

GYP PROPERTIES LIMITED
(Co. Reg. No. 200304719G)
AND ITS SUBSIDIARIES

SGXNET ANNOUNCEMENT
UNAUDITED INTERIM FINANCIAL INFORMATION
For the second quarter and six months ended 31 December 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF YEAR AND FULL YEAR RESULTS

(1)(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	3 months ended 31 Dec 2018 ("Q2FY19")	3 months ended 31 Dec 2017 ("Q2FY18")	Change	6 months ended 31 Dec 2018 ("6MFY19")	6 months ended 31 Dec 2017 ("6MFY18")	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations						
Revenue	2,228	2,633	(15.4)	4,599	5,400	(14.8)
Other income	787	821	(4.1)	1,544	1,554	(0.6)
Other gains	1,302	206	N.M.	849	268	N.M.
Other losses	-	(381)	(100)	-	(722)	(100)
Professional fees	(512)	(180)	N.M.	(830)	(448)	85.3
Property related and maintenance expenses	(748)	(758)	(1.3)	(1,409)	(1,498)	(5.9)
Marketing, advertising and promotion expenses	(139)	(164)	(15.2)	(253)	(528)	(52.1)
Staff costs	(571)	(475)	20.2	(1,094)	(934)	17.1
Depreciation	(205)	(195)	5.1	(411)	(389)	5.7
Finance expenses	(735)	(768)	(4.3)	(1,460)	(1,653)	(11.7)
Other expenses	(241)	(155)	55.5	(534)	(593)	(9.9)
Total expenses	(3,151)	(2,695)	16.9	(5,991)	(6,043)	(0.9)
Share of results of associated company	(19)	-	N.M.	(32)	-	N.M.
Profit before income tax	1,147	584	96.4	969	457	N.M.
Income tax (expense)/income	(377)	197	N.M.	(377)	12	N.M.
Profit from continuing operations	770	781	(1.4)	592	469	26.2
Discontinued operations						
Profit from discontinued operations*	729	1,509	(51.7)	1,326	1,425	(6.9)
Total profit	1,499	2,290	(34.5)	1,918	1,894	1.3
Other comprehensive income/(loss):						
Items that may be reclassified subsequently to profit and loss:						
Currency translation difference arising from consolidation						
- Gains/(losses)	607	(1,220)	N.M.	(281)	(2,298)	(87.8)
Total comprehensive income	2,106	1,070	96.8	1,637	(404)	N.M.

(1)(a)(i) Continued

	Group					
	Q2FY19	Q2FY18	Change	6MFY19	6MFY18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit attributable to:						
- Equity holders of the Company						
Continuing operations	799	812	(1.6)	649	531	22.2
Discontinued operations*	729	1,509	(51.7)	1,326	1,425	(6.9)
	1,528	2,321	(34.2)	1,975	1,956	1.0
- Non-controlling interests	(29)	(31)	(6.5)	(57)	(62)	(8.1)
	1,499	2,290	(34.5)	1,918	1,894	1.3
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	2,135	1,101	93.9	1,694	(342)	N.M.
Non-controlling interests	(29)	(31)	(6.5)	(57)	(62)	(8.1)
	2,106	1,070	96.8	1,637	(404)	N.M.

N.M. – Not meaningful

* As announced on 1 August 2017, the Company ceased publication of print directories from 1 January 2018 and restructured the digital business into a licensing model. As announced on 31 October 2018, the Company entered into a share purchase agreement for disposal of Global Food Retail Group Pte Ltd and its subsidiaries ("GFRG Group"). The disposal was completed on 30 November 2018. Hence, both the results of the Search segment, which comprise the print directories and digital business, and the GFRG Group results have been presented as discontinued operations in FY19 and FY18 results were restated accordingly.

(1)(a)(ii) Notes:

Profit after taxation is arrived at after accounting for:

	Q2FY19	Q2FY18	Change	6MFY19	6MFY18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income*	2	7	(71.4)	7	28	(75.0)
Interest on borrowings	(735)	(768)	(4.3)	(1,460)	(1,653)	(11.7)
Write back of impairment of trade receivables*	-	-	-	66	113	(41.6)
Allowance for impairment of trade receivables*	-	(1)	(100)	(9)	(51)	(82.4)
Bad debts recovered*	1	-	N.M.	8	-	N.M.
Gain on disposal of subsidiaries	823	-	N.M.	823	-	N.M.
Net foreign exchange gain/(loss)*	481	(502)	N.M.	(168)	(852)	(80.3)
Net under provision of prior years' taxation	(3)	-	N.M.	(3)	-	N.M.
Intangible assets written off	-	-	-	-	(41)	(100)
Loss on disposal of property, plant and equipment	(3)	-	N.M.	(3)	(14)*	(78.6)

