

General Announcement::Settlement Agreement between GLH Hotels Limited, K/S Habro-Gatwick & Scottish and Newcastle Limited

Issuer & Securities

Issuer/ Manager	GL LIMITED
Securities	GL LIMITED - BMG392401094 - B16
Stapled Security	No

Announcement Details

Announcement Title	General Announcement
Date & Time of Broadcast	13-Dec-2016 17:24:31
Status	New
Announcement Sub Title	Settlement Agreement between GLH Hotels Limited, K/S Habro-Gatwick & Scottish and Newcastle Limited
Announcement Reference	SG161213OTHR3651
Submitted By (Co./ Ind. Name)	Susan Lim
Designation	Group Company Secretary
Description (Please provide a detailed description of the event in the box below)	Please refer to the attachment.
Attachments	<p>@Settlement Agreement_13 Dec 2016_final.pdf</p> <p>Total size =173K</p>

Like

Share

0

Tweet

G+1 0

Share



ANNOUNCEMENT

SETTLEMENT AGREEMENT BETWEEN GLH HOTELS LIMITED, K/S HABRO-GATWICK AND SCOTTISH AND NEWCASTLE LIMITED

The Board of Directors of GL Limited ("**Company**") refers to the announcements on its financial statements made on 12 May 2016, 29 August 2016 and 24 October 2016, and wishes to announce that GLH Hotels Limited ("**GLH**"), a wholly-owned subsidiary of the Company, has entered into a Settlement Agreement ("**Agreement**") on 9 December, 2016 with K/S Habro-Gatwick ("**Habro**") and Scottish and Newcastle Limited ("**S&N**") ("**Parties**") in respect of claims against GLH in the United Kingdom.

The claim relates to a hotel property ("**Property**") previously leased and operated by another subsidiary of the Company ("**Subsidiary**"). GLH had provided a guarantee in favour of S&N (the original tenant of the Property) ("**Guarantee**") when the lease relating to the Property was assigned by S&N to the Subsidiary in 1989. The Subsidiary assigned the lease to a third party in 2003, and was voluntarily dissolved in 2008.

The lease has a remaining term of approximately 51 years.

Under UK law, a landlord may require the previous tenant of a property to assume liability under a lease for the property which came into existence prior to 1996 if the current tenant is insolvent.

The current tenant of the Property became insolvent in 2013, and Habro (the landlord of the Property) made claims against S&N for rent and other amounts due under the lease. In turn, S&N made claims against GLH pursuant to the Guarantee for such rent and other amounts.

Pursuant to the Agreement, GLH paid an aggregate of £7,753,554.85 (inclusive of applicable VAT) to Habro and S&N in full and final settlement of all claims and legal proceedings against GLH in relation to the Property and the Guarantee. The settlement sum had earlier been provided for in the consolidated accounts for the Company and its subsidiaries for the 3 months ended 30 September 2016.

BY ORDER OF THE BOARD

SUSAN LIM
Group Company Secretary
13 December 2016

GL Limited
1 Wallich Street #15-02 Guoco Tower
Singapore 078881

T (65) 6438 0002
F (65) 6435 0040
gl-grp.com

Registered in Bermuda No. 27568
Registered Office: Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda