HATTEN LAND LIMITED

(Company Registration No: 199301388D)
(Incorporated in the Republic of Singapore)

Unaudited Financial Statements and Dividend Announcement
For the Full Year ended 30 June 2021

The Company is required under Catalist Rule 705(2) to report its financial statements quarterly.

This announcement has been prepared by Hatten Land Limited (the "Company") and its contents have been reviewed by the UOB Kay Hian Private Limited (the "Sponsor") for compliance with the relevant rules of the SGX-ST Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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 Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01- 01, Singapore 229957, telephone (65) 6590 6881.

Table of Contents

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2021

	Notes	Group Fourth Quarter 30/6/2021 RM'000	Group Fourth Quarter 30/6/2020 RM'000	% Change	Group 12 Months Ended 30/6/2021 RM'000	Group 12 Months Ended 30/6/2020 RM'000	% Change
Revenue from project sales	5	3,682	4,719	(22.0)	32,031	147,127	(78.2)
Less:							
Provision for liquidated ascertained damages		(65,023)	(37,680)	72.6	(65,023)	(37,680)	72.6
Revenue		**(61,341)**	**(32,961)**	86.1	**(32,992)**	**109,447**	N/M
Cost of sales		(2,721)	(3,810)	(28.6)	(28,277)	(92,788)	(69.5)
Add:							
Provision for liquidated ascertained damages		1,547	8,370	(81.5)	1,547	8,370	(81.5)
Performance bond income received		40,909	-	N/M	40,909	-	N/M
Cost of sales		**39,735**	**4,560**	N/M	**14,179**	**(84,418)**	N/M
Gross (loss)/profit		**(21,606)**	**(28,401)**	(23.9)	**(18,813)**	**25,029**	N/M
Other income/ gains		29,672	9,560	N/M	50,412	25,964	94.2
Other items of expense							
Selling and marketing expenses		(575)	(916)	(37.2)	(2,454)	(4,156)	(41.0)
General and administrative expenses		(48,981)	(70,456)	(30.5)	(95,197)	(106,907)	(11.0)
Impairment loss on trade receivables-credit loss on revocation of sales		(759)	(37,766)	(98.0)	(17,322)	(37,766)	(54.1)
Impairment loss on property, plant and equipment		(7,565)	(66,507)	(88.6)	(7,565)	(66,507)	(88.6)
Impairment loss on development properties		(4,494)	(9,218)	(51.2)	(4,494)	(9,218)	(51.2)
Impairment loss on right-of-use assets		(4,175)	-	N/M	(4,175)	-	N/M
Other expenses		(19,528)	20,466	N/M	(19,999)	(18,519)	8.0
Finance costs		(10,860)	(26,299)	(58.7)	(46,828)	(52,224)	(10.3)
Share of results of the associated company		(1,695)	-	N/M	(2,168)	-	N/M
Loss before tax	6	**(90,566)**	**(209,537)**	(56.8)	**(168,603)**	**(244,304)**	(31.0)
Income (expenses)/tax credit	7	(3,444)	9,276	N/M	(3,265)	14,575	N/M
Loss after tax		**(94,010)**	**(200,261)**	(53.1)	**(171,868)**	**(229,729)**	(25.2)
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss							
Currency translation differences arising on consolidation		2	30	(93.3)	(31)	(1)	N/M
Total comprehensive loss		**(94,008)**	**(200,231)**	(53.1)	**(171,899)**	**(229,730)**	(25.2)
Loss for the year attributable to:							
Owners of the Company		(94,010)	(200,260)	(53.1)	(171,868)	(229,704)	(25.2)
Non-controlling interests		-	(1)	N/M	-	(25)	N/M
		(94,010)	**(200,261)**	(53.1)	**(171,868)**	**(229,729)**	(25.2)
Total comprehensive loss for the year attributable to:							
Owners of the Company		(94,008)	(200,230)	(53.0)	(171,899)	(229,705)	(25.2)
Non-controlling interests		-	(1)	N/M	-	(25)	N/M
		(94,008)	**(200,231)**	(53.1)	**(171,899)**	**(229,730)**	(25.2)
(Loss) per share attributable to owners of the Company (RM cents per share)		**(6.1)**	**(14.2)**		**(11.1)**	**(16.3)**	

Note: Please refer to Paragraph 3 in Section F - Other information required by Catalist Listing Rule Appendix 7C for further details.

N/M – Not meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	Group 30/6/2021 RM'000	Group 30/6/2020 RM'000	Company 30/6/2021 RM'000	Company 30/6/2020 RM'000
Assets					
Non-current assets					
Property, plant and equipment	11	183,654	190,870	-	-
Right-of-use assets		59,527	121,517	-	-
Investment in a subsidiaries	12	-	-	710,739	710,739
Investment in associate company	13	19,805	-	-	-
Trade and other receivables	14	76,643	118,341	-	-
		339,629	430,728	710,739	710,739
Current assets					
Development properties	15	625,365	641,802	-	-
Trade and other receivables	14	309,432	384,404	267,692	299,318
Prepayments		1,344	3,751	158	158
Cash and bank balances		8,272	23,142	175	840
		944,413	1,053,099	268,025	300,316
Total assets		1,284,042	1,483,827	978,764	1,011,055
Liabilities					
Current liabilities					
Lease liabilities		13,170	37,169	-	-
Loans and borrowings	16	286,969	276,810	186,901	192,464
Income tax payable		42,568	42,190	-	-
Trade and other payables	17	316,720	380,799	5,987	4,007
Provisions		131,416	93,922	-	-
Contract liabilities		281,134	256,976	-	-
		1,071,977	1,087,866	192,888	196,471
Net current (liabilities)/assets		(127,564)	(34,767)	75,137	103,845
Non-current liabilities					
Lease liabilities		52,089	81,313	-	-
Loans and borrowings	16	107,233	122,320	-	-
Other payables	17	34,058	32,191	-	-
Deferred tax liabilities		-	172	-	-
		193,380	235,996	-	-
Total liabilities		1,265,357	1,323,862	192,888	196,471
Net assets		**18,685**	**159,965**	**785,876**	**814,584**
Equity					
Share capital	18	298,044	267,425	1,330,548	1,299,929
Accumulated losses		(196,422)	(24,554)	(544,672)	(485,345)
Translation reserve		(27)	4	-	-
Merger reserve		(79,513)	(79,513)	-	-
Other reserve		(3,397)	(3,397)	-	-
Total equity		**18,685**	**159,965**	**785,876**	**814,584**
Total equity and liabilities		**1,284,042**	**1,483,827**	**978,764**	**1,011,055**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 30 June 2021

	Attributable to owners of the Company					
	Share capital	(Accumulated losses)/ Retained earnings	Translation reserve	Merger reserve	Premium paid on acquisition of non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
At 1 July 2020	267,425	(24,554)	4	(79,513)	(3,397)	159,965
-						
Loss for the period	-	(171,868)	-	-	-	(171,868)
Other comprehensive loss						
Currency translation on consolidation	-	-	(31)	-	-	(31)
Total comprehensive loss for the period	-	(171,868)	(31)	-	-	(171,899)
Contributions by and distributions to owners						
Issuance of ordinary shares	30,903	-	-	-	-	30,903
Shares issuance expenses	(284)	-	-	-	-	(284)
Dividend on ordinary shares	-	-	-	-	-	-
Total transactions with owners in their capital as owners	30,619	-	-	-	-	30,619
Balance as at 30 June 2021	**298,044**	**(196,422)**	**(27)**	**(79,513)**	**(3,397)**	**18,685**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (con't)
For the financial year ended 30 June 2021

