

ADDENDUM TO THE ANNUAL REPORT DATED 14 OCTOBER 2021

THIS ADDENDUM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN DOUBT AS TO THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

If you have sold or transferred all your Shares, you should forward this Addendum, the Notice of Annual General Meeting and the enclosed Proxy Form immediately to the purchaser or transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Addendum is circulated to shareholders (the “**Shareholders**”) of GYP Properties Limited (the “**Company**”) together with the Company’s annual report for the financial year ended 30 June 2021 (the “**Annual Report**”). Its purpose is to explain to Shareholders the rationale and provide information to the Shareholders for the Proposed Change of Auditors *as defined in this Addendum) to be tabled at the forthcoming annual general meeting of the Company to be convened by electronic means on 29 October 2021 at 10.00 a.m.

The Notice of Annual General Meeting and a Proxy Form are enclosed with the Annual Report. This Addendum has been appended to the Annual Report, which has been made available on SGXNet and the Company’s website. A printed copy of this Addendum will not be despatched to Shareholders.

Unless otherwise defined, the capitalised terms on this cover are defined in this Addendum under the section titled “Definitions”.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Addendum.

The legal advisers appointed by the Company for the purpose of the corporate actions set out in this Addendum is David Lim & Partners LLP.



GYP PROPERTIES

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200304719G)

**ADDENDUM TO THE ANNUAL REPORT IN RELATION TO THE PROPOSED CHANGE OF
AUDITORS FROM PRICEWATERHOUSECOOPERS LLP TO RSM CHIO LIM LLP**

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DEFINITIONS

In this Addendum, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Act” or “Companies Act”	:	The Companies Act (Cap. 50) of Singapore, as may be amended, varied or supplemented from time to time
“Addendum”	:	This Addendum dated 14 October 2021 in respect of the Proposed Change of Auditors
“AGM”	:	The forthcoming annual general meeting of the Company to be convened by electronic means on 29 October 2021 at 10.00 a.m. (Singapore time), notice of which is available on SGXNet and the Company’s website at https://www.gypproperties.com/investor-centre
“Annual Report”	:	The annual report of the Company for the financial year ended 30 June 2021.
“Audit Committee”	:	The audit committee of the Company comprising Mr. Andrew Tay Gim Chuan, Mr. Ng Tiong Gee and Mr. Pang Yoke Min
“Board” or “Board Directors”	of	The board of directors of the Company as at the date of this Addendum
“CDP”	:	The Central Depository (Pte) Limited or its nominee(s) as the case may be
“Company”	:	GYP Properties Limited
“Directors”	:	The directors of the Company as at the date of this Addendum
“FY2021”	:	Financial year ended 30 June 2021
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	7 October 2021, being the latest practicable date prior to the printing of this Addendum
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
“Notice of AGM”	:	The notice of AGM of the Company as enclosed with its Annual Report
“PMP”	:	Practice Monitoring Programme issued by ACRA
“PwC”	:	PricewaterhouseCoopers LLP
“Proposed Auditors”	Change of	The proposed change of auditors of the Company from PwC to RSM
“RSM”	:	RSM Chio Lim LLP
“Securities Account”	:	A securities account maintained by a Depositor with CDP, as the case may be, but does not include a securities sub-account maintained with a Depository Agent

“SFA”	:	The Securities and Futures Act (Cap. 289) of Singapore as may be amended, varied or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holder/holders of the Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ Securities Account
“Shares”	:	The ordinary shares in the capital of the Company
“Substantial Shareholder”	:	Shall have the meaning ascribed to it in Section 81 of the Companies Act and Section 2(4) of the SFA, being a person who: <ul style="list-style-type: none"> (a) has an interest or interests in one (1) or more Shares in the Company; and (b) the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the Shares in the Company
“%” or “per-cent”	:	Percentage or per centum

The term “**Depositor**”, “**Depository**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Addendum to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the SFA, the Listing Manual or any laws of the Republic of Singapore or any statutory modification thereof and used in this Addendum shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any relevant laws of the Republic of Singapore or any statutory modification thereof as the case may be, unless the context requires otherwise.

Any reference to a time of day in this Addendum shall be a reference to Singapore time unless otherwise stated.

Any discrepancy in the tables in this Addendum between the listed amounts and the totals thereof are due to rounding. Accordingly, the totals of the data presented in this document may vary slightly from the actual arithmetic totals of such information.

