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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 and Mr. Tan Lim Heng as Non-executive Directors and Mr. Volker Stoeckel, Mr. Roderic N. A. Sage and Mr. David Michael Norman as Independent Non-executive Directors.*

## Financial Statements and Related Announcement::Second Quarter and/ or Half Yearly Results

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	GL LIMITED
<b>Securities</b>	GL LIMITED - BMG392401094 - B16
<b>Stapled Security</b>	No

## Announcement Details

<b>Announcement Title</b>	Financial Statements and Related Announcement
<b>Date &amp; Time of Broadcast</b>	19-Jan-2017 17:49:07
<b>Status</b>	New
<b>Announcement Sub Title</b>	Second Quarter and/ or Half Yearly Results
<b>Announcement Reference</b>	SG170119OTHRVD07
<b>Submitted By (Co./ Ind. Name)</b>	Susan Lim
<b>Designation</b>	Group Company Secretary
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	Please see attached.

## Additional Details

<b>For Financial Period Ended</b>	31/12/2016
<b>Attachments</b>	<p><a href="#">@GL_SGX_Q2_2017_final.pdf</a></p> <p>Total size =85K</p>

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Unaudited Financial Statement And Related Announcement For Half Year and Second Quarter Ended 31 December 2016

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 1 <sup>st</sup> Half Year ended		Favourable / (unfavourable) variance %	Unaudited 2 <sup>nd</sup> Quarter ended		Favourable / (unfavourable) variance %
	1 July to 31 Dec 2016 US\$m	1 July to 31 Dec 2015 US\$m		1 Oct to 31 Dec 2016 US\$m	1 Oct to 31 Dec 2015 US\$m	
Revenue	184.5	229.8	(20)	86.7	114.7	(24)
Cost of sales	(71.5)	(91.6)	22	(34.0)	(45.3)	25
<b>Gross profit</b>	<b>113.0</b>	<b>138.2</b>	<b>(18)</b>	<b>52.7</b>	<b>69.4</b>	<b>(24)</b>
Other operating income	0.2	13.2	(98)	0.2	(0.2)	N.M.
Administrative expenses	(64.0)	(83.0)	23	(30.4)	(41.5)	27
Other operating expenses	(11.0)	–	N.M.	(2.5)	–	N.M.
<b>Operating profit</b>	<b>38.2</b>	<b>68.4</b>	<b>(44)</b>	<b>20.0</b>	<b>27.7</b>	<b>(28)</b>
Finance income	0.4	0.9	(56)	0.1	0.6	(83)
Finance costs	(5.3)	(6.1)	13	(2.8)	(2.9)	3
Net financing costs	(4.9)	(5.2)	6	(2.7)	(2.3)	(17)
<b>Profit before tax</b>	<b>33.3</b>	<b>63.2</b>	<b>(47)</b>	<b>17.3</b>	<b>25.4</b>	<b>(32)</b>
Income tax expense	(8.8)	(12.0)	27	(3.8)	(5.5)	31
<b>Profit for the period</b>	<b>24.5</b>	<b>51.2</b>	<b>(52)</b>	<b>13.5</b>	<b>19.9</b>	<b>(32)</b>
<b>Profit attributable to:</b>						
Owners of the Company	24.6	51.3	(52)	13.6	19.9	(32)
Non-controlling interests	(0.1)	(0.1)	N.M.	(0.1)	–	N.M.
<b>Profit for the period</b>	<b>24.5</b>	<b>51.2</b>	<b>(52)</b>	<b>13.5</b>	<b>19.9</b>	<b>(32)</b>

Note to Income Statement

	Unaudited 1 <sup>st</sup> Half Year ended		Favourable / (unfavourable) variance %	Unaudited 2 <sup>nd</sup> Quarter ended		Favourable / (unfavourable) variance %
	1 July to 31 Dec 2016 US\$m	1 July to 31 Dec 2015 US\$m		1 Oct to 31 Dec 2016 US\$m	1 Oct to 31 Dec 2015 US\$m	
Profit before tax is stated after (charging) / crediting:						
Gain / (loss) on disposal of property and equipment	*	*	N.M.	*	*	N.M.
Property and equipment written off	(3.2)	–	N.M.	(3.2)	–	N.M.
Depreciation of hotels, property and equipment	(11.2)	(13.0)	14	(5.4)	(6.2)	13
Amortisation of intangible assets	(1.6)	(1.5)	(7)	(0.8)	(0.7)	(14)

