## Unaudited Financial Statement And Related Announcement For First Quarter Ended 30 September 2017

### 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 1st Quarter ended | | |
|---|---|---|---|
| | **1 July to 30 Sep 2017 US$m** | **1 July to 30 Sep 2016 US$m** | **Favourable / (unfavourable) variance %** |
| Revenue | **98.0** | 97.8 | 0 |
| Cost of sales | **(39.1)** | (37.5) | (4) |
| **Gross profit** | **58.9** | 60.3 | (2) |
| Other operating income | ***** | * | N.M. |
| Administrative expenses | **(33.8)** | (33.6) | (1) |
| Other operating expenses | **-** | (8.5) | N.M. |
| **Operating profit** | **25.1** | 18.2 | 38 |
| Finance income | **0.3** | 0.3 | - |
| Finance costs | **(3.3)** | (2.5) | (32) |
| Net financing costs | **(3.0)** | (2.2) | (36) |
| **Profit before tax** | **22.1** | 16.0 | 38 |
| Income tax expense | **(4.7)** | (5.0) | 6 |
| **Profit for the period** | **17.4** | 11.0 | 58 |
| **Profit / (loss) attributable to:** | | | |
| Owners of the Company | **17.4** | 11.0 | 58 |
| Non-controlling interests | ***** | * | N.M. |
| **Profit for the period** | **17.4** | 11.0 | 58 |

### Note to Income Statement

| | Unaudited 1st Quarter ended | | |
|---|---|---|---|
| | **1 July to 30 Sep 2017 US$m** | **1 July to 30 Sep 2016 US$m** | **Favourable / (unfavourable) variance %** |
| Profit before tax is stated after (charging) / crediting: | | | |
| Depreciation of hotels, property and equipment | **(4.9)** | (5.8) | 16 |
| Amortisation of intangible assets | **(0.9)** | (0.8) | (13) |

** Amount less than US$0.1m*

*Note: N/M - not meaningful*

**1(a)(ii) Statement of Comprehensive Income**

| | Unaudited 1st Quarter ended | | |
|---|---|---|---|
| | 1 July to 30 Sep 2017 US$m | 1 July to 30 Sep 2016 US$m | Favourable / (unfavourable) variance % |
| Profit for the period | **17.4** | 11.0 | 58 |
| Other comprehensive income: | | | |
| **Items that are or may be reclassified subsequently to profit or loss:** | | | |
| Net exchange differences from consolidation of foreign operations | **24.3** | (28.2) | N.M. |
| Change in fair value of available-for-sale investments | ***** | – | N.M. |
| Change in fair value of cash flow hedge, net of tax | **0.9** | (1.0) | N.M. |
| Other comprehensive income for the period, net of income tax | **25.2** | (29.2) | N.M. |
| **Total comprehensive income for the period** | **42.6** | (18.2) | N.M. |
| **Total comprehensive income attributable to:** | | | |
| - Owners of the Company | **42.6** | (18.3) | N.M. |
| - Non-controlling interests | ***** | 0.1 | N.M. |
| **Total comprehensive income for the period** | **42.6** | (18.2) | N.M. |

