

GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Financial Results for the First Quarter Ended 31 March 2021

This announcement in respect of the Company's financial results for the first quarter ended 31 March 2021 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 2020. Pursuant to the Company's announcement dated 13 April 2021, a disclaimer of opinion was issued by the Auditor for the financial year ended 31 December 2020.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS

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

	Group		
	Three Months Ended		
	31 March 2021 (Unaudited) MYR'000	31 March 2020 (Unaudited) MYR'000	Change %
Revenue	1,512	2,172	(30)
Cost of sales	(1,500)	(1,533)	(2)
Gross profit	12	639	(98)
Other items of income			
Interest income	1	8	(88)
Rental income of equipment	32	18	78
Items of expense			
Selling and distribution expenses	(4)	(524)	(99)
General and administrative expenses	(1,875)	(1,568)	20
Finance costs	(94)	(207)	(55)
Loss before tax	(1,928)	(1,634)	18
Income tax expense	-	-	-
Loss for the period, representing total comprehensive loss attributable to owners of the Company	(1,928)	(1,634)	18

n.m. – not meaningful

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

	Group		
	Three Months Ended		
	31 March 2021 (Unaudited) MYR'000	31 March 2020 (Unaudited) MYR'000	Change %
Interest income	1	8	(88)
Rental income of equipment	32	18	78
Finance costs	(94)	(207)	(55)
Depreciation of leasehold quarry lands	(651)	(669)	(3)
Depreciation of property, plant and equipment	(612)	(601)	2

n.m. – not meaningful

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

	Group		Company	
	31 March 2021 (Unaudited) MYR'000	31 December 2020 (Audited) MYR'000	31 March 2021 (Unaudited) MYR'000	31 December 2020 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	78,059	79,323	-	-
Investments in subsidiaries	-	-	2,414	2,414
	<u>78,059</u>	<u>79,323</u>	<u>2,414</u>	<u>2,414</u>
Current assets				
Inventories	1,566	2,030	-	-
Trade and other receivables	1,837	1,314	94,324	94,347
Tax recoverable	5	4	-	-
Pledged deposits	371	371	-	-
Cash and short-term deposits	69	137	-	-
	<u>3,848</u>	<u>3,856</u>	<u>94,324</u>	<u>94,347</u>
Total assets	<u>81,907</u>	<u>83,179</u>	<u>96,738</u>	<u>96,761</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	21,453	20,821	8,584	8,199
Loans and borrowings	5,197	7,009	-	-
Tax payable	48	48	-	-
	<u>26,698</u>	<u>27,878</u>	<u>8,584</u>	<u>8,199</u>
Net current (liabilities)/assets	<u>(22,850)</u>	<u>(24,022)</u>	<u>85,740</u>	<u>86,148</u>
Non-current liabilities				
Loans and borrowings	6,295	4,459	-	-
Total liabilities	<u>32,993</u>	<u>32,337</u>	<u>8,584</u>	<u>8,199</u>
Net assets	<u>48,914</u>	<u>50,842</u>	<u>88,154</u>	<u>88,562</u>
Equity attributable to owners of the Company				
Share capital	164,588	164,588	164,588	164,588
Treasury shares	(9,086)	(9,086)	(9,086)	(9,086)
Other reserves	4,307	4,307	4,307	4,307
Accumulated losses	(110,895)	(108,967)	(71,655)	(71,247)
Total equity	<u>48,914</u>	<u>50,842</u>	<u>88,154</u>	<u>88,562</u>
Total equity and liabilities	<u>81,907</u>	<u>83,179</u>	<u>96,738</u>	<u>96,761</u>

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

Amount repayable in one year or less, or on demand

As at 31 March 2021 (Unaudited)		As at 31 December 2020 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
5,197	-	7,009	-

Amount repayable after one year

As at 31 March 2021 (Unaudited)		As at 31 December 2020 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
6,295	-	4,459	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 31 March 2021 (Unaudited)	As at 31 December 2020 (Audited)	Secured by
	MYR'000	MYR'000	
Term loans	4,742	4,617	A first party first and second legal charge on leasehold quarry lands, personal guarantee executed by a director, corporate guarantee executed by the Company and debenture over fixed and floating charges.
Term loan for the purchase of office units	1,287	1,226	A first party first and second legal charge on leasehold quarry lands and office units, charge on fixed deposits, joint and several guarantees of a director of the Company and a former director of the Company and debenture over fixed and floating charges.
Lease liabilities	521	563	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	1,979	2,026	A first party first and second legal charge on leasehold quarry land and buildings, pledge of first party fixed deposit receipt together with Memorandum of Legal Charge over Deposit and Letter of Set-Off; and debenture over fixed and floating charge.
Bank overdrafts	1,979	2,024	A first party first and second legal charge on leasehold quarry land and buildings and debenture over fixed and floating charge.
Bank overdrafts	984	1,012	Charge on the leasehold quarry land of the Company, corporate guarantee by the Holding Company and guarantee by a director of the Company.
	<u>11,492</u>	<u>11,468</u>	