N.M. - Not meaningful

* - Includes results from discontinued operations

(1)(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	5,258	3,483	197	995
Restricted cash	-	84	-	-
Trade and other receivables	1,707	1,722	959	751
Inventories	-	12	-	-
Development properties	67,842	24,750	-	-
Other current assets	1,361	16,999	92	93
Income tax recoverables	19	43	-	-
Due from associated companies	423	277	423	277
	<u>76,610</u>	<u>47,370</u>	<u>1,671</u>	<u>2,116</u>
Non-current assets				
Other receivables	10,061	458	10,061	458
Financial assets at fair value through other comprehensive income	502	-	472	-
Available-for-sale financial assets	-	502	-	472
Other non-current assets	757	661	30	30
Investments in subsidiaries	-	-	3,243	3,243
Investments in associated companies	-	141	60	60
Property, plant and equipment	7,942	8,291	7,852	8,229
Investment properties	90,753	91,368	-	-
Intangible assets	-	11,879	-	7
Deferred income tax assets	-	119	-	-
Due from subsidiaries	-	-	73,069	80,488
	<u>110,015</u>	<u>113,419</u>	<u>94,787</u>	<u>92,987</u>
Total assets	<u>186,625</u>	<u>160,789</u>	<u>96,458</u>	<u>95,103</u>
LIABILITIES				
Current liabilities				
Trade and other payables	16,641	6,180	898	1,372
Provision	-	1,246	-	1,246
Advance receipts and billings	2,682	835	364	327
Due to subsidiaries	-	-	3,592	9,161
Borrowings	7,047	60,048	6,771	1,739
Current income tax liabilities	455	883	-	-
	<u>26,825</u>	<u>69,192</u>	<u>11,625</u>	<u>13,845</u>
Non-current liabilities				
Trade and other payables	7,286	711	234	248
Borrowings	72,768	11,977	11,086	11,977
Deferred income tax liabilities	1,965	2,765	89	89
	<u>82,019</u>	<u>15,453</u>	<u>11,409</u>	<u>12,314</u>
Total liabilities	<u>108,844</u>	<u>84,645</u>	<u>23,034</u>	<u>26,159</u>
NET ASSETS	<u>77,781</u>	<u>76,144</u>	<u>73,424</u>	<u>68,944</u>
SHAREHOLDERS' EQUITY				
Share capital	92,702	92,702	92,702	92,702
Treasury shares	(960)	(960)	(960)	(960)
Other reserves	(11,538)	(11,201)	(3,946)	(3,946)
Accumulated losses	(2,409)	(4,384)	(14,372)	(18,852)
Capital and reserves attributable to equity holders of the Company	<u>77,795</u>	<u>76,157</u>	<u>73,424</u>	<u>68,944</u>
Non-controlling interests	(14)	(13)	-	-
Total equity	<u>77,781</u>	<u>76,144</u>	<u>73,424</u>	<u>68,944</u>

(1)(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less (S\$'000)

As at 31 Dec 2018		As at 30 Jun 2018	
Secured	Unsecured	Secured	Unsecured
<u>2,047</u>	<u>5,000</u>	<u>60,048</u>	<u>-</u>

Amount repayable after one year (S\$'000)

As at 31 Dec 2018		As at 30 Jun 2018	
Secured	Unsecured	Secured	Unsecured
<u>72,768</u>	<u>-</u>	<u>11,977</u>	<u>-</u>

As at 31 December 2018, borrowings amounting to S\$79.8 million comprised loans of S\$17.9 million taken by the Company and loans of S\$61.9 million taken by foreign subsidiaries.

Loans of S\$12.9 million taken by the Company are secured over the Company's leasehold property with fixed repayment schedules, and S\$5.0 million is unsecured.

The loans of S\$61.9 million undertaken by the foreign subsidiary are secured over the subsidiaries' freehold properties.

