

Shaping the Future, Melaka and Beyond

Corporate Presentation | 3Q FY2018



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1. OVERVIEW

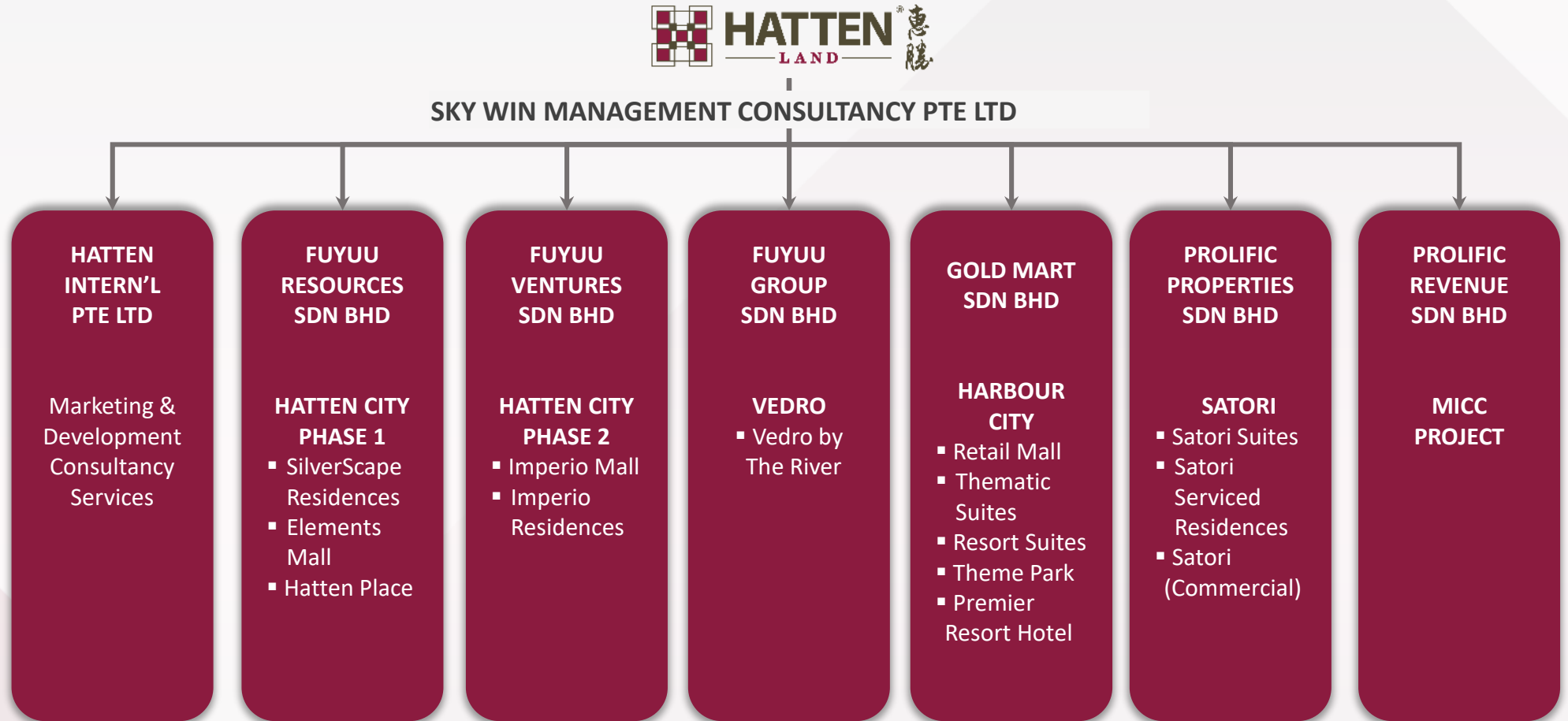
- Corporate Profile
- Group Structure



Corporate Profile

- Hatten Land Limited (“Hatten Land”), is one of the leading property developers in Malaysia specialising in integrated residential, hotel and commercial developments.
- Headquartered in Melaka, it is the property development arm of the Hatten Group conglomerate (82.6%-stake), which is a leading brand in Malaysia with core businesses in property development, property investment, hospitality, retail and education.
- It has an established track record as a visionary developer, winning over 50 awards and accolades for its quality developments, innovative designs and avant-garde architectural concepts.
- Hatten Land’s current development portfolio comprises five integrated mixed-use development projects and one retail mall in Melaka, Malaysia.
- Hatten Land Limited began trading on the Catalist board of SGX-ST on 28 February 2017 after the completion of the reverse takeover of VGO Corporation Limited.

