

**For immediate release**

## **QUARTERLY FINANCIAL REPORT**

Quarter 1: Financial Year Ending 31 December 2024

The Directors are pleased to release the quarterly financial report for the three-months ended 31 March 2024, being the first quarter for the financial year ending 31 December 2024.

The contents of the financial report comprise of the following attached condensed financial statements, explanatory notes, and additional disclosures. These must be read in conjunction with the Group’s financial statements for the year ended 31 December 2023:

- Schedule I : Condensed Consolidated Statement of Comprehensive Income
- Schedule II : Condensed Consolidated Statement of Financial Position
- Schedule III : Condensed Consolidated Statement of Cash Flow
- Schedule IV : Condensed Consolidated Statement of Changes in Equity
- Schedule V : Selected Explanatory Notes Pursuant to MFRS 134
- Schedule VI : Additional Disclosures in Compliance with Main Market Listing Requirements

This quarterly financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board and contains additional disclosures prescribed by the Main Market Listing Requirements of Bursa Malaysia. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group’s financial statements for the previous year had been followed throughout this quarterly financial report.

By Order of the Board

Eric Toh Chee Seong (MAICSA 7016178)  
Company Secretary  
30 May 2024

**Schedule I: Condensed Consolidated Statement of Comprehensive Income**  
**For the 1st quarter ended 31 March 2024**

	Individual 1st Quarter			Cumulative 1st Quarter		
	31-Mar-24 RM'000	31-Mar-23 RM'000	% chg	31-Mar-24 RM'000	31-Mar-23 RM'000	% chg
<b>Revenue</b>	6,281	6,926	(9.3%)	6,281	6,926	(9.3%)
Other direct costs	(4,640)	(4,759)	2.5%	(4,640)	(4,759)	2.5%
Employment expenses	(1,303)	(1,357)	4.0%	(1,303)	(1,357)	4.0%
Premises and infrastructure expenses	(76)	(71)	(7.0%)	(76)	(71)	(7.0%)
Administrative expenses	(519)	(396)	(31.1%)	(519)	(396)	(31.1%)
Reversal of impairment on receivables	30	-	100%	30	-	100%
Other income/(expenses)	(10)	7	(>100%)	(10)	7	(>100%)
<b>Adjusted EBITDA</b>	<b>(237)</b>	<b>350</b>	<b>(&gt;100%)</b>	<b>(237)</b>	<b>350</b>	<b>(&gt;100%)</b>
Fair value gains/(losses) on equity instruments through profit or loss	(2,591)	695		(2,591)	695	
Gain/(loss) on disposal of investments	6	(18)		6	(18)	
Depreciation and amortisation	(1,081)	(935)		(1,081)	(935)	
Interest income	9	-		9	-	
Interest expense	(647)	(509)		(647)	(509)	
Interest expense – lease liabilities	(3)	(5)		(3)	(5)	
Effect of discounting on other payables	(14)	(31)		(14)	(31)	
Share of loss from a joint venture	(1)	-		(1)	-	
Profit/(Loss) before taxation	(4,559)	(453)	(>100%)	(4,559)	(453)	(>100%)
Taxation	57	31		57	31	
<b>Profit/(Loss) after taxation</b>	<b>(4,502)</b>	<b>(422)</b>	<b>(&gt;100%)</b>	<b>(4,502)</b>	<b>(422)</b>	<b>(&gt;100%)</b>
<b>Total comprehensive income for the financial period</b>	<b>(4,502)</b>	<b>(422)</b>	<b>(&gt;100%)</b>	<b>(4,502)</b>	<b>(422)</b>	<b>(&gt;100%)</b>
<b>Profit/(Loss) for the financial period attributable to:</b>						
Owners of GCAP	(3,915)	(240)	(>100%)	(3,915)	(240)	(>100%)
Non-controlling interests	(587)	(182)		(587)	(182)	
	(4,502)	(422)		(4,502)	(422)	
<b>Total comprehensive income/(loss) attributable to:</b>						
Owners of GCAP	(3,915)	(240)	(>100%)	(3,915)	(240)	(>100%)
Non-controlling interests	(587)	(182)		(587)	(182)	
	(4,502)	(422)		(4,502)	(422)	
<b>Earnings/(Loss) per share (“EPS”):</b>						
Basic EPS (sen)	(1.20)	(0.07)		(1.20)	(0.07)	
Diluted EPS (sen)	(1.20)	(0.07)		(1.20)	(0.07)	

This Statement should be read in conjunction with the selected explanatory notes on Schedule V & VI of this Report and the Group’s audited financial statements for the year ended 31 December 2023.

**Schedule II: Condensed Consolidated Statement of Financial Position**  
**As at 31 March 2024**

	31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	97,573	98,300
Rights-of-use assets	10	27
Other intangible assets	21,801	22,039
Investment in a joint venture company	17	18
Other investments	2,385	2,385
Other receivables	345	345
Goodwill on consolidation	10,244	10,244
	132,375	133,358
<b>Current assets</b>		
Other investments	26,039	28,919
Trade receivables	7,833	6,596
Other receivables	4,539	3,946
Amount due from a joint venture	-	119
Tax recoverable	422	561
Related party receivables	250	250
Term deposits	932	582
Cash and cash equivalents	1,003	2,234
	41,018	43,207
<b>Total assets</b>	173,393	176,565
<b>Equity</b>		
Share capital	132,755	132,755
Other reserves	(5,847)	(5,834)
Accumulated losses	(32,073)	(28,158)
Equity attributable to owners of GCAP	94,835	98,763
Non-controlling interests	1,734	2,326
<b>Total Equity</b>	96,569	101,089
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	44,747	16,807
Lease liabilities	128	137
Other payables	529	579
Deferred tax liabilities	5,233	5,290
	50,637	22,813
<b>Current liabilities</b>		
Borrowings	3,056	31,978
Lease liabilities	45	63
Amount due to corporate shareholders	2,408	2,408
Trade payables	6,203	6,075
Other payables	14,403	12,139
Amount due to a joint venture	72	-
	26,187	52,663
<b>Total liabilities</b>	76,824	75,476
<b>Total equity and liabilities</b>	173,393	176,565
<b>Net assets per share (sen)</b>	29.7	31.1

This Statement should be read in conjunction with the selected explanatory notes on Schedule V & VI of this Report and the Group's audited financial statements for the year ended 31 December 2023.

**Schedule III: Condensed Consolidated Statement of Cash Flows**  
**For the three months ended 31 March 2024**

	Cumulative 1st Quarter	
	31-Mar-24 RM'000	31-Mar-23 RM'000
<b>Cash flows from operating activities</b>		
Profit/ (loss) before tax	(4,559)	(453)
Adjustments for:		
Depreciation and amortisation	1,081	935
Effect of discounting on other payables	14	31
Fair value (gain)/ loss on equity investments	2,591	(695)
(Gain)/loss on disposal of investments	(6)	18
Impairment loss on trade receivables	(30)	-
Interest income	(9)	-
Interest expense on:		
- Borrowing	647	509
- Lease liabilities	3	5
Share of loss from a joint venture	1	-
Operating loss before working capital changes	(267)	350
Changes in working capital		
Trade and other receivables	(1,800)	(3,657)
Trade and other payables	1,298	1,570
Cash generated from/(used in) operations	(769)	(1,737)
Interest paid	(650)	(514)
Interest received	9	-
Net (tax paid)/refunded	138	(39)
Net cash flows from operating activities	(1,272)	(2,290)

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**Schedule III: Condensed Consolidated Statement of Cash Flows**  
**For the three months ended 31 March 2024 (Cont'd)**

	Cumulative 1st Quarter	
	31-Mar-24 RM'000	31-Mar-23 RM'000
<b>Cash flows from investing activities</b>		
Acquisition of:		
- Property, plant and equipment	(98)	(1,070)
- Short-term other investments	-	(6,391)
Proceeds from disposals of short term other investment	308	-
Net investment in term deposits	(350)	-
Payment for acquisition of subsidiaries	-	-
Net changes in amount due from a joint venture	191	-
Net cash flows from investing activities	51	(7,461)
<b>Cash flows from financing activities</b>		
Proceed from borrowings	(983)	(410)
(Repayments to)/advances from a corporate shareholder	-	(6)
Repayment of lease liabilities	(27)	(42)
(Repayments to)/advances from a director	1,000	-
Net cash flows from financing activities	(10)	(458)
<b>Net increase/(decrease) in cash and cash equivalents</b>	(1,231)	(10,209)
<b>Cash and cash equivalents at beginning of period</b>	2,234	15,955
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents at end of period</b>	1,003	5,746
<u>Comprising of:</u>		
Cash and bank	1,003	5,746
Fixed deposits with financial institutions	-	-
<b>Cash &amp; cash equivalents at end of period</b>	1,003	5,746

This Statement should be read in conjunction with the selected explanatory notes on Schedule V & VI of this Report and the Group's audited financial statements for the year ended 31 December 2023.

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**Schedule IV: Condensed Consolidated Statement of Changes in Equity**  
**For the three months ended 31 March 2024**

	Share capital	Reserves	Accumulated losses	Subtotal	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	130,964	(7,559)	(18,396)	105,009	5,701	110,710
Total comprehensive loss	-	-	(240)	(240)	(182)	(422)
Acquisition of subsidiary	-	(44)	-	(44)	-	(44)
At 31 March 2023	130,964	(7,603)	(18,636)	104,725	5,519	110,244
At 1 January 2024	132,755	(5,834)	(28,158)	98,763	2,326	101,089
Total comprehensive loss	-	-	(3,915)	(3,915)	(587)	(4,502)
Acquisition of subsidiary	-	(13)	-	(13)	(5)	(18)
At 31 March 2024	132,755	(5,847)	(32,073)	94,835	1,734	96,569

This Statement should be read in conjunction with the selected explanatory notes on Schedule V & VI of this Report and the Group’s audited financial statements for the year ended 31 December 2023.

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**Schedule V: Selected Explanatory Notes Pursuant to MFRS 134**

1. Accounting Policies and method of computation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting Standards, the requirements of Companies Act 2016 and Paragraph 9.22 of the Bursa Malaysia Listing Requirements. The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s consolidated audited financial statements for the financial year ended 31 December 2023.

The Group has not adopted the following amendments to standards that have been issued but are not yet effective:

Effective dates for  
 financial periods  
 beginning on or after

Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10, and Amendments to MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group intends to adopt the above amendments to standards when they become effective. The initial application of the abovementioned amendments to standards are not expected to have any significant impacts on the financial statements of the Group.

