Full Year Results 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

	Audited 12 months ended 30 June		Favourable / (unfavourable) variance %
	2018 US$m	2017 US$m	
Continuing operations		*(Re-presented)*	
Revenue	**344.4**	346.2	(1)
Cost of sales	**(141.1)**	(138.8)	(2)
Gross profit	**203.3**	207.4	(2)
Other operating income	**28.7**	4.5	538
Administrative expenses	**(128.9)**	(121.9)	(6)
Other operating expenses	**(0.1)**	(11.5)	99
Operating profit	**103.0**	78.5	31
Finance income	**1.6**	0.8	100
Finance costs	**(13.5)**	(11.9)	(13)
Net financing costs	**(11.9)**	(11.1)	(7)
Profit before tax	**91.1**	67.4	35
Income tax expense	**(20.4)**	(13.5)	(51)
Profit from continuing operations, net of tax	**70.7**	53.9	31
Discontinued operation			
Loss from discontinued operation, net of tax	**(11.8)**	(5.0)	(136)
Profit for the year	**58.9**	48.9	20
Profit / (loss) attributable to:			
Owners of the Company	**59.0**	49.0	20
Non-controlling interests	**(0.1)**	(0.1)	-
Profit for the year	**58.9**	48.9	20

Note to Income Statement

	Audited 12 months ended 30 June		Favourable / (unfavourable) variance %
	2018 US$m	2017 US$m	
		(Re-presented)	
Profit before tax is stated after (charging) / crediting:			
Depreciation of hotels, property and equipment	**(20.6)**	(21.7)	5
Amortisation of intangible assets	**(3.4)**	(3.3)	(3)
Gain on disposal of assets held for sale	**28.1**	–	N.M.
Write off of property and equipment	**(0.1)**	(3.7)	97
Gain on disposal from other investments	**–**	1.9	N.M.

Note: N/M - not meaningful

1(a)(ii) Statement of Comprehensive Income

	Audited 12 months ended 30 June		Favourable / (unfavourable) variance %
	2018 US$m	2017 US$m	
		(Re-presented)	
Profit for the year	**58.9**	48.9	20
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Pension actuarial gain and losses	**6.9**	(5.5)	N.M.
Deferred tax associated with pension actuarial gain and losses	**(1.2)**	0.3	N.M.
Items that are or may be reclassified subsequently to profit or loss:			
Net exchange differences from consolidation of foreign operations	**6.4**	(25.2)	N.M.
Change in fair value of available-for-sale investment	**(0.1)**	(1.3)	92
Change in fair value of cash flow hedge, net of tax	**3.2**	2.1	52
Other comprehensive income for the year, net of income tax	**15.2**	(29.6)	N.M.
Total comprehensive income for the year	**74.1**	19.3	284
Total comprehensive income attributable to:			
- Owners of the Company			
Continuing operations	**85.4**	25.6	234
Discontinued operation	**(11.2)**	(6.3)	(78)
- Non-controlling interests	**(0.1)**	–	N.M.
Total comprehensive income for the year	**74.1**	19.3	284