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

	Group	
	Three Months Ended	
	31 March 2021 (Unaudited) MYR'000	31 March 2020 (Unaudited) MYR'000
Operating activities		
Loss before tax	(1,928)	(1,634)
<u>Adjustments for:</u>		
Depreciation of leasehold quarry lands	651	669
Depreciation of property, plant and equipment	612	601
Interest income	(1)	(8)
Interest expense	94	207
Operating cash flows before changes in working capital	(572)	(165)
<u>Changes in working capital</u>		
Increase in trade and other receivables	(523)	(82)
Increase in trade and other payables	399	1,240
Decrease/(Increase) in inventories	464	(141)
Net changes in working capital	340	1,017
Cash (used in) / generated from operations	(232)	852
Interest received	1	8
Income tax paid	-	(4)
Net cash (used in)/generated from operating activities	(231)	856
Financing activities		
Proceeds /(Repayment) of term loans	186	(576)
Repayment of lease liabilities	(42)	(116)
Loan from directors	233	2
Withdrawal of pledged deposits	-	(8)
Interest paid	(94)	(207)
Net cash generated from / (used in) financing activities	283	(905)
Net increase/(decrease) in cash and cash equivalents	52	(49)
Cash and cash equivalents at beginning of period	(4,925)	(4,949)
Effect of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the period (Note A)	(4,873)	(4,998)

Note A: Cash and cash equivalents

	Group	
	Three Months Ended	
	31 March 2021 (Unaudited) MYR'000	31 March 2020 (Unaudited) MYR'000
Cash and short-term deposits as per statement of financial position	69	37
Bank overdraft	(4,942)	(5,035)
Cash and cash equivalents as per statement of cash flow	(4,873)	(4,998)

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

1QFY2021 (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 2021	164,588	(108,967)	(9,086)	4,307	50,842
Loss for the period, representing total comprehensive loss for the period	-	(1,928)	-	-	(1,928)
Balance as at 31 March 2021	<u>164,588</u>	<u>(110,895)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>48,914</u>
Balance as at 1 January 2020	164,588	(99,858)	(9,086)	4,307	59,951
Loss for the period, representing total comprehensive loss for the period	-	(1,634)	-	-	(1,634)
Balance as at 31 March 2020	<u>164,588</u>	<u>(101,492)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>58,317</u>

Company

1QFY2021 (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 2021	164,588	(71,247)	(9,086)	4,307	88,562
Loss for the period, representing total comprehensive loss for the period	-	(408)	-	-	(408)
Balance as at 31 March 2021	<u>164,588</u>	<u>(71,655)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>88,154</u>
Balance as at 1 January 2020	164,588	(69,779)	(9,086)	4,307	90,030
Loss for the period, representing total comprehensive loss for the period	-	(348)	-	-	(348)
Balance as at 31 March 2020	<u>164,588</u>	<u>(70,127)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>89,682</u>

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

Share Capital – Ordinary Shares

	Number of issued shares (excluding treasury shares)	Share capital (MYR)
Balance as at 31 December 2020 and 31 March 2021	1,169,445,976	155,501,496

As at 31 March 2021, the Company held 23,986,957 treasury shares (31 March 2020: 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 subsidiary holdings as at 31 March 2021 and 31 March 2020. 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 period and as at the end of the immediately preceding year.

	As at 31 March 2021	As at 31 December 2020
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 period reported on.

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

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

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

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

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

(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 2020 ("FY2020") the basis for which has been disclosed on pages 58 to 61 of the Company's Annual Report for FY2020 ("AR2020").

