

GCCP RESOURCES LIMITED



GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

This announcement in respect of the Company's financial results for the first quarter ended 31 March 2024 is released pursuant to the SGX-ST's requirement for the Company to perform quarterly financial reporting pursuant to Rule 705(2) of the Catalist Rules. The requirement is in view of the modified opinion issued by the Company's statutory auditor ("Auditor") for the financial year ended 31 December 2023. Pursuant to the Company's announcement dated 9 April 2024, a disclaimer of opinion was issued by the Auditor for the financial year ended 31 December 2023.

This announcement has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST").

This announcement has not been examined by the SGX-ST and 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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UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

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A. Condensed consolidated statement of profit or loss and other comprehensive income
Period ended 31 March 2024

	Group		
	Three Months Ended		
	31 March 2024 (Unaudited) MYR'000	31 March 2023 (Unaudited) MYR'000	Change %
Revenue	143	488	(71)
Cost of sales	(936)	(1,290)	(27)
Gross loss	(793)	(802)	(1)
Items of expense			
Selling and distribution expenses	(1)	(9)	(89)
General and administrative expenses	(1,558)	(1,462)	7
Finance costs	-	(178)	n.m.
Loss before tax	(2,352)	(2,451)	(4)
Income tax expense	-	-	-
Loss for the year, representing total comprehensive loss attributable to owners of the Company	(2,352)	(2,451)	(4)

n.m. – not meaningful

Loss before tax for the period is arrived at after (charging)/crediting the following:

	Group		
	Three Months Ended		
	31 March 2024 (Unaudited) MYR'000	31 March 2023 (Unaudited) MYR'000	Change %
Finance costs	-	(178)	n.m.
Depreciation of leasehold quarry lands	(587)	(587)	n.m.
Depreciation of property, plant and equipment	(492)	(486)	1

n.m. – not meaningful

B. Condensed statements of financial position
As at 31 March 2024

	Group		Company	
	31 March 2024 (Unaudited) MYR'000	31 December 2023 (Audited) MYR'000	31 March 2024 (Unaudited) MYR'000	31 December 2023 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	58,048	59,127	-	-
Investments in subsidiaries*	-	-	90,969	90,969
	<u>58,048</u>	<u>59,127</u>	<u>90,969</u>	<u>90,969</u>
Current assets				
Inventories	1,605	1,590	-	-
Trade and other receivables	1,329	1,350	3,702	14,322
Tax recoverable	20	7	-	-
Cash and short-term deposits	415	1,557	-	-
	<u>3,369</u>	<u>4,504</u>	<u>3,702</u>	<u>14,322</u>
Total assets	<u>61,417</u>	<u>63,631</u>	<u>94,671</u>	<u>105,291</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	12,517	12,247	5,749	16,065
Loans and borrowings	452	464	-	-
Tax payable	-	19	-	-
	<u>12,969</u>	<u>12,730</u>	<u>5,749</u>	<u>16,065</u>
Net current liabilities	<u>(9,600)</u>	<u>(8,226)</u>	<u>(2,047)</u>	<u>(1,743)</u>
Non-current liabilities				
Trade and other payables	-	77	-	-
Loans and borrowings	616	640	-	-
	<u>616</u>	<u>717</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>13,585</u>	<u>13,447</u>	<u>5,749</u>	<u>16,065</u>
Net assets	<u>47,832</u>	<u>50,184</u>	<u>88,922</u>	<u>89,226</u>
Equity attributable to owners of the Company				
Share capital	173,801	173,801	173,801	173,801
Treasury shares	(9,086)	(9,086)	(9,086)	(9,086)
Other reserves	4,307	4,307	4,307	4,307
Accumulated losses	(121,190)	(118,838)	(80,100)	(79,796)
Total equity	<u>47,832</u>	<u>50,184</u>	<u>88,922</u>	<u>89,226</u>
Total equity and liabilities	<u>61,417</u>	<u>63,631</u>	<u>94,671</u>	<u>105,291</u>

