HATTEN LAND LIMITED

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

Unaudited Financial Statements and Dividend Announcement
For the Second Quarter ended 31 December 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 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.

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

For the financial period ended 31 December 2021

		Group Second Quarter Ended			Group 6 Months Ended		
		31.12.2021	31.12.2020 (Restated)	%	31.12.2021	31.12.2020 (Restated)	%
	Notes	RM'000	RM'000	Change	RM'000	RM'000	Change
Revenue	5	3,219	9,670	(66.7)	4,897	13,748	(64.4)
Cost of sales		(1,644)	(6,510)	(74.7)	(3,139)	(14,129)	(77.8)
Gross profit/(loss)		**1,575**	**3,160**	(50.2)	**1,758**	**(381)**	N/M
Other operating income		20	(60)	N/M	20	166	(88.0)
Other income/ gains		16,549	4,512	N/M	18,154	13,878	30.8
Other items of expense							
Selling and marketing expenses		43	(661)	N/M	(63)	(1,358)	(95.4)
General and administrative expenses		(16,661)	(12,714)	31.0	(23,734)	(22,558)	5.2
Impairment loss on trade receivables-credit loss on revocation of sales		(5,934)	(6,693)	(11.3)	(7,622)	(7,290)	4.6
Other expenses		-	(5)	N/M	-	(5)	N/M
Finance costs		(10,668)	(14,644)	(27.2)	(18,914)	(25,010)	(24.4)
Share of results of the associated company		(222)	-	N/M	(312)	-	N/M
Loss before tax	6	**(15,298)**	**(27,105)**	(43.6)	**(30,713)**	**(42,558)**	(27.8)
Income (expenses)/tax credit	7	-	-	N/M	-	179	N/M
Loss after tax		**(15,298)**	**(27,105)**	(43.6)	**(30,713)**	**(42,379)**	(27.5)
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss							
Currency translation differences arising on consolidation		-	(13)	N/M	-	(16)	N/M
Total comprehensive loss		**(15,298)**	**(27,118)**	(43.6)	**(30,713)**	**(42,395)**	(27.6)
Loss for the period attributable to:							
Owners of the Company		(15,298)	(27,105)	(43.6)	(30,713)	(42,379)	(27.5)
Total comprehensive loss for the period attributable to:							
Owners of the Company		(15,298)	(27,118)	(43.6)	(30,713)	(42,395)	(27.6)
(Loss) per share attributable to owners of the Company (RM cents per share)		**(0.9)**	**(1.8)**		**(1.9)**	**(2.8)**	

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 31 DECEMBER 2021

		Group		Company	
		31.12.2021	30.06.2021 (Restated)	31.12.2021	30.06.2021
	Note	RM'000	RM'000	RM'000	RM'000
Assets					
Non-current assets					
Property, plant and equipment	11	29,456	27,889	-	-
Right-of-use assets		47,478	56,175	-	-
Investment in a subsidiaries	12	-	-	710,739	710,739
Investment in associate company	13	22,275	22,587	-	-
Trade and other receivables	14	24,371	26,665	-	-
		123,580	133,316	710,739	710,739
Current assets					
Development properties	15	446,699	437,462	-	-
Contract assets		5,383	5,383	-	-
Trade and other receivables	14	168,673	204,538	272,966	267,692
Prepayments		2,095	277	1,951	159
Cash and bank balances		11,768	7,834	6,973	175
		634,618	655,494	281,890	268,026
Disposal group assets classified as held for sales		467,523	465,767	-	-
Total assets		1,225,721	1,254,577	992,629	978,765
Liabilities					
Current liabilities					
Lease liabilities		12,045	12,378	-	-
Loans and borrowings	16	206,013	207,615	187,425	186,900
Income tax payable		26,515	26,895	-	-
Trade and other payables	17	253,395	250,533	5,135	5,988
Provisions		31,483	32,975	-	-
Contract liabilities		47,184	55,295	-	-
		576,635	585,691	192,560	192,888
Liabilities directly associated with disposal group classified as held-for-sale		486,259	484,902	-	-
		1,062,894	1,070,593	192,560	192,888
Net current (liabilities)/assets		39,247	50,668	89,330	75,138
Non-current liabilities					
Lease liabilities		42,506	48,278	-	-
Loans and borrowings	16	80,189	80,135	-	-
Deferred tax liabilities		1	1	-	-
		122,696	128,414	-	-
Total liabilities		1,185,590	1,199,007	192,560	192,888
Net assets		**40,131**	**55,570**	**800,069**	**785,877**
Equity					
Share capital	18	313,302	298,044	1,345,806	1,330,548
Accumulated losses		(217,736)	(187,023)	(545,737)	(544,671)
Translation reserve		(433)	(449)	-	-
Merger reserve		(54,827)	(54,827)	-	-
Other reserve		(175)	(175)	-	-
Total Equity		**40,131**	**55,570**	**800,069**	**785,877**
Total equity and liabilities		**1,225,721**	**1,254,577**	**992,629**	**978,765**