2. Auditors’ report

The auditors’ report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.

3. Comment on seasonality or cyclical of operation

The Group’s performance is normally not affected by seasonal or cyclical events on a year-to-year basis. However, contract revenue from the Ministry of Defence contract to ferry school children is based on students attending school. Thus, school holidays will affect contract revenues.

4. Significant estimates and changes in estimates

There were no significant estimates or changes in estimates that have had any material effect on the results of the current quarter.

## Schedule V: Selected Explanatory Notes Pursuant to MFRS 134 (Cont'd)

### 5. Issuance or repayments of debt/equity securities

On 8 March 2023, 32,068,900 ESOS Options under the LTIP Scheme were granted to eligible persons. Of which 12,835,200 ESOS granted to the director, Datuk Yap Yee Ping. There are no share rights granted.

In 2023, a total of 4,534,000 ESOS Options were exercised.

On 7, 16 and 20 May 2024, 966,000, 606,000 and 1,090,000 new GCAP shares were allotted respectively resulting from exercises of ESOS. Consequently, the share capital was enlarged to 327,886,971 shares at RM133,806,699, where RM878,460 was received in cash and RM173,030 from capitalisation of ESOS reserve.

### 6. Dividends paid

No dividends have been paid in the current financial quarter.

### 7. Segmental Analysis

The Group has five (5) reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, being transportation division, hydropower division, solarpower division, water division, investment holding and others. Segment performance is evaluated based on adjusted EBITDA. Inter-segment transactions and pricing arrangements where applicable, are determined on a commercial basis. The results by segments for the quarter are as follows:

#### Segmental Results

	<i>Current v Preceding Quarter</i>			<i>Cumulative Current v Corresponding Quarter</i>		
	31-Mar-24 RM'000	31-Dec-23 RM'000	% chg	31-Mar-24 RM'000	31-Mar-23 RM'000	% chg
<b><u>Revenue</u></b>						
Transportation	4,472	4,476	(0.1%)	4,472	4,173	7.2%
Hydropower	-	-	-	-	-	-
Solarpower	1,589	2,456	(35.3%)	1,589	917	73.3%
Water	220	805	(72.7%)	220	1,836	(88.0%)
Investment holding and others	-	-	-	-	7	(100%)
	6,281	7,737	(18.8%)	6,281	6,933	(9.4%)
Intersegment adjustment	-	-	-	-	(7)	100%
Group revenue	6,281	7,737	(18.8%)	6,281	6,926	(9.3%)
<b><u>Adjusted EBITDA</u></b>						
Transportation	(19)	(48)	60.4%	(19)	47	(>100%)
Hydropower	(280)	(337)	16.9%	(280)	(259)	(8.1%)
Solarpower	1,408	1,210	16.4%	1,408	801	75.8%
Water	(418)	(2,115)	80.2%	(418)	625	(>100%)
Investment holding and others	(928)	(5,134)	81.9%	(928)	(864)	(7.4%)
	(237)	(6,424)	96.3%	(237)	350	(>100%)
Intersegment adjustment	-	3,842	100%	-	-	-
Group Adjusted EBITDA	(237)	(2,582)	90.8%	(237)	350	(>100%)



## Schedule V: Selected Explanatory Notes Pursuant to MFRS 134 (Cont’d)

### 7. Segmental Analysis (Cont’d)

	<i>Current v Preceding Quarter</i>			<i>Current v Preceding Year</i>		
	31-Mar-24 RM’000	31-Dec-23 RM’000	% chg	31-Mar-24 RM’000	31-Dec-23 RM’000	% chg
<b><u>Total Assets</u></b>						
Transportation	7,611	7,115	7.0%	7,611	7,115	7.0%
Hydropower	41,026	41,226	(0.5%)	41,026	41,226	(0.5%)
Solarpower	95,291	95,674	(0.4%)	95,291	95,674	(0.4%)
Water	3,780	4,241	(10.9%)	3,780	4,241	(10.9%)
Investment holding and others	99,491	102,205	(2.7%)	99,491	102,205	(2.7%)
	247,199	250,461	(1.3%)	247,199	250,461	(1.3%)
Intersegment adjustment	(73,806)	(73,896)	0.1%	(73,806)	(73,896)	0.1%
Group Assets	173,393	176,565	(1.8%)	173,393	176,565	(1.8%)
<b><u>Total Liabilities</u></b>						
Transportation	3,658	2,930	24.8%	3,658	2,930	24.8%
Hydropower	34,599	34,368	0.7%	34,599	34,368	0.7%
Solarpower	78,060	77,902	0.2%	78,060	77,902	0.2%
Water	8,269	8,083	2.3%	8,269	8,083	2.3%
Investment holding and others	26,044	26,089	(0.2%)	26,044	26,089	(0.2%)
	150,630	149,372	0.8%	150,630	149,372	0.8%
Intersegment adjustment	(73,806)	(73,896)	0.1%	(73,806)	(73,896)	0.1%
Group Liabilities	76,824	75,476	1.8%	76,824	75,476	1.8%

### 7.1 Current Quarter vs Previous Quarter

#### 7.1.1 Revenue and Adjusted EBITDA

##### (i) Transportation division

1Q2024 revenue did not have significant movement from 4Q2023.

Lower administrative costs in 1Q2024 had resulted in an improvement of RM29K in Adjusted EBITDA compared to 4Q2023.