Group Structure



NOTE : All subsidiaries above are 100% owned.



2. PROJECTS PORTFOLIO

- Completed Projects
- Ongoing Projects



Completed Projects



The mixed development, **Hatten City Phase 1**, integrates four distinct components: Elements Mall, SilverScape Residences, Hatten Place and a hotel which is managed by Hilton Worldwide as part of its DoubleTree brand.

- Location : Jalan Syed Abdul Aziz, Bandar Hilir, Melaka (Fronting the Melaka Straits)
- Land Size : Approximately 6 acres
- Estimated GDV : RM2.3b
- Developer : Fuyuu Resources Sdn Bhd



PROJECT	TOTAL DEVELOPMENT		SALES		BALANCE UNSOLD		COMPLETION DATE
	GDV * (RM'mil)	UNITS	GDV ** (RM'mil)	UNITS	GDV * (RM'mil)	UNITS	
Hatten Place	273	582	224	572	9	10	Nov-15
Elements Mall	1,406	1,251	446	864	751	387	Nov-15
SilverScape (Tower A & B)	633	747	352	682	68	65	Mar-16
Total	2,312	2,580	1,022	2,118	828	462	

NOTE

* GDV as per LIST PRICE

** GDV as per SPA (discounted)

Completed Projects



Vedro by the River is a retail mall which features an eclectic mix of tenants ranging from fashion house to retailers of novelty gadgets and chic accessories.

- Location : Kee Ann Road, along Melaka River
- Land Size : Approximately 2 acres
- Estimated GDV : RM293m
- Developer : Fuyuu Group Sdn Bhd

PROJECT	TOTAL DEVELOPMENT		SALES		BALANCE UNSOLD		COMPLETION DATE
	GDV * (RM'mil)	UNITS	GDV ** (RM'mil)	UNITS	GDV * (RM'mil)	UNITS	
Vedro by The River	293	736	153	518	110	218	Jul-17
Total	293	736	153	518	110	218	

NOTE

* GDV as per LIST PRICE

** GDV as per SPA (discounted)

Ongoing Projects



Hatten City Phase 2 is a mixed development which comprises Imperio Mall and Imperio Residences. It utilizes an iconic “cascading steps” design which functions as an outdoor jogging route with views of the coast and surrounding city. Imperio Residences will also feature 10 Cabana Villa units each of which will measure approximately 3,930 square feet across 3 storey along with two private carparks, its own lift and pool. Imperio Mall and Imperio Residences will be connected to the rest of Hatten City via an air-conditioned link bridge.

- Location : **Jalan Syed Abdul Aziz, Bandar Hilir, Melaka (Fronting the Melaka Straits)**
- Land Size : **Approximately 4 acres**
- Estimated GDV : **RM1.6b**
- Developer : **Fuyuu Ventures Sdn Bhd**

PROJECT	TOTAL DEVELOPMENT		SALES		BALANCE UNSOLD		COMPLETION DATE
	GDV * (RM'mil)	UNITS	GDV ** (RM'mil)	UNITS	GDV * (RM'mil)	UNITS	
Imperio Mall	952	784	321	591	747	193	4QFY18
Imperio Residence A	333	494	143	273	291	221	4QFY18
Imperio Residence B	328	456	189	369	270	87	4QFY18
Total	1,613	1,734	653	1233	1,308	501	

NOTE

* GDV as per LIST PRICE

** GDV as per SPA (discounted)

Ongoing Projects



@ PULAU MELAKA

Harbour City is a mixed development which consists of Harbour City Mall, a water theme park and three hotel blocks. By incorporating the elements of retail, hotels and the theme park, Harbour City aims to change Malacca's tourism and entertainment landscape.

- Location : Pulau Melaka (Fronting the Melaka Straits)
- Land Size : Approximately 6 acres
- Estimated GDV : RM2.2b
- Developer : Gold Mart Sdn Bhd

PROJECT	TOTAL DEVELOPMENT		SALES		BALANCE UNSOLD		COMPLETION DATE
	GDV * (RM'mil)	UNITS	GDV ** (RM'mil)	UNITS	GDV * (RM'mil)	UNITS	
Harbour City Mall	1,069	1,792	370	878	974	914	1QFY20
Harbour City Suites	341	717	241	707	251	10	1QFY20
Harbour City Resort	507	576	325	513	440	63	1QFY20
<u>To Be Launched</u>							
Harbour City Premier Resort	245	325					TBA
Total	2,162	3,410	936	2,098	1,665	987	

NOTE

* GDV as per LIST PRICE

** GDV as per SPA (discounted)

Ongoing Projects



SATORI

SANCTUARY IN THE CITY

Satori is Melaka's first wellness-themed integrated development that comprises a hotel, serviced residences and retail mall, which seeks to make a definitive statement on the wellness theme.