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	
	Audited 30 June 2018 US$m	Audited 30 June 2017 US$m	Audited 30 June 2018 US$m	Audited 30 June 2017 US$m
ASSETS				
Hotels, property and equipment	**1,009.2**	985.1	**–**	–
Intangible assets	**70.1**	112.0	**–**	–
Investments in subsidiaries	**–**	–	**1,225.6**	1,133.2
Pensions surplus	**11.4**	0.6	**–**	–
Other investments	**0.2**	0.3	**–**	–
TOTAL NON-CURRENT ASSETS	**1,090.9**	1,098.0	**1,225.6**	1,133.2
Inventories	**0.4**	0.7	**–**	–
Development properties	**184.4**	182.4	**–**	–
Trade and other receivables	**42.8**	46.2	**0.3**	0.3
Advances to subsidiaries	**–**	–	**111.0**	483.8
Cash and cash equivalents	**105.4**	76.0	**6.5**	–
Assets held for sale	**31.7**	8.8	**–**	–
TOTAL CURRENT ASSETS	**364.7**	314.1	**117.8**	484.1
TOTAL ASSETS	**1,455.6**	1,412.1	**1,343.4**	1,617.3
LIABILITIES				
Loans and borrowings	**–**	6.1	**–**	–
Trade and other payables	**69.6**	79.4	**1.0**	0.9
Corporate tax payable	**5.1**	4.8	**–**	–
Provisions	**0.2**	0.3	**–**	–
TOTAL CURRENT LIABILITIES	**74.9**	90.6	**1.0**	0.9
Loans and borrowings	**255.8**	252.1	**–**	–
Pension obligations	**2.5**	2.8	**–**	–
Deferred tax liabilities	**18.1**	11.2	**–**	–
Derivative financial liability	**4.3**	8.1	**–**	–
TOTAL NON-CURRENT LIABILITIES	**280.7**	274.2	**–**	–
TOTAL LIABILITIES	**355.6**	364.8	**1.0**	0.9
NET ASSETS	**1,100.0**	1,047.3	**1,342.4**	1,616.4
SHARE CAPITAL AND RESERVES				
Equity attributable to owners of the Company	**1,102.6**	1,049.8	**1,342.4**	1,616.4
Non-controlling interests	**(2.6)**	(2.5)	**–**	–
TOTAL EQUITY	**1,100.0**	1,047.3	**1,342.4**	1,616.4

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 2018		As at 30 June 2017	
Secured US$m	**Unsecured US$m**	**Secured US$m**	**Unsecured US$m**
–	**–**	–	6.1

Amount repayable after one year

As at 30 June 2018		As at 30 June 2017	
Secured US$m	**Unsecured US$m**	**Secured US$m**	**Unsecured US$m**
75.0	**180.8**	74.4	177.7

Details of any collateral

As at 30 June 2018, the Group's unsecured borrowings that are repayable after one year was US$180.8 million. The Group continues to have banking lines for its funding requirements.

The Group's secured borrowings as at 30 June 2018 of US$75.0 million and repayable after one year, are secured by a hotel owned by the Group with a net book value of US$116.9 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

	Audited 12 months ended 30 June	
	2018 US$m	**2017 US$m**
OPERATING ACTIVITIES		
Profit before tax from continuing operations	**91.1**	67.4
Loss before tax from discontinued operation	**(11.2)**	(4.2)
Adjustments for non-cash items		
Depreciation of hotels, property and equipment	**21.0**	21.9
Amortisation of intangible assets	**3.4**	3.3
Impairment of intangible asset	**4.8**	–
Share option benefits, doubtful debts and others	**(0.2)**	*
Gain on disposal of assets held for sale	**(28.1)**	–
Distribution in kind from other investments	**–**	(2.2)
Gain on disposal of property and equipment	*****	(0.1)
Gain on disposal from other investments	**–**	(1.9)
Write off of property and equipment	**0.1**	3.7
Net financing costs	**12.0**	11.2
Net change in working capital items		
Inventories / development properties	**(1.7)**	(6.3)
Trade and other receivables	**3.5**	(1.9)
Trade and other payables	**(10.2)**	(13.0)
Pension surplus and obligations / provisions	**(4.3)**	0.7
Cash generated from operations	**80.2**	78.6
Income tax paid	**(15.6)**	(9.5)
CASH FLOWS FROM OPERATING ACTIVITIES	**64.6**	69.1
INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	*****	0.1
Proceeds from disposal of assets held for sale	**35.2**	–
Proceeds from disposal of other investments	**–**	4.5
Cash distribution from other investments	**–**	0.2
Acquisition of hotels, property and equipment	**(31.0)**	(16.0)
CASH FLOWS GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**4.2**	(11.2)
FINANCING ACTIVITIES		
Interest received	**0.5**	0.8
Interest paid	**(13.5)**	(11.8)
Other financing costs	**(0.2)**	(0.5)
Realised exchange gain / (loss) on financial derivatives	**0.2**	(0.4)
Dividend paid to shareholders of the Company	**(21.0)**	(20.5)
CASH FLOWS USED IN FINANCING ACTIVITIES	**(34.0)**	(32.4)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**34.8**	25.5
Cash and cash equivalents at the beginning of the year	**69.9**	45.2
Effect of exchange rate fluctuations on cash held	**0.7**	(0.8)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR [#]	**105.4**	69.9

