

Towards **Resilient** Growth

Annual Report 2017

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VISION

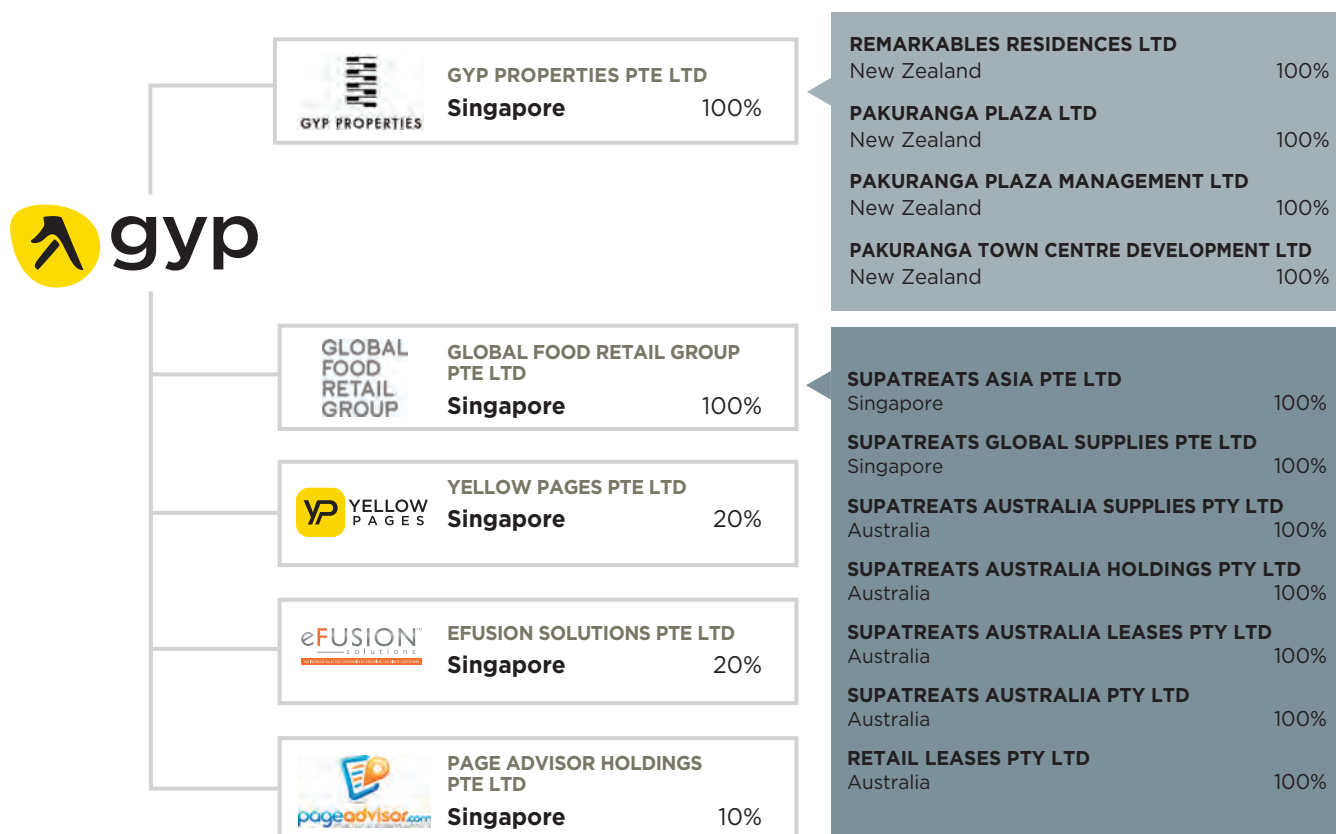
Building a sustainable property company.



Towards **Resilient** Growth

A little over three years ago, Global Yellow Pages embarked on a strategic move to diversify its portfolio, investing into both the property and food & beverage sectors. In the face of strong competition, property assets increased from \$11 million to \$126 million during this period.

On 1 August 2017, the final edition (2018) of the Yellow Pages print directories was announced, alongside the licensing of its brand and digital, data and online offerings to Yellow Pages Pte Ltd. With the commitment to growth, the Group continues to search for investment opportunities that will strengthen its core in property and boost long term profitability.

**Note:**

This excludes companies which were dormant during the year. For a full list of subsidiaries & associated companies, please refer to note 41 of the Financial Statements.

Global Yellow Pages Limited (“GYP” or “the Group”) was listed on the Singapore Stock Exchange in 2004. The Group has continued to not only diversify, but also transform its business and to build a stronger and more resilient company.

On 31 July 2017, GYP entered into a joint venture with Yellow Pages Pte Ltd (“YP”) for digital directories, data and online offerings under a license granted by GYP. The Group will have a 20% stake in YP and a 10% stake in Page Advisor Holdings (“PAH”), which is also a shareholder in YP. GYP’s interest in YP and PAH, which was founded by online entrepreneur Fabian Lim, allows the Group to participate and benefit from the potential growth and success of YP and PAH in the digital sphere.

The Group has been diversifying its business into real estate as its core business. As a result of these efforts, the real estate segment has been the biggest contributor to the Group’s revenue and total assets since FY2016. GYP Properties Pte Ltd (“GYP Properties”), a wholly owned subsidiary of GYP, owns Pakuranga Plaza shopping mall, a freehold property in Auckland, New Zealand with a total built up area of 39,187 square metres and a gross lettable area of 29,804 square metres. The property offers retail and office space comprising a shopping mall (including the four 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.

In 2016, GYP Properties further invested in a plot of freehold land in Queenstown, New Zealand, and received resource consent from Queenstown Lakes District Council to construct 225 residential dwellings. It launched phase one of this residential project, Remarkables Residences, in June 2017 with a full display suite at Five Mile Centre, Queenstown.

In the food & beverage sector, the Group owns Wendy’s Milk Bar brand and franchise business (“Wendy’s”) and licenses the use of the brand. Wendy’s is an iconic brand of ice cream and treats with a network of over 150 stores across Australia and New Zealand. Global Food Retail Group (“GFRG”), a wholly owned subsidiary of GYP, completed its acquisition of Supatreats Asia Pte Ltd Group (“SAPL Group”) on 1 January 2016. SAPL Group owns the master franchisor rights for Wendy’s in Australia and New Zealand and operates the supply chain business of the Wendy’s brand in Australia.

DIRECTORS

Mah Bow Tan
(Non-Executive Chairman & Independent Director)

Stanley Tan Poh Leng
(Chief Executive Officer & Non-Independent Executive Director)

Ng Tiong Gee
(Non-Executive & Independent Director)

Pang Yoke Min
(Non-Executive & Non-Independent Director)

Andrew Tay Gim Chuan
(Non-Executive & Independent Director)

JOINT COMPANY SECRETARIES

Lee Wei Hsiung
Joanna Lim Lan Sim

COMPANY REGISTRATION NUMBER

200304719G

**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

1 Lorong 2 Toa Payoh
Yellow Pages Building
Singapore 319637
Tel : (65) 6351 1000
Fax : (65) 6354 3828
Email : ir@gyp.com.sg
Web : www.gyp.com.sg

SHARE REGISTRAR AND TRANSFER AGENT

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

AUDITORS

PricewaterhouseCoopers LLP
Certified Public Accountants
8 Cross Street
#17-00 PWC Building
Singapore 048424
Audit Partner: Chua Lay See
Year of Appointment of Audit Partner: FY2015

AUDIT COMMITTEE

Andrew Tay Gim Chuan
(Chairman)

Pang Yoke Min

Ng Tiong Gee

NOMINATIONS COMMITTEE

Mah Bow Tan
(Chairman)

Ng Tiong Gee

Pang Yoke Min

REMUNERATION COMMITTEE

Ng Tiong Gee
(Chairman)

Mah Bow Tan

Pang Yoke Min

Stanley Tan Poh Leng

EXECUTIVE COMMITTEE

Stanley Tan Poh Leng

Andrew Tay Gim Chuan

PRINCIPAL BANKERS

Hong Leong Finance Limited
16 Raffles Quay
#01-05 Hong Leong Building
Singapore 048581

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Westpac New Zealand Limited
16 Takutai Square
Westpac On Takutai Square
Auckland 1010
New Zealand

Our goal is to provide timely, accurate and clear information to our shareholders and the investing public. This is in line with our belief of achieving and demonstrating high standards in corporate governance and transparency.

We use various platforms for dissemination of information to the investing public. Amongst other things, our investor relations policy provides that:

- All important and relevant information are published immediately via the Singapore Exchange Securities Trading Limited ("SGX-ST") website, www.sgx.com;
- All investors and stakeholders have opportunity to gain insight into the matters communicated by the Group in a clear and explicit manner;
- Meetings are arranged between management and shareholders or analysts but such meetings will not release information not otherwise published or publicly available; and
- Quarterly reports are published in a timely manner.

We invite the media and the investing community as necessary and provide updates on our financial and operational performance and our future plans.

In addition, we hold an Annual General Meeting and Extraordinary General Meetings as necessary, to provide all shareholders with opportunities for direct interaction with our management.

Our annual report serves to provide shareholders with a deeper understanding of our business strategies and financial and operational performance. To ensure our shareholders have timely and ready access to our annual report, we post it on our website in tandem with its physical distribution.

We are committed and will continue to engage in active communication with our shareholders to ensure that we act consistently in their best interests.

SGX-ST Listing

Global Yellow Pages Limited has been listed on the SGX-ST since 9 December 2004. More information can be found on the SGX-ST website www.sgx.com.

Shareholders and Analysts Enquiries

We value your feedback and enquiries. Please contact us at:

Global Yellow Pages Limited
1 Lorong 2 Toa Payoh
Yellow Pages Building
Singapore 319637
Tel : (65) 6351 1000
Fax : (65) 6354 3828
Email : ir@gyp.com.sg
Web : www.gyp.com.sg

Financial Calendar FY2017

2016

28 OCT 13th Annual General Meeting

11 NOV FY2017 Q1 Results Release

2017

14 FEB FY2017 Q2 Results Release

12 MAY FY2017 Q3 Results Release

25 AUG FY2017 Full Year Results Release



Board of Directors



Left to right: Pang Yoke Min, Stanley Tan, Mah Bow Tan, Ng Tiong Gee and Andrew Tay

MAH BOW TAN

**Non-Executive Chairman
Chairman, Nominations Committee
Member, Remuneration Committee**

Mah Bow Tan has served in the Government, holding various portfolios until his retirement from government in May 2011. His involvement and experience spans the private and public sectors. In the private sector, he has been with Singapore Bus Services (SBS), Singapore News and Publications Ltd (SNPL) and Singapore Press Holdings Ltd (SPH).

Mr Mah has served the Labour Movement in various capacities. He worked closely with the National Transport Workers Union as General Manager in the former SBS, and was Chairman of NTUC Comfort Cooperative Limited; Chairman of the Productivity Board; Chairman of the Singapore Institute of Labour Studies (now the Ong Teng Cheong Labour Leadership Institute); and Chairman of the Singapore Labour Foundation (2002 to 2011).

His awards include the Medal of Honour awarded by the National Trades Union Congress, and the Alumni Award for Achievement from University of New South Wales for his outstanding contribution to public service in Singapore. He has also been conferred an Honorary Doctor of Science degree by the University of New South Wales.

Mr Mah was awarded the President's and Colombo Plan Scholarships to study at the University of New South Wales, Australia, graduating with First Class Honours in Industrial Engineering in 1971 and a Master of Engineering degree in Operations Research in 1973. Mr Mah was appointed Director of GYP on 30 September 2011 and re-elected on 30 October 2015. He is the Chairman of the Nominations Committee and a member of the Remuneration Committee.

STANLEY TAN

Chief Executive Officer
Member, Remuneration Committee
Member, Executive Committee

Stanley Tan founded Magazines Incorporated in 1978 which under his leadership, became the largest media representation house in South East Asia and among the largest lifestyle magazine publishers in Singapore. Magazines Incorporated was later restructured into an investment unit, Angliss Property Group (Australia) Pty Ltd which has interests in media- and paper-related businesses, as well as industrial estates and townships in various parts of Australia. He has remained a Director of the company.

Stanley is also Founder and Director of a Singapore investment vehicle, Global Media Holdings, which has a strategic stake in GYP.

Stanley was appointed to the Board of GYP on 6 February 2007 and re-elected on 30 October 2015. He was later appointed Chairman on 25 July 2008, as well as Executive Chairman and Acting Chief Executive Officer on 11 February 2009. Stanley was confirmed as Chief Executive Officer on 30 September 2011. He is currently a member of both the Remuneration and Executive Committees.

ANDREW TAY

Chairman, Audit Committee
Member, Executive Committee

Andrew Tay has spent more than 20 years of his career in Corporate and Institutional Banking covering South East Asia with Bank of America, Standard Chartered Bank and Commerzbank AG.

Andrew was previously the Regional Head of Institutional Banking for South East Asia and India, covering bank and non-bank financial institutions for Standard Chartered Bank. From 2001 to 2003, he was the Executive Director of ABR Holdings Limited which is listed on the Singapore Exchange.

Andrew graduated with a Bachelor of Business Administration from the University of Singapore in 1978. He was appointed Director of GYP on 12 December 2007 and re-elected on 28 October 2016. He is Chairman of the Audit Committee and Member of the Executive Committee.

PANG YOKÉ MIN

Member, Nominations Committee
Member, Remuneration Committee
Member, Audit Committee

Pang Yoke Min is the Executive Chairman of Pacific Radiance Ltd, an offshore marine company involved in shipbuilding, ship-owning and chartering for the marine, oil and gas industries. He is also Chairman of YM Investco Pte Ltd, a family investment holding company.

Previously, he was Group Managing Director of Jaya Holdings Ltd from 1981 to 2006. Yoke Min was appointed Director of GYP on 6 February 2007 and re-elected on 30 October 2015. He is a member of the Audit, Nominations and Remuneration Committees.

NG TIONG GEE**Chairman, Remuneration Committee****Member, Nominations Committee****Member, Audit Committee**

Ng Tiong Gee is currently Chairman of Yellow Pages Pte Ltd which was incorporated in July 2017 with licensed rights to the Yellow Pages digital product offerings. Between 2013 to 2016, he was the Senior Vice President for Technology of Resorts World Sentosa. He was the Chief Information Officer, as well as, the Chief Human Resource Officer of United Test and Assembly Center Ltd from 2008 to 2013, before he joined Resorts World Sentosa. Prior to that, Tiong Gee was with STATS ChipPAC in 2001 and was its Senior Vice President of Human Resources and Chief Information Officer until 2008. Between 1988 and 1992, he held various key engineering positions at Digital Equipment Singapore, now part of Hewlett-Packard. He then went on to work at Siemens Microelectronics Asia Pacific Pte Ltd (now known as Infineon Technologies Asia Pacific) for over six years where he last served as Director of Information Systems and Services. From 1999 to 2001, he was the Chief Information Officer of Gateway Incorporated, heading the company's IT activities in Asia Pacific.

Tiong Gee is an independent director of Y Ventures Group Ltd and Chairman of its Nominations Committee. He is also currently the lead independent director of Pacific Radiance Ltd and is the Chairman of its Nominations Committee and a member of its Remuneration Committee. He graduated with a Bachelor of Mechanical Engineering with Honours from the National University of Singapore and holds a Master of Business Administration from Nanyang Technological University of Singapore. He has also attended the Advanced Management Program at Harvard Business School.

Tiong Gee was appointed Director of GYP on 6 August 2007 and re-elected on 30 October 2015. He is the Chairman of the Remuneration Committee and a member of the Nominations and Audit Committees.

Towards **Resilient** Growth



A stylized, handwritten signature in white ink.

MAH BOW TAN
Non-Executive Chairman and
Independent Director



A stylized, handwritten signature in white ink.

STANLEY TAN POH LENG
Chief Executive Officer and
Executive Director

Dear Shareholders,

After a rollercoaster year of dramatic events in 2016 which affected the global economic landscape, 2017 seems to be no different. The past two years saw significant uncertainty in the global economic and financial system with the UK Brexit decision and US President Trump's America First policy.

Things are looking positive on the local front. The Ministry of Trade and Industry announced that the Singapore economy grew by 2.5 per cent in Q2 of 2017, boosted by the growth in manufacturing and services. Singapore's economy is expected to remain strong this year, thanks primarily to the continued stamina of the manufacturing sector.

Like many local businesses, it has been a tough and trying time for GYP. However, we have remained resilient, making painful yet crucial changes, despite being buffeted by strong headwinds.

Focusing on Real Estate

GYP Properties completed a NZD 96 million acquisition of Pakuranga Plaza in Auckland, New Zealand in May 2015. Since then, we have embarked on exciting plans to redevelop the property to achieve the Pakuranga community's vision for an integrated town centre.

In November 2016, GYP Properties acquired 3.84 hectares of greenfield land in Queenstown, New Zealand for NZD 19.2 million. Remarkables Residences, a development comprising 225 architecturally designed terraced homes located at the foot of The Remarkables mountain range, was launched for sale in June 2017. Phase one of the Remarkables Residences project is expected to be completed in 2019.

In the F&B sector, Global Food Retail Group has further developed Wendy's Milk Bar. Wendy's, an iconic Australian brand with a 38-year heritage, has a large network of stores in Australia and New Zealand. The acquisition of Supatreats Asia Pte Ltd ("SAPL") on 1 January 2016 has expanded the Group's foothold into the retail master franchisee and supply chain business.

GYP's venture into the property and F&B sectors has contributed positively to the Group's results. For FY2017, the Group's revenue was S\$27.1 million, an increase of S\$1.6 million or 6.3% compared to S\$25.5 million for last year. This increase in revenue was due mainly to revenue contribution from SAPL Group, which was acquired on 1 January 2016.

Realigning Our Core

The search business has been declining significantly year-on-year. As a result, the Group concluded that ceasing its print directories from 2018 and restructuring the digital business would have a positive impact on the business. As part of the restructure and to meet consumers' inclination towards online platforms, GYP entered into a license agreement with Yellow Pages Pte Ltd ("Licensee") in July 2017 to handle digital directories, data and online offerings.

GYP has a 20% stake in the Licensee and a 10% stake in Page Advisor Holdings ("PAH"), which is also a shareholder in Licensee. GYP's interest in Licensee and PAH, which is founded by online entrepreneur Fabian Lim, allows the Group to participate and benefit from the potential growth and success of the Licensee and PAH in the digital sphere, while it focuses on its real estate core business. Fabian Lim and PAH will have a combined 45% stake in the Licensee.

GYP recorded an adjusted net profit of \$2.7 million excluding non-cash items and including discontinued operations for FY2017. While 2017 has seen one of the most drastic business transformations for the Group, we are confident that we will be stronger in the coming years.

We would like to take this opportunity to thank our shareholders for keeping faith with GYP, and express our gratitude to our Board colleagues for their unwavering support, guidance and invaluable counsel in steering the Group. We would also like to express our gratitude to our staff, especially those who have been affected by the ceasure of the print directories and the revamp of the digital business, for their many years of hard work and contributions to the company.

Management Team



STANLEY TAN
Chief Executive Officer

Stanley Tan is a Director and Founder of investment company Global Media Holdings, which has a strategic stake in Global Yellow Pages Limited. He is also a director of the Angliss Property Group, which deals in property investment in Australia. His appointment to the Board of Global Yellow Pages Limited took place in February 2007 and he was subsequently elected as Chairman on 25 July 2008. He was appointed Executive Chairman and Acting Chief Executive Officer on 11 February 2009. Stanley was then appointed as Chief Executive Officer on 30 September 2011.

He has spent his years in business covering various sectors including media and publishing, property development and investments, hotels and hotel management.



CHUA JOAN KEAT
Chief Financial Officer

Chua Joan Keat was appointed the Chief Financial Officer of the Group in January 2014. He has over 21 years of financial management, investment, regulatory reporting and technical accounting experience in the Big 4 accounting firms and various multinational companies.

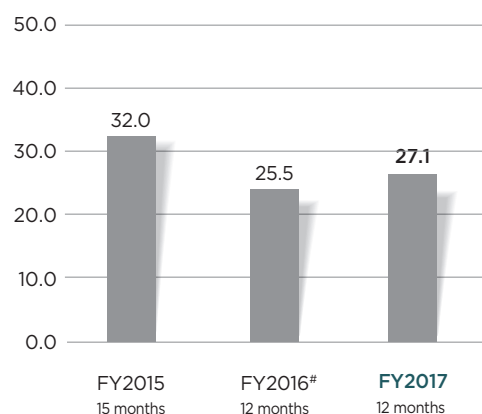
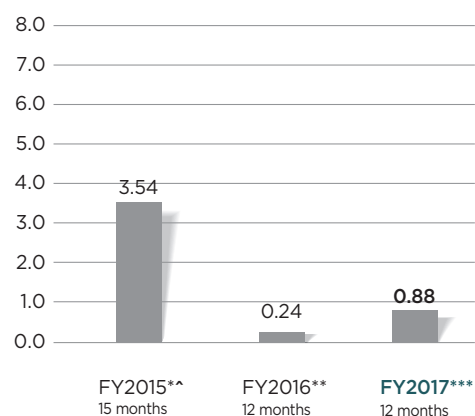
Joan Keat graduated with a Bachelor of Accountancy Degree (First Class Honours) from Nanyang Technological University in 1996 and is a Chartered Accountant with the Institute of Singapore Chartered Accountants, a Chartered Accountant with the Chartered Accountants Australia and New Zealand, and a Chartered Financial Analyst (CFA).



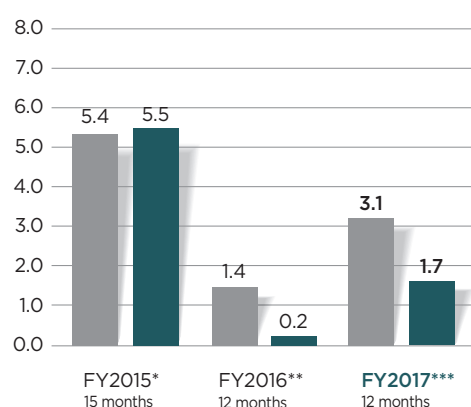
KATHLYN TAN
Head of Marketing,
GYP Properties

Kathlyn Tan first joined the company in June 2011 and has worked in various units across the Group doing business development and project management. In November 2016, she was appointed as Head of Marketing for GYP Properties.

