forward to receiving more orders from Indonesia, subject to confirmation that the quality of the products supplied matches the requirements of the customer.

The Group is currently engaged in negotiations with prospective customers to secure orders for ground calcium carbonate (GCC), ahead of the commissioning of its crushing plant at Hyper Act Quarry in the fourth quarter of 2015. Barring unforeseen circumstances, the Group hopes to commence the supply of its GCC products within the same quarter.

11. Dividend

If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

Not applicable.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No interim dividend for the second quarter ended 30 June 2015 has been recommended.

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

The Group has not obtained a general mandate from shareholders for IPT pursuant to Rule 920(1)(a)(ii).

There was no IPT with value of more than S\$100,000 entered into during the financial period.

14. Use of IPO proceeds

The Company refers to the net proceeds amounting to S\$23.2 million (excluding listing expenses of approximately S\$4.9 million raised from the IPO on the Catalist Board of the SGX-ST on 30 April 2015.

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

<u>Use of IPO Net Proceeds</u>	<u>Amount allocated (S\$'000)</u>	<u>Amount Utilised (S\$'000)</u>	<u>Balance (S\$'000)</u>
Development of the Hyper Act Quarry	15,000	5,500	9,500
Working Capital	8,232	-	8,232
Expenses incurred in connection with the Placement	4,828	4,828	-
Total	28,060	10,328	17,732

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

15a. Rule 705 (6)(a) of the Catalist Listing Manual

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

For the quarter ended 30 June 2015 (“2QFY2015”), funds / cash were mainly used for the following activities:-

Purpose	Projected Usage Amount (MYR)	Actual Usage Amount (MYR)
Deposit paid for the powder plant of Hyper Act quarry	6,000,000	2,600,000
Deposit paid for the crusher plant of Hyper Act quarry	3,000,000	6,447,680
Land filling for new industrial land	3,000,000	2,950,000
Payments for industrial land	15,000,000	-
Total	27,000,000	11,997,680

Variance Explanation:

The Hyper Act powder plant project is still in the planning stage which resulted to the under-utilization of projected usage of funds as compared to actual. Various deposits were not paid as expected because of the deferment of the delivery of the plant and equipment. The purchase of the industrial land has not been finalised according to the targeted time and as such no payment were made.

Deposit paid for the crusher plant of Hyper Act quarry has exceeded earlier projection due to the request to speed up the delivery of the crusher plant by the Company.

The purchase of industrial land has not gone through at the time of this announcement, pending finalisation of the terms and conditions with the vendor.

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

For the next immediate quarter (financial period from 1 July 2015 to 30 September 2015 (“3QFY2015”)), the Company’s use of funds/cash for development activities are expected to be as follows:-

Purpose	Projected Usage Amount (MYR)
Progressive payment for the powder plant	3,000,000
Progressive payment for crusher plant	6,000,000
Development cost	3,000,000
Payments for industrial land	21,000,000
Total	33,000,000

For the Group’s development plan, 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 our Offer Document dated 20 April 2015.

15b. Rule 705 (6)(b) of the Catalist Listing Manual

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

16a. Rule 705 (7)(a) of the Catalist Listing Manual

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

The back filling of the pond at Hyper Act site for the construction of the crusher had been completed. Piling works to strengthen the landfill area for the crushing plant has also been completed. At the time of the announcement concrete is being laid to the surface of the site and the commissioning of the 1000tph capacity Sandvik crusher plant will take place thereafter. The crusher plant is targeted to be up and operational in the final quarter of this year as reported earlier. The Company has placed orders for the vertical type of grinding equipment system and the commissioning of the system is underway. The vertical type grinding system is from Taiwan and the powder coating equipment system is from Germany. This project is closely managed and coordinated by the Group's Chief Operating Officer with a team of expert consultants and engineers under him. The team has also finalized the plan for the factory layout. The construction of the factory will commence once the purchase of the intended industrial land is completed.

A summary of the expenditure at Hyper Act quarry site incurred up to 2QFY2015 for the aforementioned activities are as follows:-

	Amount (MYR'000)
Deposits paid for the property, plant and equipment	9,048
Development of access roads and clearance of overburden and land filing cost	2,950
Total:	11,998

16b. Rule 705 (7)(b) of the Catalist Listing Manual

Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

The Company has no material updates on the reserves and resources as set out in the IQPR (Independent Qualified Person's Report) dated 2 February 2015. A copy of the IQPR can be found in the Company's Offer Document dated 20 April 2015.

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

The Board of Directors of the Company hereby confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the second quarter ended 30 June 2015 to be false or misleading in any material aspect.

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

Loo An Swee, Alex
Executive Chairman and CEO
6 August 2015