HATTEN LAND LIMITED

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

Unaudited Financial Statements and Dividend Announcement
For the Fourth Quarter ended 30 June 2022

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 year ended 30 June 2022

	Notes	Group Fourth Quarter Ended 30.06.2022 RM'000	Group Fourth Quarter Ended 30.06.2021 RM'000	% Change	Group 12 Months Ended 30.06.2022 RM'000	Group 12 Months Ended 30.06.2021 RM'000	% Change
Revenue from project sales		48,448	3,682	N/M	71,907	32,031	N/M
Less:							
Provision for liquidated ascertained damages		1,358	(65,023)	N/M	1,358	(65,023)	N/M
Revenue	5	**49,806**	**(61,341)**	N/M	**73,265**	**(32,992)**	N/M
Cost of sales		(13,561)	(2,721)	N/M	(24,735)	(28,277)	(12.5)
Add:							
Reversal of impairment loss on development properties		12,840	-	N/M	12,840	-	N/M
Provision for liquidated ascertained damages		-	1,547	N/M	-	1,547	N/M
Cost of sales		**(721)**	**(1,174)**	(38.6)	**(11,895)**	**(26,730)**	(55.5)
Gross profit		**49,085**	**(62,515)**	N/M	**61,370**	**(59,722)**	N/M
Other operating income		657	(23)	N/M	1,166	160	N/M
Other income/gains		29,136	61,000	(52.2)	47,636	81,557	(41.6)
Interest revenue from non-current trade receivables using the effective interest rate method		-	6,587	N/M	-	6,587	N/M
Other items of expense							
Selling and marketing expenses		542	(575)	N/M	1,427	(2,454)	N/M
General and administrative expenses		(30,304)	(44,052)	(31.2)	(70,868)	(90,268)	(21.5)
Loss on revocation of sales		(31,307)	(758)	N/M	(43,318)	(17,321)	N/M
Impairment loss on property, plant and equipment		-	(7,565)	N/M	-	(7,565)	N/M
Write-down of development properties		-	(4,494)	N/M	-	(4,494)	N/M
Impairment loss on right-of-use assets		-	(4,175)	N/M	-	(4,175)	N/M
Other expenses		922	(20,232)	N/M	922	(20,703)	N/M
Finance costs		(12,171)	(10,860)	12.1	(43,794)	(46,828)	(6.5)
Share of results of the associated company		(102)	298	N/M	(553)	(175)	N/M
Profit/(Loss) before tax	6	**6,458**	**(87,364)**	N/M	**(46,012)**	**(165,401)**	(72.2)
Income tax credit/(expense)	7	20,187	(3,444)	N/M	9,423	(3,265)	N/M
Profit/(Loss) after tax		**26,645**	**(90,808)**	N/M	**(36,589)**	**(168,666)**	(78.3)
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss							
Currency translation differences arising on consolidation		78	2	N/M	87	(31)	N/M
Currency translation differences arising from associated company		-	(422)	N/M	-	(422)	N/M
Total comprehensive profit/(loss)		**26,723**	**(91,228)**	N/M	**(36,502)**	**(169,119)**	(78.4)
Profit/(Loss) for the year attributable to:							
Owners of the Company		26,448	(90,808)	N/M	(36,784)	(168,666)	(78.2)
Non-controlling interests		197	-	N/M	195	-	N/M
		26,645	**(90,808)**	N/M	**(36,589)**	**(168,666)**	(78.3)
Total comprehensive profit/(loss) for the year attributable to:							
Owners of the Company		26,526	(91,228)	N/M	(36,697)	(169,119)	(78.3)
Non-controlling interests		197	-	N/M	195	-	N/M
		26,723	**(91,228)**	N/M	**(36,502)**	**(169,119)**	(78.4)
Earnings/(Loss) per share attributable to owners of the Company (RM cents per share)		**1.5**	**(5.8)**		**(2.1)**	**(10.8)**	

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 30 JUNE 2022

	Note	Group 30.06.2022 RM'000	Group 30.06.2021 RM'000	Company 30.06.2022 RM'000	Company 30.06.2021 RM'000
Assets					
Non-current assets					
Property, plant and equipment	11	31,942	40,074	-	-
Right-of-use assets		43,719	56,529	-	-
Investment in subsidiaries	12	-	-	710,739	710,739
Investment in associate company	13	22,034	22,587	-	-
Trade and other receivables	14	16,500	27,627	-	-
Intangible assets	16	6,777	-	-	-
		120,972	146,817	710,739	710,739
Current assets					
Development properties	15	490,690	481,473	-	-
Contract assets		-	5,383	-	-
Trade and other receivables	14	107,138	179,022	305,270	267,692
Prepayments		171	272	60	159
Cash and bank balances		11,241	8,070	2,136	175
		609,240	674,220	307,466	268,026
Disposal group assets classified as held for sales		429,391	465,767	-	-
Total assets		1,159,603	1,286,804	1,018,205	978,765
Liabilities					
Current liabilities					
Lease liabilities		12,313	12,461	-	-
Loans and borrowings	17	225,302	217,592	198,365	186,900
Income tax payable		26,799	28,257	-	-
Trade and other payables	18	205,958	268,166	3,179	5,988
Provisions		8,103	34,455	-	-
Contract liabilities		63,989	55,955	-	-
		542,464	616,886	201,544	192,888
Liabilities directly associated with disposal group classified as held-for-sale		427,173	484,902	-	-
		969,637	1,101,788	201,544	192,888
Net current (liabilities)/assets		68,994	38,199	105,922	75,138
Non-current liabilities					
Other payables	18	30,834	34,057	-	-
Lease liabilities		39,682	48,473	-	-
Loans and borrowings	17	72,808	81,020	-	-
Deferred tax liabilities		1	1	-	-
		143,325	163,551	-	-
Total liabilities		1,112,962	1,265,339	201,544	192,888
Net assets		**46,641**	**21,465**	**816,661**	**785,877**
Equity					
Share capital	19	328,862	298,044	1,361,366	1,330,548
Accumulated losses		(230,004)	(193,220)	(544,705)	(544,671)
Translation reserve		(362)	(449)	-	-
Merger reserve		(54,827)	(79,513)	-	-
Other reserve		(175)	(3,397)	-	-
		43,494	21,465	816,661	785,877
Non-controlling interest		3,147	-	-	-
Total equity		**46,641**	**21,465**	**816,661**	**785,877**
Total equity and liabilities		**1,159,603**	**1,286,804**	**1,018,205**	**978,765**