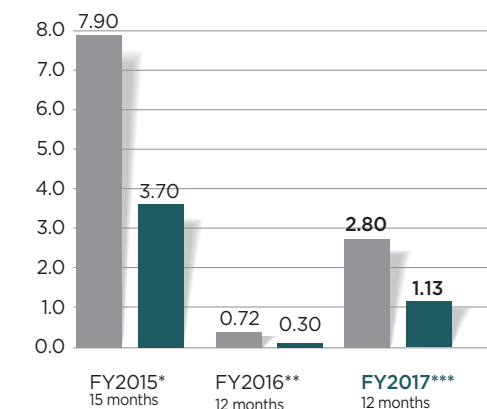
She graduated with a Bachelor of Economics from the University of Sydney and holds a Graduate Certificate in Strategic Public Relations.

Revenue (\$'Million)**Earnings Per Share (cents)**

Basic and diluted

Profit Before Tax
Profit After Tax (\$'Million)


Profit Before Tax Profit After Tax

Return On Equity/Return On Assets (%)

Return On Equity Return On Assets

[#] Adjusted for revenue on discontinued operations of eFusion.

^{*} Adjusted for one-off non-cash impairments of intangible assets with indefinite useful life of \$45.1 million and \$22.8 million for investment in an associated company.

^{**} Adjusted for net loss on discontinued operations of SRE and eFusion of \$5 million, the non-cash Yamada related net expenses of \$4.2 million and fair value losses on investment properties of \$3.4 million.

^{***} Adjusted for profit on discontinued operation of SRE and eFusion of \$1.1 million, fair value losses on investment properties of \$3.2 million and non-cash impairments of intangible assets of \$1.2 million.

[^] Comparative basic and diluted earnings per share have been adjusted to reflect the effect of share consolidation and rights issue during FY2015.

The Group's revenue from continuing operations for 12MFY17 was S\$27.1 million, an increase of S\$1.6 million or 6.3% as compared to the corresponding period last year. The increase was due mainly to revenue contribution from Supatreas Asia Pte Ltd ("SAPL") which was

acquired on 1 January 2016, partly offset by a decrease in revenue from the search business.

Other income mainly relates to rental income generated from the Yellow Pages Building.

Other gains of S\$1.2 million in 12MFY17 included S\$0.3 million gain on disposal of available-for-sale financial assets and S\$0.5 million unrealised revaluation foreign exchange gain. Other losses of S\$4.1 million included S\$3.2 million non-cash fair value losses from investment properties.

Total expenses of S\$28.6 million were S\$2.2 million or 7.1% lower than the corresponding period last year. Professional and consultancy fees decreased by S\$2.1 million due to lower legal costs. The inclusion of SAPL expenses which was acquired in 1 January 2016 contributed to the increase in cost of ice-cream and related goods of S\$1.9 million, marketing, advertising and promotion expenses increase of S\$1.6 million and staff cost increase of S\$0.8 million. There was a S\$1.2 million non-cash impairment of intangible assets relating to trademarks in 12MFY17. Other expenses comprising telecommunication expenses, temporary and outsourced services, insurance expenses, vehicle related and distribution expenses, business development expenses, technical and licensing fees and other miscellaneous expenses, decreased by S\$0.8 million in 12MFY17 compared to 12MFY16 due mainly to lower supplies and services and temporary and outsourced services.

Income tax expense of S\$1.4 million for 12MFY17 was higher by S\$0.3 million as compared to 12MFY16 due to higher taxable income from Pakuranga Plaza Limited ("PPL").

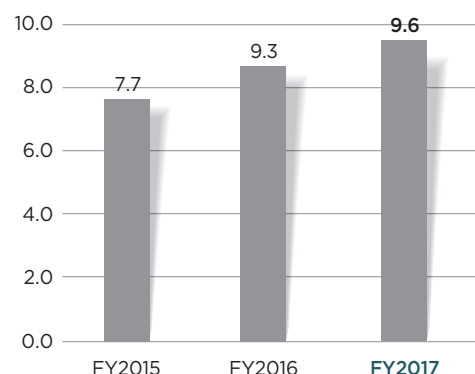
Profit from discontinued operations was S\$1.1 million in 12MFY17 as compared to a loss of S\$5.0 million in 12MFY16. This was due to an impairment of assets of S\$5.6 million arising from the discontinued operations of SRE in 12MFY16.

As a result, the Group posted a reduced net loss of S\$1.7 million for 12MFY17 compared to net loss of S\$12.4 million in the corresponding period last year. Excluding the non-cash fair value losses on investment properties and impairment of intangible assets and including discontinued operations, the Group would have posted an adjusted net profit of S\$2.7 million for 12MFY17.

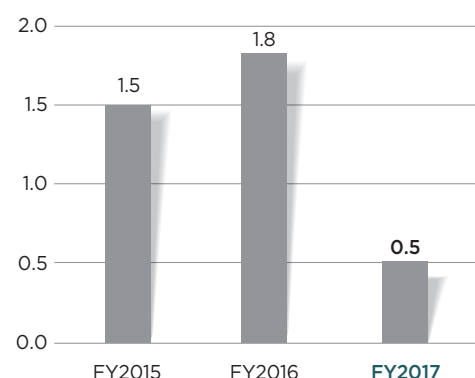
The Group's cash and cash equivalents increased by S\$0.3 million from 30 June 2016 to S\$9.6 million as at 30 June 2017 due mainly to proceeds from disposal of available-for-sale financial assets, proceeds from issuance of shares, and proceeds from new borrowings which is offset partially by cash used for the acquisition of land in Queenstown, New Zealand, other property development costs and repayment of borrowings and interest.

Development properties of S\$22.0 million mainly comprised cost of land acquired in Queenstown, New Zealand and other development costs that were capitalised.

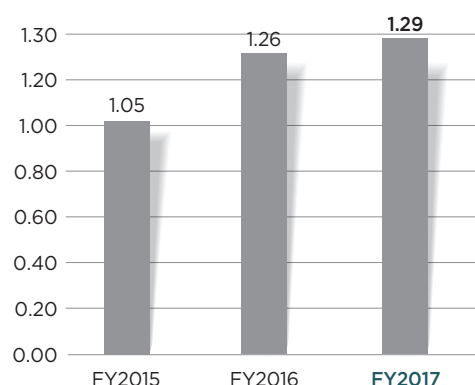
Cash & Cash Equivalents (\$'Million)



Current Ratio (Times)



Debt/Equity Ratio (Times)



Other current assets increased by S\$1.4 million due mainly to deposits paid for property development.

Available-for-sale financial assets decreased by S\$6.4 million following the disposal of shares held in Yamada.

The increase of S\$1.8 million in investment properties was due to the strengthening of the New Zealand dollar in relation to Pakuranga Plaza shopping mall and six adjacent residential units in Auckland, which was offset by the fair value losses of S\$3.2 million.

Trade and other payables decreased by S\$1.3 million due mainly to timing differences.

Borrowings increased by S\$9.1 million due mainly to a new loan for the acquisition of land in Queenstown, New Zealand.

Current income tax liabilities increased by S\$0.7 million mainly due to provision for tax for current year.

Net current liabilities of S\$38.9 million was due mainly to S\$65.9 million of borrowings maturing in October 2017. The borrowings are secured on Pakuranga Plaza shopping mall and the land in Queenstown. The Company is in the process of refinancing these borrowings before the maturity date.

Net assets were S\$63.0 million as at 30 June 2017 compared to S\$57.2 million as at 30 June 2016.



Products and Services

Global Yellow Pages has diversified into the real estate business in recent years. In 2015, it invested in Pakuranga Plaza, a shopping mall with development land on a 3.9 hectare freehold site in Auckland, New Zealand. Plans are underway to maximise its development potential.

In 2016, the Group further invested in a plot of freehold land in Queenstown, New Zealand, and received resource consent from Queenstown Lakes District Council to construct 225 residential dwellings. It launched phase one of this residential project, Remarkables Residences, in June 2017.

Global Food Retail Group, a subsidiary of GYP, continues to strengthen its Wendy's brand which the group purchased in September 2014. This acquisition is income accretive and brings value to our stakeholders by capitalising on opportunities in the food and beverage industry through our franchise network of over 150 stores across Australia and New Zealand.





Pakuranga Plaza

In May 2015, GYP Properties purchased Pakuranga Plaza, a vibrant neighbourhood shopping centre in a prime East Auckland location, 16 kilometres from Auckland's Central Business District. Our vision is to create not just a shopping centre, but a town centre and community hub. A centre that will be further enhanced by retail, commercial, residential and hospitality offerings over the coming decade.





Prime Location

Pakuranga Plaza is ideally located on the corner of two regional arterial roads, Pakuranga Road and Ti Rakau Road, and is near the Tamaki Estuary coastline. It serves as a local town centre, acts as a gateway to the eastern suburbs and is surrounded by established facilities and exciting developments. Pakuranga Plaza is central to Phase II of The Auckland Manukau Transport Initiative which includes a busway from Panmure Station to Pakuranga town centre, a new bus station at Pakuranga town centre, as well as new sets of traffic lights and road infrastructure around the town centre to improve accessibility.

Vibrant Neighbourhood Shopping

Known locally for its easy, stress-free, everyday shopping, Pakuranga Plaza has 28,000 square metres of retail in a mix of internal and strip retail tenancies along with 1,400 carparks. The centre currently sees approximately five million people through its doors annually and is anchored by three well known tenants – Countdown, Farmers and The Warehouse.

In addition to offering a specialty retail mix, Pakuranga Plaza also houses a popular foodcourt and the weekly Auckland Night Market. The centre is also a local business hub with five banks, a NZ Post in the area and the recently refurbished Plaza Tower office, and also includes community amenities such as Pakuranga Library, Howick Local Board and Plunket, which is New Zealand's largest provider of support services for children under five.

Exciting Redevelopment Opportunities

With the recent re-zoning of Pakuranga, GYP purchased adjacent land parcels, providing enhanced redevelopment opportunities for the town centre. GYP's vision is to develop the town centre over the course of the next decade to create an integrated retail development that is complemented by hospitality, commercial, residential and community components.



Remarkables Residences

GYP Properties acquired another project in New Zealand in November 2016 – 3.84-hectares of greenfield land in Queenstown, one of the country's most popular tourist destinations. In June 2017, Remarkables Residences was launched for sale to the public. The Remarkables Residences development comprises of 225 architecturally designed terraced homes located at the foot of The Remarkables mountain range in the up-and-coming Frankton area.





Prime Location

Queenstown is far more than simply a world class ski destination. New Zealand's favourite playground also offers luxury lodges, golf courses, award-winning wineries and iconic adventure tourism operations. With a finite supply of development land, residential properties are in high demand and opportunities to purchase are keenly contested from local, national and offshore interests. Tucked in under The Remarkables mountain range and ski field on the north-eastern shores of Lake Wakatipu, Remarkables Residences has a 360 degree view of the Crown Range, Coronet Peak, Walter Peak and The Remarkables with individual properties having unique views according to position. Remarkables Residences is near the Queenstown Airport and sits next to one of the largest Queenstown commercial and retail developments to date, making it a walking distance to restaurants, bars and comprehensive retail options. The residences are also just a 15-minute drive from central Queenstown, presenting an appealing opportunity to both private owners and investors.

Quality Design

Remarkables Residences offers individuality amidst a community with a variety of house designs and configurations available across the development. The 3 to 5 bedroom terraced homes, some with the option of additional studio and office space, provide many live and rent opportunities for a range of buyers. Quality fixtures and fittings complement refined interiors and regardless of size, each residence is thoughtfully-designed to optimise sun and natural light. Clever landscaping softens the built environment and dedicated park areas offer spots for exploration and interaction with community members. Designed by Auckland-based Ignite Architects, these are modern, well-built, stylish and low-maintenance homes that have been designed for an active social lifestyle within a thriving community.

Development Opportunity

The NZ\$200 million development has started construction in 2017 and will be staged with the first houses scheduled to be completed by 2019. Stages one and two are now on the market with indicative price ranges for these stages between NZ\$860,000 and NZ\$985,000.



Wendy's Milk Bar

As part of GYP's strategic diversification, Global Food Retail Group, a subsidiary of GYP, acquired the Wendy's brand in September 2014. This acquisition is income accretive and brings value to our stakeholders by capitalising on opportunities in the food and beverage industry through our franchise network of over 150 stores across Australia and New Zealand.





Iconic Heritage

Wendy's is an iconic Australian brand with a 38-year heritage and has grown to be one of Australia's largest ice cream and treats franchises. Its award-winning scoop and soft serve ice creams are exclusively developed and produced. Wendy's commitment to product quality stems from the usage of dairy and meat products that are best in class.

Scalable Business Model

Wendy's has a platform for growth with a scalable business model and potential for synergies.

Re-Energised Brand

Wendy's has been rebranded to Wendy's Milk Bar, giving the brand a contemporary makeover to reignite the magic in its home markets, while providing Wendy's a distinctive springboard to enter new markets.



Giving Back to the Community

Yellow Pages® has been serving people and businesses in Singapore from all walks of life for more than 40 years, and this has given GYP a keen sense of community. As such, we feel a need to give back to the community that has supported us over the decades. GYP utilises the resources at our disposal to support the future of our society: our children. By encouraging generosity and compassion, GYP has put in much effort to foster community spirit. GYP is also continuously working to minimise adverse impacts on the environment.

MILK (Mainly I Love Kids) Fund and Compassion Fund

One of the charities that GYP continues to support is the MILK (Mainly I Love Kids) Fund. MILK's mission is to reach out to disadvantaged children and youth from all over the world, and groom them into becoming outstanding members of society by supporting them in their education and other special needs. These children often come from troubled or impoverished communities and MILK seeks to give them the opportunity to develop their full potential.

Another charity that GYP supports is the Compassion Fund which assists needy students from low-income families who are in financial crisis, due to the death, sudden major illness or accident befalling the family's breadwinner. Without adequate holistic support, these families are at risk of declining into poverty and developing chronic family problems, which can have a detrimental and long lasting impact on the lives of the children. The Compassion Fund also aims to connect beneficiaries with other agencies as part of a longer-term solution.

Supporting and Advancing Charities

GYP donates the cost of web development and hosting services to assist various charities in advancing their causes. By donating the cost of these services, charities can have an online presence. This is crucial in reaching out to potential donors and volunteers. GYP's in-house art team also donates its services to design necessary collateral that reach out to potential donors and volunteers offline.

Green for the Win

GYP has been making conscious effort to be environmentally responsible. GYP encourages our users to drop off their old and outdated print directories for recycling when collecting the latest copies. The usage of plastic bags when distributing directories has also been reduced. Internally we have actively moved towards reducing paper usage by reusing and recycling paper. Collectively, these efforts have enabled us to considerably scale down the usage of paper.



Photo: Beyond Social Services

Corporate Governance Statement

The Company recognises the importance of good corporate governance and the offering of high standards of accountability to shareholders.

This statement sets out the Company's corporate governance framework and practices in compliance with the principles and guidelines of the Code of Corporate Governance 2012 (the "Code"). Where there have been deviations from the Code, appropriate explanations are provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

BOARD MATTERS

Principle 1: The Board's Conduct of its Affairs

The Board is entrusted with the overall management of the business affairs of the Company.

The primary function of the Board is to protect and enhance long-term value and return for its shareholders. Besides carrying out its statutory responsibilities, the key roles of the Board are to:

- (a) set the overall strategy and policies of the Group's business direction, and ensure that sufficient resources are in place to meet its objectives;
- (b) establish a framework of prudent and effective controls that enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets;
- (c) set the Group's values and standards, compliance and accountability systems, and ensure that obligations to the Company's shareholders are understood and met;
- (d) identify the key shareholder groups and recognise that their perceptions affect the Group's reputation;
- (e) review the Group's financial performance and key operational initiatives and endorse the recommended framework of remuneration for the Board and key executives and assume responsibility for corporate governance; and
- (f) consider sustainability issues relating to the environment and social factors as part of the strategic formulation of the Group.

The Board meets at least four times a year. In addition to scheduled Board meetings, ad hoc meetings are convened as and when circumstances require. To facilitate the Board's decision-making process, the Company's Articles of Association provides for directors to participate in Board meetings by telephone conference and similar communications equipment, and for Board resolutions to be passed in writing, including by electronic means. During the financial year ended 30 June 2017, the Board held 4 scheduled Board meetings excluding ad hoc meetings.

In the discharge of its functions, the Board is supported by four Board committees that provide independent oversight of management and serve to ensure that there are appropriate checks and balances in place. These key committees comprise the Audit Committee, the Nominations Committee, the Remuneration Committee and the Executive Committee (collectively, the "Board Committees"). These Board Committees function within written terms of reference, which are reviewed on a regular basis. Each Board Committee reports to the Board with their recommendations, however, ultimate responsibility for final decisions on key matters lies with the Board. The effectiveness of each Board Committee is regularly reviewed by the Board.

As at 30 June 2017, both the Audit and Nominations Committees are comprised entirely of non-executive directors. For the Remuneration and Executive Committees, other than Stanley Tan, who is the Chief Executive Officer, the rest of the directors on these committees are non-executive. Further details on their composition and activities are provided below.

The Executive Committee was established with effect from September 2007 and as at 30 June 2017, its members were Stanley Tan and Andrew Tay. The duties and responsibilities of the Executive Committee are to provide guidance to management on the strategic development of the Group and to oversee the businesses and investments of the Group and matters relating thereto.

The number of Board and Board Committee meetings held during the financial year ended 30 June 2017, and the attendance of members at such meetings, is set out on page 37 of the Annual Report.

The Board has put in place financial authorisation and approval limits for operating and capital budgets, procurement of goods and services, and cheque signatory arrangements. Approval sub-limits are also provided at management level to facilitate operational efficiency. Within these guidelines, the Board approves transactions above certain financial thresholds. The Board approves the Group's quarterly and full-year financial results for release to the SGX-ST and transactions of a material nature requiring announcement under the listing rules of the SGX-ST. Directors and senior executives are briefed on the Group's operations and are routinely updated on developments and changes in the operating environment. All directors objectively make decisions at all times as fiduciaries in the interest of the Company.

A formal letter setting out the director's duties and responsibilities under the various regulations is issued to new directors upon their appointment. The Company also conducts an in-house orientation programme, incorporating briefings from various business and corporate units for new Board members to familiarise them with the Group's business activities and strategies. The company secretaries will also bring to the directors' attention the Company's governance practices, including policies on disclosure of interest in securities, prohibitions on dealing in the Company's securities and restrictions on disclosure of price-sensitive information. All newly appointed directors are given briefings by the management on the history, business operations and corporate governance practices of the Group. Newly appointed directors also attend courses, seminars and trainings which may have a bearing on their duties and contributions to the Board, organised by professional bodies and regulatory institutions to keep themselves updated on the latest developments concerning the Group.

To keep pace with regulatory changes, the director's own initiatives are supplemented from time-to-time with information, updates and sponsored seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from SGX-ST that affect the Company and/or the directors in discharging their duties. The directors are informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group. Directors can apply to the Company for funding for any such courses, conferences and seminars which they may apply to attend.

Directors are at liberty to request further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from management.

Principle 2: Board Composition and Guidance

The Directors of the Company as at the date of this Annual Report are:

Mah Bow Tan (Non-Executive Chairman & Independent Director)

Stanley Tan Poh Leng (Chief Executive Officer & Executive Director)

Ng Tiong Gee (Non-Executive & Independent Director)

Pang Yoke Min (Non-Executive & Non-Independent Director)

Andrew Tay Gim Chuan (Non-Executive & Independent Director)

The Board has adopted the definition in the Code of what constitutes an independent director in its review of the independence of each director.

Mah Bow Tan, Ng Tiong Gee and Andrew Tay are considered to be independent for the purposes of the Code. The Board has noted that Andrew is part of the Executive Committee and taking into consideration amongst other things, the instances of constructive challenge and probing of management by Andrew in meetings such as at Board meetings, and the exercise of independent judgment in discharging his duties in the best interest of the Company, the Board is of the view that Andrew should continue to be deemed independent.

Ng Tiong Gee has served on the Board for more than nine (9) years from the date of his first appointment. The Board has subjected his independence to a particularly rigorous review.

Taking into account the views of the Nominations Committee, the Board concurs that Tiong Gee continues to demonstrate strong independence in character and judgment in the discharge of his responsibilities as a director of the Company. He has continued to express his individual viewpoints, debated issues and objectively scrutinised and challenged management. After taking into account these factors, the Board has determined that Tiong Gee continues to be considered an Independent director, notwithstanding the duration he has served on the Board.

The Board size and composition are reviewed from time-to-time by the Nominations Committee, with a view to ensuring that the Board is of an appropriate size that is conducive for effective decision-making, has an appropriate balance of independent directors, and comprise directors with the right skills and expertise to meet the industry and business needs of the Company, taking into account the scope and nature of the operations of the company, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees. The Board's decision-making process is not dominated by any individual or small group of individuals.

The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender.

The Board comprises persons who, as a group, provide the necessary core competencies, and includes experienced professionals with management, legal, information technology, financial, banking, government, property, hotel, publishing and print media backgrounds. This enables management to benefit from their external and objective perspective of issues that are brought before the Board.

Where necessary or appropriate, the non-executive directors on the Board will meet without the presence of the management. The non-executive directors also help to develop proposals on strategy, actively participate in discussions and decision-making at Board and Board Committee levels, as well as in open and candid discussions with management. The non-executive directors review the performance of management in meeting agreed goals and objectives.

Information on Board members is provided under the section "Board of Directors" in the Annual Report.

Principle 3: Chairman and Chief Executive Officer

The roles of the Chairman and the CEO of the Company are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

The Chairman, Mah Bow Tan, is a non-executive and independent director and is responsible for leading the Board. He sets the agenda for Board meetings, ensures that adequate time is available for discussion for all agenda items, in particular, strategic issues, and that complete, adequate and timely information is made available to the Board. He encourages constructive relations within the Board and between the Board and management, facilitates the effective contribution of non-executive directors, and ensures effective communication with shareholders. He takes a lead role in promoting high standards of corporate governance, with the full support of the directors, the company secretary and management.

The CEO, Stanley Tan, bears executive responsibility for the Group's business direction and operational decisions of the Group.

The Group has not appointed a lead independent director considering the Group's current business operations and the Board size of only five members with three being independent directors. The Chairman is a non-executive, independent director and is not related to the CEO. The Group's independent directors confer among themselves when necessary, without the presence of the other directors, and the independent directors will provide feedback to the Chairman after such meetings as appropriate. In addition, independent directors also meet regularly and on ad hoc basis with the CEO and senior management team as well as other Non-Executive Directors to discuss challenges facing the Group.

