

Unaudited Results for the Third Quarter Period Ended 30 September 2017

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			Nine Months Ended		
	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000	Change %	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000	Change %
Revenue	9,071	3,466	162	17,238	9,157	88
Cost of sales	(4,525)	(1,933)	134	(6,263)	(4,214)	49
Gross profit	4,546	1,533	197	10,975	4,943	122
Other items of income						
Interest income	163	213	(23)	599	586	2
Rental of equipment	64	99	(35)	446	232	92
Foreign exchange gain/(loss), net	106	(28)	n.m.	(71)	(16)	344
Items of expense						
General and administrative expenses	(3,969)	(3,613)	10	(9,815)	(13,613)	(28)
Finance costs	(606)	(460)	32	(1,736)	(1,381)	26
Profit/(Loss) before tax	304	(2,256)	n.m.	398	(9,249)	n.m.
Income tax expense	-	-		-		
Profit/(Loss) for the period, representing total comprehensive loss attributable to owners of the Company	304	(2,256)	n.m.	398	(9,249)	n.m.

n.m. – not meaningful

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

	Group					
	Three Months Ended			Nine Months Ended		
	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000	Change %	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000	Change %
Interest income	163	213	(23)	599	586	2
Rental of equipment income	64	99	(35)	446	232	92
Foreign exchange gain/(loss), net	106	(28)	n.m.	(71)	(16)	344
Finance costs	(606)	(460)	32	(1,736)	(1,381)	26
Gain/(loss) on disposal of PPE	-	(35)	n.m.	1,097	33	3,224
Amortisation of leasehold lands	(642)	(599)	7	(1,909)	(1,500)	27
Depreciation of property, plant and equipment	(676)	(673)	0	(2,039)	(1,794)	14
Exploration expenditure	(811)	(1,003)	(19)	(2,155)	(1,963)	10

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 September 2017 (Unaudited) MYR'000	31 December 2016 (Audited) MYR'000	30 September 2017 (Unaudited) MYR'000	31 December 2016 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	96,024	96,696	-	-
Investments in subsidiaries	-	-	3,500	3,500
	<u>96,024</u>	<u>96,696</u>	<u>3,500</u>	<u>3,500</u>
Current assets				
Inventories	4,444	1,027	-	-
Trade and other receivables	19,229	14,234	110,690	112,361
Pledged deposits	22,192	21,336	-	-
Income tax recoverable	2	2	-	-
Cash and short-term deposits	366	20	2	3
	<u>46,233</u>	<u>36,619</u>	<u>110,692</u>	<u>112,364</u>
Total assets	<u>142,257</u>	<u>133,315</u>	<u>114,192</u>	<u>115,864</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	12,939	7,876	2,478	2,894
Loans and borrowings	13,144	10,153	-	-
	<u>26,083</u>	<u>18,029</u>	<u>2,478</u>	<u>2,894</u>
Net current assets	<u>20,150</u>	<u>18,590</u>	<u>108,214</u>	<u>109,470</u>
Non-current liabilities				
Amount due to a director	6,319	5,627	-	-
Loans and borrowings	25,859	26,060	-	-
	<u>32,178</u>	<u>31,687</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>58,261</u>	<u>49,716</u>	<u>2,478</u>	<u>2,894</u>
Net assets	<u>83,996</u>	<u>83,599</u>	<u>111,714</u>	<u>112,970</u>
Equity attributable to owners of the Company				
Share capital	164,588	164,588	164,588	164,588
Treasury shares	(9,086)	(9,086)	(9,086)	(9,086)
Other reserves	4,307	4,307	4,307	4,307
Accumulated losses	(75,813)	(76,210)	(48,095)	(46,839)
Total equity	<u>83,996</u>	<u>83,599</u>	<u>111,714</u>	<u>112,970</u>
Total equity and liabilities	<u>142,257</u>	<u>133,315</u>	<u>114,192</u>	<u>115,864</u>