- Location : PN14975, No. Lot 850, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Melaka
- Land Size : Approximately 2 acres
- Estimated GDV : RM243m
- Developer : Prolific Properties Sdn Bhd

PROJECT	TOTAL DEVELOPMENT		SALES		BALANCE UNSOLD		COMPLETION DATE
	GDV * (RM'mil)	UNITS	GDV ** (RM'mil)	UNITS	GDV * (RM'mil)	UNITS	
Satori Suites	174	336	102	233	155	103	4QFY20
<u>To Be Launched</u>							
Satori Serviced Residences	69	192	-	-	69	192	TBA
Total	243	528			243	528	

NOTE

* GDV as per LIST PRICE

** GDV as per SPA (discounted)



3. 9M FY18 FINANCIAL RESULTS

- Financial Results Highlights
- Quarterly Financial Snapshots
- Financial Position



FY18 Financial Results Highlights

RM '000	3QFY18	3QFY17	% CHANGE	2QFY18	% CHANGE	9MFY18	9MFY17	% CHANGE
Revenue	85.5	164.9	-48.1%	43.4	97.0%	185.4	332.4	-44.2%
Gross Profit ("GP")	4.3	49.1	-91.2%	34.6	-87.6%	59.8	107.3	-44.3%
Gross Profit Margin	5.0%	29.8%	-83.2%	79.7%	-93.7%	32.2%	32.3%	-0.3%
(Loss)/Profit Before Tax ("LBT"/"PBT")	(17.0)	(61.8)	72.5%	16.0	N.M	3.4	(31.7)	N.M
(Loss)/Profit After Tax ("LAT"/"PAT")	(13.2)	(74.2)	82.2%	10.8	N.M	0.6	(51.0)	N.M
Earnings Per Share^ (sen)	(1.0)	(6.0)	83.3%	0.8	N.M	0.04	(4.2)	N.M
LBT/PBT Margin	-19.9%	-37.5%		36.9%		1.8%	-9.5%	
LAT/PAT Margin	-15.4%	-45.0%		24.9%		0.3%	-15.3%	

Revenue decreased by 44.2% arise from

- Lower revenue recognised for Hatten City Phase 2 project due to lower percentage of works completed in 9M FY18.
- Lower sales from Hatten City Phase 1 project in 9M FY18.

GP margin decreased by 0.3% due to

- Additional estimated borrowing costs charged out to income statement for Hatten City Phase 2.

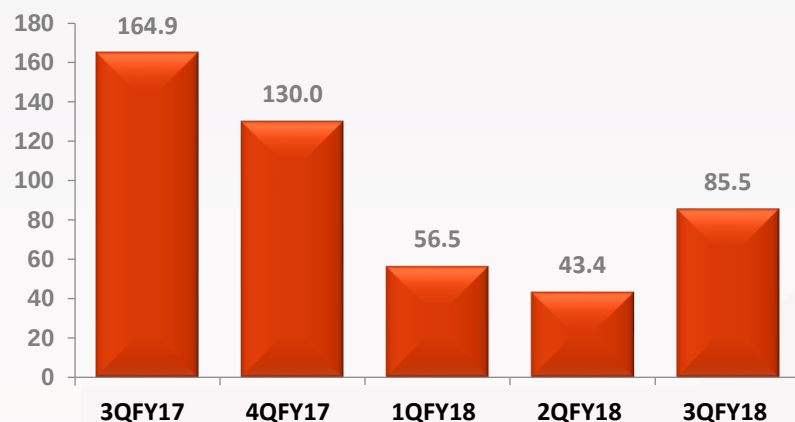
PAT reversed to RM0.6m from LAT of RM51.0m

- 9MFY17 LAT resulted from one-off non-operating expenses in relation to professional fees and acquisition costs for the RTO.