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

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 30 June 2022

	Attributable to owners of the Company							
	Share capital	**(Accumulated losses)**	**Translation reserve**	**Merger reserve**	**Premium paid on acquisition of non-controlling interests**	**Total equity**	**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 2021	298,044	(193,220)	(449)	(79,513)	(3,397)	21,465	-	21,465
Loss for the year	-	(36,784)	-	-	-	(36,784)	195	(36,589)
Other comprehensive loss								
Currency translation on consolidation	-	-	87	-	-	87	-	87
Total comprehensive loss for the year	-	(36,784)	87	-	-	(36,697)	195	(36,502)
Loss on deconsolidation of a deregistred subsidiary	-	-	-	24,686	3,222	27,908	2,952	30,860
Contributions by and distributions to owners								
Issuance of ordinary shares	31,023	-	-	-	-	31,023	-	31,023
Shares issuance expenses	(205)	-	-	-	-	(205)	-	(205)
Total transactions with owners in their capital as owners	30,818	-	-	-	-	30,818	-	30,818
Balance as at 30 June 2022	**328,862**	**(230,004)**	**(362)**	**(54,827)**	**(175)**	**43,494**	**3,147**	**46,641**
At 1 July 2020	267,425	(24,554)	4	(79,513)	(3,397)	159,965	-	159,965
Loss for the year	-	(168,666)	-	-	-	(168,666)	-	(168,666)
Other comprehensive loss								
Currency translation on consolidation	-	-	(453)	-	-	(453)	-	(453)
Total comprehensive loss for the year	-	(168,666)	(453)	-	-	(169,119)	-	(169,119)
Contribution by and distributions to owners								
Issuance of ordinary shares	30,905	-	-	-	-	30,905	-	30,905
Shares issuance expenses	(286)	-	-	-	-	(286)	-	(286)
	30,619	-	-	-		30,619	-	30,619
Balance as at 30 June 2021	**298,044**	**(193,220)**	**(449)**	**(79,513)**	**(3,397)**	**21,465**	**-**	**21,465**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (con't)

For the financial year ended 30 June 2022

	Share capital	(Accumulated losses)/ Retained earnings	Total equity
	RM'000	RM'000	RM'000
At 1 July 2021	1,330,548	(544,671)	785,877
Loss for the period	-	(34)	(34)
Contributions by and distributions to owners			
Issuance of ordinary shares	31,023	-	31,023
Shares issuance expenses	(205)	-	(205)
	30,818	-	30,818
Balance as at 30 June 2022	**1,361,366**	**(544,705)**	**816,661**
At 1 July 2020	1,299,929	(485,345)	814,584
Loss for the period	-	(59,326)	(59,326)
Contributions by and distributions to owners			
Issuance of ordinary shares	30,905	-	30,905
Shares issuance expenses	(286)	-	(286)
	30,619	-	30,619
Balance as at 30 June 2021	**1,330,548**	**(544,671)**	**785,877**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For financial year ended 30 June 2022

	Group Fourth Quarter Ended		Group 12 Months Ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit/(Loss) before tax	6,458	(87,364)	(46,012)	(165,401)
Adjustments for:				
Share of results of associated company	102	(298)	553	175
Depreciation of property, plant and equipment	618	293	1,369	1,372
Depreciation of right-of-use assets	2,974	1,948	15,480	27,222
Gain on dilution of interest in an associated company	-	(1,211)	-	(1,211)
Gain on disposal of right-of-use assets	(60)	(136)	(215)	(198)
Gain on disposal of property, plant and equipment	-	45	(1,073)	-
Gain on disposal of subsidiaries	(6,174)	-	(6,174)	(4,121)
Loss on modification of lease	-	132	-	132
Loss on termination of right-of-use assets	-	20,234	-	20,234
Loss of derecognition of lease liabilities	-	1,347	-	1,347
Loss on termination of joint development agreement	-	3,971	-	3,971
Interest income	785	(1,278)	(4,906)	(11,053)
Interest expense	12,171	10,860	43,794	46,828
Impairment loss on property,plant and equipment	-	7,565	-	7,565
Imparment loss on right-of-use assets	-	4,175	-	4,175
Write down of development properties	-	4,494	-	4,494
Reversal of impairment loss on development properties	(12,840)	-	(12,840)	-
Loss on revocation of sales	31,307	758	43,318	17,321
Interest revenue from non-current trade receivables using the effective interest rate method	-	(6,587)	-	(6,587)
Amortisation of capitalised	-	-	-	
Unrealised foreign exchange (gain)/loss	(155)	2,006	2	(5,590)
Waiver of debts	-	(13,855)	-	(13,855)
Performance bond	-	(40,909)	-	(40,909)
Amortisation of capitalised transaction costs	-	264	-	355
Operating cash flows before working capital changes	**35,186**	**(93,546)**	**33,296**	**(113,734)**
Changes in operating assets and liabilities				
Intangible assets	(5,206)	-	(6,777)	-
Development properties	9,158	2,826	3,624	11,731
Contract assets	6,025	(143)	5,383	(143)
Contract liabilities	(3,559)	8,540	8,034	5,973
Trade and other receivables	(28,544)	113,579	41,600	128,973
Trade and other payables	7,824	3,840	(54,121)	15,254
Asset held for sales	(21,353)	-	(21,353)	-
Cash flow (used in)/generated from operations	**(469)**	**35,096**	**9,686**	**48,054**
Interest paid	(2,962)	(8,421)	(34,585)	(32,132)
Interest received	(785)	(9,269)	4,906	506
Income tax paid	7,495	(464)	7,965	(2,890)
Net cash flows (used in)/generated from operating activities	**3,279**	**16,942**	**(12,028)**	**13,538**
Cash flows from investing activities				
Proceeds from disposal of property,plant and equipment	-	(45)	1,073	-
Proceeds from disposal of right-of-use assets	(387)	367	(232)	427
Increase in pledged fixed deposit	(1)	0	-	1,264
Additions to right-of-use-assets	-	(18)	-	(18)
Additions to property,plant and equipment	-	341	(6,857)	(983)
Acquisition of an associated company	-	(558)	-	(558)
Net cash flows (used in)/generated from investing activities	**(388)**	**87**	**(6,016)**	**132**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (con't)
For financial year ended 30 June 2022

