

GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Results for the First Quarter Period Ended 31 March 2019**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS**

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

	Group		
	Three Months Ended		
	31 March 2019 (Unaudited) MYR'000	31 March 2018 (Unaudited) MYR'000	Change %
Revenue	2,507	4,433	(43)
Cost of sales	(1,681)	(2,281)	(26)
Gross profit	826	2,152	(62)
Other items of income			
Interest income	9	165	(95)
Rental of equipment	18	-	n.m.
Items of expense			
Foreign exchange gain	-*	154	n.m.
General and administrative expenses	(2,446)	(2,504)	(2)
Selling and distribution expenses	(513)	(974)	(47)
Finance costs	(261)	(587)	(56)
Loss before tax	(2,367)	(1,594)	48
Income tax expense	-	-	-
Loss for the period, representing total comprehensive loss attributable to owners of the Company	(2,367)	(1,594)	48

* Amount less than MYR500

n.m. – not meaningful

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

	Group		
	Three Months Ended		
	31 March 2019 (Unaudited) MYR'000	31 March 2018 (Unaudited) MYR'000	Change %
Interest income	9	165	(95)
Rental of equipment income	18	-	n.m.
Finance costs	(261)	(587)	(56)
Amortisation of leasehold lands	(658)	(658)	-
Depreciation of property, plant and equipment	(684)	(704)	(3)
Exploration expenditure	(149)	(240)	(38)

n.m. – not meaningful

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

	Group		Company	
	31 March 2019 (Unaudited) MYR'000	31 December 2018 (Unaudited) MYR'000	31 March 2019 (Unaudited) MYR'000	31 December 2018 (Unaudited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	88,305	89,648	-	-
Investments in subsidiaries	-	-	2,414	2,414
	<u>88,305</u>	<u>89,648</u>	<u>2,414</u>	<u>2,414</u>
Current assets				
Inventories	2,814	2,613	-	-
Trade and other receivables	2,252	2,205	91,782	92,402
Pledged deposits	1,213	1,204	-	-
Cash and short-term deposits	27	268	8	8
	<u>6,306</u>	<u>6,290</u>	<u>91,790</u>	<u>92,410</u>
Total assets	<u>94,611</u>	<u>95,938</u>	<u>94,204</u>	<u>94,824</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	13,899	12,316	3,800	3,145
Loans and borrowings	7,749	8,281	-	-
	<u>21,648</u>	<u>20,597</u>	<u>3,800</u>	<u>3,145</u>
Net current (liabilities)/assets	<u>(15,342)</u>	<u>(14,307)</u>	<u>87,990</u>	<u>89,265</u>
Non-current liabilities				
Loans and borrowings	7,063	7,074	-	-
Total liabilities	<u>28,711</u>	<u>27,671</u>	<u>3,800</u>	<u>3,145</u>
Net assets	<u>65,900</u>	<u>68,267</u>	<u>90,404</u>	<u>91,679</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	(93,909)	(91,542)	(69,405)	(68,130)
Total equity	<u>65,900</u>	<u>68,267</u>	<u>90,404</u>	<u>91,679</u>
Total equity and liabilities	<u>94,611</u>	<u>95,938</u>	<u>94,204</u>	<u>94,824</u>

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

Amount repayable in one year or less, or on demand

As at 31 March 2019 (Unaudited)		As at 31 December 2018 (Unaudited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
7,749	-	8,281	-

Amount repayable after one year

As at 31 March 2019 (Unaudited)		As at 31 December 2018 (Unaudited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
7,063	-	7,074	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 31 March 2019 (Unaudited)	As at 31 December 2018 (Unaudited)	Secured by
	MYR'000	MYR'000	
Term loans	6,921	6,965	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 loan for the purchase of office units	1,475	1,476	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	1,412	1,567	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	2,038	2,326	Charge on the leasehold quarry lands, pledged deposits, jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	1,967	2,014	Charge on the leasehold quarry lands and jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	999	1,007	Charge on the leasehold industrial land and jointly and severally guaranteed by executive directors of the Group.
	<u>14,812</u>	<u>15,355</u>	

