



## HATTEN LAND LIMITED

(formerly known as VGO Corporation Limited)  
 (Company Registration No: 199301388D)  
 (Incorporated in the Republic of Singapore)

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### Unaudited Financial Statements Announcement For First Quarter Ended 30 September 2018

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#### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Notes	Group 3 months ended		%
		30/9/2018	30/9/2017	
		RM'000	RM'000	Change
Revenue	8a	51,183	56,479	(9.4)
Cost of sales		(41,132)	(35,603)	15.5
<b>Gross profit</b>	8b	<b>10,051</b>	<b>20,876</b>	(51.9)
Other income/gains	8c	11,506	4,227	N/M
<b>Other items of expense</b>				
Selling and distribution expenses	8d	(9,179)	(11,572)	(20.7)
General and administrative expenses	8e	(7,911)	(9,010)	(12.2)
Finance costs	8f	(3,157)	(87)	N/M
<b>Profit before tax</b>		<b>1,310</b>	<b>4,434</b>	(70.5)
Income tax expense	8g	(906)	(1,463)	(38.1)
<b>Profit after tax</b>	8h	<b>404</b>	<b>2,971</b>	(86.4)
<b>Other comprehensive income:</b>				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation		-	(357)	N/M
<b>Total comprehensive income</b>		<b>404</b>	<b>2,614</b>	(84.5)
<b>Profit for the period attributable to:</b>				
Owners of the Company		404	2,971	(86.4)
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the Company		404	2,614	(84.5)

N/M - Not Meaningful

## 1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Group		
	30/9/2018	30/9/2017	%
	RM'000	RM'000	Change
Profit for the period is arrived at after charging/(crediting):			
Depreciation of property, plant and equipment	867	781	11.0
Gain on disposal of property, plant and equipment	(77)	-	N/M
Interest expense	3,157	87	N/M
Interest income	(422)	(2,122)	(80.1)

**1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Note	<u>Group</u>		<u>Company</u>	
		30/9/2018	30/6/2018	30/9/2018	30/6/2018
		RM'000	RM'000	RM'000	RM'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	8i	162,663	155,580	-	-
Deposit		597	587	-	-
Investment in subsidiaries		-	-	1,203,315	1,203,315
Deferred tax assets		77,008	76,329	-	-
		<u>240,268</u>	<u>232,496</u>	<u>1,203,315</u>	<u>1,203,315</u>
<b>Current assets</b>					
Development properties	8j	616,833	603,996	-	-
Trade and other receivables	8k	531,605	519,683	268,268	250,574
Other current assets		50,356	51,393	-	-
Cash and bank balances		44,285	59,475	8,321	12,686
		<u>1,243,079</u>	<u>1,234,547</u>	<u>276,589</u>	<u>263,260</u>
<b>Total assets</b>		<u>1,483,347</u>	<u>1,467,043</u>	<u>1,479,904</u>	<u>1,466,575</u>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Loans and borrowings	8l	248,799	245,177	-	-
Income tax payable	8m	34,118	39,428	-	-
Trade and other payables	8n	562,622	513,577	1,147	985
Other liabilities		1,407	561	-	-
		<u>846,946</u>	<u>798,743</u>	<u>1,147</u>	<u>985</u>
<b>Net current assets</b>		396,133	435,804	275,442	262,275
<b>Non-current liabilities</b>					
Loans and borrowings	8l	241,645	262,633	185,504	174,274
Other payables	8n	164,186	175,501	-	-
		<u>405,831</u>	<u>438,134</u>	<u>185,504</u>	<u>174,274</u>
<b>Total liabilities</b>		<u>1,252,777</u>	<u>1,236,877</u>	<u>186,651</u>	<u>175,259</u>
<b>Net assets</b>		<u>230,570</u>	<u>230,166</u>	<u>1,293,253</u>	<u>1,291,316</u>
<b>Equity</b>					
Share capital		252,719	252,719	1,285,223	1,285,223
Retained earnings		32,678	32,274	8,030	6,093
Translation reserve		-	-	-	-
Merger reserve		(54,827)	(54,827)	-	-
<b>Total equity</b>		<u>230,570</u>	<u>230,166</u>	<u>1,293,253</u>	<u>1,291,316</u>
<b>Total equity and liabilities</b>		<u>1,483,347</u>	<u>1,467,043</u>	<u>1,479,904</u>	<u>1,466,575</u>