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

Amount repayable in one year or less, or on demand

As at 30 September 2017 (Unaudited)		As at 31 December 2016 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
13,144	-	10,153	-

Amount repayable after one year

As at 30 September 2017 (Unaudited)		As at 31 December 2016 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
25,859	-	26,060	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 30 September 2017 (Unaudited)	As at 31 December 2016 (Audited)	Secured by
	MYR'000	MYR'000	
Term loans	245	517	Charges on freehold residential land with a 2 storey bungalow owned by an executive director of the Group.
Term loans	27,658	25,371	Charges on 2 plots of leasehold quarry lands, a crusher plant, two units of excavators, pledged deposits, an executive director's guarantee and corporate guarantee.
Term loans	2,000	2,000	Charges on a plot of industrial land, an executive director's guarantee and corporate guarantee.
Term loan for the purchase of office units	1,775	1,917	Charges on the leasehold quarry lands and office units, charge on pledged deposits, jointly and severally guaranteed by the executive directors of the Group.
Obligations under finance leases	1,891	1,764	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	5,434	4,644	Charge on the leasehold quarry lands, pledged deposits, jointly and severally guaranteed by executive directors of the Group.
	<u>39,003</u>	<u>36,213</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		Nine Months Ended	
	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000
Operating activities				
Profit/(loss) before income tax	304	(2,256)	398	(9,249)
Adjustments for:				
Amortisation of leasehold lands	642	599	1,909	1,500
Depreciation of property, plant and equipment	676	673	2,039	1,794
Exploration expenditure	811	1,003	2,155	1,963
Write off of property, plant and equipment	-	-	8	-
(Gain)/loss on disposal of property, plant and equipment	-	35	(1,097)	(33)
Interest income	(163)	(213)	(599)	(586)
Foreign exchange loss/(gain), net	(106)	28	71	16
Finance costs	606	460	1,736	1,381
Operating cash flows before changes in working capital	2,770	329	6,620	(3,214)
Changes in working capital				
(Increase)/decrease in trade and other receivables	(6,026)	1,831	(4,995)	976
Increase/(decrease) in trade and other payables	2,884	(350)	5,063	2,489
(Increase)/decrease in inventories	(781)	173	(3,417)	(178)
Net changes in working capital	(3,923)	1,654	(3,349)	3,287
Cash (used in)/generated from operations	(1,153)	1,983	3,271	73
Exploration expenditure	(811)	(1,003)	(2,155)	(1,963)
Interest received	163	213	599	586
Interest paid	(606)	(460)	(1,736)	(1,381)
Income tax refunded	-*	-*	-*	1
Net cash (used in)/generated from operating activities	(2,407)	733	(21)	(2,684)
Investing activities				
Purchase of property, plant and equipment	(81)	(2,516)	(3,661)	(22,742)
Proceed from disposal of property, plant and equipment	-	-	2,021	300
Net cash used in investing activities	(81)	(2,516)	(1,640)	(22,442)
Financing activities				
Purchase of treasury shares	-	-	-	(1,768)
Proceeds from term loan	1,073	8,891	2,287	24,851
Repayment of term loans	(151)	(209)	(415)	(425)
Proceeds from finance leases	-	-	-	-
Repayment of obligations under finance leases	(146)	(70)	(420)	(366)
Loan from director	90	-	692	11,077
Repayment of loan from director	-	(5,150)	-	(5,150)
Placement of pledged deposits	(6)	(6)	(855)	(20,228)
Net cash generated from financing activities	860	3,456	1,289	7,991
Net (decrease)/ increase in cash and cash equivalents	(1,628)	1,673	(372)	(17,135)
Cash and cash equivalents at beginning of period	(3,546)	(5,283)	(4,625)	13,513
Effect of exchange rate changes on cash and cash equivalents	106	(28)	(71)	(16)
Cash and cash equivalents at end of the period (Note A)	(5,068)	(3,638)	(5,068)	(3,638)