##### (ii) Hydropower division

While waiting for completion and commissioning of Small Hydropower projects to be revenue generating, the Adjusted EBITDA loss in the hydropower division is mainly resulted from cost of our in-house engineers, administration expenses, and costs of procuring the necessary approvals from the relevant State Government authorities.

##### (iii) Solarpower division

As at 31 December 2023, a total of 23.01 MWdc Solar Photovoltaics (“Solar PV”) System were installed for seven (7) corporate clients and are up and running.

Higher revenue and cost in 4Q2023 was attributed to delivery of a completed Solar PV System energy solutions in addition to recurring supply of solar energy to our corporate clients. Solarpower division revenue and Adjusted EBITDA normalised to RM1.6 million and RM1.4 million respectively in 1Q2024.

## Schedule V: Selected Explanatory Notes Pursuant to MFRS 134 (Cont'd)

### 7. Segmental Analysis (Cont'd)

#### 7.1 Current Quarter vs Previous Quarter (Cont'd)

##### 7.1.1 Revenue and Adjusted EBITDA (Cont'd)

###### (iv) Water division

Revenue from Water division dipped 72.7% from RM805K in 4Q2023 to RM220K in 1Q2024 resulted from slower progress in fulfilment of performance obligations waiting for necessary permits from authorities. On the other hand, the one-off specific provision of foreseeable losses of RM1.5 million to fulfil a contractual obligation in 4Q2023 is the primary factor for RM1.7 million improvement in the Adjusted EBITDA in 1Q2024.

###### (v) Investment holding and other division

Provision of impairment losses amounting to RM3.8 million on advances to other business division and RM200K higher legal and professional fees accrued in 4Q2023 were the primary factors for RM4.2 million improvement in the adjusted EBTDA in 1Q2024.

##### 7.1.2 Assets and Liabilities

Total assets of the Group dropped 1.8% from 4Q2023.

Liabilities continue to be well managed, at 44.3% and 42.8% of total assets in 1Q2024 and 4Q2023, with borrowings accounted for 62.2% and 64.6% of the total liabilities as at 1Q2024 and 4Q2023 respectively.

### 8. Valuation of property, plant and equipment

There were no changes in the valuation on property, plant and equipment since the last annual financial statements.

### 9. Significant & subsequent events

There is no significant event subsequent to the end of the quarter that have not been reflected in the current financial quarter under review.

### 10. Changes in the composition of the Group

On 18 March 2024, the Group paid RM2 to acquire 2 existing ordinary shares in AAA Development Sdn. Bhd. ("AAA"). On the same day, AAA underwent a capital enlargement whereby the Group subscribed 68 new ordinary shares for RM68 and resulting in ownership of 70% equity interest in AAA.

### 11. Contingent liabilities

There were no contingent liabilities of a material nature since the last audited consolidated statement of financial position (FY2023).

### 12. Contingent assets

There were no contingent assets of a material nature since the last audited consolidated statement of financial position (FY2023).

**Schedule V: Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)**

13. Capital commitments

	31-Mar-24 RM'000
Contracted but not provided for:	
- Small hydro	13,580
- Solar PV plants	780
	14,360

14. Significant related party transactions

	31-Mar-24 RM'000	31-Mar-23 RM'000
Company connected to a director of a subsidiary		
- Transportation service	4,346	4,056
- Provision of engineering, procurement, construction and commission services of Solar PV plants	718	2,835
- Provision of water engineering and related consultancy services	-	34
	-	34

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## Schedule VI: Additional Disclosures in Compliance with Main Market Listing Requirements

### 1. Operations review

Explanatory comments on the performance of each of the Group’s segments is provided in Note 7. of Schedule V.

### 2. Comment on material change in profit before taxation vs preceding quarter

	Current v Preceding Quarter		
	31-Mar-24 RM’000	31-Dec-23 RM’000	% chg
Revenue	6,281	7,737	(18.8%)
Adjusted EBITDA loss	(237)	(2,582)	90.8%
Loss before tax	(4,559)	(4,619)	1.3%
Loss after tax	(4,502)	(4,606)	2.3%
Loss attributable to ordinary equity holders of GCAP	(3,915)	(3,394)	(15.4%)

The Group is reporting a lower revenue of RM6.3 million in 1Q2024 compared to a revenue of RM7.7 million in 4Q2023. Water Division had a RM585K revenue dip in 1Q2024 with slower progress in performance obligations fulfilment waiting for necessary permits from authorities, whilst revenue from solar division normalised by RM867K when 4Q2023 were higher with the delivery of completed Solar PV System energy solutions. Higher Adjusted EBITDA loss of RM2.6 million in 4Q2023 were mainly attributable to a RM1.5 million provision for foreseeable losses recognised in 4Q2023 to fulfill a contractual obligation.

Loss before tax and Loss after tax for 1Q2024 were RM4.5 million (4Q2023: Loss before tax and Loss after tax of RM4.6 million). The loss before tax and after tax in 1Q2024 was mainly attributable by the fair value loss on equity instrument of RM2.6 million.

