



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: GCCP Resources Limited

Stock code: 41T

Meeting details:

Date: 26 April 2023

Time: 2.00 p.m.

Venue: Temasek Club, 131 Rifle Range Road, Level 3, Brani Room, Singapore 588406

Q1. On 9 November 2022, the company announced the proposed disposal of two quarry lands and a crusher plant held by GCCP Gridland Sdn Bhd. The consideration for this disposal of quarry assets is RM25.6 million, equivalent to approximately US\$5.4 million.

These assets have a net book value of RM11.5 million and are currently classified as "Assets held for sale." The disposal is expected to be completed in the first quarter of FY2023. Following the disposal, the operation and sale of PCC stones will cease.

In the chairman's statement, it was mentioned that the group will be focusing on the extraction of marble blocks and the construction of marble processing plant. The group is finalising the design of the processing plant and plans to be ready by early 2024. It also targets to open 3 quarry faces to increase production capacity in the next 5 years.

- (i) **For the benefit of shareholders, can the board provide a detailed update, in the form of a formal presentation during the AGM, on the current operations, management team, licenses and approvals (Surat Kelulusan Skim Kuari), and competitive advantages?**
- (ii) **Please also include pictures and videos of the marble quarries, machinery, infrastructure, and the workforce supporting the operations.**
- (iii) **Please clearly state management's priorities in the next 12-24 months and the strategy to fund its working capital and capital expenditure.**

Q2. The group continues to be loss-making, with losses for the financial year amounting to RM (6.5) million.

The group generated RM 34,380 from operating activities. Cash and short-term deposits as per statement of financial position was just RM 54,889. With bank overdraft at RM 5.00 million, the group's cash and cash equivalents as per statement of cash flow were negative at RM (4.95) million.

- (i) **What is the (pro-forma) improvement in the group's financial position once the sale of GCCP Gridland Sdn. Bhd. is completed?**
- (ii) **What is the progress made in the proposed disposal? What is the role of the board, especially the independent directors, in the disposal?**
- (iii) **What is the investment needed to complete the second phase of the road access development for GCCP Marble Quarries?**
- (iv) **Can management please provide clarification regarding the current lease extension beyond 2043 and detail any efforts that have been made or will be made to secure an extension, especially considering the group's intentions to invest in the quarries?**

Q3. The group's independent auditor has issued a disclaimer of opinion on the company's audited financial statements for the financial year ended 31 December 2022.

Details of the disclaimer of opinion can be read here:

https://links.sgx.com/FileOpen/GCCP-disclaimer_of_opinion_FY2022.ashx?App=Announcement&FileID=753451

The bases for disclaimer of opinion are:

- appropriateness of the going concern assumption
- impairment assessment of property, plant and equipment
- impairment assessment of investments in subsidiaries and amounts due from subsidiaries

- (i) **Can the audit committee (AC) help shareholders understand if there are material variances between the unaudited financial statements and the audited financial statements for the financial year ended 31 December 2022?**
- (ii) **If so, has the company made an announcement meeting the requirements of Rule 704(5) of the Listing Manual Section B: Rules of Catalyst?**
- (iii) **In addition, what guidance did the sponsor give to the company?**
- (iv) **Separately, with regard to the group's going concern status, what discussions did the board/management have with the controlling shareholders?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on [SIAS website](http://www.sias.org.sg)

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