ANNOUNCEMENT

FINAL JUDGMENT CONFIRMING ARBITRATION AWARD IN HAWAII

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1. INTRODUCTION

The Board of Directors ("**Board**") of GL Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Hawaii Second Circuit Court has issued a final judgment ("**Final Judgment**") in legal proceedings Civil No. 16-1-0404(2) to confirm an arbitration award ("**Arbitration Award**") which requires certain actions to be taken in respect of a property on the island of Molokai in Hawaii which is owned by the Group.

The Arbitration Award was made in Hawaii arbitration proceedings DPR No. 16-0033-A commenced by The West Molokai Resort Association of Apartment Owners ("**AOAO**"), in relation to a Cross Easement Declaration dated 2 April 1976 as amended by the First Amendment dated 1 May 1996 (collectively "**CED**").

Under Hawaii law, the Final Judgment became enforceable on 2 July 2019.

2. BACKGROUND

In 2001, the Group acquired various properties on Molokai, an island in Hawaii. Among such properties is a parcel of land ("**Hotel Lot**") with a hotel that was no longer in operation, and which is subject to the CED. The Hotel Lot is held by Kaluakoi Poolside, LLC ("**KPL**"), a Hawaii subsidiary of the Company. The hotel has not been re-opened.

The land adjacent to the Hotel Lot ("**Condo Lot**") was developed as West Molokai Resort Condominium. The condominium units on the Condo Lot are owned by individual owners. The AOAO represents the owners of the condominium units.

Pursuant to the CED:

(i) residents of the Condo Lot have the right to use designated areas of the Hotel Lot, excluding the buildings; and

(ii) the Hotel Lot owner is required to maintain such designated areas of the Hotel Lot.

The AOAO claimed that KPL failed to maintain such designated areas. The arbitrator who heard such claim found in favour of the AOAO.

3. FINAL JUDGMENT

The Final Judgment requires:

(i) payment to the AOAO of US$388,241.85 (US$88,000 for past security services and US$300,241.85 for legal costs) and interest thereon at a rate of 10% p.a. from 26 January 2019 until date of payment);

(ii) cost of arbitration proceedings DPR No. 16-0033-A to be borne equally by KPL and AOAO, of which KPL's portion is US$19,664.91; and

(iii) restoration of the designated areas of the Hotel Lot, excluding buildings, including specifically identified work relating to a lighting system and fire alarm system, walkways, roadways and parking areas.

4. FINANCIAL EFFECTS

The financial effects of the Final Judgment set out below are purely for illustrative purposes only, are neither indicative of the actual financial position of the Group following the issue of the Final Judgment nor a projection of the future financial position of the Group after such issuance, are based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2018:

(i) If the Final Judgment had been issued on 30 June 2018, the Group's net tangible asset (**NTA**) per share as at 30 June 2018 would have been:

	Before Final Judgment	**On Final Judgment**
NTA (US$ million)	1,029.9	1,024.9
Number of issued shares (million)	1,299.8	1,299.8
NTA per share (US cents)	79.2	78.9

(ii) If the Final Judgment had been issued on 1 July 2017, the Group's earnings per share as at 1 July 2017 would have been:

	Before Final Judgment	**On Final Judgment**
Net profit after tax US$ million)	59.0	54.0
Weighted average number of issued shares (million)	1,299.8	1,299.8
EPS (US cents)	4.5	4.2

The Final Judgment is not expected to have a material impact on the consolidated net tangible assets of the Company for the financial year ending 30 June 2019.

BY ORDER OF THE BOARD

SUSAN LIM
Company Secretary
2 July 2019