\* Amount less than US\$0.1m

Note: N/M - not meaningful

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

	Unaudited 1 <sup>st</sup> Half Year ended		Favourable / (unfavourable) variance %	Unaudited 2 <sup>nd</sup> Quarter ended		Favourable / (unfavourable) variance %
	1 July to 31 Dec 2016 US\$m	1 July to 31 Dec 2015 US\$m		1 Oct to 31 Dec 2016 US\$m	1 Oct to 31 Dec 2015 US\$m	
Profit for the period	24.5	51.2	(52)	13.5	19.9	(32)
Other comprehensive income:						
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Net exchange differences from consolidation of foregin operations	(71.1)	(55.0)	(29)	(42.9)	(17.3)	(148)
Change in fair value of available-for-sale investments	0.8	*	N.M.	0.8	*	N.M.
Change in fair value of cash flow hedge, net of tax	1.3	(3.0)	N.M.	2.3	0.5	360
Other comprehensive income for the period, net of tax	(69.0)	(58.0)	(19)	(39.8)	(16.8)	(137)
<b>Total comprehensive income for the period</b>	<b>(44.5)</b>	<b>(6.8)</b>	<b>(554)</b>	<b>(26.3)</b>	<b>3.1</b>	<b>N.M.</b>
<b>Total comprehensive income attributable to:</b>						
- Owners of the Company	(44.7)	(6.9)	(548)	(26.4)	3.0	N.M.
- Non-controlling interests	0.2	0.1	100	0.1	0.1	N.M.
<b>Total comprehensive income for the period</b>	<b>(44.5)</b>	<b>(6.8)</b>	<b>(554)</b>	<b>(26.3)</b>	<b>3.1</b>	<b>N.M.</b>

\* 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 31 Dec 2016 US\$m	Audited 30 June 2016 US\$m	Unaudited 31 Dec 2016 US\$m	Audited 30 June 2016 US\$m
<b>ASSETS</b>				
Hotels, property and equipment	941.1	1,042.5	-	-
Intangible assets	107.1	114.2	-	-
Investments in subsidiaries	-	-	1,133.2	1,133.2
Pensions surplus	4.1	2.6	-	-
Other investments	2.7	2.2	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,055.0</b>	<b>1,161.5</b>	<b>1,133.2</b>	<b>1,133.2</b>
Inventories	0.9	1.1	-	-
Development properties	178.9	175.7	-	-
Trade and other receivables	28.5	44.8	0.3	0.2
Advances to subsidiaries	-	-	450.2	479.6
Cash and cash equivalents	47.6	49.5	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>255.9</b>	<b>271.1</b>	<b>450.5</b>	<b>479.8</b>
<b>TOTAL ASSETS</b>	<b>1,310.9</b>	<b>1,432.6</b>	<b>1,583.7</b>	<b>1,613.0</b>
<b>LIABILITIES</b>				
Loans and borrowings	5.2	4.3	-	-
Trade and other payables	57.4	91.8	1.1	1.0
Corporate tax payable	5.5	2.3	-	-
Provisions	0.2	1.0	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>68.3</b>	<b>99.4</b>	<b>1.1</b>	<b>1.0</b>
Loans and borrowings	238.4	261.4	-	-
Pension obligations	3.0	3.3	-	-
Deferred tax liabilities	8.3	9.1	-	-
Derivative financial liability	9.3	10.7	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>259.0</b>	<b>284.5</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>327.3</b>	<b>383.9</b>	<b>1.1</b>	<b>1.0</b>
<b>NET ASSETS</b>	<b>983.6</b>	<b>1,048.7</b>	<b>1,582.6</b>	<b>1,612.0</b>
<b>SHARE CAPITAL AND RESERVES</b>				
Equity attributable to owners of the Company	985.9	1,051.2	1,582.6	1,612.0
Non-controlling interests	(2.3)	(2.5)	-	-
<b>TOTAL EQUITY</b>	<b>983.6</b>	<b>1,048.7</b>	<b>1,582.6</b>	<b>1,612.0</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

As at 31 Dec 2016		As at 30 June 2016	
Secured US\$m	Unsecured US\$m	Secured US\$m	Unsecured US\$m
–	5.2	–	4.3

**Amount repayable after one year**

As at 31 Dec 2016		As at 30 June 2016	
Secured US\$m	Unsecured US\$m	Secured US\$m	Unsecured US\$m
70.6	167.8	77.6	183.8

**Details of any collateral**

As at 31 Dec 2016, the Group's unsecured borrowings that are repayable in one year or less stood at US\$5.2 million and repayable after one year at US\$167.8 million. The Group continues to have banking lines for its funding requirements.