** Amount less than US$0.1m*

*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 Sep 2017 US$m | Audited 30 June 2017 US$m | Unaudited 30 Sep 2017 US$m | Audited 30 June 2017 US$m |
| **ASSETS** | | | | |
| Hotels, property and equipment | **1,015.3** | 985.1 | **–** | – |
| Intangible assets | **113.7** | 112.0 | **–** | – |
| Investments in subsidiaries | **–** | – | **1,133.2** | 1,133.2 |
| Pensions surplus | **0.6** | 0.6 | **–** | – |
| Other investments | **0.3** | 0.3 | **–** | – |
| **TOTAL NON-CURRENT ASSETS** | **1,129.9** | 1,098.0 | **1,133.2** | 1,133.2 |
| Inventories | **0.6** | 0.7 | **–** | – |
| Development properties | **182.8** | 182.4 | **–** | – |
| Trade and other receivables | **42.7** | 46.2 | **0.3** | 0.3 |
| Advances to subsidiaries | **–** | – | **478.4** | 483.8 |
| Cash and cash equivalents | **95.3** | 76.0 | **–** | – |
| Assets held for sale | **9.0** | 8.8 | **–** | – |
| **TOTAL CURRENT ASSETS** | **330.4** | 314.1 | **478.7** | 484.1 |
| **TOTAL ASSETS** | **1,460.3** | 1,412.1 | **1,611.9** | 1,617.3 |
| **LIABILITIES** | | | | |
| Loans and borrowings | **6.0** | 6.1 | **–** | – |
| Trade and other payables | **76.5** | 79.4 | **1.2** | 0.9 |
| Corporate tax payable | **6.6** | 4.8 | **–** | – |
| Provisions | **0.2** | 0.3 | **–** | – |
| **TOTAL CURRENT LIABILITIES** | **89.3** | 90.6 | **1.2** | 0.9 |
| Loans and borrowings | **259.6** | 252.1 | **–** | – |
| Pension obligations | **2.7** | 2.8 | **–** | – |
| Deferred tax liabilities | **11.7** | 11.2 | **–** | – |
| Derivative financial liability | **6.9** | 8.1 | **–** | – |
| **TOTAL NON-CURRENT LIABILITIES** | **280.9** | 274.2 | **–** | – |
| **TOTAL LIABILITIES** | **370.2** | 364.8 | **1.2** | 0.9 |
| **NET ASSETS** | **1,090.1** | 1,047.3 | **1,610.7** | 1,616.4 |
| **SHARE CAPITAL AND RESERVES** | | | | |
| Equity attributable to owners of the Company | **1,092.6** | 1,049.8 | **1,610.7** | 1,616.4 |
| Non-controlling interests | **(2.5)** | (2.5) | **–** | – |
| **TOTAL EQUITY** | **1,090.1** | 1,047.3 | **1,610.7** | 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 Sep 2017 | | As at 30 June 2017 | |
|---|---|---|---|
| **Secured US$m** | **Unsecured US$m** | **Secured US$m** | **Unsecured US$m** |
| **–** | **6.0** | – | 6.1 |

#### Amount repayable after one year

| As at 30 Sep 2017 | | As at 30 June 2017 | |
|---|---|---|---|
| **Secured US$m** | **Unsecured US$m** | **Secured US$m** | **Unsecured US$m** |
| **76.5** | **183.1** | 74.4 | 177.7 |

#### Details of any collateral

As at 30 September 2017, the Group's unsecured borrowings that are repayable in one year or less were US$6.0 million, and amount repayable after one year was US$183.1 million. The Group continues to have banking lines for its funding requirements.

The Group's secured borrowings as at 30 September 2017 of US$76.5 million and repayable after one year, are secured by a hotel owned by the Group with a net book value of US$119.7 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 1st Quarter ended | |
|---|---|---|
| | **1 July to 30 Sep 2017 US$m** | **1 July to 30 Sep 2016 US$m** |
| **OPERATING ACTIVITIES** | | |
| Profit before financing costs | **25.1** | 18.2 |
| Adjustments for non-cash items | | |
| Depreciation of hotels, property and equipment | **4.9** | 5.8 |
| Amortisation of intangible assets | **0.9** | 0.8 |
| Share option benefits, doubtful debts and others | **0.5** | 0.1 |
| Net change in working capital items | | |
| Inventories / development properties | **(0.4)** | (0.4) |
| Trade and other receivables | **3.6** | 4.5 |
| Trade and other payables | **(6.0)** | (4.2) |
| Pension surplus and obligations / provisions | **(0.1)** | 7.1 |
| Income tax paid | **(2.8)** | (3.6) |
| CASH FLOWS FROM OPERATING ACTIVITIES | **25.7** | 28.3 |
| **INVESTING ACTIVITIES** | | |
| Cash distribution from other investments | **–** | 0.2 |
| Acquisition of hotels, property and equipment | **(6.3)** | (2.2) |
| CASH FLOWS USED IN INVESTING ACTIVITIES | **(6.3)** | (2.0) |
| **FINANCING ACTIVITIES** | | |
| Interest received | **0.1** | 0.4 |
| Interest paid | **(1.8)** | (1.8) |
| Other financing costs | **(0.1)** | (0.1) |
| Realised exchange (loss) / gains on financial derivatives | **(0.1)** | * |
| CASH FLOWS USED IN INVESTING ACTIVITIES | **(1.9)** | (1.5) |
| **NET INCREASED IN CASH AND CASH EQUIVALENTS** | **17.5** | 24.8 |
| Cash and cash equivalents at the beginning of the year | **69.9** | 45.2 |
| Effect of exchange rate fluctuations on cash held | **1.9** | (0.8) |
| **CASH AND CASH EQUIVALENTS AT END OF THE PERIOD** [#] | **89.3** | 69.2 |

