GCCP Resources Limited
(Company Registration No. OI-282405)
(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Results for the Financial Year Ended 31 December 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		
	Financial Year Ended		
	31 December 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000	Change %
Revenue	9,527	19,800	(52)
Cost of sales	(7,272)	(13,460)	46
Gross profit	2,255	6,340	(64)
Other items of income			
Interest income	37	350	(89)
Sale of scrap metal	- *	21	-
Rental of equipment	93	-	n.m.
Gain on Disposal of PPE	159	-	n.m.
Insurance claim	87	-	n.m.
Foreign exchange gain/(loss), net	-*	96	-
Items of expense			
General and administrative expenses	(9,604)	(9,637)	-
Selling and distribution expenses	(1,498)	(3,513)	57
Finance costs	(989)	(1,965)	50
Loss before tax	(9,460)	(8,308)	(14)
Income tax credit/(expense)	-*	(182)	-
Loss for the period, representing total comprehensive loss attributable to owners of the Company	(9,460)	(8,490)	(11)

n.m. – not meaningful

* Amount less than MYR500

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

	Group		
	Financial Year Ended		
	31 December 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000	Change %
Interest income	37	350	(89)
Rental of equipment income	93	-	n.m.
Foreign exchange gain/(loss), net	-*	96	-
Finance costs	(989)	(1,965)	50
Amortisation of leasehold lands	(2,682)	(2,634)	(2)
Depreciation of property, plant and equipment	(2,639)	(2,886)	8
Exploration expenditure	(684)	(1,119)	39

n.m. – not meaningful

* Amount less than MYR500

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 December 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000	31 December 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	83,404	89,648	-	-
Investments in subsidiaries	-	-	2,414	2,414
	83,404	89,648	2,414	2,414
Current assets				
Inventories	2,706	2,613	-	-
Trade and other receivables	1,374	2,205	92,550	92,402
Pledged deposits	1,242	1,204	-	-
Cash and short-term deposits	87	268	6	8
	5,409	6,290	92,556	92,410
Total assets	88,813	95,938	94,970	94,824
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	17,296	12,316	5,618	3,145
Loans and borrowings	9,062	8,281	-	-
	26,358	20,597	5,618	3,145
Net current (liabilities)/assets	(20,949)	(14,307)	89,938	89,265
Non-current liabilities				
Loans and borrowings	3,648	7,074	-	-
	3,648	7,074	-	-
Total liabilities	30,006	27,671	5,618	3,145
Net assets	58,807	68,267	89,352	91,679
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	(101,002)	(91,542)	(70,457)	(68,130)
Total equity	58,807	68,267	89,352	91,679
Total equity and liabilities	88,813	95,938	94,970	94,824

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 December 2019 (Unaudited)		As at 31 December 2018 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
9,062	-	8,281	-

Amount repayable after one year

As at 31 December 2019 (Unaudited)		As at 31 December 2018 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
3,648	-	7,074	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 31 December 2019 (Unaudited)	As at 31 December 2018 (Audited)	Secured by
	MYR'000	MYR'000	
Term loans	5,551	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	1,311	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	811	1,567	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	2,016	2,326	Charge on the leasehold quarry lands, pledged deposits, jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	2,014	2,014	Charge on the leasehold quarry lands and jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	1,007	1,007	Charge on the leasehold industrial land and jointly and severally guaranteed by executive directors of the Group.
	12,710	15,355	

