

GLOBAL YELLOW PAGES LIMITED
(Company Registration No. 200304719G)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF LAND IN QUEENSTOWN, NEW ZEALAND

1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Global Yellow Pages Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company's indirect wholly-owned subsidiary, GYP Properties Limited (the "**Purchaser**") has on 5 May 2016 entered into a conditional agreement for sale and purchase of real estate (the "**SPA**") with Queenstown Central Limited (the "**Vendor**" and together with the Purchaser, the "**Parties**"), pursuant to which the Purchaser shall acquire and the Vendor shall sell a plot of land (the "**Land**") in New Zealand (the "**Proposed Acquisition**").

The Board is of the view that the Proposed Acquisition is in, or in connection with, the ordinary course of the Company's business. The Proposed Acquisition is not an Interested Person Transaction under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

2. INFORMATION RELATING TO THE LAND AND THE VENDOR

The Land is a plot of freehold land of approximately 38,400 square metres located at Eastern Access Road, Queenstown, New Zealand. The Land currently forms part of a plot of land known as "Lot 5 DP 494556" ("**Lot 5**") which is proposed to be subdivided by the Vendor to create a separate legal title to the Land subject to the SPA. Upon the completion of such subdivision, a unique identifier for the Land will be available.

The Vendor is a New Zealand incorporated company whose business activities are land development and/or subdivision (excluding construction). The Vendor is a subsidiary of Baxter Property Holdings Limited ("**BPHL**") and Southern Lakes Property Holdings Limited ("**SLPHL**") each of which owns 50% of the Vendor. BPHL and SLPHL are New Zealand registered companies. Mr Lewis Grant is the director of the Vendor as well as the sole director and shareholder of each of BPHL and SLPHL.

3. RATIONALE FOR THE PROPOSED ACQUISITION

At the Company's Extraordinary General Meeting held on 4 May 2015, the shareholders of the Company had approved the Company's proposed diversification of the Company's core business into the businesses of property investment, development and management. This is part of the Company's strategy to broaden the Group's revenue stream and pursue business opportunities with good prospects for long-term growth. As part of this strategy, the Company completed the acquisition of Pakuranga Plaza Limited which owns the property comprising the land and the shopping mall known as Pakuranga Plaza.

The Proposed Acquisition is a continuation of the Company's strategy described above to diversify into the property business. The Company intends to develop the Land into residential

properties for sale as there has been a significant increase in demand for property in Queenstown due to both an increase in tourist numbers and an increase in workers seeking accommodation, which is supportive of residential development.

4. SALIENT TERMS OF THE PROPOSED ACQUISITION

The key terms of the Proposed Acquisition, as set out in the SPA, are as follows:

4.1 Consideration for the Proposed Acquisition

The consideration payable for the Proposed Acquisition ("**Consideration**") is estimated to be the sum of NZ\$19.2 million (exclusive of applicable goods and services tax, if any) and is calculated based on the area of the Land following final survey of the Land, at the rate of NZ\$500 per square metre.

The Consideration is payable entirely in cash and shall be paid as follows:

- (a) a deposit of NZ\$1,920,000 is payable upon the date of satisfaction or waiver of the condition of the Purchaser being entirely satisfied, at its absolute discretion, with the outcome of a due diligence exercise undertaken by the Purchaser in relation to the Land (the "**Due Diligence Condition**"); and
- (b) the balance of the Consideration is to be paid on the settlement date, being the later of 17 October 2016 and the date which is five working days after the date the Purchaser is notified that a search copy of the unique identifier for the Land is available.

The Consideration was arrived at on a willing-seller, willing-buyer basis after arms' length negotiations between the Parties, after taking into account, amongst other things, the future development potential and projected development costs of the Land.

The Consideration will be funded using a combination of internal cash and external sources of funding.

4.2 Key Conditions Precedent

The SPA is conditional upon, among others, the following conditions being fulfilled or waived by the relevant party within certain agreed timelines:

- (a) the Purchaser obtaining all consents and approvals required under any and all applicable laws for the purchase of the Land, and where such consent or approval is subject to conditions, such conditions being satisfactory to or waived by the Purchaser;
- (b) the Vendor obtaining full and final approval of the plan of the proposed subdivision of Lot 5 by the relevant authority on terms satisfactory to it;
- (c) the issue of a separate fee simple unique identifier for the Land;
- (d) the Due Diligence Condition; and
- (e) the Parties approving the construction costings for the completion of certain roads near or adjacent to the Land and agreeing on the terms of a roading agreement.

5. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

(a) For purposes of illustration, the financial effects of the Proposed Acquisition is based on, *inter alia*, the following assumptions:

- (i) the financial effects of the Proposed Acquisition are purely for illustrative purposes and should not be taken as an indication of the actual financial performance or position of the Group following the Proposed Acquisition nor a projection of the future financial performance or position of the Group after completion of the Proposed Acquisition;
- (ii) for the purpose of computing the financial effects of the Proposed Acquisition on the earnings of the Group, the Proposed Acquisition is assumed to have been completed on 1 April 2014;
- (iii) for the purpose of computing the financial effects of the Proposed Acquisition on the net tangible assets ("**NTA**") of the Group, the Proposed Acquisition is assumed to have been completed on 30 June 2015; and
- (iv) the financial effects of the Proposed Acquisition are based on the Group's audited financial statements for the 15-month financial period ended 30 June 2015.

(b) NTA

There is no material impact on the net tangible assets per share of the Company arising from the Proposed Acquisition.

(c) Earnings per GYP Share ("**EPS**")

There is no material impact on the EPS of the Company arising from the Proposed Acquisition.

6. INTEREST OF DIRECTORS OR SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

By Order of the Board

Lee Wei Hsiung
Company Secretary
5 May 2016