

GCCP RESOURCES LIMITED
(Incorporated in the Cayman Islands)
(Registration No. OI-282405)

PROPOSED PLACEMENT OF 187,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT A PLACEMENT PRICE OF S\$0.016 PER PLACEMENT SHARE

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or “**Directors**”) of GCCP Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 7 May 2021 entered into an agreement for the placement of ordinary shares in the Company (the “**Placement Agreement**”) with three (3) placees, namely: Wen International Limited (“**WIL**”), Teow Choo Hing and Curtis Phua Ti Tsen (each a “**Placee**” and collectively, “**Placees**”) (the “**Proposed Placement**”).
- 1.2. Under the Placement Agreement, the Company intends to issue to the Placees, by way of a private placement, an aggregate of 187,500,000 new ordinary shares in the capital of the Company (“**Placement Shares**”) at an issue price of S\$0.016 per Placement Share (“**Placement Price**”).
- 1.3. The Proposed Placement is non-underwritten. The Company did not appoint any placement agent for the purposes of the Proposed Placement, and no commission, fee or other selling or promotional expenses is payable or incurred by the Company in connection with the Proposed Placement, other than those incurred for administrative or professional service.
- 1.4. An application will be made by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) on behalf of the Company to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing of and quotation for the Placement Shares on the sponsor-supervised platform of the SGX-ST.
- 1.5. No share borrowing arrangement has been entered into in relation to the Proposed Placement.

2. INFORMATION OF THE PLACEES

2.1. Information on the Placees

- (a) Information on the Placees is set out in the table below:

Name of Placee	Background of Placee	Rationale for Placement
Wen International Limited (“ WIL ”)	<p>Private investor</p> <p>WIL is an investment holding company incorporated in British Virgin Islands, with Datuk Lim Soon Foo (“Datuk LSF”) as the controlling shareholder, holding 50% of shares in WIL as at the date of this announcement. The remaining 50% of shares are held by Datuk LSF’s immediate family members.</p> <p>WIL is currently a substantial shareholder of the Company.</p>	<p>As an investment opportunity upon considering the potential growth prospects of the Group.</p>

Teow Choo Hing	Private investor	
Curtis Phua Ti Tsen	Private investor	

(b) WIL, Teow Choo Hing and Curtis Phua Ti Tsen were invited by Mr. Loo An Swee, the Executive Director and Chief Executive Officer of the Company, to participate in the Proposed Placement. The Placees are acquaintances of Mr. Loo An Swee. Both Teow Choo Hing and Curtis Phua Ti Tsen are related as cousins. For the avoidance of doubt, no introduction fee has been and/or will be paid by the Company to Mr. Loo An Swee in connection with the Proposed Placement.

(c) WIL is a substantial shareholder of the Company and as at the date of this announcement, WIL holds 77,975,000 Shares in the issued and paid-up share capital of the Company of 1,169,445,976 shares (excluding treasury shares) ("**Shares**"), representing 6.67% of the issued and paid-up share capital of the Company of 1,169,445,976 Shares.

2.2. The details of the number of Placement Shares placed to each of the Placees, as a percentage of the issued and paid-up share capital of the Company of 1,169,445,976 Shares as at the date of this announcement as well as the enlarged issued and paid-up share capital of the Company of 1,356,945,976 Shares after completion of the Proposed Placement, are set out in the table below:

Name of Placee	Number of Placement Shares	Placement Shares as a percentage of the Company's issued and paid-up share capital of 1,169,445,976 Shares as at the date of this announcement	Placement Shares as a percentage of the Company's enlarged issued and paid-up share capital of 1,356,945,976 Shares after the completion of the Proposed Placement
WIL	93,750,000	8.02%	6.91%
Teow Choo Hing	46,875,000	4.01%	3.45%
Curtis Phua Ti Tsen	46,875,000	4.01%	3.45%
Total	187,500,000	16.03%	13.82%

2.3. The Placement Shares, when allotted and issued in full, will represent approximately 16.03% of the Company's issued and paid-up share capital of 1,169,445,976 Shares as at the date of this announcement, and approximately 13.82% of the enlarged issued and paid-up share capital of 1,356,945,976 Shares upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement).

2.4. The details of the shareholdings of each of the Placees as at the date of this announcement as well as after the completion of the Proposed Placement are set out in the table below:

Name of Placee	As at the date hereof		After the Proposed Placement	
	No of Shares	% ⁽¹⁾	No of Shares	% ⁽²⁾
WIL	77,975,000 ⁽³⁾	6.67%	171,725,000 ⁽⁴⁾	12.66%
Teow Choo Hing	0	0%	46,875,000	3.45%
Curtis Phua Ti Tsen	0	0%	46,875,000	3.45%

Notes:-

- (1) Based on the issued and paid-up share capital of 1,169,445,976 Shares as at the date of announcement.
- (2) Based on the issued and paid-up share capital of 1,356,945,976 Shares after the Proposed Placement.