LETTER TO SHAREHOLDERS

GYP PROPERTIES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200304719G)

Directors:

Andrew Tay Gim Chuan (Non-Executive Chairman and Independent Director)
Mah Bow Tan (Non-Executive Deputy Chairman and Non-Independent Director)
Stanley Tan Poh Leng (Chief Executive Officer and Non-Independent Executive Director)
Ng Tiong Gee (Non-Executive and Independent Director)
Pang Yoke Min (Non-Executive and Non-Independent Director)
Loo Wen Lieh (Non-Executive and Non-Independent Director)

Registered Office:

1 Lorong 2 Toa Payoh,
Braddell House,
Singapore 319637

14 October 2021

To: **The Shareholders of GYP Properties Limited**

Dear Sir / Madam

THE PROPOSED CHANGE OF AUDITORS FROM PRICEWATERHOUSECOOPERS LLP (“PwC”) TO RSM CHIO LIM LLP (“RSM”)

1. INTRODUCTION

- 1.1 The Directors of the Company refer to the Notice of AGM and the ordinary resolution number 9 in the Notice of AGM relating to the Proposed Change of Auditors.
- 1.2 The purpose of this Addendum is to provide Shareholders with information relating to the Proposed Change of Auditors, and to seek Shareholders’ approval in respect of the same at the AGM.
- 1.3 The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained or opinions expressed in this Addendum.

2. THE PROPOSED CHANGE OF AUDITORS

2.1 Background and Rationale

At the last annual general meeting of the Company held on 30 October 2020, PwC was re-appointed as auditors of the Company to hold office until the close of the next annual general meeting of the Company. PwC has been the auditors of the Group since 25 July 2003.

As part of its ongoing corporate governance initiatives as well as to manage its overall business costs and expenses amidst the current business climate, the Board is of the view that it would be appropriate and timely to effect a change of auditors and to appoint RSM as auditors of the Company for the following financial year ending 30 June 2022. The Board, the Audit Committee and PwC mutually agreed that it would be in the interests of both, the Company and PwC, not to continue the appointment due to cost considerations.

The Audit Committee, in reviewing and deliberating on the suitability of other firms, had evaluated proposals from other audit firms and had taken into consideration the Audit Quality Indicators Framework issued by ACRA, as well as the criteria for the evaluation and selection of external auditors contained in the Guidebook for Audit Committees in Singapore, including various factors such as the adequacy of resources and experiences of the audit firm to be selected and the audit engagement partner to be assigned to the audit, the audit firm's other engagements, the size and complexity of the Group, and the number and experience of supervisory and professional staff to be assigned. After evaluation, the Audit Committee recommended the appointment of RSM as auditors of the Company for the financial year ending 30 June 2022. The quality and scope of audit services to be provided by RSM will be comparable to the services currently provided by PwC.

The Audit Committee had also made inquiries on whether the audit engagement partner has been subject to the PMP, and was informed the audit engagement partner has not been subject to a PMP review by ACRA.

The Board has taken into account, *inter alia*, that the Proposed Change of Auditors is estimated to result in cost savings of approximately S\$55,000 in audit fees based on the previous audit fees for FY2021, the Audit Committee's recommendation and the factors taken into consideration by the Audit Committee in its evaluation, and are satisfied that RSM is the best suited to meet the existing needs and audit requirements of the Group and does not expect the reduction in cost to affect the quality and scope of the audit to be undertaken by RSM. The Board has therefore accepted the Audit Committee's recommendation to appoint RSM as auditors of the Company, subject to the approval of the Shareholders at the AGM.

RSM had, on 7 October 2021, given its written consent to act as auditors of the Company, subject to the approval of the Shareholders at the AGM. Pursuant to Rule 712(3) of the Listing Manual, the appointment of RSM as the auditors of the Company must be specifically approved by Shareholders at a general meeting. The appointment of RSM will therefore take effect upon obtaining the approval of the same by Shareholders at the AGM and, if appointed, RSM will hold office until the conclusion of the next AGM.

The Board wish to express their appreciation for the past services rendered by PwC.

2.2 Information on RSM and the Audit Engagement Partner

About RSM

RSM Chio Lim LLP is part of the international RSM network of independent public accounting firms providing assurance, tax and business advisory services. The international RSM network has over 820 offices worldwide and over 48,000 global staff strength. It is the 6th largest global provider of audit, tax and accounting services, and each line of service is staffed with highly qualified and experienced professionals. RSM Chio Lim LLP has experience carrying out audit on companies with broadly similar business activities to the Group.

With a total staff strength of over 90 partners/directors and over 950 and 260 staff in Singapore and China respectively, RSM Chio Lim LLP is ranked the largest accounting and business advisory group outside the big four accounting firms in Singapore. It is also registered with the Public Company Accounting Oversight Board (PCAOB). RSM Chio Lim is approved under the Accountants Act (Chapter 2) of Singapore ("Accountants Act").

For more information about RSM Chio Lim LLP, its core values and services, please visit RSM Chio Lim LLP's website at – <https://www.rsm.global/singapore/>.