	Attributable to owners of the Company							
	Share capital	**(Accumulated losses)/ Retained earnings**	**Translation reserve**	**Merger reserve**	**Premium paid on acquisition of non-controlling interests**	**Equity attributable to owners of the Company**	**Non-controlling interests**	**Total equity**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Group								
At 1 July 2019, as previously reported	252,719	215,029	5	(79,513)	(3,222)	385,018	(150)	384,868
								-
Restatement adjustments	-	(9,312)	-	-	-	(9,312)	-	(9,312)
At 1 July 2019, as restated	252,719	205,717	5	(79,513)	(3,222)	375,706	(150)	375,556
Loss for the year	-	(229,704)	-	-	-	(229,704)	(25)	(229,729)
<u>Other comprehensive loss</u>								
Currency translation on consolidation	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive loss for the year	-	(229,704)	(1)	-	-	(229,705)	(25)	(229,730)
<u>Distributions to owners</u>								
Issuance of placement shares	15,531	-	-	-	-	15,531	-	15,531
Shares issuance expenses	(825)	-	-	-	-	(825)	-	(825)
Dividend on ordinary shares	-	(567)	-	-	-	(567)	-	(567)
<u>Changes in ownership interests in a subsidiary</u>								
Acquisition of non-controlling interests without a change in control		-	-	-	(175)	(175)	175	-
Total transactions with owners in their capital as owners	14,706	(567)	-	-	(175)	13,964	175	14,139
Balance as at 30 June 2020	**267,425**	**(24,554)**	**4**	**(79,513)**	**(3,397)**	**159,965**	**-**	**159,965**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (con't)
For the financial year ended 30 June 2021

	Share capital	(Accumulated losses)/Retained earnings	Total equity
	RM'000	**RM'000**	**RM'000**
At 1 July 2020	1,299,929	(485,345)	814,584
Loss for the year	-	(59,327)	(59,327)
Contributions by and distributions to owners			
Issuance of ordinary shares	30,903	-	30,903
Shares issuance expenses	(284)	-	(284)
	30,619	-	30,619
At 30 June 2021	**1,330,548**	**(544,672)**	**785,876**
At 1 July 2019	1,285,223	8,225	1,293,448
Loss for the year	-	(493,003)	(493,003)
Contributions by and distributions to owners			
Issuance of placement shares	15,531	-	15,531
Placement shares expenses	(825)	-	(825)
Dividend on ordinary shares	-	(567)	(567)
	14,706	(567)	14,139
Balance as at 30 June 2020	**1,299,929**	**(485,345)**	**814,584**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For financial year ended 30 June 2021

	Group		Group	
	Fourth Quarter Ended		12 Months Ended	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Loss before tax	(90,566)	(209,537)	(168,603)	(244,304)
Adjustments for:				
Share of results of associated company	1,695	-	2,168	-
Depreciation of property, plant and equipment	597	(563)	1,676	3,005
Depreciation of right-of-use assets	1,624	34,849	26,898	34,849
Gain on disposal of property, plant and equipment	45	2,285	-	19
Gain on write off of property,plant and equipment	-	711	-	730
Gain on disposal of right-of-use assets	(136)	(2,296)	(198)	(2,296)
Gain on disposal of subsidiary	-	-	(4,121)	-
Interest income	(865)	101	(10,640)	(934)
Interest expense	13,714	26,299	48,296	52,224
Impairment loss on property,plant and equipment	7,565	66,507	7,565	66,507
Impairment loss on development properties	4,494	22,058	4,494	22,058
Impairment loss on trade receivables	-	18,519	-	18,519
Impairment loss on righ-of-use assets	4,175	-	4,175	-
Perfomance bond received	(40,909)	-	(40,909)	-
Unrealised foreign exchange (gain)/loss	637	1,896	(5,579)	9,061
Amortisation of capitalised transaction costs	-	1,846	91	4,856
Operating cash flows before working capital changes	**(97,930)**	**(37,325)**	**(134,687)**	**(35,706)**
Changes in operating assets and liabilities				
Development properties	3,038	(30,137)	11,943	10,079
Trade and other receivables and contract assets	88,602	29,775	120,559	44,362
Trade and other payables and contract liabilities	17,290	93,772	26,137	89,677
Cash flow generated from operations	**11,000**	**56,085**	**23,952**	**108,412**
Interest paid	3,902	(8,985)	(19,809)	(34,910)
Interest received	865	(101)	10,640	934
Income tax paid	(462)	3,447	(2,887)	(2,874)
Net cash flows from operating activities	**15,305**	**50,446**	**11,896**	**71,562**
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	(45)	(3,867)	-	7
Proceeds from right-of-use assets	-	105	60	105
Increase in pledged fixed deposit	-	(37)	1,264	(37)
Additions to property,plant and equipment	(700)	592	(2,025)	(23,513)
Net cash flows generated used in investing activities	**(745)**	**(3,207)**	**(701)**	**(23,438)**
Cash flows from financing activities				
Proceeds from term loans	-	(19,157)	365	66,213
Repayment of lease liabilities	(1,708)	(28,778)	(4,219)	(28,778)
Interest portion on lease liabilities	(14,243)	(17,314)	(14,243)	(17,314)
Repayment of obligations under finance leases	-	1,116	-	-
Repayment of term loans and medium term note	(2,784)	17,941	(6,420)	(87,985)
Dividend paid on ordinary shares	-	-	-	(567)
Proceeds from placement shares	-	1	-	14,706
Shares issuance expenses	-	-	(284)	-
Net cash flows used in financing activities	**(18,735)**	**(46,191)**	**(24,801)**	**(53,725)**
Net (decrease) in cash and cash equivalents	(4,175)	1,048	(13,606)	(5,601)
Cash and cash equivalents at the beginning of the year	12,671	20,827	21,878	27,257
Effects of exchange rate changes on cash and cash equivalents	(224)	3	-	222
Cash and cash equivalents at the end of the year	**8,272**	**21,878**	**8,272**	**21,878**
Cash and bank balances	8,272	23,142	8,272	23,142
Less: Pledged fixed deposit	-	(1,264)	-	(1,264)
Cash and cash equivalents as per above	**8,272**	**21,878**	**8,272**	**21,878**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

These notes for an integral part of and should be read in conjunction with the accompanying condensed interim financial statements.

1. Corporate information

Hatten Land Limited (the "Company") (Company. Registration. No. 199301388D) is incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The immediate and ultimate holding company is Hatten Holdings Pte. Ltd, which is also incorporated and domiciled in Singapore.

The registered office and principal place of business of the Company is located at 53 Mohamed Sultan Road, #04-02, Singapore 238993.