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

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the financial period ended 31 December 2021

	Share capital	(Accumulated losses)	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 October 2021	303,706	(212,336)	(433)	(79,513)	(3,397)	8,027
Effects of unwinding of acquisition	-	9,898	-	24,686	3,222	37,806
At 1 October 2021, as restated	303,706	(202,438)	(433)	(54,827)	(175)	45,833
Loss for the period	-	(15,298)	-	-	-	(15,298)
						-
<u>Contributions by and distributions to owners</u>						
Issuance of ordinary shares	9,596	-	-	-	-	9,596
Total transactions with owners in their capital as owners	9,596	-	-	-	-	9,596
Balance as at 31 December 2021	**313,302**	**(217,736)**	**(433)**	**(54,827)**	**(175)**	**40,131**
At 1 October 2020	291,771	(41,126)	1	(79,513)	(3,397)	167,736
Effects of unwinding of acquisition	-	(54)	(3)	24,686	3,220	27,849
At 1 October 2020, as restated	291,771	(41,180)	(2)	(54,827)	(177)	195,585
						-
Loss for the period	-	(27,105)	-	-	-	(27,105)
<u>Other comprehensive loss</u>						-
Currency translation on consolidation	-	-	(13)	-	-	(13)
Total comprehensive loss for the period	**-**	**(27,105)**	**(13)**	**-**	**-**	(27,118)
						-
<u>Distributions to owners</u>						-
Issuance of ordinary shares	10,625	-	-	-	-	10,625
Shares isuance expenses	(49)	-	-	-	-	(49)
						-
Total transactions with ownders in their capital as owners	10,576	-	-	-	-	10,576
Balance as at 31 December 2020	**302,347**	**(68,285)**	**(15)**	**(54,827)**	**(177)**	179,043

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (con't)
For the financial period ended 31 December 2021

Company

	Share capital	(Accumulated losses)/ Retained earnings	Total equity
	RM'000	**RM'000**	**RM'000**
At 1 October 2021	1,336,210	(545,185)	791,025
Loss for the period	-	(552)	(552)
<u>Contributions by and distributions to owners</u>			
Issuance of ordinary shares	9,596	-	9,596
	9,596	-	9,596
Balance as at 31 December 2021	**1,345,806**	**(545,737)**	**800,069**
At 1 October 2020	1,324,275	(486,628)	837,647
Profit for the period	-	558	558
<u>Contributions by and distributions to owners</u>			
Issuance of placement shares	10,625	-	10,625
Placement shares expenses	(49)	-	(49)
	10,576	-	10,576
Balance as at 31 December 2020	**1,334,851**	**(486,070)**	**848,781**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For financial year ended 31 December 2021

	Group Second Quarter Ended		Group 6 Months Ended	
	31.12.2021	31.12.2020 (Restated)	31.12.2021	31.12.2020 (Restated)
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Loss before tax	(15,298)	(27,105)	(30,713)	(42,558)
Adjustments for:				
Share of results of associated company	222	-	312	-
Depreciation of property, plant and equipment	292	259	492	438
Depreciation of right-of-use assets	4,800	9,258	8,408	16,987
Gain/(loss) on disposal of property, plant and equipment	96	(45)	(256)	(45)
Gain/(loss) on disposal of right-of-use assets	(93)	(62)	(155)	(62)
Interest income	(6,025)	(10,365)	(6,147)	(10,547)
Interest expense	10,668	14,644	18,914	25,010
Impairment loss on trade receivables	7,622	-	7,622	-
Unrealised foreign exchange (gain)/loss	(230)	(5,573)	351	(12,022)
Amortisation of capitalised transaction costs	-	1	-	91
Operating cash flows before working capital changes	**2,054**	**(18,988)**	**(1,172)**	**(22,708)**
Changes in operating assets and liabilities				
Development properties	(6,936)	(432)	(9,196)	5,448
Contract liabilities	(8,580)	15,445	(8,111)	1,775
Trade and other receivables	15,492	(7,244)	27,206	56,914
Trade and other payables	4,588	7,105	3,896	(32,909)
Cash flow generated from operations	**6,618**	**(4,114)**	**12,623**	**8,520**
Interest paid	(13,306)	(11,707)	(18,914)	(18,287)
Interest received	6,025	10,365	6,147	10,547
Income tax paid	(400)	(680)	(410)	(1,571)
Net cash flows used in operating activities	**(1,063)**	**(6,136)**	**(554)**	**(791)**
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	256	45	256	45
Proceeds from right-of-use assets	-	60	155	60
Increase in pledged fixed deposit	-	2,022	-	954
Additions to property,plant and equipment	(2,278)	(171)	(2,334)	(265)
Net cash flows generated (used in)/from investing activities	**(2,022)**	**1,956**	**(1,923)**	**794**
Cash flows from financing activities				
Proceeds from term loans	-	57	-	57
Repayment of lease liabilities	(6,005)	(137)	(7,324)	(1,327)
Repayment of term loans and medium term note	(1,445)	(1,488)	(1,548)	(2,513)
Proceeds from placement shares	9,596	-	15,259	-
Shares issuance expenses	-	(48)	-	(284)
Net cash flows from/(used in) financing activities	**2,146**	**(1,616)**	**6,387**	**(4,067)**
Net increase/(decrease) in cash and cash equivalents	(939)	(5,796)	3,910	(4,064)
Cash and cash equivalents at the beginning of the period	12,686	23,422	7,834	21,466
Effects of exchange rate changes on cash and cash equivalents	(1)	(2)	2	222
Cash and cash equivalents at the end of the period	**11,746**	**17,624**	**11,746**	**17,624**
Cash and bank balances	11,768	17,934	11,768	17,934
Less: Pledged fixed deposit	-	(310)	-	(310)
Less: Included in disposal group classified as held-for-sale	(22)	-	(22)	-
Cash and cash equivalents as per above	**11,746**	**17,624**	**11,746**	**17,624**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 31 December 2021

