

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::THIRD QUARTER RESULTS

Issuer & Securities

Issuer/ Manager

GL LIMITED

Securities

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Additional Details

For Financial Period Ended

31/03/2019

Attachments

[SGX-FS-3Qtr2019Mar31.pdf](#)

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Unaudited Financial Statement And Related Announcement For Third Quarter Ended 31 March 2019

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

	Unaudited 9 months ended		Favourable / (unfavourable) variance %	Unaudited 3 rd Quarter ended		Favourable / (unfavourable) variance %
	1 Jul 2018 to 31 Mar 2019 US\$m	1 Jul 2017 to 31 Mar 2018 US\$m		1 Jan to 31 Mar 2019 US\$m	1 Jan to 31 Mar 2018 US\$m	
<u>Continuing operations</u>						
Revenue	264.4	259.4	2	73.4	74.3	(1)
Cost of sales	(111.8)	(104.7)	(7)	(35.9)	(29.8)	(20)
Gross profit	152.6	154.7	(1)	37.5	44.5	(16)
Other operating income	*	28.7	N.M.	*	28.1	N.M.
Administrative expenses	(96.3)	(96.6)	0	(32.5)	(32.8)	1
Other operating expenses	(0.3)	–	N.M.	–	–	N.M.
Operating profit	56.0	86.8	(35)	5.0	39.8	(87)
Finance income	1.2	1.4	(14)	0.5	0.7	(29)
Finance costs	(9.9)	(10.1)	2	(3.1)	(3.5)	11
Net financing costs	(8.7)	(8.7)	N.M.	(2.6)	(2.8)	7
Profit before tax	47.3	78.1	(39)	2.4	37.0	(94)
Income tax expense	(16.6)	(14.8)	(12)	(4.9)	(5.3)	8
Profit from continuing operations, net of tax	30.7	63.3	(52)	(2.5)	31.7	N.M.
<u>Discontinued operation</u>						
Loss from discontinued operation, net of tax	(1.6)	(10.4)	85	(0.8)	(7.8)	90
Profit for the period	29.1	52.9	(45)	(3.3)	23.9	N.M.
Profit / (loss) attributable to:						
Owners of the Company	29.1	53.0	(45)	(3.3)	24.0	N.M.
Non-controlling interests	*	(0.1)	N.M.	*	(0.1)	N.M.
Profit for the period	29.1	52.9	(45)	(3.3)	23.9	N.M.

Note to Income Statement

	Unaudited 9 months ended		Favourable / (unfavourable) variance %	Unaudited 3 rd Quarter ended		Favourable / (unfavourable) variance %
	1 Jul 2018 to 31 Mar 2019 US\$m	1 Jul 2017 to 31 Mar 2018 US\$m		1 Jan to 31 Mar 2019 US\$m	1 Jan to 31 Mar 2018 US\$m	
Profit before tax is stated after (charging) / crediting:						
Depreciation of hotels, property and equipment	(14.1)	(15.1)	7	(4.8)	(5.2)	8
Amortisation of intangible assets	(2.3)	(2.6)	12	(0.7)	(0.9)	22
Impairment of property and equipment	(0.3)	–	N.M.	–	–	N.M.

* Amount less than US\$0.1m

Note: N.M. - not meaningful

1(a)(ii) Statement of Comprehensive Income

	Unaudited 9 months ended		Favourable / (unfavourable) variance %	Unaudited 3 rd Quarter ended		Favourable / (unfavourable) variance %
	1 Jul 2018 to 31 Mar 2019 US\$m	1 Jul 2017 to 31 Mar 2018 US\$m		1 Jan to 31 Mar 2019 US\$m	1 Jan to 31 Mar 2018 US\$m	
Profit for the period	29.1	52.9	(45)	(3.3)	23.9	N.M.
Other comprehensive income:						
<u>Items that will not be reclassified to profit or loss:</u>						
Change in fair value of available-for-sale investment	*	*	N.M.	*	*	N.M.
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Net exchange differences from consolidation of foreign operations	(9.1)	64.2	N.M.	20.8	32.0	(35)
Change in fair value of cash flow hedge, net of tax	0.9	2.7	(67)	(0.5)	1.3	N.M.
Change in fair value of hedge of net investment in foreign operation	-	(2.7)	N.M.	-	(2.7)	N.M.
Other comprehensive income for the period, net of income tax	(8.2)	64.2	N.M.	20.3	30.6	(34)
Total comprehensive income for the period	20.9	117.1	(82)	17.0	54.5	(69)
Total comprehensive income attributable to:						
- Owners of the Company						
Continuing operations	21.0	126.0	(83)	16.7	61.7	(73)
Discontinued operation	(0.1)	(8.7)	99	0.4	(7.1)	N.M.
- Non-controlling interests	*	(0.2)	N.M.	(0.1)	(0.1)	N.M.
Total comprehensive income for the period	20.9	117.1	(82)	17.0	54.5	(69)

