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OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10(B) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached announcement on the next page.

As at the date of this announcement, the board of directors of Guoco Group Limited 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. Volker Stoeckel, Mr. Roderic N. A. Sage and Mr. David Michael Norman as Independent Non-executive Directors.

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

Issuer & Securities

Issuer/ ManagerGL LIMITED

SecuritiesGL LIMITED - BMG392401094 - B16

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Announcement Details

Announcement TitleFinancial Statements and Related Announcement

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Submitted By (Co./ Ind. Name)Susan Lim

DesignationCompany Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)Please refer to the attachment.

Additional Details

For Financial Period Ended30/06/2019

Attachments

[SGX-UnauditedFS-FY2019.pdf](#)

Total size =620K MB



Unaudited Full Year Financial Statement And Related Announcement

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 | Audited | Favourable / (unfavourable) variance % |
|---|-------------------------|----------------------|--|
| | 12 months ended 30 June | | |
| | 2019 US\$m | 2018 US\$m | |
| Continuing operations | | (Re-presented) | |
| Revenue | 349.3 | 344.4 | 1 |
| Cost of sales | (201.8) | (189.7) [^] | (6) |
| Gross profit | 147.5 | 154.7 | (5) |
| Other operating income | 0.5 | 28.7 | (98) |
| Administrative expenses | (77.7) | (80.1) [^] | 3 |
| Impairment loss on trade receivables | (1.5) | (0.2) | (650) |
| Other operating expenses | (16.3) | (0.1) | N.M. |
| Operating profit | 52.5 | 103.0 | (49) |
| Finance income | 1.6 | 1.6 | N.M. |
| Finance costs | (13.2) | (13.5) | 2 |
| Net financing costs | (11.6) | (11.9) | 3 |
| Profit before tax | 40.9 | 91.1 | (55) |
| Income tax expense | (6.6) | (20.4) | 68 |
| Profit from continuing operations, net of tax | 34.3 | 70.7 | (51) |
| Discontinued operation | | | |
| Profit / (loss) from discontinued operation, net of tax | 16.0 | (11.8) | N.M. |
| Profit for the year | 50.3 | 58.9 | (15) |
| Profit / (loss) attributable to: | | | |
| Owners of the Company | 50.3 | 59.0 | (15) |
| Non-controlling interests | * | (0.1) | N.M. |
| Profit for the year | 50.3 | 58.9 | (15) |

[^] Reclassification of hotel direct payroll from administrative expenses to cost of sales.

Note to Income Statement

| | Unaudited | Audited | Favourable / (unfavourable) variance % |
|---|-------------------------|---------------|--|
| | 12 months ended 30 June | | |
| | 2019 US\$m | 2018 US\$m | |
| Profit before tax is stated after (charging) / crediting: | | | |
| Depreciation of hotels, property and equipment | (19.6) | (20.6) | 5 |
| Amortisation of intangible assets | (3.1) | (3.4) | 9 |
| Gain on disposal of assets held for sale | – | 28.1 | N.M. |
| Provision for legal claims [#] | (4.5) | – | N.M. |
| Impairment loss on property and equipment [#] | (9.1) | – | N.M. |
| Loss on disposal of property and equipment [#] | (2.1) | – | N.M. |
| Write-off of property and equipment [#] | (0.2) | (0.1) | (100) |