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

<b>As at 30/09/2018</b>		<b>As at 30/06/2018</b>	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
248,799	-	245,177	-

**Amount repayable after one year**

<b>As at 30/09/2018</b>		<b>As at 30/06/2018</b>	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
241,645	-	262,633	-

The Group's loans and borrowings include obligations under finance leases and bank borrowings, guaranteed secured bonds, convertible loan and the medium-term notes issued.

**Details of collaterals**

The loans and borrowings are secured by the following: -

1. Joint and several guarantee by directors of the borrowing entities.
2. Legal charge over the project land under development, fixed and floating charges over all assets of the project of the borrowing entities.
3. Pledge of 400 million shares of the Company provided by Hatten Holdings Pte Ltd.
4. Third party first legal assignment over certain property assets owned by related parties of the borrowing entities.
5. Debenture over fixed and floating present and future assets of the borrowing entities.
6. Legal assignment over designated bank account and monies and legal assignment of sales proceeds from the sale of project units of the borrowing entities in favour of the lender.
7. Corporate guarantee by a related party of the borrowing entities and deed of subordination of advances due to shareholders and directors.
8. Pledge of fixed deposits with licensed banks.
9. Debenture over the 44 units of luxury residences service apartments and 11 units of penthouse suites from the development of borrowing entity.
10. Personal guarantee by a director of the Company.
11. Land charge for assets owned by related parties of the borrowing entity.

1(c) **A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>30/9/2018</b>	<b>30/9/2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	1,310	4,434
Adjustments for:		
Depreciation of property, plant and equipment	867	781
Gain on disposal of property, plant and equipment	(77)	-
Interest income	(422)	(2,122)
Interest expense	3,157	87
Unrealised foreign exchange loss	4,089	17
<b>Operating cash flows before working capital changes</b>	<b>8,924</b>	<b>3,197</b>
Decrease/(increase) in:		
Development properties	(12,837)	(23,603)
Trade and other receivables	(11,922)	(6,510)
Other current assets	1,037	(2,212)
Increase/(decrease) in:		
Trade and other payables	37,730	28,017
Other liabilities	846	(674)
<b>Cash flow from/(used in) operations</b>	<b>23,778</b>	<b>(1,785)</b>
Interest paid	(3,157)	(87)
Interest received	422	2,122
Income tax paid	(6,893)	(9,685)
<b>Net cash flows from/(used in) operating activities</b>	<b>14,149</b>	<b>(9,435)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	715	-
Additions to property, plant and equipment	(7,792)	(5,974)
<b>Net cash flows used in investing activities</b>	<b>(7,077)</b>	<b>(5,974)</b>
<b>Cash flows from financing activities</b>		
Proceeds from term loans	-	15,791
Proceeds from issuance of medium-term notes	-	25,000
Repayment of obligations under finance leases	(1,293)	(460)
Repayment of loan and borrowings	(21,122)	(45,982)
<b>Net cash flows used in financing activities</b>	<b>(22,415)</b>	<b>(5,651)</b>
<b>Net change in cash and cash equivalents</b>	<b>(15,342)</b>	<b>(21,060)</b>
Cash and cash equivalents at the beginning of the period	56,091	81,468
Effects of exchange rate changes on cash and cash equivalents	152	(357)
<b>Cash and cash equivalents at the end of the period</b>	<b>40,901</b>	<b>60,051</b>
Cash and bank balances	44,285	62,208
Less: Pledged fixed deposit	(3,384)	(2,157)
Cash and cash equivalents as per above	<b>40,901</b>	<b>60,051</b>