* Amount less than MYR500

Note A: Cash and cash equivalents

	Group	
	Three Months Ended	
	30 September 2017 (Unaudited) MYR'000	30 September 2016 (Unaudited) MYR'000
Cash and short-term deposits as per statement of financial position	366	255
Bank overdraft	(5,434)	(3,893)
Cash and cash equivalents as per statement of cash flow	(5,068)	(3,638)

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

3QFY2017 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 July 2017	164,588	(76,117)	(9,086)	4,307	83,692
Profit for the period, representing total comprehensive loss for the period	-	304	-	-	304
Balance as at 30 September 2017	<u>164,588</u>	<u>(75,813)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>83,996</u>
Balance as at 1 July 2016	164,588	(72,905)	(9,086)	4,307	86,904
Loss for the period, representing total comprehensive loss for the period	-	(2,256)	-	-	(2,256)
Balance as at 30 September 2016	<u>164,588</u>	<u>(75,161)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>84,648</u>

Company

3QFY2017 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 July 2017	164,588	(47,523)	(9,086)	4,307	112,286
Loss for the period, representing total comprehensive profit for the period	-	(572)	-	-	(572)
Balance as at 30 September 2017	<u>164,588</u>	<u>(48,095)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>111,714</u>
Balance as at 1 July 2016	164,588	(44,131)	(9,086)	4,307	115,678
Profit for the period, representing total comprehensive loss for the period	-	1,359	-	-	1,359
Balance as at 30 September 2016	<u>164,588</u>	<u>(42,772)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>117,037</u>

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

Share Capital – Ordinary Shares

	<u>Number of issued shares</u>	<u>Share capital (MYR)</u>
Balance as at 30 June 2017 and 30 September 2017	<u>1,169,445,976</u>	<u>155,501,496</u>

As at 30 September 2017, the Company held 23,986,957 treasury shares (30 September 2016: 23,986,957).

The Company did not have any outstanding convertibles as at 30 September 2017 and 30 September 2016. There have been no awards or options granted pursuant to the GCCP Performance Share Plan or GCCP Employee Share Option Scheme since adoption.

The Company did not hold any subsidiary holdings as at 30 September 2017 and 30 September 2016.

- 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 September 2017	As at 31 December 2016
Total number of issued shares excluding treasury shares	1,169,445,976	1,169,445,976

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

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

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

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

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

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

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

Not applicable.

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

Except for the adoption of the International Financial Reporting Standards ("IFRSs") and amendments to IFRSs applicable for the financial period beginning on or after 1 January 2017, 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 2016. The adoption of new IFRSs and amendments to IFRSs did not result in any significant change to the Group's and the Company's accounting policies and has no significant impact on the financial statements of the Group and the Company for the current financial reporting 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**

Earnings/ (Loss) per share ("EPS")/("LPS")	Group			
	Three Months Ended		Nine Months Ended	
	30 September 2017 ⁽¹⁾ (Unaudited)	30 September 2016 ⁽²⁾ (Unaudited)	30 September 2017 ⁽¹⁾ (Unaudited)	30 September 2016 ⁽²⁾ (Unaudited)
Profit/(loss) attributable to owners of the Company (MYR'000)	304	(2,256)	398	(9,249)
Weighted average number of ordinary shares	1,169,445,976 ⁽¹⁾	1,169,445,976 ⁽²⁾	1,169,445,976 ⁽¹⁾	1,165,327,088 ⁽²⁾
Basic and diluted EPS/(LPS) (MYR cents) ⁽³⁾	0.03	(0.19)	0.03	(0.79)

Notes:

- (1) The weighted average number of shares for the financial period ended 30 September 2017 is based on the existing number of shares in issue.
- (2) The weighted average number of shares for the financial period ended 30 September 2016 is based on the existing number of shares in issue calculated after taking into account the effects of share buy backs by Company on 6 January 2016, 20 January 2016, 21 January 2016 and the reissuance of treasury shares to the vendor pursuant to the acquisition of industrial and quarry lands on 22 March 2016 which was completed on 28 June 2016 (the "Land Acquisitions").
- (3) The basic and diluted EPS and LPS are the same as there were no potentially dilutive securities in issue as at 30 September 2017 and 30 September 2016 respectively.