(1)(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Q2FY19	Q2FY18	6MFY19	6MFY18
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit	1,499	2,290	1,918	1,894
Adjustments for:				
Income tax expense	394	(168)	418	45
Share of results of associated company	19	-	32	-
Depreciation	226	218	455	445
Amortisation	3	26	11	53
Loss on disposal of property, plant and equipment	3	-	3	14
(Gain) on disposal of subsidiaries	(823)	-	(823)	-
Net loss on disposal of associated company	-	1	-	1
Dividend income from available-for-sale financial assets	-	(50)	-	(50)
Intangible assets written off	-	-	-	41
Interest income	(2)	(7)	(7)	(28)
Interest expense	735	768	1,460	1,653
Currency translation difference	110	(12)	(51)	(539)
	<u>2,164</u>	<u>3,066</u>	<u>3,416</u>	<u>3,529</u>
Change in working capital				
Inventories	2	35	4	5
Development properties	(23,316)	313	(27,912)	738
Receivables	(950)	346	(913)	25
Other current assets	(1,456)	(3,503)	419	(3,512)
Advance receipts and billings	1,867	(550)	1,846	(850)
Payables	<u>18,227</u>	<u>(464)</u>	<u>18,334</u>	<u>(328)</u>
Cash generated from operations	<u>(3,462)</u>	<u>(757)</u>	<u>(4,806)</u>	<u>(393)</u>
Income tax refunded/(paid)	20	(74)	22	(110)
Net cash used in operating activities	<u>(3,442)</u>	<u>(831)</u>	<u>(4,784)</u>	<u>(503)</u>
Cash flows from investing activities				
Purchase of available-for-sale financial assets	-	-	-	(90)
Purchase of property, plant and equipment	(51)	(4)	(150)	(4)
Purchase of intangible assets	-	(3)	-	(3)
Proceeds from disposal of subsidiaries, net of cash disposed off	20	-	20	-
Proceeds from disposal of associated company	-	-	109	-
Proceeds from disposal of property, plant and equipment	-	-	-	20
Development cost incurred	(88)	(64)	(100)	(35)
Interest received	2	7	7	28
Dividend received from available-for-sale financial assets	-	50	-	50
Net cash used in investing activities	<u>(117)</u>	<u>(14)</u>	<u>(114)</u>	<u>(34)</u>
Cash flows from financing activities				
Decrease in deposit pledged	33	42	83	82
Proceeds from borrowings	5,878	-	10,878	-
Repayment of borrowings	(2,231)	(419)	(2,658)	(833)
Interest paid	(879)	(823)	(1,615)	(1,781)
Net cash provided by/(used in) financing activities	<u>2,801</u>	<u>(1,200)</u>	<u>6,688</u>	<u>(2,532)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(758)</u>	<u>(2,045)</u>	<u>1,790</u>	<u>(3,069)</u>
Cash and cash equivalents at beginning of the financial period	5,978	8,547	3,483	9,558
Effects of exchange rate changes on cash and cash equivalents	38	(171)	(15)	(158)
Cash and cash equivalents at end of the financial period	<u>5,258</u>	<u>6,331</u>	<u>5,258</u>	<u>6,331</u>

1)(d)(i) A statement of all changes in equity (for the issuer and group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

For the second quarter and six months ended 31 December 2018

	← Attributable to equity holders of the Company →										
	Share capital	Treasury shares	Share option reserve	Currency translation reserve	Capital reserve	Transactions with non-controlling interests	Total other reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group											
Balance at 1 July 2018	92,702	(960)	57	(3,387)	(4,003)	(3,868)	(11,201)	(4,384)	76,157	(13)	76,144
Profit for the period	-	-	-	-	-	-	-	447	447	(28)	419
Other comprehensive income for the period	-	-	-	(888)	-	-	(888)	-	(888)	-	(888)
Total comprehensive income for the period	-	-	-	(888)	-	-	(888)	447	(441)	(28)	(469)
Transactions with non-controlling interest	-	-	-	-	-	(27)	(27)	-	(27)	27	-
Balance as at 30 September 2018	92,702	(960)	57	(4,275)	(4,003)	(3,895)	(12,116)	(3,937)	75,689	(14)	75,675
Profit for the period	-	-	-	-	-	-	-	1,528	1,528	(29)	1,499
Other comprehensive income for the period	-	-	-	607	-	-	607	-	607	-	607
Total comprehensive income for the period	-	-	-	607	-	-	607	1,528	2,135	(29)	2,106
Transactions with non-controlling interest	-	-	-	-	-	(29)	(29)	-	(29)	29	-
Balance as at 31 December 2018	92,702	(960)	57	(3,668)	(4,003)	(3,924)	(11,538)	(2,409)	77,795	(14)	77,781

