



ANNOUNCEMENT

UPDATE ON HOTEL SEGMENT AMIDST THE COVID-19 PANDEMIC

GL Limited (“**Company**”, and together with its subsidiaries “**Group**”) refers to its announcement dated 24 March 2020 and wishes to provide an update on the Group’s UK hospitality subsidiary, GLH.

In response to the UK lockdown that began on 23 March 2020 and which remains in effect as at the date of this announcement, all GLH hotels are now closed. Since our update on 24 March 2020, the UK government has announced a number of measures and relief schemes to support businesses affected by the pandemic. These include the Coronavirus Job Retention Scheme (which has allowed GLH to place approximately 84% of its workforce on furlough), a business rates holiday and the deferral of value added tax payments. Staff who are on furlough cannot carry out any work for GLH. However, they are allowed to engage in voluntary work in order to support their respective communities.

In addition to availing itself of the above schemes, the Group has implemented cost reduction initiatives and deferred non-business critical capital projects in order to preserve working capital.

During this period, key priorities include ensuring that all staff and properties remain safe while detailed hotel re-opening plans are being prepared for implementation when the hotels resume operations. GLH is also taking this opportunity to review and rationalise its operational structure and processes for greater efficiencies when the hotels re-open.

As the situation remains fluid and there is a lack of certainty regarding the easing of health and safety measures and when GLH’s hotels will be permitted to re-open, the Group is unable to ascertain the full financial impact of the pandemic on the financial performance of the Group for the current financial year ending 30 June 2020.

The Group will continue to monitor the state of affairs closely and keep shareholders informed of any material developments as and when they arise.

BY ORDER OF THE BOARD

SUSAN LIM
Company Secretary
24 April 2020