Principle 4: Board Membership

The Nominations Committee makes recommendations to the Board on all Board appointments. As at 30 June 2017, the Nominations Committee was chaired by Mah Bow Tan (who is not, either directly or indirectly, associated with any substantial shareholder of the Company) and its other members were Pang Yoke Min and Ng Tiong Gee. Ng Tiong Gee is a non-executive independent director, and Yoke Min is a non-executive and non-independent director. The Nominations Committee is guided by its Board-approved written terms of reference, and serves to ensure a formal and transparent process for the nomination of directors to the Board.

The Nominations Committee may identify candidates for appointment as new directors through the business network of Board members or engage external independent professional advisors to assist in the search for suitable candidates.

The Nominations Committee will generally identify suitable candidates skilled in core competencies such as strategic planning, accounting or finance, business or management expertise, industry knowledge and customer-based experience.

If the Nominations Committee decides that the candidate is suitable, the Nominations Committee then recommends its choice to the Board of Directors. Meetings with such candidates may be arranged to facilitate open discussion. Upon appointment, arrangements will be made for the new director to attend various briefings with the management team.

The Nominations Committee is charged with determining annually whether or not a director is independent, bearing in mind the circumstances set forth in the Code and any other salient factors. The Nominations Committee is also charged with the responsibility of re-nomination having regard to the Director's contribution and performance (e.g., attendance, preparedness, participation and candour). The Nominations Committee determines if directors who hold multiple board representations give sufficient time and attention to the affairs of the Group.

At present, the Board does not intend to set a maximum number of listed company board representations a director may hold as it is of the view that the effectiveness of a director should be evaluated by a qualitative assessment of his contributions to the Company's affairs taking into account his other commitments including his directorships in other listed companies. The Nominations Committee considers that the multiple board representations held presently by some directors do not impede their respective performance in carrying out their duties to the Company.

Currently, the Company does not have any alternate directors.

At each Annual General Meeting of the Company, not less than one-third of the directors for the time being (being those who have been longest in office since their last appointment or re-election), and a director who, if he did not retire at that Annual General Meeting, would at the next Annual General Meeting have held office for more than three years, are required to retire from office by rotation. A retiring director is eligible for re-election by shareholders at the Annual General Meeting. In addition, all newly-appointed directors will hold office only until the next Annual General Meeting and will be eligible for re-election.

Principle 5: Board Performance

The Nominations Committee acknowledges the importance of a formal assessment of Board performance and gives careful consideration to the establishment of objective performance criteria by which the Board's performance may be evaluated. A formal assessment process is in place to assess the effectiveness of the Board's performance and individual director's contribution annually. The evaluation of the individual director's contribution is conducted by a questionnaire to be completed by each individual director. The findings are then collated and analysed, and thereafter presented to the Nominations Committee, which will, in consultation with the Chairman, take appropriate actions to address the findings of the performance assessment. The Nominations Committee has considered and assessed the performance and contributions of all of the Board members, taking into account their attendance, and participation at Board meetings and their time and efforts devoted to the business and affairs of the Company and the Group.

Principle 6: Access to Information

Directors have separate and independent access to management and the company secretaries. The Board is provided with relevant information and comprehensive analysis by management pertaining to matters to be brought before the Board for discussion and decision. Management also provides regular reports on the Group's financial performance and operations to the Board. Board papers are sent to all directors in advance of the Board meeting. Senior managers who have prepared the papers, or who can provide additional insight on the matters to be discussed, are normally invited to present the paper or attend the Board meeting. The company secretaries attend Board meetings and are responsible for, amongst other things, ensuring that Board procedures are observed and that applicable rules and regulations are complied with. The appointment and the removal of the company secretaries is deliberated on by the Board as a whole.

Where necessary, the Company will, upon the request of directors (whether as a group or individually), provide them with independent professional advice, at the Company's expense, to enable them to discharge their duties.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

Principle 8: Level and Mix of Remuneration

Principle 9: Disclosure of Remuneration

Remuneration Committee

As at 30 June 2017, the Remuneration Committee was chaired by Ng Tiong Gee and its other members were Mah Bow Tan, Pang Yoke Min and Stanley Tan. Ng Tiong Gee and Mah Bow Tan are non-executive and independent directors. Pang Yoke Min is a non-executive and non-independent director, and Stanley Tan is an executive and non-independent director. Although less than a majority of the Remuneration Committee members are independent (the Remuneration Committee constitutes of half independent directors and half non-independent directors), the Board believes that the risk of potential conflict of interest is minimal. The Chairman of the Remuneration Committee, Ng Tiong Gee, is an independent director and has, in the case of an equality of votes, a second or casting vote in respect of decisions to be made by the Remuneration Committee. The Remuneration Committee has access to expert professional advice on executive compensation matters whenever there is a need to consult externally. The Remuneration Committee is guided by its Board-approved written terms of reference.

The Remuneration Committee recommends to the Board a framework of remuneration for the Board and key executives including termination clauses, and determines the specific remuneration package for the Chief Executive Officer. The Remuneration Committee's recommendations are submitted for endorsement by the entire Board. The Remuneration Committee covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits in kind.

Remuneration Policy

The Company adopts an overall remuneration policy for staff comprising a fixed component in the form of a base salary. The variable component is in the form of a bonus that is linked to the Company's and the individual's performance.

In determining the remuneration for the Chief Executive Officer and key executives, the Remuneration Committee takes into account the following principles:

- 1) the remuneration should motivate the executives to achieve the Company's performance targets;
- 2) the performance-related elements of remuneration should form a significant part of their total remuneration package;
- 3) the interests of the executives should be aligned with shareholders; and
- 4) the remuneration should be directly linked to the performance of the Group and individual performance.

The executive director and key management personnel are moderately compensated, the Remuneration Committee is of the view that there is no requirement to have any long-term incentive scheme or schemes involving the offer of shares or grants of options or other forms of deferred remuneration at this time. As such, there is no mechanism to reclaim incentive for such schemes.

The non-executive directors' fees are set in accordance with a remuneration framework comprising basic retainer fees for each non-executive director, additional fees for the appointments to the various committees established by the Board and attendance fees for attendance at Board and Board committee meetings. Factors such as effort and time spent, and responsibilities of the directors, are taken into account. Directors' fees are subject to the approval of shareholders at the Annual General Meeting. The Group currently does not have any scheme to encourage non-executive directors to hold shares in the Group.

The Code recommends full disclosure of the remuneration of the Company's directors and top key executives in the Group. The Board has considered this matter carefully and has decided against disclosure in dollar terms. Given the highly competitive and niche industry that the Group operates in, it is felt that the disadvantages will outweigh the benefits.

The breakdown of the remuneration of directors and key executives (who are not also directors) who are still in office as at 30 June 2017 is as follows:

Remuneration Band And Name of Director	Fixed Component⁽¹⁾	Variable Component⁽²⁾	Benefits	Fees⁽³⁾	Total Compensation
	%	%	%	%	%
\$250,000 to below \$500,000					
Stanley Tan Poh Leng	92.7%	-	-	7.3%	100.0%
Below \$250,000					
Mah Bow Tan	0.0%	-	-	100.0%	100.0%
Andrew Tay Gim Chuan	0.0%	-	-	100.0%	100.0%
Professor Tan Cheng Han ⁽⁴⁾	0.0%	-	-	100.0%	100.0%
Ng Tiong Gee	0.0%	-	-	100.0%	100.0%
Pang Yoke Min	0.0%	-	-	100.0%	100.0%
Remuneration Band and Name of Key Executive					
\$250,000 to below \$500,000					
Chua Joan Keat	97.9%	2.1%	-	-	100.0%
Below \$250,000					
Kathlyn Tan Jiling	98.7%	1.3%			100.0%
Freddie Tan Poh Chye ⁽⁵⁾	100.0%	-	-	-	100.0%
Magdalene Chua Sai Huah	98.0%	2.0%	-	-	100.0%
Vivien Low Siew Yin	92.6%	7.4%	-	-	100.0%
Samuel Lim Kok Eng ⁽⁶⁾	91.5%	8.5%			100.0%
Karin Hattingh ⁽⁵⁾	100.0%	-	-	-	100.0%

(1) Fixed Component refers to base salary earned, annual wages supplement and transport allowance, if applicable, for the financial year ended 30 June 2017.

(2) Variable Component refers to variable bonus paid during the financial year ended 30 June 2017.

(3) Fees include director's fees and professional fees for consultancy services provided.

(4) Professor Tan Cheng Han has resigned as Director on 1 July 2017.

(5) Karin Hattingh and Freddie Tan Poh Chye left the Group in November 2016 and March 2017 respectively.

(6) As result of the sale of 80% interest in eFusion Pte Ltd, Samuel Lim Kok Eng ceased to be part of the Group in May 2017.

As disclosed above, the annual remuneration of Freddie Tan, who is the brother of Stanley Tan, CEO and Executive Director, was within \$200,000 to below \$250,000 band. Included in the list above is the annual remuneration of Kathlyn Tan, daughter of Stanley Tan, CEO and Executive Director, which was within \$150,000 to \$200,000 band. Not included in the above list of key executives is the annual remuneration of Terry Pang, son of Pang Yoke Min, Director, which was within the \$50,000 to \$100,000 band.

The total remuneration paid to the top six key executives (who are not directors) for the financial year ended 30 June 2017 was approximately \$1,242,000.

The Company does not have any employee share/stock options scheme or any other long-term incentive scheme during the financial year ended 30 June 2017. The Company has been considering long-term incentive schemes for Directors and key management personnel taking into account various factors but has yet to find a suitable model. The Company will continue to look into the matter.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

Principle 11: Risk Management and Internal Controls

Principle 12: Audit Committee

Accountability

The Board has overall responsibility to shareholders for ensuring that the Group is well managed and guided by its strategic objectives. In presenting the Group's quarterly and annual financial statements to shareholders, the Board aims to provide a balanced and understandable assessment of the Group's performance, position and prospects.

In line with the rules of the SGX-ST Listing Manual, the Board provides a negative assurance statement to the shareholders in respect of the interim financial statements. The Company had pursuant to Listing Rule 720(1), received undertakings from all its Directors and executive officers in the form set out at Appendix 7.7 of the Listing Manual, *inter alia*, that they each shall, in the exercise of their powers and duties as directors and officers (as the case may be) comply to the best of their abilities with the provisions of the Exchange's listing rules, the Securities and Futures Act, the Code on Takeovers & Mergers, and the Companies Act and will also procure the Company to do so.

Management provides all members of the Board with accounts and reports on the Group's financial performance and position on a quarterly basis. Although management does not provide reports on a monthly basis, all directors nevertheless have unrestricted access to the Group's records and information through requests for further explanations, briefings and informal discussions on the Group's operations or business issues from management.

Risk Management and Internal Controls

The directors recognise that they have overall responsibility to ensure proper financial reporting for the Group and effectiveness of the Group's system of internal controls, including financial, operational, compliance and IT controls, and risk management policies and systems. The Audit Committee assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and IT controls and reporting to the Board annually its observations on any matters under its purview including risk management, internal controls or financial and management matters as it considers necessary and makes recommendations to the Board as it thinks fit.

The Company has in place an Enterprise Risk Management Framework. The implementation and maintenance of the Company's risk management framework is undertaken by the senior management team, which reports to the Audit Committee on strategic business risks, as well as, providing updates on the risk management activities of the Company's businesses and the Enterprise Risk Management implementation progress in the Company. Significant strategic risks identified are assessed, managed and monitored adequately within the Company's risk management framework. These strategic risks are also reviewed and refreshed to ensure relevant emerging risks are being considered and included for proper assessment, monitoring and reporting as appropriate.

The Group continually reviews and improves its business and operational activities to identify areas of significant business risk, as well as, taking appropriate measures to control and mitigate these risks. These include the implementation of safety, security and internal control measures and taking up appropriate insurance coverage. The Group's financial risk management programme seeks to minimise potential adverse effects of the unpredictability of financial markets on the Group's financial performance. The financial risk management policies are outlined in Note 38 of the Notes to the Financial Statements.

Key internal controls of the Group include:

- Establishment of policies and approval limits for key financial and operational matters, and rules relating to the delegation of authorities;
- Documentation of key processes and procedures;
- Segregation of incompatible functions which give rise to a risk of errors or irregularities not being promptly detected;
- Safeguarding of assets;
- Maintenance of proper accounting records;
- Ensuring reliability of financial information;
- Ensuring compliance with appropriate legislation and regulations; and
- Having qualified and experienced persons take charge of important functions.

The Audit Committee ensures that a review of the effectiveness of the Company's internal controls is conducted at least annually. The Audit Committee has met with the internal auditors without management during the year.

The Board is not aware of any material inadequacy in the overall internal controls and processes currently in place.

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer:

- 1) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- 2) of the effectiveness of the Company's risk management and internal control systems.

Based on the work performed by the Internal Auditors during the current financial period, as well as the statutory audit by the external auditors, and the assurance from management, the Board, with the concurrence of the Audit Committee, is of the opinion that the system of internal controls and risk management in place as at 30 June 2017 is adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations. The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Audit Committee

As at the date of this Annual Report, the Audit Committee members comprise Andrew Tay (Chairman), Ng Tiong Gee and Pang Yoke Min. Andrew Tay, Ng Tiong Gee are independent non-executive directors and Pang Yoke Min is a non-independent non-executive director. At least two members of the Audit Committee have accounting or financial management expertise and related financial experience. The Audit Committee's scope of authority is formalised in its approved terms of reference, which include the statutory functions of an audit committee as prescribed under the Companies Act, Chapter 50, the Code and Chapter 9 of the Listing Manual of the SGX-ST.

The Audit Committee has authority to perform the functions and to investigate any matter specified within its terms of reference, and has full access to and cooperation of management, and full discretion to invite any executive director or executive officer to attend its meetings. Reasonable resources have been made available to the Audit Committee to enable it to discharge its duties.

The activities of the Audit Committee include the following:

- To review significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and the Group and any formal announcements relating to the Company's and the Group's financial performance;
- To review the balance sheet and statement of changes in equity of the Company and consolidated financial statements of the Group for the quarterly and full-year results prior to their submission to the Board;
- To make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- To review with external auditors their (i) annual audit plan, findings, and recommendations to management as well as management's response and (ii) audit report;
- To review the assistance given by management to the external auditors;
- The Audit Committee and the external auditors review areas of identified risks and where critical accounting estimates, assumptions and judgments are made, which include the review of impairment of goodwill, intangible assets with indefinite useful life and valuation of investment properties;
- To review interested person transactions and conflict of interest situations that may arise within the Group;
- To review the adequacy of the Group's internal financial controls, operational and compliance controls, and risk management policies and systems (collectively referred to as "internal controls"); and
- To review the adequacy and effectiveness of the Group's internal auditors, including the adequacy of internal audit resources and their evaluation of the overall risk profile and internal controls systems as well as the scope and results of the internal audit procedures.

In the event the Audit Committee becomes aware of a suspected fraud or irregularity which has or is likely to have a material impact on the financial results of the Group, it will commission an investigation into the matter and review and report the findings of the investigation to the Board of Directors.

The details of the aggregate amount of fees paid to external auditors and the breakdown of fees payable in respect of audit and non-audit services can be found under Additional Information on part (b) on page 113.

The Audit Committee has undertaken a review of all non-audit services provided by the external auditors during the current financial period and reviewed the independence and objectivity of the external auditors, and after having been satisfied with its standard of audit, independence and objectivity recommends to the Board the re-appointment of PricewaterhouseCoopers LLP as auditors for the financial year ending 30 June 2018. The independence of the external auditors is reviewed annually. The Audit Committee has met with the external auditors without management during the year.

In appointing the audit firms for the Company, the Company has complied with Rules 712, 715 and 716 of the Listing Manual of the SGX-ST.

The Audit Committee keeps abreast of changes to accounting standards and issues which have a direct impact on financial statements through the report presented by the external auditors on the scope and results of the external audit, and through their discussions with the external auditors.

Management has put in place, and the Audit Committee has endorsed, arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The objective for such arrangements is to ensure independent investigation of such matters and for appropriate follow-up action, and to encourage the reporting of such matters, in good faith, with the confidence that employees making such reports will be treated fairly and to the extent possible, protected from reprisal.

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the Audit Committee.

Principle 13: Internal Audit

The Board recognises the need and is responsible for maintaining a system of internal control processes to safeguard shareholders' investments and the Group's business and assets. The effectiveness of the internal financial control systems and procedures is monitored by the Audit Committee. The internal auditors have unrestricted access to all the company's documents, records, properties and personnel, including access to the Audit Committee.

The Company has established its internal audit function and outsourced it to a reputable international accounting firm, Ernst & Young Advisory Pte Ltd, who is rated as generally conforming to the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, and staffed with professionals with relevant qualifications and experience. The internal audit function reports to the Chairman of the Audit Committee and is assisted by management in its detailed work. The Audit Committee ensures, at least annually, the adequacy of the internal audit function and reviews and approves the internal audit plan.

COMMUNICATION WITH SHAREHOLDERS

Principle 14: Communication with Shareholders

Principle 15: Encouraging Greater Shareholder Participation

The Company communicates information to shareholders and the investing community through announcements that are released to the SGX-ST via SGXNET. Such announcements include the quarterly and full-year results, material transactions, and other developments relating to the Group requiring disclosure under the corporate disclosure policy of the SGX-ST.

All shareholders of the Company are sent a copy of the Annual Report and notice of the Annual General Meeting. The notice of Annual General Meeting, which sets out all items of business to be transacted at the Annual General Meeting, is also advertised in the newspapers. Where there is inadvertent disclosure made to a select group, the company will make the same disclosure publicly to all others as promptly as possible on the company's website. The Company also maintains a website at www.gyp.com.sg where the public can access information on the Group.

The Group believes in encouraging shareholder participation at general meetings. Shareholders are informed of the rules that govern general meeting of shareholders. A shareholder who is entitled to attend and vote may either vote in

person or in absentia through the appointment of one or more proxies (who can either be named individuals nominated by the shareholder to attend the meeting or the Chairman of the meeting as the shareholder may select). The Company's Articles of Association allow a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder. The Company's Articles of Association have not yet been amended to allow for other absentia voting methods such as by mail, electronic mail, fax and/or other methods. Such amendments may be proposed if the necessary security and other measures that can protect against errors, fraud and other irregularities that could arise from such absentia voting methods become available on a cost-effective basis, and the Board views that this is of sufficient interest to the Company's shareholders.

The Board noted that with the Companies (Amendment) Act 2014, with effect from 3 January 2016, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act. At the forthcoming Annual General Meeting, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting.

Resolutions to be passed at Annual General Meetings are always separate and distinct in terms of issue so that shareholders are better able to exercise their right to approve or deny the issue or motion. A balanced assessment of the relevant issues is provided or explained to shareholders, if necessary, to enable them to make informed judgments about the resolutions.

The Company's main forum for dialogue with shareholders takes place at its Annual General Meeting, where the members of the Board, senior management and the external auditors are in attendance. At the Annual General Meeting, shareholders will be given the opportunity to air their views and ask questions regarding the Company.

At each Annual General Meeting, the Board presents the progress and performance of the Group and encourages shareholders to participate in the question and answer session. The external auditors are present to address shareholders' queries on the conduct of audit and the preparation and content of the auditors' report.

The Chairman of each of the Audit, Nominations and Remuneration Committees, or members of the respective Committees standing in for them, are present at each Annual General Meeting, and other general meetings held by the Company, if any, to address shareholders' queries. Senior management is also present at general meetings to respond, if necessary, to operational questions from shareholders that may be raised.

Minutes of general meetings which includes substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and management, were prepared and made available to shareholders upon request.

The Company does not have a fixed dividend policy at present. The form, frequency and amount of dividends to be declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. The board would consider a dividend policy at an appropriate time.

The Company will put all resolutions to vote by electronic polling at general meetings and the detailed results of the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNET.

DEALINGS IN SECURITIES

The Company has adopted the principles and best practices on dealings in securities as contained in the Listing Manual of the SGX-ST. Directors and staff are to refrain from dealing in the securities of the Company during the periods commencing two weeks before and up to the date of announcement of the Company's quarterly results and one month before and up to the date of announcement of the Company's full-year results, or while in possession of unpublished price-sensitive information. They are also discouraged from dealing in the Company's securities on short term considerations.

Directors and staff are reminded to observe the insider trading laws at all times even when dealing with securities within permitted trading periods.

Board and Committee Meetings held during the Financial Year ended 30 June 2017

Members	Board		Audit Committee		Remuneration Committee		Nominations Committee	
	Held	Attendance	Held	Attendance	Held	Attendance	Held	Attendance
Mah Bow Tan	4	4	NA	NA	1	1	NA	NA
Professor Tan Cheng Han	4	4	4	4	NA	NA	1	1
Stanley Tan Poh Leng	4	4	NA	NA	1	1	NA	NA
Ng Tiong Gee	4	4	NA	NA	1	1	1	1
Pang Yoke Min	4	3	4	3	1	1	1	1
Andrew Tay Gim Chuan	4	4	4	4	NA	NA	NA	NA

The Executive Committee has met periodically during the financial year ended 30 June 2017.

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For the financial year ended 30 June 2017

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 30 June 2017 and the balance sheet of the Company as at 30 June 2017.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 47 to 112 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 30 June 2017 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Mah Bow Tan
 Tan Cheng Han (Resigned on 1 July 2017)
 Stanley Tan Poh Leng
 Ng Tiong Gee
 Pang Yoke Min
 Andrew Tay Gim Chuan

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 30.6.2017	At 1.7.2016	At 30.6.2017	At 1.7.2016
Company				
<u>(No. of ordinary shares)</u>				
Stanley Tan Poh Leng	8,110,750	8,110,750	-	-
Pang Yoke Min*	300,000	300,000	24,161,450	24,161,450
Ng Tiong Gee	5,250	5,250	-	-
Tan Cheng Han	80,000	80,000	-	-
Mah Bow Tan**	-	-	500,000	500,000
Company				
<u>(No. of warrants)</u>				
Stanley Tan Poh Leng	7,824,075	7,824,075	-	-
Pang Yoke Min*	-	-	3,987,225	3,987,225

* Prior to 8 August 2017, by virtue of Section 4 of the Securities and Futures Act, Pang Yoke Min ("Mr Pang") is deemed to be interested in the 24,161,450 (2016: 24,161,450) shares and 3,987,225 (2016: 3,987,225) warrants in the Company held by Southport Worldwide Offshore Limited. On 8 August 2017, 24,161,450 shares and 3,987,225 warrants were registered in the name of Mr Pang.

** By virtue of Section 164 of the Companies Act, Mah Bow Tan is deemed interested in the 500,000 (2016: 500,000) shares owned by his spouse.

- (b) The directors' interests in the ordinary shares and warrants of the Company as at 21 July 2017 were the same as those as at 30 June 2017.

