

HL GLOBAL ENTERPRISES LIMITED

(Company Registration Number: 196100131N)

(Incorporated in the Republic of Singapore)

QUARTERLY UPDATE PURSUANT TO RULE 1313 (2) OF THE SGX-ST LISTING MANUAL

1. BACKGROUND

HL Global Enterprises Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed on the Watch-List pursuant to Rule 1311 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 4 June 2014.

Pursuant to Rule 1313 (2) of the Listing Manual of the SGX-ST, the Board of Directors (“**Board**”) of the Company wishes to provide the following updates on the Group’s financial situation, including its future direction or other material development that may impact its financial position.

2. UPDATE ON FINANCIAL POSITION

The Group achieved a higher revenue of \$9.6 million for the 9 months ended 30 September (“**YTD 3Q**”) 2015 compared to \$6.5 million for YTD 3Q 2014. The increase was primarily due to the full 9-month revenue contribution from Augustland Hotel Sdn Bhd (“**AHSB**”) for YTD 3Q 2015 arising from the consolidation of the financial results of AHSB which became the Group’s wholly-owned subsidiary in July 2014.

As a result of the higher revenue, the Group posted an operating profit of \$0.9 million before the share of results of associate and joint ventures, other income and finance costs for YTD 3Q 2015 against \$0.4 million for the previous corresponding period.

Share of net loss after tax in associate and joint ventures for YTD 3Q 2015 increased to \$1.9 million from \$1 million for YTD 3Q 2014, mainly due to the highly competitive hospitality market and the consequent slowdown of CHQ’s business.

The net loss attributable to shareholders of the Company was \$2.3 million for YTD 3Q 2015 compared to a net profit of \$4.4 million for the same period a year ago which included the one-off gain of \$6.2 million from the acquisition of AHSB.

For full details on the results and financial position of the Group, please refer to the Company’s results announcement for the financial period ended 30 September 2015 released on 4 November 2015.

3. UPDATE ON FUTURE DIRECTION

The Group will continue to contain costs and increase productivity where possible.

The Company is aware of the deadline given by SGX-ST for its removal from the Watch-List. The Company has been actively looking for potential opportunities to improve the financial position of the Group, in order to meet the requirements of Rule 1314 of the SGX-ST Listing Manual for the removal of the Company from the Watch-List.

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne

Company Secretary

Singapore

4 November 2015