### 3. Future prospects

Benefits of the Budget 2024 remained relevant and benefiting the Group, amongst other:-

- (i) Bank Pembangunan Malaysia Berhad Strategic Financing will be subsidising 1.5% of finance cost payable to include maritime & logistic scheme and allocating up to RM 1.2 billion for sustainable development financing scheme;
- (ii) Extension of Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) to 31 December 2026;
- (iii) Green Technology Financing Scheme (GTFS 4.0) up to RM 1 billion until 2025; and
- (iv) RM 3.7 billion allocated to large-scale solar generation initiatives by Tenaga Nasional Berhad, including to supply electricity to government buildings in Putrajaya.

On 15 April 2024, The Government of Malaysia announced that it will establish an Energy Exchange Malaysia (“ENEGEM”) to facilitate cross-border sales of green electricity to neighbouring countries, namely Singapore and Thailand (“CBES RE Scheme”). The ENEGEM platform will implement cross-border energy sales based on the latest Guide for Cross-Border Electricity Sales (CBES) issued by the Energy Commission of Malaysia (“Energy Commission”).

We see these measurements indicating the government continue to support the development of renewable energy industry and we envisaged these shall spur in our business’s viability and improvement to the business prospects.

## Schedule VI: Additional Disclosures in Compliance with Main Market Listing Requirements (Cont’d)

### 3. Future prospects – (Cont’d)

#### 3.1 *Transportation division*

The Group is exploring alternative sustainable transportation solutions in alignment with Sustainable Development Goals (“SDG”) 11 *Make Cities and Human Settlements Inclusive, Safe, Resilient and Sustainable*.

#### 3.2 *Small Hydropower division*

The Group remains committed to completing the construction of the Small Hydropower projects-

Earlier, on 15 December 2020, our 96.0%-owned subsidiary, Gunung Hydropower Sdn Bhd (“**Gunung Hydropower**”), won on SEDA e-bidding for 10MW low-head small hydropower project in Sungai Perak, Salu (“**Project Salu – A**”). With a higher tariff of RM0.2898/kwh, we signed the 21 years’ Renewable Energy Power Purchase Agreement (“**REPPA**”) with TNB on 12 August 2021.

Subsequently, on 10 May 2022, Gunung Hydropower bid and won at RM0.2460 per kilowatt-hour (“**KWh**”) for 8.0 MW high-head small hydropower plant at Sg. Temelong and Sg. Ibul of Perak (“**Project Temelong\_Ibul**”). We successfully inked REPPA with TNB for Project Temelong\_Ibul on 9 December 2022.

For clarity, Project Salu – A and Project Temelong\_Ibul (collectively referred to as scheme Salu\_Temelong\_Ibul) are designed to be developed together and share inter-connection facilities costs. Its total capacity of 18MW is now ready for next phase of development.

The same e-Bidding on 10 May 2022, the Group is showered by blessing with yet another winning when 74.64%-owned Kundur Hydro R E Sdn Bhd (“**Kundur Hydro**”) bid and won at RM0.2461/KWh for 2.0 MW high-head small hydropower plant at Sg. Geroh of Perak (“**Project Geroh**”). Kundur Hydro successfully inked REPPA with TNB for Project Geroh on 7 November 2022.

The successful future commissioning of Project Salu – A, Project Temelong\_Ibul and Project Geroh in the near future will contribute directly to the Group’s long term consolidated revenue, earnings, and enhance the Group’s earnings growth potential. Under 60%-owned Perak Hydro Renewable Energy Corporation Sdn Bhd (“**PHREC**”), our Small Hydro portfolio includes 10 sites with an installed capacity of 84.05MW, at various stages of construction.

On 17 November 2022, Northern Star Hydropower Sdn Bhd, a wholly-owned subsidiary bid and won at RM0.2298 per KWh for 26.0 MW high-head small hydropower plants at Sg. Dong, Sg. Lipis, Sg. Kenur and Sg. Kelang of Pahang Darul Makmur (“**Project Pahang Tengah Scheme**”). Successful commissioning of this scheme will also contribute directly to the Group’s long term consolidated revenue and earnings.

The Group has participated in 2023 SEDA e-bidding held from 5 July 2023 to 26 July 2023. Although the Group did not win the 2023 e-bidding which was announced in January 2024, the Group will strategise and work towards to preparing for the upcoming SEDA e-biddings.

**Schedule VI: Additional Disclosures in Compliance with Main Market Listing Requirements (Cont’d)**

3. Future prospects – (Cont’d)

3.3 *Solarpower division*

The Group is pleased with a total of 23.01 MWdc Solar PV System from 7 notable clients as Note 7.1.1(iii) of Schedule V that’s income producing.

The management remained optimistic to secure and commission no less than 20 MWdc Solar PV projects in financial year 2024 and contribute to the Group’s revenue and earnings accordingly.

3.4 *Water division*

The Group is in various stages of negotiations with various parties in attempts to reduce Malaysia’s NRW.

In addition to abovementioned divisions, management is continually formulating strategies and longer terms plans to maximise value to shareholders. This includes evaluating equity investment proposals, partnerships & joint venture proposals, generating earnings growth through acquisitions and earnings growth organically via unlocking the value of our existing assets, know-how and expertise.