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Andrew Tay Gim Chuan (Chairman)
 Tan Cheng Han (Resigned on 1 July 2017)
 Pang Yoke Min
 Ng Tiong Gee (Appointed on 1 July 2017)

All members of the Audit Committee are non-executive directors and the majority are independent.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2017 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Andrew Tay Gim Chuan
 Director

Stanley Tan Poh Leng
 Director

27 September 2017

For the financial year ended 30 June 2017

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Global Yellow Pages Limited (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income for the financial year ended 30 June 2017;
- the consolidated balance sheet of the Group as at 30 June 2017;
- the balance sheet of the Company as at 30 June 2017;
- the consolidated statement of changes in equity for the financial year ended 30 June 2017;
- the consolidated statement of cash flows of the Group for the financial year ended 30 June 2017; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 30 June 2017. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><i>Valuation of investment properties</i></p> <p>As at 30 June 2017, the carrying value of the Group's investment properties is \$95,064,000, accounting for 61% of the Group's total assets. The disclosures relating to these investment properties are included in Note 26 of the financial statements.</p> <p>The valuation of the investment properties is significant to our audit due to the use of assumptions and estimates. Significant judgement is required to determine the assumptions used to determine the fair value of these investment properties. The key assumptions used include the prevailing market conditions which affect the adopted value per square metre, capitalisation rates, discount rates and terminal yield.</p>	<p>Our audit procedures focused on the valuation process and included the following:</p> <ul style="list-style-type: none"> assessed the competency and independence of the professional valuers engaged by the Group; tested the integrity of information, including underlying lease and financial information provided to the valuers; assessed the reasonableness of the adopted value per square metre, capitalisation rates, discount rates and terminal yield assumptions by benchmarking the rates against comparables and prior year's inputs; and assessed the appropriateness of the disclosures relating to the valuation techniques and key inputs applied by the professional valuers. <p>We have obtained satisfactory explanations from management as well as the professional valuers regarding the basis, methods and key assumptions used to determine the fair values of the investment properties. Our testing indicated that the assumptions and judgements used were reasonable in the context of the Group's portfolio of investment properties. The disclosures in the financial statements are also assessed to be appropriate.</p>
<p><i>Impairment assessment of indefinite life intellectual property asset</i></p> <p>The Group holds significant amount of indefinite life intellectual property asset on the balance sheet amounting to \$11,863,000, or 8% of the Group's total assets. The disclosures relating to this intangible asset is included in Note 28(b) of the financial statements.</p> <p>The impairment assessment of the indefinite life intangible asset is significant to our audit due to the significant judgement involved in establishing the reasonableness of the key inputs used by management in the value-in-use calculations of the cash-generating-unit ("CGU"). Changes in the key inputs can trigger potential impairment to the intangible assets.</p> <p>The key inputs used in the value-in-use calculations are disclosed in Note 28(d)(i) to the financial statements.</p>	<p>We evaluated the reasonableness of management's estimate of the future cash flow forecasts in the value-in-use calculations, by taking into consideration the CGU's past performance. We also evaluated the process by which they were drawn up, including testing the underlying calculations.</p> <p>We involved valuation specialists to assist in the assessment of the weighted average discount rate applied by the management. There were no significant issues noted.</p> <p>We evaluated management's sensitivity analysis to assess the impact on the recoverable amount of the CGU by reasonable possible changes to the estimated terminal growth rate and the weighted average discount rate. We found these key inputs to be reasonable.</p>

For the financial year ended 30 June 2017

Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Refinancing of current borrowings</p> <p>As at 30 June 2017, the Group has \$65,854,000 of loans from Westpac Bank New Zealand ("Westpac") that will mature and be fully repayable on 24 October 2017. Management is in the process of finalising the terms of the extension to the loan facilities with Westpac and expect this to be in place before the loans' maturity on 24 October 2017.</p> <p>We focus on this area as the Group's ability to continue as a going concern is dependent on the successful refinancing of the loans. Significant judgements are involved in assessing the likelihood of successfully refinancing the bank loans.</p> <p>The disclosures relating to these borrowings are included in Note 31 of the financial statements.</p>	<p>Our audit procedures focused on the assessment of the likelihood of the extension of the bank facilities by the bank and included the following:</p> <ul style="list-style-type: none"> • obtained the latest draft terms dated 19 July 2017 and 14 August 2017 for the extension to the bank loans amounting to \$7,747,000 and \$58,107,000 respectively; • understood and evaluated the key terms and conditions of the draft terms; • understood the debt covenants applicable to the draft terms and assessed the Group's compliance with the debt covenants based on current available information; and • assessed the appropriateness of the disclosures relating to the refinancing of the loan facilities. <p>We have obtained satisfactory explanations from management to support the view that refinancing of the loans are highly likely and that no material uncertainty exists at the date of financial statements. The disclosures in the financial statements are also assessed to be appropriate.</p>

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For the financial year ended 30 June 2017

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chua Lay See.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 27 September 2017

For the financial year ended 30 June 2017

	Note	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Continuing operations			
Revenue	4	27,128	25,526
Other income	5	3,090	3,092
Other gains	6(a)	1,170	628
Other losses	6(b)	(4,103)	(4,832)
Printing and material costs		(993)	(1,251)
Staff costs	7	(8,594)	(7,769)
Impairment of goodwill on consolidation		-	(360)
Impairment of intangible assets	28(b)	(1,235)	-
Impairment of investment in available-for-sale financial asset		-	(3,136)
Depreciation		(929)	(887)
Amortisation		(633)	(656)
Development expenditure written off		-	(1,305)
Marketing, advertising and promotion expenses		(2,742)	(1,153)
Professional and consultancy fees		(1,890)	(4,001)
Property related and maintenance expenses		(3,218)	(3,169)
Cost of ice-cream and related goods		(3,340)	(1,436)
Finance expenses	9	(3,589)	(3,412)
Other expenses	8	(1,437)	(2,259)
Total expenses		(28,600)	(30,794)
Share of profit of associated companies	23	-	106
Loss before income tax		(1,315)	(6,274)
Income tax expense	10(a)	(1,438)	(1,158)
Loss from continuing operations		(2,753)	(7,432)
Discontinued operations			
Profit /(loss) from discontinued operations	11	1,103	(5,008)
Total loss		(1,650)	(12,440)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 30 June 2017

	Note	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains	34(b)(ii)	2,117	1,713
- Reclassification	34(b)(ii)	63	(1,181)
Available-for-sale financial asset			
- Fair value gains/(losses)	34(b)(iii)	1,730	(3,136)
- Reclassification	34(b)(iii)	(1,730)	3,136
Other comprehensive income, net of tax		2,180	532
Total comprehensive income/(loss)		530	(11,908)
(Loss)/profit attributable to:			
- Equity holders of the Company		(1,786)	(9,310)
- Non-controlling interests		136	(3,130)
		(1,650)	(12,440)
(Loss)/profit attributable to equity holders of the Company:			
- From continuing operations		(2,660)	(7,226)
- From discontinued operations		874	(2,084)
		(1,786)	(9,310)
Total comprehensive income/(loss) attributable to:			
- Equity holders of the Company		394	(8,778)
- Non-controlling interests		136	(3,130)
		530	(11,908)
Basic and diluted (loss)/profit per share for (loss)/profit from continuing and discontinued operations attributable to equity holders of the Company (cents per share)			
- From continuing operations	12	(1.33)	(4.18)
- From discontinued operations	12	0.44	(1.21)
		(0.89)	(5.39)

The accompanying notes form an integral part of these financial statements.

As at 30 June 2017

		Group		Company	
	Note	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	13	9,558	9,292	7,341	5,308
Restricted cash	13	277	401	-	-
Trade and other receivables	14	2,050	3,262	903	1,120
Due from subsidiaries	18	-	-	-	51,940
Inventories	15	111	89	85	81
Other current assets	16	2,963	1,607	119	186
Available-for-sale financial asset	17(a)	-	6,380	-	6,380
Due from associated companies	20	-	1	-	1
Development properties	27	21,964	-	-	-
Income tax recoverable	10(c)	24	-	-	-
		36,947	21,032	8,448	65,016
Non-current assets					
Other receivables	14	958	-	958	-
Available-for-sale financial asset	17(b)	675	-	675	-
Due from subsidiaries	18	-	-	64,151	-
Other non-current assets	21	526	73	52	52
Investments in subsidiaries	22	-	-	3,415	10,314
Investments in associated companies	23	110	110	1	1
Investment in joint venture	24	-	#	-	-
Property, plant and equipment	25	8,937	9,926	8,837	9,646
Investment properties	26	95,064	93,307	-	-
Intangible assets	28	12,020	16,806	139	2,010
Deferred income tax assets	10(d)	125	94	-	-
		118,415	120,316	78,228	22,023
Total assets		155,362	141,348	86,676	87,039
LIABILITIES					
Current liabilities					
Trade and other payables	29	5,372	6,556	1,628	2,585
Provision	30	583	1,000	583	1,000
Advance receipts and billings		1,479	1,997	944	1,428
Due to subsidiaries	19	-	-	8,589	7,117
Due to associated companies	20	-	1	-	1
Borrowings	31(a)	67,536	1,629	1,682	1,629
Current income tax liabilities	10(b)	846	196	-	-
		75,816	11,379	13,426	13,760
Non-current liabilities					
Trade and other payables	29	489	629	249	374
Borrowings	31(b)	13,715	70,560	13,715	15,397
Deferred income tax liabilities	10(d)	2,353	1,533	89	89
		16,557	72,722	14,053	15,860
Total liabilities		92,373	84,101	27,479	29,620
NET ASSETS		62,989	57,247	59,197	57,419
SHAREHOLDERS' EQUITY					
Share capital	32	79,705	74,493	79,705	74,493
Treasury shares	32	(960)	(960)	(960)	(960)
Other reserves	34	(7,608)	(12,218)	(3,946)	(3,946)
Accumulated losses	33	(8,128)	(4,038)	(15,602)	(12,168)
Capital and reserves attributable to equity holders of the Company		63,009	57,277	59,197	57,419
Non-controlling interests	22(c)	(20)	(30)	-	-
Total equity		62,989	57,247	59,197	57,419

Amount less than \$1,000

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 30 June 2017

← Attributable to equity holders of the Company →

Note	Share capital \$'000	Treasury shares \$'000	Share option reserve \$'000	Currency translation reserve \$'000	Fair value reserve \$'000	Capital reserve \$'000	Transactions with non-controlling interests \$'000	Total other reserves \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
2017												
Beginning of financial year	74,493	(960)	57	(2,048)	-	(4,003)	(6,224)	(12,218)	(4,038)	57,277	(30)	57,247
Loss for the year	-	-	-	-	-	-	-	-	(1,786)	(1,786)	136	(1,650)
Other comprehensive income for the year	-	-	-	2,180	-	-	-	2,180	-	2,180	-	2,180
Total comprehensive loss for the year	-	-	-	2,180	-	-	-	2,180	(1,786)	394	136	530
Issue of shares, net of expenses	5,212	-	-	-	-	-	-	-	-	5,212	-	5,212
Transactions with non-controlling interest	-	-	-	-	-	-	126	126	-	126	(126)	-
Disposal of subsidiaries	-	-	-	-	-	-	2,304	2,304	(2,304)	-	-	-
End of financial year	79,705	(960)	57	132	-	(4,003)	(3,794)	(7,608)	(8,128)	63,009	(20)	62,989

The accompanying notes form an integral part of these financial statements.

← Attributable to equity holders of the Company →

Note	Share capital \$'000	Treasury shares \$'000	Share option reserve \$'000	Currency translation reserve \$'000	Fair value reserve \$'000	Transactions with non-controlling interests			Total other reserves \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000	
						Capital reserve \$'000								
2016														
Beginning of financial year														
	134,293	(5,775)	57	(2,580)	-	-	(2,348)		(4,871)	(54,528)	69,119	(663)	68,456	
Loss for the year	-	-	-	-	-	-	-	-	-	(9,310)	(9,310)	(3,130)	(12,440)	
Other comprehensive income for the year	-	-	-	532	-	-	-	-	532	-	532	-	532	
Total comprehensive loss for the year														
	-	-	-	532	-	-	-	-	532	(9,310)	(8,778)	(3,130)	(11,908)	
Treasury shares reissued	32	-	4,815	-	-	-	(4,003)	-	(4,003)	-	812	-	812	
Capital reduction	32	(59,800)	-	-	-	-	-	-	-	59,800	-	-	-	
Transactions with non-controlling interest	34(b)(v)	-	-	-	-	-	(3,807)	-	(3,807)	-	(3,807)	3,807	-	
Acquisition of non-controlling interests' shares in a subsidiary	34(b)(v)	-	-	-	-	-	(69)	-	(69)	-	(69)	(44)	(113)	
End of financial year														
	74,493	(960)	57	(2,048)	-	-	(4,003)	(6,224)	(12,218)	(4,038)	57,277	(30)	57,247	

The accompanying notes form an integral part of these financial statements.

For the financial year ended 30 June 2017

	Note	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Cash flows from operating activities			
Total loss		(1,650)	(12,440)
Adjustments for:			
- Income tax expense	10(a)	1,450	1,174
- Depreciation	25	1,041	2,084
- Amortisation	28	769	785
- Dividend income		(35)	(143)
- Interest income		(105)	(169)
- Finance expense		3,589	3,492
- Fair value losses on investment properties	26(a)	3,186	3,417
- Gain on disposal of plant and equipment		(680)	(1)
- Impairment of intangible assets	28(b)	1,235	-
- Impairment of goodwill on consolidation	28(a)	-	360
- Impairment of property, plant and equipment	25	-	5,638
- Impairment of investment in available-for-sale financial asset	17(a)	-	3,136
- Development expenditure written off		-	1,305
- Intangible asset written off	28(e)	26	78
- Gain on sale of transferable rights in investment		-	(108)
- Loss on disposal of subsidiaries	6(b)	746	-
- Loss on re-measurement of retained interest on disposal of subsidiaries	6(b)	171	-
- Net gain on disposal of available-for-sale financial asset	17(a)	(324)	-
- Net gain on disposal of an associated company	23	-	(319)
- Share of results of associated companies	23	-	(106)
- Loss on dilution of interests in an associated company	23	-	1,404
- Unrealised currency translation gains		(539)	(184)
		8,880	9,403
Changes in working capital, net of effects from acquisition and disposal of subsidiaries:			
- Inventories		(22)	55
- Development properties		(21,415)	-
- Receivables		591	1,266
- Other current assets		(1,316)	-
- Advance receipts and billings		(518)	258
- Payables		(923)	424
Cash (used in)/generated from operations		(14,723)	11,406
Income tax paid	10(b)&(c)	(36)	(637)
Net cash (used in)/provided by operating activities		(14,759)	10,769

The accompanying notes form an integral part of these financial statements.

		For the financial year ended 30 June 2017	For the financial year ended 30 June 2016
	Note	\$'000	\$'000
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	42(a)(ii)	-	2,044
Acquisition of non-controlling interests' of subsidiaries		-	(113)
Proceeds from disposal of subsidiary, net of cash disposed of	13	303	-
Proceeds from disposal of available-for-sale financial assets	17(a)	6,704	-
Purchase of property, plant and equipment	25	(150)	(158)
Development expenditure incurred		(446)	(917)
Additions to investment properties	26(a)	(13)	(4,276)
Purchase of intangible assets	28(b)&(e)	(139)	(346)
Proceeds from disposal of property, plant and equipment		680	17
Proceeds from sale of transferable rights in investment		-	108
Interest received		104	170
Dividend received from an available-for-sale financial asset		35	143
Net cash provided by/(used in) investing activities		7,078	(3,328)
Cash flows from financing activities			
Proceeds from issuance of shares	32	5,248	-
Share issue expense	32	(36)	-
Decrease in deposits pledged		144	76
Proceeds from borrowings		12,632	-
Repayment of borrowings		(6,629)	(2,585)
Interest paid		(3,803)	(3,459)
Net cash provided by/(used in) financing activities		7,556	(5,968)
Net (decrease)/increase in cash and cash equivalents		(125)	1,473
Cash and cash equivalents at beginning of the financial year		9,292	7,678
Effects of currency translation on cash and cash equivalents		391	141
Cash and cash equivalents at end of the financial year	13	9,558	9,292

The accompanying notes form an integral part of these financial statements.

For the financial year ended 30 June 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Global Yellow Pages Limited (the “Company”) is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and incorporated and domiciled in Singapore. The address of its registered office is 1, Lorong 2 Toa Payoh, Yellow Pages Building, Singapore 319637.

The principal activities of the Company consist of the sale of advertising space and the publication of Singapore telephone directories and certain overseas and industry directories, the provision of digital based information and database marketing. On 1 August 2017, the Company announced the restructuring of its business to focus on real estate as its core business and cease publication of print directories from 2018 (Note 43).

The principal activities of its subsidiaries, associated companies and joint venture are disclosed in Note 41.

The Direct Sales segment was discontinued during the financial year (Note 11). Accordingly, the prior period’s results were re-presented.

2. Significant accounting policies**2.1 Basis of preparation**

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2016/2017

On 1 July 2016, the Group adopted the new or amended FRS and Interpretations of FRS (“INT FRS”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group’s activities. Revenue is presented, net of goods and services tax, rebates and discounts and after eliminating sales within the Group. When revenue is recognised before customers are invoiced, unbilled receivables are recognised as part of trade receivables.

The Group assess its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group’s activities are met as follows:

(a) Sale of advertising space

Revenue from the sale of advertising space in printed directories is recognised upon distribution to users as there are no further customer obligations to be fulfilled by the Group after distribution. All direct and incremental costs, including printing and publishing costs incurred in the production of printed directories are deferred and recognised as expenses in profit or loss upon distribution.

Revenue from the sale of advertising space on the internet directory are recognised rateably over the contracted advertising period.

Revenue from the sale of advertising space in magazines is recognised upon publication.

The amount of unearned income from services to be rendered in future financial periods is disclosed as advance receipts and billings on the balance sheet.

(b) Rendering of services

Revenue earned from the provision of other advertising related services, call centre, direct marketing, information technology consultancy services, business solutions and related services is recognised in the period when the service is rendered to customers.

(c) Sale of directories

Revenue from the sale of directories is recognised when the publications are delivered, the customer has accepted the publications and collectability of the related receivables is reasonably assured.

(d) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(e) Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement, provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

(f) Franchise income

Franchise income is recognised on an accrual basis in accordance to the substance of the relevant agreement, provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

(g) Initial franchise fee

The Group collects initial franchise fees when franchise agreements are signed and recognizes the initial franchise fees as revenue when the Group has performed substantially all initial services required by the franchise agreement. Franchise fees collected from franchisees but not yet recognised as income are recorded as deferred revenue in the liability section of the consolidated balance sheet.

(h) Marketing income

Under the franchise agreements, advertising contributions received from franchisees must be spent on advertising, marketing and related activities. The advertising and promotional costs are expensed in the period incurred. The revenues and expenses of the advertising funds are included in the consolidated statement of comprehensive income as the Group has control over the fund.

(i) Sale of ice-cream and related goods

Revenue from sale of ice-cream and related goods are recognised when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods and it is probable that the agreed consideration will be received. These criteria are considered to be met when the goods are delivered to and accepted by the buyer.

(j) Interest income

Interest income is recognised using the effective interest method.

For the financial year ended 30 June 2017

2. Significant accounting policies (Continued)

2.2 Revenue recognition (Continued)

(k) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income/(loss) is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest measured at their fair value at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the identifiable net assets acquired is recorded as goodwill. Please refer to Note 2.5(a) for the subsequent accounting policy on goodwill.

If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost, and its fair value is recognised in profit or loss.

Please refer to Note 2.6 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) *Associated companies and joint venture*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint venture are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint venture are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) *Acquisitions*

Investments in associated companies and joint venture are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies or joint venture are eliminated to the extent of the Group's interest in the associated companies or joint venture. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies or joint venture are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

For the financial year ended 30 June 2017

2. Significant accounting policies (Continued)

2.3 Group accounting (Continued)

(c) *Associated companies and joint venture* (Continued)

(iii) *Disposals*

Investments in associated companies or joint venture are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2.6 for the accounting policy on investments in associated companies and joint venture in the separate financial statements of the Company.

2.4 Property, plant and equipment

(a) *Measurement*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) *Depreciation*

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold property	30 years
Office equipment and furniture	5 years
Computer equipment	3 - 5 years
Fittings and fixtures	5 years
Motor vehicles	10 years
Boats	9 years
Renovation	9 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains and losses".

2.5 Intangible assets

(a) *Goodwill on acquisitions*

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint venture is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

(b) *Intellectual property assets*

The fair value of the intellectual property assets acquired through business acquisition is separately identified and capitalised as intangible assets.

Intellectual property assets that have finite useful lives are carried initially at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

Intellectual property assets that have indefinite useful lives are not subject to amortisation but tested at least annually for impairment and carried at cost less accumulated impairment losses.

(c) *Acquired computer software licences*

Where computer software is not an integral part of the related hardware, it is treated as an intangible asset. Computer software that is an integral part of the related hardware is treated as part of the hardware and classified as property, plant and equipment (Note 2.4).

Acquired computer software licences are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributed costs of preparing the asset for its intended use. Direct expenditure including employee costs, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Capitalised computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 3 to 5 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.6 Investments in subsidiaries, associated companies and joint venture

Investments in subsidiaries, associated companies and joint venture are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

For the financial year ended 30 June 2017

2. Significant accounting policies (Continued)

2.7 Investment properties

Investment properties include buildings that are held for long-term rental yields and/or for capital appreciation and land under operating leases that is held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Development properties

Development properties refer to properties developed for sales.

Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

Revenue recognition on development properties for sale is recognised upon the transfer of significant risks and rewards of ownership to the purchasers under the completion of construction method.

When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as expense immediately.

The cost of development properties for sale comprises specifically identified costs, including land, construction and related development costs. Interest on borrowings obtained specifically to finance the acquisition of land and construction of the development properties are also capitalised.

2.9 Impairment of non-financial assets

(a) *Goodwill*

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Property, plant and equipment*

Investments in subsidiaries, associated companies and joint venture

Intangible assets

Property, plant and equipment, investments in subsidiaries, associated companies and joint venture and intangible assets with finite useful lives are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

Intangible assets with indefinite useful lives are not subject to amortisation and are tested for impairment annually and whenever there is indication that the assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at a revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.10 Financial assets

(a) *Classification*

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "cash and cash equivalents" (Note 13), "trade and other receivables" (Note 14), "deposits" (Note 16), "due from subsidiaries" (Note 18) and "due from associated companies" (Note 20) on the balance sheets.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the balance sheet date.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised

For the financial year ended 30 June 2017

2. Significant accounting policies (Continued)

2.10 Financial assets (Continued)

(b) Recognition and derecognition (Continued)

in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial measurement

Loans and receivables and available-for-sale financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.10(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified from equity to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss in the subsequent period.