The principal activity of the Company is that of investment holding.

2. Basis of Preparation

The condensed interim financial statements for the twelve months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Malaysian ringgit which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2021:

- Amendments to SFRS(I) 16 Covid-19-Related Rent Concessions
- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2

The application of the above amendments to standards and interpretations is not expected to have a material effect on the consolidated financial statements of the Group and of the Company for the year ended 30 June 2021.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Proposed divestment of Gold Mart Sdn. Bhd.

The Company announced on 11 August 2020 on the proposed divestment of wholly owned subsidiary, Gold Mart Sdn. Bhd. to a third party. However, the completion date of the proposed divestment has been re-extended several times due to substantial documentation and time required by the financial institutions involved to approve and process the cross-border payment of an amount of monies which is not unsubstantial. Such delays have been further exacerbated by the pandemic situation leading to worldwide lockdowns in the past and current year. As at the date of this announcement, the directors have considered all relevant factors and concluded that there is no assurance that the proposed divestment would be completed. Therefore, the Board has not considered the relevant accounting treatments on the proposed divestment on Gold Mart Sdn. Bhd. in accordance with SFRS(I) 5 – Non-current Assets Held for Sale and Discontinued Operations.

3. Going Concern Assumption

For the financial year ended 30 June 2021, the Group incurred a net loss of RM171.9 million during the financial year ended 30 June 2021. As at 30 June 2021, the Group's current liabilities exceeded its current assets by RM127.6 million. The Group's total loans and borrowings amounted to RM394.2 million, of which RM287.0 million were classified as current liabilities and exceeded the Group's cash and bank balances of RM8.3 million. The Group's working capital primarily comprises development properties and the related receivables. Subsequent to the year end, the Group had not been able to meet its forecasted sales target for its development properties and experienced slower recovery of its receivables. The continuing challenges affecting the property market in Melaka, Malaysia, continues to impact the realization of the Group's development properties causing a strain on its cash flows. In addition, the COVID-19 pandemic has brought about uncertainties to the Group's and the Company's operating environments.

Notwithstanding the above, the financial statements have been prepared on a going concern basis as the Directors believe that the Group can continue as a going concern based on the following factors: -

(a) As at 30 June 2021, the Group had net assets of RM18.7 million. In addition, the Group has a substantial value of unsold completed properties. The estimated market value of the development properties as at 30 June 2021 is approximately RM1,150,750,000. The Group's priority is to monetise these assets through sales and collection to generate cashflow;

(b) In response to the challenging business environment, the Company has implemented various cost containment measures to generate immediate savings and conserve financial resources. In addition to salary adjustments and reduction of non-essential expenses

(c) On 11 August 2020, the Company announced the disposal of Gold Mart Sdn Bhd ("GMSB") to a third party which will generate gross proceeds of US$60 million for the Company, and the proceeds will be used to redeem certain loans and borrowings of the Group as planned. The disposal of GMSB is subject to satisfaction of conditions precedent included in the Announcement, which at this point of time the management cannot reasonably ascertained the exact timing for the date of completion. However, the representative of the counterparty, Tayrona Capital Group Corporation, had provided assurance that they remain keen and committed to completing the deal. The management will continue to monitor the situation closely.

(d) The Group has embarked on strategic restructuring of its two subsidiaries MDSA Resources Sdn Bhd and MDSA Ventures Sdn Bhd to restructure its legacy contractual obligations to achieve a more sustainable capital structure which will reduce pressure on the Group's cash outflows going forward;

(e) The Company has worked closely with its lenders to extend the repayment obligations for its borrowings. This has helped aligned the Group's repayment requirements with the current business climate and channel its cashflow for operation purposes;

(f) The Company is currently in a discussion with the bondholders to extend the repayment obligations of the US$25 million secured bonds. The secured bonds are secured against an asset owned by a related party of the borrowing entity with an estimated collateral valuation of approximately two times of the loan amount.

(g) An indirectly wholly-owned subsidiary in Malaysia has established a RM200,000,000 Medium Term Notes ("MTN") Programme, of which RM54,000,000 has been drawn down to date. As at date of this announcement, balance of the MTN Programme that remains unutilized by the subsidiary amounted to RM146,000,000. The subsidiary will draw down this facility for its investment activities, capital expenditure, working capital expenditure, working capital requirements and/or other general corporate purposes when need arises.

(h) On 15 September 2021, the Company entered into Placement Agreement with the Subscribers to allot and issue an aggregate of 80,000,000 new ordinary shares (the" Placement Shares") in the capital of the Company at the price of S$0.023 per placement shares for an aggregate amount of S$1,840,000 and was completed on 29 September 2021. In addition, the Company has agreed to constitute 80,000,000 non-listed, transferable warrants (the "Warrants") at exercise price of S$0.048 per Warrants.

Assuming the Warrants are fully exercised into Warrant Shares, the estimated amount of additional proceeds that may be raised is approximately S$3,840,000. Please refer to Section E - note 19 for more information.

Based on the above and with the continued support of the Group's lenders the Board is of the view that it is appropriate to prepare the financial statements on a going concern basis.

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year from 1 July 2020 to 30 June 2021 ("FY2021") except for continuous impact from the Covid 19 pandemic

5. Segment and revenue information

5.1. Segment Information

For FY2021 and FY2020, the entire Group's operations constitute a single operating segment, which is in the business of property development in Malaysia. Accordingly, no business or geographical segment information is presented.

5.2. Disaggregation of Revenue

	Group	
	30.06.21	**30.06.20**
	RM'000	**RM'000**
<u>Revenue from sale of development properties in Malaysia</u>		
Revenue from project sales	32,031	147,127
Less:		
Provision for liquidated ascertained damages	(65,023)	(37,680)
	(32,992)	**109,447**

6. Loss before tax

	Group Fourth Quarter Ended		Group 12 Months Ended	
	30.06.21	30.06.20	30.06.21	30.06.20
	RM'000	RM'000	RM'000	RM'000
Loss for the year is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	597	(563)	1,676	3,005
Depreciation of right-of-use assets	1,624	34,849	26,898	34,849
Loss on disposal of property, plant and equipment	45	2,285	-	19
(Gain) on disposal of right-of-use assets	(136)	(2,296)	(198)	(2,296)
(Gain) on disposal of subsidiary	-	-	(4,121)	-
Interest expense	13,714	26,299	48,296	52,224
Interest income	(865)	101	(10,640)	(934)
Impairment loss on property, plant and equipment	7,565	66,507	7,565	66,507
Impairment loss on development properties*	4,494	22,058	4,494	22,058
Impairment loss on right-of-use assets	4,175	-	4,175	-
Net loss/(gain)on foreign exchange	(2,160)	1,068	4,049	7,105

Note:
***** Impairment loss on development properties recognized under cost of sales of RM12,840,000 in FY2020.

7. Taxation

The Group calculates the year's income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	2021	2020
	RM'000	RM'000
Current income tax		
- Current year	7,418	4,716
- (Over)/under provision in prior years	(4,153)	(7,048)
	3,265	(2,332)
Deferred income tax		
- Origination and reversal of temporary differences	-	(7,408)
- (Over)/under provision in prior years	-	(4,835)
	-	(12,243)
Income tax expense/(credit) recognised in profit or loss	3,265	(14,575)

8. Loss per share attributable to equity holders of the Company

	Group Fourth Quarter Ended		Group 12 Months Ended	
	30.06.21	30.06.20	30.06.21	30.06.20
Loss attributable to owners of the Company(RM'000)	(94,010)	(200,260)	(171,868)	(229,704)
Weighted average number of ordinary shares in issue	1,547,209,167	1,410,668,757	1,547,209,167	1,410,668,757
Basic and fully diluted (loss)/earnings per share ("EPS")(RM'cents)	(6.08)	(14.20)	(11.11)	(16.28)

9. Net assets value

	Group		Company	
	30.6.21	30.6.20	30.6.21	30.6.20
Net asset value attributable to owners of the Company (RM'000)	18,685	159,965	785,876	814,584
Number of ordinary shares in issue	1,595,169,228	1,434,596,353	1,595,169,228	1,434,596,353
Net asset value per ordinary share (RM'cents)	1.17	11.15	49.27	56.78

10. Related party transactions

For the financial year ended 30 June 2021, the Group had no significant related party transactions apart from that interested person transactions as disclosed in page 26.

11. Property, plant and equipment

During the financial year ended 30 June 2021, the Group acquired assets amounting to RM2.0 million (30 June 2020: RM 23.5 million) and disposed of assets at net book value amounting to RM 1.3 million (30 June 2020: RM 2.3 million)

12. Investment in subsidiary

	Company	
	2021 RM'000	2020 RM'000
Unquoted equity shares, at cost	1,203,315	1,203,315
Less: Allowance for impairment loss	(492,576)	(492,576)
	710,739	710,739

	Company	
	2021 RM'000	2020 RM'000
Movements in allowance for impairment loss		
At 1 July	492,576	-
Impairment loss charged to profit or loss	-	492,576
At 30 June	492,576	492,576

13. Investment in associate company

	Group	
	2021 RM'000	2020 RM'000
Investment in associate company, at cost	21,973	-
Less: Group's share of loss for the year	(2,168)	-
	19,805	-

On 29 June 2020, Hatten Land Limited (" the Company") proposed to acquire 20% equity interest in ECXX Global Pte Ltd ("ECXX"), a company incorporated in Singapore.

In accordance with the sale and purchase agreement between the Company and ECXX, the Company will acquire 19,809 ordinary shares in the capital of ECXX, representing approximately 18.54% equity interest in ECXX. The Company has nominated Hatten Technology (S) Pte Ltd ("HTPL") to hold the shares in ECXX.

In accordance with the share subscription agreement between the Company and ECXX, the Company will subscribe for 1,557 ordinary shares in the capital of ECXX, representing approximately 1.46% equity interest in ECXX.

On 18 August 2020 (the "completion date"), the proposed acquisition was completed with the allotment and issuance of 100,200,000 ordinary shares in the capital of the Company at the share price on the completion date of S$0.066 per share and cash consideration of US$354,930 (equivalent to S$504,000) which will be paid by the Company on behalf of HTPL.

Subsequent to the completion date, ECXX issued 3,750 ordinary shares to another third-party shareholder on 4 February 2021. As a result, the equity interest held by HTPL in ECXX has been diluted from the initial 20% to 19.3%. ECXX is deemed to be an associated company of HTPL as HTPL has the ability to exercise significant influence over ECXX through its board representation.

14. Trade and other receivables

	Group		Company	
	2021	**2020**	**2021**	**2020**
	RM'000	RM'000	RM'000	RM'000
Current:				
Trade receivables	208,794	230,414	-	
Amount due from related parties	48,646	41,606	-	-
Amount due from subsidiaries	-	-	267,692	299,159
Refundable deposits	5,449	6,590	-	-
GST recoverable	15	974	-	-
Other receivables	46,528	104,820	-	159
	309,432	384,404	267,692	299,318
Non-current:				
Trade receivables	75,677	117,734	-	-
Refundable deposits	966	607	-	-
	76,643	118,341	-	-
Total Trade and other receivables (current and non-current)	386,075	502,745	267,692	299,318

Trade receivables

Trade receivables are non-interest bearing and are generally on 14 to 21 days' terms. Extended credit terms are assessed and approved on a case by case basis by management. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition. During the financial year, certain trade receivables were reclassified from current to non-current due to the continuing challenges affecting the property market in Melaka, Malaysia and the uncertainties brought by the COVID-19 pandemic. Accordingly, the Group recognised modification loss on certain trade receivables due to change in expected timing in collecting the cash flows.

Amount due from related parties and amount due from subsidiaries

Amount due from related parties and amount due from subsidiaries are unsecured, non-interest bearing, repayable on demand and to be settled in cash.

In assessing that the recoverability of the non-current trade and other receivables, the Group considered whether the credit risk of each customer had increased taking into consideration factors including:

a) financial condition of each customer

b) the credit rating of each customer if available

c) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in debtor's ability to meet its debt obligations
d) actual or expected significant deterioration in the operating results/key financial performance ratios of the debtors
e) an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in a customer's ability to meet its debt obligations.

As these units can be relisted for sale in the event that a purchaser decides to terminate the purchase of the units if the bank loan or financing application is not granted, the Board does not foresee any issues with the collection of the outstanding trade receivables. This opinion is consistent with the opinion on recoverability of trade receivables as disclosed on page 113 of the Group's FY2020 Annual report.

15. Development properties

	Group	
	30.6.21	**30.6.20**
	RM'000	**RM'000**
Completed Development properties	449,434	460,843
Development properties under construction	150,131	151,315
Properties for development representing land carried at cost	25,800	29,644
	625,365	**641,802**

During the financial year, the Group has engaged an independent valuer to conduct a valuation on the development properties held by the Group.

Based on the valuations, the estimated market value of the development properties as at 30 June 2021 held by the Group is approximately RM1,150,750,000. The valuations were performed by Sr Stanley Toh Kim Seng (V-927) from Laurelcap Sdn. Bhd. with recognized and relevant professional qualification and with relevant experience in the location and category of the property being valued.

In arriving at the Market Value of the Subject Properties, we have adopted two (2) approaches namely the Comparison Approach and Income Approach by way of Term & Reversion Approach in valuing the completed project, whilst we have adopted only the Income Approach by way of "Residual Method" in valuing the development properties construction project.

Impairment loss on development properties

During the financial year, an impairment loss on development properties of RM4,500,000 (2020: RM22,058,000) was recognized in the Group's profit or loss to write-down the properties for development properties.

16. Loan and Borrowings

	Group		Company	
	2021	**2020**	**2021**	**2020**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Amount repayable within one year				
Secured	286,969	276,810	186,901	192,464
Amount repayable after one year				
Secured	107,233	122,320	-	-
Total	394,202	399,130	186,901	192,464

The Group's loans and borrowings include bank borrowings, guaranteed secured bonds, 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 760 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 related parties of the borrowing entities
8. Deed of subordination of advances due to shareholders and directors.
9. Pledge of fixed deposits with licensed banks.
10. Debenture over the 44 units of luxury residences service apartments, 11 units of penthouse suites and 345 retail units from the development of borrowing entity.
11. Assignment of insurances
12. Land charge for assets owned by related parties of the borrowing entity.

17. Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Current:				
Trade payables	43,111	156,175	696	1,594
Deposits received	10,528	10,214	-	-
Accruals	96,861	88,674	3,006	-
Amount due to related parties	48,972	43,907	-	616
Amount due to director	1,144	2,152	-	
Amount due to subsidiaries	-	-	1,252	1,797
Amount due to creditors under scheme arrangement	31,159	-	-	-
Rental guarantees provided in conjunction with the sale of development properties	34,241	28,758	-	-
Deferred payables	8,701	8,705	-	-
Other payables	42,003	42,214	1,033	-
	316,720	380,799	5,987	4,007

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Non- Current:				
Deferred payables	34,058	31,989	-	-
Deposits received	-	202	-	-
	34,058	32,191	-	-
Total	350,778	412,990	5,987	4,007

Amount due to related parties and amount due to director

Amount due to related parties and amount due to director are unsecured, non-interest bearing, repayable on demand and to be settled in cash.

Rental payables

This pertains to rental guarantees provided to the purchasers in conjunction with the sale of development properties, in which the Group is obliged to pay rental yield of 6% to 8% (2020: 6% to 8%) per annum of the purchase price to the purchasers for a committed lease term of 2 years to 9 years (2020: 2 years to 9 years) commencing six months from the date of issuance of the Certificate of Completion and Compliance or start of full business operations, whichever is earlier.

Deferred payables

These are payables mainly relates the acquisition of VVSB Group amounting to RM43,000,000 measured at amortised costs using an effective interest rate of 7% (2020: 7.00%) per annum. Within the deferred payables as of year end, RM34.1 million is payables to two directors of the company.

Accruals

Accruals mainly comprised of various accrued operating expenses including but not limited to accrued finance cost, project cost and professional fees.

Other payables

Other payables comprised of various operating expenses from numerous suppliers which is individually immaterial.

Amount owing to creditors under scheme arrangements

All the amount owing to intermediate holding company, immediate holding company, fellow subsidiaries, directors' related companies and director by one of the Company subsidiaries, MDSA Ventures Sdn Bhd ("MDSA Ventures) had been transferred to and vested in a Special Purpose Vehicle ("SPV") under the scheme arrangement upon the effective date of the scheme.

Included in amount owing to creditors by MDSA Ventures under scheme arrangement are unsecured creditors, which consists of third-party scheme creditors relating to purchasers of sold units in the mixed development of Hatten City Phase 2 having outstanding Guaranteed Rental Guarantee ("GRR") payables and future GRR claims ("GRR Creditors"), purchasers of sold units in the Development with Liquidated Ascertained Damages claims ("LAD Creditors") and other third-party trade creditors, collectively know as "Scheme Creditors". The total debts owing to the Scheme Creditors had been transferred to and vested in a SPV.

18. Share capital

	The Group			
	30.06.2021		30.06.2020	
	No. of shares '000	RM'000	No. of shares '000	RM'000
Issued and fully paid ordinary shares	1,595,169	298,044	1,434,596	267,425

The total number of issued shares excluding treasury shares as at 30 June 2021 was 1,595,169,228 (31 March 2021: 1.595,169,228 and 30 June 2020: 1,434,596,353). There were no changes in the issued share capital of the Company since 31 March 2021.

The Company did not hold any treasury shares and subsidiary holdings as at 30 June 2021 and 30 June 2020.

The Company did not have any outstanding options or convertibles as at 30 June 2021 and 30 June 2020.

Issuance of ordinary shares

During the financial year, the Company had completed the proposed acquisition of 20% interest in ECXX Global Pte. Ltd with the allotment and issuance of 100,200,000 ordinary shares at an issue price of S$0.066 per share and issuance of 60,372,875 ordinary shares at an issue price of S$0.0575 per share as the full payment of the rental for the Company's office.

19. Subsequent events

(a) Proposed disposal of land

On 7 July 2021, the Company indirect wholly owned subsidiary, Prolific Revenue Sdn Bhd ("PRSB") has entered into a sale and purchase agreement (the" Agreement") with Webest Sdn Bhd (the "Purchaser") for the disposal of a leasehold land for an aggregate consideration of RM25.8 million (the "Proposed Disposal"). The completion of the Proposed Disposal is conditional upon the satisfaction of conditions precedent.

(b) Entry into placement agreement

On 15 September 2021, the Company entered into a subscription agreement ("Placement Agreement") with Asdew Acquisitions Pte. Ltd. ("Asdew Acquisitions"), Evolve Capital Management Private Limited ("Evolve Capital") and Ong Toon Wah (collectively, the "Subscribers"). Pursuant to the Placement Agreements, the Company has agreed to allot and issue an aggregate of 80,000,000 new ordinary shares (the "Placement Shares") in the capital of the Company (the "Shares"), of which 40,000,000 Placement Shares are to be allotted and issued to Asdew Acquisitions, 20,000,000 Placement Shares are to be allotted and issued to Evolve Capital and 20,000,000 Placement Shares are to be allotted and issued to Ong Toon Wah. The Subscribers have agreed to subscribe for the Placement Shares at the price of S$0.023 per Placement Share (the "Placement Price") for an aggregate amount of S$1,840,000 (the "Placement Consideration"), with S$920,000 of such Placement Consideration to be paid by Asdew Acquisitions, and S$460,000 of such Placement Consideration to be paid by each of Evolve Capital and Ong Toon Wah respectively.

In addition, the Company has agreed to constitute 80,000,000 non-listed, transferable warrants (the "Warrants") of which 40,000,000 Warrants are to be allotted and issued to Asdew Acquisitions, 20,000,000 Warrants are to be allotted and issued to Evolve Capital and 20,000,000 Warrants are to be allotted and issued to Ong Toon Wah with the exercise price of S$0.048 per Warrants. The completion of the placement is conditional upon the satisfaction of conditions precedent. The placement was completed on 29 September 2021.

(c) Issuance of RM13,350,000 notes under the Medium Term Note Programme

Pursuant to the Medium-Term Note Programme, there were outstanding notes amounted to RM15,650,000 due for repayment on 24 September 2021. On 23 September 2021, the Company announced that its indirect wholly-owned subsidiary, MDSA Resources Sdn Bhd had issued new notes amounting to RM13,350,000 to repay the outstanding notes. These new notes would mature on 26 September 2022 and bear a coupon rate of 7.0% per annum payable semi-annually in arrears from the date of issue.

(d) Memorandum of Understanding ("MoU") on cryptocurrency mining

On 16 September 2021, the Company's wholly-owned subsidiary, Hatten Technology (S) Pte. Ltd. ("HTPL") has signed a MoU with SGX Mainboard-listed Singapore Myanmar Investco Limited to jointly explore business opportunities in cryptocurrency mining activities.

(e) Strategic Partnership with Bursa-listed Nestcon Bhd subsidiary to explore solar energy opportunities

On 16 September 2021, the Company's wholly-owned subsidiary, Hatten Commercial Management Sdn. Bhd. ("HCM") has signed a Strategic Partnership Agreement with Nestcon Sustainable Solutions Sdn. Bhd. ("NSS"), a wholly-owned subsidiary of Bursa Malaysia-listed Nestcon Bhd. to explore opportunities related to solar photovoltaic plants and facilities ("SPPFs") in Malaysia.

(f) Definitive Agreement with Frontier Digital Asset Management Pte. Ltd. ("Frontier")

On 29 September 2021, HTPL has signed an agreement with Frontier to share proceeds from jointly operating cryptocurrency mining rigs within the Groups' properties in Malaysia.

(g) Exclusive Framework Agreement with Enjinstarter

On 7 October 2021, HTPL has entered into an Exclusive Framework Agreement with Prakal Pte Ltd ("EnjinStarter") to develop a dedicated token system and create digital assets. This token system will involve existing tokens already issued by the Hatten Group as well as non-fungible tokens ('NFTs') and the creation of a digital Metaverse, starting with a digital twin city of Melaka ("Digital Melaka").

F. OTHER INFORMATION REQUIRED BY CATALIST LISTING RULE APPENDIX 7C

1. 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.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-
(a) updates on the efforts taken to resolve each outstanding audit issue
(b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
This is not required for any audit issue that is a material uncertainty relating to going concern:-

Impairment loss on investment in a subsidiary

The Company's Independent Auditor, Baker Tilly TFW LLP (the "Independent Auditor"), had in their Independent Auditor's Report dated 15 October 2020, expressed, among others, a qualified opinion in respect of the recognition of impairment loss on investment in a subsidiary.

The Company recognised impairment loss on investment in a subsidiary of RM492.6 million in the financial year ended 30 June 2020 ("FY2020"). In the previous financial year, the other firm of auditors were unable to obtain sufficient appropriate audit evidence to ascertain the appropriateness on the recoverable amount of the investment in the subsidiary as at 30 June 2019. Consequently, the Independent Auditor were unable to satisfy itself as to whether the impairment loss or a portion of the impairment loss should be recognised in the FY2020 or previous financial year ended 30 June 2019. The Independent Auditor's opinion on the current financial year's financial statements is also modified because of the possible effect of these matters on the comparability of the FY2020's figures and the corresponding figures.

The Board is of the view that the impairment loss on investment in a subsidiary of RM492.6 million in the financial year ended 30 June 2020 was based on the independent valuation conducted for the exercise and hence, it would reflect the latest valuation of the investment.

The Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

3. Review of the performance of the Group

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 on the following: -

(a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group performance for the fourth quarter ended 30 June 2021 ("4Q FY2021") as compared to the fourth quarter ended 30 June 2020 ("4Q FY2020")

Revenue and costs of sales

Consistent with the requirements of SFRS(I) 15 relating to variable consideration, the amount for liquidated ascertained damages shall be accounted for as a reduction in the transaction price. As such, the provision for liquidated damages is a variable consideration. As a result, the provision for liquidated and ascertained damages amount would be debited to the revenue recognized. In this case, it explained the Group registering a negative revenue (debit balance) for 4Q FY2021 and 4Q FY2020.

The Group registered a negative revenue (debit balance) of RM61.3 million in 4Q FY2021 as compared to a negative revenue (debit balance) of RM33.0 million in 4Q FY2020, breakdown of details below:-

	4Q FY2021	**4QFY2020**
	RM'million	**RM'million**
Revenue from project sales in 4Q FY2021	3.7	4.7
Less:		
Provision for liquidated ascertained damages arising from late delivery and handover of the property units	(65.0)	(37.7)
Negative Revenue (debit balance) for 4Q FY2021	**(61.3)**	**(33.0)**

The Group's negative revenue (debit balance) increased by RM28.3 million in 4Q FY2021 as compared to 4Q FY2020 was mainly due to higher provision for liquidated ascertained damages arising from late delivery and handover of the property units to the purchasers amounting to RM65.0 million and lower sales of our projects as compared to 4Q FY2020.

The Group registered a negative cost of sales (credit balance) of RM 39.7 million in 4Q FY2021 mainly contributed by performance bond income received from the contractor of the Harbour City project as a result from the adjudication judgement, breakdown of details below:

	4Q FY2021	**4QFY2020**
	RM'million	**RM'million**
Cost of property development	(2.7)	(3.8)
Performance bond income received from the contractor of the Harbour City project as a result from the adjudication judgement	40.9	-
Liquidated ascertained damages claim from contractor	1.5	8.4
Negative cost of sales (credit balance) for 4Q FY2021	**39.7**	**4.6**

Other income/gains

Other income/gains increased by RM20.1 million in 4Q FY2021 as compared to 4Q FY2020 was mainly due to waiver of debts received as part of the scheme of arrangement by MDSA Ventures Sdn. Bhd.

General and administrative expenses

The General and administrative expenses decreased by RM21.5 million were mainly due to the decline in operating expenses arising from the cost cutting measures implemented by the Group and decrease in depreciation of right of-use assets and decrease in services charges and sinking fund charged by third party property management office.

Impairment loss on trade receivables -credit loss on revocation of sales

The decrease in the impairment loss on trade receivables – credit loss on revocation of sales was mainly due to lesser revocation of sales from purchasers in 4Q FY2021.

Impairment loss on property, plant and equipment

The decrease in the impairment loss on property, plant and equipment was mainly due to lower impairment loss on property, plant and equipment as compared to last 4Q FY2020.

Impairment loss on development properties

The decrease in the impairment loss on development properties was mainly due to lower impairment loss on development properties as compared to last 4Q FY2020. The impairment loss on development properties was recognized during the financial year as a result of the proposed disposal of land.

Impairment loss on right-of-use asset

The impairment on right-of-use-asset is made due to the short fall of recoverable amount based on the discounted cashflow projection for guaranteed rental return ("GRR") during the financial year.

Other expenses

Other expenses decreased by RM40.0 million was mainly due to reclassification of impairment loss for property, plant and equipment and development properties for 4Q2020 for better presentation for income statement.

Finance costs

Finance costs decreased by RM15.4 million mainly due to lower interest expense and interest expense on lease liabilities in 4Q FY2021 as compared to 4Q FY2020.

Review of Group performance for the year ended 30 June 2021 ("FY2021") as compared to the year ended 30 June 2020 ("FY2020")

Revenue and costs of sales

Consistent with the requirements of SFRS(I) 15 relating to variable consideration, the amount for liquidated ascertained damages shall be accounted for as a reduction in the transaction price. As such, the provision for liquidated ascertained damages is a variable consideration. As a result, the provision for liquidated and ascertained damages amount would be debited to the revenue recognized. In this case, it explained the Group registering a negative revenue (debit balance) for FY2021.