The Group's secured borrowings as at 31 Dec 2016 of US\$70.6 million that are repayable after one year, are secured by one hotel owned by the Group with a net book value of US\$111.1 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 1 <sup>st</sup> Half Year ended		Unaudited 2 <sup>nd</sup> Quarter ended	
	1 July to 31 Dec 2016 US\$m	1 July to 31 Dec 2015 US\$m	1 Oct to 31 Dec 2016 US\$m	1 Oct to 31 Dec 2015 US\$m
<b>OPERATING ACTIVITIES</b>				
Profit before financing costs	38.2	68.4	20.0	27.7
Adjustments for non-cash items				
Depreciation of hotels, property and equipment	11.2	13.0	5.4	6.2
Amortisation of intangible assets	1.6	1.5	0.8	0.7
Share option expenses and others	(0.1)	0.5	(0.2)	0.6
Gain / (loss) on disposal of property and equipment	*	*	*	*
Write off of property and equipment	3.2	–	3.2	–
Net change in working capital items				
Inventories / development properties	(3.2)	1.1	(2.8)	1.0
Trade and other receivables	17.7	27.4	13.2	15.9
Trade and other payables	(34.2)	(27.8)	(30.0)	(22.9)
Pension surplus and obligations / provisions	0.5	(3.7)	(6.6)	(1.3)
Income tax paid	(5.6)	(5.3)	(2.0)	(2.9)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>29.3</b>	<b>75.1</b>	<b>1.0</b>	<b>25.0</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds from sales of property and equipment	*	0.3	*	0.3
Cash distribution from other investments	0.2	–	–	–
Acquisition of hotels, property and equipment	(4.8)	(12.7)	(2.6)	(6.7)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(4.6)</b>	<b>(12.4)</b>	<b>(2.6)</b>	<b>(6.4)</b>
<b>FINANCING ACTIVITIES</b>				
Interest received	0.6	0.3	0.2	0.3
Interest paid	(4.9)	(5.0)	(3.1)	(3.5)
Other financing costs	(0.2)	(0.3)	(0.1)	(0.3)
Realised exchange (loss) / gains on financial derivatives	(0.5)	0.2	(0.5)	0.2
Dividend paid to shareholders of the Company	(20.5)	(20.2)	(20.5)	(20.2)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(25.5)</b>	<b>(25.0)</b>	<b>(24.0)</b>	<b>(23.5)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(0.8)</b>	<b>37.7</b>	<b>(25.6)</b>	<b>(4.9)</b>
Cash and cash equivalents at the beginning of the year	45.2	1.1	69.2	43.0
Effect of exchange rate fluctuations on cash held	(2.0)	(1.3)	(1.2)	(0.6)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD<sup>#</sup></b>	<b>42.4</b>	<b>37.5</b>	<b>42.4</b>	<b>37.5</b>