2.11 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.12 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.13 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

2.14 Leases

(a) When the Group is the lessee – Operating leases

The Group leases certain computer, office equipment and office space under operating leases from non-related parties.

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

(b) When the Group is the lessor – Operating leases

The Group leases investment properties and excess office space that it owns under operating leases to non-related parties.

Leases of investment properties and property, plant and equipment where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as an income in profit or loss when earned.

2.15 Inventories

Inventories are carried at the lower of cost, and net realisable value. Cost is determined on the weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.16 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

For the financial year ended 30 June 2017

2. Significant accounting policies (Continued)

2.16 Income taxes (Continued)

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment properties measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.17 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.18 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(c) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when the Group can no longer withdraw the offer of those benefits.

2.19 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities’ financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rate at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rate at the reporting date.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company’s ordinary shares (“treasury shares”), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company’s equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

For the financial year ended 30 June 2017

2. Significant accounting policies (Continued)

2.22 Share capital and treasury shares (Continued)

When treasury shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.23 Dividends to Company's shareholders

Dividends to Company's shareholders are recognised when the dividends are approved for payment.

2.24 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties. This includes those costs on borrowings acquired specifically for the construction or development of properties, as well as those in relation to general borrowings used to finance the construction or development of properties.

The actual borrowing costs incurred during the period up to the completion of the construction or development of properties less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.25 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are deducted against the related expense.

2.26 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale, and:

- (a) represents a separate major line of business or geographical area of operations;
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment review of intangible assets with indefinite useful life

Intangible assets with indefinite useful life is tested for impairment annually and whenever there is any indication that these assets may be impaired.

For purposes of impairment testing, the recoverable amount of the cash-generating-unit has been determined based on value-in-use calculations. These calculations involved critical assumptions. Please refer to Note 28(d) for the critical assumptions made.

(b) Valuation of investment properties

Investment properties are stated at fair value based on valuations by independent professional valuers. The fair values are determined using the income capitalisation, discounted cash flow and direct comparison method. In determining fair value, the valuer has used valuation methods which involve certain estimates. Please refer to Note 26(b) for the key inputs used.

4. Revenue

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Revenue from sale of advertising space	4,453	6,702
Revenue from the provision of advertising and IT related services	2,087	2,477
Rental income from investment properties	10,396	10,033
Royalties income	-	1,245
Franchise income	3,267	1,995
Marketing income	2,124	868
Revenue from sale of ice-cream and related goods	4,783	2,204
Others	18	2
	27,128	25,526

5. Other income

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Rental income	2,650	2,659
Interest income	103	168
Management fees	107	50
Dividend income	35	143
Other income	195	72
	3,090	3,092

6. Other gains and losses

(a) Other gains

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Net gain on disposal of investment in associated company (Note 23)	-	319
Gain on sale of transferable rights in investment	-	108
Gain on disposal of property, plant and equipment	106	6
Net gain on disposal of available-for-sale financial assets [Note 17(a)]	324	-
Foreign exchange gain	453	-
Others	287	195
	1,170	628

For the financial year ended 30 June 2017**6. Other gains and losses** (Continued)

(b) Other losses

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Foreign exchange loss	-	11
Fair value losses on investment properties [Note 26(a)]	3,186	3,417
Loss on dilution of interests in an associated company (Note 23)	-	1,404
Loss on disposal of subsidiaries (Note 13)	746	-
Loss on re-measurement of retained interest on disposal of subsidiaries (Note 13)	171	-
	4,103	4,832

7. Staff costs

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Salaries and wages	7,193	7,203
Employer's contribution to defined contribution plans including Central Provident Fund	771	704
Government grant	(135)	(181)
Termination benefits - Restructuring costs	531	-
Other benefits	234	43
	8,594	7,769

8. Other expenses

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Allowance for impairment of trade receivables	359	472
Write back of impairment of trade receivables	(661)	(880)
Bad debts recovered	(73)	(102)
Insurance expense	190	237
Telecommunication expense	110	122
Temporary and outsourced services	142	387
Travelling expenses	460	589
Technical and licensing fees	311	178
Other expenses	599	1,256
	1,437	2,259

9. Finance expenses

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Interest expense on bank borrowings	3,843	3,412
Less: Borrowing costs capitalised in development properties [Note 27(a)]	(254)	-
Finance expenses recognised in profit or loss	3,589	3,412

10. Income taxes

(a) Income tax expense

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Income tax expense attributable to (loss)/profit is made up of:		
- (Loss)/profit for the financial year		
From continuing operations		
Current income tax		
- Singapore	100	41
- Foreign	667	437
	767	478
Deferred income tax [Note 10(d)]	829	940
	1,596	1,418
From discontinued operations		
Current income tax		
-Singapore	5	31
Deferred income tax [Note 10(d)]	2	(15)
	1,603	1,434
- (Over)/under provision in prior financial years		
From continuing operations		
Current income tax	(116)	(260)
Deferred income tax [Note 10(d)]	(42)	-
From discontinued operations		
Current income tax	5	(3)
Deferred income tax [Note 10(d)]	-	3
	1,450	1,174
Tax expense is attributable to:		
- continuing operations	1,438	1,158
- discontinued operations (Note 11)	12	16
	1,450	1,174

For the financial year ended 30 June 2017**10. Income taxes** (Continued)**(a) Income tax expense** (Continued)

The tax on the Group's (loss)/profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2017 \$'000	2016 \$'000
(Loss)/profit before tax from		
- continuing operations	(1,315)	(6,274)
- discontinued operations (Note 11)	1,115	(4,992)
	(200)	(11,266)
Share of profit of associated companies, net of tax	-	(106)
Loss before tax and share of results of associated companies	(200)	(11,372)
Tax calculated at a tax rate of 17% (2016: 17%)	(34)	(1,933)
Effects of:		
- Different tax rates in other countries	138	(19)
- Singapore statutory stepped income exemption	(103)	(67)
- Tax incentives	(75)	(370)
- Expenses not deductible for tax purposes	1,675	3,765
- Income not subject to tax	(260)	(30)
- Utilisation of previously unrecognised tax losses	(17)	(7)
- Deferred tax assets not recognised	279	95
- Over provision in prior financial years	(153)	(260)
Tax charge	1,450	1,174

(b) Movement in current income tax liabilities

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Beginning of financial year	196	440	-	13
Acquisition of subsidiaries [Note 42(a)(iii)]	-	150	-	-
Disposal of subsidiaries (Note 13)	(18)	-	-	-
Income tax (paid)/refunded	(12)	(637)	-	153
Tax expense on profit for the current financial year [Note 10(a)]	772	509	-	-
Under/(over) provision in prior financial years [Note 10(a)]	(111)	(263)	-	(166)
Currency translation differences	19	(3)	-	-
End of financial year	846	196	-	-

(c) Movement in income tax recoverable

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	-	-	-	-
Income tax paid	(24)	-	-	-
End of financial year	(24)	-	-	-

(d) Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown on the balance sheet:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Deferred income tax liabilities				
- To be recovered within one year	(228)	(116)	-	-
- To be settled after one year	2,581	1,649	89	89
	2,353	1,533	89	89
Deferred income tax assets				
- To be recovered within one year	-	(4)	-	-
- To be recovered after one year	(125)	(90)	-	-
	(125)	(94)	-	-

The movements in the deferred income tax account are as follows:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	1,439	606	89	29
Acquisition of subsidiaries [Note 42(a)(iii)]	-	(125)	-	-
Disposal of subsidiaries (Note 13)	(41)	-	-	-
Tax charged to profit or loss [Note 10(a)]	789	928	-	60
Currency translation differences	41	30	-	-
End of financial year	2,228	1,439	89	89

For the financial year ended 30 June 2017

10. Income taxes (Continued)

(d) Deferred income taxes (Continued)

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) are as follows:

Group

Deferred income tax liabilities

2017

	Accelerated tax depreciation	Unremitted foreign- sourced income	Total
	\$'000	\$'000	\$'000
Beginning of financial year	1,722	-	1,722
Charged to profit or loss	792	61	853
Disposal of subsidiaries (Note 13)	(45)	-	(45)
Currency translation differences	46	-	46
End of financial year	2,515	61	2,576

2016

Beginning of financial year	740	34	774
Charged/(credited) to profit or loss	953	(34)	919
Currency translation differences	29	-	29
End of financial year	1,722	-	1,722

Deferred income tax assets

2017

	Unutilised tax and capital allowances	Provisions	Total
	\$'000	\$'000	\$'000
Beginning of financial year	(218)	(65)	(283)
Disposal of subsidiaries (Note 13)	-	4	4
(Credited)/charged to profit or loss	(68)	4	(64)
Currency translation differences	(5)	-	(5)
End of financial year	(291)	(57)	(348)

2016

Beginning of financial year	(127)	(41)	(168)
Acquisition of subsidiaries [Note 42(a)(iii)]	(86)	(39)	(125)
(Credited)/charged to profit or loss	(6)	15	9
Currency translation differences	1	-	1
End of financial year	(218)	(65)	(283)

Company*Deferred income tax liabilities*

	Accelerated tax depreciation
	\$'000
2017	
Beginning and end of financial year	108
2016	
Beginning of financial year	57
Charged to profit or loss	51
End of financial year	108

Deferred income tax assets

	Provisions
	\$'000
2017	
Beginning and end of financial year	(19)
2016	
Beginning of financial year	(28)
Credited to profit or loss	9
End of financial year	(19)

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profit is probable.

The Group has unrecognised tax losses of \$2,505,000 (2016: \$964,000) and capital allowances of \$94,000 (2016: \$94,000) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry date.

11. Discontinued operations

- (a) On 31 May 2017, the Company disposed of 80% of its shareholdings in a subsidiary group, eFusion Solutions Pte Ltd ("eFusion") and its subsidiaries ("eFusion Group").

Prior to the disposal, eFusion Group is in the business of direct sales and marketing solutions and operate as a segment on its own ("Direct Sales segment"). Accordingly, the entire results from the Direct Sales segment is presented separately on the consolidated statement of comprehensive income as "Discontinued operations" in the current year and prior year.

- (b) Singapore River Explorer Pte Ltd ("SRE"), a subsidiary of the Group, was set up to operate the river boat and river taxi business along the Singapore River under the licence jointly granted to the Company and Leisure Empire Pte Ltd ("Leisure Empire") by the Urban Redevelopment Authority ("URA"). The licence to operate the kiosks along the Singapore River expired on 31 December 2015 and was not renewed by URA. SRE's principal activities are the provision of river tour and taxi services, which require the licence granted by URA to operate. SRE has ceased operations subsequent to the expiry of the licence. Accordingly, the entire results from the Singapore River Tour and Taxi operations are presented separately on the consolidated statement of comprehensive income as "Discontinued operations" in the current year and prior year.

For the financial year ended 30 June 2017**11. Discontinued operations** (Continued)

- (c) The results of the discontinued operations after intercompany eliminations are as follows:

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Revenue	5,710	10,313
Expenses	(4,595)	(15,305)
Profit/(loss) before tax from discontinued operations	1,115	(4,992)
Income tax expense	(12)	(16)
Profit/(loss) after tax from discontinued operations	1,103	(5,008)

In the previous financial year, included within the expenses is an impairment charge of \$5,638,000 in relation to certain plant and equipment (Note 25) of SRE. Management has assessed that the recoverable amount of these plant and equipment, which is based on fair value less cost to sell, is \$Nil due to SRE's discontinued operations. The fair value is determined using the expected present value technique.

- (d) The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group	
	For the financial year ended 30 June 2017 \$'000	For the financial year ended 30 June 2016 \$'000
Operating cash inflows	1,733	1,046
Investing cash outflows	(167)	(149)
Financing cash outflows	(1,683)	(1,285)
Total cash outflows	(117)	(388)

12. (Loss)/earnings per share

- (a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the net (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	For the financial year ended 30 June 2017	For the financial year ended 30 June 2016
Net (loss)/profit attributable to equity holders of the Company (\$'000)		
- From continuing operations	(2,660)	(7,226)
- From discontinued operations	874	(2,084)
	(1,786)	(9,310)
Weighted average number of ordinary shares outstanding for calculation of basic (loss)/ earnings per share ('000)	199,952	172,726
Basic (loss)/ earnings per share (cents per share)		
- From continuing operations	(1.33)	(4.18)
- From discontinued operations	0.44	(1.21)
	(0.89)	(5.39)

(b) Diluted (loss)/earnings per share

For the purpose of calculating diluted (loss)/earnings per share, (loss)/profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has only one category of dilutive potential ordinary shares which is warrants.

For warrants, the weighted average number of shares on issue has been adjusted as if all dilutive warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net (loss)/profit.

As at 30 June 2017 and 30 June 2016, the outstanding warrants are not dilutive.

13. Cash and cash equivalents

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	9,558	8,833	7,341	4,448
Short-term bank deposits	277	860	-	860
	9,835	9,693	7,341	5,308

Included in the bank balances above is an amount of \$256,000 (2016: \$530,000) relating to cash reserved for marketing specific pursuits, in accordance with Franchise Agreements.

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances (as above)	9,835	9,693	7,341	5,308
Less: Restricted cash – deposits pledged	(277)	(401)	-	-
Cash and cash equivalents per consolidated statement of cash flows	9,558	9,292	7,341	5,308

Disposal of subsidiaries

On 31 May 2017, the Company disposed of 80% of its shareholdings in eFusion Group. The remaining 20% shareholdings is reclassified as an available-for-sale financial asset [Note 17(b)]. Details of the consideration received and the effects of the disposal on the cash flows of the Group were:

	2017
	\$'000
(i) <u>Consideration received:</u>	
Cash received	1,200
Consideration receivable (Note A)	1,500
	2,700

Note A: The receivable amount of \$1,500,000 is unsecured, interest-free, and repayable on a monthly basis over the next three years. The carrying amount of the receivable approximates its fair value.

For the financial year ended 30 June 2017

13. Cash and cash equivalents (Continued)**2017
\$'000**(ii) Carrying amounts of assets and liabilities disposed of:

Cash and cash equivalents	897
Trade and other receivables	1,165
Other current assets	54
Plant and equipment (Note 25)	102
Intangible assets [Note 28(e)]	188
Total assets	2,406
Trade and other payables	(826)
Current income tax liabilities [Note 10(b)]	(18)
Deferred income tax liabilities [Note 10(d)]	(41)
Total liabilities	(885)
Net assets derecognised	1,521
- Goodwill on consolidation [Note 28(a)]	2,708
Net assets disposed of	4,229

The aggregate cash inflows arising from the disposal of eFusion were:

Net assets disposed of (as above)	4,229
- Reclassification of currency translation reserve [Note 34(b)(ii)]	63
	4,292
Loss on disposal of subsidiaries [Note 6(b)]	(746)
Loss on re-measurement of retained interest on disposal of subsidiaries [Note 6(b)]	(171)
Fair value of retained interest [Note 17(b)]	(675)
Consideration transferred from disposal	2,700
Less: Consideration receivable [Note 13(i)]	(1,500)
Cash proceeds from disposal	1,200
Less: Cash and cash equivalents in subsidiaries disposed of	(897)
Net cash inflow on disposal	303

14. Trade and other receivables

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<u>Current</u>				
Trade receivables - third parties	2,143	4,495	1,140	2,506
Less: Allowance for impairment of trade receivables	(958)	(1,744)	(906)	(1,698)
Trade receivables - net	1,185	2,751	234	808
Other receivables - third parties	879	696	683	312
Less: Allowance for impairment of other receivables	(14)	(185)	(14)	-
Other receivables - net	865	511	669	312
	2,050	3,262	903	1,120
<u>Non-current</u>				
Other receivables - third parties	958	-	958	-

The carrying amount of the non-current other receivables approximates its fair value.

The aging analysis of trade receivables past due but not impaired as at the balance sheet date is as follows:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Less than 3 months	290	558	83	200
3 to 6 months	119	419	117	385
Above 6 months	92	132	28	131
	501	1,109	228	716

The carrying amount of trade receivables individually determined to be impaired have been fully provided for at the balance sheet date and the movements in allowance for impairment of trade receivables during the financial year are as follows:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	1,744	2,664	1,698	2,590
Allowance made	359	479	288	447
Allowance written back	(661)	(880)	(617)	(838)
Allowance utilised	(484)	(519)	(463)	(501)
End of financial year	958	1,744	906	1,698

15. Inventories

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Raw materials	111	89	85	81

16. Other current assets

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Deposits	1,884	97	80	78
Prepayments	115	348	39	108
Other assets	964	1,162	-	-
	2,963	1,607	119	186

Other assets pertain mainly to receivables owing from a third party to be settled in kind with the Group's purchase of ice-cream supplies.

For the financial year ended 30 June 2017

17. Available-for-sale financial asset

(a) Current

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Beginning of financial year	6,380	-	6,380	-
Reclassification from investment in associated company (Note 23)	-	9,516	-	9,516
Fair value gains/(losses) recognised in other comprehensive income [Note 34(b)(iii)]	1,730	(3,136)	1,730	(3,136)
Proceeds from disposal	(6,704)	-	(6,704)	-
Loss on disposal	(1,406)	-	(1,406)	-
End of financial year	-	6,380	-	6,380

During the current financial year, the investment in quoted equity securities held as available-for-sale financial asset has been fully disposed of by the Group and Company with proceeds from disposal of \$6,704,000. Including the reclassification of fair value reserve to profit or loss on disposal amounting to \$1,730,000 [Note 34(b)(iii)], the Group and Company recognised a net gain of \$324,000 on disposal.

In the previous financial year, impairment loss of \$3,136,000 for the quoted equity security is recognised as there is a significant and prolonged decline in its share value. The fair value losses recognised in other comprehensive income of \$3,136,000 [Note 34(b)(iii)] have been reclassified to profit or loss.

Available-for-sale financial asset is analysed as follows:

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Listed securities				
- Equity securities - Singapore	-	6,380	-	6,380

(b) Non-Current

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Beginning of financial year	-	-	-	-
Additions (Note 13)	675	-	675	-
End of financial year	675	-	675	-

During the financial year, the Group disposed of 80% of its shareholdings in eFusion (Note 13) and retained 20% of its interest. Following the disposal, the Group relinquished its board representation in eFusion. As a result, management assessed that the Group does not have significant influence over eFusion and accounted for its remaining 20% interest as available-for-sale financial asset.

18. Due from subsidiaries

	Company	
	2017 \$'000	2016 \$'000
<u>Current</u>		
Trade	-	126
Non-trade	-	61,847
	-	61,973
Less: Allowance for impairment of receivables	-	(10,033)
	-	51,940
<u>Non-Current</u>		
Trade	118	-
Non-trade	73,319	-
	73,437	-
Less: Allowance for impairment of receivables	(9,286)	-
	64,151	-

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand, except for \$3,974,000 (2016: \$5,073,000) due from a subsidiary which is interest-bearing at a range of 4% to 10% (2016: 4% to 10%) per annum.

In the current financial year, management has assessed that the trade and non-trade amount due from subsidiaries are not expected to be settled within the next twelve months. As such, the amounts are classified as non-current receivables accordingly.

As at 30 June 2017, the fair values of the non-current trade and non-trade amounts due from subsidiaries amounted to \$62,898,000. The fair values are computed on cash flows discounted at market bond rate of 2.0%. The fair values are within Level 2 of the fair values hierarchy. The carrying amount of the current trade and non-trade amounts due from subsidiaries as at 30 June 2016 approximate its fair value.

19. Due to subsidiaries

As at 30 June 2017, the current non-trade amounts due to subsidiaries are \$8,589,000 (2016: \$5,917,000) and are unsecured, interest-free and repayable on demand. In the previous financial year, the loan amount due to a subsidiary was \$1,200,000 and was unsecured, interest-free and repayable on demand.

20. Due from/(to) associated companies

	Group and Company	
	2017 \$'000	2016 \$'000
Due from associated companies (non-trade)	-	1
Due to associated companies (non-trade)	-	(1)

In the previous financial year, the non-trade amounts due from/(to) the associated companies are unsecured, interest-free and repayable on demand.

For the financial year ended 30 June 2017

21. Other non-current assets

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Deferred expenditure	474	21	-	-
Club membership at cost	97	97	97	97
Less: Allowance for impairment loss	(45)	(45)	(45)	(45)
	52	52	52	52
Other assets	50	50	50	50
Less: Allowance for impairment loss	(50)	(50)	(50)	(50)
	-	-	-	-
	526	73	52	52

22. Investments in subsidiaries

	Company	
	2017 \$'000	2016 \$'000
<i>Equity investments at cost</i>		
Beginning of financial year	10,314	10,468
Additions [Note 22(b)]	-	113
Disposals [Note 22(a)]	(5,519)	(#)
Reclassification to available-for-sale financial asset [Note 22(a)]	(1,380)	-
Impairment in value of investment	-	(267)
End of financial year	3,415	10,314

Amount less than \$1,000

Details of the subsidiaries are included in Note 41.

- (a) On 31 May 2017, the Company disposed of 80% controlling interest in eFusion for a consideration of \$2,700,000 (Note 13). The remaining 20% interest in eFusion has been reclassified to an available-for-sale financial asset [Note 17(b)].
- (b) During the previous financial year, the Company acquired the non-controlling interests' shares in a subsidiary, Callmyname Registry Pte Ltd ("CMN"), for a cash consideration of \$113,000. Following the acquisition, CMN became a wholly-owned subsidiary of the Company.
- (c) Carrying value of non-controlling interests

	2017 \$'000	2016 \$'000
Singapore River Explorer Pte Ltd ("SRE")	(20)	(30)

SRE has an amount due to the Company amounting to \$7,361,000 (2016: \$7,614,000) which is not probable that the Company will be able to recover the balance following the cessation of SRE's operations (Note 11). This resulted in a cumulative gain amounting to \$3,681,000 (2016: \$3,807,000) [Note 34(b)(v)], representing 50% of the intercompany balance accruing to the non-controlling interest.

In the opinion of the Directors, the non-controlling interest as at 30 June 2017 is not material to the Group.