* Amount less than US\$0.1m

Note: N.M. - not meaningful

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	
	Unaudited 31 Mar 2019 US\$m	Audited 30 June 2018 US\$m	Unaudited 31 Mar 2019 US\$m	Audited 30 June 2018 US\$m
ASSETS				
Hotels, property and equipment	1,020.9	1,009.2	–	–
Intangible assets	64.9	70.1	–	–
Investments in subsidiaries	–	–	1,225.6	1,225.6
Pensions surplus	11.4	11.4	–	–
Other investments	0.2	0.2	–	–
TOTAL NON-CURRENT ASSETS	1,097.4	1,090.9	1,225.6	1,225.6
Inventories	0.5	0.4	–	–
Development properties	184.7	184.4	–	–
Trade and other receivables	15.9	42.8	0.3	0.3
Advances to subsidiaries	–	–	87.0	111.0
Cash and cash equivalents	70.6	105.4	9.1	6.5
Assets held for sale	30.9	31.7	–	–
TOTAL CURRENT ASSETS	302.6	364.7	96.4	117.8
TOTAL ASSETS	1,400.0	1,455.6	1,322.0	1,343.4
LIABILITIES				
Trade and other payables	47.7	69.6	0.7	1.0
Corporate tax payable	11.7	5.1	–	–
Provisions	0.2	0.2	–	–
Derivative financial liability	0.1	–	–	–
TOTAL CURRENT LIABILITIES	59.7	74.9	0.7	1.0
Loans and borrowings	215.9	255.8	–	–
Pension obligations	2.3	2.5	–	–
Deferred tax liabilities	18.2	18.1	–	–
Derivative financial liability	3.5	4.3	–	–
TOTAL NON-CURRENT LIABILITIES	239.9	280.7	–	–
TOTAL LIABILITIES	299.6	355.6	0.7	1.0
NET ASSETS	1,100.4	1,100.0	1,321.3	1,342.4
SHARE CAPITAL AND RESERVES				
Equity attributable to owners of the Company	1,103.0	1,102.6	1,321.3	1,342.4
Non-controlling interests	(2.6)	(2.6)	–	–
TOTAL EQUITY	1,100.4	1,100.0	1,321.3	1,342.4

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

Amount repayable in one year or less, or on demand

As at 31 March 2019		As at 30 June 2018	
Secured US\$m	Unsecured US\$m	Secured US\$m	Unsecured US\$m
-	-	-	-

Amount repayable after one year

As at 31 March 2019		As at 30 June 2018	
Secured US\$m	Unsecured US\$m	Secured US\$m	Unsecured US\$m
74.1	141.8	75.0	180.8

Details of any collateral

As at 31 March 2019, the Group's unsecured borrowings that are repayable after one year was US\$141.8 million. The Group continues to have banking lines for its funding requirements.

The Group's secured borrowings as at 31 March 2019 of US\$74.1 million and repayable after one year, are secured by a hotel owned by the Group with a net book value of US\$116.9 million.