** Amount less than US$0.1m*

[#] *including bank overdraft of US$6.0million (2016: US$5.4 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 for the period** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **17.4** | **17.4** | ***** | **17.4** |
| Other comprehensive income: | | | | | | | | | | | | |
| **Net exchange differences from consolidation of foreign operations** | **–** | **–** | **24.3** | **–** | **–** | **–** | **–** | **–** | **–** | **24.3** | ***** | **24.3** |
| **Changes in fair value of available for-sale investments** | **–** | **–** | **–** | ***** | **–** | **–** | **–** | **–** | **–** | ***** | **–** | ***** |
| **Changes in fair value of cash flow hedges, net of tax** | **–** | **–** | **–** | **–** | **0.9** | **–** | **–** | **–** | **–** | **0.9** | **–** | **0.9** |
| **Total other comprehensive income, net of tax** | **–** | **–** | **24.3** | ***** | **0.9** | **–** | **–** | **–** | **–** | **25.2** | ***** | **25.2** |
| **Total comprehensive income for the period, net of tax** | **–** | **–** | **24.3** | ***** | **0.9** | **–** | **–** | **–** | **17.4** | **42.6** | ***** | **42.6** |
| *Transactions with owners, recorded directly in equity:* | | | | | | | | | | | | |
| **Value of employee services received for issue of share options** | **–** | **–** | **–** | **–** | **–** | **–** | **0.2** | **–** | **–** | **0.2** | **–** | **0.2** |
| **Total transations with owners** | **–** | **–** | **–** | **–** | **–** | **–** | **0.2** | **–** | **–** | **0.2** | **–** | **0.2** |
| **Balance at 30 Sep 2017** | **273.6** | **654.2** | **(232.9)** | **(0.7)** | **(5.8)** | **(1.6)** | **3.6** | **(46.2)** | **448.4** | **1,092.6** | **(2.5)** | **1,090.1** |
| 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 for the period | – | – | – | – | – | – | – | – | 11.0 | 11.0 | * | 11.0 |
| Other comprehensive income: | | | | | | | | | | | | |
| Net exchange differences from consolidation of foreign operations | – | – | (28.3) | – | – | – | – | – | – | (28.3) | 0.1 | (28.2) |
| Changes in fair value of available-for-sale investments | – | – | – | – | – | – | – | – | – | – | – | – |
| Changes in fair value of cash flow hedges, net of tax | – | – | – | – | (1.0) | – | – | – | – | (1.0) | – | (1.0) |
| Total other comprehensive income, net of tax | – | – | (28.3) | – | (1.0) | – | – | – | – | (29.3) | 0.1 | (29.2) |
| Total comprehensive income for the period, net of tax | – | – | (28.3) | – | (1.0) | – | – | – | 11.0 | (18.3) | 0.1 | (18.2) |
| *Transactions with owners, recorded directly in equity:* | | | | | | | | | | | | |
| Value of employee services received for issue of share options | – | – | – | – | – | – | * | – | – | * | – | * |
| Total transations with owners | – | – | – | – | – | – | * | – | – | * | – | * |
| Balance at 30 Sep 2016 | 273.6 | 654.2 | (260.2) | 0.6 | (9.8) | (1.6) | 3.6 | (46.2) | 418.7 | 1,032.9 | (2.4) | 1,030.5 |

** 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$m | Equity Compen-sation Reserve US$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 period | **–** | **–** | **–** | **–** | **–** | **(5.7)** | **(5.7)** |
| Other comprehensive income | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Total comprehensive income for the year, net of tax | **–** | **–** | **–** | **–** | **–** | **(5.7)** | **(5.7)** |
| Balance at 30 Sep 2017 | **273.6** | **654.2** | **(1.6)** | **2.7** | **(46.2)** | **728.0** | **1,610.7** |
| Balance at 1 Jul 2016 | 273.6 | 654.2 | (1.6) | 2.7 | (46.2) | 729.3 | 1,612.0 |
| Profit for the period | – | – | – | – | – | 5.7 | 5.7 |
| Other comprehensive income | – | – | – | – | – | – | – |
| Total comprehensive income for the year, net of tax | – | – | – | – | – | 5.7 | 5.7 |
| Balance at 30 Sep 2016 | 273.6 | 654.2 | (1.6) | 2.7 | (46.2) | 735.0 | 1,617.7 |

**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 Sep 2017** | **As at 30 June 2017** |
|---|---|---|
| Issued and fully paid ordinary share | **1,368,063,633** | 1,368,063,633 |

| | **1st Quarter ended** | |
|---|---|---|
| **Share Options** | **30 Sep 2017** | **30 Sep 2016** |
| (a) Grant of share options under ESOS 2008: | | |
| As at 1 July 2017 | **19,500,000** | 72,400,000 |
| Options granted | **–** | – |
| Options lapsed | **–** | (44,000,000) |
| As at 30 September 2017 | **19,500,000** | 28,400,000 |
| (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 Sep 2017 | 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 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.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the quarter ended 30 September 2017 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.**

Not applicable.