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	
	Financial Year Ended	
	31 December 2019	**31 December 2018**
	(Unaudited) MYR'000	**(Audited) MYR'000**
Operating activities		
Loss before income tax	(9,460)	(8,308)
Adjustments for:		
Amortisation of leasehold lands	2,682	2,634
Depreciation of property, plant and equipment	2,639	2,886
Exploration expenditure	684	1,119
Write off property, plant and equipment	-	2
Allowance for Doubtful Debts	-	35
Gain on Disposal of PPE	159	-
Interest income	(37)	(350)
Foreign exchange loss, net	-*	12
Finance costs	989	1,965
Operating cash flows before changes in working capital	**(2,344)**	**(4)**
Changes in working capital		
Decrease in trade and other receivables	831	2,414
Increase in trade and other payables	4,980	359
(Increase)/decrease in inventories	(93)	1,370
Net changes in working capital	5,718	4,143
Cash generated from operations	**3,374**	**4,139**
Exploration expenditure	(684)	(1,119)
Interest received	37	350
Income tax paid	-*	(182)
Net cash generated from operating activities	**2,727**	**3,188**
Investing activities		
Purchase of property, plant and equipment	(6)	(42)
Proceeds from disposal of PPE	771	-
Net cash generated from/(used in) investing activities	**764**	**(42)**
Financing activities		
Repayment of term loans	(1,579)	(22,350)
Repayment of obligations under finance leases	(756)	(634)
Withdrawal of pledged deposits	(38)	20,994
Interest paid	(989)	(1,965)
Net cash used in financing activities	**(3,362)**	**(3,955)**
Net increase/(decrease) in cash and cash equivalents	129	(809)
Cash and cash equivalents at beginning of year	(5,079)	(4,270)
Effect of exchange rate changes on cash and cash equivalents	-	(96)
Cash and cash equivalents at end of the year (Note A)	**(4,950)**	**(5,079)**

* *Amount less than MYR500*

Note A: Cash and cash equivalents

	Group	
	Financial Year Ended	
	31 December 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000
Cash and short-term deposits as per statement of financial position	87	268
Bank overdraft	(5,037)	(5,347)
Cash and cash equivalents as per statement of cash flow	(4,950)	(5,079)

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

FY2019 (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 year, representing total comprehensive loss for the year	-	(9,460)	-	-	(9,460)
Balance as at 31 December 2019	164,588	(101,002)	(9,086)	4,307	58,807
FY2018 (Audited)					
Balance as at 1 January 2018	164,588	(83,052)	(9,086)	4,307	76,757
Loss for the year, representing total comprehensive loss for the year	-	(8,490)	-	-	(8,490)
Balance as at 31 December 2018	164,588	(91,542)	(9,086)	4,307	68,267

Company

FY2019 (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 year, representing total comprehensive loss for the year	-	(2,327)	-	-	(2,327)
Balance as at 31 December 2019	164,588	(70,457)	(9,086)	4,307	89,352
FY2018 (Audited)					
Balance as at 1 January 2018	164,588	(65,695)	(9,086)	4,307	94,114
Loss for the year, representing total comprehensive loss for the year	-	(2,435)	-	-	(2,435)
Balance as at 31 December 2018	164,588	(68,130)	(9,086)	4,307	91,679

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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**	**Share capital (MYR)**
Balance as at 30 September 2019 and 31 December 2019	1,169,445,976	155,501,496

As at 31 December 2019, the Company held 23,986,957 treasury shares (31 December 2018: 23,986,957) 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 hold any subsidiary holdings as at 31 December 2019 and 31 December 2018. There have been no awards or options granted pursuant to the GCCP Performance Share Plan or GCCP Employee Share Option Scheme since adoption.

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

	As at 31 December 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, cancellation and/or use of treasury shares during and as at the end of the current financial year 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 year 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 auditors.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the Group's audit issue for the financial year ended 31 December 2018 was a material uncertainty relating to going concern.

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 2018, 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	
	Financial Year Ended	
	31 December 2019 (Unaudited)	31 December 2018 (Audited)
Loss attributable to owners of the Company (MYR'000)	9,460	8,490
Weighted average number of ordinary shares	1,169,445,976	1,169,445,976
Basic and diluted LPS (MYR cents)	0.81	0.73

Note:

(1) The basic and diluted LPS are the same as there were no potentially dilutive securities in issue as at 31 December 2019 and 31 December 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 year reported on; and
(b) Immediately preceding financial year

Net asset value	Group		Company	
	31 December 2019 (Unaudited)	31 December 2018 (Audited)	31 December 2019 (Unaudited)	31 December 2018 (Audited)
Net asset value attributable to the owners of the Company (MYR'000)	58,807	68,267	89,352	91,679
Net asset per share at the end of the period (MYR)*	0.05	0.06	0.08	0.08

***** *The calculation of net asset value per ordinary share was based on 1,169,445,976 ordinary shares (excluding treasury shares) as at 31 December 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 12 months ended 31 December 2019 ("FY2019") as compared to the 12 months ended 31 December 2018 ("FY2018").