The Group registered a negative revenue (debit balance) of RM33.0 million in FY2021 as compared to a revenue of RM109.4 million in FY2020, breakdown of details as below:-

	FY2021	**FY2020**
	RM'million	**RM'million**
Revenue from project sales in FY2021	32.0	147.1
Less:		
Provision for liquidated ascertained damages arising from late delivery and handover of the property units	(65.0)	(37.7)
Revenue for FY2021	**(33.0)**	**109.4**

The Group's revenue decreased by RM142.4 million in FY2021 as compared to RM109.4 million in FY2020 mainly due to the following reasons:

- lower sales of our projects compared to FY2020 due to decrease in property viewings and purchase closures due to movement restriction during MCO.
- lower revenue recognised from Harbour City project, in particular the whole of FY2021, due to halted project's construction and restrictions arising from COVID-19 situation.
- higher provision for liquidated ascertained damages of RM65.0 million arising from late delivery and handover of the property units.

The Group registered a negative cost of sales (credit balance) of RM 14.2 million in FY2021 as compared to FY2020, breakdown of details below:

	FY2021	**FY2020**
	RM'million	**RM'million**
Cost of sales	(28.2)	(92.8)
Performance bond income received from the contractor of the Harbour City project	40.9	-
Liquidated ascertained damages claim from contractor	1.5	8.4
Cost of sales for FY2021	**14.2**	**(84.4)**

<u>Other income/gains</u>

Other income/gains increased by RM24.4 million mainly due to waiver of debts received in relation to the scheme of arrangement, increase in overdue interest charged and late payment charged and a one-off deposit forfeited due to termination of the proposed disposal of land on 12 April 2021. This was partially offset by the absence of rental income from Hatten Place and Element Mall as both properties have been closed since the implementation of Movement Control Order by the Government of Malaysia on 18 March 2020.

<u>Selling and marketing expenses</u>

Selling and marketing expenses decreased by RM 1.7 million in FY2021 mainly due to lower sales and marketing activity for the ongoing and completed projects.

<u>Impairment loss on trade receivables -credit loss on revocation of sales</u>

The decrease in the impairment loss on trade receivables – credit loss on revocation of sales was mainly due to lesser revocation of sales from purchasers during the financial year.

<u>Impairment loss on property, plant and equipment</u>

The decrease in the impairment loss on property, plant and equipment was mainly due to lower impairment loss on property, plant and equipment as compared to FY2020.

<u>Impairment loss on development properties</u>

The decrease in the impairment loss on development properties was mainly due to lower impairment loss on development properties as compared to last FY2020.

<u>Finance costs</u>

Finance costs decreased by RM5.4 million mainly due lower interest expense relating to loans and borrowing and interest expense on lease liabilities in FY2021 as compared to FY2020.

<u>Income tax expenses/(credit)</u>

The Group recorded and income tax credit in FY2020 due to a reversal of over provision for deferred tax in prior year.

Net loss for the financial year

As a result of the aforementioned, the Group reported a loss after tax in FY2021 of RM171.8 million as compared to a loss of RM229.7 million in FY2020.

Review for the financial position of the Group as at 30 June 2021 as compared to 30 June 2020

Non-current assets and current assets

Right-of-use assets as at 30 June 2021 decreased by 51.0% from RM121.5 million as at 30 June 2020 was mainly due to depreciation charges, effect from the disposal of a subsidiary company. and termination of right-of-use assets for one of the Company's subsidiary which under the scheme of arrangement during the financial year.

Investment in associated company was mainly due to the acquisition of 20% equity interest in ECXX Global Pte. Ltd. with the allotment and issuance of 100,200,000 ordinary shares in the capital of the Company and a share of loss of associated company of RM2.1 million during the financial year.

Trade and other receivables (current and non-current) decreased by 23.2% from RM502.7 million as at 30 June 2020 was mainly due to collections during the financial year.

Non-current liabilities and current liabilities

Lease liabilities (current and non-current) decreased by RM53.2 million as compared to RM118.5 million as at 30 June 2020 was mainly due to payment for the upcoming operating lease via allotment and issuance of 60,372,875 ordinary shares in the capital of the company which amounting to S$3.5 million (approximately equivalent to RM10.0 million) and effect from the disposal of the Company's indirect wholly-owned subsidiary, Velvet Valley Management Sdn. Bhd. during the financial year. In addition, the decreased was also in line with the termination of right-of-use assets for one of the Company's subsidiary which under the scheme of arrangement.

Trade and other payables (current and non-current) decreased by RM62.2 million as compared to RM413.0 million as at 30 June 2020 was mainly due to decrease in amount due to creditors as a result of the scheme of arrangement and also the Company's effort to conserve its cashflow.

Provisions increased by 39.9% as compared to RM93.9 as at 30 June 2020 was mainly due to additional provision for liquidated ascertained damages arising from late delivery and handover of the property units in Harbour City project to the purchasers during the financial year.

Total equity

The increase in share capital was mainly due to the acquisition of 20% equity interest in ECXX Global Pte. Ltd with the allotment and issuance of 100,200,000 ordinary shares in the capital of the Company and allotment and issuance of 60,372,875 ordinary shares in the capital of the company as payment for the upcoming operating lease.

There were no significant changes in the Group balance sheet items except for the above-mentioned.

Negative working capital

The Group recorded negative current liabilities of RM127.6 million as at 30 June 2021 as compared to RM34.8 million as at 30 June 2020, mainly due to additional provision for liquidated ascertained damages during the financial year. Please refer Section E - note 3 for more information.

C. Consolidated Statement of Cash Flows (FY2021)

The Group reported net decrease in cash and cash equivalents mainly due to lower cash flow generated from operations and net cash used in financing activities. The changes were mainly due to losses recorded during the financial year, repayments of loan and lease liabilities.

As a result of the above, the Group recorded a cash and cash equivalent of RM8.3 million as at 30 June 2021.

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

No specific forecast or prospect statements were made previously and the Group's performance for the period under review is in line with expectations disclosed in prior announcements.

7. 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 know factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's hospitality and property-related activities in Melaka, which had been affected by the COVID-19 restrictions such as the Movement Control Order ('MCO'), await the easing of restrictions amid reports of increasing vaccination rates in Malaysia. From 11 October 2021, Malaysia will allow interstate and overseas travel for the 90% of its adult population that have been fully vaccinated against Covid-19.

With the progressive re-opening of the economy and social activities in Melaka, our retail malls are expected to benefit from the pent-up demand. While more retail and business activities are expected at our retail malls, the Group will continue to place priority on COVID-19 safety and precautionary measures including i) regular sanitisation; ii) regular COVID-19 testing; iii) practising safe-distancing procedures, etc.

While the pandemic has affected commercial and tourism activities across Malaysia, there were some silver linings within the Group's business activities even during the pandemic. For instance, DoubleTree by Hilton, located at Elements Mall managed by Hatten Land, has been achieved close to full occupancy due to quarantine and isolation measures.

The Group's properties are located within the prime and strategic locations in Melaka and this has helped preserve the value of the Group's assets, providing us with the confidence for a sustained recovery of our business activities in the endemic phase.

A key element of our business strategy is to re-purpose the Group's physical assets, in particular our malls, by identifying new uses, including for digital economy and renewable energy activities.