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

(1) Appropriateness of the Going Concern Assumption

- (i) 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 at this critical time faced by the Group and the Company;
- (ii) The existing stream of revenue generated from sales of the limestones at Gridland Quarry and the expected revenue from GCCP Marble (formerly Hyper Act) Quarries are able to provide for the costs of operations for the Group and the Company;
- (iii) The monitoring of headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company;
- (iv) As disclosed in the Company's announcements dated 17 November 2020 and 1 March 2021 in relation to the non-binding expression of interest received to acquire the GCCP Gridland Quarry, negotiations with the interested buyer is still in progress ("Proposed Disposal"). Should the Proposed Disposal materialize and be completed, the resultant sale proceeds from are expected to ease the majority of the cashflow requirements of the Group and the Company; and
- (v) Further equity fund-raising is currently being explored by the Company and is in advance stage to facilitate the Company to meet the immediate and anticipated funding requirements of the Group.

(2) Impairment assessment of property, plant and equipment

For FY2020, 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 AR2020, 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 22(b) of the AR2020, 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 FY2020 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 2021 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 2020, 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. **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 2021 (Unaudited)	31 March 2020 (Unaudited)
Loss attributable to owners of the Company (MYR'000)	1,928	1,634
Weighted average number of ordinary shares	1,169,445,976	1,169,445,976
Basic and diluted LPS (MYR cents) ⁽¹⁾	0.16	0.14

Notes:

(1) *The basic and diluted LPS are the same as there were no potentially dilutive securities in issue as at 31 March 2021 and 31 March 2020 respectively.*

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

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

Net asset value	Group		Company	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value attributable to the owners of the Company (MYR'000)	48,914	50,842	88,154	88,562
Net asset value per ordinary share at the end of the period (MYR)*	0.04	0.04	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 March 2021 and 31 December 2020.

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

Review for the performance of the Group for the three months ended 31 March 2021 ("1QFY2021") as compared to the three months ended 31 March 2020 ("1QFY2020").

Consolidated Statement of Comprehensive Income

Revenue

The Group's revenue decreased in 1QFY2021 compared to 1QFY2020 was mainly due to the continued sluggish sales order of precipitated calcium carbonate ("PCC") amid this uncertain global economic performance and COVID-19 pandemic.

There was no sales contribution from ground calcium carbonate ("GCC") stones for both 1QFY2021 and 1QFY2020 as a result of temporary shutdown operation in production of GCC stones at GCCP Marble Quarries as the Company is refocusing its efforts to diversify into the marble industry.

Cost of sales

Cost of sales reduced by a mere of 2% compared to a reduction of 30% in revenue due to the fixed charges for depreciation of property, plant and equipment and depreciation of leasehold quarry lands, which were maintained even the sales volume dropped.

Gross profit margin

The Gross Profit Margin in 1QFY2021 amounted to MYR12,000 (Gross Profit Margin 0.8%), as compared to MYR639,000 in 1QFY2020 (Gross Profit Margin 29.4%).

The lower gross profit margin was mainly due to the fixed charges for depreciation of property, plant and equipment and depreciation of leasehold quarry lands, and other fixed direct costs, such as staff costs which were required to be maintained while sales volume dropped.

Other items of income

-Interest income

Interest income decreased in 1QFY2021 was mainly due to lower interest rate and lower deposit quantum during the period.

-Rental income

The increase of non-core business income was mainly due to the increase in rental income of equipment, as more machineries were rented out to the outsourced quarrying contractors.

Items of expense

-Selling and distribution expenses

The reduction in selling and distribution expenses (mainly cargo forwarding charges and transportation) was due to the lower sales activities recorded in 1QFY2021.

-General and admin expenses

The increase in general and admin expenses was mainly attributed to:

- (i) the increase in provision of directors' fee; and
- (ii) the increase in professional fees such as corporate secretarial fee, and work permit process fee.

-Finance costs

The decrease in finance cost was attributed to the refinancing of bank overdrafts into terms loans with lower interest rates.

Consolidated Statement of Financial Position

Non-current assets

The decrease was mainly due to depreciation of property, plant and equipment and depreciation of leasehold quarry lands.

Current assets

No significant movement of current assets for the quarter, except cash in hand is reduced due to slow collection from customers which has resulted in higher trade and other receivables. Inventories maintained has also decreased, in line with lower sales expected.

Non-current liabilities

As at 31 March 2021, non-current liabilities increased against 31 December 2020 mainly due to the increase in long-term loans and borrowings to settle the bank overdraft (current).

Current liabilities

Current liabilities reduced mainly due to a decrease in bank overdraft facility which was settled by the longer tenure terms loan. This is offset by an increase in trade and other payables largely due to the longer payment terms extended by the trade creditors.

Net current liabilities position

As at 31 March 2021, the Group was at a net current liabilities position of MYR22.9 million. The decrease in net current liabilities of MYR1.1 million compared to 31 December 2020 was mainly due to the conversion of term loans from current liabilities to non-current liabilities.