* Amount less than US\$0.1m

[#] Included in other operating expenses

Note: N.M. - not meaningful

1(a)(ii) Statement of Comprehensive Income

| | Unaudited | Audited | Favourable / (unfavourable) variance % |
|---|-------------------------|---------------|--|
| | 12 months ended 30 June | | |
| | 2019 US\$m | 2018 US\$m | |
| Profit for the year | 50.3 | 58.9 | (15) |
| Other comprehensive income: | | | |
| <u>Items that will not be reclassified to profit or loss:</u> | | | |
| Change in fair value equity investments at fair value through other comprehensive income | (0.1) | – | N.M. |
| Pension actuarial gain and losses, net of tax | (6.3) | 5.7 | N.M. |
| <u>Items that are or may be reclassified subsequently to profit or loss:</u> | | | |
| Net exchange differences from consolidation of foreign operations | (33.2) | 6.4 | N.M. |
| Reclassification of exchange differences realised on disposal of subsidiaries to profit or loss | (17.5) | – | N.M. |
| Change in fair value of available-for-sale investments | – | (0.1) | N.M. |
| Change in fair value of cash flow hedges, net of tax | 1.0 | 3.2 | (69) |
| Other comprehensive income for the year, net of tax | (56.1) | 15.2 | N.M. |
| Total comprehensive income for the year | (5.8) | 74.1 | N.M. |
| Total comprehensive income attributable to: | | | |
| - Owners of the Company | | | |
| Continuing operations | (4.4) | 85.4 | N.M. |
| Discontinued operation | (1.5) | (11.2) | 87 |
| - Non-controlling interests | 0.1 | (0.1) | N.M. |
| Total comprehensive income for the year | (5.8) | 74.1 | N.M. |

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 30 June 2019 US\$m | Audited 30 June 2018 US\$m | Unaudited 30 June 2019 US\$m | Audited 30 June 2018 US\$m |
| ASSETS | | | | |
| Hotels, property and equipment | 985.5 | 1,009.2 | – | – |
| Intangible assets | 63.5 | 70.1 | – | – |
| Investments in subsidiaries | – | – | 1,225.6 | 1,225.6 |
| Pensions surplus | 7.1 | 11.4 | – | – |
| Other investments | – | 0.2 | – | – |
| TOTAL NON-CURRENT ASSETS | 1,056.1 | 1,090.9 | 1,225.6 | 1,225.6 |
| Other investments | 0.1 | – | – | – |
| Corporate tax recoverable | 1.1 | – | – | – |
| Inventories | 1.3 | 0.4 | – | – |
| Development properties | 184.7 | 184.4 | – | – |
| Trade and other receivables | 44.5 | 42.8 | 0.6 | 0.3 |
| Advances to subsidiaries | – | – | 72.0 | 111.0 |
| Cash and cash equivalents | 95.1 | 105.4 | 38.3 | 6.5 |
| Assets held for sale | – | 31.7 | – | – |
| TOTAL CURRENT ASSETS | 326.8 | 364.7 | 110.9 | 117.8 |
| TOTAL ASSETS | 1,382.9 | 1,455.6 | 1,336.5 | 1,343.4 |
| LIABILITIES | | | | |
| Loans and borrowings | 209.7 | 255.8 | – | – |
| Pension obligations | 2.4 | 2.5 | – | – |
| Deferred tax liabilities | 13.9 | 18.1 | – | – |
| Derivative financial liability | 3.4 | 4.3 | – | – |
| TOTAL NON-CURRENT LIABILITIES | 229.4 | 280.7 | – | – |
| Trade and other payables | 74.1 | 69.6 | 0.8 | 1.0 |
| Corporate tax payable | 0.9 | 5.1 | – | – |
| Provisions | 4.7 | 0.2 | – | – |
| TOTAL CURRENT LIABILITIES | 79.7 | 74.9 | 0.8 | 1.0 |
| TOTAL LIABILITIES | 309.1 | 355.6 | 0.8 | 1.0 |
| NET ASSETS | 1,073.8 | 1,100.0 | 1,335.7 | 1,342.4 |
| SHARE CAPITAL AND RESERVES | | | | |
| Equity attributable to owners of the Company | 1,076.3 | 1,102.6 | 1,335.7 | 1,342.4 |
| Non-controlling interests | (2.5) | (2.6) | – | – |
| TOTAL EQUITY | 1,073.8 | 1,100.0 | 1,335.7 | 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 30 June 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 30 June 2019 | | As at 30 June 2018 | |
|--------------------|--------------------|--------------------|--------------------|
| Secured US\$m | Unsecured US\$m | Secured US\$m | Unsecured US\$m |
| 71.9 | 137.8 | 75.0 | 180.8 |

Details of any collateral

As at 30 June 2019, the Group's unsecured borrowings that are repayable after one year was US\$137.8 million. The Group continues to have banking lines for its funding requirements.

