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國浩集團有限公司 Guoco Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 53)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE ON GL LIMITED IN RELATION TO COVID-19

This announcement is made by Guoco Group Limited (“Guoco” or the “Company”) on a voluntary basis. The purpose of this announcement is to keep the shareholders of the Company and potential investors informed of the latest business development of GL Limited (“GL”, together with its subsidiaries, the “GL Group”), a subsidiary of Guoco and listed on the Singapore Stock Exchange (“SGX”), which published on 24 March 2020 an update on its hotel segment amidst the rapidly evolving COVID-19 situation as follows:

While the outbreak of COVID-19 in China did not give rise to any material reduction in demand for the second quarter ended 31 December 2019, the spread of COVID-19 to continental Europe and the United Kingdom have caused a significant reduction in bookings and increase in cancellations in the hotels of GL’s hospitality subsidiary, GLH.

In response to the call by the UK Government to practise social distancing and activities lockdown, for the safety of its staff and in the face of low occupancies, GL Group’s hotels will progressively be closed temporarily, save for a few to serve the needs of their guests.

The extent of COVID-19’s impact on the GL Group’s operations and financial performance for the full financial year ending 30 June 2020 cannot be determined at this stage as the duration and rate of spread of COVID-19 are uncertain. In the light of these uncertainties and coupled with the impact of low oil prices, the GL Group expects that its financial results for the full financial year ending 30 June 2020 will be significantly and adversely impacted compared to the previous financial year.

The GL Group has implemented numerous proactive steps to mitigate the negative financial and operational impacts of COVID-19. These mitigation plans include instituting various cost reduction initiatives and temporarily deferring capital projects which are not business-critical in order to preserve working capital and liquidity.

The GL Group is monitoring the situation closely and will keep shareholders informed of material developments as and when they arise.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

Remarks: *The aforesaid business update of GL is accessible at SGX-ST's website (<http://www.sgx.com>) and is also posted by Guoco as an overseas regulatory announcement on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and Guoco (<http://www.guoco.com>).*

By Order of the Board
LO Sze Man, Stella
Company Secretary

Hong Kong, 24 March 2020

As at the date of this announcement, the board of directors of Guoco comprises Mr. KWEK Leng Hai as Executive Chairman; Mr. TANG Hong Cheong as President & CEO; Mr. KWEK Leng San as Non-executive Director and Mr. Roderic N. A. SAGE, Mr. David Michael NORMAN and Mr. Lester G. HUANG, SBS, J.P. as Independent Non-executive Directors.