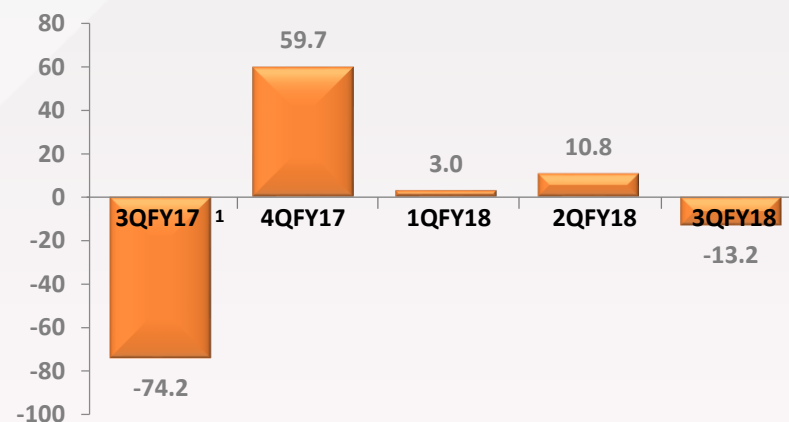
NOTE : ^ Based on weighted average share base of 1,376m shares for 9M FY18 and 1,233m shares for 9M FY17

Quarterly Financial Snapshots

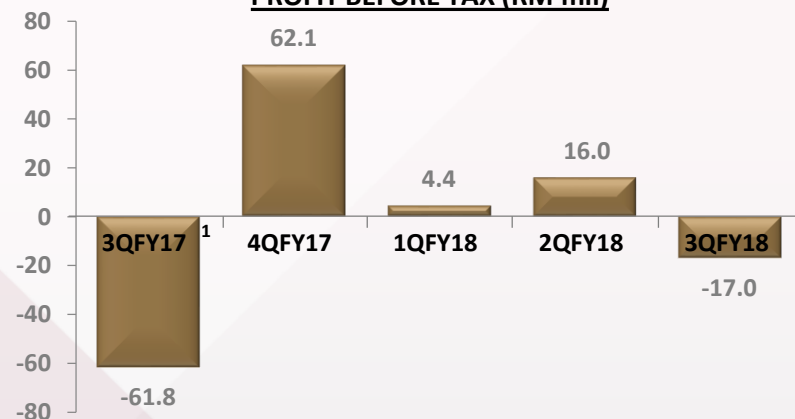
REVENUE (RM 'mil)



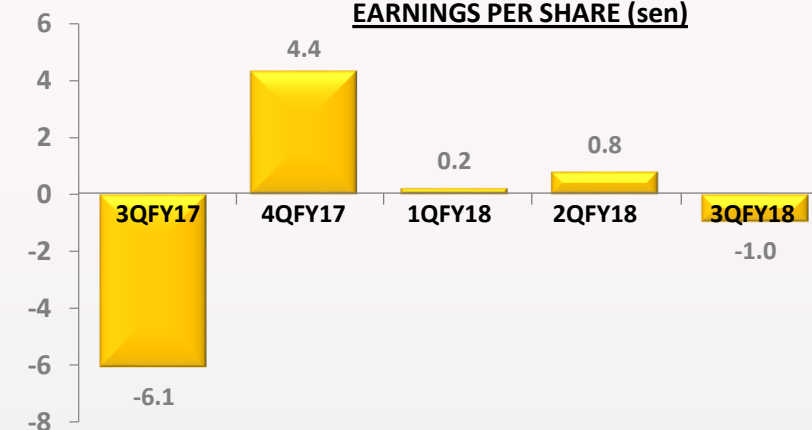
PROFIT AFTER TAX (RM 'mil)



PROFIT BEFORE TAX (RM' mil)



EARNINGS PER SHARE (sen)



NOTE : ¹ Net loss is impacted by the one-off non-operating RTO expenses of RM87.8m.

Financial Position

RM 'mil	31 Mar 2018 (UNAUDITED)	31 Dec 2017 (UNAUDITED)	% CHANGE
Current Assets	1,259.8	1,171.9	7.5%
Non-Current Assets	206.3	178.3	15.7%
Total Assets	1,466.1	1,350.3	8.6%
Current Liabilities	514.9	527.2	-2.3%
Non-Current Liabilities	724.6	582.6	24.4%
Total Liabilities	1,239.5	1,109.9	11.7%
Net Assets	226.6	240.4	-5.7%
Cash and bank balances	112.2	77.8	44.2%
Net Gearing Ratio¹ (times)	1.8	1.5	
Total No. of Shares (RM'000)	1,378.1	1,378.1	
Net Asset / Share	16.4	17.4	

Current Assets of RM1,259.8m

Comprises development properties of RM588.3m mainly attributable to development costs and construction services fees.

Trade Receivables of RM393.7m arose from:

- Accrued billings of RM248.9mil from Hatten City Phase 2.
- Amount billed of RM109.2m, due from purchasers for the newly launched Harbour City and Satori Suites.
- State consent's approval for foreign purchasers amounted to RM35.6m.