C. Condensed consolidated statements of cash flows

Period ended 31 March 2024

	Group	
	Three Months Ended	
	31 March 2024 (Unaudited) MYR'000	31 March 2023 (Unaudited) MYR'000
Operating activities		
Loss before tax	(2,352)	(2,451)
Adjustments for:		
Depreciation of leasehold quarry lands	587	587
Depreciation of property, plant and equipment	492	486
Finance costs	-	178
Operating cash flows before changes in working capital	(1,273)	(1,200)
Changes in working capital		
Decrease in trade and other receivables	21	2,596
Decrease in trade and other payables	(2,903)	(671)
(Increase)/Decrease in inventories	(16)	377
Net changes in working capital	(2,898)	2,302
Cash (used in)/generated from operations	(4,171)	1,102
Income tax paid	(32)	-
Net cash (used in)/generated from operating activities	(4,203)	1,102
Financing activities		
Repayment of term loans	-	(3,425)
Repayment of lease liabilities	(36)	-
Loan from director	3,183	2,693
Repayment to related parties	(86)	-
Interest paid	-	(178)
Net cash generated from/(used in) financing activities	3,061	(910)
Net (decrease)/increase in cash and cash equivalents	(1,142)	192
Cash and cash equivalents at beginning of period	1,557	(4,950)
Cash and cash equivalents at end of the period (Note A)	415	(4,758)

Note A: Cash and cash equivalents

	Group	
	Three Months Ended	
	31 March 2024 (Unaudited) MYR'000	31 March 2023 (Unaudited) MYR'000
Cash and bank balances as per statement of financial position	415	280
Bank overdraft	-	(5,038)
Cash and cash equivalents as per consolidated statement of cash flows	415	(4,758)

D. Condensed statements of changes in equity
Period ended 31 March 2024

Group

1Q2024 (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 2024	173,801	(118,838)	(9,086)	4,307	50,184
Loss for the period, representing total comprehensive loss for the period	-	(2,352)	-	-	(2,352)
Balance as at 31 March 2024	173,801	(121,190)	(9,086)	4,307	47,832

1Q2023 (Unaudited)

Balance as at 1 January 2023	173,801	(123,478)	(9,086)	4,307	45,544
Loss for the period, representing total comprehensive loss for the period	-	(2,451)	-	-	(2,451)
Balance as at 31 March 2023	173,801	(125,929)	(9,086)	4,307	43,093

Company

1Q2024 (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 2024	173,801	(79,796)	(9,086)	4,307	89,226
Loss for the period, representing total comprehensive income for the period	-	(304)	-	-	(304)
Balance as at 31 March 2024	173,801	(80,100)	(9,086)	4,307	88,922

1Q2023 (Unaudited)

Balance as at 1 January 2023	173,801	(81,868)	(9,086)	4,307	87,154
Loss for the period, representing total comprehensive loss for the period	-	(330)	-	-	(330)
Balance as at 31 March 2023	173,801	(82,198)	(9,086)	4,307	86,824

E. Notes to the condensed consolidated financial statements

1. Corporate information

GCCP Resources Limited (the Company) is incorporated in the Cayman Islands and whose shares are publicly traded on the Catalist of the Singapore Exchange. These interim consolidated financial statements as at and for the first quarter ended 31 March 2024 comprise the Company and its subsidiaries (collectively, the Group). The primary activity of the Company is that of investment holding.

The principal activities of the Group are in the quarrying, processing and sale of limestone and marble.

2. Basis of Preparation

The financial statements as at and for the first quarter ended 31 March 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with IFRS, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Malaysian Ringgit (MYR) which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

New and revised standards that are adopted

In the current financial period and financial year, the Group has adopted all the new and revised IFRS issued by the IASB and Interpretations of the International Financial Reporting Standards Interpretations Committee ("IFRIC Interpretations") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and IFRIC Interpretations.

The adoption of these new and revised IFRS and IFRIC Interpretations did not have any material effect on the financial results or position of the Group and the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the first quarter ended 31 March 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company in the period of initial application.

There are no new standards, amendments to standards and interpretations, effective for annual periods beginning on or after 1 January 2024, which will result in a significant impact on the interim consolidated financial statements of the Group.

2.2. Use of judgements and estimates

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the

key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the Group's accounting policies

Going concern assumption

The Board of Directors of the Company is of the view that the going concern assumption is appropriate for the preparation of these financial statements after taking into consideration:

- (i) the expected revenue from GCCP Marble Sdn Bhd, GCCP Global Sdn Bhd, and GCCP Gridland Sdn Bhd are able to provide for the costs of operations for the Group and the Company;
- (ii) the continual support from the Group's and the Company's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and the Company and continue to provide uninterrupted supplies and services which will ease the cash outflow for the Group and the Company; and
- (iii) the monitoring of headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company.

Hence, the Board of Directors is of the opinion that the Group and the Company are able to operate as a going concern and able to meet their obligations as they fall due and the Group's and the Company's working capital are sufficient to meet their present requirements at least for the next twelve months.