\* Amount less than US\$0.1m

<sup>#</sup> including bank overdraft of US\$5.2 million (2015: US\$3.5 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 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 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	-	-	-	-	-	-	-	-	24.6	24.6	(0.1)	24.5
Other comprehensive income:												
Net exchange differences from consolidation of foreign operations	-	-	(71.4)	-	-	-	-	-	-	(71.4)	0.3	(71.1)
Changes in fair value of available-for-sale investments	-	-	-	0.8	-	-	-	-	-	0.8	-	0.8
Changes in fair value of cash flow hedges, net of tax	-	-	-	-	1.3	-	-	-	-	1.3	-	1.3
Total other comprehensive income, net of tax	-	-	(71.4)	0.8	1.3	-	-	-	-	(69.3)	0.3	(69.0)
Total comprehensive income for the period, net of tax	-	-	(71.4)	0.8	1.3	-	-	-	24.6	(44.7)	0.2	(44.5)
<i>Transactions with owners, recorded directly in equity:</i>												
Value of employee services received for issue of share options	-	-	-	-	-	-	(0.1)	-	-	(0.1)	-	(0.1)
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	-	-	-	-	-	-	(0.1)	-	(20.5)	(20.6)	-	(20.6)
Balance at 31 Dec 2016	273.6	654.2	(303.3)	1.4	(7.5)	(1.6)	3.5	(46.2)	411.8	985.9	(2.3)	983.6
Balance at 1 Jul 2015	273.6	654.2	(99.7)	0.6	(2.9)	(1.6)	4.3	(46.2)	369.8	1,152.1	(2.7)	1,149.4
Profit for the period	-	-	-	-	-	-	-	-	51.3	51.3	(0.1)	51.2
Other comprehensive income:												
Net exchange differences from consolidation of foreign operations	-	-	(55.2)	-	-	-	-	-	-	(55.2)	0.2	(55.0)
Changes in fair value of available-for-sale investments	-	-	-	*	-	-	-	-	-	*	-	*
Changes in fair value of cash flow hedges, net of tax	-	-	-	-	(3.0)	-	-	-	-	(3.0)	-	(3.0)
Total other comprehensive income, net of tax	-	-	(55.2)	*	(3.0)	-	-	-	-	(58.2)	0.2	(58.0)
Total comprehensive income for the period, net of tax	-	-	(55.2)	*	(3.0)	-	-	-	51.3	(6.9)	0.1	(6.8)
<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 2015	-	-	-	-	-	-	-	-	(20.2)	(20.2)	-	(20.2)
Total transactions with owners	-	-	-	-	-	-	0.4	-	(20.2)	(19.8)	-	(19.8)
Balance at 31 Dec 2015	273.6	654.2	(154.9)	0.6	(5.9)	(1.6)	4.7	(46.2)	400.9	1,125.4	(2.6)	1,122.8

\* 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 Jul 2016	273.6	654.2	(1.6)	2.7	(46.2)	729.3	1,612.0
Profit / (loss) for the period	–	–	–	–	–	(8.9)	(8.9)
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive income for the period, net of tax	–	–	–	–	–	(8.9)	(8.9)
<i>Transactions with owners, recorded directly in equity:</i>							
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 31 Dec 2016	273.6	654.2	(1.6)	2.7	(46.2)	699.9	1,582.6
Balance at 1 Jul 2015	273.6	654.2	(1.6)	2.7	(46.2)	698.3	1,581.0
Profit / (loss) for the period	–	–	–	–	–	14.0	14.0
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive income for the period, net of tax	–	–	–	–	–	14.0	14.0
<i>Transactions with owners, recorded directly in equity:</i>							
First and final dividend of SGD0.022 per share for the year ended 30 June 2015	–	–	–	–	–	(20.2)	(20.2)
Total transactions with owners	–	–	–	–	–	(20.2)	(20.2)
Balance at 31 Dec 2015	273.6	654.2	(1.6)	2.7	(46.2)	692.1	1,574.8

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 & Share Options	Half Year ended	
	31 Dec 2016	31 Dec 2015
(a) Issued and fully paid ordinary share	1,368,063,633	1,368,063,633
(b) Grant of share options under ESOS 2008:		
As at 1 July 2016	72,400,000	58,400,000
Options granted	–	19,500,000
Options lapsed	(46,400,000)	(5,500,000)
As at 31 December 2016	26,000,000	72,400,000

	As at 31 Dec 2016	As at 31 Dec 2015
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 reported on.

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 31 Dec 2016	As at 31 Dec 2015
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 had applied the same accounting policies and methods of computation in the preparation of the financial statements for the half year ended 31 December 2016 compared with the audited financial statement financial year ended 30 June 2016.

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 1 <sup>st</sup> Half Year ended		Unaudited 2 <sup>nd</sup> Quarter ended	
	1 July to 31 Dec 2016 <sup>1</sup>	1 July to 31 Dec 2015 <sup>2</sup>	1 Oct to 31 Dec 2016 <sup>1</sup>	1 Oct to 31 Dec 2015 <sup>2</sup>
	Basic earnings per share (US cents)	1.9	4.0	1.1
Diluted earnings per share (US cents)	1.9	4.0	1.1	1.6

<sup>1</sup> Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,299.8 million shares.

<sup>2</sup> Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,299.8 million shares.

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 Half Year	Audited Full Year
	31 Dec 2016 <sup>1</sup>	30 June 2016 <sup>2</sup>
The Group	75.9	80.9
The Company	121.8	124.0

<sup>1</sup> Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,299.8 million shares.

<sup>2</sup> Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,299.8 million shares.

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 half year ended 31 December 2016 was US\$24.6 million, a decrease of 52% compared to US\$51.3 million in the previous corresponding period. The following review sets out the factors that affected profit after tax for the period:

#### Revenue

Revenue decreased by 20% to US\$184.5 million year-on-year due mainly to lower revenue generated from hotel, gaming and property development segments.

Hotel RevPAR during the half year in GBP terms improved by 3% on a year-on-year basis on the back of a 5% improvement in average room rate. However, hotel revenue expressed in USD terms decreased by 18% compared to the previous corresponding period due to the weakening of GBP against USD.

Apart from the above, lower revenue generated from gaming and property development segment as a result of lower gaming drop and win margin and land disposal respectively during the period.

However, this was offset by higher revenue generated from Bass Strait oil and gas royalty income due to higher gas production as well as the appreciation of AUD against USD by 4% during the period.

#### Cost of sales

The decrease in cost of sales was mainly due to the weakening of GBP against USD and lower gaming duty associated with lower gaming revenue in current period.

#### Other operating income

The decrease in other operating income for the half year was mainly due to a one-off compensation received from the cessation of management of 19 regional Thistle Hotels received in previous corresponding period.

#### Administrative expenses

The decrease in administrative expenses for the period was principally attributable to the weakening of GBP against USD as well as reflecting overall cost disciplines for the Group.

#### Other operating expenses

The increase in other operating expenses was mainly due to the settlement of a legal claim against a subsidiary in the United Kingdom which provided a guarantee in relation to a hotel property previously leased and operated by another subsidiary. Furthermore, certain company assets and equipments were written off during the period as a result of management on-going review of hotel business strategies for future growth.

#### Net financing costs

Lower financing costs for the period was primarily due to the weakening of GBP against USD.

#### Income tax expense

Lower income tax expense was associated with lower earnings from the hotel segment.

## **Statement of Comprehensive Income**

Total comprehensive loss for the period was US\$44.5 million. This included a net foreign exchange loss of US\$71.1 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 31 December 2016, the GBP depreciated by 9% against the USD as compared to 30 June 2016.

## **Statement of Financial Position**

The Group's net assets before non-controlling interests decreased by 6% from US\$1,051.2 million as at 30 June 2016 to US\$985.9 million as at 31 December 2016. This was mainly attributable to net foreign exchange translation loss referred to above.

Excluding the effects of currency translation, other significant factors that affected the Group's net assets as at 31 December 2016 were as follows:

- a) Trade and other receivables – decrease was primarily due to lower prepayment for the hotel segment during the period.
- b) Development properties – increase due to land improvement in property development segment during the period.
- c) Short term loans and borrowings – increase was due to higher outstanding overdraft during the period.
- d) Trade and other payables – decrease was mainly due to scheduled settlements of creditor liabilities.
- e) Corporate tax payable – increase was mainly due to tax provision from the hotel earnings during the period.
- f) Provisions – decrease mainly due to the settlement of legal claim against a subsidiary in United Kingdom.
- g) Pension surplus – increase was due to actual pension payment made during the period.
- h) Derivative financial liability – decrease was mainly due to fair value adjustment for a forward interest rate swap contract.

## **Statement of Cash Flows**

Net cash outflow of US\$0.8 million at the end of the period compared with net cash inflow of US\$37.7 million in the previous corresponding period. This was primarily due to the settlement of a legal claim against a subsidiary in United Kingdom during the period versus cash receipt of proceed from disposal of land in Fiji and the one-off compensation for the cessation of management of 19 regional Thistle Hotels in previous corresponding period.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group has 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 recent volatility in the UK hotel industry is expected to remain in the months ahead. In spite of such volatility, our hotel RevPAR for the half year improved by 3% compared to the previous corresponding period on the back of a 5% improvement in average room rate. The weakness in the British Pound could provide a boost for inbound travel into United Kingdom, but at the same time adversely impact our hotel division's revenue growth and the carrying value of our hotel properties in USD terms. The Group will continue with its hotel refurbishment programme and expects to launch three refurbished hotels in the next year, and maintains a cautious outlook.