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the Company				
	Share capital	Retained earnings	Translation reserve	Merger reserve	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>					
<b>Balance as at 1 July 2018</b>	252,719	32,274	-	(54,827)	230,166
Total comprehensive income for the period	-	404	-	-	404
<b>Balance as at 30 September 2018</b>	<b>252,719</b>	<b>32,678</b>	<b>-</b>	<b>(54,827)</b>	<b>230,570</b>
<b>Balance as at 1 July 2017</b>	250,874	31,244	119	(54,827)	227,410
Total comprehensive income for the period	-	2,971	(357)	-	2,614
<b>Balance as at 30 September 2017</b>	<b>250,874</b>	<b>34,215</b>	<b>(238)</b>	<b>(54,827)</b>	<b>230,024</b>
<b>Company</b>					
	Share capital	Retained earnings	Total equity		
	RM'000	RM'000	RM'000		
<b>Balance as at 1 July 2018</b>	1,285,223	6,093	1,291,316		
Total comprehensive profit for the period	-	1,937	1,937		
<b>Balance as at 30 September 2018</b>	<b>1,285,223</b>	<b>8,030</b>	<b>1,293,253</b>		
<b>Balance as at 1 July 2017</b>	1,283,378	5,793	1,289,171		
Total comprehensive loss for the period	-	(287)	(287)		
<b>Balance as at 30 September 2017</b>	<b>1,283,378</b>	<b>5,506</b>	<b>1,288,884</b>		

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<b>Number of issued shares</b>	<b>Share capital RM</b>
Balance as at 30 June 2018	1,378,096,353	252,718,519
<b>Balance as at 30 September 2018</b>	<b>1,378,096,353</b>	<b>252,718,519</b>

As at 30 September 2018, the Company had a convertible loan due of an aggregate amount of US\$20,000,000, which may be converted into approximately 77,142,857 new fully paid ordinary shares of the Company based on a fixed conversion price of S\$0.35 per share (assuming an exchange rate of US\$1: S\$1.35). The conversion right will expire on 10 October 2019. The Company did not have any outstanding convertibles as at 30 September 2017.

The Company did not have any treasury shares and subsidiary holdings as at 30 September 2018 and 30 September 2017.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>As at 30/9/2018</b>	<b>As at 30/6/2018</b>
Total number of issued shares	1,378,096,353	1,378,096,353

The Company did not have any treasury shares as at 30 September 2018 and 30 June 2018.

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those of the audited financial statements for the financial year ended 30 June 2018.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

The accounting policies adopted are consistent with those the previous financial year except in the current financial year, the Group has adopted all new and revised standards which are effective for annual financial periods beginning on or after 1 July 2018. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group 3 months ended	
	30/9/2018	30/9/2017
Profit attributable to owners of the Company (RM'000)	404	2,971
Weighted average number of ordinary shares in issue	1,378,096,353	1,375,178,701
Basic and fully diluted earnings per share ("EPS") (RM'cents)	0.03	0.22

**Note:**

The diluted EPS for the period ended 30 September 2018 were the same as the basic EPS assuming that no potential ordinary shares are to be issued under convertible loan due to the conversion price or exercise price being higher than the prevailing market price as at 30 September 2018. There were no potentially dilutive ordinary shares in issue as at 30 September 2017.

7. **Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	30/9/2018	30/6/2018	30/9/2018	30/6/2018
Net asset value (RM'000)	230,570	230,166	1,293,253	1,291,316
Number of ordinary shares in issue	1,378,096,353	1,378,096,353	1,378,096,353	1,378,096,353
Net asset value per ordinary share (RM'cents)	16.73	16.70	93.84	93.70

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**  
**(i) any significant factors that affected the revenue, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**(ii) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

**Consolidated Statement of Comprehensive Income**

**Review of Group performance for the first quarter ended 30 September 2018 ("1Q FY2019") as compared to the first quarter ended 30 September 2017 ("1Q FY2018")**

- (a) The Group recorded revenue of RM51.2 million for 1Q FY2019, which was RM5.3 million or 9.4% lower than 1Q FY2018. The decreased in revenue was mainly attributed to lower level of sales achieved for Hatten City Phase 1, Vedro by the River, and Hatten City Phase 2. The decline in revenue was partially offset by the higher revenue recorded from Harbour City and Satori projects.
- (b) The Group recorded gross profit of RM10.1 million for 1Q FY2019, which was RM10.8 million or 51.9% lower than 1Q FY2018. This was mainly due to higher discount and promotional rebates to



purchasers Hatten City Phase 1 and Hatten City Phase 2 projects and additional borrowing costs included in the cost of sales arising from the financing facilities made available to the Group since October 2017 for Hatten City Phase 2.