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

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

Net asset value	Group		Company	
	30 September 2017 (Unaudited)	31 December 2016 (Audited)	30 September 2017 (Unaudited)	31 December 2016 (Audited)
Net asset value attributable to the owners of the Company (MYR'000)	83,996	83,599	111,714	112,970
Net asset per share at the end of the period (MYR)*	0.07	0.07	0.10	0.10

* The calculation of net asset value per ordinary share was based on 1,169,445,976 shares as at 30 September 2017 and 31 December 2016.

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 September 2017 ("3QFY2017") as compared to the three months ended 30 September 2016 ("3QFY2016").

Consolidated Statement of Comprehensive Income

Revenue

Revenue increased by 162% to MYR9.1 million in 3QFY2017 as compared to MYR3.5 million in 3QFY2016 due to the increase in the sale of crushed calcium carbonate stones of ground calcium carbonate ("GCC") and precipitated calcium carbonate grades ("PCC") from the Hyper Act Quarries and Gridland Quarry to export and domestic markets.

Cost of sales

Cost of sales increased by 134% to MYR4.5 million in 3QFY2017, as compared to MYR1.9 million in 3QFY2016, in line with the quarrying activities at Hyper Act Quarries to fulfil the additional orders and deliveries.

Gross profit/margin

Gross profit in 3QFY2017 amounted to MYR4.5 million (gross profit margin: 50%), compared to MYR1.5 million in 3QFY2016 (gross profit margin: 44%). The higher gross profit margin was mainly due to the improved economies of scale from the increased production of GCC limestone at Hyper Act Quarries, resulting in lower cost of production in 3QFY017.

Other items of income

Interest income

Interest income reduced from MYR213,000 in 3QFY2016 to MYR163,000 in 3QFY2017 as a result of the revised lower interest rate of fixed deposits by the bank.

Rental of equipment

A lower income of MYR64,000 in 3QFY2017 was derived from the rental of site equipment to our quarry contractor as compared to MYR99,000 in 3QFY2016, following the cessation of the service contract with the quarry contractor during the quarter.

Foreign exchange gain, net

A foreign exchange gain of MYR106,000 was recorded in 3QFY2017, as compared to a foreign exchange loss of MYR28,000 in 3QFY2016 mainly due to the appreciation of US Dollars against Malaysian Ringgit arising from the conversion of the sales proceeds received in US Dollars, as compared to the exchange loss incurred largely from conversion of the weakened Malaysian Ringgit to Singapore Dollar in 3QFY2016.

Items of expense

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

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

G&A Expenses recorded a 10% increase from MYR3.6 million in 3QFY2016 to MYR4.0 million in 3QFY2017 mainly due to:-

1. a MYR0.4 million increase in transportation costs in line with the increase in deliveries from the new orders received;
2. a MYR0.4 million increase in freight forwarding charges due to the increase in handling of exports for limestone at both overseas and domestic ports; offset by
3. a MYR0.2 million decrease in exploration expenditure mainly due to the switch in focus from the exploration to extraction to boost productions; and
4. the absence of sales commission of MYR0.2 million paid in 3QFY2016 which was not incurred in 3QFY2017.

Finance costs

The increase of finance costs to MYR0.6 million in 3QFY2017 from MYR0.5 million in 3QFY2016, was attributable to the interest incurred from the increased borrowings totalling to approximately MYR39.0 million in 3QFY2017 as compared to MYR32.0 million in 3QFY2016.