The Group's secured borrowings as at 30 June 2019 of US\$71.9 million and repayable after one year, are secured by a hotel owned by the Group with a net book value of US\$115.8 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 | Audited |
|--|-------------------------|---------------|
| | 12 months ended 30 June | |
| | 2019 US\$m | 2018 US\$m |
| OPERATING ACTIVITIES | | |
| Profit before tax from continuing operations | 40.9 | 91.1 |
| Profit / (loss) before tax from discontinued operation | 15.9 | (11.2) |
| Adjustments for non-cash items | | |
| Depreciation of hotels, property and equipment | 19.6 | 21.0 |
| Amortisation of intangible assets | 3.1 | 3.4 |
| Impairment loss of property and equipment | 9.1 | – |
| Loss on disposal of property and equipment | 2.1 | – |
| Write-off of property and equipment | 0.2 | 0.1 |
| Impairment of casino licence | – | 4.8 |
| Share option expenses / (benefits) and impairment loss on trade receivables | 2.2 | (0.2) |
| Gain on disposal of property and equipment | * | * |
| Gain on disposal of assets held for sale | – | (28.1) |
| Gain on disposal of discontinued operation | (17.2) | – |
| Net financing costs | 11.6 | 12.0 |
| Net change in working capital items | | |
| Inventories / development properties | (1.2) | (1.7) |
| Trade and other receivables | (1.7) | 3.5 |
| Trade and other payables | 3.2 | (10.2) |
| Pension surplus and obligations / provisions | 0.7 | (4.3) |
| Cash generated from operations | 88.5 | 80.2 |
| Income tax paid | (13.3) | (15.6) |
| CASH FLOWS FROM OPERATING ACTIVITIES | 75.2 | 64.6 |
| INVESTING ACTIVITIES | | |
| Proceeds from disposal of property and equipment | * | * |
| Proceeds from disposal of assets held for sale | – | 35.2 |
| Proceeds from disposal of investment in discontinued operation, net of cash balance disposed of | 30.1 | – |
| Acquisition of hotels, property and equipment | (44.2) | (31.0) |
| CASH FLOWS (USED IN) / FROM INVESTING ACTIVITIES | (14.1) | 4.2 |
| FINANCING ACTIVITIES | | |
| Repayment of long-term borrowings | (36.8) | – |
| Interest received | 1.2 | 0.5 |
| Interest paid | (12.3) | (13.5) |
| Other financing costs | (0.1) | (0.2) |
| Realised exchange gain on financial derivatives | 0.2 | 0.2 |
| Dividend paid to shareholders of the Company | (20.9) | (21.0) |
| CASH FLOWS USED IN FINANCING ACTIVITIES | (68.7) | (34.0) |
| NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS | (7.6) | 34.8 |
| Cash and cash equivalents at the beginning of the year | 105.4 | 69.9 |
| Effect of exchange rate fluctuations on cash held | (2.7) | 0.7 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | 95.1 | 105.4 |

* 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 July 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 year | - | - | - | - | - | - | - | - | 50.3 | 50.3 | * | 50.3 |
| Other comprehensive income: | | | | | | | | | | | | |
| Net exchange differences from consolidation of foreign operations | - | - | (33.3) | - | - | - | - | - | - | (33.3) | 0.1 | (33.2) |
| Reclassification of exchange differences realised on disposal of subsidiaries to profit or loss | - | - | (17.5) | - | - | - | - | - | - | (17.5) | - | (17.5) |
| Change in fair value equity investment at fair value through other comprehensive income | - | - | - | (0.1) | - | - | - | - | - | (0.1) | - | (0.1) |
| Changes in fair value of cash flow hedges, net of tax | - | - | - | - | 1.0 | - | - | - | - | 1.0 | - | 1.0 |
| Pension actuarial losses, net of tax | - | - | - | - | - | - | - | - | (6.3) | (6.3) | - | (6.3) |
| Total other comprehensive income, net of tax | - | - | (50.8) | (0.1) | 1.0 | - | - | - | (6.3) | (56.2) | 0.1 | (56.1) |
| Total comprehensive income for the year, net of tax | - | - | (50.8) | (0.1) | 1.0 | - | - | - | 44.0 | (5.9) | 0.1 | (5.8) |
| <i>Transactions with owners, recorded directly in equity:</i> | | | | | | | | | | | | |
| Value of employee services received for issue of share options | - | - | - | - | - | - | 0.5 | - | - | 0.5 | - | 0.5 |
| 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 | - | - | - | - | - | - | 0.5 | - | (20.9) | (20.4) | - | (20.4) |
| Balance at 30 June 2019 | 273.6 | 654.2 | (301.6) | (0.9) | (2.5) | (1.6) | 3.5 | (46.2) | 497.8 | 1,076.3 | (2.5) | 1,073.8 |
| Balance at 1 July 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 year | - | - | - | - | - | - | - | - | 59.0 | 59.0 | (0.1) | 58.9 |
| Other comprehensive income: | | | | | | | | | | | | |
| Net exchange differences from consolidation of foreign operations | - | - | 6.4 | - | - | - | - | - | - | 6.4 | - | 6.4 |
| Changes in fair value of available-for-sale investments | - | - | - | (0.1) | - | - | - | - | - | (0.1) | - | (0.1) |
| Changes in fair value of cash flow hedges, net of tax | - | - | - | - | 3.2 | - | - | - | - | 3.2 | - | 3.2 |
| Pension actuarial gain, net of tax | - | - | - | - | - | - | - | - | 5.7 | 5.7 | - | 5.7 |
| Total other comprehensive income, net of tax | - | - | 6.4 | (0.1) | 3.2 | - | - | - | 5.7 | 15.2 | - | 15.2 |
| Total comprehensive income for the year, net of tax | - | - | 6.4 | (0.1) | 3.2 | - | - | - | 64.7 | 74.2 | (0.1) | 74.1 |
| <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 2017 | - | - | - | - | - | - | - | - | (21.0) | (21.0) | - | (21.0) |
| Total transactions with owners | - | - | - | - | - | - | (0.4) | - | (21.0) | (21.4) | - | (21.4) |
| Balance at 30 June 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 |

* 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 July 2018 | 273.6 | 654.2 | (1.6) | 2.7 | (46.2) | 459.7 | 1,342.4 |
| Profit for the year | – | – | – | – | – | 14.2 | 14.2 |
| Other comprehensive income | – | – | – | – | – | – | – |
| Total comprehensive income for the year, net of tax | – | – | – | – | – | 14.2 | 14.2 |
| <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 30 June 2019 | 273.6 | 654.2 | (1.6) | 2.7 | (46.2) | 453.0 | 1,335.7 |
| Balance at 1 July 2017 | 273.6 | 654.2 | (1.6) | 2.7 | (46.2) | 733.7 | 1,616.4 |
| Loss for the year | – | – | – | – | – | (253.0) | (253.0) |
| Other comprehensive income | – | – | – | – | – | – | – |
| Total comprehensive income for the year, net of tax | – | – | – | – | – | (253.0) | (253.0) |
| <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 30 June 2018 | 273.6 | 654.2 | (1.6) | 2.7 | (46.2) | 459.7 | 1,342.4 |

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 Shares | As at 30 June 2019 | As at 30 June 2018 |
|---------------------------------------|--------------------|--------------------|
| Issued and fully paid ordinary shares | 1,368,063,633 | 1,368,063,633 |

| Share Options | Full Year ended | |
|--|-----------------|--------------|
| | 30 June 2019 | 30 June 2018 |
| (a) Grant of share options under ESOS 2008: | | |
| As at 1 July | 37,250,000 | 19,500,000 |
| Options granted | – | 35,250,000 |
| Options lapsed | (11,000,000) | (17,500,000) |
| As at 30 June | 26,250,000 | 37,250,000 |
| (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 year.