4. Tax expense

The details of the tax expense (\*) are as follows: -

	<i>Individual 1st Quarter</i>		<i>Cumulative 1st Quarter</i>	
	<b>31-Mar-24</b>	<b>31-Mar-23</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>
Current	-	-	-	-
Deferred tax	57	31	57	31
	<u>57</u>	<u>31</u>	<u>57</u>	<u>31</u>

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**Schedule VI: Additional Disclosures in Compliance with Main Market Listing Requirements (Cont’d)**

5. Status of corporate proposals

5.1 *Proposed Rights Issue*

On 5 April 2023, KAF Investment Bank Berhad (“KAF IB” or “principal advisor”) had announced on behalf of GCAP that GCAP is proposing to undertake a proposed renounceable rights issue of up to RM112,883,159 nominal value of 1,411,039,484 five (5)-year, 8.0%, redeemable convertible unsecured loan stocks (“RCULS”) at 100% of its nominal value of RM0.08 each, on the basis of four (4) RCULS for every one (1) existing ordinary share in GCAP held on an entitlement date to be determined later.

The proceeds arising therefrom are to be utilised mainly to part finance development of small hydropower projects and to meet working capital requirements of the Group.

The Securities Commission Malaysia (“SC”) and Bursa Malaysia Securities Berhad (“**Bursa Securities**”) have granted approval for the Proposed Rights Issue on 11 July 2023 and 4 September 2023, respectively.

The shareholders of GCAP then granted mandate for the Proposed Rights Issue in the Extraordinary General Meeting held on 3 November 2023.

On 20 February 2024, Bursa Securities has approved the extension of time application for GCAP to complete the implementation of the Proposed Rights Issue by 10 July 2024.

Save as disclosed above, there is no material development on the status of the corporate proposals.

6. Group borrowings and debt securities

The details of the Group’s borrowings as at 31 March 2024 are as follows: -

As at 31 March 2024	Currency	Current	Non-Current	Total
Lease liabilities <sup>^</sup>	RM	45	128	173
Project financing term loan <sup>#</sup> @	RM	3,056	44,747	47,803
		<u>3,101</u>	<u>44,875</u>	<u>47,976</u>

As at 31 December 2023	Currency	Current	Non-Current	Total
Lease liabilities <sup>^</sup>	RM	63	137	200
Project financing term loan <sup>#</sup> @	RM	31,978	16,807	48,785
		<u>32,041</u>	<u>16,944</u>	<u>48,985</u>

<sup>^</sup>No material changes in borrowings year-on-year. Borrowing consists of hire purchase facilities for vehicles under the Group. Borrowing costs of hire purchase obligations range from 2.47%-4.74%.

<sup>#</sup> Financing of the development of a Small Hydro site bearing floating rate interest of 1.00% above the financial institution’s base lending rate.

<sup>@</sup> Financing of Solar PV Projects, bearing floating rate interest of 1.25% - 2.00% above the financial institution’s cost of fund.

## Schedule VI : Additional Disclosures in Compliance with Main Market Listing Requirements (Cont'd)

### 7. Material litigation, claims or arbitration

GCAP Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Board does not have any knowledge of any proceedings pending or threatened against GCAP Group, or of any fact likely to give rise to any proceedings, which might materially affect the Group's business or financial results or position, save and except the following: -

- (a) On 9 March 2021, GPB had filed a suit against Jabatan Latihan Khidmat Negara ("First Defendant"), Kementerian Pertahanan Malaysia ("Second Defendant"), Kementerian Belia dan Sukan Malaysia ("Third Defendant"), Kementerian Kewangan Malaysia ("Fourth Defendant") and Kerajaan Malaysia ("Fifth Defendant") (collectively, the "Defendants") at the High Court of Kuala Lumpur ("KL High Court") to claim for, inter alia, the principal amount of RM4,979,003.10 ("**Principal Outstanding Sum 2**"). The matter was scheduled for a case management on 10 June 2021 to be held by means of e-review.

The Defendant is an agency/department under the Second Defendant and/or Third Defendant whereas the Second Defendant, Third Defendant and Fourth Defendant are ministries under the Fifth Defendant.

The suit was filed by GPB against the Defendants to recover the Principal Outstanding Sum 2 and such other costs arising therefrom as aforementioned. The First Defendant, with the approval given by the Second Defendant and/or the Third Defendant, had entered into a contract to engage GPB for the provision of bus rental services and food provided for/to the trainees under Program Latihan Khidmat Negara for the period commencing from 26 December 2014 to 25 December 2017. The said contract was further extended for 2 years commencing from 26 December 2017 and expired on 25 December 2019.

As at the announcement, the GPB only received a sum of RM4,952,983.90 and Principal Outstanding Sum 2 remained uncollected, despite several reminders had been sent to the Defendants. During the case management on 14 March 2022, the KL High Court has fixed the trials on 23 August 2022 to 25 August 2022.

On 17 August 2022, the KL High Court has vacated the trial scheduled on 23 August 2022 to 25 August 2022 and fixed case management by way of e-review on 23 August 2022.

Following the trial from 27 May 2024 to 28 May 2024, the KL High Court has given such directions to the parties for further cause paper to be filed and set for KL High Court's decision on 25 September 2024.

The solicitors-in-charge for the above suit, Messrs Goik Ramesh & Loo, is of the view that there are high chances of GPB in succeeding in the matter.