Current liabilities of RM514.9m

- Out of RM514.9m, guaranteed rental return ("GRR") commitment of RM207.2m is given to purchasers, calculated at 6% per annum of the purchase price.

Increase in Net Gearing Ratio to 1.8 times

- Issuance of medium-term loan notes programme to finance the investment activities, working capital, capital expenditures and other general corporate purposes.
- Issuance of convertible loan to finance the completion of Hatten City Project and other approved development projects.
- Issuance of guaranteed secured bonds to finance the completion of Hatten City Phase 2 project and working capital purposes.

NOTE : ¹ The net gearing ratio is computed as borrowings net off cash & cash equivalents divided by total equity.



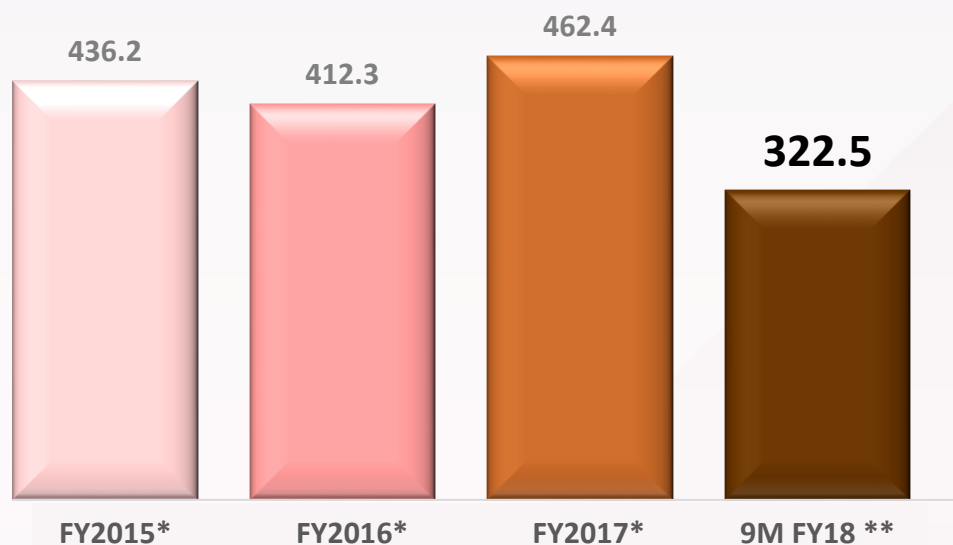
4. PROJECTS SALES AND PROGRESS

- Sales Achieved
- Future Sales
- Unbilled Sales



Sales Achieved To Date

SALES (RM' mil)



Chalked Up RM322.5m New Sales in 9M FY18

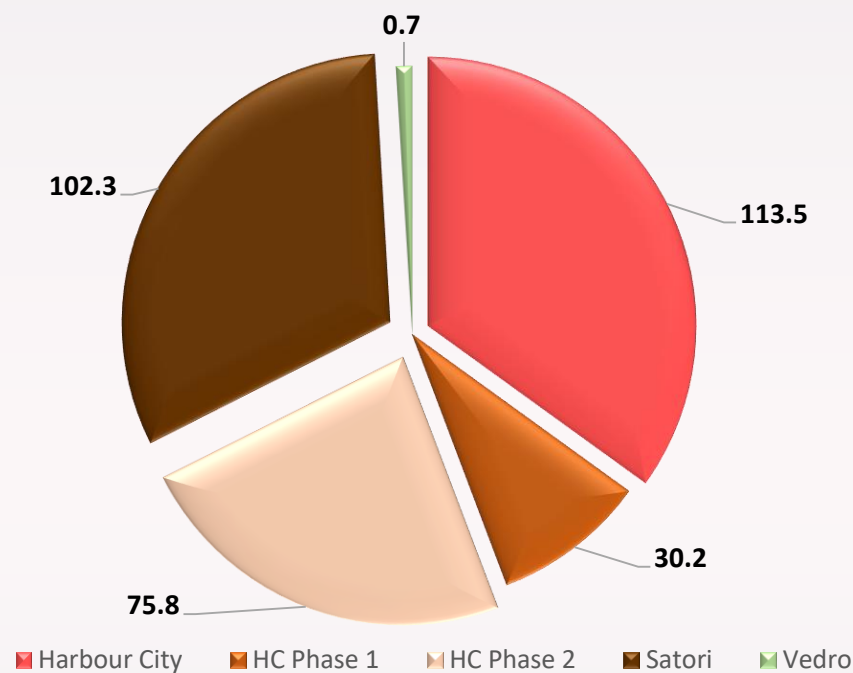
- In terms of value of new sales, 35.2% was from Harbour City, 31.7% was from Satori and 23.5% from Imperio. The remaining projects constitute 9.6%.