STATEMENTS OF CHANGES IN EQUITY

	← Attributable to equity holders of the Company →										
	Share capital	Treasury shares	Share option reserve	Currency translation reserve	Capital reserve	Transactions with non-controlling interests	Total other reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group											
Balance at 1 July 2017	79,705	(960)	57	132	(4,003)	(3,794)	(7,608)	(8,128)	63,009	(20)	62,989
Loss for the period	-	-	-	-	-	-	-	(365)	(365)	(31)	(396)
Other comprehensive income for the period	-	-	-	(1,078)	-	-	(1,078)	-	(1,078)	-	(1,078)
Total comprehensive income for the period	-	-	-	(1,078)	-	-	(1,078)	(365)	(1,443)	(31)	(1,474)
Transactions with non-controlling interest	-	-	-	-	-	(33)	(33)	-	(33)	33	-
Disposal of subsidiaries	-	-	-	-	-	45	45	(45)	-	-	-
Balance as at 30 September 2017	79,705	(960)	57	(946)	(4,003)	(3,782)	(8,674)	(8,538)	61,533	(18)	61,515
Profit for the period	-	-	-	-	-	-	-	2,321	2,321	(31)	2,290
Other comprehensive income for the period	-	-	-	(1,220)	-	-	(1,220)	-	(1,220)	-	(1,220)
Total comprehensive income for the period	-	-	-	(1,220)	-	-	(1,220)	2,321	1,101	(31)	1,070
Transactions with non-controlling interest	-	-	-	-	-	(31)	(31)	-	(31)	31	-
Balance as at 31 December 2017	79,705	(960)	57	(2,166)	(4,003)	(3,813)	(9,925)	(6,217)	62,603	(18)	62,585

STATEMENTS OF CHANGES IN EQUITY

For the second quarter and six months ended 31 December 2018

	← Attributable to equity holders of the Company →						
	Share capital	Treasury shares	Share option reserve	Capital reserve	Total other reserves	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company							
Balance at 1 July 2018	92,702	(960)	57	(4,003)	(3,946)	(18,852)	68,944
Loss for the period	-	-	-	-	-	(118)	(118)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(118)	(118)
Balance as at 30 September 2018	92,702	(960)	57	(4,003)	(3,946)	(18,970)	68,826
Profit for the period	-	-	-	-	-	4,598	4,598
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	4,598	4,598
Balance as at 31 December 2018	92,702	(960)	57	(4,003)	(3,946)	(14,372)	73,424

	← Attributable to equity holders of the Company →						
	Share capital	Treasury shares	Share option reserve	Capital reserve	Total other reserves	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company							
Balance at 1 July 2017	79,705	(960)	57	(4,003)	(3,946)	(15,602)	59,197
Loss for the period	-	-	-	-	-	(1,069)	(1,069)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(1,069)	(1,069)
Balance as at 30 September 2017	79,705	(960)	57	(4,003)	(3,946)	(16,671)	58,128
Profit for the period	-	-	-	-	-	532	532
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	532	532
Balance as at 31 December 2017	79,705	(960)	57	(4,003)	(3,946)	(16,139)	58,660

(1)(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 31 December 2018, the Company’s share capital was S\$92,701,916 (30 June 2018: S\$92,701,916) comprising 275,835,089 (30 June 2018: 275,835,089) ordinary shares including treasury shares.

Arising from the rights issue in 4QFY18, the number of existing warrants was reduced from 102,263,118 to 99,340,476 during 4QFY18. No warrant was exercised during the quarter ended 31 December 2018. As at 31 December 2018, 99,340,476 (31 December 2017: 102,263,118) warrants have not been exercised.

As at 31 December 2018 and 31 December 2017, the Company held 914,271 treasury shares.

(1)(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31 Dec 2018 ‘000	30 Jun 2018 ‘000
Total number of issued ordinary shares excluding treasury shares	<u>274,921</u>	<u>274,921</u>

(1)(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There have been no sales, transfer, disposal, cancellation and/or use of treasury shares for the period reported on. Total number of treasury shares as at 31 December 2018 was 914,271.

(2) Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

(3) Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).

Not applicable.

(4) Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.

Except as disclosed in Note 5 below, the accounting policies and methods of computation used are consistent with those used in the most recently audited annual financial statements except for the adoption of the new or amended Financial Reporting Standards (FRS) and Interpretations to FRS (“INT FRS”) that are mandatory for financial years beginning on or after 1 July 2018.