** Amount less than US$0.1m*

[#] *including bank overdraft of Nil (2017: US$6.1 million) under loan and borrowings.*

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 Compen-sation 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 Jul 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**
Transactions with owners, recorded directly in equity:												
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**
Balance at 1 Jul 2016	273.6	654.2	(231.9)	0.6	(8.8)	(1.6)	3.6	(46.2)	407.7	1,051.2	(2.5)	1,048.7
Profit / (loss) for the year	–	–	–	–	–	–	–	–	49.0	49.0	(0.1)	48.9
Other comprehensive income:												
Net exchange differences from consolidation of foreign operations	–	–	(25.3)	–	–	–	–	–	–	(25.3)	0.1	(25.2)
Changes in fair value of available-for-sale investments	–	–	–	(1.3)	–	–	–	–	–	(1.3)	–	(1.3)
Changes in fair value of cash flow hedges, net of tax	–	–	–	–	2.1	–	–	–	–	2.1	–	2.1
Pension actuarial losses, net of tax	–	–	–	–	–	–	–	–	(5.2)	(5.2)	–	(5.2)
Total other comprehensive income, net of tax	–	–	(25.3)	(1.3)	2.1	–	–	–	(5.2)	(29.7)	0.1	(29.6)
Total comprehensive income for the year, net of tax	–	–	(25.3)	(1.3)	2.1	–	–	–	43.8	19.3	–	19.3
Transactions with owners, recorded directly in equity:												
Value of employee services received for issue of share options	–	–	–	–	–	–	(0.2)	–	–	(0.2)	–	(0.2)
First and final dividend of SGD0.022 per share for the year ended 30 June 2016	–	–	–	–	–	–	–	–	(20.5)	(20.5)	–	(20.5)
Total transactions with owners	–	–	–	–	–	–	(0.2)	–	(20.5)	(20.7)	–	(20.7)
Balance at 30 June 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

Statement of Changes in Equity – Company

	Share Capital US$m	Contributed Surplus US$m	Capital Reserve Share Based Payment US$m	Equity Compen-sation Reserve US$m	ESOS Reserve US$m	Retained Earnings US$m	Total US$m
Balance at 1 Jul 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)**
Transactions with owners, recorded directly in equity:							
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**
Balance at 1 Jul 2016	273.6	654.2	(1.6)	2.7	(46.2)	729.3	1,612.0
Profit for the year	–	–	–	–	–	24.9	24.9
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive income for the year, net of tax	–	–	–	–	–	24.9	24.9
Transactions with owners, recorded directly in equity:							
First and final dividend of SGD0.022 per share for the year ended 30 June 2016	–	–	–	–	–	(20.5)	(20.5)
Total transactions with owners	–	–	–	–	–	(20.5)	(20.5)
Balance at 30 June 2017	273.6	654.2	(1.6)	2.7	(46.2)	733.7	1,616.4

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 Share	As at 30 June 2018	As at 30 June 2017
Issued and fully paid ordinary share	**1,368,063,633**	1,368,063,633

	Full Year ended	
Share Options	**30 June 2018**	**30 June 2017**
(a) Grant of share options under ESOS 2008:		
As at 1 July	**19,500,000**	72,400,000
Options granted	**35,250,000**	–
Options lapsed	**(17,500,000)**	(52,900,000)
As at 30 June	**37,250,000**	19,500,000
(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 period.

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 2018	As at 30 June 2017
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 been audited by the Group's auditors, KPMG LLP, in accordance with the Singapore Standards on Auditing. Please refer to the Auditors' report in Appendix 1.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

See Appendix 1.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

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 2018 as with the audited financial statements for the financial year ended 30 June 2017.

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.