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 30 June 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 financial year ended 30 June 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 year 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 12 Months 1 July 2018 to 30 June 2019 | Audited 12 Months 1 July 2017 to 30 June 2018 |
|--|--|--|
| <u>Earnings per share</u> | | |
| Basic earnings per share (US cents) | 3.9 | 4.5 |
| Diluted earnings per share (US cents) | 3.9 | 4.5 |
| <u>Earnings per share - continuing operations</u> | | |
| Basic earnings per share (US cents) | 2.6 | 5.4 |
| Diluted earnings per share (US cents) | 2.6 | 5.4 |

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 Full Year | Audited Full Year |
|---------------------------------|---------------------|-------------------|
| | 30 June 2019 | 30 June 2018 |
| The Group | 82.8 | 84.8 |
| The Company | 102.8 | 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 year ended 30 June 2019 was US\$50.3 million, a decrease of 15% compared to US\$58.9 million in the previous financial year. The following review sets out the factors that affected profit after tax for the year:

Revenue

Revenue increased by 1% year-on-year to US\$349.3 million due mainly to higher revenue generated from oil and gas segment.

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

Hotel revenue was higher in GBP terms compared to previous financial year as a result of improved hotel occupancy rate and RevPAR during the year. However, the increase was fully offset by the weakening of GBP against USD by 4.2% compared to prior year.

Cost of sales

Lower cost of sales in previous financial year was mainly due to reversal of over accrued rental expense of Euston Hotel as a result of the compulsory acquisition in 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 year.

Other operating income

The decrease in other operating income for the financial year 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 financial year.

Administrative expenses

Lower administrative expenses was mainly due to the weakening of GBP against USD.

Impairment loss on trade receivables

Increase in impairment loss on trade receivables was mainly due to increase in provision on higher aged trade debt balances.

Other operating expenses

The increase in other operating expenses was relating to the impairment loss of hotel properties, loss on disposal of property and equipment and write off of obsolete hotel furniture and equipment as well as the provision for legal claims on an unfavourable arbitration award in Hawaii during the year.

Income tax expense

Lower income tax expense was mainly due to a set off against tax benefit in the hotel segment.

Profit from discontinued operation

The gaming segment including the casino licence was disposed on 16 April 2019 for a cash consideration of US\$30.1 million with a loss on disposal of US\$0.3 million (net of transaction related cost). In addition, there is a realisation of US\$17.5 million on FCTR (foreign currency translation reserve) gain from this disposal.

Statement of Comprehensive Income

Total comprehensive loss for the year was US\$5.8 million. This included a net foreign exchange loss of US\$33.2 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 30 June 2019, GBP and AUD depreciated by 4% and 5% respectively against the USD as compared to 30 June 2018.

Statement of Financial Position

The Group's net assets before non-controlling interests decreased by 2% from US\$1,102.6 million as at 30 June 2018 to US\$1,076.3 million as at 30 June 2019.

Excluding the effects of currency translation, other significant factors that affected the Group's net assets as at 30 June 2019 were as follows:

- a) Pension surplus (net) – decrease was mainly due to recognition of actuarial losses arising on the defined benefit plans during the year.
- b) Inventories – increase was mainly due to the newly opening of Hard Rock Café London in April 2019.
- c) Trade and other receivables – increase was due to higher prepayments at the hotel segment as a result of timing differences on payment during the year.
- d) Cash and cash equivalents – decrease was mainly due to the partial repayment of long-term loan and borrowings and higher hotel capital expenditures, offset by higher receipt from oil and gas royalty income and proceed from disposal of discontinued gaming segment during the year.
- e) Assets held for sale – decrease was due to the disposal of investment in discontinued gaming segment including the casino licence on 16 April 2019.
- f) Long term loan and borrowings – decrease was due to partial repayment during the year.
- g) Deferred tax liabilities – decrease was due to the write back of deferred tax liability during the year.
- h) Derivative financial liability – decrease was due to fair value adjustment for existing interest rate swap contracts.
- i) Trade and other payables – increase was due to scheduled settlement of creditor balances and timing differences on suppliers' billing.
- j) Corporate tax recoverable/payable – decrease in corporate tax payable was mainly due to release of tax provision and utilisation of group relief in hotel segment, resulting in recoverable position during the year.
- k) Provisions – increase was mainly due to provision for legal claims on an unfavourable arbitration award in Hawaii during the year.