(5) If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In December 2017, the Accounting and Standards (“ASC”) issued the Singapore Financial Reporting Standards (International) (“SFRS(I”). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The Group’s financial statements for the financial year ending 30 June 2019 will be prepared in accordance with SFRS(I) and IFRS.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as that of the audited financial statement for the year ended 30 June 2018,

except for the adoption of the new/revised SFRS(I) applicable for the financial period beginning 1 July 2018 as follows:-

SFRS(I)

The Group is required to retrospectively apply all SFRS(I) effective at the end of the first SFRS(I) reporting period (financial year ending 30 June 2019), subject to the mandatory exceptions and optional exemptions under SFRS(I). The Group does not plan to elect relevant optional exemptions and the exemptions that will result in adjustments to the Group's financial statements prepared under SFRS(I).

SFRS(I) 9 Financial Instruments

The Group elects to apply the short-term exemption under SFRS(I) 1 to adopt SFRS(I) 9 on 1 July 2018.

(i) Classification and measurement

The Group has assessed the business models that are applicable on 1 July 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. The Group has elected to recognise changes in the fair value of all its equity investments not held for trading and previously classified as available-for-sale, in other comprehensive income.

As a result, assets with a fair value of S\$502,000 are reclassified from "available-for-sale financial assets" to "financial assets, at fair value through other comprehensive income" ("FVOCI") on 1 July 2018.

Fair value gains and losses will continue to be recognised in other comprehensive income and accumulated in fair value reserve. However, gain or losses realised on the sale of such assets will no longer be transferred to profit or loss on sale, but instead reclassified from fair value reserve to retained earnings.

(ii) Impairment of financial assets

The Group has considered the effects of applying the new standard on the Group's financial statements and does not expect the standards to have material impact to the financial statements.

SFRS(I) 15 Revenue from Contracts with Customers

The Group has considered the impact arising from the adoption of SFRS(I) 15 and does not expect the standard to have material impact on the financial statements

(6) Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	Q2FY19	Q2FY18	6MFY19	6MFY18
(a) Based on weighted average number of ordinary shares in issue (cents)				
- From continuing operations	0.291	0.388	0.236	0.254
- From discontinued operations	0.265	0.722	0.482	0.681
Total	0.556	1.110	0.718	0.935
Weighted average number of ordinary shares in issue	274,920,818	209,100,682	274,920,818	209,100,682
(b) On a fully diluted basis (cents)				
- From continuing operations	0.291	0.388	0.236	0.254
- From discontinued operations	0.265	0.722	0.482	0.681
Total	0.556	1.110	0.718	0.935
Weighted average number of ordinary shares in issue	274,920,818	209,100,682	274,920,818	209,100,682

- (7) **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on; and immediately preceding financial year.**

	<u>Group</u>		<u>Company</u>	
	31 Dec 2018	30 Jun 2018	31 Dec 2018	30 Jun 2018
Net asset value per ordinary share based on issued share capital of the Company at the end of the financial period (cents)	28.30	27.70	26.71	25.08

- (8) **Review of the performance of the group.**

Q2FY19

The Group's revenue from continuing operations for Q2FY19 was S\$2.2 million, a decrease of S\$0.4 million or 15.4% compared to S\$2.6 million for Q2FY18. The decrease in revenue was due mainly to lower rental revenue and a weaker New Zealand dollar exchange rate.

Other income of S\$0.8 million mainly relates to rental income generated from the Company's property in Singapore.

Other gains of S\$1.3 million was mainly due to the gain from disposal of GFRG Group during Q2FY19 and unrealized foreign exchange gains.

Other losses of S\$0.4 million for Q2FY18 relates mainly to unrealized foreign exchange losses.

Total expenses of S\$3.2 million for Q2FY19 were S\$0.5 million or 16.9% higher than Q2FY18 due mainly to higher professional fees.

Profit from discontinued operations was S\$0.7 million in Q2FY19, a decrease of S\$0.8 million or 51.7% compared to S\$1.5 million for Q2FY18 which included results from the final print directories.

As a result, the Group posted a net profit of S\$1.5 million in Q2FY19, as compared to S\$2.3 million in Q2FY18.

6MFY19

The Group's revenue from continuing operations for the six months ended 31 December 2018 was S\$4.6 million, a decrease of S\$0.8 million or 14.8% as compared to the corresponding period last year. The decrease in revenue was due mainly to lower rental revenue and a weaker New Zealand dollar exchange rate.