	Group		Group	
	Fourth Quarter Ended		12 Months Ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Repayment of lease liabilities	6,824	(9,297)	(1,309)	(11,808)
Interest portion on lease liabilities	(9,209)	(12,288)	(9,209)	(12,288)
Disposal of subsidiaries	2,974	-	2,974	
Proceed from term loans	588	7,629	588	7,629
Proceeds from medium term notes	(11,270)	18,921	-	15,650
repayment of term loans and meidum term notes	(2,843)	(22,643)	(2,843)	(22,643)
Movement in amount due to related companies	-	(2,524)	-	(2,524)
Movement in amount due to directors	-	(1,008)	-	(1,008)
Proceeds from placement shares	15,764	-	31,023	-
Shares issuance expenses	(50)	(2)	(205)	(286)
Net cash flows generated from/(used in) financing activities	**2,778**	**(21,212)**	**21,019**	**(27,278)**
Net increase/decrease in cash and cash equivalents	5,669	(4,183)	2,975	(13,608)
Cash and cash equivalents at the beginning of the year	5,374	12,671	8,070	21,878
Effects of exchange rate changes on cash and cash equivalents	198	(216)	196	2
Cash and cash equivalents at the end of the year	**11,241**	**8,272**	**11,241**	**8,272**
Cash and bank balances	11,241	8,070	11,241	8,070
Add: Included in disposal group classified as held-for-sale	-	202	-	202
Cash and cash equivalents as per above	**11,241**	**8,272**	**11,241**	**8,272**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

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 twelve months ended 30 June 2022 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 for the year ended 30 June 2022.

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 recognised in the period in which the estimates are revised and in any future periods affected.

3. Going Concern Assumption

For the financial year ended 30 June 2022, the Group incurred a net loss of RM36.6 million. As at 30 June 2022, the Group's total loans and borrowings amounted to RM298.1 million, of which RM225.3 million were classified as current liabilities and exceeded the Group's cash and bank balances of RM11.2 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) The Group has a substantial value of unsold completed properties and the Group's priority is to monetise these assets through sales and collection to generate cashflow.

(b) Completion of the proposed disposal of GMSB, which will generate gross proceeds of approximately US$60 million and the proceeds will allow the Group to redeem certain loans and borrowings. As at the date of this announcement, the conditions precedent for completion of this transaction, namely the payment of the consideration, has not been met and management currently cannot reasonably ascertain 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. However, as announced on 3 November 2021, there is a winding up petition ("Petition") filed against GMSB for the sum RM1,380,307.01, and GMSB had filed an appeal on the Petition and the petitioners have consented to stay the application pending the outcome of the appeal. The Board would like to update shareholders that the court hearing has been extended to 2 September 2022;

(c) 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.

    MDSA Ventures Sdn Bhd ("MVSB")

    On 6 January 2021, the High Court of Malaya in Malacca, Malaysia has approved the scheme of arrangement between MVSB and its creditors. The court order dated 6 January 2021 approving the Scheme was lodged with the Companies Commission of Malaysia on 19 January 2021. The liquidator(s)' will realise the Earmarked Properties and distribute the monies to the scheme creditors which will then reduce the Group's liabilities.

    MDSA Resources Sdn Bhd ("MRSB")

    On 13 January 2021, the Scheme was approved by a majority of 90.4% of the total value of the Scheme Creditors present and voting in person or by proxy at the creditors meeting. However, the Malacca High Court ("High Court") has dismissed MRSB' application for approval of the Scheme. MRSB proceeded to file an appeal to the Court of Appeal of Malaysia against the decision of the High Court. On 11 March 2022, the Company announced that the Court of Appeal of Malaysia has dismissed the Company's appeal against the dismissal of sanction of the scheme of arrangement in the High Court and MRSB will be filing an application for leave to appeal to the Federal Court. The Board would like to update the shareholders that MRSB has successful obtained the leave from Federal Court and the date of hearing of appeal is on 5 September 2022.

(d) The Group has worked closely with its lender and bondholders 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 loan and US$25 million bond. The US$20 million loan 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 and the US$25 million bond is 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;

(e) 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.