- (c) Other income/gains increased by RM7.3 million mainly due to a non-recurring backcharged of expenses to third party property management office and additional rental income from Hatten Place and Elements Mall under Hatten City Phase 1. The increase was partially offset by lower interest income from late payment interest charged to purchasers.
- (d) Selling and distribution expenses decreased by RM2.4 million mainly due to lower agent commission for Hatten City Phase 2 project in 1Q FY2019 which was in line with the decrease in revenue from the project. The decrease was partially offset by higher sales activities and marketing campaigns for Harbour City and Satori projects.
- (e) General and administrative expenses decreased by RM1.1 million mainly due to lower professional fees and consultation fees.
- (f) Finance costs increased by RM3.1 million were in line with the new financing facilities made available to the Group since October 2017.
- (g) Income tax expense decreased by RM0.6 million in 1Q FY2019 from RM1.5 million in 1Q FY2018 mainly due to lower taxable profits.
- (h) As a result of the above, the Group recorded a profit after tax of RM0.4 million in 1Q FY2019 as compared to a profit after tax of RM3.0 million in 1Q FY2018.

### **Consolidated Statement of Financial Position**

#### **Review for the financial position of the Group as at 30 September 2018 as compared to 30 June 2018**

- (i) Property, plant and equipment increased by RM7.1 million or 4.6% to RM162.7 million as at 30 September 2018 compared to RM155.6 million as at 30 June 2018 mainly due to the additional construction work in progress for car park and theme park for Harbour City and Hatten City Phase 2 projects.
- (j) Development properties increased by RM12.8 million or 2.1% to RM616.8 million as at 30 September 2018 from RM604.0 million as at 30 June 2018 due to the capitalisation of development costs and construction services fees incurred for the current on-going construction for Harbour City and Satori Projects during the financial period.
- (k) Trade and other receivables increased by RM11.9 million or 2.3% to RM531.6 million as at 30 September 2018 from RM519.7 million as at 30 June 2018 mainly due to progress billings from Harbour City and Hatten City Phase 2 projects.
- (l) Loans and borrowings (current and non-current) decreased by RM17.4 million or 3.4% to RM490.4 million as at 30 September 2018 from RM507.8 million as at 30 June 2018 mainly due to repayment during the financial period.
- (m) Income tax payable decreased by RM5.3 million as at 30 September 2018 mainly due to progressive payment of income tax and lower provision for income tax during the financial period.
- (n) Trade and other payables (current and non-current) increased by RM37.7 million or 5.5% to RM726.8 million as at 30 September from RM689.1 million as at 30 June 2018 mainly due to increase in progress billings for Harbour City and Satori projects.

### **Consolidated Statement of Cash Flows**

#### **Review of Statement of Cash Flows for 30 September 2018 as compared to 30 September 2017**

The Group reported net cash flows from operating activities of RM14.1 million mainly due to an increase in trade and other payables, and partially offset by decrease in development properties and trade and other receivables.

The Group recorded net cash flows used in investing activities of RM7.1 million mainly due to additional construction work in progress for car park and theme park for ongoing projects.

The Group recorded net cash flows used in financing activities of RM22.4 million mainly due to repayment of loan and borrowings and finance lease liabilities.

As a result of the above, the Group's cash and cash equivalents decreased to RM40.9 million as at 30 September 2018 as compared to RM60.1 million as at 30 September 2017.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. The Group has not previously disclosed any forecast or prospect statements to its shareholders.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

Research by Knight Frank Malaysia indicates that the Malaysian property market is showing signs of improvement and that the positive sentiment may spill over into 2019, underpinned by steady economic growth of 5.4% in first quarter of 2018, supported by the services and manufacturing sectors. As a whole of 2018, GDP is expected to range from 5.5% to 6.0%<sup>1</sup>. In additions, the newly elected Federal Government rolls out new policies, investment activities are expected to pick up gradually, which will stimulate further improvement of the property market in Malaysia. This, together with Melaka's status as a favourite destination for historical and medical/wellness tourism, will expected to underpin the demand for the Group's projects.