- (3) Datuk LSF, the controlling shareholder of WIL, is deemed interested in 77,975,000 Shares held through WIL as at the date of this announcement.
- (4) Datuk LSF, the controlling shareholder of WIL, will be deemed interested in 171,725,000 Shares held through WIL after the Proposed Placement.

2.5. As at the date of this announcement, each of the Placees has confirmed that:

- (a) the Placee is the beneficial owner of the Placement Shares and is not holding the Placement Shares in trust, on behalf or as a nominee of any person within the categories of persons set out in Rule 812(1) of the Catalist Rules;
- (b) the Placee is not co-operating, pursuant to an agreement or undertaking (whether formal or informal) with any existing shareholders of the Company (“**Shareholders**”), to obtain or consolidate effective control of the Company through the Proposed Placement;
- (c) the Placee is not acting in accordance with any instruction of any party for subscription of the Placement Shares;
- (d) the Placee is not acting in concert with any party in relation to the Proposed Placement;
- (e) upon the allotment and issue of the Placement Shares to the Placee, the Placee’s (direct, indirect or deemed) holding of shares in the Company will not be equal to or exceed 15% of the enlarged issued and paid-up share capital of the Company;
- (f) the Placee is not, and has not been, a customer of, or supplier to, the Company and its subsidiaries; and
- (g) the Placee has not co-invested with the Company, its subsidiaries and its Directors in any entity.

2.6. Each of Teow Choo Hing and Curtis Phua Ti Tsen has confirmed that:

- (a) he is not a person falling within the categories of persons set out in Rule 812(1) of the Catalist Rules; and
- (b) he is not an associate (as defined in the Catalist Rules) of, or have any connections (including any business relationship), any director, chief executive officer, substantial shareholder or controlling shareholder of the Company.

2.7. To the best of the Directors' knowledge, the Placees have no connections (including any business relationship) with the Directors and substantial shareholders of the Company, save for the Directors' knowledge that (a) WIL's controlling shareholder is Datuk LSF, who is an existing substantial shareholder of the Company; and (b) Datuk LSF and Datuk Lim Thean Shiang, the Independent Non-Executive Chairman of the Company, have held common shareholding in Daya Material Berhad and Wajah Harta Sdn Bhd and common directorships in Daya Material Berhad.

2.8. WIL has further confirmed to the Company that save for being an associate (as defined in the Catalist Rules) of Datuk LSF, who is a substantial shareholder of the Company, WIL is not an associate (as defined in the Catalist Rules) of any directors, chief executive officer, substantial shareholder or controlling shareholder of the Company.

2.9. As WIL is a substantial shareholder of the Company, it falls within the restricted placees as set out in Rule 812(1) of the Catalist Rules. In accordance with Rule 812(2) of the Catalist Rules, specific approval from Shareholders is required for the issue and allotment of any Placement Shares to WIL pursuant to the Proposed Placement (“**WIL Proposed Placement**”).

- 2.10. Accordingly, the Company will be seeking specific approval from Shareholders for the WIL Proposed Placement at an extraordinary general meeting to be convened (the “**EGM**”). WIL and its respective associates will be required to abstain from voting on the resolution approving the WIL Proposed Placement and issue and allotment of the Placement Shares to WIL in accordance with Rule 812(2) of the Catalist Rules.
- 2.11. A circular to the Shareholders containing more information on the WIL Proposed Placement, together with the notice of the EGM, will be issued by the Company to Shareholders in due course to seek Shareholders’ approval in respect of the WIL Proposed Placement.
- 2.12. The Proposed Placement will not result in the transfer of a controlling interest in the Company as Loo Wooi Hong, Executive Director and Deputy Chief Executive Officer of the Company, will remain as the single largest shareholder of the Company holding an approximately 24.9% shareholding interest in the Company after the Proposed Placement.

3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

3.1. Placement Price

The Placement Price of S\$0.016 represents a discount of approximately 8% to the volume weighted average price of approximately S\$0.0174 for each Share, based on trades done on the SGX-ST on 7 May 2021 (being the full market day on which the Placement Agreement is signed).

