

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 \$2.7 million for the 3 months ended 31 March (“1Q”) 2015 compared to \$1.4 million for 1Q 2014. The increase was mainly due to the consolidation of the financial results of Augustland Hotel Sdn Bhd which became the Group’s wholly-owned subsidiary in July 2014.

For the quarter under review, the Group registered an operating loss of \$170,000 before the share of results of joint ventures, other income and finance costs versus an operating loss of \$92,000 in 1Q 2014. This was due to the weak hospitality markets in Shanghai and Cameron Highlands, no sale of apartment unit at Cameron Highlands and corporate expenditure incurred in 1Q 2015. The Group shared a net loss after tax of \$0.96 million from joint ventures for 1Q 2015, primarily due to the highly competitive hospitality market in Qingdao which impacted the performance of Copthorne Hotel Qingdao.

The net loss attributable to shareholders of the Company was \$1.3 million for 1Q 2015 compared to a loss of \$1.6 million for 1Q 2014.

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 31 March 2015 released on 21 April 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, and will endeavor 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

Aw Siew Yen, Patricia

Yeo Swee Gim, Joanne

Company Secretaries

Singapore

21 April 2015