

# HL GLOBAL ENTERPRISES LIMITED

(Company Registration Number: 196100131N)  
(Incorporated in the Republic of Singapore)

## RESPONSE TO QUERY RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED REGARDING THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Board of Directors (the "**Board**") of HL Global Enterprises Limited (the "**Company**") wishes to state the following in response to the query raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 14 April 2023 regarding the Company's Annual Report for the financial year ended 31 December ("**FY**") 2022.

### SGX-ST's Query :

*On page 32, the Company disclosed that "for FY 2022, there were no interested person transactions which require disclosure in this AR under Rule 907 of the Listing Manual".*

*Please reconcile the statement mentioned above with Note 27, which pertains to related party transactions on page 135. The note indicates the sale and purchase of goods and services with related companies amounting to SGD 310k. Please provide an explanation as to why these amounts were not reported as interested person transactions.*

### Company's Response:

Details of Note 27 relating to Related Party Transactions ("**Note 27**") on page 135 of the Annual Report ("**AR**") FY 2022, are set out below:

	Group	
	2022	2021
	\$'000	\$'000
Expenses paid/payable to related companies:		
Rental	(34)	(37)
Secretarial/consultancy fees	(74)	(75)
Insurance and information technology services	(29)	(25)
Franchise and sales and marketing and reservation fees	(173)	(19)
	<u>(310)</u>	<u>(156)</u>

The Company had, on page 29 of its AR FY 2018, disclosed the particulars of interested person transactions conducted in FY 2018 which included the estimated amount of fees based on the renewal of licence (including sales and marketing) and reservation arrangements for the period from 1 January 2019 to 31 December 2023 ("**FY 2018 IPT**") in compliance with Rule 907 of the Listing Manual of SGX-ST, an extract of the said disclosure is appended below:

Name of Interested Person	Aggregate value of all interested person transactions in FY 2018 (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (\$'000)	Aggregate value of all interested person transactions conducted in FY 2018 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (\$'000)
Millennium & Copthorne Hotels plc group of companies  - Renewal of licence (including sales and marketing) and reservation arrangements for the operation of Copthorne Hotel Cameron Highlands	610 <sup>2</sup>	Not applicable <sup>1</sup>

Notes:

1. The Company has not sought any shareholders' mandate for interested person transactions pursuant to Rule 920.
2. Estimated amount of fees based on the renewal of licence (including sales and marketing) and reservation arrangements for the period from 1 January 2019 to 31 December 2023 which fees are to be determined and payable in arrears.

In accordance with the FY 2018 IPT, the Company had been disclosing in its subsequent ARs, the amount of franchise and sales and marketing and reservation fees incurred under the renewal of licence conducted in FY 2018. For the period from 1 January 2019 to 31 December 2022, the aggregate amount incurred was \$347,000, details of which reported in the ARs for FY 2019 to FY 2022 are as follows:

	<u>\$'000</u>
AR FY 2019, page 124	(73)
AR FY 2020, page 128	(82)
AR FY 2021, page 132	(19)
AR FY 2022, page 135	<u>(173)</u>
	<u>(347)</u>

The Company will also be disclosing in its AR FY 2023, the amount incurs in FY 2023 in respect of the FY 2018 IPT, which is for the period until 31 December 2023.

The other three expenses under Note 27, namely (i) rental; (ii) secretarial/consultancy fees; and (iii) insurance and information technology services, were transacted with different related parties and had not been disclosed under Rule 907 of SGX-ST's Listing Manual given that the value of each transaction was less than \$100,000.

BY ORDER OF THE BOARD

Foo Yang Hym  
Chief Financial Officer/  
Company secretary

Singapore  
18 April 2023