

Global Yellow Pages Limited

Results for Q1 FY2016

Ended 30 September 2015

13 November 2015

Disclaimer



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Presentation Outline

- **Overview**
- **Financial Highlights**
- **Outlook**
- **Pakuranga Plaza shopping mall**



Overview



Q1 FY2016 Results Overview

❖ Group recorded 64.9% increase in revenue to S\$7.8m

- The Group's diversification into property and food & beverage business is gaining traction, contributing to the increase in revenue and net profit.
- The Group's revenue for 1Q FY16 was S\$7.8 million, an increase of S\$3.1 million or 64.9% compared to S\$4.7 million for previous corresponding quarter ended 30 September 2014 ("2Q FY15"). The increase in revenue was due mainly to rental income from Pakuranga Plaza Limited ("PPL"), and royalty income from licensing of intellectual property rights of Wendy's Supa Sundaes brand ("Wendy's").



Q1 FY2016 Results Overview

❖ Net non cash one-off \$1.1m expenses on change in accounting classification following dilution of Company's shareholdings in Yamada

- The Company did not participate in Yamada Green Resources Limited's ("Yamada") recent rights issue. As a result, the Company's shareholdings in Yamada was diluted from 20.0% to 13.3% following completion of Yamada's rights issue on 18 September 2015. Following the dilution, the accounting treatment for the Company's investment in Yamada was reclassified from an associated company to available-for-sale financial asset on 18 September 2015. The revised accounting treatment resulted in one-off non cash expenses of S\$2.3 million for dilution of interest and fair value loss, offset partly by one-off non cash other gains of S\$1.2 million on reclassification of currency translation reserve to income statement.

❖ Group recorded other gains (net) of S\$2.2m

- Other gains for 1Q FY16 increased by S\$1.4 million due mainly to the one-off non cash S\$1.2 million gain on reclassification of currency translation reserve to income statement mentioned above.



❖ Total expenses increased by S\$0.5 million to S\$7.4 million

Other expenses increased by S\$0.6 million in 1Q FY16 due mainly to the one-off non cash S\$2.3 million loss on dilution of interests in Yamada and the fair value loss mentioned above. Included in 2Q FY15 other expenses was a one-off S\$1.1 million loss on reclassification of currency translation reserves to income statement arising from disposal of equity interest in Integrated Databases India Limited (“IDIL”), a foreign associated company. Adjusting for these one-off items, other expenses decreased by \$0.6 million mainly due to lower legal expenses.

- Interest on borrowings of S\$0.8 million for 1Q FY16 was S\$0.7 million higher than 2QFY15 as the borrowings increased by S\$50.3 million due to the acquisition of PPL in May 2015 which was partly funded by bank borrowings.
- Depreciation and amortization increased by S\$0.2 million due mainly to additional depreciation on new river boats purchased and higher amortisation expense from intangible assets with definite useful life previously classified as with indefinite life.
- Excluding the one-off S\$2.3 million loss for Yamada and S\$1.1 million loss for IDIL, the total expenses for 1Q FY16 were S\$7.4 million, an increase of S\$0.5 million or 7.3% compared to S\$6.9 million for 2Q FY15.



Q1 FY2016 Results Overview

- ❖ **Group posted a net profit of S\$1.3 million excluding one-off non cash net loss on reclassification of investment in Yamada**
 - Excluding the one-off non cash items for Yamada and IDIL, the Group recorded a net profit of S\$1.3 million for 1Q FY16 compared to net loss of S\$1.1 million for 2Q FY15.



Financial Highlights



Financial Highlights

S\$'million	Q1 FY2016 (1 Jul 2015 to 30 Sep 2015)	Q2 FY2015 (1 Jul 2014 to 30 Sep 2014)		Change
Revenue	7.8	4.7	↑	64.9%
Operating Profit/(Loss)	1.2	(2.3)	↑	N.M.
Profit/(Loss) before Tax	0.4	(2.3)	↑	N.M.
Net Profit/(Loss)	0.2	(2.2)	↑	N.M.
Adjusted Net Profit/(Loss)	1.3 ⁽¹⁾	(1.1) ⁽²⁾	↑	N.M.
Adjusted EBITDA	3.0 ⁽¹⁾	(0.9) ⁽²⁾	↑	N.M.
Adjusted EPS (cents) ⁽³⁾	0.63	(0.74)	↑	N.M.

(1) Exclude one-off S\$1.1 million net loss on reclassification of investment in an associated company to available-for-sale financial asset.

(2) Exclude a one-off S\$1.1 million loss on reclassification of currency translation reserve to income statement arising from the disposal of a foreign associated company.

(3) Exclude one-off items mentioned in (1) and (2) and based on weighted average number of ordinary shares in issue (excluding treasury shares) of 170.4 million shares as at 30 September 2015 and 174.4 million shares as at 30 September 2014 after adjustment for Share Consolidation completed in May 2015.

Major Changes in Net Profit (Q1)



S\$'million

Revenue	↑	3.1
Other gains (net)*	↑	1.4
Expenses**	↑	1.7
Share of results of associated companies	↓	0.1
Income tax expense	↑	0.3
Net Profit	↑	2.4
Adjusted for one-off items:		
Net loss on reclassification of investment in Yamada	↑	1.1
Loss on reclassification of currency translation reserves - IDIL	↓	1.1
Adjusted Net Profit	↑	2.4

* Including one-off S\$1.2 million gain for Yamada

** Including one-off S\$2.3 million loss for Yamada and S\$1.1 million loss for IDIL

Expenses



S\$'million	Q1 FY2016 (1 Jul 2015 to 30 Sep 2015)	Q2 FY2015 (1 Jul 2014 to 30 Sep 2014)	Change	
Staff costs	3.5	3.3	↑	6.2%
Other expenses*	2.3	2.9	↓	20.0%
Finance expenses	0.8	0.1	↑	N.M.
Depreciation and amortisation	0.8	0.6	↑	32.5%
Total Expenses	7.4	6.9	↑	7.3%

* Excluding one-off S\$2.3 million loss for Yamada and S\$1.1 million loss for IDIL

Balance Sheet Highlights



S\$'million	30 Sep 15	30 Jun 15
Cash & cash equivalents	8.5	7.7
Total assets	146.4	149.2
Total liabilities	80.3	80.8
Shareholders' equity*	66.6	69.1
Current ratio	1.5x	1.4x
Debt / Equity	1.1x	1.1x

* Excluding non-controlling interests



Outlook

Outlook



- ❖ The business environment in the search business continues to be challenging. However, the Group's strategy to diversify into the property and food & beverage sectors is gaining traction, contributing to the S\$3.1 million increase in revenue in 1Q FY16 from 2Q FY15 offsetting the decline in search revenue.
- ❖ The Company's Pakuranga Plaza shopping mall in Auckland, New Zealand contributed S\$0.8 million to net profits in 1Q FY16. We will continue to manage the retail performance of the property while actively engaging with the local authority on the redevelopment plans for the property.
- ❖ The Company's licensing of Wendy's intellectual property rights contributed S\$0.5 million to net profits in 1Q FY16 and we will continue to look for ways to add value to the food & beverage business.





Key statistics as at 1Q FY2016



Property Valuation* :

NZD 96.5m

Net Property Income** :

NZD 1.9m

Annualised
Net Property Income Yield** :

7.9%

Total retail sales MAT*** :

Approx. NZD100m

Occupancy rate :

98%

Shopper traffic MAT*** :

> 4.8m

* Valued as at 30 June 2015 by Bayleys Valuation Limited

** Before interest and tax expense

*** MAT : Moving annual total



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Thank You