Consolidated Statement of Comprehensive Income

Revenue

Revenue decreased in FY2019, mainly due to the reduced orders for precipitated calcium carbonate ("**PCC**") amid the slowdown in the global economy. Sales of ground calcium carbonate ("**GCC**") stones has temporarily discontinued as a result of the cessation of operation at Hyper Act Quarries due to major repair works required on the crusher plant and the quarry sites in FY2019.

Cost of sales

Cost of sales has decreased due to the decline in quarrying activities, which is in line with the lower revenue.

Gross profit/margin

Gross profit in FY2019 amounted to MYR2.3 million (gross profit margin: 24%), compared to MYR6.3 million in FY2018 (gross profit margin: 32%). The lower gross profit margin was mainly due to a higher proportion of sales of PCC crushed stones with a relatively lower margin from Gridland Quarry recorded in FY2019, compared to a higher proportion of sales of GCC stones with a relatively better margin from Hyper Act Quarries in FY2018. Sales of GCC stones has stopped in 1QFY2019 since the commencement of the repair works of the crusher plant at Hyper Act Quarries.

Other items of income

Interest income

Interest income reduced in FY2019 as a result of lower pledged deposit as a result of repayment of loans and borrowings during the third quarter of FY2018.

Rental of equipment

In FY 2019, there was a rental income of the Group's drilling machine to the quarry contractor at Gridland Quarry of MYR 93,000 and this rental is expected to be recurring. There was no such rental of equipment income in FY2018.

Gain on disposal of PPE

The gain on disposal of PPE was attributable to the sales of motor vehicles.

Insurance Claim

The insurance claim of MYR87,000 was due to the claim for repairing weighbridge.

Items of expense

Selling and distribution expenses

Selling and distribution expenses decreased, which was in line with the lower sales of PCC Stones from Gridland Quarry recorded in FY2019 .

Finance costs

The decrease in finance costs was mainly due to lower interest expenses incurred after repaying a significant amount of term loan to the bank in FY2018.

Exploration expenditure

Exploration expenditure decreased, as exploration activities reduced, due to the shift of focus to the repair works at Hyper Act Quarries in FY2019.

Loss before income tax

In view of the above mentioned, the Group recorded a loss before tax of MYR9.4 million in FY2019, compared to a loss of MYR8.3 million in FY2018, mainly due to repair work in Hyper Act Marketing which led to lower sales in FY 2019.

Consolidated Statement of Financial Position

Non-current assets

Non-current assets decreased from 31 December 2018 to 31 December 2019 mainly due to the decrease in property, plant and equipment due to depreciation and amortisation charges of MYR5.3 million recorded, as well as the disposal of old machineries and motor vehicles for MYR 0.9 million.

Current assets

Current assets decreased from 31 December 2018 to 31 December 2019 mainly due to a decrease in trade and other receivables of MYR0.9 million attributable to a decrease in supplies ordered, which was in line with the lower sales in FY2019.

Non-current liabilities

Non-current liabilities decreased from 31 December 2018 to 31 December 2019 mainly due to:-

(a) the reclassification of the loans and borrowings of MYR 2.9 million that was due in the next twelve months to current liabilities; and

(b) the sales of old vehicles under non-current portion of hire purchase amounted to MYR 0.5 million.

Current liabilities

As at 31 December 2019, current liabilities increased compared to as at 31 December 2018 mainly due to:-

(a) a MYR4.7 million increase in trade and other payables, arising largely from the accrued operating expenses due to the inactivity of Hyper Act Quarries in FY2019 and an extension of credit terms by suppliers to delay payments; and

(b) a slight increase of MYR1.1 million of loans and borrowings, mainly due to the reclassification of the loans and borrowings from non-current liabilities to current liabilities.

Negative Working Capital

As at 31 December 2019, the Group was at a negative working capital position of MYR20.9 million. The increase in negative working capital of MYR6.6 million compared to MYR14.3 million as at 31 December 2018 was mainly due to the increase in trade payables and decrease in trade and other receivables during the year under review.

