

HL GLOBAL ENTERPRISES LIMITED

(Co. Reg. No. 196100131N)

(Incorporated in the Republic of Singapore)

UPDATE ON THE GROUP'S OPERATIONS IN RELATION TO COVID-19 AND PROFIT WARNING FOR THE FIRST HALF OF 2021

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 COVID-19 pandemic has continued to disrupt the operations of the Group's main hospitality business, Copthorne Hotel Cameron Highlands (“**CHCH**”). CHCH is located in Cameron Highlands, Pahang.

In view of the surge in COVID-19 cases, the Malaysia Government had reinstated the Movement Control Order (“**MCO**”) in most of the states of Malaysia from 13 January 2021 to 18 February 2021. On 16 February 2021, the Government extended the MCO in some of the states and certain states including Pahang were transitioned back into the Conditional MCO (“**CMCO**”). From 5 March 2021, the Government re-introduced the Recovery MCO (“**RMCO**”) to certain states including Pahang. To stem the rising number of COVID-19 cases which threaten to overwhelm the country's healthcare system, the Government has re-imposed a nationwide MCO from 12 May 2021 to 7 June 2021.

CHCH's operations had been adversely affected during the MCO and CMCO periods as inter-state and inter-district travels were not allowed. Notwithstanding that inter-district travel was permitted during the RMCO, there had not been much improvement to CHCH's business as it could only receive guests from Pahang state.

As the duration of the movement restrictions during the first five months in 2021 was longer than the corresponding period in 2020, the Group is expected to report a higher net loss for the six months ending 30 June 2021 (“**1H 2021**”) compared to a net loss of \$698,000 recorded for 1H 2020. Depending on further measures, if any, which may be implemented by the Malaysia Government to curb the COVID-19 infections, the Company is unable at this point to provide any accurate estimate of the net loss for 1H 2021 but does not expect the impact on cash and shareholders' equity to be material.

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 /
Company Secretary

21 May 2021
Singapore