Key sources of estimation uncertainty

Impairment of non-financial assets

The Group and the Company assess whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

When value-in-use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cash flows. These value in use calculations require the use of considerable judgements, estimates and assumptions. Changes in these assumptions and estimates could have a material effect on the determination of the recoverable amount of the asset or cash generating unit.

Property, plant and equipment

In view of the Group's net loss during the financial year ended 31 December 2023, which is an indication of impairment, management carried out a review of the recoverable amounts of the Group's property, plant and equipment, which are mainly attributable to the Group's mining operations as at 31 December 2023.

The recoverable amounts of the Group's property, plant and equipment are determined based on value in use calculations using cash flow projections from forecasts approved by management covering a period till 2028 for GCCP Marble Sdn Bhd.

Based on the assessment, management determined that no impairment is required on the Group's property, plant and equipment as their recoverable amounts exceeded the net carrying values as at 31 March 2024.

Investments in subsidiaries

The recoverable amounts of the investments in subsidiaries were determined based on the same set of value in use calculations prepared for the subsidiaries' mining operations, which is used in the impairment assessment of the Group's property, plant and equipment above.

The recoverable amount of the investment in GCCP Gridland Sdn Bhd has been determined based on fair value less cost of disposal method. The fair value was determined as the adjusted value of assets upon disposal and realisation of liabilities. This fair value measurement is categorised as Level 3 of the fair value hierarchy.

Based on management's assessment, no further impairment on the Company's investments in subsidiaries are necessary at the end of the reporting period.

Calculation of allowance for impairment for financial assets at amortised cost

When measuring Expected Credit Loss ("ECL"), the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables.

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

5. Segmented and revenue information

Segment reporting is not required as the Group operates only in one segment. Its activities relate to quarrying, processing and sale of limestone and marble. All activities are carried out in Malaysia.

Revenue is recognised at point in time when the limestones are delivered to the customers.

	Group	
	Three Months Ended	
	March 2024	March 2023
	(Unaudited)	(Unaudited)
	MYR'000	MYR'000
Primary geographical markets		
Malaysia	143	488
	<hr/>	<hr/>
	143	488
	<hr/>	<hr/>

6. Categories of financial instruments

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 March 2024 and 31 December 2023:

	The Group		The Company	
	31	31	31	31
	March	December	March	December
	2024	2023	2024	2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	MYR'000	MYR'000	MYR'000	MYR'000
Financial Assets				
Trade and other receivables	1,329	1,350	3,702	14,322
Cash and bank balances	415	1,557	-	-
Total financial assets at amortised cost	1,744	2,907	3,702	14,322
Financial Liabilities				
Trade and other payables	12,517	12,324	5,749	16,065
Loan and borrowings	1,068	1,104	-	-
Total financial liabilities at amortised cost	13,585	13,428	5,749	16,065

7. Loss before tax

7.1 Significant items

	Group	
	Three Months Ended	
	March	March
	2024	2023
	(Unaudited)	(Unaudited)
	MYR'000	MYR'000
Audit fees payable to:		
- auditor of the Company	85	80
Depreciation of leasehold quarry lands	587	587
Depreciation of property, plant and equipment	492	486
Remuneration of the directors of the Company:		
- salaries and related costs	95	194
- fees	90	120
Remuneration of staff:		
- salaries and related costs	393	505
Rental expenses	14	8
Interest expenses	-	178

7.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

8. Income tax expense

There are no income tax expenses for the Group and Company for the three months period as the entities are in the operating loss status.

9. 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 2024 (Unaudited)	31 March 2023 (Unaudited)
Loss attributable to owners of the Company (MYR'000)	(2,352)	(2,451)
Weighted average number of ordinary shares Basic and diluted (LPS) (MYR cents)	1,356,945,976 (0.17)	1,356,945,976 (0.18)

10. Dividends

No dividend has been recommended for the first quarter ended 31 March 2024 (31 March 2023: Nil).

11. 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 2024	31 December 2023	31 March 2024	31 December 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value attributable to the owners of the Company (MYR'000)	47,832	50,184	88,922	89,226
Net asset value per ordinary share at the end of the period (MYR)*	0.04	0.04	0.07	0.07

* The calculation of net asset value per ordinary share (excluding treasury shares) was based on 1,356,945,976 ordinary shares as at 31 March 2024 and 31 December 2023.

12. Property, plant and equipment

During the three months period ended 31 March 2024, the Group has not acquired any assets and the total depreciation was MYR1,079,000 (31 March 2023: MYR1,073,000).