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

	Group	
	Three Months Ended	
	31 March 2019 (Unaudited) MYR'000	31 March 2018 (Unaudited) MYR'000
Operating activities		
Loss before income tax	(2,367)	(1,594)
<u>Adjustments for:</u>		
Amortisation of leasehold lands	658	658
Depreciation of property, plant and equipment	684	704
Exploration expenditure	149	240
Interest income	(9)	(165)
Foreign exchange gain	*	154
Finance costs	261	587
Operating cash flows before changes in working capital	(624)	584
<u>Changes in working capital</u>		
(Increase)/decrease in trade and other receivables	(47)	257
Increase in inventories	(200)	(566)
Increase in trade and other payables	1,583	115
Net changes in working capital	1,336	(194)
Cash generated from operations	712	390
Exploration expenditure	(149)	(240)
Interest received	9	165
Interest paid	(261)	(587)
Income tax refunded	*	1
Net cash generated from/(used in) operating activities	311	(271)
Investing activities		
Purchase of property, plant and equipment	-	(400)
Net cash used in investing activities	-	(400)
Financing activities		
Repayment of term loans	(45)	(281)
Repayment of obligations under finance leases	(155)	(155)
Loan from a director	-	958
Placement of pledged deposits	(9)	(7)
Net cash (used in)/ generated from financing activities	(209)	515
Net (decrease)/ increase in cash and cash equivalents	102	(156)
Cash and cash equivalents at beginning of period	(5,079)	(4,270)
Effect of exchange rate changes on cash and cash equivalents	*	(154)
Cash and cash equivalents at end of the period (Note A)	(4,977)	(4,580)

* Amount less than MYR500

Note A: Cash and cash equivalents

Group		
Three months ended		
	31 March 2019 (Unaudited) MYR'000	31 March 2018 (Unaudited) MYR'000
Cash and short-term deposits as per statement of financial position	27	490
Bank overdraft	(5,004)	(5,070)
Cash and cash equivalents as per statement of cash flow	(4,977)	(4,580)

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

1QFY2019 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 January 2019	164,588	(91,542)	(9,086)	4,307	68,267
Loss for the period, representing total comprehensive loss for the period	-	(2,367)	-	-	(2,367)
Balance as at 31 March 2019	<u>164,588</u>	<u>(93,909)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>65,900</u>
Balance as at 1 January 2018	164,588	(83,052)	(9,086)	4,307	76,757
Loss for the period, representing total comprehensive loss for the period	-	(1,594)	-	-	(1,594)
Balance as at 31 March 2018	<u>164,588</u>	<u>(84,646)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>75,163</u>

Company

1QFY2019 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 January 2019	164,588	(68,130)	(9,086)	4,307	91,679
Loss for the period, representing total comprehensive profit for the period	-	(1,275)	-	-	(1,275)
Balance as at 31 March 2019	<u>164,588</u>	<u>(69,405)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>90,404</u>
Balance as at 1 January 2018	164,588	(65,695)	(9,086)	4,307	94,114
Loss for the period, representing total comprehensive profit for the period	-	(3,424)	-	-	(3,424)
Balance as at 31 March 2018	<u>164,588</u>	<u>(69,119)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>90,690</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 31 December 2018 and 31 March 2019	1,169,445,976	155,501,496

As at 31 March 2019 and 31 March 2018, the Company held 23,986,957 treasury shares, equivalent to 2.05% of the total number of issued and paid up share capital of the Company.

The Company did not have any outstanding convertibles or subsidiary holdings as at 31 March 2019 and 31 March 2018. There have been no awards or options granted pursuant to the GCCP Performance Share Plan or GCCP Employee Share Option Scheme.

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

	As at 31 March 2019	As at 31 December 2018
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 2019, 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 2017, being the latest audited financial statements of the Company as at the date of this announcement. 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**

Loss per share ("LPS")	Group	
	Three Months Ended	
	31 March 2019 (Unaudited)	31 March 2018 (Unaudited)
Loss attributable to owners of the Company (MYR'000)	2,367	1,594
Weighted average number of ordinary shares used in the computation of basic and diluted loss per share	1,169,445,976	1,169,445,976
Basic and diluted LPS (MYR cents) ⁽¹⁾	0.20	0.14

Note:

(1) *The basic and diluted LPS are the same as there were no potentially dilutive securities in issue as at 31 March 2019 and 31 March 2018 respectively.*

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

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

Net asset value	Group		Company	
	31 March 2019 (Unaudited)	31 December 2018 (Unaudited)	31 March 2019 (Unaudited)	31 December 2018 (Unaudited)
Net asset value attributable to the owners of the Company (MYR'000)	65,900	68,267	90,404	91,679
Net asset per share at the end of the period (MYR)*	0.06	0.06	0.08	0.08

* The calculation of net asset value per ordinary share was based on 1,169,445,976 shares as at 31 March 2019 and 31 December 2018.

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

Review for the performance of the Group for the three months ended 31 March 2019 ("1QFY2019") as compared to the three months ended 31 March 2018 ("1QFY2018").