Statement of Cash Flows

Net cash outflow of US\$7.6 million at the end of the year compared with net cash inflow of US\$34.8 million in the previous year. This was primarily due to the partial repayment of long-term loan and borrowings and higher capital expenditures in hotel segment during the year.

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 Cumberland Hotel was re-launched as Hard Rock Hotel London on 30 April 2019 after completion of refurbishment.

Hotel occupancy levels in London remained healthy in spite of continued macro and geopolitical uncertainty in UK. The UK tourism industry has received a boost from the weakening pound, and this has helped to provide an uplift to our hotel occupancy and average room rate. Barring unforeseen circumstances, this boost to the tourism sector is expected to continue in the coming months. However, increases in room inventory supply will continue to exert downward pressures on average room rates. Increase in the UK's National Living Wage and imported inflation will affect profit margins.

The Group maintains a cautious outlook and will leverage the healthy city-wide occupancies to improve its average room rates.

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

Name of dividend: First and Final (one-tier tax exempt)
Dividend type: Cash
Dividend rate: S\$0.022 per ordinary share
Par value of shares: US\$0.20

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend: First and Final (one-tier tax exempt)
Dividend type: Cash
Dividend rate: S\$0.022 per ordinary share
Par value of shares: US\$0.20

(c) Date payable

The final dividend, if so approved by shareholders, will be paid on 26 November 2019.

(d) Book closure date

6 November 2019.

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. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the previous corresponding period

30 June 2019

| | Hotels US\$m | Oil and gas US\$m | Property development US\$m | Others US\$m | Total continuing operations US\$m | Gaming discontinued operation US\$m | Grand total US\$m |
|--|-----------------|-------------------------|----------------------------------|-----------------|--|--|-------------------------|
| Revenue | 317.0 | 29.2 | 3.1 | – | 349.3 | – | 349.3 |
| Cost of sales | (201.8) | – | * | – | (201.8) | – | (201.8) |
| Gross profit | 115.2 | 29.2 | 3.1 | – | 147.5 | – | 147.5 |
| Other operating income | 0.2 | – | – | 0.3 | 0.5 | 17.2 | 17.7 |
| Administrative expenses | (63.9) | (4.3) | (5.2) | (4.3) | (77.7) | (1.3) | (79.0) |
| Impairment loss on trade receivable | (1.5) | – | * | – | (1.5) | – | (1.5) |
| Other operating expenses | (11.4) | – | (4.9) | – | (16.3) | – | (16.3) |
| Operating profit / (loss) | 38.6 | 24.9 | (7.0) | (4.0) | 52.5 | 15.9 | 68.4 |
| Finance income | 1.1 | – | – | 0.5 | 1.6 | * | 1.6 |
| Finance costs | (12.6) | – | – | (0.6) | (13.2) | * | (13.2) |
| Net financing (costs) / income | (11.5) | – | – | (0.1) | (11.6) | * | (11.6) |
| Profit / (loss) before tax | 27.1 | 24.9 | (7.0) | (4.1) | 40.9 | 15.9 | 56.8 |
| Income tax benefit / (expense) | 2.5 | (9.3) | 0.2 | * | (6.6) | 0.1 | (6.5) |
| Profit / (loss) for the year | 29.6 | 15.6 | (6.8) | (4.1) | 34.3 | 16.0 | 50.3 |