13. Borrowings

Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 March 2024 (Unaudited)		As at 31 December 2023 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
452	-	464	-

Amount repayable after one year

As at 31 March 2023 (Unaudited)		As at 31 December 2022 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
616	-	640	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 31 March 2024 (Unaudited) MYR'000	As at 31 December 2023 (Audited) MYR'000	Secured by
Lease liability	1,068	1,104	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive director of the Group.
	<u>1,068</u>	<u>1,104</u>	

14. Share capital

- (i) 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

	Number of issued shares (excluding treasury shares)	Share capital (MYR)
Balance as at 31 December 2023 and 31 March 2024	<u>1,356,945,976</u>	<u>164,714,731</u>

As at 31 March 2024, the Company held 23,986,957 treasury shares (31 December 2023: 23,986,957), equivalent to 1.74% (31 December 2023: 1.74%) 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 2024 and 31 December 2023. There have been no awards or options granted pursuant to the GCCP Performance Share Plan or GCCP Employee Share Option Scheme since adoption.

(ii) 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 2024	As at 31 December 2023
Total number of issued shares excluding treasury shares	1,356,945,976	1,356,945,976

(iii) 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, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

(iv) 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 have any subsidiary holdings as at the end of the current financial period reported on.

15. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

**Other Information Required by
Appendix 7C of the Catalyst Rules**

OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

1. Review

The consolidated statement of financial position of GCCP Resources Limited and its subsidiaries as at 31 March 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the first quarter then ended and certain explanatory notes have not been audited or reviewed.

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)

(a) Updates on the efforts taken to resolve each outstanding audit issues

The auditors have issued a disclaimer of opinion on the Group's financial statements for the financial year ended 31 December 2023 ("FY2023") the basis for which has been disclosed on pages 59 to 62 of the Company's Annual Report for FY2023 ("AR2023").

Efforts taken to address and resolve each outstanding audit issue are as follows:

(1) Appropriateness of the Going Concern Assumption

- (i) the expected revenue from GCCP Marble Sdn Bhd, GCCP Global Sdn Bhd and GCCP Gridland Sdn Bhd is expected to be recognized during the financial year and thereafter;
- (ii) The continual support from the Group's and the Company's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and the Company and continue to provide uninterrupted supplies and services which will ease the cash outflow for the Group and the Company; and
- (iii) The monitoring of headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company.

Hence, the Board is of the opinion that the Group and the Company are able to operate as going concerns and able to meet their obligations as they fall due and the Group's and the Company's working capital are sufficient to meet their present requirements at least for the next twelve months.

(2) Impairment assessment of property, plant and equipment

For FY2023, management performed an impairment assessment to determine the recoverable amounts of the Group's property, plant and equipment based on value-in-use computations. Assumptions used for the computations, as disclosed in Note 3 of the financial statement of AR2023, were based on the going concern of the Group. Given the material uncertainties over the going concern of the Group, the auditors are unable to assess the reasonableness and appropriateness of the net carrying values of the Group's property, plant and equipment. Henceforth, this audit issue arises due to the Appropriateness of the Going Concern Assumption. As such, efforts taken to address and resolve this audit issue are identical to that for the Appropriateness of the Going Concern Assumption mentioned above.

(3) Impairment assessment of investments in subsidiaries and amounts due from subsidiaries

The material uncertainties over the going concern of the Group leads to the auditors being unable to assess (i) the reasonableness and appropriateness of the net carrying values of the Group's property, plant and equipment, and (ii) if the disclosure of credit risk with respect to the Company's amounts due from subsidiaries, as disclosed in Note 23(b) of the financial statement of AR2023, is appropriate. Henceforth, this audit issue arises due to the Appropriateness of the Going Concern Assumption. As such, efforts taken to address and resolve this audit issue are identical to that for the Appropriateness of the Going Concern Assumption mentioned above.

(b) Confirmation from the board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

The Board confirms that the impact of all outstanding audit issues on the financial statements of the Group for Financial Year 2023 have been adequately disclosed.

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 new International Financial Reporting Standards ("IFRSs") and amendments to and interpretations of IFRSs applicable for the financial period beginning on or after 1 January 2023 as disclosed in Paragraph 5 below, 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 2023, being the latest audited financial statements of the Company as at the date of this announcement.

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

The adoption of the 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.

6. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of 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 2024 ("1QFY2024") as compared to the three months ended 31 March 2023 ("1QFY2023").