3.2. Ranking of Placement Shares

The Placement Shares shall be issued free from any and all mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law) and shall rank in all respects *pari passu* with the then existing shares at the date of the issue of the Placement Shares, save that they shall not rank for any entitlements, distributions, dividends or rights (if any), the record date of which falls prior to the date of issue of the Placement Shares.

3.3. Conditions

Completion of the Proposed Placement (“**Completion**”) is conditional upon the satisfaction or waiver in writing by the Company or the Placees (as the case may be) of the following conditions (“**Conditions**”):

- (a) the listing and quotation notice from the SGX-ST for the listing and quotation of the Placement Shares on the Catalist Board of the SGX-ST (“**LQN**”) having been received from the SGX-ST, and not having been revoked or amended as at the Completion Date (as defined below) and where there are conditions attached to the LQN which are required to be fulfilled on or before the Completion Date (as defined below), they are so fulfilled to the satisfaction of the SGX-ST unless waived by the SGX-ST;
- (b) the approval of the Shareholders for the issuance and allotment of the Placement Shares to WIL having been obtained and not being revoked or amended and being in full force and effect on the Completion Date (as defined below) and if such approval is subject to any conditions which are required to be fulfilled on or before the Completion Date (as defined below), they are so fulfilled; and
- (c) as the Completion Date (as defined below), the transactions contemplated in the Placement Agreement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to any of the Company or Placees.

3.4. **Completion**

- (a) Completion shall take place within three (3) working days after the date on which all the Conditions are satisfied or otherwise waived in writing by the Company or the Placees (as the case may be) (or such other time as the Company and the Placees may mutually agree in writing) ("**Completion Date**").
- (b) Completion for each Placee shall proceed independently, and shall not be conditional upon successful or concurrent completion by any other Placee.

4. **APPLICATION FOR THE LISTING OF AND QUOTATION FOR THE PLACEMENT SHARES ON THE CATALIST BOARD OF THE SGX-ST**

The Company will be making an application through its Sponsor to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST, and will make the necessary announcement upon receipt of the LQN.

5. **RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS**

- 5.1 The Board believes that the Proposed Placement will enhance the Group's balance sheet and financial strength and will put the Group in a position to generate an alternative revenue stream with its intended extension into the marble industry.
- 5.2 Based on the Placement Price of S\$0.016 per Placement Share, the Proposed Placement will allow the Company to raise net cash proceeds (after deducting estimated expenses of approximately S\$50,000) of approximately S\$2,950,000 (equivalent to approximately RM8,850,000 based on an exchange rate of S\$1:RM3) (the "**Net Proceeds**"), which will be utilised as follows:-
 - (a) 80% of the Net Proceeds, amount to S\$2,360,000, will be used for purchase of machineries and equipment for the marble business that the Company is intending to diversify into; and
 - (b) 20% of the Net Proceeds, amount to S\$590,000, will be utilised for general working capital purposes.
- 5.3 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such Net Proceeds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the utilisation of such Net Proceeds in the Company's interim and full-year financial statements and annual report(s). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and status report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 5.4 Pending deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments or debt instruments or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit from time to time.

6. **FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT**

The financial effects of the Proposed Placement set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Placement. The table below sets out the financial effects of the Proposed Placement based on the Group's audited financial

statements as at 31 December 2020 (“FY2020”), and the following assumptions:-

- (a) the Proposed Placement had been effected at the end of the financial year ended 31 December 2020 for the computation of the effect on the net tangible assets (“NTA”) per share; and
- (b) the Proposed Placement had been effected at the beginning of the financial year ended 31 December 2020 for the computation of the effect on the loss per share (“LPS”).

	Before Completion	After Completion
Paid-up share capital (RM'000)	164,588	173,588
Number of shares	1,193,432,933	1,380,932,933
NTA (RM'000)	50,842	59,842
NTA per share (RM cents)	4.26	4.33
Loss after tax (RM'000)	(9,108)	(9,108)
LPS (RM cents)	(0.76)	(0.66)

7. DIRECTORS' CONFIRMATION

- 7.1 The Directors are of the opinion that, after taking into consideration the present bank facilities, the interest-free loan financial support to the Group, as and when required extended by Mr. Loo An Swee, the Executive Director and Chief Executive Officer of the Company (an additional S\$2.0 million interest-free loan was extended by Mr. Loo An Swee in FY2020), the working capital available to the Group is sufficient to meet its present requirements at least for the next twelve months.
- 7.2 Notwithstanding the above, the Directors are of the opinion that, after taking into consideration of the Group's present bank facilities, the Net Proceeds from the Proposed Placement, the working capital available to the Group is sufficient to meet its present requirements to facilitate the anticipated extension into the marble industry and additional working capital requirements.