These notes form 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 six months ended 31 December 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 2021.

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.

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 2021.

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

3. Going Concern Assumption

For the six month ended 31 December 2021, the Group incurred a net loss of RM30.7 million. As at 31 December 2021, the Group's total loans and borrowings amounted to RM286.2 million, of which RM206.0 million were classified as current liabilities and exceeded the Group's cash and bank balances of RM11.8 million. The Group's working capital primarily comprises development properties and the related receivables.

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 31 December 2021, the Group had net assets of RM40.1million. 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 (including the development properties of GMSB). 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, including 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. MDSA Ventures Sdn Bhd has completed the scheme of arrangement on 19 January 2021. In the meantime for MDSA Resources Sdn Bhd, the Court of Appeal has heard the matter on 4 January 2022 and reserved its decision to 2 March 2022.

(e) The Company has worked closely with its lender to extend the repayment obligations for its borrowings. This has helped aligned the group's requirements with the current business climate and channel its cashflow for operation purposes. In addition, the Company is also working to secure a refinancing package for the US$ 20 million and US$25 million. The US$25 million are secured against an asset owned by related party of the borrowing entity with and estimated collateral valuation of approximately two times of the loan amount and the US$20 million are secured against, among others, assets owned by one of its subsidiaries and shares of the Company provided by related party of the borrowing entity.

(f) An indirect 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 the financial statements, the balance of the MTN Programme amounted to RM146,000,000. The subsidiary will look to issue the balance of the MTN Programme for its investment activities, capital expenditure, working capital requirements and/or other general corporate purposes when the need arises;

(g) On 1 December 2021, the Group has completed a strategic review to respond to changes in the operating environment including emerging trends associated with blockchain technology and digital economy. With these new business initiatives, the Group believes that it will add new revenue streams to the Group and ability to continue operating as a going concern.

(i) The re-opening of the economy, interstate and overseas travel will contribute to the recovery of the Group's hospitality and property-related activities in Melaka.

Based on the above and 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 period from 1 October 2021 to 31 December 2021 ("2Q FY2022") except for continuous impact from the Covid 19 pandemic.

5. Segment and revenue information

5.1. Segment Information

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 Second Quarter Ended		Group 6 Months Ended	
	31.12.2021	31.12.2020 (Restated)	31.12.2021	31.12.2020 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue from sale of development properties in Malaysia				
- recognised at a point in time	1,341	6,824	1,756	11,607
- recognised over time	1,878	2,846	3,141	2,141
	3,219	**9,670**	**4,897**	**13,748**

6. Loss before tax

	Group Second Quarter Ended		Group 6 Months Ended	
	31.12.21	31.12.20 (Restated)	31.12.21	31.12.20 (Restated)
	RM'000	RM'000	RM'000	RM'000
Loss for the period is arrived at after				
Depreciation of property, plant and equipment	292	259	492	438
Depreciation of right-of-use assets	4,800	9,258	8,408	16,987
Loss/(gain) on disposal of property, plant and equipment	96	(45)	(256)	(45)
(Gain)/loss on disposal of right-of-use assets	(93)	(62)	(155)	(62)
Interest expense	10,668	14,644	18,914	25,010
Interest income	(6,025)	(10,365)	(6,147)	(10,547)
Net foreign exchange loss/(gain)	3	-	714	(6,449)

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 Second Quarter Ended		Group 6 Months Ended	
	31.12.2021	31.12.2020 (Restated)	31.12.2021	31.12.2020 (Restated)
	RM'000	RM'000	RM'000	RM'000
Current income tax				
- Current year	-	-	-	-
- Under/(over) provision in respect of prior years	-	-	-	(179)
	-	-	-	(179)
Income tax expense recognised in profit or loss	-	-	-	(179)

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

	Group Second Quarter Ended		Group 6 Months Ended	
	31.12.21	31.12.20 (Restated)	31.12.21	31.12.20 (Restated)
Loss attributable to owners of the Company(RM'000)	(15,298)	(27,105)	(30,713)	(42,379)
Weighted average number of ordinary shares in issue	1,654,082,271	1,523,750,441	1,654,082,271	1,523,750,441
Basic and fully diluted (loss)/earnings per share ("EPS")(RM'cents)	(0.92)	(1.78)	(1.86)	(2.78)

*As the Group was in a loss position the outstanding warrants were not included in the computation of diluted loss per share because these potential ordinary shares were anti-dilutive.

9. Net assets value

	Group		Company	
	31.12.21	30.6.21 (Restated)	31.12.21	30.6.21
Net asset value attributable to owners of the Company (RM'000)	40,131	55,570	800,069	785,877
Number of ordinary shares in issue	1,735,169,228	1,595,169,228	1,735,169,228	1,595,169,228
Net asset value per ordinary share (RM'cents)	2.31	3.48	46.11	49.27

10. Related party transactions

For the financial period ended 31 December 2021, the Group had no significant related party transactions apart from that interested person transactions as disclosed in page 23 to 24.

11. Property, plant and equipment

During the financial period ended 31 December 2021, the Group acquired assets amounting to RM2.3 million (30 June 2021: RM 2.0 million) and disposed of assets at net book value amounting to nil (30 June 2021: RM 1.3 million)

12. Investment in subsidiary

	Company	
	31.12.21	**30.06.21**
	RM'000	**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	
	31.12.21	**30.06.21**
	RM'000	**RM'000**
Movements in allowance for impairment loss		
At 1 July	492,576	492,576
Impairment loss charged to profit or loss	-	-
At 31 December 2021 and 30 June 2021	492,576	492,576

13. Investment in associate company

	Group	
	31.12.21	**30.06.21**
	RM'000	**RM'000**
Unquoted equity shares, at cost		
Balance at beginning of financial period/year	22,587	-
Acquisition during the financial year	-	21,973
Gain on dilution of interest	-	1,211
Share of post-acquisition reserves	-	(597)
Group's share of loss for the period/year	(312)	-
	22,275	22,587

In accordance with the sale and purchase agreement between the Company and ECXX, the Company acquired 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 HTPL and ECXX, HTPL subscribed for 1,557 new ordinary shares in the capital of ECXX, representing approximately 1.46% equity interest of the enlarged share capital after the issuance of the new ordinary shares by 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 (approximately RM20,417,000) and cash consideration of US$354,930 (approximately RM1,556,000) which will be paid by the Company on behalf of HTPL. As at 31 December 2021, a balance of cash consideration of RM454,000 is included in other payables.

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%. The dilution in the equity interest has resulted in a gain of RM1,211,000 to the Group and credited to other income. 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	
	31.12.21	30.06.21 (Restated)	31.12.21	30.06.21
	RM'000	RM'000	RM'000	RM'000
Current:				
Trade receivables	50,033	77,817	-	
Amount due from related parties	75,938	79,236	-	-
Amount due from subsidiaries	-	-	272,966	267,470
Refundable Deposits	2,454	2,454	-	-
GST recoverable	1,305	15	-	-
Other receivables	38,943	45,016	-	222
	168,673	204,538	272,966	267,692
Non-current:				
Trade receivables	23,743	26,054	-	-
Refundable Deposits	628	611	-	-
	24,371	26,665	-	-
Total Trade and other receivables (current and non-current)	193,044	231,203	272,966	267,692

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 previous 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 subsidiaries are unsecured, non-interest bearing, repayable on demand and to be settled in cash.

The management of the Group does not foresee any issues with the collection of the outstanding trade receivables as the Group has policies in place to ensure that sales are made to purchasers with appropriate financial strength and after obtaining sufficient security such as deposits. If a purchaser defaults on payments, the Group may enforce payments via legal proceedings or if the purchaser is assessed to be insolvent, the Group may resume possession of the units, retain a portion of the purchaser's deposits from payments made to date, and resell the property.

15. Development properties

	Group	
	31.12.21	30.06.21 (Restated)
	RM'000	RM'000
Completed Development properties	412,562	405,423
Development properties under construction	8,337	6,239
Properties for development representing land carried at cost	25,800	25,800
	446,699	**437,462**

In the financial year ended 30 June 2021 ("FY2021"), 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 RM780,750,000, excluding the development properties of Gold Mart Sdn Bhd. 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, two (2) approaches namely the Comparison Approach and Income Approach were adopted by way of Term & Reversion Approach in valuing the completed project, whilst the Income Approach by way of "Residual Method" was adopted in valuing the development properties construction project.

Impairment loss on development properties

During the financial period, an impairment loss on development properties is nil (2021: RM4,500,000) was recognized in the Group's profit or loss to write-down the properties for development properties.

16. Loan and Borrowings

	Group		Company	
	31.12.21	30.06.21 (Restated)	31.12.21	30.06.21
	RM'000	RM'000	RM'000	RM'000
Amount repayable within one year				
Secured	206,013	207,615	187,425	186,900
Amount repayable after one year				
Secured	80,189	80,135	-	-
Total	286,202	287,750	187,425	186,900

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	
	31.12.21	30.06.21 (Restated)	31.12.21	30.06.21
Current:	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Trade payables	10,899	11,294	187	696
Deposits received	10,166	8,338	-	-
Accruals - third parties	77,588	74,421	2,749	2,630
Accruals - directors	565	376	564	376
Amount due to related parties	52,845	41,220	657	657
Amount due to a director	1,388	1,144	-	-
Amount due to subsidiaries	-	-	30	595
Rental paybles	48,961	47,691	-	-
Amount due to creditors under scheme arrangement	31,051	31,159	-	-
Amount due to associated company	454	998	454	998
Other payables	19,478	33,892	494	36
	253,395	250,533	5,135	5,988

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% (2021: 6% to 8%) per annum of the purchase price to the purchasers for a committed lease term of 2 years to 9 years (2021: 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.

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.

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			
	31.12.21		30.06.21	
	No. of shares '000	RM'000	No. of shares '000	RM'000
Issued and fully paid ordinary shares	1,735,169	313,302	1,595,169	298,044

The total number of issued shares excluding treasury shares as at 31 December 2021 was 1,735,169,228 (30 June 2021: 1,595,169,228).

The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2021, 30 June 2021 and 31 December 2020.

As at 31 December 2021, the Company has outstanding warrants of 40,000,000 (31.12.2020: Nil) convertible into 40,000,000 ordinary shares representing approximately 2.3% of the total number of issued shares as at 31 December 2021.

Issuance of ordinary shares

During the financial period, the Company had completed the Proposed Placement with the allotment and issuance of 20,000,000 new ordinary shares for an aggregate of 20,000,000 new ordinary shares at the price of S$0.06 per share for an aggregate amount of S$1,200,000. In addition, the Company has completed the exercise of 40,000,000 Warrants at the exercise price of S$0.048 per Warrant for an aggregate amount of S$1,920,000. As a result, the number of shares of the Company has increased from 1,675,169,228 shares as at 30 September 2021 to 1,735,169,228 shares as at 31 December 2021.

19. Subsequent events

There are no known subsequent events which would lead to adjustment to this set of condensed interim consolidated financial statements.

20. Comparative figures and retrospective restatements

On 28 December 2021, the Company's direct wholly owned subsidiary, Hatten MS Pte Ltd ("HMS") has entered into a termination agreement with Dato' Tan June Teng Colin @ Chen Junting, Dato' Tan Ping Huang Edwin @ Chen Binghuang and Yap Wei Shen (the "Vendors") in respect of the mutual agreement by the Vendors and HMS to unwind the acquisition of Velvet Valley Sdn Bhd ("VVSB"). Please refer to the Company's announcement dated 28 December 2021 for further details. The unwinding has been completed on 18 January 2022.

As a results, certain line items have been amended on the statement of financial position, statement of Comprehensive Income and related notes to the financial statements for the previous financial year ended 30 June 2021. The financial statements for the financial year ended 30 June 2021 were restated during the financial period as follows:

	As previously reported RM'000	Adjustment RM'000	As restated RM'000
<u>Statement of Financial Position</u>			
Non-current assets			
Property, plant and equipment	40,074	(12,185)	27,889
Right-of-use assets	56,529	(354)	56,175
Trade and other receivables	27,627	(962)	26,665
Current assets			
Development properties	481,473	(44,011)	437,462
Trade and other receivables	179,022	25,516	204,538
Prepayments	272	5	277
Cash and bank balances	8,070	(236)	7,834
Liabilities			
Current liabilities			
Lease liabilities	12,461	(83)	12,378
Loans and borrowings	217,592	(9,977)	207,615
Income tax payable	28,257	(1,362)	26,895
Trade and other payables	268,166	(17,633)	250,533
Provisions	34,455	(1,480)	32,975
Contract liabilities	55,955	(660)	55,295
Non-current liabilities			
Lease liabilities	48,473	(195)	48,278
Loans and borrowings	81,020	(885)	80,135
Other payables	34,057	(34,057)	-
Equity			
Accumulated losses	(193,220)	6,197	(187,023)
Merger reserve	(79,513)	24,686	(54,827)
Other reserve	(3,397)	3,222	(175)

	RM'000	RM'000	RM'000
<u>Statement of Comprehensive Income</u>			
For the financial period ended 31 December 2020			
Revenue	13,665	83	13,748
Cost of sales	14,129	-	14,129
Other operating income	166	-	166
Other income/gains	18,057	(4,179)	13,878
Selling and marketing expenses	1,399	(41)	1,358
General and adminstrative expenses	24,152	(1,594)	22,558
Impairment loss on trade receivables - credit loss on revocation of sales	7,290	-	7,290
Other expenses	5	-	5
Finance costs	25,821	(811)	25,010
Loss before tax	40,808	1,750	42,558
Loss for the financial period	40,729	1,650	42,379

<u>Consolidated Statement of Cash Flows</u>

In view of the above changes, consequential restatements were made to the Consoliated Statement of Cash Flows.

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:-

The Company's Independent Auditor, Baker Tilly TFW LLP (the "Independent Auditor"), had in their Independent Auditor's Report dated 8 December 2021, expressed, among others, a disclaimer of opinion in respect of:

(1) Use of going concern assumption

The Independent Auditors' report highlighted certain conditions that give rise to material uncertainties surrounding the continuing use of the going concern assumption in preparation of the financial statements.

Notwithstanding the Independent Auditors' disclaimer of opinion, the Board is of the view that the Group is able to continue operating as a going concern based on the following factors:-

(i) The Group has 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 (including the development properties of GMSB). The Group's priority is to monetise these assets through sales and collection to generate cashflow;

(ii) On 1 December 2021, the Group has completed a strategic review to respond to changes in the operating environment including emerging trends associated with blockchain technology and digital economy. With these new business initiatives, the Group believes that it will add new revenue streams to the Group and ability to continue operating as a going concern.

(iii) The re-opening of the economy, interstate and overseas travel will contribute to the recovery of the Group's hospitality and property-related activities in Melaka.

(iv) 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.

In addition, the Company is also currently working to secure a refinancing package for the US$20 million and US$25 million. The US$25 million are secured against an asset owned by related party of the borrowing entity with an estimated collateral valuation of approximately two times of the loan amount and the US$20 million are secured against, among others, assets owned by one of its subsidiaries and shares of the Company provided by related party of the borrowing entity. For further information on the Board's assessment and its bases on the Group's ability to continue as a going concern, please refer to the announcement dated 15 December 2021 on the SGXNet.

(2) Appropriateness of the classification of disposal group classified as held-for-sale:

The assets and liabilities related to Gold Mart Sdn Bhd ("GMSB") have been presented as disposal group classified as held-for-sale in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations. There was a delay in the completion of the disposal due to the substantial documentation and time required by the financial institutions involved to approve and process the cross-border payment and this was further exacerbated by the COVID-19 pandemic situation. In view of the delay and also the significant uncertainties with respect to the estimated date of completion of the disposal, the Independent Auditors are unable to obtain sufficient appropriate audit evidence to ascertain the appropriateness of the classification of the disposal group classified as held-for-sale as at 30 June 2021. Notwithstanding the delay in the completing the disposal of GMSB, as at the date of announcement, the Group and Tayrona Capital Group Corporation remain keen and committed to complete the transaction. Further, the Group's intention to dispose GMSB remains unchanged. As the Group has entered into an agreement to dispose GMSB, the Board is of the view that it is appropriate to present the assets and liabilities of GMSB as held-for-sale in the financial statements.

(3) Investment in subsidiaries and amounts due from subsidiaries in the Company's financial statements.

In view of the material uncertainties on the ability of the Group to continue as going concern and the ability of the subsidiaries in realising its development properties at expected timings which is inherently uncertain, the Independent Auditors are unable to determine whether any impairment loss is required on the carrying amounts of the Company's investments in subsidiaries and amount due from subsidiaries as at 30 June 2021. Notwithstanding the Independent Auditors' disclaimer of opinion, the investment in subsidiaries and amounts due from subsidiaries were only presented at the Company's financial statements and had been eliminated at the Group's financial statements and therefore, there will be no financial impact on the Group's consolidated statement of financial position and consolidated statement of comprehensive income. In addition, property valuations have been conducted by a third party firm of professional valuers on the development properties as at 30 June 2021 and the estimated market value of the development properties is approximately RM1,150,750,000 (including the development properties of Gold Mart

Sdn Bhd). Therefore, the Board is of the view that the amount investment in subsidiaries and amounts due from subsidiaries are fairly presented and the amount due from subsidiaries are recoverable through the sales of the unsold units of the completed properties.