23. Investments in associated companies

	Company	
	2017 \$'000	2016 \$'000
<i>At cost</i>		
Unquoted equity investments	6	6
<i>Accumulated impairment loss</i>		
Unquoted equity investments	(5)	(5)
	1	1
	Group	
	2017 \$'000	2016 \$'000
Beginning of financial year	110	11,680
Currency translation differences	-	106
Share of results of associated companies	-	106
Loss on dilution of interest in an associated company [Note 6(b)]	-	(1,404)
Loss on deemed disposal of an associated company	-	(862)
Reclassified to available-for-sale financial asset [Note 17(a)]	-	(9,516)
End of financial year	110	110

In the previous financial year, the Group decreased its interest held in Yamada Green Resources Limited ("Yamada") from 20% to 13% due to a rights issue by Yamada in which the Group did not subscribe to. This resulted in a loss on dilution of interest in Yamada amounting to \$1,404,000.

Following the decrease in shareholdings in Yamada, the Company relinquished its board representation in Yamada. As a result, management assessed that significant influence over Yamada was lost and accounted for its remaining 13% interest as available-for-sale financial asset. This transaction has resulted in the recognition of a net gain in profit or loss, as follows:

	2017 \$'000	2016 \$'000
Fair value of investment retained (13%)	-	9,516
Less: Carrying amount of investment on the date of loss of significant influence	-	(10,378)
Loss on deemed disposal	-	(862)
Add: Reclassification of translation reserve to profit or loss	-	1,181
Net gain	-	319

The fair value is within Level 1 of the fair value hierarchy.

Details of the associated companies are included in Note 41.

In the opinion of the Directors, the Group's investment in the associated companies as at 30 June 2017 and 30 June 2016 is not material. There are no contingent liabilities relating to the Group's interest in the associated companies.

For the financial year ended 30 June 2017

24. Investment in joint venture

	Group	
	2017 \$'000	2016 \$'000
<i>At cost</i>		
Unquoted equity shares	#	#
<i>Accumulated impairment loss</i>		
Unquoted equity shares	(#)	-
	-	#

Amount less than \$1,000

During the current financial year, the investment in joint venture has been fully impaired.

Details of the joint venture company are included in Note 41.

In the opinion of the Directors, the Group's investment in a joint venture as at 30 June 2016 is not material. There are no contingent liabilities relating to the Group's interest in the joint venture.

25. Property, plant and equipment

	Leasehold property	Office equipment and furniture	Computer equipment	Fittings and fixtures	Motor vehicles	Boats	Renovation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
2017								
Cost								
Beginning of financial year	18,064	684	2,866	1,165	389	7,523	882	31,573
Additions	-	7	58	85	-	-	-	150
Disposals and write-offs	-	(1)	(1,637)	-	-	(7,523)	(736)	(9,897)
Disposal of subsidiaries (Note 13)	-	(22)	(626)	(514)	-	-	(98)	(1,260)
Currency translation differences	-	2	1	-	-	-	-	3
End of financial year	18,064	670	662	736	389	-	48	20,569
Accumulated depreciation								
Beginning of financial year	9,001	450	2,536	980	206	2,420	416	16,009
Depreciation charge	693	72	155	54	38	-	29	1,041
Disposals and write-offs	-	(1)	(1,637)	-	-	(2,420)	(270)	(4,328)
Disposal of subsidiaries (Note 13)	-	(22)	(558)	(417)	-	-	(161)	(1,158)
Currency translation differences	-	1	(1)	-	-	-	(1)	(1)
End of financial year	9,694	500	495	617	244	-	13	11,563
Accumulated impairment								
Beginning of financial year	-	9	42	18	-	5,103	466	5,638
Disposals	-	-	-	-	-	(5,103)	(466)	(5,569)
End of financial year	-	9	42	18	-	-	-	69
Net book value								
End of financial year	8,370	161	125	101	145	-	35	8,937

During the current financial year, boats and kiosks with net book value of \$Nil were sold to external parties for a total cash consideration of \$680,000.

	Leasehold property	Office equipment and furniture	Computer equipment	Fittings and fixtures	Motor vehicles	Boats	Renovation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
2016								
Cost								
Beginning of financial year	18,064	696	2,791	1,164	426	7,523	882	31,546
Acquisition of subsidiaries [Note 42(a)(iii)]	-	46	37	-	-	-	-	83
Additions	-	5	147	6	-	-	-	158
Disposals and write-offs	-	(59)	(109)	(5)	(37)	-	-	(210)
Currency translation differences	-	(4)	-	-	-	-	-	(4)
End of financial year	18,064	684	2,866	1,165	389	7,523	882	31,573
Accumulated depreciation								
Beginning of financial year	8,308	432	2,440	908	198	1,528	303	14,117
Depreciation charge	693	77	200	73	36	892	113	2,084
Disposals and write-offs	-	(59)	(106)	(1)	(28)	-	-	(194)
Currency translation differences	-	-	2	-	-	-	-	2
End of financial year	9,001	450	2,536	980	206	2,420	416	16,009
Accumulated impairment								
Beginning of financial year	-	-	-	-	-	-	-	-
Impairment (Note 11)	-	9	42	18	-	5,103	466	5,638
End of financial year	-	9	42	18	-	5,103	466	5,638
Net book value								
End of financial year	9,063	225	288	167	183	-	-	9,926

For the financial year ended 30 June 2017

25. Property, plant and equipment (Continued)

	Leasehold property	Office equipment and furniture	Computer equipment	Fittings and fixtures	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Company</u>						
2017						
<u>Cost</u>						
Beginning of financial year	18,064	516	2,044	651	389	21,664
Additions	-	2	12	85	-	99
Disposals	-	-	(1,520)	-	-	(1,520)
End of financial year	18,064	518	536	736	389	20,243
<u>Accumulated depreciation</u>						
Beginning of financial year	9,001	363	1,881	566	207	12,018
Depreciation charge	693	53	88	37	37	908
Disposals	-	-	(1,520)	-	-	(1,520)
End of financial year	9,694	416	449	603	244	11,406
<u>Net book value</u>						
End of financial year	8,370	102	87	133	145	8,837
<u>Company</u>						
2016						
<u>Cost</u>						
Beginning of financial year	18,064	515	1,938	645	426	21,588
Additions	-	1	126	6	-	133
Disposals	-	-	(20)	-	(37)	(57)
End of financial year	18,064	516	2,044	651	389	21,664
<u>Accumulated depreciation</u>						
Beginning of financial year	8,308	311	1,846	528	199	11,192
Depreciation charge	693	52	55	38	37	875
Disposals	-	-	(20)	-	(29)	(49)
End of financial year	9,001	363	1,881	566	207	12,018
<u>Net book value</u>						
End of financial year	9,063	153	163	85	182	9,646

26. Investment properties

(a) Investment properties

	Group	
	2017 \$'000	2016 \$'000
Beginning of financial year	93,307	88,298
Additions	13	4,276
Fair value losses [Note 6(b)]	(3,186)	(3,417)
Currency exchange differences	4,930	4,150
End of financial year	95,064	93,307

Investment properties are leased to non-related parties under operating leases [Note 37(c)].

Investment properties with carrying values amounting to \$91,094,000 (2016: \$89,449,000) are mortgaged to secure bank loans (Note 31).

The following amounts are recognised in profit and loss:

	Group	
	2017 \$'000	2016 \$'000
Rental revenue (Note 4)	10,396	10,033
Direct operating expenses arising from:		
– Investment properties that generate rental revenue	3,571	3,557

Investment properties are stated at fair value based on valuations performed by independent external professional valuer. The fair values are generally derived using the following methods:

- Income Capitalisation – Properties are valued by capitalising the net property income at an appropriate rate of return to arrive at the market value. The net property income is the estimated annual net rental income of the building at current rate after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location, tenure, tenancy profile of the property together with the prevailing property market condition.
- Discounted Cash Flow – Properties are valued by discounting the future net income stream over a period to arrive at a present value.
- Direct Comparison – Properties are valued using analysis of comparable sales after making allowances for factors such as date of sale, sale terms and conditions, location, discernible differences between the properties and other pertinent factors, to assist in the assessment of current market value.

Management is of the view that the valuation methods and estimates are reflective of the current market condition.

For the financial year ended 30 June 2017

26. Investment properties (Continued)

(a) Investment properties (Continued)

At the balance sheet date, the details of the Group's investment properties are as follows:

Location	Description/existing use	Tenure
10 Aylesbury Street and 167 Pakuranga Road, Pakuranga, Auckland, New Zealand	Retail and office space including a four-storey shopping mall, outdoor Warehouse Plaza and a standalone Plaza Business Centre	Freehold
Unit 1, 169 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	999 years commencing 20 September 1973
Unit 2, 169 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	999 years commencing 20 September 1973
Unit 3, 169 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	999 years commencing 20 September 1973
Unit 1, 171 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	999 years commencing 1 November 1972
Unit 2, 171 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	999 years commencing 1 November 1972
Unit 3, 171 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	999 years commencing 1 November 1972

(b) Fair value hierarchy

The investment property is classified within Level 3 of the fair value hierarchy. The movement during the financial year is disclosed in the investment property movement table presented in Note 26(a). There were no transfers into or out of the fair value hierarchy levels for the financial year ended 30 June 2017 and 30 June 2016.

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Description	Fair value at 30 June 2017 (\$'000)	Valuation technique	Unobservable input ^(a)	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Retail and office space	\$91,094 (2016: \$89,449)	Income capitalisation	Capitalisation rate	8.13% (2016: 7.80%)	The higher the capitalization rate, the lower the fair value
		Discounted cash flow	Discount rate	9.63% (2016: 9.25%)	The higher the discount rate, the lower the fair value
			Terminal yield	8.38% (2016: 8.05%)	The higher the terminal yield, the lower the fair value
Residential apartment units	\$3,970 (2016: \$3,858)	Direct comparison	Adjusted price per square metre	\$6,305 - \$7,398 (2016: \$5,986 - \$7,023)	The higher the adjusted price per square metre, the higher the fair value

(a) There were no significant inter-relationships between unobservable inputs.

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use. As at 30 June 2017 and 30 June 2016, the fair values of the properties have been determined by Bayleys Valuations Limited.

At each financial year end, management:

- assesses property valuation movements when compared to the prior year valuation report; and
- holds discussions with the independent valuer.

Changes in Level 3 fair values are analysed at each reporting date during the management meeting. As part of this discussion, a report is presented to the Board of Directors that explains the reasons for the fair value movements.

27. Development properties

	Group	
	2017 \$'000	2016 \$'000
Land at cost	19,681	-
Development costs	2,029	-
Borrowing costs capitalised (Note 9)	254	-
Development properties	21,964	-

- (a) Borrowing costs of \$254,000 (2016: Nil) arising from bank borrowing specifically entered into for the purchase of the land for development were capitalised during the financial year and included in development properties. The bank borrowing is secured on the land for development and bears effective interest rate of 4.64% (2016: Nil) per annum at the balance sheet date.

For the financial year ended 30 June 2017

27. Development properties (Continued)

(b) Details of the Group's development properties as at 30 June 2017 are as follows:

	Tenure of Land	Site area (sqm)
Remarkables Residences		
A development comprising 225 units of residential units	Freehold	38,400

The development has been pledged by way of first registered and exclusive mortgage as security for the bank loan granted to the Group [Note 31(b)(iv)].

28. Intangible assets

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Composition:				
Goodwill arising on consolidation	-	2,708	-	-
Intellectual property assets	11,863	13,615	-	1,752
Computer software licence and development costs	157	483	139	258
	12,020	16,806	139	2,010

(a) Goodwill arising on consolidation

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Beginning of financial year	2,708	2,708	-	-
Acquired goodwill [Note 42(a)(iii)]	-	360	-	-
Impairment of goodwill	-	(360)	-	-
Disposal of subsidiaries (Note 13)	(2,708)	-	-	-
End of financial year	-	2,708	-	-

(b) Intellectual property assets

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Beginning of financial year	13,615	14,077	1,752	2,269
Additions	-	55	-	-
Amortisation	(517)	(517)	(517)	(517)
Impairment of intellectual property assets	(1,235)	-	(1,235)	-
End of financial year	11,863	13,615	-	1,752

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Intellectual property assets with indefinite useful lives [Note 28(b)(i)]	11,863	11,863	-	-
Intellectual property assets with finite useful lives [Note 28(b)(ii)]	115,480	115,480	115,480	115,480
Accumulated amortisation	(6,166)	(5,649)	(6,166)	(5,649)
Accumulated impairment	(109,314)	(108,079)	(109,314)	(108,079)
	-	1,752	-	1,752
Net book value	11,863	13,615	-	1,752

- (i) The intellectual property assets include trademarks, recipes and formulas. The intellectual property assets have been assessed as having an indefinite useful life as the directors believe there is no foreseeable limit to the period over which this trademark is expected to generate net cash inflows for the Group. This conclusion is subject to annual reviews to determine whether events and circumstances continue to support the indefinite useful life basis for this asset.
- (ii) The intellectual property assets acquired upon business acquisition were valued on the basis of fair market value of the brand names and related trademarks by an independent valuer. As the leading publisher of telephone directories as well as the largest provider of classified directory advertising and associated products and services in Singapore, the Group has a number of intellectual property assets, which are mainly registered trademarks.

Subsequent to year end, the Company announced that it will restructure its business to focus on real estate as its core business and cease publication of print directories from 2018 and revamp the digital business (Note 43). In conjunction with the restructuring exercise, management has performed an impairment assessment on the assets relating to print directories and digital business. The intellectual property assets amounting to \$1,235,000 have been allocated for impairment testing purposes to the Search cash-generating-unit ("CGU").

Management has determined the recoverable amount of the Search CGU based on the value-in-use calculation, at a discount rate of 12%. Based on the value-in-use calculation, an impairment charge of \$1,235,000 was recognised in the current financial year.

(c) Impairment test of goodwill and indefinite life intellectual property assets

Goodwill and indefinite life intellectual property assets are tested for impairment annually and whenever there is any impairment indication. For purposes of impairment testing, the recoverable amount of the CGU has been determined based on the value-in-use calculations.

(i) *Indefinite life intellectual property assets*

Indefinite life intellectual property assets amounting to \$11,863,000 (2016: \$11,863,000) have been allocated for impairment testing purposes to the Wendy's CGU. The cash flow projections used in the value-in-use calculations are based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rate stated in Note 28(d)(i). The terminal growth rate did not exceed the long term average growth rate of the industry. Based on the value-in-use calculations, the recoverable amount of the Wendy's CGU is higher than its carrying amount.

(ii) *Goodwill arising on consolidation*

In the previous financial year, goodwill amounting to \$2,708,000 has been allocated for impairment testing purposes to Direct Sales CGU. The cash flow projections used in the value-in-use calculations are based on financial budgets approved by management covering a one-year period. Cash flows beyond the one-year period are extrapolated using the estimated terminal growth rate stated in Note 28(d)(ii). The terminal growth rate did not exceed the long term average growth rate of the industry. Based on the value-in-use calculations, the recoverable amount of the Direct Sales CGU is higher than its carrying amount.

For the financial year ended 30 June 2017

28. Intangible assets (Continued)

(d) Critical assumptions used for value-in-use calculations

(i) Wendy's CGU

	2017	2016
Terminal growth rate	2.0%	2.5%
Discount rate (pre-tax)	15.0%	15.1%

Management believes that any reasonably possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount.

For the Wendy's CGU, if the terminal growth rate decreased by 1.5% (2016: 1%), with all other variables being held constant, the recoverable amount in excess of the carrying amount of the Wendy's CGU will decrease from \$1,563,000 to \$68,000 (2016: \$2,798,000 to \$2,108,000). If the pre-tax discount rate increased by 1% (2016: 1%), with all other variables being held constant, the recoverable amount in excess of the carrying amount of the Wendy's CGU will decrease from \$1,563,000 to \$522,000 (2016: \$2,798,000 to \$1,767,000).

(ii) Direct Sales CGU

	2016
Terminal growth rate	2.0%
Discount rate (pre-tax)	15.6%

In the previous financial year, for the Direct Sales CGU, if the terminal growth rate decreased by 1%, with all other variables being held constant, an impairment charge of \$264,000 will be recognised. If the pre-tax discount rate increased by 1%, an impairment charge of \$246,000 will be recognised. A decrease in terminal growth rate of 0.2% or an increase in discount rate of 0.2% would result in the recoverable amount of the Direct Sales CGU being equal to its carrying amount.

(e) Computer software licence and development costs

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<u>Cost</u>				
Beginning of financial year	5,119	4,906	3,714	3,634
Acquisition of subsidiaries [Note 42(a)(iii)]	-	#	-	-
Additions	139	291	14	158
Write-offs	(26)	(78)	(26)	(78)
Disposals	(3,113)	-	(3,113)	-
Disposal of subsidiaries (Note 13)	(1,501)	-	-	-
Currency translation differences	1	-	-	-
End of financial year	619	5,119	589	3,714
<u>Accumulated amortisation</u>				
Beginning of financial year	4,636	4,368	3,456	3,320
Acquisition of subsidiaries [Note 42(a)(iii)]	-	#	-	-
Amortisation	252	268	107	136
Disposals	(3,113)	-	(3,113)	-
Disposal of subsidiaries (Note 13)	(1,313)	-	-	-
End of financial year	462	4,636	450	3,456
Net book value	157	483	139	258

Amount less than \$1,000

29. Trade and other payables

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<u>Current</u>				
Trade payables – third parties	858	749	7	154
Other creditors	619	1,105	409	789
Security deposits	303	162	198	85
Accruals for operating expenses	2,518	3,444	1,007	1,550
Accrued interest payable - loans	47	39	7	7
Other liabilities	1,027	1,057	-	-
	5,372	6,556	1,628	2,585
<u>Non-current</u>				
Security deposits	464	629	249	374
Other liabilities	25	-	-	-
	489	629	249	374
	5,861	7,185	1,877	2,959

The carrying amount of non-current security deposits and other liabilities approximate its fair value.

For the financial year ended 30 June 2017

30. Provision

	Group and Company	
	2017	2016
	\$'000	\$'000
Provision for legal claims	583	1,000

On 27 October 2009, the Group commenced legal proceedings relating to copyright infringement. On 28 January 2016, the Court dismissed the Group's claim and costs were awarded to the defendant for both defending the claim and the counterclaim. The Group has appealed the decision by the Court and the appeal was heard on 23 November 2016. The Court of Appeal allowed parts of the Group's claim, but dismissed the Group's appeal in respect of the copyright infringement.

As at balance sheet date, the suit and appeal are at an end with only costs to be resolved. In the opinion of the Directors, after taking appropriate legal advice, the Group has made a provision amounting to \$583,000 (2016: \$1,000,000) in respect of the estimated legal costs for the Group's legal proceedings. The outcomes of these legal claims are not expected to give rise to any significant loss beyond the amounts provided as at 30 June 2017.

31. Borrowings

(a) Current

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Bank loans - secured	67,536	1,629	1,682	1,629

(b) Non-current

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Bank loans - secured	13,715	70,560	13,715	15,397

The exposure of the borrowings of the Group and the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
6 months or less	23,144	17,026	15,397	17,026

Details of the term loans are as follows:

- (i) A term loan of \$13,016,000 (2016: \$14,092,000) is secured over the Company's leasehold property and repayable over 10 years with a fixed repayment schedule beginning September 2012.
- (ii) A term loan of \$2,381,000 (2016: \$2,934,000) is secured over the Company's leasehold property and repayable over 7 years with a fixed repayment schedule beginning June 2014.
- (iii) Term loans of \$58,107,000 (2016: \$55,163,000) are secured over a freehold property. The term loans mature in October 2017.
- (iv) A term loan of \$7,747,000 (2016: Nil) is secured over a freehold land parcel purchased during the year (Note 27). The term loan matures in October 2017.

(v) Carrying amount and fair value

In the current financial year, the carrying amounts of the borrowings approximate their fair value. In the previous financial year, the carrying amounts of the borrowings approximate their fair values, except for the following fixed rate non-current borrowings:

	Carrying Amounts \$'000	Fair Values \$'000
Group		
2016		
Bank loans	55,163	56,061

The fair value above is determined from the cash flow analysis, discounted at market borrowing rates of an equivalent instrument at the balance sheet date at which management expect to be available to the Group. The market borrowing rate used is 3.96%.

The fair values are within Level 2 of the fair value hierarchy.

(vi) The weighted average effective interest rate at the balance sheet date is 4.80% (2016: 4.76%).

(vii) Refinancing of current borrowings

Term loans amounting to \$65,854,000 (2016: \$55,163,000) at the balance sheet date mature on 24 October 2017. These term loans are secured over a freehold property (Note 26) and a freehold land (Note 27).

Management is in the process of finalising the terms of the extension to the loans with the bank and expect this to be in place before they mature on 24 October 2017. The draft terms for the extension to the loans amounting to \$58,107,000 and \$7,747,000 provided by the bank includes extending the maturity date of the bank loans by three years and by eighteen months respectively from 24 October 2017.

In securing the extension to the loan facilities, a key condition that needs to be satisfied in the draft terms for the extension is to secure a renewed lease agreement with a major tenant. The directors of the Group note that it is highly likely that the Group will be able to secure the renewed lease agreement as negotiations with the major tenant to date have been positive. The directors are not aware of any matters which would suggest the lease renewal with the major tenant will not be concluded before 24 October 2017 and are confident that the extension to the loan facilities will be granted.

As at 30 June 2017 and 30 June 2016, the Group is in compliance with the debt covenants.

For the financial year ended 30 June 2017

32. Share capital and treasury shares

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	\$'000	\$'000
Group and Company				
2017				
Beginning of financial year	175,939	(914)	74,493	(960)
Ordinary share issued	34,076	-	5,248	-
Share issue expenses	-	-	(36)	-
Treasury share reissued	-	-	-	-
End of financial year	210,015	(914)	79,705	(960)
2016				
Beginning of financial year	175,939	(5,500)	134,293	(5,775)
Treasury share reissued	-	4,586	-	4,815
Capital reduction	-	-	(59,800)	-
End of financial year	175,939	(914)	74,493	(960)

(a) 2017

In the current financial year on 7 October 2016, the Company completed the placement of 34,076,000 new ordinary shares in the capital of Global Yellow Pages Limited at the issue price of \$0.154 per share. The net proceeds from the placement were \$5,212,000 and has been fully utilized on 15 November 2016 for the Group's acquisition of a land parcel in Queenstown, New Zealand for the purpose of residential development for sale (Note 27).

(b) 2016

In the previous financial year, the Company reissued 4,585,729 treasury shares as consideration for the Group's acquisition of Supatreats Asia Pte Ltd and its subsidiaries [Note 42(a)(i)]. The cost of the treasury shares reissued amounted to \$4,815,000. The total consideration for the treasury shares issued is \$812,000. Accordingly, a loss on reissue of treasury shares of \$4,003,000 is recognised in the capital reserve [Note 34(b)(iv)].

