HL GLOBAL ENTERPRISES LIMITED (Co. Reg. No. 196100131N)

UPDATE ON THE GROUP'S OPERATIONS IN RELATION TO COVID-19 AND PROFIT WARNING FOR THE FIRST HALF OF 2020

The Board of Directors (the "**Board**") of HL Global Enterprises Limited (the "**Company**" and its subsidiaries, collectively the "**Group**") wishes to provide an update on the impact of the COVID-19 pandemic on the Group's operations.

The Group's main hospitality business in Cameron Highlands, the Copthorne Hotel Cameron Highlands ("**CHCH**"), has temporarily stopped operations since 18 March 2020 due to the implementation of the Movement Control Order ("**MCO**") by the Malaysian Government. The MCO has currently been extended to 12 May 2020. Although restrictions imposed under the MCO have just been relaxed, the operations at CHCH are not expected to return to normalcy anytime soon as travel restrictions and border controls remain in place and precautionary measures have still to be observed. Apart from subsidies that are being provided by the Malaysian Government and in which CHCH can avail of arising from the COVID-19 situation, CHCH has also taken steps to reduce operating costs, especially in areas of energy consumption and the suspension of guest broadband and satellite television services during the MCO period.

In view of the disruption of operations at CHCH, the Group is expected to report a net loss for the six months ending 30 June 2020 ("**1H 2020**") as compared to a net profit for 1H 2019. Depending on the further measures, if any, which may be implemented by the Malaysian Government to flatten the infection curve, the Company is unable at this point to provide any accurate estimate of the loss but does not expect the impact on cash and shareholders' equity to be material.

As announced in February 2020, the Group will continue with its plans to renovate CHCH to make it more comfortable for its guests, and to proceed with the development of the 40-unit high-rise apartment building and to undertake major refurbishment of the old commercial complex into additional hotel and function rooms in Cameron Highlands.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company and should consult their stockholders, bank managers, solicitors, accountants or other professional advisers if in doubt.

BY ORDER OF THE BOARD

Foo Yang Hym
Chief Financial Officer

Date: 5 May 2020