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

FURTHER UPDATE ON THE GROUP'S OPERATIONS AT COPTHORNE HOTEL CAMERON HIGHLANDS AS AT 25 JUNE 2020

The Board of Directors (the "**Board**") of HL Global Enterprises Limited (the "**Company**" and its subsidiaries, collectively the "**Group**") refers to the Company's announcement on 5 May 2020 ("**5 May Announcement**") which had provided an update of the Group's operations at Copthorne Hotel Cameron Highlands ("**CHCH**") in the midst of the COVID-19 pandemic and wishes to provide a further update on the same.

In the 5 May Announcement, the Company informed that CHCH, the Group's main hospitality business in Cameron Highlands, had temporarily stopped operations since 18 March 2020 due to the implementation of the Movement Control Order ("**MCO**") by the Malaysian Government. The Company also informed that the operations at CHCH were not expected to return to normalcy anytime soon and with disruption of operations at CHCH, the Group is expected to report a net loss for the six months ending 30 June ("**1H**") 2020 as compared to a net profit for 1H 2019.

The MCO period was subsequently extended by the Conditional Movement Control Order ("**CMCO**") which ended on 9 June 2020. Following this, the Malaysia Prime Minister announced that, from 10 June 2020 to 31 August 2020, the CMCO would be extended under the Recovery Movement Control Order **(**"**RMCO**"**).**

Under the RMCO, interstate travel is allowed but international borders remain shut. CHCH has since resumed its operations and started to receive guests from 10 June 2020. The occupancy level at CHCH has however not returned to pre-COVID-19 level given that people are more concerned over their job security and income, and travelling is still considered a non-essential activity for the time being.

In the meantime, CHCH has taken steps to reduce operating costs, especially in areas of energy consumption and staff costs, the latter through termination of foreign workers' contracts and instructing employees to multi-task where possible.

As previously announced, 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.

BY ORDER OF THE BOARD

Foo Yang Hym
Chief Financial Officer

Date: 25 June 2020