8. NO PROSPECTUS OR OFFER INFORMATION STATEMENT TO BE ISSUED

The Proposed Placement will be undertaken pursuant to Section 272B of the Securities and Futures Act (Cap. 289) of Singapore. Accordingly, no prospectus or offer information statement will be lodged with the SGX-ST, acting as agent for the Monetary Authority of Singapore in connection with the Proposed Placement.

9. CONFIRMATION FROM THE COMPANY

The Company confirms that the issue of Placement Shares to the Placees will not result in a transfer of controlling interest in the Company, where prior approval of Shareholders in a general meeting is required. The Company further confirms that as the Placees are not “Interested Persons” or associates of any “Interested Persons” (each as defined in the Catalyst Rules), the Proposed Placement is not a transaction which will result in any “conflicts of interest” as defined in Rule 417 of the Catalyst Rules.

10. AUTHORITY TO ISSUE THE PLACEMENT SHARES

- 10.1 The Placement Shares of Teow Choo Hing and Curtis Phua Ti Tsen will be allotted and issued under the general share issue mandate granted by the Shareholders to the Directors at the annual general meeting of the Company held on 30 April 2021 (“2021 AGM”), in accordance with Rule 806 of the Catalyst Rules (“General Mandate”).

- 10.2 The General Mandate authorises the Directors to allot new shares and instruments convertible into shares not exceeding 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) as at the date of the 2021 AGM, of which the aggregate number of shares (including shares to be issued in pursuance of the instruments granted pursuant to this General Mandate) to be issued other than on a pro-rata basis to the existing Shareholders shall not exceed 50% of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings).
- 10.3 As at the date of the 2021 AGM, the number of issued shares (excluding treasury shares and subsidiary holdings) was 1,169,445,976. As no shares (or instruments convertible into shares) had previously been issued pursuant to the General Mandate, the total number of new shares (and instruments convertible into shares) that may be issued other than on a pro-rata basis is 584,722,988 shares. The proposed allotment and issuance of an aggregate of 93,750,000 Placement Shares to Teow Choo Hing and Curtis Phua Ti Tsen will fall within the limits of the General Mandate. The balance new shares (and instruments convertible into shares) that may be issued other than on a pro-rata basis after this proposed allotment and issuance will be 490,972,988.

11. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, none of the Directors or, to the best of the Company's knowledge, the substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Proposed Placement (other than through their respective shareholdings in the Company):

- (a) WIL, being an existing substantial shareholder of the Company and a Placee (please refer to paragraph 2.4 for details of the shareholdings of WIL as at the date of this announcement as well as after the completion of the Proposed Placement); and
- (b) Datuk LSF being a substantial shareholder of the Company and the controlling shareholder of WIL.

	As at the date hereof					
	Direct Interest		Deemed Interest		Total Interest	
	No of Shares	% ⁽¹⁾	No of Shares	% ⁽¹⁾	No of Shares	% ⁽¹⁾
Substantial Shareholders (including Directors)						
Datuk LSF	-	-	95,312,000 ⁽³⁾	8.15	95,312,000 ⁽³⁾	8.15

	After the Proposed Placement					
	Direct Interest		Deemed Interest		Total Interest	
	No of Shares	% ⁽²⁾	No of Shares	% ⁽²⁾	No of Shares	% ⁽²⁾
Substantial Shareholders (including Directors)						
Datuk LSF	-	-	189,062,000 ⁽⁴⁾	13.93	189,062,000 ⁽⁴⁾	13.93

Notes:-

- (1) Based on the issued and paid-up share capital of 1,169,445,976 Shares as at the date of announcement.
- (2) Based on the issued and paid-up share capital of 1,356,945,976 Shares after the Proposed Placement.
- (3) Datuk LSF holds 77,975,000 Shares through WIL and 17,337,000 Shares through Joy Lead Consultants Limited as at the date of this announcement.
- (4) Datuk LSF will hold 171,725,000 Shares through WIL and 17,337,000 Shares through Joy Lead Consultants Limited after the Proposed Placement.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

13. TRADING CAUTION

Shareholders are advised to exercise caution in trading their shares. Completion of the Proposed Placement is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Proposed Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

14. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours at the registered office of the share registrar and share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 from the date of this announcement up to the date of the EGM:

- (a) the annual report of the Company for FY2020;
- (b) the Memorandum and Articles of the Company; and
- (c) the Placement Agreement.

By Order of the Board

Loo An Swee
Executive Director and Chief Executive Officer
7 May 2021

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.