Other income of S\$1.5 million for 6MFY19 mainly relates to rental income generated from the Company's property in Singapore.

Other gains of S\$0.8 million was mainly due to the gain from disposal of GFRG Group during 6MFY19.

Other losses of S\$0.7 million for 6MFY18 relates mainly to unrealized foreign exchange losses.

Total expenses of S\$6.0 million for 6MFY19 were 0.9% lower than the corresponding period last year. Professional fees increased by S\$0.4 million or 85.3% in 6MFY19. Marketing, advertising and promotion expenses decreased by S\$0.3 million or 52.1% in 6MFY19 due to lower promotional activities in New Zealand.

Profit from discontinued operations was S\$1.3 million in 6MFY19 comparable to S\$1.4 million for 6MFY18.

As a result, the Group posted a net profit of S\$1.9 million in 6MFY19 and 6MFY18.

Statement of financial position and Statement of cash flows for the Group

The Group's cash and cash equivalents increased to S\$5.3 million as at 31 December 2018 compared to S\$3.5 million as at 30 June 2018 mainly due to cashflows from operating activities, borrowings partly offset by acquisition of development land.

Development properties increased by S\$43.1 million due mainly to the land acquisition in Bellfield, and property development costs incurred during the period.

Other current assets of S\$1.4 million as at 31 December 2018 decreased by S\$15.6 million compared to 30 June 2018 due mainly to reclassification from deposit to development property following the land acquisition of Bellfield during the period.

Other receivables increased by S\$9.6 million due to the receivables following the disposal of GFRG.

Intangible assets decreased by 100% due to the disposal of GFRG.

Total borrowings increased by S\$7.8 million as at 31 December 2018. The Group's foreign subsidiary loans were refinanced and this reduced current borrowings from S\$60.0 million as of 30 June 2018 to S\$7.0 million as of 31 December 2018.

Total trade and other payables increased by S\$17.0 million mainly due to the land acquisition of Bellfield.

Advance receipts increased by S\$1.8 million mainly due to receipt of deposit from sale of land in Bellfield.

As a result of the above, the Group's net assets closed at S\$77.8 million as at 31 December 2018 compared to S\$76.1 million as at 30 June 2018.

(9) Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders for the current reporting period.

(10) A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In line with the Group's focus on property, the sale of the Group's food business subsidiary, Global Food Retail Group Pte Ltd ("GFRG"), was completed on 30 November 2018.

On the property front, the Group entered into an agreement in December 2018 to sell 32 housing lots in Phase 1 of Bellfield land sub-division project in Papakura New Zealand. The Group's proposed acquisition of our fourth development in New Zealand, a 2-hectare site at Lake Resorts, Pauanui is pending regulatory approval in New Zealand.

(11) Dividends

(a) Current financial quarter reported on

No dividend was declared for the current financial period reported on.

(b) Corresponding period of the immediately preceding financial year

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

(12) If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the second quarter and six months ended 31 December 2018.

- (13) If the group has obtained a general mandate from shareholders for Interested Persons Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The group has not obtained a general mandate from shareholders for Interested Persons Transactions.

(14) Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results of the Group and the Company for the second quarter and six months ended 31 December 2018 to be false or misleading in any material aspect.

(15) Confirmation Pursuant to Rule 720(1) of the Listing Manual

GYP Properties Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

(16) Use of net proceeds from placement shares

The Board wishes to provide an update on the utilisation of the proceeds from the Placement ("Placement Proceeds") and the Rights Issue ("Rights Issue Proceeds") as follows:

Use of Placement Proceeds	Allocation of Placement Proceeds (S\$'000)	Placement Proceeds utilised (S\$'000)	Balance of Placement Proceeds (S\$'000)
Expenses ⁽¹⁾	12	12	-
Acquisition	4,788	4,788 ⁽²⁾	-
Total	4,800	4,800	-

Use of Rights Issue Proceeds	Allocation of Rights Issue Proceeds (S\$'000)	Rights Issue Proceeds utilised (S\$'000)	Balance of Rights Issue Proceeds (S\$'000)
Expenses ⁽¹⁾	95	95	-
Acquisition	8,269	8,269 ⁽²⁾	-
Total	8,364	8,364	-

Notes:

- (1) Expenses incurred relate to professional fees and listing fees.
(2) This amount was used to satisfy in part the acquisition of the land in Papakura, New Zealand.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary

13 February 2019