Consolidated Statement of Comprehensive Income

	Three Months Ended 31 March 2024 MYR' 000	Three Months Ended 31 March 2023 MYR' 000	+ / (-) MYR' 000	+ / (-) %
Revenue	143	488	(345)	(71)%
Cost of Sales	(936)	(1,290)	354	(27)%
Gross Profit	(793)	(802)	9	(1)%

Revenue

The Group's revenue in the first quarter of Year 2024 recorded a reduction against the corresponding period. The revenue for 1QFY2024 pertained to the sale of marble blocks as the Group gradually transforms and diversifies into the marble and its related business segment. The revenue for 1QFY2023 pertained to the sale of ground calcium carbonate mined from the Gridland Quarry, which has since been disposed of in 2QFY2023.

Cost of sales

These cost of sales were fixed costs such as production wages and related staff costs for the mining operations.

Gross loss margin

The reduction in revenue and incurrence of fixed cost of sales resulted in a gross loss margin for 1QFY2024 and 1QFY2023.

Items of expense

-General and admin expenses

The increase was due to higher cost in travelling and accommodation to promote the marble business.

-Finance costs

The reduction in finance cost was attributed to the settlement of terms loan and bank overdrafts.

Consolidated Statement of Financial Position

Non-current assets

There was no significant movement of non-current assets other than the depreciation of property, plant & equipment.

Current assets

The reduction in the current assets position as of 31 March 2024 was mainly due to the reduction of cash and bank balances.

Non-current liabilities

As at 31 March 2024, the movement of non-current liabilities was due to the reclassification of non-current payables to current.

Current liabilities

The increase of current liabilities was caused by the advances from the executive director in settlement of suppliers and service providers.

Net current liabilities position

As at 31 March 2024, the Group was at a net current liabilities position of MYR9.6million against MYR8.2 million as at 31 December 2023. This increase in net current liabilities was mainly due to the reduction of cash & short-terms deposit couple with the increase in advances from the executive director.

Taking into consideration of the following:

(a) continual support from the Group's and the Company's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and the Company and continue to provide uninterrupted supplies and services;

(b) the expected revenue from GCCP Marble Quarries, GCCP Global and GCCP Gridland Sdn Bhd being able to provide for the costs of operations for the Group and the Company; and

(c) the monitoring of headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company;

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 and the Group's working capital is sufficient to meet its present requirements and for the next twelve months.

Consolidated Statement of Cash Flow

In 1QFY2024, the Group having a net decrease in cash and cash equivalents of MYR1.1million for the three months period.

Operating Activities

The Group incurred a net cash outflow of MYR4.2 million in operating activities for the 3 months ended 31 March 2024. This was mainly attributable to the decrease in trade and other payables.

Financing Activities

For 1QFY2024, there was a net cash inflow in financing activities amounted to MYR3.1 million mainly due to advances from director.

7. 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 that which had been previously disclosed by the Company in announcement released on the SGXNet.

8. 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 operating period and the next 12 months

The Group has started to open a new quarry face to increase output in 1QFY2024. The Group has participated in exhibitions globally to promote our marble products, with focus on the USA and Middle East markets. The Group expects to have better sales in the next 12 months.

9. 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.

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

No interim dividend has been recommended/declared for the first quarter ended 31 March 2024, as the Group was not operationally profitable.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

11a. Rule 705 (6)(a) of the Catalist Listing Manual

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

For the quarter ended 31 March 2024 (“1QFY2024”), funds / cash were mainly used for the following activities:-

Purpose	Projected Usage (MYR)	Actual Usage (MYR)
Development Cost	50,000	45,000
Total	50,000	45,000

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

For the next immediate quarter (financial period from 1st April 2024 to 31st June 2024 (“2QFY2024”)), the Company’s use of funds/cash for development activities is expected to be as follows:-

Purpose	Projected Usage (MYR)
Development cost	50,000
Total	50,000

11b. 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.

12. 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;~~

GCCP Marble Quarries

GCCP Marble produced approximately 150ton marble blocks in 1QFY2024. The reduction in production was mainly due to more fractures in current quarry face and it expects to improve the recovery rate with the opening of the new quarry face.

13. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

Not Applicable. There was no incorporation of new entities, acquisition, and realisation of shares in 1QFY2024.

14. Interested person transactions

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.

15. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

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.

16. Confirmation by the Board pursuant to Rule 705 (5) of the 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 2024 to be false or misleading in any material aspect.

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

Loo Wooi Hong, Charles
Executive Director and CEO
13 May 2024