Our recent initiatives include:

i) A co-sharing office operator, under the Group's Prime 53 brand, which will occupy more than 9,000 square feet of space, has begun fit-out works within the Group's Elements Mall.

ii) the Group has identified e-learning and education as another growth segment and is actively engaging more than 25 interested tenants including a talent innovation hub operator which has already set up similar hubs in Penang and Kuala Lumpur; upon confirmation of such lease activities, up to 4 of the 11 floors of Elements Mall may be fully occupied for such education-related activities;

iii) A major Malaysian cinema operator has also commenced discussions to lease substantial space for cinema operations.

iv) The Group has also started fit-out works for more than 1,000 cryptocurrency mining rigs within Elements Mall to commence cryptocurrency mining activities and other digital activities outlined below.

v) To improve sustainability, the Group signed a Memorandum of Understanding with Bursa-listed Nestcon Berhad ("Nestcon") on 16 September 2021 which will involve the installation of solar panels on the rooftops of our malls, starting with Elements Mall.

Globally, the adoption of e-commerce, blockchain activities and other digital trends have all increased since the start of the pandemic. Aligned with this trend, the Group has accelerated our business pivot towards digital economy activities which will leverage on our existing loyalty program, strong business networks and relationships as a leading developer and mall operator in Melaka, a UNESCO World Heritage site with a rich history and cultural diversity.

The Group is actively engaging the Melaka authorities who are committed to a digital transformation of the state and we have commenced discussions with various technology companies to support Melaka's digital transformation and our business pivot.

The Group's digital and renewable energy initiatives are undertaken by our wholly-owned subsidiaries and here are the recent highlights:

• A MoU signed by Hatten Technology (S) Pte. Ltd. ("HTPL") with SGX Mainboard-listed SMI Vantage Limited (formerly known as Singapore Myanmar Investco) on 16 September 2021 and a definitive agreement with Frontier Digital Asset Management Pte. Ltd. ("Frontier") signed on 29 September 2021. These two agreements will involve the installation of up to 3,000 cryptocurrency mining rigs within the premises of our malls. HTPL will obtain a share of cryptocurrency coins mined in exchange for use of the premises and energy usage. The mining rigs will focus on Bitcoin mining ("BTC") at the preliminary phase. We intend to position the Group as a cryptocurrency mining hub, starting in Melaka. Building on our experience and track record, the Group will also explore opportunities to set up similar hubs in other locations.

• Meanwhile, the Group has also signed a strategic partnership agreement on 16 September 2021 with a subsidiary of Bursa-listed Nestcon Berhad to install solar panels on the roofs of some of its properties in Melaka, which will lower energy costs and accelerate its sustainability efforts. This will enable the Group to tap into renewable energy supply market, starting with the development of 3.19 MWp solar photovoltaic plants and facilities ("SPPFs") including 6,373 solar panels and associated systems on the roof of the Dataran Pahlawan Melaka Megamall, the largest mall in Melaka. Apart from lowering overall energy costs this initiative will also contribute to the 'green' cryptocurrency mining activities with more SPPF projects to be rolled out in 2022.

• HTPL has also entered into a collaboration with Prakal Pte. Ltd. ("EnjinStarter") to develop a dedicated token system and create digital assets. This token system will involve existing tokens issued by the Group as well as non-fungible tokens ('NFTs') and the creation of a digital Metaverse, starting with a digital twin city of Melaka ("Digital Melaka"). These will support opportunities to combine online and offline ('Phygital') activities that integrate the historical legacy and tourism attractions of Melaka.

On 16 September 2021, Hatten Land announced the placement of 80 million new shares at S$0.023 per share, raising proceeds of S$1.8 million. Each Placement Share comes with a detachable warrant which can be converted to Hatten Land shares at S$0.048 within two years. The proceeds will be used as working capital to fund the new digital and renewable energy initiatives of the Group.

The Group is targeting for the first batch of cryptocurrency mining rigs to be installed by December 2021. Barring unforeseen circumstances, we expect the Group's performance in the financial year ending 30 June 2022 to benefit as a result of the above-mentioned initiatives and the market recovery as COVID-19 restriction are gradually lifted.

8. Dividend Information

(a) Whether an interim (final) ordinary dividend has been declared (recommended):

No.

(b) (i) Amount per share: .... cents
(ii) Previous corresponding period: Nil

Nil

(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 Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined:

Not applicable.

9. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared for FY2021 as the Group is in a loss position during the financial year.

10. If the group has obtained a general mandate from shareholders for interested persontransactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. 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 30 October 2020. For details, please refer to the Company's Appendix to the Annual Report 2020. Save as disclosed below, there were no IPTs that exceeded S$100,000 during the financial year ended 30 June 2021.

Name of interested person	Nature of relationship	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
Temasek Blooms Sdn. Bhd.	1	731	-
Hatten Properties Sdn Bhd	2	-	442

Notes:

(1) Temasek Blooms 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) 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.

11. Disclosure of Acquisition (including incorporations and sale of shares under Catalist Rule 706A.

The Company' indirect wholly owned subsidiary, Hatten Technology (S) Pte. Ltd ("HTPL") has disposed its 10% of the issued share capital of S$100 in The Medici-Watermark Pte. Ltd ("TMW") to a third party on 15 April 2021 at a consideration of S$10.00 based on the issue share capital of S$100. The Net Asset value of TMW is S$100 as at 30 June 2021. As the result of the disposal, HTPL 's current equity interest held in TMW has decreased from 70% to 60%.

12. Confirmation that the issuer has procured undert aking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

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.

13. A breakdown of sales ("turnover and earnings") as follows:

	FY2021	FY2020	Change
	RM'000	RM'000	%
Sales reported for first half year	13,665	135,172	(89.9)
Profit/(loss) after income tax before deducting non-controlling interests reported the first half year	(40,729)	2,824	N.M
Sales reported for second half year	(46,657)	(25,725)	N.M
Loss after income tax before deducting non-controlling interests reported the second half year	(131,139)	(232,553)	N.M

14. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Nil.

15. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lu Chai Hong	57	Mother of Tan June Teng Colin@Chen JunTing and Tan Ping Huang Edwin@Chen BingHuang	Senior Manager, office Admin & Human Resources. Responsible for office administration and human resources functions since 31 August 2017.	Not applicable
Eric Tan Eng Huat	64	Father of Tan June Teng Colin@Chen JunTing and Tan Ping Huang Edwin@Chen BingHuang	Corporate Advisor. Responsible for corporate development, strategy and identifying and evaluating merger and acquisition, join venture and strategic alliance opportunities of	Not applicable

			Hatten Land Group since 2 July 2018.	

16. Use of proceeds

Placement proceeds

The company raised net proceeds of approximately S$1.78 million from the placement completed on 29 September 2021. Please refer to note 19 - Subsequent events and the Company's announcement dated 16 September 2021 for further details. The intended use of the net proceeds of approximately S$1.78 million are as follows:

Use of proceeds	**Amount allocated S$**
To fund new business initiatives of the Group	1,248,800
Working capital purposes	535,200
Total	**1,784,000**

There are no material disbursement on the use net proceeds up to the date of this announcement.

BY ORDER OF THE BOARD
HATTEN LAND LIMITED

Dato' Tan June Teng, Colin
Executive Chairman and Managing Director
27 October 2021

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