(f) The Group has worked closely with its creditors to extend on repayment plans that included payment structure as well as contra payments with its property units. In addition, the Group has also worked closely with its banker to extend the repayment obligations for its borrowing.

(g) On 7 July 2021, the Group's announced that its indirect wholly its indirect wholly owned subsidiary, Prolific Revenue Sdn Bhd ("PRSB"), has entered into a sale and purchase agreement with Webest Sdn Bhd (the "Purchaser") for the disposal of a leasehold land (the "Land") for an aggregate consideration of RM25,800,000. The proposed disposal of the Land is currently pending for completion and the targeted completion date is on 13 September 2022.

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 July 2021 to 30 June 2022 ("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. During the current financial year, the Group started the business in the provision of space, power capacity and technical support for external customers who engaged in crypto mining services. The total revenue generated for this new business is RM1,696,000, and this represents about 2.3% of the total revenue of the financial year. Accordingly, no business or geographical segment information is presented.

5.2. Disaggregation of Revenue

	Group Fourth Quarter Ended		**Group 12 Months Ended**	
	30.06.2022 RM'000	**30.06.2021 RM'000**	**30.06.2022 RM'000**	**30.06.2021 RM'000**
Revenue from rendering of data room support services	1,696	-	1,696	-
Revenue from sales of development properties	46,752	3,682	70,211	32,031
Less: Provision for liquidated ascertained damages to property	1,358	(65,023)	1,358	(65,023)
	49,806	**(61,341)**	**73,265**	**(32,992)**
Revenue from sale of development properties in Malaysia				
- recognised at a point in time	1,770	1,302	22,017	24,098
- recognised over time	46,340	2,380	49,552	7,933
	48,110	**3,682**	**71,569**	**32,031**

6. Profit/(Loss) before tax

	Group		Group	
	Fourth Quarter Ended		12 Months Ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the year is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	618	293	1,369	1,372
Depreciation of right-of-use assets	2,974	1,948	15,480	27,222
Gain on disposal of property, plant and equipment	-	45	(1,073)	-
Gain on disposal of right-of-use assets	(60)	(136)	(215)	(198)
Gain on disposal of subsidiaries	(6,174)	-	(6,174)	(4,121)
Interest expense	12,171	10,860	43,794	46,828
Interest income	785	(1,278)	(4,906)	(11,053)
Impairment loss on property,plant and equipment	-	7,565	-	7,565
Write down of development properties	-	4,494	-	4,494
Reversal of impairment loss on development properties*	(12,840)	-	(12,840)	-
Loss on revocation of sales	31,307	758	43,318	17,321
Unrealised foreign exchange (gain)/loss	(155)	2,006	2	(5,590)

Note:

*Reversal of impairment loss on development properties recognized under cost of sales in FY2022.

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		Group	
	Fourth Quarter Ended		12 Months Ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Current income tax				
- Current year	-	7,416	-	7,416
- Over provision in respect of prior years	(20,187)	(3,972)	(9,423)	(4,151)
	(20,187)	3,444	(9,423)	3,265
Income tax (credit)/expense recognised in profit or loss	**(20,187)**	**3,444**	**(9,423)**	**3,265**

The over provision is mainly due to the write back of provision of taxation upon receiving final assessment from the Inland Revenue Board of Malaysia ("IRB").

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

	Group Fourth Quarter Ended		Group 12 Months Ended	
	30.06.22	30.06.21	30.06.22	30.06.21
Profit/(Loss) attributable to owners of the Company(RM'000)	26,448	(90,808)	(36,784)	(168,666)
Weighted average number of ordinary shares in issue	1,828,979,997	1,559,166,333	1,717,680,954	1,559,166,333
Basic and fully diluted (loss)/earnings per share ("EPS")(RM'cents)	1.45	(5.82)	(2.14)	(10.82)

9. Net assets value

	Group		Company	
	30.06.22	30.06.21	30.06.22	30.06.21
Net asset value attributable to owners of the Company (RM'000)	46,641	21,465	816,661	785,877
Number of ordinary shares in issue	1,857,123,228	1,595,169,228	1,857,123,228	1,595,169,228
Net asset value per ordinary share (RM'cents)	2.51	1.35	43.97	49.27

10. Related party transactions

For the financial year ended 30 June 2022, the Group had no significant related party transactions apart from that interested person transactions as disclosed in page 27.

11. Property, plant and equipment

During the financial year ended 30 June 2022, the Group acquired assets amounting to RM 6.9 million (30 June 2021: RM 1.0 million) and there was disposal of assets at net book value amounting to RM0.9 million (30 June 2021: RM 1.3 million).

12. Investment in subsidiary

	Company	
	30.06.22 RM'000	30.06.21 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	
	30.06.22 RM'000	30.06.21 RM'000
Movements in allowance for impairment loss		
At 1 July	492,576	492,576
Impairment loss charged to profit or loss	-	-
At 30 June 2022 and 30 June 2021	**492,576**	**492,576**

13. Investment in associate company

	Group	
	30.06.22 RM'000	30.06.21 RM'000
Unquoted equity shares, at cost		
Balance at beginning of financial 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 year	(553)	-
	22,034	**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 30 June 2022, a balance of cash consideration of RM21,000 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 in the financial year ended 30 June 2021. 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	
	30.06.22 RM'000	30.06.21 RM'000	30.06.22 RM'000	30.06.21 RM'000
Current:				
Trade receivables	45,763	81,214	-	-
Amount due from related parties	-	48,541	-	-
Amount due from subsidiaries	-	-	305,270	267,470
Refundable Deposits	2,334	3,001	-	-
GST recoverable	1,541	15	-	-
Other receivables	57,489	46,251	-	222
Tax recoverable	11	-	-	-
	107,138	179,022	305,270	267,692
Non-current:				
Trade receivables	15,872	27,016	-	-
Refundable Deposits	628	611	-	-
	16,500	27,627	**-**	**-**
Total Trade and other receivables (current and non-current)	**123,638**	**206,649**	**305,270**	**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.