**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 1st Quarter ended | |
|---|---|---|
| | 30 Sep 2017 | 30 Sep 2016 |
| Basic earnings per share (US cents) | **1.3** | 0.8 |
| Diluted earnings per share (US cents) | **1.3** | 0.8 |

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 1st Quarter 30 Sep 2017 | Audited Full Year 30 June 2017 |
|---|---|---|
| The Group | **84.1** | 80.8 |
| The Company | **123.9** | 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 quarter ended 30 September 2017 was US$17.4 million, an increase of 58% compared to US$11.0 million in the previous corresponding quarter. The following review sets out the factors that affected profit after tax for the quarter:

Revenue
Revenue was marginally higher than previous corresponding quarter.

Hotel revenue was higher despite fewer rooms available for sale due to the refurbishment of the Cumberland Hotel in this quarter. This was mainly attributable to higher F&B, meetings and events revenue as well as overall improvement in room revenue from hotels other than Cumberland Hotel.

However, this was offset by lower revenue generated from both gaming segment due to lower win margin, and lower Bass Straits oil and gas royalty income.

Cost of sales
The increase in cost of sales was associated with the higher hotel revenue in the current quarter.

Other operating expenses
The decrease in other operating expenses was mainly due to the one-off provision in the previous quarter for 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 quarter were due to higher interest cost from an interest rate hedging contract.

Income tax expense
Lower income tax expense was associated with lower earnings from the oil and gas segment.

**Statement of Comprehensive Income**

Total comprehensive income for the quarter was US$42.6 million. This included a net foreign exchange gain of US$24.3 million as a result of translating the financial statements of the Group's UK subsidiaries which are denominated in GBP into the Group's presentation currency, which is USD. As at the end of 30 September 2017, GBP appreciated by 3% against USD as compared to 30 June 2017.

**Statement of Financial Position**

The Group's net assets before non-controlling interests increased by 4% from US$1,049.8 million as at 30 June 2017 to US$1,092.6 million as at 30 September 2017. This was mainly 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 September 2017 were as follows:

a) Trade and other receivables – decrease was primarily due to lower prepayment for the hotel segment during the quarter.
b) Cash and cash equivalents – increase was due to the receipt of net operational income and oil and gas royalty income after netting off capital expenditure during the quarter.
c) Trade and other payables – decrease was due to scheduled settlement of creditor balances and timing differences on suppliers' billing.
d) Corporate tax payable – increase was mainly due to tax provision from the hotel earnings during the quarter.
e) Derivative financial liability – decrease was mainly due to fair value adjustment for interest rate swap contract.

**Statement of Cash Flows**

Lower net cash inflow of US$17.5 million at the end of the quarter compared with net cash inflow of US$24.8 million in the previous corresponding quarter was due to lower receipt of oil and gas royalty and higher capital expenditure during the quarter.

**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 factors continuing to affect the UK hotel industry are uncertainties over Brexit, and a higher than average projected increase in London room supply over the next year. The UK hotel market experienced a strong boost in the 1st half of 2017 on the back of a weak GBP, but this market strength is expected to slow going forward. Our London hotels continue to operate in a challenging environment due to increasing operating costs from the implementation of the National Living Wage and imported inflation. The market is not expected to grow significantly and the Group maintains a cautious outlook.

The Group is continuing its refurbishment of The Cumberland Hotel and is on track to launch it as Hard Rock Hotel London in the next financial year. The refurbishment program is done in stages and will affect the Group's total rooms available for sale during this period.

**11. Dividend**

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

None.

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

None.

***(c) Date payable***

Not applicable.

***(d) Book closure date***

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared/recommended.

**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. Confirmation by the Board of Directors**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial statements of GL Limited for the three months ended 30 September 2017 to be false or misleading in any material aspect.

**15. 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.

**BY ORDER OF THE BOARD**

**SUSAN LIM**
**Group Company Secretary**

**19 October 2017**