Exploration expenditure

Exploration expenditure decreased to MYR0.8 million in 3QFY2017, due to reduction in exploration activities in order to focus on production activities at Hyper Act Quarry.

Profit before income tax

The Group recorded a profit before tax of MYR0.3 million in 3QFY2017, compared to a loss of MYR2.3 million in 3QFY2016, as a result of the increase in revenue from the new orders secured.

Consolidated Statement of Financial Position

Non-current assets

Non-current assets as at 30 September 2017 stood at MYR96.0 million, compared to MYR96.7 million as at 31 December 2016, the decrease mainly arose from the addition in machinery and equipment of MYR2.5 million and the capitalisation of MYR1.7 million in development costs incurred on Hyper Act Quarries, offset against the disposal of property, plant and equipment of MYR2.0 million and net of depreciation and amortisation charges of MYR2.9 million.

Current assets

As at 30 September 2017, current assets increased to MYR46.2 million from MYR36.6 million as at 31 December 2016 mainly due to:-

- a) a MYR3.4 million increase in inventories mainly from the increase in production of crushed stones at Hyper Act Quarries;
- b) a MYR5.0 million increase in trade and other receivables arising from increase in sales of GCC limestones;
- c) the increase of pledged deposits of MYR0.9 million from interest earned from the deposit;
- d) the increase of cash and short-term deposits to MYR0.3 million as at 30 September 2017 from MYR20,000 as at 31 December 2016, arising from the drawdown of existing loan and loan received from a director.

Non-current liabilities

As at 30 September 2017, the Group recorded non-current liabilities of MYR32.2 million as compared to MYR31.7 million as at 31 December 2016. This was mainly due to the reclassification of MYR0.2 million of borrowings due in the next twelve months to current liabilities, offset by an increase of MYR0.7 million of loan owing to a director.

Current liabilities

As at 30 September 2017, current liabilities stood at MYR26.1 million as compared to MYR18.0 million as at 31 December 2016 mainly due to:-

- a) a MYR5.1 million increase in trade and other payables, arising largely from the increase in production, sale and delivery activities incurred in the current quarter at the Hyper Act Quarries; and
- b) the MYR3.0 million increase in loans and borrowings , mainly due to the increase in utilisation of overdraft facilities approved and reclassification of borrowings from non-current liabilities.

Consolidated Statement of Cash Flow

In 3QFY2017, the Group recorded net cash used in operating activities of MYR2.4 million as compared to net cash generated of MYR0.7 million in 3QFY2016.

The net cash used in operating activities comprised operating cash generated before changes in working capital of MYR2.8 million adjusted for net working capital outflows of MYR3.9 million, interest paid of MYR0.6 million, interest received of MYR0.2 million and exploration expenditure of MYR0.8 million.

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

- (a) an increase in trade and other receivables of MYR6.0 million. The increase was mainly due to the increase in trade receivables from the increase in sales in the current quarter;
- (b) a decrease in inventories of MYR0.8 million arising from the increase deliveries of GCC limestone from Hyper Act Quarries to customers; and
- (c) an increase in trade and other payables of MYR2.9 million due to the increase in production and delivery costs due to the contractors as a result of the increase in sales.

In 3QFY2017, net cash used in investing activities amounted to MYR0.1 million which arose from the development cost incurred for the building of infrastructure at Hyper Act Quarries.

Net cash generated from financing activities amounted to MYR0.9 million was mainly due to the drawdown of MYR1.1 million of term loan and the loan from director of MYR0.1 million offset against repayment of loans and finance leases of MYR0.3 million.

As at 30 September 2017, the Group's cash and cash equivalents was a deficit of MYR5.1 million after netting off MYR0.3 million cash and short-term deposits as shown in the statement of financial position against drawing down from the bank overdraft of MYR5.4 million.