See Note 4.

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.

	Audited 12 Months	
	1 July 2017 to 30 June 2018	1 July 2016 to 30 June 2017
Earnings per share		
Basic earnings per share (US cents)	**4.5**	3.8
Diluted earnings per share (US cents)	**4.5**	3.8
Earnings per share - continuing operations		
Basic earnings per share (US cents)	**5.4**	4.2
Diluted earnings per share (US cents)	**5.4**	4.2

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.

	Audited Full Year Ended	
Net assets per share (US cents)	**30 June 2018**	**30 June 2017**
The Group	**84.8**	80.8
The Company	**103.3**	124.4

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.

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 2018 was US$58.9 million, an increase of 20% compared to US$48.9 million in the previous financial year. The following review sets out the factors that affected profit after tax for the year:

Revenue

Revenue decreased by 1% year-on-year to US$344.4 million due mainly to lower revenue generated by hotel and oil and gas segments.

Hotel revenue was lower compared to last year as a result of fewer rooms available for sale due to the refurbishment of the Cumberland Hotel. However, the strengthening of GBP (+6% year-on-year) against USD had mitigated the impact.

Lower revenue from oil and gas segment compared to previous financial year was due to lower oil and gas production despite an increase of 19% year-on-year in the average crude oil price.

Cost of sales

The increase in cost of sales was mainly due to the strengthening of GBP against USD.

Other operating income

The increase in other operating income was due to compensation from the compulsory acquisition of one hotel property and a recovery of legacy loan which has been written off previously.

Administrative expenses

The increase in administrative expenses for the year was mainly due to the strengthening of GBP against USD.

Other operating expenses

The decrease in other operating expenses was mainly due to one-off expenses in the previous financial year. These pertaining to the certain assets and equipment written off due to review of hotel business strategy and the settlement of a legal claim against a subsidiary in the United Kingdom which provided a guarantee to a third party in relation to a hotel property previously leased and operated by another subsidiary.

Net financing costs

Higher financing costs for the year were due to higher interest cost from an interest rate hedging contract.

Income tax expense

Higher income tax expense was associated with higher earnings from the hotel segment.

Loss from discontinued operation

The gaming segment had ceased operation on 29 March 2018 and reclassified to discontinued operation during the year. Non-recurring expenses of US$6.3 million was incurred for redundancy costs, impairment loss on plant and equipment as well as the casino brand name during the year.

Statement of Comprehensive Income

Total comprehensive income for the year was US$74.1 million. This included a net foreign exchange gain of US$6.4 million as a result of translating the books of the Group's UK subsidiaries which are denominated in GBP into the Group's reporting currency, which is USD. As at the end of 30 June 2018, the GBP appreciated by 1.4% against the USD as compared to 30 June 2017.

Statement of Financial Position

The Group's net assets before non-controlling interests increased by 5% from US$1,049.8 million as at 30 June 2017 to US$1,102.6 million as at 30 June 2018. This was partly attributable to the net foreign exchange translation gain referred to above.

Excluding the effects of currency translation, other significant factors that affected the Group's net assets as at 30 June 2018 were as follows:

a) Intangible assets – decrease was due to the reclassification of casino licence to assets held for sale.
b) Development properties – increase was due to land improvement during the year.
c) Trade and other receivables – decrease was primarily due to lower outstanding debts from the hotel segment.
d) Cash and cash equivalents – increase was mainly due to the receipt of compensation from compulsory acquisition of one hotel property during the year.
e) Assets held for sale – increase was due to the reclassification of casino licence from intangible assets as a result of discontinued operation in March 2018.
f) Short term loan and borrowings – decrease was due to the repayment of bank overdraft during the year.
g) Trade and other payables – decrease was due to scheduled settlement of creditor balances and timing differences on suppliers' billing.
h) Corporate tax payable – increase was mainly due to tax provision for the higher hotel earnings during the year.
i) Pension – pension surplus which exceeded the obligations resulting from actuarial gain during the year.
j) Deferred tax liabilities – increase was mainly due to deferred tax liability arising from the gain on compulsory acquisition of one hotel property.
k) Derivative financial liability – decrease was due to fair value adjustment for interest rate swap contract.