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 second quarter ended 31 December 2021 ("2Q FY2022") as compared to the second quarter ended 31 December 2020 ("2Q FY2021")

Revenue and cost of sales and gross profit

The Group's revenue decreased by RM6.5 million in 2Q FY2022 as compared to 2Q FY2021 mainly due to lower sales of our projects as a result of decrease in property viewings and purchase closures during this challenging market due to the COVID-19 pandemic.

The decrease in cost of sales was in tandem with the decrease in revenue. The increase in gross profit margin was mainly due lower discount, promotion rebates to purchasers and lower sales commission in 2Q FY2022 as compared to 2Q FY2021.

Other income/gains

Other income/gains increased by RM12.0 million in 2Q FY2022 as compared to 2Q FY2021 was due mainly to higher overdue interest and forfeiture income charged to purchasers, management fees charged to third party property management office and share of profit pursuant to the rental sharing scheme

General and administrative expenses

The general and administrative expenses increased by RM3.9 million were mainly due to the increase in the professional fees and related expenses incurred for the Group's corporate exercises and assessment fees paid during the financial period.

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 lower revocation of sales from purchasers in 2Q FY2022 as compared to 2Q FY2021.

Finance costs

Finance costs decreased by RM4.0 million mainly due to lower interest expense and interest expense on lease liabilities in 2Q FY2022 as compared to 2Q FY2021.

Net loss for the financial period

As a result of the aforementioned, the Group reported a loss after tax in 2Q FY2022 of RM15.3 million as compared to a loss of RM27.1 million in 2Q FY2021.

Review for the financial position of the Group as at 31 December 2021 as compared to 30 June 2021

Total assets

Total assets as at 31 December 2021 was RM1,225.7 million as compared to RM1,254.6 million as at 30 June 2021, a decrease of RM28.9 million mainly due to:

- decrease in trade and other receivables due to better collections during the financial period and
- decrease in right-of-use assets due mainly from depreciation charges and disposal of motor vehicle

The decrease was partially offset by increase in development properties due to revocation of sales from purchasers, increase in prepayment due to prepaid operating expenses and prepayment to suppliers and increase of cash and bank balances.

Total Liabilities

Total liabilities as at 31 December 2021 was RM1,185.6 million as compared to RM1,199.0 million as at 30 June 2021, a decrease of RM13.4 million mainly due to decrease in lease liabilities, repayment of loan and borrowings during the financial period. The decrease in total liabilities is partially offset by the increase in amount due to related parties resulted from the unwinding of acquisition of VVSB.

Total equity

The decrease in total equity of RM15.4 million as at 31 December 2021 from RM55.6 million to RM40.1 million mainly due to the loss incurred during the financial period.

However, the decrease was partially offset by the increase in share capital with the allotment and issuance of 140,000,000 ordinary shares in the capital of the company during the six-month financial period ended 31 December 2021.

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

C. Consolidated Statement of Cash Flows (2Q FY2022)

The Group reported net increase in cash and cash equivalents mainly due to proceeds from issuance of shares, partially offset by the net cashflow used in operating activities and repayment of the term loans and lease liabilities.

As a result of the above, the Group recorded a cash and cash equivalent of RM11.8 million as at 31 December 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.

On 29 December 2021, the Group announced that there was a delay in the delivery of the cryptomining rigs due to logistics supply chain disruptions and in addition, the hold up in the deployment of technical personnel from Singapore to Melaka was caused by the recent tightening of Covid-19 control measures. As a result, the commencement of our cryptomining activities has been rescheduled to January 2022. On 11 January 2022, the Group provided an update that the crypto mining technical team has been successfully deployed from Singapore to Melaka on 5 January 2022 to manage and operate the crypto mining rigs and the first shipment of crypto mining rigs was also confirmed. The Group has commenced crypto mining operations in January 2022 and is on track to meet our expectation of more than 2,500 crypto mining rigs to be installed and operated within Hatten Land's properties in 2022.

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.

To potentially enhance the value of our physical assets as well as create digital assets at the same time, with sustainability efforts in mind. The Group has obtained shareholders' approval to diversify our business to include renewable energy, physical-digital malls, cryptocurrency mining ("crypto mining") and the Metaverse via an extraordinary general meeting on 30 December 2021.

On 27 December 2021, the Group announced that its wholly-owned subsidiary Hatten Edge Pte. Ltd. ("Hatten Edge") has entered into a Comprehensive Collaboration Agreement ("CCA") with global leading information and communications technology (ICT) provider Huawei International Pte. Ltd. ("Huawei International"). Utilising their respective capabilities in technology, operational resources and business networks, Huawei International and Hatten Edge will jointly explore and develop business opportunities in key areas such as Cloud Computing, Virtual World solutions, Digital Entertainment, Data Centres, Renewable Energy, Fintech Infrastructure, among others. Through this partnership, Hatten Edge will focus on the joint development of eco-friendly data centres in Melaka to support Hatten Land's ongoing digital initiatives and cater to the surging demand of data centres from cloud service providers in the region. Both companies will also endeavor to develop large scale solar facilities and other renewable energy opportunities in the region that will be managed by the Group. With the partnership targeted towards the regional markets, there are strong opportunities to leverage on both companies' business networks to harness the emerging trends and business opportunities in Asia's digital economy.