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

Overall, the financial results are in line with previous discussion under Section 10 of the Company's unaudited financial results announcement for the second quarter ended 30 June 2017 dated 4 August 2017.

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

The Hyper Act Quarries and Gridland Quarries have been contributing positively to the quarter's performance, as the Group commenced scheduled shipments of GCC- and PCC-grade crushed stones to its customers in line with the new supply contracts as announced during 3QFY2017. The Group is currently working with these and other customers to secure further orders for the year ahead.

Demand for the Group's GCC- and PCC-grade stones remains healthy and the Group continues to receive enquiries from prospective customers. The Group is currently also in discussion with potential customers to supply PCC stones to new markets in the Asia region.

Looking ahead, on account of healthy market demand for calcium carbonate stones, the improved productivity and expected revenue growth, the Group looks forward to achieve further improvement in its performance in the ensuing quarters.

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

Not applicable, as no interim dividend for the third quarter ended 30 September 2017 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 were no IPTs that exceeded S\$100,000 during the financial period under review.

The director's loan of MYR6.3 million is interest free with no fixed repayment term and no interest consideration was/will be paid by the Company and hence, there is no value at risk to the Group. Repayment to the director will only take place when funds are deemed available.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

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

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

For the quarter ended 30 September 2017 (“3QFY2017”), funds / cash were mainly used for the following activities:-

Purpose	Projected Usage Amount (MYR)	Actual Usage Amount (MYR)
Progressive payment for crusher plant	300,000	-
Development cost	800,000	81,000
Total	1,100,000	81,000

Variance Explanation:

The Company is resolving quality issues on the crushed stones with the contractor before making any further instalment payment.

MYR0.1 million was incurred to purchase infrastructure for the development of the Hyper Act Quarries as compared to a projection of MYR0.8 million. The variance was due to the reduction of development work in order to focus on production activities to fulfil orders.

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 October 2017 to 31 December 2017 (“4QFY2017”)), the Company’s use of funds/cash for development activities is expected to be as follows:-

Purpose	Projected Usage Amount (MYR)
Progressive payment for crusher plant	200,000
Development cost	500,000
Total	700,000

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.

14b. Rule 705 (6)(b) of the Catalyst 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.

15a. Rule 705 (7)(a) of the Catalyst Listing Manual

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

Hyper Act Quarries

The continuous development of roads in Hyper Act Quarries has incurred a cost of MYR0.08 million in the current quarter. These roads are continuously built to gain access to different areas of the hills reaching to the various points of extraction. Exploration cost of MYR0.4 million was spent in the blasting activities in order to locate the quality GCC limestone suited for the use of the customers. The Group will proceed with the construction of the powder plant project once Hyper Act Quarries' the cash flow position is back to a healthy level which is sufficient to fund the project.

A summary of the expenditure at Hyper Act Quarries incurred in 3QFY2017 for the aforementioned activities are as follows:-

	Amount (MYR'000)
Development of access roads and clearance of overburden	81
Exploration expenditure	360
Total:	441

Hyper Act Quarries has incurred a total of MYR1.3 million on production activities in 3QFY2017.

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

	Metric ton (MT)
Crushed GCC limestones	48,530

Gridland Quarry

Gridland Quarry has incurred MYR0.5 million for exploration activities which involved blasting for opening of new faces in the current quarter.

A summary of the expenditure at Gridland Quarry incurred in 3QFY2017 for the aforementioned activities are as follows:-

	Amount (MYR'000)
Exploration expenditure	451
Total:	451

Gridland Quarry has incurred MYR0.6 million on production activities in 3QFY2017.

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

	Metric ton (MT)
Crushed PCC limestone	238,938

15b. 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 8 April 2017. A copy of the IQPR can be found in the Company's Annual Report 2016.

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

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

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 the attention of the Board of Directors which may render the unaudited financial statements of the Company and the Group for the third quarter ended 30 September 2017 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
09 November 2017

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

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

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