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

	Unaudited 9 months ended		Unaudited 3 rd Quarter ended	
	1 Jul 2018 to 31 Mar 2019 US\$m	1 Jul 2017 to 31 Mar 2018 US\$m	1 Jan to 31 Mar 2019 US\$m	1 Jan to 31 Mar 2018 US\$m
OPERATING ACTIVITIES				
Profit before tax from continuing operations	47.3	78.1	2.4	37.0
Loss before tax from discontinued operation	(1.6)	(10.4)	(0.8)	(7.8)
Adjustments for non-cash items				
Depreciation of hotels, property and equipment	14.1	15.2	4.8	5.2
Amortisation of intangible assets	2.3	2.6	0.7	0.9
Impairment of property and equipment	0.3	4.7	–	4.7
Impairment of casino licence	0.5	–	0.5	–
Share option benefits, doubtful debts and others	0.4	0.2	0.2	(0.5)
Gain on disposal of property and equipment	*	–	*	–
Gain on disposal of assets held for sale	–	(28.1)	–	(28.1)
Net financing costs	8.7	8.8	2.5	2.8
Net change in working capital items				
Inventories / development properties	(0.3)	(1.3)	–	(0.3)
Trade and other receivables	26.9	12.6	6.2	1.4
Trade and other payables	(23.6)	(12.2)	3.2	3.0
Pension surplus and obligations / provisions	(0.4)	(0.2)	(0.1)	(0.1)
Cash generated from operations	74.6	70.0	19.6	18.2
Income tax paid	(9.9)	(10.2)	(5.8)	(9.4)
CASH FLOWS FROM OPERATING ACTIVITIES	64.7	59.8	13.8	8.8
INVESTING ACTIVITIES				
Proceeds from sale of property and equipment	*	–	*	–
Proceeds from disposal of assets held for sale	–	34.9	–	34.9
Acquisition of hotels, property and equipment	(34.4)	(23.7)	(14.0)	(7.4)
CASH FLOWS (USED IN) / FROM INVESTING ACTIVITIES	(34.4)	11.2	(14.0)	27.5
FINANCING ACTIVITIES				
Repayment of long-term borrowings	(36.8)	–	–	–
Repayment of short-term borrowings	–	(6.1)	–	(6.1)
Interest received	0.8	0.2	0.3	0.1
Interest paid	(7.8)	(8.5)	(1.6)	(3.7)
Other financing costs	(0.3)	(0.3)	(0.2)	(0.1)
Realised exchange gain on financial derivatives	0.3	0.2	0.1	0.1
Dividend paid to shareholders of the Company	(20.9)	(21.0)	–	–
CASH FLOWS USED IN FINANCING ACTIVITIES	(64.7)	(35.5)	(1.4)	(9.7)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(34.4)	35.5	(1.6)	26.6
Cash and cash equivalents at the beginning of the year	105.4	69.9	70.9	81.4
Effect of exchange rate fluctuations on cash held	(0.4)	5.3	1.3	2.7
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	70.6	110.7	70.6	110.7

* Amount less than US\$0.1m

1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity – Group

	Share Capital US\$m	Contributed Surplus US\$m	Translation Reserve US\$m	Fair Value Reserve US\$m	Hedging Reserve US\$m	Capital Reserve Share Based Payment US\$m	Equity Compensation Reserve US\$m	ESOS Reserve US\$m	Retained Earnings US\$m	Total US\$m	Non-Controlling Interests US\$m	Total Equity US\$m
Balance at 1 Jul 2018	273.6	654.2	(250.8)	(0.8)	(3.5)	(1.6)	3.0	(46.2)	474.7	1,102.6	(2.6)	1,100.0
Profit / (loss) for the period	-	-	-	-	-	-	-	-	29.1	29.1	*	29.1
Other comprehensive income:												
Net exchange differences from consolidation of foreign operations	-	-	(9.1)	-	-	-	-	-	-	(9.1)	*	(9.1)
Changes in fair value of available-for-sale investments	-	-	-	*	-	-	-	-	-	*	-	*
Changes in fair value of cash flow hedges, net of tax	-	-	-	-	0.9	-	-	-	-	0.9	-	0.9
Total other comprehensive income, net of tax	-	-	(9.1)	*	0.9	-	-	-	-	(8.2)	*	(8.2)
Total comprehensive income for the period, net of tax	-	-	(9.1)	*	0.9	-	-	-	29.1	20.9	*	20.9
<i>Transactions with owners, recorded directly in equity:</i>												
Value of employee services received for issue of share options	-	-	-	-	-	-	0.4	-	-	0.4	-	0.4
First and final dividend of SGD0.022 per share for the year ended 30 June 2018	-	-	-	-	-	-	-	-	(20.9)	(20.9)	-	(20.9)
Total transactions with owners	-	-	-	-	-	-	0.4	-	(20.9)	(20.5)	-	(20.5)
Balance at 31 Mar 2019	273.6	654.2	(259.9)	(0.8)	(2.6)	(1.6)	3.4	(46.2)	482.9	1,103.0	(2.6)	1,100.4
Balance at 1 Jul 2017	273.6	654.2	(257.2)	(0.7)	(6.7)	(1.6)	3.4	(46.2)	431.0	1,049.8	(2.5)	1,047.3
Profit / (loss) for the period	-	-	-	-	-	-	-	-	53.0	53.0	(0.1)	52.9
Other comprehensive income:												
Net exchange differences from consolidation of foreign operations	-	-	64.3	-	-	-	-	-	-	64.3	(0.1)	64.2
Changes in fair value of available-for-sale investments	-	-	-	*	-	-	-	-	-	*	-	*
Changes in fair value of cash flow hedges, net of tax	-	-	-	-	2.7	-	-	-	-	2.7	-	2.7
Changes in fair value of hedge of net investment in foreign operation	-	-	-	-	(2.7)	-	-	-	-	(2.7)	-	(2.7)
Total other comprehensive income, net of tax	-	-	64.3	*	-	-	-	-	-	64.3	(0.1)	64.2
Total comprehensive income for the period, net of tax	-	-	64.3	*	-	-	-	-	53.0	117.3	(0.2)	117.1
<i>Transactions with owners, recorded directly in equity:</i>												
Value of employee services received for issue of share options	-	-	-	-	-	-	0.1	-	-	0.1	-	0.1
First and final dividend of SGD0.022 per share for the year ended 30 June 2017	-	-	-	-	-	-	-	-	(21.0)	(21.0)	-	(21.0)
Total transactions with owners	-	-	-	-	-	-	0.1	-	(21.0)	(20.9)	-	(20.9)
Balance at 31 Mar 2018	273.6	654.2	(192.9)	(0.7)	(6.7)	(1.6)	3.5	(46.2)	463.0	1,146.2	(2.7)	1,143.5