## Schedule VI : Additional Disclosures in Compliance with Main Market Listing Requirements (Cont’d)

### 7. Material litigation, claims or arbitration (Cont’d)

- (b) On 25 April 2018, Wak Ngah Pili A/P Bah Adim and 35 other individuals (collectively, the “Plaintiffs”) had filed a suit against PHREC (“**First Defendant**”), Conso Hydro R E Sdn Bhd (“**CHRE**”) (“**Second Defendant**”), Kerajaan Negeri Perak, Ketua Pengarah Jabatan Kemajuan Orang Asli, Pengarah Tanah dan Galian Perak and Kerajaan Malaysia (collectively, the “**Defendants**”) at the High Court of Ipoh, Perak (“**Ipoh High Court**”), to seek for, inter alia, a declaration that the Plaintiffs are the proprietors of native customary titles over the land identified as ‘Ulu Geruntum’ (“**Customary Land**”).

Both PHREC and CHRE are subsidiary companies of GCAP, which intended to construct a 2.0MW Small Hydropower plant. As at the announcement, the cost incurred for this project is approximately RM14.10 million.

On 28 April 2021, an interim injunction order was granted in favour of the Plaintiffs whereby the First Defendant and Second Defendant and/or their agents shall be restrained from carrying on any works (including but not limited to construction works and land reclamation works) over the Customary Land.

On 6 May 2021, the First Defendant had in response, filed a notice of appeal at the Court of Appeal, Kuala Lumpur (“Court of Appeal”) against the said interim injunction vide a notice of appeal with the Appeal No. A-01[IM][NCVC]-258-05/2120. The said interim injunction was subsequently set aside by the Court of Appeal (“**Setting Aside Order**”).

The Plaintiffs then filed an application for leave to appeal to the Federal Court in relation to the Setting Aside Order, which was granted by the Federal Court on 13 September 2023. The Federal Court further reinstated the Injunction Order which was set aside by the Court of Appeal while pending the outcome of the Ipoh High Court’s decision on this matter.

On the last case management dated 10 October 2023, in view of the large amount of time needed for the transcription service, Ipoh High Court has redirected the parties on the preparation of notes of proceeding, filing of written submission and rescheduled the oral submission to 19, 20 and 21 February 2024, and to be continued on 17, 18 and 19 April 2024.

The trial of the matter has been completed and the matter is scheduled for decision on 27 June 2024.

The solicitors-in-charge for the above suit, Messrs Goik Ramesh & Loo, is of the view that there are high chances of successful to the trial.

## Schedule VI : Additional Disclosures in Compliance with Main Market Listing Requirements (Cont'd)

### 7. Material litigation, claims or arbitration (Cont'd)

- (c) On 16 November 2022, Solarcity Malaysia Sdn Bhd ("**1<sup>st</sup> Plaintiff**") and Eleaps Sdn Bhd ("**2<sup>nd</sup> Plaintiff**") (collectively, the 1<sup>st</sup> Plaintiff and the 2<sup>nd</sup> Plaintiff shall be known as the "**Plaintiffs**") had filed a suit against Apex Office Furniture Sdn Bhd ("**1<sup>st</sup> Defendant**"), Apex Office Furniture Exporter Sdn Bhd ("**2<sup>nd</sup> Defendant**") and AD Power Sdn Bhd ("**3<sup>rd</sup> Defendant**") (collectively, the 1<sup>st</sup> Defendant, 2<sup>nd</sup> Defendant and 3<sup>rd</sup> Defendant shall be known as the "**Defendants**") to claim for, amongst others:-
- (a) a declaration that the Defendants had acted in conspiracy and/or joint tortfeasors to injure the Plaintiffs' business;
  - (b) an injunction restraining the 3<sup>rd</sup> Defendant whether by itself, or acting by their directors, officers, employees or agents or any of them in combination or otherwise however from providing solar supply to the 1<sup>st</sup> Defendant and 2<sup>nd</sup> Defendant at the Premises (as defined hereinbelow);
  - (c) an order that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant had wrongfully terminated and/or breached the terms of the Solar Supply Agreement dated 19 May 2021 ("**SSA**");
  - (d) aggravated and exemplary damages;
  - (e) costs on full indemnity basis;
  - (f) interests on all sums payable to the Plaintiffs at such rate to be determined by the Shah Alam High Court; and
  - (g) such other orders the Shah Alam High Court may think fit.

The suit is in connection with the dispute arising from the SSA which was entered into between the 1<sup>st</sup> Plaintiff, 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant whereby the 1<sup>st</sup> Plaintiff is to design, construct, install, own, operate and maintain a solar photovoltaic (PV) energy generating system with a DC capacity of 1,300 kWp at the rooftop of the principal place of business of the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant ("**Premises**") at certain fixed rate pursuant to the SSA to be payable by the 2<sup>nd</sup> Defendant.

The 1<sup>st</sup> Plaintiff then engaged the 2<sup>nd</sup> Plaintiff to act as the 1<sup>st</sup> Plaintiff's representative in undertaking all installation works and subsequently the 2<sup>nd</sup> Plaintiff engaged the 3<sup>rd</sup> Defendant as sub-contractor for such works. The 2<sup>nd</sup> Plaintiff then discovered that the 2<sup>nd</sup> Defendant has not completed the 2<sup>nd</sup> Defendant's production loading at the Premises which resulted in the dissatisfactory load profile, causing a delay to necessary approval or permit and the installation works at the Premises.