Consolidated Statement of Comprehensive Income

Revenue

Revenue for the Group registered a decrease of MYR1.9 million to MYR2.5 million in 1QFY2019 as compared to MYR4.4 million in 1QFY2018 due to lower sales from both Gridland Quarry and Hyper Act Quarries due to slowing orders by customers amid the global economy slowdown.

Cost of sales

Cost of sales decreased to MYR1.7 million in 1QFY2019 from MYR2.3 million in 1QFY2018. The lower cost of sales in 1QFY2019 was mainly due to a decline in quarrying activities due to the maintenance works carried out on the crushing plant at Hyper Act Quarries.

Gross profit

Gross profit in 1QFY2019 was MYR0.9 million (gross profit margin: 33%), compared to MYR2.2 million in 1QFY2018 (gross profit margin: 49%). The lower gross profit margin was mainly due to the higher portion of sales of smaller-sized PCC crushed stones with lower margin from Gridland Quarry in 1QFY2019, as compared to higher export sales with better margin in 1QFY2018.

Other items of income

Interest income

Interest income decreased in 1QFY2019 to MYR9,000 from MYR165,000 in 1QFY2018 due to the withdrawal of the pledged deposits amounting to MYR21.0 million in the 3QFY2018 to repay the part of the outstanding term loans in the same quarter.

Rental of equipment

An income from equipment rental of MYR18,000 in 1QFY2019 was derived from the rental of site equipment to our quarry contractor. There was no income from equipment rental in 1QFY2018.

Items of expense

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

Foreign exchange loss, net

A foreign exchange loss of MYR120 was recorded in 1QFY2019, as compared to a foreign exchange gain of MYR154,000 in 1QFY2018. The loss in 1QFY2019 was mainly due to the depreciation of Malaysian Ringgit against the Singapore Dollar arising from the conversion of the payments to vendors paid in Singapore Dollars, whereas the gain in 1QFY2018 was due to the depreciation of US Dollar against Malaysian Ringgit arising from the conversion of sales proceeds collected in US Dollar to Malaysian Ringgit.

General and administrative expenses

General and administrative expenses (“**G&A Expenses**”) mainly comprised staff-related expenses, professional fees, printing costs, office and equipment rental, amortisation of leasehold land, and depreciation of machineries.

G&A Expenses recorded a slight decrease of MYR0.1 million to MYR2.4 million in 1QFY2019 from MYR2.5 million in 1QFY2018, mainly from the reversal of a provision for doubtful debt recovered in 1QFY2019.

Selling and distribution expenses

Selling and distribution expenses comprised of transportation cost and other freight related charges incurred for the shipments delivered to customers. Selling and distribution expenses decreased from MYR1.0 million in 1QFY2018 to MYR0.5 million in 1QFY2019 in line with the lower sales recorded in 1QFY2019.

Finance costs

Finance costs incurred were with respect to the interest charged on term loans, obligations under finance leases and bank overdrafts. The decrease in finance costs to MYR0.3 million in 1QFY2019 from MYR0.6 million in 1QFY2018 was due to lower interest expenses incurred after the repayment of a significant amount of term loans in the third quarter of FY2018.

Exploration expenditure

Exploration expenditure of MYR149,000 was incurred in 1QFY2019 as compared to MYR240,000 in 1QFY2018 as a lower level of exploration activities was conducted, due to the maintenance of a crushing plant at Hyper Act Quarries.

Loss before income tax

The Group recorded a loss before tax of MYR2.4 million in 1QFY2019, as compared to MYR1.6 million in 1QFY2018. The increase in loss was mainly due to the lower sales recorded in 1QFY2019 as compared to 1QFY2018.

Consolidated Statement of Financial Position

Non-current assets

Non-current assets decreased to MYR88.3 million as at 31 March 2019 from MYR89.6 million as at 31 December 2018 due to depreciation and amortisation charges of MYR1.3 million.

Current assets

As at 31 March 2019, current assets remained unchanged at approximately MYR6.3 million as compared to 31 December 2018.

Current assets as at 31 March 2019 comprised of:

- a) the increase in inventories of MYR0.2 million was due to the slowdown in sales of crushed stones at Gridland Quarry and Hyper Act Quarries respectively in 1QFY2019;
- b) the increase of trade and other receivables by MYR0.1 million was mainly due to the slower collection from customers as a result of a long festive holidays in the quarter under review;
- c) cash and short-term deposits decreased by MYR0.3 million in the quarter under review largely due to slower collection from customers which is expected to be received back on time in the coming quarter.

Non-current liabilities

Non-current liabilities remained at approximately MYR7.1 million as at 31 March 2019 and 31 December 2018. The amount comprises of MYR6.2 million of term loans and MYR0.9 million of obligations under finance leases.