Riding on the expected improvement of the property market in Malaysia, we will focus our efforts on the soft launch of the Cyberjaya project by the fourth quarter of financial year ending 30 June 2019 ("FY2019"), subject to obtaining the relevant regulatory approvals. This together with the recently completed acquisition of Velvet Valley Sdn Bhd, the Group has now expanded beyond Melaka into the neighbouring states of Negeri Sembilan and Selangor .

As at 30 September 2018, the Group has unbilled sales of development properties amounting to approximately RM824.3 million. With the expected completion of Hatten City Phase 2 by December 2018, some of unbilled sales are expected to be converted into billings for the project.

We are also in the final preparation stage for the launch of StayCay – Southeast Asia's first proptech blockchain platform for hotels – to go live by December 2018. This is in line with the new Melaka government's vision to transform Melaka into a modern Smart City as well as tapping on the tourist arrivals of close to 17.8 million in Melaka<sup>2</sup>.

The Group will continue to pursue value-accretive growth opportunities to enhance shareholders' value and barring any unforeseen circumstances, we are cautiously optimistic about the Group's outlook and financial performance for FY2019.

Note:

1. Source: Knight Frank Research
2. Source: The StarOnline

**11. Dividend**

**If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) dividend has been declared (recommended); and**

No.

**(b) Amount per share (cents) and previous corresponding period (cents).**

No dividend has been declared for 1Q FY019.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

12. **If no dividend has been declared/recommended, a statement to that effect.**

Not applicable. No dividend has been declared/recommended for 1Q FY2019.

13. **If the Group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company had obtained a general mandate from its shareholders for IPTs at an annual general meeting of the Company held on 25 October 2018. For details, please refer to the Company’s Appendix to the Annual Report 2018. Save as disclosed below, there were no IPTs that exceeded S\$100,000 during the first quarter ended 30 September 2018.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	Group RM'000	Group RM'000
Hatten Properties Sdn. Bhd. <sup>1</sup>	-	2,101
Montane Construction Sdn. Bhd. <sup>2</sup>	-	16,537
Hatten Place Sdn Bhd <sup>3</sup>	-	1,868

Note:

- (1) Hatten Properties Sdn. Bhd. is a company wholly owned by Dato' Tan June Teng Colin @ Chen JunTing and Dato' Tan Ping Huang Edwin @ Chen BingHuang and their associates.
- (2) Montane Construction Sdn. Bhd. is a company wholly owned by Tan Ler Choo, the aunt of Dato' Colin and Dato' Edwin. Transactions with Montane Construction Sdn Bhd were included under the IPT general mandate for prudence and good corporate governance although these transactions do not fall within the ambit of “interested person transactions” under Chapter 9 of the Catalist Rules.
- (3) Hatten Place Sdn Bhd is a company wholly owned by Dato' Tan June Teng Colin @ Chen JunTing and Dato' Tan Ping Huang Edwin @ Chen BingHuang and their associates. The nature of the IPT relates to the rental income from the leasing of units in Hatten Place Hotel pursuant to a master lease agreement with Hatten Place Sdn. Bhd.

**14. Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual**

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the first quarter ended 30 September 2018 to be false or misleading in any material aspect.

**15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

**By Order of the Board  
HATTEN LAND LIMITED**

**Dato' Tan June Teng, Colin**  
Executive Chairman and Managing Director

**Dato' Tan Ping Huang, Edwin**  
Executive Director and Deputy Managing Director

7 November 2018

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*Hatten Land Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 26 January 2017 via a reverse take-over ("**RTO**"). The financial adviser for the RTO was UOB Kay Hian Private Limited (the "**Sponsor**").*

*This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Lam Siew Hwa, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.*