The Group has commenced crypto mining operations in January 2022 and is on track to meet our expectation of more than 2,500 crypto mining rigs to be installed and operated within Hatten Land's properties in 2022. The crypto mining activities are expected to contribute positively to the net assets and financial performance of the Group for the financial year ending 30 June 2022.

With the various digital and renewable initiatives announced by the Group, there are opportunities for the Group to enter into new markets offering new business opportunities which would potentially provide additional and recurrent revenue streams and assist in continual growth of the Group.

For the Group's property-related business activities, we are cautiously optimistic of the sustained recovery of our business activities in the endemic phase as 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 property assets. The crypto mining activities are expected to contribute positively to the net assets and financial performance of the Group for the financial year ending 30 June 2022.

Our retail malls are expected to benefit from the pent-up demand with the progressive re-opening of the economy and social activities in Melaka. 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.

In addition, we believe that the hospitality properties managed by the Group will benefit from more domestic tourism activities as interstate travel has been allowed by the authorities. Notably, during the pandemic, the hospitality properties managed by the Group have performed quite resiliently. For instance, DoubleTree by Hilton, located at Elements Mall managed by the Group, has been achieving close to full occupancy due to quarantine and isolation measures.

Following our strategic review, 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 but not limited to co-sharing office spaces, talent innovation hub, education-related activities, cinema operations, crypto mining and renewable energy activities.

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.

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 2Q FY2022 as the Group is in a loss position during the financial period.

10. 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) 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 December 2021. For details, please refer to the Company's Appendix to the Annual Report 2021. Save as disclosed below, there were no IPTs that exceeded S$100,000 during the financial period ended 31 December 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	320	-

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.

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

The Company and its subsidiaries have incorporated the following wholly-owned subsidiaries, details set out below: ':

Name	Place of Incorporation	Date of Incorporation	Issue and Paid-up capital
Held by the Company: Hatten Edge Pte. Ltd ("Hatten Edge")	Singapore	16 December 2021	S$1.00, comprising 1 ordinary share issued at S$1.00 per shares
Held by Hatten Edge Hatten X Pte. Ltd. ("Hatten X")	Singapore	28 December 2021	S$1.00, comprising 1 ordinary share issued at S$1.00 per shares
Held by Hatten Edge Hatten Energy Holdings Pte. Ltd. (" HEHPL")	Singapore	25 January 2022	S$1.00 comprising 1 ordinary share issued at S$1.00 per shares
*Held by Hatten X** H2x Pte. Ltd. ("H2X")	Singapore	29 December 2021	USD10.00 comprising 10 ordinary share issued at USD1.00 per shares

Note:
* All are 100% owns except for Hatten X owns 50% of the shareholding interest in H2X.

On 28 December 2021, the Company's direct wholly owned subsidiary, Hatten MS Pte Ltd ("HMS") has entered into a termination agreement with Dato' Tan June Teng Colin @ Chen Junting, Dato' Tan Ping Huang Edwin @ Chen Binghuang and Yap Wei Shen (the "Vendors") in respect of the mutual agreement by the Vendors and HMS to unwind the acquisition of Velvet Valley Sdn Bhd ("VVSB"). Please refer to the Company's announcement dated 28 December 2021 for further details. The unwinding has been completed on 18 January 2022.

12. 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 second quarter ended 31 December 2021 to be false or misleading in any material aspect.

13. Confirmation that the issuer has procured undertaking 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.

14. Use of proceeds

Warrant proceeds

On 8 November 2021, the Company raised proceeds of approximately S$1.92 million from the exercise of 40,000,000 Warrants at the exercise price of S$0.048 per Warrant. The intended use of the proceeds of approximately S$1.92 million are as follows:

Use of proceeds	Amount allocated S$	Amount Utilised S$	Amount Unutilised S$
To fund new business initiatives of the Group	1,344,000	(856,296)	487,704
Working capital purposes *	576,000	(576,000)	-
Total	**1,920,000**	**(1,432,296)**	**487,704**

* The use of the net proceeds for working capital purposes is for payment of professional and consultancy fees.

November Placement proceeds

The company raised net proceeds of approximately S$1,183,000 from the placement completed on 22 November 2021. Please refer to the Company's announcement dated 1 November 2021 for further details. The intended use of the net proceeds of approximately S$1,183,000 are as follows:

Use of proceeds	Amount allocated S$
To fund new business initiatives of the Group	828,100
Working capital purposes	354,900
Total	**1,183,000**

There is no material disbursement on the net proceeds of the November Placement 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

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

13 February 2022