The Plaintiffs further discovered that the 3<sup>rd</sup> Defendant had in his own capacity and without knowledge and consent of the Plaintiffs, installed a same solar PV system for the 2<sup>nd</sup> Defendant at the Premises which was confirmed by the Defendants. The Defendants further confirmed that they had entered into a new solar supply agreement. Accordingly, the Defendants breached the terms of the SSA and caused damages to the Plaintiffs which led to the filing of this suit.

Pursuant to the pre-trial case management on 20 November 2023, 10 and 22 January 2024, the Shah Alam High Court had fixed 15 October 2024, 1, 4 and 26 November 2024 as the trial dates, to which both the Plaintiffs and Defendants shall file the pre-trial documents on or before 15 August 2024, and witness statements to be filed on or before 1 October 2024.

The solicitors-in-charge for the above suit is of the considered view that the Plaintiffs has considerable prospect of success in this matter.

**Schedule VI : Additional Disclosures in Compliance with Main Market Listing Requirements (Cont’d)**

7. Material litigation, claims or arbitration (cont’d)

- (d) On 7 July 2023, G Capital Water Solutions Sdn Bhd (formerly known as ZMZ Synergy Sdn Bhd (“GCWS”)) filed statutory demand pursuant to Section 466 of the Companies Act 2016 in an attempt to wind-up RAI Utility Sdn Bhd (“RAIU”) for the receivables amounting to RM 1,047,347.76 (“**Principal Outstanding Sum 2**”).

On 28 July 2023, RAIU (“**Plaintiff**”) applied to at the High Court of Kuala Lumpur (“**KL High Court**”) for an injunction towards the winding up notice served by GCWS (“**Defendant**”). The winding-up petition only will be resumed after the disposal of the injunction by the KL High Court after the trials.

On 12 March 2024, the KL High Court has granted the injunction and G Capital Water Solutions Sdn Bhd is considering to initiating debt recovery actions via trials before reinitiating winding up petition.

8. Proposed Dividend

No dividend has been proposed by the Board of Directors for the current financial period under review.

9. Basis of calculation of earnings/loss per share (“EPS”)

- (a) The basic EPS for the current quarter was computed by dividing the Group profit/(loss) attributable to shareholders of GCAP by the weighted average number of ordinary shares in issue (net of treasury shares).

	Current Quarter	Cumulative Quarter
Group attributable loss to shareholders of GCAP (RM'000)	(3,915)	(3,915)
Weighted average issued capital net of treasury shares ('000)	325,225	325,225
Earnings per share (Sen)	(1.20)	(1.20)

- (b) The diluted EPS is equivalent to basic EPS. No potential ordinary shares that are considered as dilutive as they did not meet the requirements for inclusion as per MFRS 133 *Earnings per Share* since the consolidated group generated a loss for the period.

	Current Quarter	Cumulative Quarter
Group attributable profit/(loss) to shareholders of GCAP (RM'000)	(3,915)	(3,915)
Weighted average issued capital net of treasury shares ('000)	325,225	325,225
Adjustment for ESOS conversion into ordinary shares ('000)	-	-
Adjusted weighted average issued capital net of treasury shares ('000)	325,225	325,225
Earnings/(Loss) per share (Sen)	(1.20)	(1.20)

## Schedule VI : Additional Disclosures in Compliance with Main Market Listing Requirements (Cont’d)

### 10. Notes to the Condensed Consolidated Statement of Comprehensive Income

Loss Before Tax is arrived at after charging/(crediting) the following items:

	Individual 1st Quarter		Cumulative 1st Quarter	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	RM’000	RM’000	RM’000	RM’000
(i) Interest Income	(9)	-	(9)	-
(ii) Interest expense	647	509	647	509
(iii) Interest expense – lease liabilities	3	5	3	5
(iv) Effect of discounting on other payables	14	31	14	31
(v) Depreciation and amortisation	1,081	935	1,081	935
(vi) Fair value losses on equity instruments through profit or loss	2,591	(695)	2,591	(695)
(vii) Gain/(loss) on disposal of investments	(6)	18	(6)	18
(viii) (Reversal)/ Impairment on trade receivables	(30)	-	(30)	-
(ix) Expenses relating to short term leases	61	71	61	71
(x) Share of loss from a joint venture	1	-	1	-

### 11. Additional Disclosure Information

#### Trade Receivables

The credit terms of trade receivables granted to related parties are no different from those granted to non-related parties which are between 30-120 days. A trade receivable is deemed past due when the counter party has failed to make payment when the outstanding amount are contractually due.

Aged analysis of trade receivables past due but not impaired:

RM’000	<30 days	31-60 days	61-90 days	91-180 days	>180 days	Total
31-Mar-24	-	77	1,528	308	1,119	3,032
31-Dec-23	55	132	308	-	1,119	1,614

The past due trade receivables above 90 days are collectable. The trade receivables past due pertaining to outstanding receivable from customers towards water works. Management is in active discussion with the debtors for debts recovery and remain optimistic towards the recoverability of such receivables.

#### Foreign exchange exposure/ hedging policy

The Group does not have any hedging policy or long-term foreign exchange exposure. The Group has minimal one-off foreign exchange exposure to USD and EUR for purchases of mechanical and electrical equipment for small hydropower projects, solarpower projects and Non-revenue water projects. As at 31 March 2024, there is no contingent liability exposure to foreign exchange movements.

#### Material impairment of assets

Save for as disclosed in Note 10 of Schedule VI, there is no other material impairment on assets was made during the financial year under review.