Statement of Cash Flows

Higher net cash inflow of US$34.8 million at the end of the year compared with net cash inflow of US$25.5 million in the previous year. This was primarily due to the receipt of compensation from compulsory acquisition of one hotel property 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 London hotel market will remain challenging for the next 12 months. Weaker UK economic growth due to the Brexit uncertainty and pressures on UK household spending together with a hike in new room supply in London will continue to depress the growth in the average daily rate of London hotels. In this challenging environment, the Group is focusing on an occupancy-led strategy in order to maintain RevPAR and protect its market share. The Group maintains its cautious outlook on the London hotel market.

The refurbishment of the Cumberland Hotel is progressing into its final stage and the hotel is on track to be launched as Hard Rock Hotel London in 2019. The Group's total rooms available for sale will continue to be affected during this refurbishment period.

After the closure of The Clermont Club at the end of March 2018, the Group proposes to dispose of its casino licence.

11. Dividend

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

Name of dividend: First and Final
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
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 2018.

(d) Book closure date

NOTICE IS HEREBY GIVEN THAT subject to shareholders of GL Limited ("Company") approving the proposed payment of the first and final dividend of S$0.022 per ordinary share ("Dividend") at the Annual General Meeting to be held on 25 October 2018, the share transfer books and register of members of the Company will be closed on 6 November 2018 for the preparation of dividend warrants.

Duly completed instruments of transfer received by the Company's share registrar in Singapore, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902 up to 5.00 p.m. on 5 November 2018 (Singapore time) will be registered to determine shareholders' entitlements to the Dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the capital of the Company as at 5.00 p.m. on 5 November 2018 will be entitled to the Dividend.

The Dividend, if so approved by shareholders, will be paid on 26 November 2018.

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 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
Revenue	**317.4**	**24.2**	**2.8**	**–**	**344.4**	**2.6**	**347.0**
Cost of sales	**(141.1)**	**–**	*****	**–**	**(141.1)**	**(0.6)**	**(141.7)**
Gross profit	**176.3**	**24.2**	**2.8**	**–**	**203.3**	**2.0**	**205.3**
Other operating income	**28.1**	**–**	**–**	**0.6**	**28.7**	**0.1**	**28.8**
Administrative expenses	**(114.6)**	**(4.6)**	**(5.2)**	**(4.5)**	**(128.9)**	**(8.4)**	**(137.3)**
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**

30 June 2017

	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	318.5	24.6	3.1	–	346.2	4.0	350.2
Cost of sales	(138.3)	–	(0.5)	–	(138.8)	(0.9)	(139.7)
Gross profit	180.2	24.6	2.6	–	207.4	3.1	210.5
Other operating income	0.2	–	*	4.3	4.5	0.1	4.6
Administrative expenses	(109.1)	(3.9)	(4.4)	(4.5)	(121.9)	(7.3)	(129.2)
Other operating expenses	(11.4)	–	–	(0.1)	(11.5)	–	(11.5)
Operating profit / (loss)	59.9	20.7	(1.8)	(0.3)	78.5	(4.1)	74.4
Finance income	0.6	–	–	0.2	0.8	–	0.8
Finance costs	(11.6)	–	–	(0.3)	(11.9)	(0.1)	(12.0)
Net financing costs	(11.0)	–	–	(0.1)	(11.1)	(0.1)	(11.2)
Profit / (loss) before tax	48.9	20.7	(1.8)	(0.4)	67.4	(4.2)	63.2
Income tax (expense) / benefit	(5.8)	(7.9)	0.2	*	(13.5)	(0.8)	(14.3)
Profit / (loss) for the year	43.1	12.8	(1.6)	(0.4)	53.9	(5.0)	48.9

** Amount less than US$0.1m*

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 core operations are predominantly in the United Kingdom. Group's revenues were lower compared to previous financial year due to the soft London hotel market and increasing London room supply. This resulted in city-wide RevPARs being flat on year-on-year basis. However, this was mitigated by the strengthening of GBP against USD over the year as well as the one-off income, which contributed higher earnings for the hotel segment. Other than the reason stated above, lower earnings resulted from lower contribution from oil and gas, property development as well as gaming segment. Set out below are factors which affected the Group's segmental revenue and earnings.