On 14 December 2015, the Company completed the capital reduction pursuant to Section 78A read with Section 78C of the Companies Act. The capital reduction was effected in the following manner:

- (i) reduction of the share capital of the Company from \$134,293,000 to \$74,493,000 (Note 33) by the cancellation of the share capital of the Company that has been lost or is unrepresented by available assets to the extent of \$59,800,000; and
- (ii) writing-off of the accumulated losses of the Company amounting to \$59,800,000, being the credit arising from the cancellation of the share capital of the Company.

(c) Warrants

During the current financial year, there were no warrants (2016: NIL) exercised. As at the balance sheet date, 102,263,118 (2016: 102,263,118) warrants have not been exercised.

33. Accumulated loss

Movement in accumulated loss for the Company is as follows:

	Company	
	2017 \$'000	2016 \$'000
Beginning of financial year	(12,168)	(59,800)
Capital reduction [Note 32(b)]	-	59,800
Net loss	(3,434)	(12,168)
End of financial year	(15,602)	(12,168)

34. Other reserves

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
(a) Composition:				
Share option reserve	57	57	57	57
Currency translation reserve	132	(2,048)	-	-
Fair value reserve	-	-	-	-
Capital reserve	(4,003)	(4,003)	(4,003)	(4,003)
Transactions with non-controlling interest	(3,794)	(6,224)	-	-
	(7,608)	(12,218)	(3,946)	(3,946)

(b) Movements:

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
(i) Share option reserve				
Beginning and end of financial year	57	57	57	57
(ii) Currency translation reserve				
Beginning of financial year	(2,048)	(2,580)	-	-
Reclassification to profit or loss (Note 13)	63	(1,181)	-	-
Net currency translation differences of financial statements of foreign subsidiaries and associated companies	2,117	1,713	-	-
End of financial year	132	(2,048)	-	-

For the financial year ended 30 June 2017

34. Other reserves (Continued)

(b) Movements: (Continued)

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
(iii) Fair value reserve				
Beginning of financial year	-	-	-	-
Fair value gains/(losses) on available-for-sale financial asset (Note 17)	1,730	(3,136)	-	-
Reclassification to profit or loss on disposal	(1,730)	3,136	-	-
End of financial year	-	-	-	-
(iv) Capital reserve				
Beginning of financial year	(4,003)	-	(4,003)	-
Loss on reissue of treasury share [Note 32(b)]	-	(4,003)	-	(4,003)
End of financial year	(4,003)	(4,003)	(4,003)	(4,003)
(v) Transactions with non-controlling interests				
Beginning of financial year	(6,224)	(2,348)	-	-
Transactions with non-controlling interests [Note 22(c)]	126	(3,807)	-	-
Acquisition of non-controlling interest's shares in a subsidiary	-	(69)	-	-
Disposal of subsidiaries	2,304	-	-	-
End of financial year	(3,794)	(6,224)	-	-

35. Dividends

For the financial year ended 30 June 2017 and 30 June 2016, no dividend has been declared or recommended.

36. Contingent liabilities

- (a) The Company has given undertakings to certain subsidiaries to provide continued financial support to these subsidiaries to enable them to operate as going concerns and to meet their obligations as and when they fall due for at least 12 months from the financial year end. At the date of these financial statements, the directors are of the view that no material losses will arise from the undertaking to provide financial support.
- (b) On 23 December 2015, the Group filed a claim in the Supreme Court of South Australia against a third party for infringement of the Wendy's trademarks, passing off and misleading and deceptive conduct. A counterclaim was then filed by the defendant against the Group, alleging that the Group had misled the defendant into believing that the defendant had the rights to continue using the intellectual property.

For the financial year ended 30 June 2017, independent legal advice obtained indicates that it is unlikely that any significant liability will arise from the counterclaim. At the date of these financial statements, the directors are of the view that no material losses will arise in respect of the legal claim.

37. Commitments

(a) Capital commitments

There are no capital expenditure contracted for at the balance sheet date but not recognised in the financial statements as at 30 June 2017 and 30 June 2016.

(b) Operating lease commitments - where the Group is a lessee

The Group leases certain computer, office equipment and office space under non-cancellable operating lease agreements from non-related parties. The leases have varying terms and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Not later than one year	234	194	44	47
Between one and five years	102	354	1	17
	336	548	45	64

(c) Operating lease commitments - where the Group is a lessor

The Group leases out investment properties and excess office space that it owns under non-cancellable operating leases to non-related parties. The leases have varying terms and renewal rights.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Not later than one year	8,543	11,316	2,137	2,438
Between one and five years	11,839	17,170	787	2,550
More than five years	3,894	5,865	-	-
	24,276	34,351	2,924	4,988

38. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) Currency risk

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the Singapore Dollar ("SGD"), Australian Dollars ("AUD"), New Zealand Dollars ("NZD") and Malaysian Ringgit ("MYR").

For the financial year ended 30 June 2017

38. Financial risk management (Continued)**(a) Market risk** (Continued)

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Where appropriate, the exposure is managed through borrowings denominated in the relevant foreign currencies.

The Group's currency exposures based on the information provided to key management are as follows:

	SGD \$'000	AUD \$'000	NZD \$'000	MYR \$'000	Others \$'000	Total \$'000
2017						
Cash and cash equivalents	2,395	6,013	1,273	94	60	9,835
Trade and other receivables	2,027	397	529	-	55	3,008
Other financial assets	80	-	1,804	-	-	1,884
Intercompany receivables	65,728	8,935	28,370	-	-	103,033
Other financial liabilities	(2,067)	(1,502)	(1,248)	-	(17)	(4,834)
Borrowings	(15,397)	-	(65,854)	-	-	(81,251)
Intercompany payables	(65,728)	(8,935)	(28,370)	-	-	(103,033)
Net financial (liabilities)/assets	(12,962)	4,908	(63,496)	94	98	(71,358)
Less: Net financial liabilities/ (assets) denominated in the respective entities functional currencies	13,021	(788)	76,628	-	-	88,861
Net currency exposure	59	4,120	13,132	94	98	17,503
2016						
Cash and cash equivalents	2,007	4,891	2,531	228	36	9,693
Trade and other receivables	2,529	388	342	2	1	3,262
Other financial assets	86	-	-	12	-	98
Intercompany receivables	67,752	6,775	6,731	-	-	81,258
Other financial liabilities	(3,871)	(1,294)	(885)	(39)	(40)	(6,129)
Borrowings	(17,026)	-	(55,163)	-	-	(72,189)
Intercompany payables	(67,752)	(6,775)	(6,731)	-	-	(81,258)
Net financial (liabilities)/assets	(16,275)	3,985	(53,175)	203	(3)	(65,265)
Less: Net financial liabilities/ (assets) denominated in the respective entities functional currencies	16,478	(1,656)	54,559	(124)	9	69,266
Net currency exposure	203	2,329	1,384	79	6	4,001

The Company's currency exposures based on the information provided to key management are as follows:

	SGD \$'000	AUD \$'000	NZD \$'000	MYR \$'000	Others \$'000	Total \$'000
2017						
Cash and cash equivalents	2,262	4,613	312	94	60	7,341
Trade and other receivables	1,861	-	-	-	-	1,861
Other financial assets	80	-	-	-	-	80
Due from/(to) subsidiaries	49,562	(4,750)	10,750	-	-	55,562
Other financial liabilities	(1,860)	-	-	-	(17)	(1,877)
Borrowings	(15,397)	-	-	-	-	(15,397)
Net financial assets/(liabilities)	36,508	(137)	11,062	94	43	47,570
Less: Net financial assets denominated in the respective entities functional currencies	(36,508)	-	-	-	-	(36,508)
Net currency exposure	-	(137)	11,062	94	43	11,062
2016						
Cash and cash equivalents	977	3,052	1,194	80	5	5,308
Trade and other receivables	1,120	-	-	-	-	1,120
Other financial assets	79	-	-	-	-	79
Due from/(to) subsidiaries	47,201	(2,039)	(339)	-	-	44,823
Other financial liabilities	(2,960)	-	-	-	-	(2,960)
Borrowings	(17,026)	-	-	-	-	(17,026)
Net financial assets	29,391	1,013	855	80	5	31,344
Less: Net financial assets denominated in the respective entities functional currencies	(29,391)	-	-	-	-	(29,391)
Net currency exposure	-	1,013	855	80	5	1,953

For the financial year ended 30 June 2017

38. Financial risk management (Continued)

(a) Market risk (Continued)

If the AUD, NZD and MYR change against SGD by 2% (2016: 3%) with all other variables including tax rate being held constant, the effects arising from the net financial asset position will be as follows:

	Increase/(Decrease) 2017		Increase/(Decrease) 2016	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	\$'000	\$'000	\$'000	\$'000
Group				
AUD against SGD				
- Strengthened	68	56	58	97
- Weakened	(68)	(56)	(58)	(97)
NZD against SGD				
- Strengthened	218	791	34	1,174
- Weakened	(218)	(791)	(34)	(1,174)
MYR against SGD				
- Strengthened	2	-	2	3
- Weakened	(2)	-	(2)	(3)
Company				
AUD against SGD				
- Strengthened	(2)	-	25	-
- Weakened	2	-	(25)	-
NZD against SGD				
- Strengthened	184	-	21	-
- Weakened	(184)	-	(21)	-
MYR against SGD				
- Strengthened	2	-	2	-
- Weakened	(2)	-	(2)	-

(ii) Interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's interest rate risk arise mainly from borrowings. The borrowings expose the Group to cash flow interest rate risk. The Group manages its cash flow interest rate risks by adopting a preference for fixed rate instruments over variable rate instrument.

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD and NZD. If the SGD and NZD interest rates had increased/decreased by 0.50% (2016: 0.50%) with all other variables including tax rate being held constant, the profit after tax would have been lower/higher by \$96,000 (2016: \$71,000) as a result of higher/lower interest expense on these borrowings.

(iii) Price risk

In the previous financial year, the Group was exposed to equity securities price risk arising from the investments held by the Group which were classified on the consolidated balance sheet as available-for-sale financial asset. These securities are listed in Singapore.

As at 30 June 2016, if prices for equity securities listed in Singapore had increased/decreased by 30% with all other variables being held constant, other comprehensive income would have increased/decreased by \$1,914,000.

The Group has no investments in equity securities listed in Singapore in the current financial year.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk due to its customer base including a large number of small and medium size enterprises in diversified industries. The Company has no significant concentration of credit risk from trade debtors due to its diversified customer base. The Group manages its credit risks through credit reviews. Deposits are obtained for higher-risk customers.

The age analysis of trade receivables past due but not impaired is shown in Note 14 of the financial statements.

The Group's maximum exposure to credit risk for each class of financial instrument is the carrying amount of that class of financial instruments presented on the balance sheet.

The Group's major classes of financial assets are bank deposits and trade and other receivables. The Group places its cash and cash equivalents in the form of short-term deposits and enters into treasury transactions only with high credit quality financial institutions. Trade and other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(c) Liquidity risk

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 5 years	Over 5 years
	\$'000	\$'000	\$'000
Group			
2017			
Trade and other payables	4,345	476	13
Borrowings	67,536	6,639	7,076
Future interest payable on borrowings	1,557	1,335	57
2016			
Trade and other payables	5,499	606	23
Due to associated companies	1	-	-
Borrowings	1,629	63,478	7,082
Future interest payable on borrowings	3,406	2,717	605

For the financial year ended 30 June 2017

38. Financial risk management (Continued)

(c) Liquidity risk (Continued)

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 5 years	Over 5 years
	\$'000	\$'000	\$'000
Company			
2017			
Trade and other payables	1,628	249	-
Due to subsidiaries	8,589	-	-
Borrowings	1,682	6,639	7,076
Future interest payable on borrowings	475	1,335	57
2016			
Trade and other payables	2,585	374	-
Due to associated companies	1	-	-
Due to subsidiaries	7,117	-	-
Borrowings	1,629	8,314	7,083
Future interest payable on borrowings	519	1,800	605

The Group and Company closely monitors and manages its debt maturity profile, operating cash flows and the availability of funding. The Group maintains a level of cash and cash equivalents deemed adequate by management and ensures flexibility in meeting funding requirements by securing revolving credit facilities.

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on gearing ratio.

The gearing ratio is calculated as total debt divided by total equity. Total debts include borrowings (Note 31) and loan from subsidiaries (Note 19). Total equity refers to equity attributable to shareholders of the Company, comprising issued capital (Note 32), accumulated losses (Note 33) and other reserves (Note 34).

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Total debt	81,251	72,189	15,397	18,226
Total equity	63,009	57,277	59,197	57,419
Gearing ratio	129%	126%	26%	32%

The Group and the Company are in compliance with the externally imposed capital requirements for the financial year ended 30 June 2017 and 30 June 2016.

(e) Fair value measurements

Assets and liabilities measured and carried at fair value are classified by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

See Note 26 for disclosure of the investment properties that are measured at fair value.

The fair value of the available-for-sale financial asset traded in active market is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. This financial asset is included in Level 1 of the fair value hierarchy.

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The carrying amounts of current borrowings approximate their fair values.

(f) Financial instruments by category

The aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost are as follows:

	Group		Company	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Loans and receivables	14,727	13,053	73,433	58,447
Financial liabilities at amortised cost	86,085	78,318	25,863	27,103

39. Related party transactions

The following transactions took place between the Group and related parties during the financial year:

(a) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2017	2016
	\$'000	\$'000
Wages and salaries	2,345	2,307
Employer's contribution to defined contribution plans, including Central Provident Fund	104	92
	2,449	2,399

Included in the above is total compensation to directors of the Company amounting to \$1,081,000 (2016: \$1,082,000).

For the financial year ended 30 June 2017

39. Related party transactions (Continued)

(b) Income and purchases of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions took place between the Group and Company and related parties at terms agreed between the parties during the financial year.

	Group		Company	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<u>Subsidiary companies</u>				
- Interest received/receivable	-	-	-	360
- Dividends received/receivable*	-	-	580	800
- Management fees received/receivable*	-	-	230	297
- Services rendered/receivable*	-	-	11	29
<u>Other related parties</u>				
- Salaries and wages	77	160	-	-
<u>Directors of the Company</u>				
- Consultancy services provided	324	324	324	324
- Indemnification of legal fees	50	239	50	239

* Includes transactions with a subsidiary disposed of during the financial year. Transactions disclosed above occurred prior to the date of the Group's disposal of its interest held in the subsidiary.

Other related parties refer to close family members of key management personnel.

Outstanding balances at balance sheet date are disclosed in Notes 18, 19 and 20 respectively.

40. Segment Information

Management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to make strategic decisions. The Executive Committee comprises the Chief Executive Officer and a director.

The Group is organised into business units based on their products and services and has the following reportable operating segments:

- The Search segment includes the sale of advertising space and publication of Singapore telephone directories and certain overseas and industry directories, and the provision of digital based information and database marketing.
- The Food and Beverage segment includes the operation of the retail master franchise and supply chain business of the Wendy's brand of ice-cream and treats for the Wendy's store network.
- The Property segment includes property investment, property management and property development activities in New Zealand.

Others include Group level corporate services and investments in equity shares in Singapore.

The Direct Sales activities had ceased in the current financial year (Note 11) and the comparative figures have been re-presented accordingly.

2017	Search	Food & Beverage	Property	Others	Eliminations	Total for continuing operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	6,558	10,174	10,396	-	-	27,128
Inter-segmental revenue	-	2,999	2,040	-	(5,039)	-
Total operating revenue	6,558	13,173	12,436	-	(5,039)	27,128
Result						
Segment results	(492)	1,506	3,370	(2,213)	-	2,171
Interest on borrowings	(598)	(2)	(2,989)	-	-	(3,589)
Interest income	92	1	10	-	-	103
Profit/(loss) before income tax	(998)	1,505	391	(2,213)	-	(1,315)
Income tax expense						(1,438)
Net loss from continuing operations						(2,753)
Other Information						
Segment assets	18,556	15,258	120,588	794	-	155,196
Deferred income tax assets						125
Assets associated with discontinued operations						41
Consolidated total assets						155,362
Segment assets includes:						
Investment in associated companies	-	-	-	110	-	110
Additions to:						
- property, plant and equipment	99	4	-	-	-	103
- intangible assets	14	4	-	-	-	18
- investment properties	-	-	13	-	-	13
Segment liabilities	17,796	2,125	68,143	1,029	-	89,093
Current income tax liabilities						846
Deferred income tax liabilities						2,353
Liabilities associated with discontinued operations						81
Consolidated total liabilities						92,373
Other material non-cash items:						
Depreciation	(908)	(21)	-	-	-	(929)
Amortisation of intangible assets	(623)	(10)	-	-	-	(633)
Intangible asset written off	(26)	-	-	-	-	(26)
Impairment of intangible assets	(1,235)	-	-	-	-	(1,235)
Write back of impairment of trade receivables	617	-	44	-	-	661
Allowances for impairment of trade receivables	(288)	(25)	(46)	-	-	(359)
Loss on disposal of subsidiaries	-	-	-	(746)	-	(746)
Loss on re-measurement of retained interest on disposal of subsidiaries	-	-	-	(171)	-	(171)
Fair value losses on investment properties	-	-	(3,186)	-	-	(3,186)
Gain on disposal of available-for-sale financial assets	-	-	-	324	-	324

For the financial year ended 30 June 2017

40. Segment Information (Continued)

2016	Search	Food & Beverage	Property	Others	Eliminations	Total for continuing operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	9,181	6,312	10,033	-	-	25,526
Inter-segmental revenue	-	1,280	1,126	-	(2,406)	-
Total operating revenue	9,181	7,592	11,159	-	(2,406)	25,526
Result						
Segment results	2,439	(85)	1,851	(7,341)	-	(3,136)
Interest on borrowings	(545)	-	(2,867)	-	-	(3,412)
Interest income	37	18	113	-	-	168
Share of profit of associated companies	-	106	-	-	-	106
Profit/(loss) before income tax	1,931	39	(903)	(7,341)	-	(6,274)
Income tax expense						(1,158)
Net loss from continuing operations						(7,432)
Other Information						
Segment assets	18,466	15,690	94,966	6,501	-	135,623
Deferred income tax assets						90
Assets associated with discontinued operations						5,635
Consolidated total assets						141,348
Segment assets includes:						
Investment in associated companies	-	-	-	110	-	110
Additions to:						
- property, plant and equipment	132	1	-	-	-	133
- intangible assets	157	80	-	-	-	237
- investment properties	-	-	4,276	-	-	4,276
Segment liabilities	20,676	1,982	57,066	1,760	-	81,484
Current income tax liabilities						166
Deferred income tax liabilities						1,489
Liabilities associated with discontinued operations						962
Consolidated total liabilities						84,101
Other material non-cash items:						
Depreciation	(874)	(13)	-	-	-	(887)
Amortisation of intangible assets	(652)	(4)	-	-	-	(656)
Intangible asset written off	(78)	-	-	-	-	(78)
Impairment of goodwill on consolidation	-	(360)	-	-	-	(360)
Write back of impairment of trade receivables	880	-	-	-	-	880
Allowances for impairment of trade receivables	(447)	(10)	(15)	-	-	(472)
Loss on dilution of interests in an associated company	-	(1,404)	-	-	-	(1,404)
Net gain on disposal of associated company	-	319	-	-	-	319
Development expenditure written off	-	-	(1,305)	-	-	(1,305)
Fair value losses on investment properties	-	-	(3,417)	-	-	(3,417)
Impairment of investment in available-for-sale financial asset	-	-	-	(3,136)	-	(3,136)

Geographical segment

The principal geographical area in which the Group operates is Singapore.

	Operating revenue for continuing operations		Non-current assets for continuing operations		Total assets for continuing operations	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Singapore	6,558	9,181	22,558	23,612	31,215	36,867
New Zealand	10,396	10,033	95,539	93,327	120,589	94,958
Australia	10,174	6,312	208	185	3,407	3,777
Others	-	-	110	110	110	111
Total	27,128	25,526	118,415	117,234	155,321	135,713

41. Listing of companies in the Group

Name of companies	Principal activities	Country of business/ incorporation	Percentage of equity held	
			2017 %	2016 %
<u>Subsidiaries held by the Company</u>				
Gloria Jean’s Coffees Holdings Pte Ltd ^(f)	Dormant	Singapore	100	100
Singapore Information Services Pte Ltd ^(a)	Dormant	Singapore	100	100
eFusion Solutions Pte Ltd ⁽ⁱ⁾	Direct sales and marketing solutions	Singapore	(j)	100
Global HubOne Pte Ltd ^{(f) (i)}	Dormant	Singapore	-	100
GYP Properties Pte Ltd ^(a)	Property management and investment holding	Singapore	100	100
Global CyOne Pte Ltd ^{(f) (i)}	Dormant	Singapore	-	100
Singapore River Explorer Pte Ltd ^{(a) (h)}	Dormant	Singapore	50	50
CallmyName Registry Pte Ltd ^(f)	Dormant	Singapore	100	100

For the financial year ended 30 June 2017

41. Listing of companies in the Group (Continued)

Name of companies	Principal activities	Country of business/ incorporation	Percentage of equity held	
			2017 %	2016 %
Subsidiaries held by subsidiaries (Continued)				
Infomedia Services Pte Ltd ⁽ⁱ⁾	Direct sales and marketing solutions	Singapore	-	100
PT eFusion Indonesia ^(c)	Information technology, software consultancy and supply	Indonesia	-	95.7
eFusion BPO Corporation ^(g)	Dormant	Philippines	-	99.9
Pakuranga Plaza Limited ^(b)	Investment holding and rental of investment properties	New Zealand	100	100
Pakuranga Plaza Management Limited ^(b)	Property management services	New Zealand	100	100
Pakuranga Town Centre Development Limited ^(b)	Property investment and development	New Zealand	100	100
Fdirect Marketing Sdn Bhd ^(d)	Direct sales and marketing solutions	Malaysia	-	100
Wendy's IP Holdings Pty Ltd ^{(g) (m)}	Dormant	Australia	-	100
Gloria Jean's Coffees Australia Pty Ltd ^{(g) (m)}	Dormant	Australia	-	100
Gloria Jean's Coffees Global Pte Ltd ^{(f) (i)}	Dormant	Singapore	-	100
Global Food Retail Group Pte Ltd ^(a)	Leasing of non-financial intangible assets	Singapore	100	100
Remarkable Residences Limited (formerly known as GYP Properties Limited) ^(g)	Property investment and development	New Zealand	100	100
Supatreats Asia Pte Ltd ^{(e) (i)}	Investment holding	Singapore	100	100
Supatreats Australia Holdings Pty Ltd ^{(e) (i)}	Investment holding	Australia	100	100
Supatreats Australia Pty Ltd ^{(e) (i)}	Retail franchise	Australia	100	100
Supatreats Australia Supplies Pty Ltd ^{(e) (i)}	Supply chain business	Australia	100	100
Supatreats Australia Leases Pty Ltd ^{(e) (i)}	Dormant	Australia	100	100

Name of companies	Principal activities	Country of business/ incorporation	Percentage of equity held	
			2017 %	2016 %
<u>Subsidiaries held by subsidiaries</u>				
Supatreats Global Supplies Pte Ltd ^{(e) (i)}	Supply chain business	Singapore	100	100
Retail Leases Pty Ltd ^(g)	Dormant	Australia	100	100
<u>Associated companies held by the Company</u>				
Forward Media Sdn Bhd ^(k)	Dormant	Brunei	50	50
Global Coresoft Pte Ltd ^(f)	Dormant	Singapore	50	50
<u>Joint venture held by subsidiary</u>				
Global Aimers Pte Ltd ^(f)	Dormant	Singapore	50	50

(a) Audited by PricewaterhouseCoopers LLP, Singapore.