After taking into consideration the:-

(a) continual support from the Group's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and continue to provide us with uninterrupted supplies and services which will ease the cash outflow at this critical time faced by the Group;

(b) the existing stream of revenue generated from sales of the limestones at Gridland Quarry is able to provide for the costs of operations, including (i) purchase order for half-year supplies from January 2020 to a European customer; (ii) an existing one-year contract for supplies to an Indonesian customer up till July 2020; and (iii) our waste material, which are by-products from the production of PCC stones is also being sold to several Malaysian buyers. Further discussions with the said customers are expected to commence in the next few months for a renewal of the existing contracts;

(c) the undertaking by the Executive Director and Chief Executive Officer of the Company, Mr Loo An Swee, to provide financial support to the Company whenever necessary;

(d) There is no material deviation from the previous cashflow forecast conducted in September 2019 as announced by the Company on 4 September 2019 to-date and the Board is of the opinion that the previous cashflow forecast remains valid; and

(e) The cost cutting measures to reduce operation and administrative expenses are giving good results to the cash flows and Hyper Act Quarries is expecting to resume the production and deliveries by the second-half of FY2020, which is expected to improve the Group's revenue in the second-half of FY2020.

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. In addition, the Board confirms that all material information and sufficient disclosures have been made to enable the trading of the Company's shares to continue in an orderly manner.

Consolidated Statement of Cash Flow

In FY2019, the Group recorded net cash generated from operating activities of MYR2.7 million.

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

(a) a decrease in trade and other receivables, in line with the lower sales; and

(b) an increase in trade and other payables due to the slower payments to vendors.

In FY2019, there were disposals of property, plant and equipment of the Group, resulting in net cash generated from investing activities of MYR764,000.

Net cash used in financing activities amounted to MYR3.4 million was mainly due to the repayment of term loans and obligations under finance leases amounting to MYR1.6 million and MYR756,000 respectively. The payment of interest expenses of MYR989,000 relating to the loans and borrowings also contributed to the net cash used in financing activities.

As at 31 December 2019, the deficit of the Group's cash and cash equivalents has reduced to MYR4.95 million as compared to MYR5.1 million as at 31 December 2018 after netting off MYR87,000 cash and short-term deposits as shown in the statement of financial position against drawing down from the bank overdraft of MYR5 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 the Company's announcement dated 4 September 2019 and Section 10 of the Company's unaudited financial results announcement for the third quarter ended 30 September 2019 dated 11 November 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.

Gridland Quarry will continue to deliver high quality PCC crushed stones to the existing customers and expects the sales to be consistent in the next 12 months.

Major repair works will continue for the first half of FY2020 at Hyper Act Quarries. Notwithstanding the complication of the works being carried out, such as correcting the gradient and widening of the roads leading to the blasting platforms, at Hyper Act Quarries, the Company is determined to expedite the repairs in order to resume operations of the quarries within the first half of FY2020.

Despite the downtime at Hyper Act Quarries, we believe the Group will be able to sustain in the next 12 months with the income generated from the existing PCC sales, the continual support from the creditors, positive effects of the cost-cutting measures, such as downsizing of manpower, outsourcing of services and reduction of professional retainer arrangements, and the financial support provided by a Director of the Company.

The Group is evaluating the possibility of diversify into the marble industry at its Hyper Act Quarries, mainly due to higher margins in comparison to the calcium carbonate industry. Relevant interested parties have held preliminary discussions with the Group to participate within the marble industry, for the Group to partially operate the quarries for marble blocks and slabs. Based on the Independent Qualified Person Report ("IQPR") conducted by GCA Professional Services Group dated 6 April 2018, Hyper Act Quarries' resources do qualify as marble-grade. The Group will specifically conduct more tests for verification in the coming conduct of the IQPR in addition to the annual requirements. Discussions with parties are preliminary and there is no certainty that the Group will eventually diversify into the marble industry and the Group will make update announcement(s) at the appropriate time as required under the Catalist Rules.

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 dividend has been recommended/declared for FY2019, 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 year under review.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

(a) Revenue segment information

The Group's business is organised into one main operating segment, which involves exploration of limestone. All of the Group's activities are interrelated and discrete financial information are reported to the Board as a single segment.

Revenue were derived from the sales of PCC stones from Gridland Quarry and GCC stones from Hyper Act Quarries in early-FY2019, prior to its maintenance works.