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.

Other receivables

Included in other receivables are amount due from contractors and also consisting of amount holding by joint management body (JMB) Malaysia for the development properties in Malaysia for the strata scheme purpose.

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	
	30.06.22	**30.06.21**
	RM'000	**RM'000**
Completed Development properties	450,573	449,434
Development properties under construction	14,317	6,239
Properties for development representing land carried at cost	25,800	25,800
	490,690	**481,473**

Impairment loss on development properties

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

16. Intangible assets

	Group	
	30.06.2022	**30.06.2021**
	RM'000	**RM'000**
Development cost	6,777	-
	6,777	**-**

Development cost incurred to-date relates to development costs for cost of building the metaverse and digital platforms. As of 30 June 2022, the development is still in progress and not completed yet.

During the financial year ended 30 June 2022, there were no amortisation charge on the development cost incurred to-date as the development works not completed yet.

17. Loan and Borrowings

	Group		Company	
	30.06.22	30.06.21	30.06.22	30.06.21
	RM'000	RM'000	RM'000	RM'000
Amount repayable within one year				
Secured	225,302	217,592	198,365	186,900
Amount repayable after one year				
Secured	72,808	81,020	-	-
Total	**298,110**	**298,612**	**198,365**	**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.

18. Trade and other payables

	Group		Company	
	30.06.22	30.06.21	30.06.22	30.06.21
Current:	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Trade payables	3,368	11,500	179	696
Deposits received	16,893	8,344	-	-
Accruals - third parties	90,353	85,172	350	2,630
Accruals - directors	713	1,235	713	376
Amount due to related parties	-	41,383	674	657
Amount due to director	1,808	1,144	-	-
Amount due to subsidiaries	-	-	1,184	595
Rental payables	57,384	47,691	-	-
Deferred payables	-	8,701	-	-
Amount due to creditors under scheme arrangement	-	31,159	-	-
Amount due to associated company	-	998	66	998
Other payables	35,439	30,839	13	36
	205,958	**268,166**	**3,179**	**5,988**
Non- Current:				
Amount due to creditors under scheme arrangement	30,834	-	-	-
Deferred payables - directors	-	34,057	-	-
	30,834	34,057	-	-
Total	**236,792**	**302,223**	**3,179**	**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 known as "Scheme Creditors". The total debts owing to the Scheme Creditors had been transferred to and vested in a SPV.

19. Share capital

	The Group			
	30.06.22		**30.06.21**	
	No. of shares '000	**RM'000**	**No. of shares '000**	**RM'000**
<u>Issued and fully paid ordinary shares</u>	1,857,123	328,862	1,595,169	298,044

The total number of issued shares excluding treasury shares as at 30 June 2022 was 1,857,123,228 (30 June 2021: 1,595,169,228).

The Company did not hold any treasury shares and subsidiary holdings as at 30 June 2022 and 30 June 2021.

As at 30 June 2022, the Company has outstanding warrants of 40,000,000 (30.06.2021: Nil) convertible into 40,000,000 ordinary shares representing approximately 2.2% of the total number of issued shares as at 30 June 2022.

Issuance of ordinary shares

During the financial period, the Company had completed the proposed placement with the allotment and issuance of 121,954,000 new ordinary shares at the price of S$0.041 per share for an aggregate amount of S$5,000,114. As a result, the number of shares of the Company has increased from 1,735,169,228 shares as at 31 March 2022 to 1,857,123,228 shares as at 30 June 2022.

20. Subsequent events

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

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.

   Please refer to Section E note 3 for more information on the Board's view that the Group is able to continue operating as a going concern notwithstanding the Independent Auditors' disclaimer of opinion.

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 realizing 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.

<u>Review of Group performance for the fourth quarter ended 30 June 2022 ("4Q FY2022") as compared to the fourth quarter ended 30 June 2021 ("4Q FY2021")</u>

<u>Revenue and costs of sales</u>

The Group registered a revenue of RM49.8 million in 4Q FY2022 as compared to a negative revenue of RM61.3 million in 4Q FY2021, breakdown of details as below: -

	4Q FY2022	**4Q FY2021**
	RM'million	**RM'million**
Revenue in 4Q FY2022	48.4	3.7
Less:		
Provision for liquidated ascertained damages arising from late delivery and handover of the property units	1.4	(65.0)
Revenue for 4Q FY2022	**49.8**	**(61.3)**

The Group's revenue increased by RM111.1 million in 4Q FY2022 as compared to 4Q FY2021 was mainly due to the following reasons:

- higher sales generated from the completed projects in 4Q FY2022 compared to 4Q FY2021 due to increase in property viewings and purchase closures as the movement restriction has been lifted.

- additional revenue from the Group's new initiative in provision of space, power capacity and technical support for external customers who engaged in crypto mining services in 4Q FY2022
- higher provision for liquidated ascertained damages of RM65.0 million arising from late delivery and handover of the property units in 4Q FY2021.

The Group registered a cost of sales of RM0.7 million in 4Q FY2022 as compared to 4QFY2021, breakdown of details below:

	4Q FY2022	**4Q FY2021**
	RM'million	**RM'million**
Cost of sales	(13.5)	(2.7)
Reversal of impairment loss on development properties	12.8	-
Liquidated ascertained damages claim from contractor	-	1.5
Cost of sales for 4Q FY2022	**(0.7)**	**(1.2)**

The increase in cost of sales was in tandem with the increase in revenue, partially offset by the reversal of impairment loss on development property in 4Q FY2022.