Current liabilities

As at 31 March 2019, current liabilities stood at MYR21.6 million as compared to MYR20.6 million as at 31 December 2018. The increase in current liabilities was due to:

- a) the increase in trade payables of MYR1.6 million which was largely due to the slower payment to the trade creditors in the current quarter; and
- b) loans and borrowings decreased by MYR0.6 million, mainly due to the repayment of loans during the current quarter.

Negative Working Capital

As at 31 March 2019, the Group has a negative working capital of MYR15.3 million, compared to a negative working capital of MYR14.3 million as at 31 December 2018. The additional negative working capital of MYR1.0 million were mainly due to the increase in trade payables during the quarter under review. After taking into consideration the (i) positive operating cash flow position, (ii) continued support from the Group's lenders and stakeholders such as the creditors, vendors and suppliers and that (iii) the existing stream of revenue generated from sales of the limestones is able to provide for the costs of operation, the Board is of the opinion that the Group is able to operate as a going concern and able to meet its obligations as they fall due. The Group will work hard to increase the sales and gradually improve the working capital back to a healthy position.

Consolidated Statement of Cash Flow

In 1QFY2019, the Group recorded net cash generated from operating activities of MYR0.3 million as compared to net cash used of MYR0.3 million in 1QFY2018.

The net cash generated from operating activities comprised operating cash used before changes in working capital of MYR0.6 million adjusted for net working capital inflows of MYR1.3 million, interest paid of MYR0.3 million and exploration expenditure of MYR0.1 million.

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

- (a) an increase in trade and other receivables of MYR0.1 million. The increase was mainly due to the slower collection from customers in the current quarter;
- (b) an increase in inventories of MYR0.2 million arising from the slowdown of deliveries as a result of lower demand in sales in 1QFY2019; and
- (c) an increase in trade and other payables of MYR1.6 million due to the slower payments to trade creditors owing to a slower collection from customers.

In 1QFY2019, there was no cash used in investing activities.

Net cash generated used in financing activities amounted to MYR0.2 million was mainly due to the repayments of term loans and obligations under finance leases.

As at 31 March 2019, the Group's cash and cash equivalents was a deficit of MYR5.0 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 the Group's discussion presented under Section 10 of the Company's unaudited financial results announcement for the financial year ended 31 December 2018, dated 1 March 2019.

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

The Group expects sales from the Gridland Quarry (PCC stones) to remain consistent in the next 12 months and which will continue to support the cost of operations despite the weak global economy outlook. Notwithstanding that the demand for limestone has been dampened by the slowdown in the manufacturing sector, we are confident that our customers will continue to place orders for our PCC crushed stones due to the high level of quality of our product. Sales from Hyper Act Quarries (GCC stones) are not expected to pick up in the near term in view of the shutdown of the crushing operations for upgrading and maintenance works before resuming operation in the next quarter ending 30 June 2019. Notwithstanding this, the Group will continue to work hard to secure customers.

11. Dividend

If a decision regarding dividend has been made:-

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

None.

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

Not applicable.

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

Not applicable.

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

Not applicable.

(d) The date the dividend is payable.

Not applicable.

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

Not applicable.

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

No interim dividend for the first quarter ended 31 March 2019 has been recommended as the Group was not profitable.

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

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

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

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

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

For the quarter ended 31 March 2019 (“1QFY2019”), funds / cash were mainly used for the following activities:-

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

Variance Explanation:

No development activities took place at both quarries during 1QFY2019 as efforts were placed on maintenance works at Hyper Act Quarries.

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

For the next immediate quarter (financial period from 1 April 2019 to 30 June 2019 (“2QFY2019”)), the Company’s use of funds/cash for development activities is expected to be as follows:-

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

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 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.

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

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

Hyper Act Quarries

In the quarter under review, Hyper Act Quarries had incurred a small amount of MYR7,000 on exploration activity in order to retrieve samples for testing. The main priority of Hyper Act Quarries is concentrating in the maintenance works of the crusher plant which expected to be completed in the next quarter.

A summary of the expenditure at Hyper Act Quarries incurred in 1QFY2019 for the aforementioned activities is as follows: -

	Amount (MYR'000)
Exploration expenditure	7
Total:	7

Gridland Quarry

Gridland Quarry has incurred MYR142,000 for exploration activities which involved blasting for opening of new faces in the current quarter under review.

A summary of the expenditure at Gridland quarry site incurred in 1QFY2019 for the aforementioned activities is as follows:-

	Amount (MYR'000)
Exploration expenditure	142
Total:	142

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 first quarter ended 31 March 2019 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
15 May 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. 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 SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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