NOTE

* Revenue achieved per Audited Accounts.

** Sales achieved to date.

BREAKDOWN of 9M FY18 SALES (RM'mil)



Future Sales

PROJECTS		TOTAL GDV * (RM'mil)	SALES ** GDV (RM'mil)	BALANCE UNSOLD * GDV (RM'mil)
HC PHASE 1	Elements Mall	1,406	446	751
	Hatten Place	273	224	9
	SilverScape Residences	633	352	68
HC PHASE 2	Imperio Mall	952	321	747
	Imperio Residences	661	332	561
VEDRO by The River	Vedro by The River	293	153	110
HARBOUR CITY	Harbour City Mall	1,069	370	974
	Harbour City Suites	341	241	251
	Harbour City Resort	507	325	440
SATORI	Satori Suites	174	102	155
Total		6,309	2,866	4,066

FUTURE LAUNCHES		TOTAL GDV * (RM 'mil)	TARGETED LAUNCH	PROJECT TYPE	UNITS
Harbour City	Harbour City Premier Resort Hotel	245	TBA	Hotel Suites	325
Satori	Satori Serviced Residences	69	TBA	Serviced Residence	192

NOTE

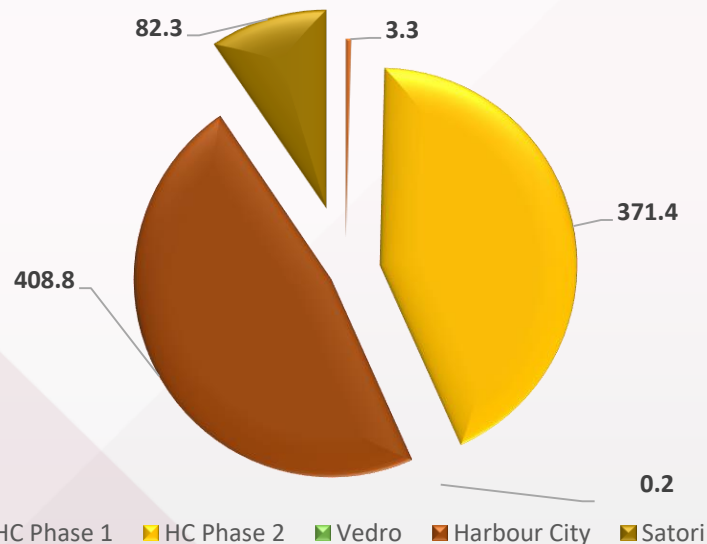
* GDV as per LIST PRICE

** GDV as per SPA (discounted)

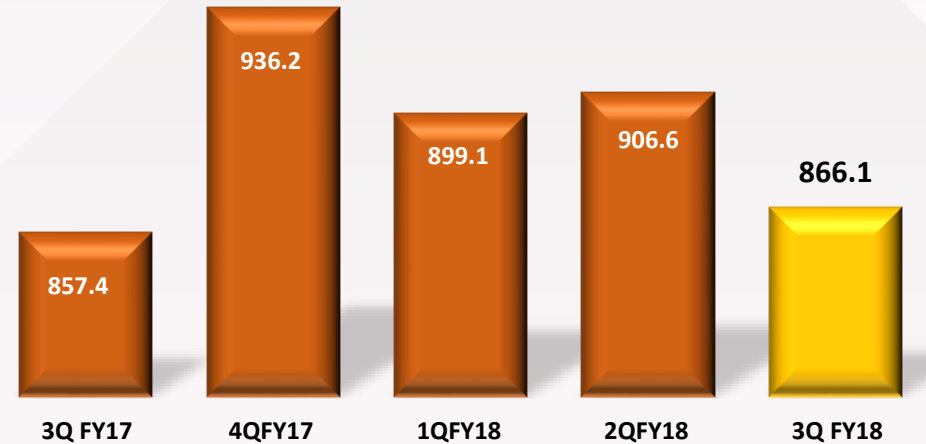
Unbilled Sales Stood at RM866.1m

Strong unbilled sales driven by steady sales across ongoing and new projects, especially for Hatten City Phase 2 and Harbour City.

BREAKDOWN of 9M FY18 UNBILLED SALES (RM 'mil)



UNBILLED SALES (RM'mil)



Unbilled sales to translate into strong cash inflows in 4Q FY18

- Hatten City Phase 2 which is expected to complete in 4Q FY18 allows immediate conversion of sales into billings.