In the global oil market, oil prices have recovered from the lows of the previous financial year, and is moving range-bound. The price of oil will continue to impact the Group's oil and gas royalty revenues.

**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/recommendeded.

13. **If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions**

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**

31 Dec 2016

	Hotels US\$m	Oil and gas US\$m	Property devt US\$m	Gaming US\$m	Others US\$m	Total US\$m
Revenue	167.5	13.5	1.5	2.0	–	184.5
Cost of sales	(71.0)	–	(0.1)	(0.4)	–	(71.5)
<b>Gross profit</b>	<b>96.5</b>	<b>13.5</b>	<b>1.4</b>	<b>1.6</b>	<b>–</b>	<b>113.0</b>
Other operating income	0.2	–	*	*	–	0.2
Administrative expenses	(54.0)	(1.9)	(2.0)	(3.8)	(2.3)	(64.0)
Other operating expenses	(11.0)	–	–	–	*	(11.0)
<b>Operating profit / (loss)</b>	<b>31.7</b>	<b>11.6</b>	<b>(0.6)</b>	<b>(2.2)</b>	<b>(2.3)</b>	<b>38.2</b>
Finance income	0.3	–	–	–	0.1	0.4
Finance costs	(4.8)	–	–	(0.1)	(0.4)	(5.3)
Net financing costs	(4.5)	–	–	(0.1)	(0.3)	(4.9)
<b>Profit / (loss) before tax</b>	<b>27.2</b>	<b>11.6</b>	<b>(0.6)</b>	<b>(2.3)</b>	<b>(2.6)</b>	<b>33.3</b>
Income tax (expense) / benefit	(4.6)	(4.4)	0.2	–	–	(8.8)
<b>Profit / (loss) for the period</b>	<b>22.6</b>	<b>7.2</b>	<b>(0.4)</b>	<b>(2.3)</b>	<b>(2.6)</b>	<b>24.5</b>

31 Dec 2015

	Hotels US\$m	Oil and gas US\$m	Property devt US\$m	Gaming US\$m	Others US\$m	Total US\$m
Revenue	204.5	12.2	7.5	5.6	–	229.8
Cost of sales	(89.7)	–	(0.7)	(1.2)	–	(91.6)
<b>Gross profit</b>	<b>114.8</b>	<b>12.2</b>	<b>6.8</b>	<b>4.4</b>	<b>–</b>	<b>138.2</b>
Other operating income	13.0	–	0.2	–	–	13.2
Administrative expenses	(71.8)	(1.7)	(2.6)	(4.6)	(2.3)	(83.0)
<b>Operating profit / (loss)</b>	<b>56.0</b>	<b>10.5</b>	<b>4.4</b>	<b>(0.2)</b>	<b>(2.3)</b>	<b>68.4</b>
Finance income	0.5	–	–	–	0.4	0.9
Finance costs	(6.0)	–	*	(0.1)	*	(6.1)
Net financing costs	(5.5)	–	–	(0.1)	0.4	(5.2)
<b>Profit / (loss) before tax</b>	<b>50.5</b>	<b>10.5</b>	<b>4.4</b>	<b>(0.3)</b>	<b>(1.9)</b>	<b>63.2</b>
Income tax (expense) / benefit	(7.2)	(4.0)	(0.8)	0.1	(0.1)	(12.0)
<b>Profit / (loss) for the period</b>	<b>43.3</b>	<b>6.5</b>	<b>3.6</b>	<b>(0.2)</b>	<b>(2.0)</b>	<b>51.2</b>

\* Amount less than US\$0.1m

The following is the segmented results for each operating segment with comparative information for preceding year.