(b) Audited by PricewaterhouseCoopers network firm outside Singapore.

(c) Audited by Kosasih, Nurdian, Tjahjono & Rekan (Member of Crowe Horwath) in the previous financial year.

(d) Audited by M.L. Choo & Co. Chartered Accountants in the previous financial year.

(e) Audited by BDO LLP.

(f) Not audited as companies are dormant.

(g) Not required to be audited in the country of incorporation.

(h) The Company has control over the operating and financial policies of the subsidiary.

(i) In accordance to Rule 716 of the Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that the appointment of different auditors for its subsidiaries would not compromise the standards and effectiveness of the audit of the Group.

(j) Audited by PricewaterhouseCoopers LLP, Singapore in the previous financial year. In the current financial year, the Group disposed of 80% of its shareholdings in eFusion Solutions Pte Ltd and its subsidiaries. The remaining 20% of its shareholdings are reclassified as an available-for-sale financial asset [Note 17(b)].

(k) In the process of liquidation.

(l) Struck off from the Register in June 2017.

(m) De-registered in April 2017.

42. Business Combination

(a) 2016

On 1 January 2016, an indirect wholly owned subsidiary of the Group, had successfully completed the acquisition of Supatreats Asia Pte Ltd and its subsidiaries (“Supatreats”) for a purchase consideration of \$3,697,000.

The principal activity of Supatreats is the operation of the retail master franchise and supply chain business of the Wendy’s brand of ice-cream and treats for the Wendy’s store network.

For the financial year ended 30 June 2017

42. Business Combination (Continued)

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(i) Purchase consideration

	\$'000
Settled via issuance of 4,585,729 treasury shares	812
Settled via off-setting with the Group's receivable balance due from the former owners of Supatreats	2,885
Consideration transferred for the business	3,697

The fair value of treasury shares issued is based on quoted market value of the shares as at date of acquisition.

(ii) Effect on cash flows of the Group

	\$'000
Cash and cash equivalents in subsidiaries acquired	2,044
Cash inflow on acquisition	2,044

(iii) Identifiable assets acquired and liabilities assumed

	At fair value \$'000
Cash and cash equivalents	2,044
Restricted cash	491
Trade and other receivables	927
Inventories	2
Other current assets	1,894
Plant and equipment	83
Intangible assets	#
Deferred tax assets	125
Total assets	5,566
Trade and other payables	(2,079)
Current tax liabilities	(150)
Total liabilities	(2,229)
Total identifiable net assets	3,337
Add: Goodwill [Note 28(a)]	360
Consideration transferred for the business	3,697

#Amount less than \$1,000

(iv) Acquisition-related costs

Acquisition-related costs of \$17,000 are included in "Professional fees" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(v) Goodwill

The goodwill of \$360,000 is recognised. The goodwill represents the excess of the consideration transferred and the fair value of the identifiable net assets acquired and is not due to any potential synergies that may arise from the acquisition. As a result, the amount has been written off in the consolidated statement of comprehensive income.

(vi) Revenue and profit contribution

The acquired business contributed revenue of \$5,067,000 and net loss of \$598,000 to the Group for the period from 1 January 2016 to 30 June 2016.

Had Supatreats been consolidated from 1 July 2015, the Group's consolidated revenue and consolidated loss for the financial year ended 30 June 2016 would have been \$36,522,000 and \$10,690,000 respectively.

43. Events occurring after balance sheet date

- (a) The Company announced on 1 August 2017 that it will restructure its business to focus on real estate as its core business and cease publication of print directories from 2018. As part of the restructuring, the Company entered into a licensing agreement with a newly incorporated entity, Yellow Pages Pte Ltd ("YP") to handle digital directories, data and online offerings. The licensing agreement for a term of three years commenced on 1 September 2017. Arising from the ceasure of the print directories and the revamp of the digital business, there will be retrenchments in the Company and the estimated staff redundancy costs amounting to approximately \$1.1 million will be recognised in the first quarter for the financial year ending 30 June 2018.

In conjunction with the restructuring exercise management has performed an impairment assessment on the assets that are attributable to the print directories and digital business. An impairment charge of \$1,235,000 on the intellectual property assets are recognised in the current financial year [Note 28(b)(ii)].

- (b) On 14 September 2017, the Group entered into a conditional agreement for the sale and purchase of real estate with Motleon Limited ("the Vendor"), pursuant to which the Group shall acquire a plot of Land of approximately 22 hectares located at Bellfield Road, Papakura, New Zealand. The land currently forms part of a plot of land which is proposed to be subdivided by the Vendor to create a separate legal title. Upon the completion of such subdivision, a unique identifier for the land will be available.

The total consideration payable for the proposed acquisition is NZ\$38,000,000.

44. New accounting standards and FRS interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 July 2017 and which the Group has not early adopted:

- *FRS 115 Revenue from contracts with customers* (effective for annual periods beginning on or after 1 January 2018)

This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

For the financial year ended 30 June 2017

44. New accounting standards and FRS interpretations (Continued)

Management is currently assessing the effects of applying the new Standard on the Group's financial statements. The Group does not expect the standards to have material impact to the financial statements.

- *FRS 109 Financial instruments* (effective for annual periods beginning on or after 1 January 2018)

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

While the Group has yet to undertake a detailed assessment of the classification and measurement of financial assets, the Group's financial assets mainly comprise of the following:

- Equity instruments currently classified as AFS for which fair value through OCI election is available; and
- Debt instruments classified as loans and receivables and measured at amortised cost appear to meet the conditions for classification at amortised cost under FRS 109.

Accordingly, the Group does not expect the new guidance to have a significant impact on the classification of its financial assets.

For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designated at fair value through profit or loss. There will be no impact on the Group's accounting for financial liabilities as the Group does not have any such liabilities.

There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, deferred costs under FRS 115, lease receivables, loan commitments and certain financial guarantee contracts. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

- *FRS 116 Leases* (effective for annual periods beginning on or after 1 January 2019)

FRS 116 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of \$336,000 [Note 37(b)]. However, the Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

The Group does not expect the standards to have material impact to the financial statements.

45. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Global Yellow Pages Limited on 27 September 2017.

For the financial year from 1 July 2016 to 30 June 2017

(a) Material contracts

There were no other material contracts entered into by the Company or any of its subsidiaries involving the interests of the Chief Executive Officer, any Director or controlling shareholder, either still subsisting at the end of the financial year, or if not then subsisting, entered into since the end of the previous financial year except those disclosed in the interested person transactions in (e).

(b) Auditors' remuneration

	Group	
	2017 \$'000	2016 \$'000
Audit fees paid/payable to:		
- Auditors of the Company	167	169
- Other auditors	104	90
	271	259
Non-audit fees paid/payable to:		
- Auditors of the Company	18	20
- Other auditors	50	46
	68	66

(c) Directors' remuneration

The following information relates to remuneration of directors of the Company during the financial year:

	2017	2016
Number of directors of the Company in remuneration bands:		
- \$250,000 to below \$500,000	1	1
- below \$250,000	5	5
Total	6	6

For the financial year from 1 July 2016 to 30 June 2017

(d) Properties of the Group

Location	Existing use	Tenure	Years	With effect from	Gross floor area (sq m)
1 Lorong 2 Toa Payoh, Yellow Pages Building, Singapore	Headquarters	Leasehold	60	26 July 1969	13,223
10 Aylesbury Street & 167 Pakuranga Road, Pakuranga, Auckland, New Zealand	Retail and office space including a four-storey shopping mall, outdoor Warehouse Plaza and a standalone Plaza business Centre	Freehold	N.A.	N.A.	39,187
Unit 1, 169 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	Leasehold	999	20 September 1973	110
Unit 2, 169 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	Leasehold	999	20 September 1973	90
Unit 3, 169 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	Leasehold	999	20 September 1973	100
Unit 1, 171 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	Leasehold	999	1 November 1972	100
Unit 2, 171 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	Leasehold	999	1 November 1972	90
Unit 3, 171 Pakuranga Road, Pakuranga, Auckland, New Zealand	1 Apartment unit	Leasehold	999	1 November 1972	90

(e) Interested person transactions

Aggregated value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 each)				
Name of interested person	Transactions not conducted under shareholders' mandate pursuant to Rule 920		Transactions conducted under shareholders' mandate pursuant to Rule 920	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Professional services provided by				
- Mah Bow Tan	144	144	-	-
- Andrew Tay Gim Chuan	180	180	-	-
Indemnification of legal fees				
- Stanley Tan Poh Leng	-	239	-	-

(f) Use of proceeds

Proceeds	Description on use of proceeds	Fully utilised as at 15 November 2016
Net proceeds of approximately \$5,212,000 from the placement of 34,076,000 new ordinary shares in the capital of the Company at an issue price of \$0.154 per share.	To pay for the acquisition of land in Queenstown, New Zealand, for the purpose of residential development for sale.	\$5,212,000

As at 12 September 2017

Share capital

Number of Issued Shares	:	210,014,953
Number of Issued Shares (excluding treasury shares)	:	209,100,682
Number of Treasury Shares	:	914,271 (0.44%)
Share Capital	:	S\$79,704,777
Class of Shares	:	Ordinary Shares
Voting Rights (excluding treasury shares)	:	On a poll – one vote for every ordinary share

Distribution of Shareholdings

Size of Shareholdings	No. of shareholders		No. of shares (excluding treasury share)	
		%		%
1 – 99	163	4.73	1,396	0.00
100 – 1,000	971	28.21	407,059	0.19
1,001 – 10,000	1,363	39.60	6,139,030	2.94
10,001 – 1,000,000	922	26.79	52,520,917	25.12
1,000,001 and above	23	0.67	150,032,280	71.75
Total	3,442	100.00	209,100,682	100.00

Substantial Shareholders

Name	No. of Shares			% of Share Capital of the Company ⁽¹⁾
	Direct Interests	Deemed Interests	Total Interest	
Pang Yoke Min	24,461,450	-	24,461,450	11.70
Oregold Pte Ltd	19,184,500	-	19,184,500	9.17
Sam Goi Seng Hui	4,572,700	19,184,500 ⁽²⁾	23,757,200	11.36
Yong Yin Min	21,928,075	-	21,928,075	10.49
Thomas Riber Knudsen	19,493,000	-	19,493,000	9.32

Notes:

⁽¹⁾ Based on the issued share capital of the Company comprising 209,100,682 Shares (excluding 914,271 treasury shares) as at 12 September 2017.

⁽²⁾ Sam Goi Seng Hui is the sole shareholder of Oregold Pte. Ltd., and is therefore deemed to be interested in the 19,184,500 shares of the Company owned by Oregold Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act ("SFA").

As at 12 September 2017

Twenty Largest Shareholders

As shown in the Register of Members and Depository Register

	No. of Shares	%
RAFFLES NOMINEES (PTE) LTD	26,735,160	12.79
YONG YIN MIN	21,928,075	10.49
HSBC (SINGAPORE) NOMINEES PTE LTD	19,495,200	9.32
OREGOLD PTE LTD	19,184,500	9.17
DBS NOMINEES (PRIVATE) LIMITED	16,250,958	7.77
OCBC SECURITIES PRIVATE LIMITED	8,536,773	4.08
GLOBAL MEDIA HOLDINGS PTE LTD	8,500,000	4.07
GOI SENG HUI	4,572,700	2.19
TAN SOON HOE	3,177,100	1.52
MAYBANK KIM ENG SECURITIES PTE. LTD.	2,687,088	1.29
CITIBANK NOMINEES SINGAPORE PTE LTD	2,263,550	1.08
CIMB SECURITIES (SINGAPORE) PTE. LTD.	2,043,680	0.98
KGI SECURITIES (SINGAPORE) PTE. LTD.	1,906,003	0.91
HONG LEONG FINANCE NOMINEES PTE LTD	1,737,300	0.83
FIRSTLINK INVESTMENTS CORPORATION LIMITED	1,500,000	0.72
EST OF LOO TIONG HOCK, DEC'D	1,329,400	0.64
JAMES ALVIN LOW YIEW HOCK	1,320,000	0.63
UOB KAY HIAN PRIVATE LIMITED	1,260,800	0.60
TAN KIEN LIP OR CHOW LAI YUAN	1,209,800	0.58
CYBER SPRING LTD	1,200,000	0.57
Total	146,838,087	70.23

Based on the information available to the Company as at 12 September 2017, approximately 48.95% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual issued by the SGX-ST has been complied with.

Distribution of Warrantholdings

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants	%
1 – 99	3	0.22	160	0.00
100 – 1,000	126	9.18	63,325	0.06
1,001 – 10,000	699	50.91	3,027,176	2.96
10,001 – 1,000,000	532	38.75	35,828,942	35.04
1,000,001 and above	13	0.94	63,343,515	61.94
Total	1,373	100.00	102,263,118	100.00

Twenty Largest Warrantholders

As shown in the Depository Register

	No. of Warrants	%
DBS NOMINEES (PRIVATE) LIMITED	24,468,049	23.93
OREGOLD PTE LTD	11,510,700	11.26
KGI SECURITIES (SINGAPORE) PTE. LTD.	4,800,000	4.69
CIMB SECURITIES (SINGAPORE) PTE. LTD.	4,581,041	4.48
RAFFLES NOMINEES (PTE) LIMITED	4,142,175	4.05
YONG YIN MIN	2,250,000	2.20
OCBC SECURITIES PRIVATE LIMITED	2,249,750	2.20
MAYBANK KIM ENG SECURITIES PTE. LTD.	2,112,100	2.07
UOB KAY HIAN PRIVATE LIMITED	1,892,500	1.85
TAN SOON HOE	1,550,000	1.52
NG TIE JIN (HUANG ZHIREN)	1,496,000	1.46
TEOH AH LECK @ TEO WENG WAH	1,250,000	1.22
FONG SOON YONG	1,041,200	1.02
NG ENG KUAY	977,100	0.96
PHILLIP SECURITIES PTE LTD	960,050	0.94
DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	812,300	0.79
CHEW CHOY SENG	800,000	0.78
TAN KAY CHENG	790,000	0.77
CHIN CHEE KIONG	736,700	0.72
TAN KIEN LIP OR CHOW LAI YUAN	726,300	0.71
Total	69,145,965	67.62

NOTICE IS HEREBY GIVEN THAT THE 14TH ANNUAL GENERAL MEETING of the Company will be held at 450 Lorong 6 Toa Payoh, Hersing Centre Level 3 (Red Auditorium), Singapore 319394 on Thursday, 26 October 2017 at 10.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2017 together with the Directors' Statement and the Auditors' Report thereon.

(Resolution 1)

2. To re-elect the following Directors of the Company retiring pursuant to Article 91(b) of the Company's Articles of Association:

- (i) Mr Stanley Tan Poh Leng
- (ii) Mr Ng Tiong Gee

(Resolution 2)

(Resolution 3)

(See Explanatory Note 1)

3. To approve the payment of Directors' fees of S\$312,000 for the financial year ended 30 June 2017. (2016: S\$312,000)

(Resolution 4)

4. To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

(Resolution 5)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolution with or without modifications:

5. AUTHORITY TO ALLOT AND ISSUE SHARES

"That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company be authorised and empowered to:

- (a)
 - (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall be limited as follows:

- (A) without prejudice to sub-paragraph (1)(B) below, the aggregate number of shares to be issued shall not exceed 50 per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (4) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20 per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (4) below) ("General Limit");

- (B) in addition to the General Limit, the aggregate number of shares to be issued by way of renounceable rights issues on a pro rata basis ("Renounceable Rights Issues") shall not exceed 50 per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (4) below ("Additional Limit");
 - (C) where an issue of shares is to be issued by way of Renounceable Rights Issues, that issue shall first use the Additional Limit, and in the event that the Additional Limit has been fully used and is insufficient to satisfy that issue, that issue may use the General Limit, but only to the extent of the then remaining General Limit;
 - (D) where an issue of shares is to be issued otherwise than by way of Renounceable Rights Issue, that issue may only use the General Limit, but only to the extent of the then remaining General Limit;
 - (E) an issue of shares that is not for a financing purpose may only use the General Limit, but the number of such shares that may be issued shall be limited to the numerical number of the then remaining Additional Limit;
- (2) the General Limit and the Additional Limit shall not, in aggregate, exceed 100 per centum (100%) of the total number of issue shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (4) below);
- (3) no shares shall be issued pursuant to this Resolution after 31 December 2018, if on that date the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) exceeds 50 per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (4) below);
- (4) (subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1)(A) and (1)(B) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (5) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (6) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

(Resolution 6)

(See Explanatory Note 2)

6. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

By Order of the Board

Lee Wei Hsiung
Company Secretary

Date: 11 October 2017

Notes:

1. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where such member appoint two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies.
- (b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. A proxy need not to be a member of the Company.

“Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

2. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 48 hours before the time appointed for the Meeting.

Explanatory Note:

1. Mr Stanley Tan Poh Leng will, upon re-election as a Director of the Company, remain as the Chief Executive Officer and a member of the Remuneration Committee.

Mr Ng Tiong Gee will, upon re-election as a Director of the Company, remain as Chairman of the Remuneration Committee and a member of the Audit and Nominations Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The Directors who have offered themselves for re-election have each confirmed that, they do not have any relationships (including immediate family relationships) with the other Directors, the Company or its 10% shareholders. The current directorships in other listed companies and details of other principal commitments held by each of these Directors are set out on pages 9 to 11 of this Annual Report.

2. The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting (“AGM”) of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding the aggregated of (i) 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders of the Company (the General Limit) and (ii) additional 50% for Renounceable Rights Issues, of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (the Additional Limit), provided that the total number of shares which may be issued pursuant to (i) and (ii) shall not exceed 100% of the issued shares (excluding treasury shares and subsidiary holdings) at the time Ordinary Resolution 6 is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

The authority for the Additional Limit is proposed pursuant to SGX-ST Practice Note 8.3 which became effective on 13 March 2017 until 31 December 2018 by which date no further shares shall be issued pursuant to this Resolution, if on that date the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) exceeds 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (“the Enhanced Rights Issue Limit”). The Enhanced Rights Issue Limit is aimed at helping companies raise funds expediently for expansion activities or working capital. It is subject to the condition that the Company complies with applicable legal requirements including but not limited to provisions in the Companies Act requiring the Company to seek shareholders’ approval and disclosure requirements

under the Listing Manual on the use of the proceeds as and when the funds are materially disbursed and a status report on the use of proceeds in the annual report; and limitations in any existing mandate from shareholders.

The Board is of the view that the Enhanced Rights Issue Limit is in the interests of the Company and its shareholders as it widens fund-raising avenues available to the Company, thereby enabling it to respond to financing needs to meet on-going changes and opportunities in the business environment in a more expedient and cost-efficient manner.

The Enhanced Rights Issue Limit will be exercised only if the Directors believe that to do so would be likely to promote the success of the Company for the benefit of shareholders as a whole.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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PROXY FORM

ANNUAL GENERAL MEETING



GLOBAL YELLOW PAGES LIMITED

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

IMPORTANT

1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 2(b) for the definition of "Relevant Intermediary").
2. For investors who have used their CPF monies to buy the Shares of Global Yellow Pages Limited, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
3. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF investors who wish to attend and vote at the Meeting, should contact their respective CPF Approved Nominees within the time frame specified.

I/We _____ (Name) NRIC No. _____
of _____ (Address)

being a member/members of Global Yellow Pages Limited (the "Company"), hereby appoint

Name	Address	NRIC/ Passport No	Proportion of shareholdings (%)

and/or (delete as appropriate)

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or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the 14th Annual General Meeting of the Company to be held at 450 Lorong 6 Toa Payoh, Hsing Centre Level 3 (Red Auditorium), Singapore 319394 on Thursday, 26 October 2017 at 10.00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Ordinary Resolutions set out in the Notice of Annual General Meeting as indicated hereunder. In the absence of specific instructions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.

Resolution No.	Ordinary Resolutions	For	Against
1	To receive and adopt the Financial Statements for the financial year ended 30 June 2017 together with the Directors' Statement and the Auditors' Report thereon.		
2	To re-elect Mr Stanley Tan Poh Leng as Director.		
3	To re-elect Mr Ng Tiong Gee as Director.		
4	To approve Directors' fees of S\$312,000 for the financial year ended 30 June 2017.		
5	To re-appoint Auditors and to authorise the Directors to fix their remuneration.		
6	To approve the proposed share issue mandate.		

* If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2017.

Total Number
of Ordinary
Shares Held

Signature(s) of Member(s) or Common Seal

 **IMPORTANT: Please read notes overleaf.**

NOTES

1. If you have Ordinary Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Ordinary Shares. If you have Ordinary Shares registered in your name in the Register of Members, you should insert that number of Ordinary Shares. If you have Ordinary Shares entered against your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the aggregate number of Ordinary Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the Ordinary Shares held by you.
2. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the Annual General Meeting. Where such member appoint two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies.

(b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. A proxy need not to be a member of the Company.

"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its seal or under the hand of an officer or attorney duly authorised.
4. The Proxy Form must be lodged at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Annual General Meeting
5. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

GENERAL

The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of Ordinary Shares entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Ordinary Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 October 2017.

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Proxy Form

Affix
Postage
Stamp

The Company Secretary
Global Yellow Pages Limited
1 Lorong 2 Toa Payoh, Yellow Pages Building
Singapore 319637

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Global Yellow Pages Limited
Company Reg No. 200304719G

1 Lorong 2 Toa Payoh, Yellow Pages Building, Singapore 319637
T. +65 6351 1000 | F. +65 6354 3828 | W. gyp.com.sg