After 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) existing stream of revenue generated from sales of the limestones at Gridland Quarry and the expected revenue from GCCP Marble Quarries are able to provide for the costs of operations for the Group and the Company;
- (c) The monitoring of headcounts, operating costs and overheads to reduce unnecessary costs in the Group and the Company;
- (d) Company's announcements dated 17 November 2020 and 1 March 2021 in relation to the non-binding expression of interest received to acquire the GCCP Gridland Quarry, negotiations with the interested buyer is still in progress ("Proposed Disposal"). Should the Proposed Disposal materialize and be completed, the resultant sale proceeds are expected to ease the majority of the cashflow requirements of the Group and the Company; and
- (e) funds from equity fund-raising currently being explored and is in advance stage to facilitate the Company to meet immediate and anticipated funding requirements of the Group,

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 1QFY2021, the Group recorded a net increase in cash and cash equivalents of RM52,000.

Operating Activities

The net cash used in operating activities, mainly contributed from (1) increase in trade and other receivables due to slow collections from customers, mitigated by (2) decrease in holding of inventories, and (3) increase of trade and other payables as a result of extended credit terms by suppliers and creditors.

Financing Activities

Net cash generated in financing activities amounted to MYR282,000, primarily due to (1) new term loans to refinance the bank overdrafts and (2) advances of loan from Director. A significant portion of the cash used in financing activities were applied towards:- (1) repayment of lease liabilities and (2) interest payment to financial institutions.

Investing Activities

There is no cash movement from investing activity for the quarter.

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

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.

With the COVID-19 pandemic progressively improving, Gridland Quarry's production and sales is slowly picking up. Although sales still remain low in 1QFY2021, we expect business activities and sales pick up to some form of normalcy by 2QFY2021.

Efforts to refocus GCCP Marble Quarries to penetrate the marble industry is gathering speed. Works are carried out to improve the access road for better gradient and efficiency in the future production of marble blocks and slabs. The independent geologist, who is engaged and has visited to inspect the quarries in February 2021, is expected to issue its independent qualified person's report in 2QFY2021. Samples of marble blocks and slabs have been quarried, processed, and showcased to potential business partners and customers. The Company will take part in the Xiamen Stone Fair 2021, China, virtually and physically, from 18th to 21st May 2021, to promote GCCP Marble Quarries and its products. The maiden sale of the marble products is expected to be in 3QFY2021.

As announced on 17 November 2020, GCCP Gridland has received a non-binding Expression of Interest (EOI) to acquire the GCCP Gridland Quarry. The negotiations with the relevant party are still in progress and the Company will update on the status through further announcement(s) when there are material developments.

11. Dividend

If a decision regarding dividend has been made:-

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

None.

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

Not applicable.

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

Not applicable.

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

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

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

Not applicable.

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

No interim dividend for the first quarter ended 31 March 2021 has been recommended, as the Group was not profitable.

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

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

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

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

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

For the quarter ended 31 March 2021 (“1QFY2021”), funds / cash were mainly used for the following activities:-

Purpose	Projected Usage Amount (MYR)	Actual Usage Amount (MYR)
Development Cost	60,000	75,000
Total	60,000	75,000

Variance Explanation:

The actual development cost was higher than the projected amount mainly due to more development work than planned has been carried out at GCCP Marble Quarries.

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 April 2021 to 30 June 2021 (“2QFY2021”)), the Company’s use of funds/cash for development activities is expected to be as follows:-

Purpose	Projected Usage Amount (MYR)
Development cost	60,000
Total	60,000

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

The Board of Directors hereby confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

15. 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

In the quarter under review, GCCP Marble Quarries did not incur any cost on exploration activity. The main priority of GCCP Marble Quarries is concentrating on the first phase of road development, and repair works of the crusher plant which is expected to be completed in the second quarter of the year. There was no production of crushed stones at GCCP Marble Quarries in 1QFY2021.

Gridland Quarry

Gridland Quarry did not incur any cost for exploration activities where it focuses on the production of raw material in the current quarter under review. The Gridland Quarry produced 32,433MT of crushed stones for 1QFY2021.

16. 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 1QFY2021.

17. 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.

18. Confirmation Pursuant to Rule 705(5) of the Catalist Listing Manual.

The Board of Directors of the Company hereby confirms that to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements of the Company and the Group for the first quarter ended 31 March 2021 to be false or misleading in any material aspect.

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

Loo An Swee, Alex
Executive Director and CEO
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.

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