The hotel segment recorded a lower revenue compared to the previous financial year due to lower RevPAR and room revenue as a result of refurbishment of the Cumerland Hotel. However, higher earnings were generated due to one-off gain from the compulsory acquisition of one hotel property as well as the strengthening of GBP against USD during the financial year.

The oil and gas segment reported a decrease in royalty income and earnings year-on-year due to lower oil and gas production. However this was mitigated by higher average crude oil price and the strengthening AUD against the USD.

Property development reported lower revenues and earnings due to the seasonal trend on livestock sale compared to previous year.

The gaming segment reported a decrease in revenue and earnings as a result of a lower gaming drop compared to the previous financial year. On 29 March 2018, this segment ceased operation.

16. A breakdown of sales

	Latest Financial Year US$m	Previous Financial Year US$m	Favourable / (unfavourable) variance %
		(Re-presented)	
Revenue reported for first half year	**185.1**	182.3	2
Operating profit after tax before deducting non-controlling interest for first half year	**31.6**	26.8	18
Revenue reported for second half year	**159.3**	163.9	(3)
Operating profit after tax before deducting non-controlling interest for second half year	**39.1**	27.1	44

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	**22.1 ***	21.9 *

*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

24 August 2018

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REPORT OF THE AUDITORS TO THE MEMBERS OF GL LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of GL Limited (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the statements of financial position of the Group and the Company as at 30 June 2018, the income statement of the Group, statements of comprehensive income and statements of changes in equity of the Group and the Company and statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 8 to 70.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Company present fairly, in all material respects, the financial position of the Group and the Company as at 30 June 2018 and the financial performance, changes in equity of the Group and the Company, and the cash flows of the Group for the year ended on that date in accordance with the International Financial Reporting Standards ("**IFRSs**").

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *"Auditor's responsibilities for the audit of the financial statements"* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**"), together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Valuation of hotel properties

(Refer to Note 9 to the financial statements)

Risk

As at 30 June 2018, the Group has 15 hotel properties that are located in the United Kingdom and have an aggregate carrying amount of US$1,008.7 million. These hotel properties represent 69.3% of the Group's total assets and are measured at cost less accumulated depreciation and impairment losses.

The process of identifying indicators of impairment and assessing the recoverable amount of the hotel properties by management requires significant judgement and estimation. There is a risk that the recoverable amount being the greater of fair value less costs to sell and value in use (discounted cash flow) may not be accurate if the key assumptions applied by management are inappropriate.

Our response

We evaluated the Group's process for identification of indicators of impairment of hotel properties. For each hotel property with a indicator of impairment, we tested the integrity of inputs to either the projected fair value based on comparable sales price per room multiplied by the number of rooms in the hotel property, or the projected cash flows used in deriving the value in use from historical earnings before interest, taxation, depreciation and amortisation ("EBITDA"). We assessed the growth rate and discount rate applied in the value in use computation for each hotel property by comparing them against historical operating statistics and available industry data, taking into consideration comparability and market factors. We also reviewed the appropriateness of EBITDA multiplier to estimate the terminal values of these hotel properties.

Our findings

The Group has a structured process in place to periodically identify indicators of impairment of hotel properties. The basis and assumptions applied for the computation of recoverable amount for each hotel property (being individual cash-generating unit) are supported by either comparable hotel sale transactions or historical EBITDA, historical growth rates and available industry data.

Valuation of Bass Strait oil and gas royalty

(Refer to Note 10 to the financial statements)

Risk

The Group's Bass Strait oil and gas royalty is stated at cost less accumulated amortisation and impairment losses and has an estimated useful life of 30 years. The carrying amount as at 30 June 2018 was US$69.9 million. The Group received royalty fees of US$24.2 million during the year in relation to all hydrocarbons produced in designated areas in the Bass Strait, Australia.