30 June 2018

| | Hotels US\$m | Oil and gas US\$m | Property development US\$m | Others US\$m | Total continuing operations US\$m | Gaming discontinued operation US\$m | Grand total US\$m |
|--|-----------------|-------------------------|----------------------------------|-----------------|--|--|-------------------------|
| | (Re-presented) | | | | (Re-presented) | | (Re-presented) |
| Revenue | 317.4 | 24.2 | 2.8 | – | 344.4 | 2.6 | 347.0 |
| Cost of sales | (189.7) ^ | – | * | – | (189.7) | (0.6) | (190.3) ^ |
| Gross profit | 127.7 | 24.2 | 2.8 | – | 154.7 | 2.0 | 156.7 |
| Other operating income | 28.1 | – | – | 0.6 | 28.7 | 0.1 | 28.8 |
| Administrative expenses | (65.8) ^ | (4.6) | (5.2) | (4.5) | (80.1) | (8.4) | (88.5) ^ |
| Impairment loss on trade receivable | (0.2) | – | * | – | (0.2) | * | (0.2) |
| Other operating expenses | (0.1) | – | * | – | (0.1) | (4.8) | (4.9) |
| Operating profit / (loss) | 89.7 | 19.6 | (2.4) | (3.9) | 103.0 | (11.1) | 91.9 |
| Finance income | 0.7 | – | – | 0.9 | 1.6 | – | 1.6 |
| Finance costs | (13.4) | – | – | (0.1) | (13.5) | (0.1) | (13.6) |
| Net financing (costs) / income | (12.7) | – | – | 0.8 | (11.9) | (0.1) | (12.0) |
| Profit / (loss) before tax | 77.0 | 19.6 | (2.4) | (3.1) | 91.1 | (11.2) | 79.9 |
| Income tax expense | (12.5) | (7.9) | – | * | (20.4) | (0.6) | (21.0) |
| Profit / (loss) for the year | 64.5 | 11.7 | (2.4) | (3.1) | 70.7 | (11.8) | 58.9 |

* Amount less than US\$0.1m

^ Reclassification of hotel direct payroll from administrative expenses to cost of sales.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The Group's hotel revenues were impacted by the weakened GBP against USD during the year. However, this was mitigated by higher revenue generated from Bass Strait oil and gas royalty. Overall, our lower Group's earnings resulted from lower contribution from the hotel segment and property development segment which were partially offset by the higher contribution from oil and gas segment and the one-off gain from disposal of discontinued gaming segment.

The hotel segment recorded lower revenue despite the improved RevPAR of 8% on year-on-year basis in GBP terms compared to the previous financial year due the impact of lower GBP exchange against USD. In addition, impairment losses on hotel properties and loss on disposal of property and equipment following a strategic review on our hotel assets' future use have further lowered the earnings during the financial year.

The oil and gas segment reported higher royalty income and earnings year-on-year due to higher average crude oil and gas prices. However this was offset by lower oil and gas productions and the weakened AUD against USD during the year.

Property development reported higher revenues due to higher supplementary income generated from on-site hunting activity but lower earnings were recorded as a result of the provision for legal claims on an unfavourable arbitration award incurred during the year.

The discontinued gaming segment reported a gain during the year primarily due to the realisation of FCTR (Foreign Currency Translation Reserve) gain from the disposal of this segment on 16 April 2019.

16. A breakdown of sales (Continuing operations)

| | Latest Financial Year US\$m | Previous Financial Year US\$m | Favourable / (unfavourable) variance % |
|---|-----------------------------------|-------------------------------------|--|
| Revenue reported for first half year | 191.0 | 185.1 | 3 |
| Operating profit after tax before deducting non-controlling interest for first half year | 33.2 | 31.6 | 5 |
| Revenue reported for second half year | 158.3 | 159.3 | (1) |
| Operating profit after tax before deducting non-controlling interest for second half year | 1.1 | 39.1 | N.M. |

17. A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

| | Latest Full Year US\$m | Previous Full year US\$m |
|---------------------|---------------------------|-----------------------------|
| Final cash dividend | 22.3 * | 22.1 * |

*estimated based on share capital of 1,368,063,633 ordinary shares at the end of the financial year.

18. 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.

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

There is no person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

BY ORDER OF THE BOARD

SUSAN LIM
Group Company Secretary

23 August 2019