HL GLOBAL ENTERPRISES LIMITED

(Company Registration No. 196100131N)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

CONSOLIDATION OF EVERY TEN (10) EXISTING ISSUED ORDINARY SHARES INTO ONE (1) CONSOLIDATED SHARE
- ADJUSTMENTS TO THE NON-REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES

1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of HL Global Enterprises Limited (the "**Company**") refers to (a) the circular to shareholders of the Company ("**Shareholders**") dated 27 March 2015 (the "**Circular**") in relation to the proposed share consolidation of every ten (10) existing issued ordinary shares in the share capital of the Company (the "**Shares**") registered in the name, or standing to the credit of the Securities Account, of each Shareholder (as the case may be) into one (1) consolidated share (the "**Consolidated Share**"), fractional entitlements to be disregarded (the "**Share Consolidation**"); and (b) the announcement dated 14 May 2015 stating that the Share Consolidation has been completed and became effective as at 9.00 a.m. on 14 May 2015.

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Circular.

2. ADJUSTMENTS TO THE NON-REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES

As at the date of this Announcement, there are 158,394 outstanding non-redeemable convertible cumulative preference shares in the share capital of the Company ("**NCCPS**"). Pursuant to Article 8C(1)(k) of the Articles of Association of the Company (the "**Articles**"), holders of NCCPS ("**NCCPS Holders**") are entitled to convert all or any of their NCCPS into Shares at the conversion ratio of one (1) new Share for every one (1) NCCPS to be converted (subject to adjustment in certain circumstances in accordance with Article 8C(1)(l) of the Articles) (the "**NCCPS Conversion Ratio**").

<u>Adjustment to the NCCPS Conversion Ratio</u>

Pursuant to Article 8C(1)(l) of the Articles, the Directors may, in their absolute discretion and after consultation with a reputable bank or merchant bank, adjust the NCCPS Conversion Ratio if there shall be an alteration to the total number of Shares in issue as a result of a consolidation. In such an event, the number of new Shares into which the NCCPS are to be converted on any subsequent conversion of the NCCPS may be reduced accordingly, and such reduction shall become effective immediately after the alteration takes effect.

Accordingly, the Board wishes to announce that as a consequence of the completion of the Share Consolidation and after consultation with DBS Bank Ltd., pursuant to Article 8C(1)(l) of the Articles,

the NCCPS Conversion Ratio is adjusted such that NCCPS Holders shall be entitled to convert all or any of their NCCPS into Consolidated Shares at the conversion ratio of one (1) new Consolidated Share for every ten (10) NCCPS to be converted (subject to adjustment in certain circumstances in accordance with Article 8C(1)(l) of the Articles), or such other ratio as may be prescribed by the Directors for a new issue of NCCPS (the "**NCCPS Conversion Ratio Adjustment**"), with effect from 9.00 a.m. on 14 May 2015. Other than the NCCPS Conversion Ratio Adjustment, the terms and conditions of the NCCPS remain the same.

NCCPS Holders should note that pursuant to Article 8C(1)(k)(iv) of the Articles, if there shall be fractions of Consolidated Shares into which the relevant NCCPS held by them are converted (however converted), they shall not be entitled to such fractions of Consolidated Shares, which shall be disregarded. For the purposes of implementing the provisions of Article 8C(1)(k)(iv) of the Articles, the Directors may appoint any person to execute transfers or renunciations on behalf of persons otherwise entitled to any such fractions and generally may make all arrangements which may appear to the Directors necessary or appropriate for the disposal of fractional entitlements.

Further details on the NCCPS Conversion Ratio Adjustment are contained in the notice dated 14 May 2015 from the Company to the NCCPS Holders, a copy of which is attached to this Announcement.

BY ORDER OF THE BOARD

Aw Siew Yen, Patricia
Yeo Swee Gim, Joanne
Company Secretaries

14 May 2015