



## NEWS RELEASE

### GLOBAL YELLOW PAGES POSTED A NET PROFIT OF S\$4.4 MILLION FOR SECOND QUARTER ENDED 31 DECEMBER 2015

- *Strategy to diversify into food and beverage and property sectors is showing traction with 6 months revenue increasing 21.2% to S\$20.7 million.*

**Singapore, February 12, 2016** – Global Yellow Pages Limited (“GYP”, “Company” or the “Group”) today reported a net profit of S\$4.4 million for the second quarter ended 31 December 2015 (“2QFY16”), compared to a net profit of S\$5.9 million for the corresponding quarter last year.

The Group’s revenue for 2QFY16 was S\$12.9 million, an increase of S\$0.5 million or 4.4% compared to S\$12.4 million for the corresponding quarter last year. The increase in revenue was due mainly to new rental income from Pakuranga Plaza Limited (“PPL”) partly offset by a decrease in revenue from the Search business.

Other gains of S\$0.9 million for 2QFY16 were S\$1.1 million lower than the corresponding quarter last year due mainly to an unrealised revaluation foreign exchange gain of S\$1.4 million recorded in the corresponding quarter last year.

Total expenses for 2Q FY2016 increased marginally by 1.7% to S\$8.8 million as lower printing and material costs and other expenses were offset by higher staff costs and finance expenses.

Other expenses decreased by \$0.7 million in 2QFY16 due mainly to lower impairment of trade receivables and no impairment of intangible assets and goodwill on acquisition and consolidation, partly offset by higher expenses from PPL.

Interest on borrowings of S\$0.9 million for 2QFY16 was S\$0.7 million higher than the corresponding quarter last year as borrowings increased by S\$53.8 million arising from the acquisition of PPL in May 2015 which was partly funded by bank borrowings.

Amortisation expense of intangible assets increased by S\$0.1m as it was reclassified to with definite useful life from with indefinite life previously.

The Group’s share of results of associated companies of S\$0.9 million for the corresponding quarter last year relates to Yamada Green Resources Limited (“Yamada”). Investment in Yamada was reclassified as available-for-sale financial asset from 18 September 2015 following the dilution of the Company’s stake in Yamada.

As a result, the Group posted a net profit of S\$4.4 million in 2QFY16 compared to net profit of S\$5.9 million for the corresponding quarter last year.

The Group's cash and cash equivalents increased by S\$2.2 million from 30 June 2015 to S\$9.8 million as at 31 December 2015 due mainly to cash generated by operations.

Trade and other receivables of S\$10.3 million as at 31 December 2015 were higher by S\$4.5 million as compared to 30 June 2015 due mainly to invoicing of the print directories published in 2QFY16.

Investment in associated companies decreased by S\$11.6 million from 30 June 2015 to S\$0.1 million as at 31 December 2015 following the reclassification of the investment in Yamada from an associated company to available-for-sale financial asset.

Available-for-sale financial asset increased by \$7.0 million due to reclassification of investment in Yamada and fair value adjustment.

The increase of S\$6.4 million in investment properties was due mainly to foreign currency translation differences from the Pakuranga Plaza shopping mall in Auckland and purchase of residential units in Q2 FY2016.

Trade and other payables increased by S\$1.2 million due mainly to purchase of paper and printing cost incurred for the print directories published in 2QFY16.

Borrowings increased by S\$2.1 million due mainly to foreign currency translation differences, partly offset by repayments of term loans.

Net assets were S\$71.6 million as at 31 December 2015 compared to S\$68.5 million as at 30 June 2015.

## **Business outlook**

Against a backdrop of continued uncertainties in the global economic markets, the business environment is expected to remain challenging with sales in the search business continuing to decline. The Company will continue its efforts to improve the search business and in particular its digital offerings.

The Group's strategy to diversify into property and food & beverage sectors has helped mitigate the decline in search business, contributing to an overall net S\$3.6m increase in the Group's revenue in H1FY16 from the corresponding period last year.

The Company's Pakuranga Plaza shopping mall in Auckland, New Zealand contributed S\$1.5m to net profits in H1FY16. We are also actively engaging with the local authority on the redevelopment plans for the property.

The Group's licensing of Wendy's intellectual property rights contributed S\$1.0 million to net profits in H1FY16. The Group's acquisition of Supatreats Asia Pte Ltd on 1 January 2016 has expanded the Group's foothold into the retail master franchise and supply chain business for Wendy's brand of ice cream and treats in Australia and New Zealand with a network of over 150 stores.

The Group also announced on 7 January 2016 the collaboration agreement entered into with Aimers Co Ltd. to develop the Wendy's business in China, Korea and Japan and the Gang Ti business in Korea, Japan, South East Asia, New Zealand and Australia.

With the expiry of the URA awarded river taxi licence on 31 December 2015, the Company's 50% owned subsidiary, Singapore River Explorer Pte Ltd ("SRE") had ceased operations. There is an outstanding loan of \$6.3m as at 31 December 2015 due from SRE to the Company and the Company has provided a corporate guarantee of approximately \$0.8m for SRE's repayment obligations to a third party lender. This is likely to have a material impact on the Group's FY16 performance if SRE is unable to meet its repayment obligations to the Company. The Company has commenced action against SRE on 2 February 2016 by way of a writ of summon in respect of the outstanding loan. The Company will make further announcement(s) on the proceedings as and when appropriate.

### **About Global Yellow Pages Limited**

Global Yellow Pages Limited (GYP) is a multi-platform solutions company focusing on up-to-date search, SME enablement and database marketing. It is also the largest publisher of directories and provider of classified directory advertising and associated products and services in Singapore. Listed on SGX-ST, the Group continues to develop and expand its suite of products and services to ensure usability and accessibility in a changing market.

In addition to its core print directories and Internet Yellow Pages, the Group includes Singapore Information Services Pte Ltd and eFusion Solutions Pte Ltd (eFusion). Singapore Information Services provides database marketing services and eFusion has proven success through its sales and voice-based solutions.

The Group owns the intellectual property rights of Wendy's Supa Sundaes brand and licences the use of the brand in various countries. The Wendy's Supa Sundaes is an iconic brand of desserts and treats with a network of over 150 stores across Australia and New Zealand. The Group has an investment in Yamada Green Resources Limited, who is a major supplier of edible fungi, operating one of the largest mushroom cultivation bases in Fujian Province, PRC.

The Group also owns Pakuranga Plaza ("PP") shopping mall, a freehold property in Auckland New Zealand with a total built up area of 39,209 square metres and a gross lettable area of 29,541

square metres. The property offers retail and office space comprising a shopping mall (including the four (4) level Plaza Tower), the outdoor Warehouse Plaza, and a standalone Plaza Business Centre and is occupied by approximately 100 tenants including major department stores and supermarkets such as Farmers, The Warehouse and Countdown. The property also has significant potential for future development which the Group will seek to enhance.

For further information, please visit [www.yellowpages.com.sg](http://www.yellowpages.com.sg).

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