* Amount less than US\$0.1m

Statement of Changes in Equity – Company

	Share Capital US\$m	Contributed Surplus US\$m	Capital Reserve Share Based Payment US\$m	Equity Compensation Reserve US\$m	ESOS Reserve US\$m	Retained Earnings US\$m	Total US\$m
Balance at 1 Jul 2018	273.6	654.2	(1.6)	2.7	(46.2)	459.7	1,342.4
Loss for the period	–	–	–	–	–	(0.2)	(0.2)
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive income for the period, net of tax	–	–	–	–	–	(0.2)	(0.2)
<i>Transactions with owners, recorded directly in equity:</i>							
First and final dividend of SGD0.022 per share for the year ended 30 June 2018	–	–	–	–	–	(20.9)	(20.9)
Total transactions with owners	–	–	–	–	–	(20.9)	(20.9)
Balance at 31 Mar 2019	273.6	654.2	(1.6)	2.7	(46.2)	438.6	1,321.3
Balance at 1 Jul 2017	273.6	654.2	(1.6)	2.7	(46.2)	733.7	1,616.4
Loss for the period	–	–	–	–	–	(2.0)	(2.0)
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive income for the period, net of tax	–	–	–	–	–	(2.0)	(2.0)
<i>Transactions with owners, recorded directly in equity:</i>							
First and final dividend of SGD0.022 per share for the year ended 30 June 2017	–	–	–	–	–	(21.0)	(21.0)
Total transactions with owners	–	–	–	–	–	(21.0)	(21.0)
Balance at 31 Mar 2018	273.6	654.2	(1.6)	2.7	(46.2)	710.7	1,593.4

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

Issued Share	As at 31 Mar 2019	As at 30 June 2018
Issued and fully paid ordinary share	1,368,063,633	1,368,063,633

Share Options	9 months ended	
	31 Mar 2019	31 Mar 2018
(a) Grant of share options under ESOS 2008:		
As at 1 July	37,250,000	19,500,000
Options granted	–	–
Options lapsed	(5,000,000)	(6,500,000)
As at 31 March	32,250,000	13,000,000
(b) Number of shares held in the ESOS Trust to be transferred to eligible employees to satisfy the outstanding share options under the ESOS 2008	68,295,000	68,295,000

There has been no change in the Company's share capital since the immediate preceding financial period.

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

	As at 31 Mar 2019	As at 30 June 2018
Total issued ordinary shares	1,368.1 million	1,368.1 million
Less: Number of shares acquired by the ESOS Trust for ESOS 2008	(68.3) million	(68.3) million
Total issued ordinary shares excluding shares acquired by the ESOS Trust for ESOS 2008	1,299.8 million	1,299.8 million

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.

Not applicable.

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

These figures have not been audited nor reviewed by the Group's auditors.

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 , the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the nine months ended 31 March 2019 as with the audited financial statements for the financial year ended 30 June 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.

The Group has adopted the new IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* effective for the financial period beginning 1 July 2018. The adoption of these standards did not result in substantial changes to the accounting policies and had no significant effect on the financial performance or position of the Group.

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.