The recoverable amount of the Bass Strait oil and gas royalty is estimated by the Group making reference to the independent valuation as at 30 June 2018. There is a risk of impairment due to price volatility of oil and gas which may affect the recoverable amount of the Bass Strait oil and gas royalty.

Our response

We evaluated the competency of the independent valuers and made inquiries with the valuers to understand their valuation methods, and assumptions and basis applied.

We assessed the appropriateness of the independent valuer's estimation of the recoverable amount of Bass Strait oil and gas royalty based on value in use, taking into account the valuation methodology and key assumptions in relation to expected production output and market prices.

Our findings

The valuers have experience in performing independent valuation of natural resource reserves. The value in use method applied is in accordance with generally accepted market practices and the key assumptions used are comparable with those obtained from a range of independent sources.

Valuation of development properties
(Refer to Note 12 to the financial statements)

Risk

As at 30 June 2018, the development properties held by the Group comprised land parcels located in Hawaii with carrying amounts of US$184.4 million (2017: US$182.4 million). Development properties are stated at the lower of their costs and their net realisable values.

The Group held the development properties in Hawaii since 1987 and operated a ranch business on the island until its shutdown in March 2008. The determination of the net realisable values of the development properties is dependent on renewal of the Group's redevelopment plans and expectations of future selling prices in Hawaii. The net realisable values are estimated by the Group making reference to an independent valuation as at 30 June 2018.

The valuation process involves significant judgment in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. There is therefore a risk that the net realisable values exceed future selling prices, resulting in losses when properties are sold.

Our response

We evaluated the qualifications and competency of the independent valuers and made inquiries with the valuers to understand their valuation methods, and assumptions and basis applied.

We assessed the reasonableness of the development properties' net realisable values appraised by the independent valuers based on renewed vision for the ranch business, taking into consideration the valuation methodology and key assumptions in relation to comparability with other sale transactions in Hawaii.

Our findings

The valuers are members of generally-recognized professional bodies for real estate valuers and have recent experience in the location and category of the respective investment property being valued. The valuation methodologies used by the valuers are consistent with generally accepted market practices. We found the appraised valuations to be substantiated by recent sale transactions In Hawaii, which are adjusted where relevant, to enhance comparability with the Group's development properties.

Valuation of asset held for sale - casino licence
(Refer to Notes 15 to the financial statements)

Risk

The Group holds a casino licence which has an indefinite life and is stated at cost less accumulated impairment losses of US$31.7 million as at 30 June 2018. The gaming operation has been loss-making since 2012 and the Group ceased the operations in March 2018. The Group plans to dispose of the casino licence, and has reclassified it as asset held for sale within current assets. The Group has estimated the fair value of the casino licence with reference to an independent valuation as at 30 June 2018.

The process of estimating the fair value of casino licence involves significant judgment in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. As such, there is a risk that the carrying amount of the casino licence exceeds its fair value less costs to sell.

Our response

We evaluated the competency of the independent valuers and made inquiries with the valuers to understand their valuation methods, and assumptions and basis applied.

We assessed the appropriateness of the valuation methodology applied by the independent valuer, and the reasonableness of projected cash flows and key assumptions under plausible scenarios to derive the fair value less costs to sell of the casino licence.

Our findings

The valuers have experience in performing independent valuations of gambling operations. The valuation methodology used by the valuers are consistent with generally accepted market practices. We found the projected cash flows and key assumptions applied by the independent valuer to be consistent with industry information. The resulting estimation of fair value less costs to sell of the casino licence are within the range of reasonable expectations.

Other information

Management is responsible for the other information. The other information comprises Corporate Profile, Corporate Information, Group Financial Highlights, Chairman Statement, Board of Directors, Management Team, and Corporate Governance Report, which we obtained prior to the date of this auditors' report, and the Sustainability Report and Statistics of Shareholdings which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Sustainability Report and Shareholdings Statistics, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tan Kar Yee, Linda.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
24 August 2018