About the Audit Engagement Partner

For the purposes of the audit of the Group, the Group audit engagement team of RSM Chio Lim LLP in Singapore will comprise a team of 6 audit professionals. In addition, the audit of the Group will also be reviewed by an audit engagement quality control review partner.

The audit partner-in-charge who will be in charge of the audit is Mr Yeow Thuan Wee (“**Mr Yeow**”). Mr Yeow is a practising member of the Institute of Singapore Chartered Accountants and a public accountant under the Accountants Act, and has more than 15 years of experience in providing audit services to a variety of clients. His professional experience includes providing audit and assurance services to public companies listed on the Singapore Exchange, subsidiaries of multinational corporations listed overseas, and large privately held companies. These companies are in various industries such as property development and management, construction, consumer products, logistics, oil and gas, and retail. Mr Yeow’s professional experience in audit includes carrying out audit on companies with broadly similar business activities to the Group.

The audit partner-in-charge has not been subject to a PMP review by ACRA.

2.3 Requirements under Rule 712 of the Listing Manual

The Board, having taken into account the Audit Committee’s recommendation and various factors, including, *inter alia*, the following:

- (a) the fee structure, the adequacy of the resources and experiences of RSM;
- (b) the audit engagement partner assigned to the audit;
- (c) RSM’s other audit engagements;
- (d) the size and complexity of the Group’s operations; and
- (e) the number and experience of supervisory and professional staff assigned to the audit of the Company and the Group,

are of the opinion that RSM will be able to meet the audit requirements of the Group and that Rule 712 of the Listing Manual has been complied with.

2.4 Requirements under Rule 715 of the Listing Manual

The Board confirms that pursuant to Shareholders’ approval of the Proposed Change of Auditors, RSM will become the auditors of the Company as well as its Singapore-incorporated subsidiaries and significant associated companies. As at the Latest Practicable Date, the Company does not have any significant associated companies.

The Board also confirms that the Company’s subsidiaries that are incorporated in New Zealand will be audited by the member firm of RSM International, of which RSM New Zealand is a member.

Accordingly, the Company confirms that Rule 715 of the Listing Manual has been complied with and/or will be complied with upon obtaining Shareholders’ approval for the Proposed Change of Auditors.

2.5 Requirements under Rule 1203(5) of the Listing Manual

In accordance with the requirements under Rule 1203(5) of the Listing Manual:

- (a) the outgoing auditors, PwC, has confirmed that they are not aware of any professional reasons why RSM should not accept the appointment as auditors of the Company;

- (b) the Company confirms that there were no disagreements with the outgoing auditors, PwC, on accounting treatments within the last twelve (12) months;
- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders;
- (d) the specific reasons for the Proposed Change of Auditors are disclosed in Section 2.1 of this Addendum; and
- (e) as mentioned in Sections 2.3 and 2.4 above, the Company confirms that Rules 712 and 715 of the Listing Manual in relation to the appointment of RSM as the new auditors of the Company are complied with.

2.6 Nomination Notice

Pursuant to Section 205 of the Companies Act, a copy of the notice of nomination of the proposed new auditors of the Company dated 6 October 2021 from a Shareholder (“**Notice of Nomination**”) is attached in the Appendix to this Addendum.

3. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

Directors’ Interests

The shareholdings of the Directors, as extracted from the Register of Directors’ Shareholdings as at the Latest Practicable Date are as follows:

Directors	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Andrew Tay Gim Chuan	–	–	–	–	–	–
Mah Bow Tan ⁽²⁾	24,000,000	8.73	600,000	0.22	24,600,000	8.95
Stanley Tan Poh Leng	9,732,900	3.54	–	–	9,732,900	3.54
Ng Tiong Gee	5,250	0.0019	–	–	5,250	0.0019
Pang Yoke Min	29,353,740	10.68	–	–	29,353,740	10.68
Loo Wen Lieh	–	–	–	–	–	–

Notes:

- (1) The percentage of shareholdings is computed based on the issued and paid-up capital of the Company comprising 274,920,818 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Mah Bow Tan is deemed interested in the 600,000 Shares of the Company held by his spouse, Dr. Sheryn Mah, by virtue of Section 164 of the Companies Act.