	Unaudited 9 months ended		Unaudited 3 rd Quarter ended	
	1 Jul 2018 to 31 Mar 2019	1 Jul 2017 to 31 Mar 2018	1 Jan to 31 Mar 2019	1 Jan to 31 Mar 2018
<u>Earnings per share</u>				
Basic earnings per share (US cents)	2.2	4.1	(0.3)	1.9
Diluted earnings per share (US cents)	2.2	4.1	(0.3)	1.9
<u>Earnings per share - continuing operations</u>				
Basic earnings per share (US cents)	2.4	4.9	(0.2)	2.5
Diluted earnings per share (US cents)	2.4	4.9	(0.2)	2.5

Based on 1,299.8 million shares, which is the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

Net assets per share (US cents)	Unaudited 9 months	Audited Full Year
	31 Mar 2019	30 June 2018
The Group	84.9	84.8
The Company	101.7	103.3

Based on 1,299.8 million shares, which is the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement

Profit after tax for the nine months ended 31 March 2019 was US\$29.1 million, a decrease of 45% compared to US\$52.9 million in the previous corresponding period. The following review sets out the factors that affected profit after tax for the period:

Revenue

Revenue was 2% higher than previous corresponding period due mainly to higher revenue generated from oil and gas segment.

Oil and gas segment continues to generate higher royalty income compared to previous corresponding period. This was due to higher average crude oil and gas prices during the period.

Hotel revenue was higher in GBP terms compared to previous corresponding period as a result of improved hotel occupancy rate and RevPAR during the period. However, the increase was fully offset by the weakening of GBP against USD by 3.8% compared to last year.

Cost of sales

Lower cost of sales in previous corresponding period was mainly due to reversal of over accrued rental expense of Euston Hotel as a result of the CPO in same quarter last year. In addition, increased business and utilities rates, and web marketing cost for promoting group's direct web strategy have lifted up cost of sales during the period.

Other operating income

The decrease in other operating income for the nine months was mainly due to one-off compensation from the compulsory acquisition of one hotel property and recovery of legacy loan which has been written off previously in previous corresponding period.

Other operating expenses

The increase in other operating expenses was related to the impairment of obsolete hotel furniture and equipment.

Income tax expense

Higher income tax expense was associated with higher earnings from oil and gas segment.

Loss from discontinued operation

The gaming segment had ceased operation on 29 March 2018 and reclassified to discontinued operation.

Statement of Comprehensive Income

Total comprehensive income for the nine months was US\$20.9 million. This included a net foreign exchange loss of US\$9.1 million as a result of translating the books of the Group's UK and Australia subsidiaries which are denominated in GBP and AUD into the Group's reporting currency, which is USD. As at the end of 31 March 2019, GBP and AUD depreciated by 1% and 4% respectively against the USD as compared to 30 June 2018.

Statement of Financial Position

The Group's net assets before non-controlling interests increased by US\$0.4 million from US\$1,102.6 million as at 30 June 2018 to US\$1,103.0 million as at 31 March 2019.

Excluding the effects of currency translation, other significant factors that affected the Group's net assets as at 31 March 2019 were as follows:

- a) Trade and other receivables – decrease was primarily due to lower prepayment for the hotel segment during the period.
- b) Cash and cash equivalents – decrease was mainly due to the partial repayment of long-term loan and borrowings and dividend payment during the period.
- c) Trade and other payables – decrease was due to scheduled settlement of creditor balances and timing differences on suppliers' billing.
- d) Corporate tax payable – increase was mainly due to tax provision for the hotel earnings and oil and gas royalty income during the period.
- e) Long term loan and borrowings – decrease was due to partial repayment during the period.
- f) Derivative financial liability – decrease was due to fair value adjustment for existing interest rate swap contracts.

Statement of Cash Flows

Net cash outflow of US\$34.4 million at the end of the period compared with net cash inflow of US\$35.5 million in the previous corresponding period. This was primarily due to the partial repayment of long-term loan and borrowings during the period and the receipt of compensation from compulsory acquisition of hotel property in the previous corresponding period.

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

The Group had not previously released any forecast or prospect statements.

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

The refurbishment of The Cumberland Hotel is in its final stage and the hotel is scheduled to open as Hard Rock Hotel London at the end of April 2019. The completion of refurbishment works and the introduction of the Hard Rock brand is expected to increase the average room rate of the property.

On a macro level, uncertainty over Brexit continues to weigh down the UK economy, but this has not affected hotel occupancy levels in London and our hotel occupancy is expected to remain buoyant. However, pressures on average room rates and profit margins remain. Increases in UK's National Living Wage and competition for available labour will exert upward pressure on hotel wages expense.

The Group maintains a cautious outlook and continues to uphold an occupancy-led strategy in order to protect its market share.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

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

Not applicable.

13. If the group has obtained a general mandate from shareholders for IPTs, 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 does not have a general mandate from shareholders for interested person transactions.

14. Confirmation by the Board of Directors

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial statements of GL Limited for the nine months ended 31 March 2019 to be false or misleading in any material aspect.

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

GL 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.

BY ORDER OF THE BOARD

SUSAN LIM
Group Company Secretary

26 April 2019