Other income/gains

Other income/gains decreased by RM31.9 million in 4Q FY2022 as compared to 4Q FY2021 was mainly due to absence of waiver of debts received in relation to the scheme of arrangement, performance bond income and deposit forfeited due to termination of the proposed disposal of land in 4Q FY2022.

Selling and marketing expenses

Selling and marketing expenses decreased by RM1.1 million mainly due to a non-recurring back charged of expenses to the purchasers and lower sales & marketing activity incurred during the financial period.

General and administrative expenses

General and administrative expenses decreased by RM13.7 million mainly due to (i) write off of other receivable and deposit which was absence in 4Q FY2022, (ii) decrease in assessment expenses incurred for unsold property units in 4Q FY2022 as compared to 4Q FY2021, (iii) decline in operating expenses arising from the cost cutting measures implemented by the Group, and offset by (iv) unrealized foreign exchange loss in 4Q FY2022.

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

The increase in the impairment loss on trade receivables – credit loss on revocation of sales was mainly due to higher revocation of sales from purchasers in 4Q FY2022 as compared to 4Q FY2021.

Other expenses

Other expenses decreased by RM21.2 million in 4Q FY2022 as compared to 4Q FY2021 was mainly due to absence of loss on termination of right-of-use assets in 4Q FY2022.

Finance costs

Finance costs increased by RM1.3 million mainly due lower expense in 4Q FY2021 arising from moratorium period granted in 4Q FY2021.

Income tax expenses/(credit)

The Group recorded an income tax credit in 4Q FY2022 mainly due to the write back of provision of taxation upon receiving final assessment from the Inland Revenue Board of Malaysia ("IRB") as explained in Section E note 7.

Net profit for the financial period

As a result of the aforementioned, the Group reported a profit after tax in 4Q FY2022 of RM26.6 million as compared to a loss of RM90.8 million in 4Q FY2021. The decrease in loss after tax in 4Q FY2022 were mainly due to increase in revenue, decline in operating expenses arising from the cost cutting measures implemented by the Group, reversal of provision for income tax and lower non-recurring items of impairment losses and write down during the financial period.

Review of Group performance for the year ended 30 June 2022 ("FY2022") as compared to the year ended 30 June 2021 ("FY2021")

Revenue and costs of sales

The Group registered a revenue of RM73.3 million in FY2022 as compared to a negative revenue of RM33.0 million in FY2021, breakdown of details as below: -

	FY2022	**FY2021**
	RM'million	**RM'million**
Revenue in FY2022	71.9	32.0
Less:		
Provision for liquidated ascertained damages arising from late delivery and handover of the property units	1.4	(65.0)
Revenue for FY2022	**73.3**	**(33.0)**

The Group's revenue increased by RM106.3 million in FY2022 as compared to FY2021 mainly due to the following reasons:

- higher sales generated from the completed projects in FY2022 compared to FY2021 due to increase in property viewings and purchase closures as the movement restriction has been lifted.
- additional revenue from the Group's new initiative in provision of space, power capacity and technical support for external customers who engaged in crypto mining services in FY2022
- lower provision for liquidated ascertained damages arising from late delivery and handover of the property units as compared to FY2021.

The Group registered a cost of sales of RM 11.9 million in FY2022 as compared to FY2021, breakdown of details below:

	FY2022	**FY2021**
	RM'million	**RM'million**
Cost of sales	(24.7)	(28.2)
Reversal of impairment loss on development properties	12.8	-
Liquidated ascertained damages claim from contractor	-	1.5
Cost of sales for FY2022	**(11.9)**	**(26.7)**

The decrease in cost of sales was mainly due to (i) lower discount and lower sales commission incurred during the financial year (ii) absent of one-off write off development cost arising from one of its subsidiaries in Australia due to the termination of option agreement for the land acquisition in FY2021. The decrease in total cost of sales was also due to the reversal of impairment loss on development property in FY2022

Other income/gains

Other income/gains decreased by RM33.9 million mainly due to waiver of debts received in relation to the scheme of arrangement, performance bond income and deposit forfeited due to termination of the proposed disposal of land which were absence in FY2022. The decrease in other income is partially offset by the gain on disposal of subsidiary company and a reversal of provision of tax penalty.

Selling and marketing expenses

Selling and marketing expenses decreased by RM3.9 million in FY2022 mainly due to lower sales and marketing activity for the ongoing and completed projects and a non-recurring back charged of expenses to the purchasers.

General and administrative expenses

General and administrative expenses decreased by RM19.4 million mainly attributable to (i) decrease in depreciation of right of use assets due to the disposal and lease term completed, (ii) the effect from the unwinding of the acquisition of Velvet Valley Sdn Bhd (iii) lower assessment expenses incurred for unsold property units and (iv) decline in operating expenses arising from the cost cutting measures implemented by the Group.

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

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

Other expenses

Other expenses decreased by RM21.6 million in FY2022 as compared to FY2021 was mainly due to absence of loss on termination of right-of-use assets in FY2022.

Finance costs

Finance costs decreased by RM3.0 million mainly due to (i) the effect from the unwinding of the acquisition of Velvet Valley Sdn Bhd during the financial year, (ii) lower interest expenses on lease liabilities in FY2022 as compared to FY2021, and offset by (iii) lower interest expense in FY2021 arising from moratorium period granted in FY2021.

Income tax expenses/(credit)

The Group recorded an income tax credit in FY2022 mainly due to the write back of provision of taxation upon receiving final assessment from the Inland Revenue Board of Malaysia ("IRB") as explained in Section E note 7.