Substantial Shareholders’ Interests

The shareholdings of the Substantial Shareholders, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Substantial Shareholders						
Mah Bow Tan ⁽²⁾	24,000,000	8.73	600,000	0.22	24,600,000	8.95
Pang Yoke Min	29,353,740	10.68	–	–	29,353,740	10.68
Kathlyn Tan Jiling ⁽³⁾	12,000,000	4.36	10,200,000	3.71	22,200,000	8.08
Yong Yin Min	26,313,690	9.57	–	–	26,313,690	9.57
Oregold Pte Ltd	23,021,400	8.37	–	–	23,021,400	8.37
Goi Seng Hui ⁽⁴⁾	23,786,219	8.65	23,021,400	8.37	46,807,619	17.03

Notes:

- (1) The percentage of shareholdings is computed based on the issued and paid-up capital of the Company comprising 274,920,818 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Mah Bow Tan is deemed interested in the 600,000 Shares of the Company held by his spouse, Dr. Sheryn Mah, by virtue of Section 164 of the Companies Act.
- (3) Kathlyn Tan Jiling holds a 50% shareholding interest in Rumah Group Pte Ltd and is therefore deemed to be interested in the 10,200,000 Shares of the Company held by Rumah Group Pte Ltd by virtue of Section 4 of the SFA.
- (4) Goi Seng Hui is the sole shareholder of Oregold Pte Ltd and is therefore deemed to be interested in the 23,021,400 Shares of the Company held by Oregold Pte Ltd by virtue of Section 4 of the SFA.

4. AUDIT COMMITTEE'S RECOMMENDATION

The Audit Committee has reviewed the Proposed Change of Auditors and recommends the appointment of RSM in place of PwC to the Directors, having satisfied itself of the suitability of RSM and ensuring compliance with the requirements of the Listing Manual.

5. DIRECTORS' RECOMMENDATION

The Board, having fully considered, *inter alia*, the rationale and benefit of the Proposed Change of Auditors and the recommendation of the Audit Committee, are of the opinion that the Proposed Change of Auditors is in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of the ordinary resolution in respect of the Proposed Change of Auditors at the AGM.

6. ANNUAL GENERAL MEETING

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the AGM will be held by way of electronic means on 29 October 2021 at 10.00 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out therein.

Printed copies of the Notice of AGM, this Addendum and the Proxy Form will not be sent to Shareholders. Instead, the Notice of AGM, this Addendum and the Proxy Form may be accessed at the Company's website at <https://www.gypproperties.com/investor-centre>. The Notice of AGM,

this Addendum and the Proxy Form are also available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders are to note that due to the current COVID-19 restriction orders in Singapore, Shareholders will **NOT** be able to attend the AGM in person.

Alternative Arrangements

Alternative arrangements have been made by the Company to allow Shareholders to participate at the AGM via electronic means.

Such alternative arrangements include arrangements by which the meeting can be electronically accessed via live audio-visual webcast or audio-only stream only, submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the chairman of the AGM as proxy at the AGM, as set out in the Company's accompanying announcement dated 14 October 2021. The announcement may be accessed at the Company's website at <https://www.gypproperties.com/investor-centre> or on SGXNet at <https://www.sgx.com/securities/company-announcements>.

Shareholders should refer to the Company's announcement dated 14 October 2021, which has been published together with this Addendum and uploaded on SGXNet, for further information, including the steps to be taken by the Shareholders to participate at the AGM.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the Proposed Change of Auditors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading. Where information in this Addendum has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Addendum in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 1 Lorong 2 Toa Payoh, Braddell House, Singapore 319637 during normal business hours on any weekday (public holidays excepted) from the date of this Addendum up to and including the date of the AGM:

- (a) the Constitution of the Company;
- (b) the Annual Report of the Company;
- (c) the professional clearance letter from PwC to RSM dated 4 October 2021;
- (d) the letter of consent from RSM dated 7 October 2021; and
- (e) the Notice of Nomination from a shareholder.

Yours faithfully,
For and on behalf of the Board of Directors of
GYP PROPERTIES LIMITED

Stanley Tan Poh Leng
Chief Executive Officer and Executive Director

APPENDIX - NOTICE OF NOMINATION

6 October 2021

GYP Properties Limited

1 Lorong 2 Toa Payoh,
Braddell House,
Singapore 319637

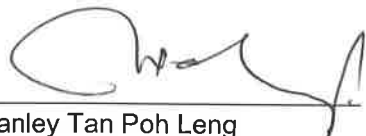
Attention: The Board of Directors

Dear Sirs,

RE: NOTICE OF NOMINATION

Pursuant to section 205(11) of the Companies Act (Cap. 50) of Singapore, I, Stanley Tan Poh Leng, in my capacity as member of GYP Properties Limited (the "**Company**"), hereby give notice of my nomination of Messrs RSM Chio Lim LLP of 8 Wilkie Road, #03-08 Wilkie Edge, Singapore 228095 for appointment as Auditors of the Company in place of the retiring auditors, Messrs PricewaterhouseCoopers LLP of 7 Straits View, Marina One, East Tower, Level 12, Singapore 018936 at the forthcoming Annual General Meeting of the Company to be held on 29 October 2021 or at any adjournment thereof.

Yours faithfully,



Stanley Tan Poh Leng
Member, GYP Properties Limited