

**Issuer:** GL Limited  
**Security:** GL Limited

**Meeting details:**

Date: 24 Oct 2016

Time: 11:00H

Venue: Orchard Hotel Singapore, Ballroom 3, Level 3, 442 Orchard Road, Singapore 238879

**Company Description:**

GuocoLeisure Limited operates as an investment company in Singapore. The company owns, leases, and manages a chain of hotels under the Guoman and Thistle brand names. It has 37 hotels in the United Kingdom and 2 hotels in Malaysia. GuocoLeisure also involves in casino betting activities through the operation of The Clermont Club in London, the United Kingdom. In addition, the company engages in the development of land and properties on Fijian and Hawaiian islands. Further, it has royalty interest in the oil and gas production from Bass Strait, Australia. The company was formerly known as BIL International Limited changed its name to GuocoLeisure Limited in October 2007. GuocoLeisure Limited was founded in 1961 and is based in Singapore.

(Note: The company changed its name to GL Limited in October 2015.)

(Source: [http://sgx.com/wps/portal/sgxweb/home/company\\_disclosure/stockfacts?code=B16](http://sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=B16))

1. GL's core hospitality business (under GLH Hotels Limited ("GLH")) is by far the largest and most important segment in the group. In the Chairman's statement (page 14 of the annual report), it was disclosed that the existing Cumberland Hotel will be converted into a 900 room Hard Rock Hotel London and that the London hotel market is expected to grow at a modest rate, even with the uncertainty around "Brexit". Although the annual report has pictures of the hotels owned/operated by the group, actual details on the hotels were not disclosed. **Could management provide shareholders with the relevant basic information such as the names and locations of the 16 hotels, ownership status, lease details, size (by number of keys), aggregate occupancy rates, revenue per available room (RevPAR) etc?** Based on the segment reporting (page 57 of the annual report), the hotels segment improved its operating profit to US\$68.6 million in 2016 (vs US\$62.5 million in 2015) mainly due to a steep drop in finance costs and the receipt of a termination fee from hotel management contract. **Can management provide further elaboration on:**

- (i) **the London hotel market following the "Brexit" referendum;**
- (ii) **the drop in finance costs; and**
- (iii) **the termination fee from hotel management contract of US\$12.5 million?**

2. In November 2015, the company announced that GLH was in discussion with potential buyers over the sale of GLH's shares in GLH KG Limited and Kensington Gardens Hotel (London) Limited, which respectively own and operate the Thistle Kensington Gardens Hotel. Subsequently, in February 2016, the company further announced that GLH has decided not to continue with the sale. **Could the board help shareholders understand why GLH entered into a sale discussion of Thistle Kensington Gardens hotel but eventually pulled out of the talk? At the strategic level, what is the group's business strategy regarding its portfolio of prime London hotel assets? Has the board considered how the assets could be monetised to generate shareholder value? Could the board give shareholders an idea of the fair/market value of the hotels in the existing portfolio?**

3. Can the board give shareholders an update on the following?

- (i) **Chief Executive Officer:** Mr Michael DeNoma resigned as the Chief Executive Officer ("CEO") and a Director of the Company on 1 July 2016. In the past couple of years, the hotel operations have been re-energised and guests' satisfaction improved significantly. **What is the progress made in finding a replacement for the CEO?**
- (ii) **Clermont Leisure:** At the then-GuocoLeisure Investor Relation Presentation in June 2015, the group was reviewing the status of The Clermont Club ("TCC"). Notwithstanding significant progress being made in FY2016 in expanding its player base, the Gaming segment is still loss-making. **Is TCC still considered a strategic pillar of the group?**
- (iii) **Property development:** **Could management provide shareholders with an update on progress of the development plans for the 55,575 acres land parcel on Molokai island in Hawaii? Following the sale of the development properties on the Denarau Island Resort and Port Denarau Retail Commercial Centre in Fiji (page 66), does the group still have any assets or interests in Fiji?**