Net loss for the financial year

As a result of the aforementioned, the Group reported a loss after tax in FY2022 of RM36.6 million as compared to a loss of RM168.7 million in FY2021. The decrease in loss after tax in FY2022 were mainly due to increase in revenue, decline in operating expenses arising from the cost cutting measures implemented by the Group, reversal of provision for income tax and lower non-recurring items of impairment losses and write down during the financial year.

Review for the financial position of the Group as at 30 June 2022 as compared to 30 June 2021

Total assets

Property, plant and equipment

Property, plant and equipment as at 30 June 2022 decreased by RM8.1 million from RM40.07 million as at 30 June 2021 was mainly due to effect from the unwinding of the acquisition of Velvet Valley Sdn Bhd during the financial year. The decrease was partially offset with the addition of property, plant and equipment during the financial year.

Right-of-use assets

Right-of-use assets as at 30 June 2022 decreased by RM12.8 million from RM56.5 million as at 30 June 2021 was mainly due to depreciation charges and disposal of motor vehicles during the financial year.

Intangible assets

Intangible assets as at 30 June 2022 increased by RM6.8 million mainly due to the development cost incurred for the new business during the financial year. The development costs relate to the cost of building the metaverse and digital platforms.

Trade and other receivables

Trade and other receivables (current and non-current) as at 30 June 2022 decreased by RM83.0 million from RM206.6 million as of 30 June 2021 was mainly due to revocation of sales and better collections during the financial year.

Total liabilities

Lease liabilities

Lease liabilities (current and non-current) decreased by RM8.9 million as compared to RM60.9 million as of 30 June 2021 was mainly due to the repayment made during the financial year. In addition, the decrease was also in line with the disposal of motor vehicles during the financial period and effect from the unwinding of the acquisition of Velvet Valley Sdn Bhd during the financial year.

Trade and other payables

Trade and other payables (current and non-current) decreased by RM65.4 million as compared to RM302.2 million as at 30 June 2021 was mainly due to the effect from the unwinding of the acquisition of Velvet Valley Sdn Bhd and payments made during the financial year. The decrease in trade and other payable is also partially due to lesser operating expenses arising from the cost cutting measures implemented by the Group.

Contract liabilities

Contract liabilities increased by RM8.0 million as compared to RM56.0 million as of 30 June 2021 was mainly due to the increase in progress billing during the financial year.

Provision

Provision decreased by RM26.3 million as compared to RM34.4 million as at 30 June 2021 was mainly due to the reversal of the provision no longer required during the financial year.

Total equity

The increase in total equity of RM46.6 million from RM21.5 million as at 30 June 2021 mainly due to the allotment and issuance of ordinary shares in the capital of the Company and effect from the unwinding of the acquisition of Velvet Valley Sdn Bhd during the financial year. The increase is partially offset by the loss incurred during the financial year.

C. Consolidated Statement of Cash Flows (FY2022)

The Group reported net increase in cash and cash equivalents mainly due to proceeds of RM31.0 million and RM0.6 million from issuance of Placement Shares and draw down of a bank loan, partially offset by the net cashflow used in operating activities and repayment of the term loans and lease liabilities and addition of property, plant and equipment.

As a result of the above, the Group recorded a cash and cash equivalent of RM11.2 million as of 30 June 2022.

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

In the Company’s Corporate and Business Update announcement dated 1 December 2021, it was mentioned that “The financial performance of the Group for the six months ending 30 June 2022 (“2HFY2022”) is expected to improve compared to 1H FY2022 and consequently, FY2022 performance is expected to improve upon that of FY2021.

The Q4 FY2022 results are generally in line with the above prospect statement.

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.

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 Esports hub, immersive sports experiences, co-sharing office spaces, talent innovation centre, edutainment-related activities, cinema operations, crypto mining and renewable energy activities.

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.

Since then, the Group has continued to advance on our strategic pivot, exploring various collaborations and partnerships with government agencies and prominent partners in the Metaverse, Esports, mobile gaming and digital-related experiences.

Property Development

With rising consumer demand as COVID becomes endemic, the Group is working with partners to gradually reopen our malls. MBO cinema in ElementX, the largest cinema in Melaka, has reopened in early 2022.

Since the announcement of ElementX in April 2022, the Group has seen a surge of rental enquiries from interested and potential tenants. For ElementX, the Group has taken a phased approach for the reopening with the initial launch of approximately 50% of the mall in its first phase ("First Phase") scheduled in the 4th quarter of 2022. The Group has secured approximately 65% occupancy rate for the First Phase of ElementX. The remaining 35% is being negotiated at various stages with interested tenants. 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.

For the Group's property-related business activities, we are cautiously optimistic of the sustained recovery of our business activities in the endemic phase. Our retail malls are expected to benefit with the progressive re-opening of the economy and social activities in Melaka as well as the resurgence of tourism activities from Malaysia's full reopening of international borders from 1 April 2022 for fully-vaccinated travellers.

The Group has completed the co-sharing offices in both Singapore and Melaka, in ElementX, under the Group's Prime 53 brand. The Group is in discussion with potential tenants to take up space in Prime 53, upon the initial launch of ElementX.

The Group has also entered into tenancy agreement with Stamford College to commence activities in 2022. Beyond4 is still keen to set up its latest centre in Hatten City, following its existing WCOE centre in Penang and Hong Leong's HLX centre in Kuala Lumpur city centre. Beyond4, together with other edutainment tenants in the Group's Future of Learning ecosystem, expects to complete its set-up after the launching of ElementX mall scheduled in the 4th quarter of 2022.