5. PROSPECTS AND OUTLOOK

- Outlook
- Access to Land Bank for Future Development



Outlook

Clear Earnings Visibility

- Unbilled Sales of RM866.1m to be recognized over next 2 years.
- Harbour City Premier Resort Hotel (GDV RM245m) and Satori Serviced Residences (GDV RM68m) to be launched by June 2018.

New Recurring Income Stream

- New mall management arm complements core property development business and provides an alternative revenue stream.
- Revenue contribution from maiden project, Elements Mall, to commence from 1H FY19.

Growth in Melaka

- Second most visited state in Malaysia with registered 16.7m tourists in 2017.
- Melaka's growth is anchored by numerous mega infrastructure and tourism projects which will bolster the value of the Hatten Land's properties and underpin demand for its projects.

Access to large land bank for future development

- Land bank amounting to 201.77 acres.

Expansion of business outside Melaka

- In addition to the growing existing business in Melaka, the Group will explore opportunities to expand outside Melaka, especially Klang Valley.

Access to Land Banks and Development Rights for Future Development

EXISTING LAND

COMPANY - PROJECT	TENURE	LAND SIZE (acres)	ESTIMATED GDV (RM 'mil)
Melaka			
Prolific Revenue - MICC	Leasehold	9.34	942

ACQUISITION PENDING COMPLETION

COMPANY - PROJECT	TENURE	LAND SIZE (acres)	ESTIMATED GDV (RM 'mil)
Melaka			
Prolific Acres – Movie Town	Leasehold	8.86	1,200
Kuala Lumpur			
Admiral Merger – Cyberjaya	Freehold	25.55	3,000