#### Hotels Segment

	1 Jul to 31 Dec 2016 US\$m	1 Jul to 31 Dec 2015 US\$m	Favourable / (unfavourable) variance %
Revenue	167.5	204.5	(18)
Cost of sales	(71.0)	(89.7)	21
<b>Gross profit</b>	<b>96.5</b>	<b>114.8</b>	<b>(16)</b>
Other operating income	0.2	13.0	(98)
Administrative expenses #	(42.9)	(59.0)	27
Other operating expense	(11.0)	–	N.M.
<b>Earnings before interest, tax, depreciation &amp; amortisation</b>	<b>42.8</b>	<b>68.8</b>	<b>(38)</b>
Depreciation and amortisation	(11.1)	(12.8)	13
Finance income	0.3	0.5	(40)
Finance costs	(4.8)	(6.0)	20
Net financing costs	(4.5)	(5.5)	18
<b>Profit before tax</b>	<b>27.2</b>	<b>50.5</b>	<b>(46)</b>
Income tax expenses	(4.6)	(7.2)	36
<b>Profit for the period</b>	<b>22.6</b>	<b>43.3</b>	<b>(48)</b>

#### Oil and Gas Segment

	1 Jul to 31 Dec 2016 US\$m	1 Jul to 31 Dec 2015 US\$m	Favourable / (unfavourable) variance %
Revenue	13.5	12.2	11
Cost of sales	–	–	N.M.
<b>Gross profit</b>	<b>13.5</b>	<b>12.2</b>	<b>11</b>
Administrative expenses #	(0.3)	(0.2)	(50)
Depreciation and amortisation	(1.6)	(1.5)	(7)
<b>Operating profit</b>	<b>11.6</b>	<b>10.5</b>	<b>10</b>
Finance income	–	–	N.M.
Finance costs	–	–	N.M.
Net financing costs	–	–	N.M.
<b>Profit before tax</b>	<b>11.6</b>	<b>10.5</b>	<b>10</b>
Income tax expenses	(4.4)	(4.0)	(10)
<b>Profit for the period</b>	<b>7.2</b>	<b>6.5</b>	<b>11</b>

# Excludes depreciation and amortisation

Note: N.M - not meaningful

**Property Development Segment**

	1 Jul to 31 Dec 2016 US\$m	1 Jul to 31 Dec 2015 US\$m	Favourable / (unfavourable) variance %
Revenue	1.5	7.5	(80)
Cost of sales	(0.1)	(0.7)	86
<b>Gross profit</b>	<b>1.4</b>	<b>6.8</b>	<b>(79)</b>
Other operating income	–	0.2	N.M.
Administrative expenses #	(1.9)	(2.5)	24
Depreciation and amortisation	(0.1)	(0.1)	N.M.
<b>Operating (loss) / profit</b>	<b>(0.6)</b>	<b>4.4</b>	<b>N.M.</b>
Finance income	–	–	N.M.
Finance costs	–	*	N.M.
Net financing costs	–	*	N.M.
<b>(Loss) / profit before tax</b>	<b>(0.6)</b>	<b>4.4</b>	<b>N.M.</b>
Income tax benefit/ (expenses)	0.2	(0.8)	N.M.
<b>(Loss) / profit for the period</b>	<b>(0.4)</b>	<b>3.6</b>	<b>N.M.</b>

**Gaming Segment**

	1 Jul to 31 Dec 2016 US\$m	1 Jul to 31 Dec 2015 US\$m	Favourable / (unfavourable) variance %
Revenue	2.0	5.6	(64)
Cost of sales	(0.4)	(1.2)	67
<b>Gross profit</b>	<b>1.6</b>	<b>4.4</b>	<b>(64)</b>
Administrative expenses #	(3.7)	(4.5)	18
Depreciation and amortisation	(0.1)	(0.1)	N.M.
<b>Operating loss</b>	<b>(2.2)</b>	<b>(0.2)</b>	<b>(1,000)</b>
Finance income	–	–	N.M.
Finance costs	(0.1)	(0.1)	N.M.
Net financing costs	(0.1)	(0.1)	N.M.
<b>Loss before tax</b>	<b>(2.3)</b>	<b>(0.3)</b>	<b>(667)</b>
Income tax benefit	–	0.1	N.M.
<b>Loss for the period</b>	<b>(2.3)</b>	<b>(0.2)</b>	<b>(1,050)</b>

# Excludes depreciation and amortisation

Note: N.M - not meaningful

\* Amount less than US\$0.1m

**15. 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 half year ended 31 December 2016 to be false or misleading in any material aspect.

**16. 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 January 2017**