Re-purposing our Malls for Phygital Experience

Since the announcement on 13 April 2022 in relation to the rebranding of Element Mall to ElementX, positioned as Southeast Asia's first large-scale integrated Esports experiential hub, Metaverse gateway and themed award-winning hotel accommodation, the Group has signed various collaborations and agreements with strategic partners such as leading Esports organisations, Kitamen Holdings Sdn. Bhd. ("KITAMEN") and MELAKA ESPORTS ASSOCIATION ("MEA") as well as Focus Media Sports (Shanghai) Co., Ltd ("Focus Media"), a subsidiary of China's largest commercial media group, to boost the branding and revenue streams of ElementX. Notably, the Group and Focus Media are finalising the content and design with Focus Media undertaking the production of the Focus Media Immersive Experience Centre, the first-of-its-kind outside of China, at ElementX.

On 18 August 2022, the Group announced a partnership agreement with MOONTON Games. Under the partnership agreement, MOONTON Games and Hatten Land will endeavor to jointly develop and transform ElementX mall and hotel in Melaka into the world's first Mobile Legends- themed Integrated Esports Hub that aims to attract 20 million visitors from around the region.

For our Metaverse venture, the Group and our blockchain advisors, which includes EnjinStarter, have been working in close collaboration on the conceptualisation and set-up of our Metaverse and phygital system, including token system, which aims to have high levels of interoperability with different strategic partners as the project progresses, from physical to the digital space. The timeline in the development of the token system with EnjinStarter has been extended as there are different partners involved in our Metaverse ventures and such systems need to be adapted with new partners. The Group is also working closely with our technological partners for the Metaverse development, including Huawei and HydraX, The Group's in-house development team is working with Huawei's engineers and technical team on the infrastructure and architecture, the backbone of our Metaverse. The Group has incorporated H2X Pte. Ltd. ("H2X") jointly with HydraX, a MAS Capital Markets Services licensee and is working closely with HydraX to commence work to grow its business in the digital asset space.

Renewable Energy

Since the announcement of the Group's ambitions and strategies in investing in renewable energy, the Group has built up a dedicated team led by in-house experts to explore market opportunities and partnership networks within the industry in both Singapore and Malaysia. The Group will continue to provide timely updates via SGXnet once relevant agreements have been signed.

On the Dataran Pahlawan Melaka Megamall project, which the Group will install more than 6,000 solar panels on the roof of Melaka's largest mall, the Group has started preliminary works that include the completion of site inspections and feasibility studies. The next stage is to commence the installation of the solar panels in the 4th quarter of 2022. It is a prolonged process as the Group and our partners has to evaluate various implementation plans before it can be executed.

In January 2022, despite multiple challenges from Covid and border control measures which resulted in supply chain and logistics disruptions, the Group has started our trial operation of crypto mining, with various partners as announced by the Group. With just 3 months of full-fledged operations since April 2022, the crypto mining business has positively contributed approximately RM1.7 million revenue and RM545,000 net profit (32% net profit margin) to the Group. The Group has shifted its strategic focus towards quality and profitable crypto mining equipment. Hence, the Group is currently managing more than 500 top-tiered crypto mining equipments (under the Group's previous rig-quantity-centric strategy, the Group estimated that it will have 1,500 rigs by January 2022, more than 2,500 rigs by end of 2022 and at least 10,000 rigs by 2023). As agreed with crypto mining partners, including Frontier and SMI, the Group's current strategy is to secure more top-end crypto mining equipment so as to increase our efficiency and maximise the profit from our crypto mining operations, rather than focusing on increasing the number of crypto mining rigs. Currently, the Group is mainly mining Bitcoin (BTC) and Ethereum (ETH).

Barring unforeseen circumstances, we expect the Group's performance in the financial year ending 30 June 2023 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 FY2022 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 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. There were no disclosable IPTs during the financial year ended 30 June 2022.

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

On 10 June 2022, the Company's wholly owned subsidiary, Hatten MS Pte. Ltd. has disposed a subsidiary, Hatten Energy (SG) Pte. Ltd. (formally known as Hatten Land China Pte. Ltd) to a wholly-owned subsidiary of the Company, Hatten Energy Holdings Pte. Ltd. at the consideration of SGD1.00, comprising 100 ordinary share issued.

12. 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.

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

	FY2022	FY2021	Change
	RM'000	RM'000	%
Sales reported for first half year	4,897	13,665	(64.2)
Profit/(loss) after income tax before deducting non-controlling interests reported the first half year	(30,713)	(40,729)	(24.6)
Sales reported for second half year	68,368	(46,657)	N.M
Loss after income tax before deducting non-controlling interests reported the second half year	(5,870)	(127,937)	(95.4)

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:

Not applicable.

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
Eric Tan Eng Huat	65	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, joint venture and strategic alliance opportunities of Hatten Land Group since 2 July 2018.	Not applicable
Lu Chai Hong	58	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 to 30 September 2021.	Resigned on 30 September 2021.

16. Use of proceeds

April Placement proceeds

The Company raised net proceeds of approximately S$4,982,114 from the placement completed on 22 April 2022. Please refer to the Company's announcement dated 13 April 2022 for further details. The intended use of the net proceeds of approximately S$4,982,114 are as follows:

Use of proceeds	Amount allocated S$	Amount Utilised S$	Amount Unutilised S$
To fund new business initiatives of the Group, including Element X	3,487,480	(1,987,480)	1,500,000
Working capital purposes*	1,494,634	(1,494,634)	-
Total	**4,982,114**	**(3,482,114)**	**1,500,000**

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

BY ORDER OF THE BOARD
HATTEN LAND LIMITED

Dato' Tan June Teng, Colin
Executive Chairman and Managing Director
29 August 2022

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