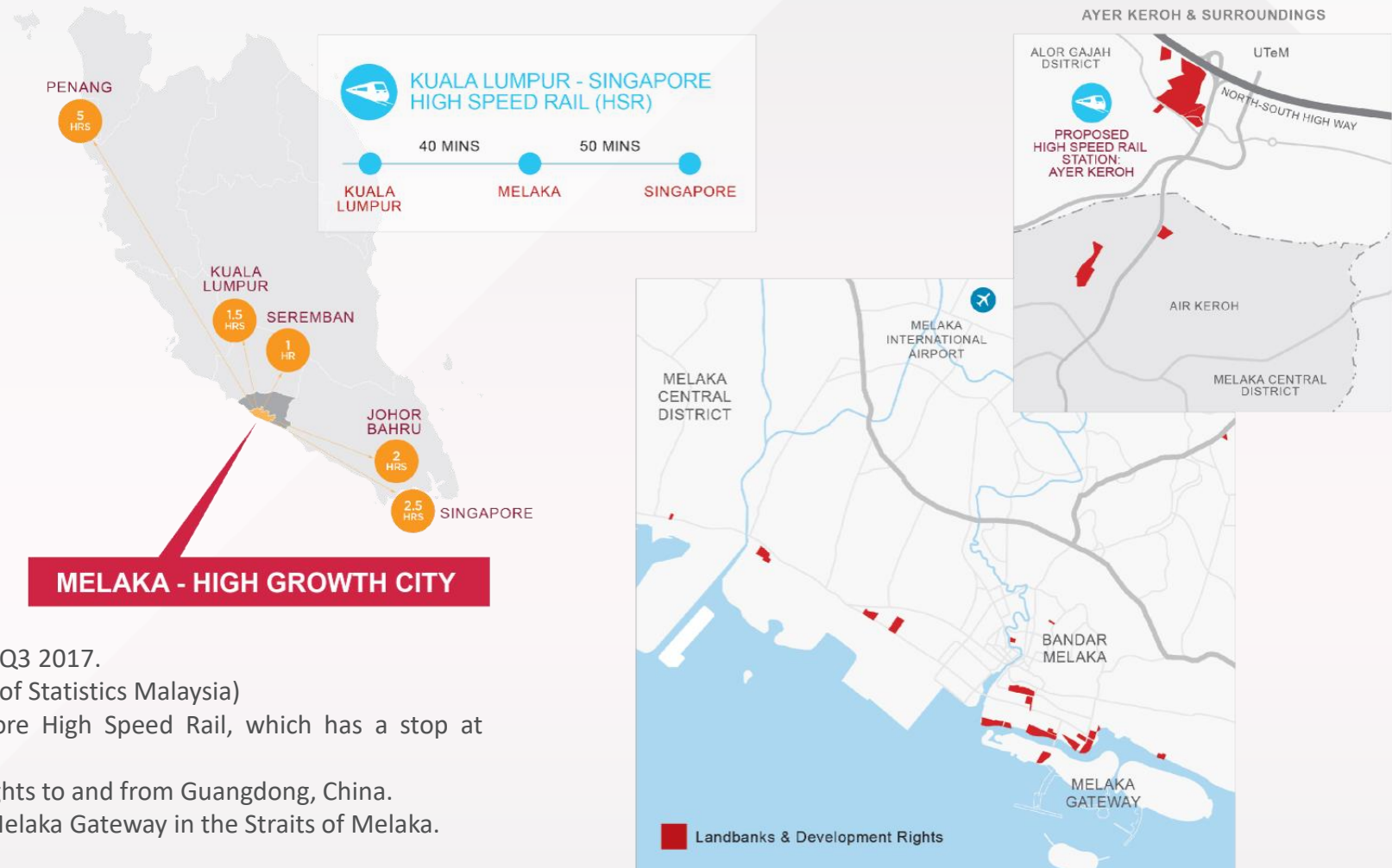
LAND UNDER ROFR

COMPANY - PROJECT	TENURE	LAND SIZE (acres)	ESTIMATED GDV (RM 'mil)
Johor Bahru			
Fuyuu Land	Freehold	0.86	361
Seremban			
Velvet Valley - UniCity Project	Freehold	1.96	823

LAND UNDER ROFR

COMPANY-PROJECT	TENURE	LAND SIZE (acres)	ESTIMATED GDV (RM 'mil)
Melaka			
Mayatrade	Freehold	11.83	4,968
Mayatrade	Leasehold	0.97	407
Prolific Assets	Freehold	0.26	109
Prolific Resources	Freehold	0.91	382
Prolific Synergy	Freehold	0.81	340
Fuyuu Success	Leasehold	2.00	840
Fuyuu Assets	Freehold	6.06	2,545
Fuyuu Properties	Freehold	8.63	3,625
Prolific Acres	Leasehold	10.51	4,414
Prolific Holdings	Leasehold	2.95	1,239
Prolific Holdings	Freehold	16.92	5,867
Rico Land	Freehold	3.42	1,436
EGAH Group	Leasehold	66.00	15,000
Prolific Hectares	Leasehold	17.97	7,540
Pavilion Hectares	Leasehold	5.96	2,503
Total		158.02	52,399

Access to Land Bank for Future Development



- 5.9% GDP growth for Q3 2017.
(Source: Department of Statistics Malaysia)
- Upcoming KL-Singapore High Speed Rail, which has a stop at Ayer Keroh, Melaka.
- Weekly scheduled flights to and from Guangdong, China.
- Construction of the Melaka Gateway in the Straits of Melaka.



APPENDIX

- Upcoming Projects



Upcoming Projects



The MICC (Melaka International Convention Centre) Project is slated to be developed into an integrated mixed development that will comprise a shopping mall, cineplex, convention hall, an auditorium, meeting rooms, a hotel block and a serviced apartment block.

- Location : Kawasan Bandar I, Daerah Melaka Tengah, Melaka
- Land Size : Approximately 9.34 acres
- Estimate GDV : RM942m
- Developer : Prolific Revenue Sdn Bhd

Upcoming Projects



The **Cyberjaya Project** will be Hatten Land's first venture into medical tourism.

Slated to be developed over three phases, the integrated mixed development will include retail, commercial (offices), residential and hospitality units as well as a hospital.

- Location : **Cyberjaya (known as H.S.(D) 36153, PT No. 50494 and H.S.(D) 36152, PT No. 50493 Mukim Dengkil, Daerah Sepang), Negeri Selangor.**
- Land Size : **25.55 acres**
- Estimate GDV : **RM3.0b**
- Developer : **Admiral Merger Sdn Bhd**

Upcoming Projects



The **Movie-Town Project** is slated to be developed into an integrated mixed development comprising a mix of retail, residential and hospitality units.

- Location : **Melaka (known as No. PN 54197, No. Lot 12057 and No. HS(D) 80587, No. PT976), Kawasan Bandar XL, Daerah Melaka Tengah**
- Land Size : **8.86 acres**
- Estimate GDV : **RM1.2b**
- Developer : **Prolific Acres Sdn Bhd**

Upcoming Projects



The **Plot K to E Project** is 66 acres of leasehold land (Plot E, F, G, H, I, J & K) located at Kawasan Bandar XL, Daerah Melaka Tengah, Melaka.

- Project is at early conceptualization stage. This provides the Company with a strong pipeline of future developments.
- Company may consider acquiring selected plots of land at appropriate time.

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THANK YOU

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