

GYP PROPERTIES LIMITED
(Company Registration No. 200304719G)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT PURSUANT TO RULE 704(18)(C) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

- **COMPLETION OF THE DISPOSAL OF SHARES IN YELLOW PAGES PTE. LTD.**
 - **SETTLEMENT OF OWINGS BY YELLOW PAGES PTE. LTD.**
-

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**”) of GYP Properties Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that, it has on 16 August 2019 entered into a sale and purchase agreement (“**SPA**”) with YPPY Pte. Ltd. (the “**Purchaser**”) pursuant to which the Company agrees to sell and the Purchaser agrees to purchase from the Company (i) 60,000 ordinary shares (“**Sale Shares**”) in the capital of Yellow Pages Pte. Ltd. (“**YPPL**” or “**Sale Company**”); and (ii) certain intellectual property rights (“**IP Rights**”) (the “**Proposed Disposal**”).

The Company is also pleased to announce that the completion of the Proposed Disposal (“**Completion**”) took place today. Following Completion, YPPL ceased to be an associated company of the Company.

- 1.2 In addition, the Company also wishes to announce that it has on Completion entered into a settlement deed (“**Settlement Deed**”) with the Sale Company and the Purchaser, for the settlement of the YPPL Debt (as defined in paragraph 4 below) owing by the Sale Company to the Company pursuant to a licensing agreement dated 31 July 2017 (“**Settlement**”).

2. INFORMATION RELATING TO THE PROPOSED DISPOSAL

2.1 Rationale for the Proposed Disposal

The Proposed Disposal is part of the Company’s strategy to focus on its core business of property development and management, property-related investments, and holding of investments in property-related assets (“**Property Business**”).

The Proposed Disposal would free up the Group’s resources and capital to further develop and grow its core Property Business.

The Company intends to utilise the net proceeds from the Proposed Disposal for general working capital purposes of the Group.

2.2 The Purchaser

The Purchaser, an independent third party, is a company incorporated in Singapore for the purposes of this transaction.

3. CONSIDERATION FOR THE PROPOSED DISPOSAL

- 3.1 The consideration for the Proposed Disposal is S\$65,000 (the “**Consideration**”) and was arrived at following arm’s length negotiations on a willing-buyer, willing-seller basis, taking into consideration

factors such as, rationale (as set out in paragraph 2.1 above), existing assets, financial position and losses of the Sale Company.

3.2 The Consideration sum of S\$65,000.00 has been paid to the Company.

3.3 The net asset value of the Sale Shares and the IP Rights as at 31 March 2019 is nil as these assets had earlier been fully impaired.

4. **INFORMATION RELATING TO THE SETTLEMENT DEED**

As at the date of the SPA, there are certain outstanding owings due and payable by the Sale Company to the Company ("**YPPL Debt**"). Pursuant to the Settlement Deed, both YPPL and the Purchaser covenanted to settle the YPPL Debt on an instalment basis which will be secured by, *inter alia*, a first fixed charge granted by the Purchaser on the Sale Shares and IP Rights.

5. **FINANCIAL EFFECTS**

The Proposed Disposal and the Settlement is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ended 30 June 2020.

The Company will make such further announcement(s) on the Settlement as and when appropriate.

By Order of the Board
GYP PROPERTIES LIMITED

Lee Wei Hsiung
Company Secretary
16 August 2019