As at 31 December 2019, the Group has generated the following revenues from the sales of GCC limestone from Hyper Act Quarries and sales of PCC stones from Gridland Quarry.

Segment by product	FY2019 MYR'000	FY2018 MYR'000
Gridland Quarry (PCC stone)	9,376	16,168
Hyper Act Quarries (GCC Stone)	151	3,632
Total	**9,527**	**19,800**

(b) Geographical segment information

Segment by area	FY2019 MYR'000	FY2018 MYR'000
Malaysia	2,133	6,320
Indonesia	7,394	13,480
Total	**9,527**	**19,800**

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Please refer to Paragraph 8.

In addition, the main factor leading to the performance of the Group which affect the contributions to the turnover and earnings are in relation to the maintenance work carried out in Hyper Act Marketing during the year and the decrease in sales of PCC Stones as mentioned in Paragraph 8. Moreover, weaker demand from the paper industry has impacted the margin of the Group in FY 2019. In spite of the strong demand from the steel industry the margin is relatively low compared to the paper industry and therefore the turnover and earnings has been affected.

The Group primarily sells PCC Stones to the Indonesia market for the paper industry. As such, revenue in FY2019 was impacted due to the weak demand from the paper industry. The Group sells PCC Stones that do not meet the paper industry standards to the local steel plants in Malaysia. Therefore, although the demand for steel industry is strong, revenue from sales to the steel mills in Malaysia decreased, in line with the decrease in availability of such by-products for sale.

As a result of the repair work going on at Hyper Act Quarries, the sales of the Group has dropped significantly and therefore the revenue contribution from different geographical segments had decreased accordingly.

16. A breakdown of sales

	Group		
	FY2019 MYR'000	FY2018 MYR'000	Increase/(decrease) %
Sales reported for first half year	5,210	9,172	(43)
Loss after tax before deducting minority interests reported for first half year	4,662	3,508	(33)
Sales reported for second half year	4,317	10,628	(59)
Loss after tax before deducting minority interests reported for second half year	4,798	5,202	8

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend had been declared for FY2019 and FY2018.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director, CEO and/or	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year

		substantial shareholder		
Loo Wooi Hong ("**Loo WH**")	27	Son of our CEO, Alex Loo	Executive Director and Deputy Chief Executive Officer – 2019	Loo WH was the Marketing Manager responsible for the marketing of the limestone products of the Companies. His role was to identify and formulate strategies to penetrate new customer base locally and overseas to increase the market shares of the Group. Loo WH had been promoted to the position of Executive Director on 28 May 2019 where he was responsible for the executive functions of the Group and in the area of marketing. He was subsequently re-designated as the Executive Director and Deputy CEO on 1 October 2019. His area of responsibility is to assist the CEO to for the overall management, operations, strategic planning and business expansion of the Group.

19. Disclosures on Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

Not applicable.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

20a. Rule 705 (6)(a) of the Catalist Listing Manual

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

For the quarter ended 31 December 2019 ("**4QFY2019**")**,** funds / cash were mainly used for the following activities:-

Purpose	Projected Usage Amount (MYR)	Actual Usage Amount (MYR)
Development cost	100,000	-
Total	**100,000**	**-**

Variance Explanation:

No development activities took place at both quarries as efforts were placed on maintenance works at Hyper Act Quarries and production activities at Gridland Quarry.

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 January 2020 to 31 March 2020 ("1**QFY2020**"), 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**

20b. 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.

21. 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 FY 2019, Hyper Act Quarries had incurred a small amount of MYR3,000 on exploration activity in order to retrieve samples for testing amid concentrating on the maintenance and repair works of the crusher plant which is more severe than expected. The Company is expecting the repair work will be completed by 1H2020 and commence the production of Hyper Act Quarries again by FY2020. The Company will expedite the repair works to ensure the crusher plant resumes operation as soon as possible. There was no production of crushed stones at Hyper Act Quarries in FY2019.

Gridland Quarry

Gridland Quarry had incurred MYR684,000 for exploration activities which involved blasting to open new faces and production in FY2019. The Gridland Quarry produced 227,009 MT of crushed stone in FY2019.

22. 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.

BY ORDER OF THE BOARD
GCCP RESOURCES LIMITED

Loo An Swee, Alex
Executive Director and CEO
28 February 2020

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. 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. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).