

HATTEN LAND LIMITED

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

RESPONSE TO SGX QUERIES

The board of directors (the “**Board**”) of Hatten Land Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to inform shareholders that it had received queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Queries**”) in respect of the exclusive framework agreement with EnjinStarter (the “**Announcement**”). The Board wishes to respond to the Queries as follows:

Unless otherwise expressly defined herein, all capitalised terms shall bear the same meanings ascribed to them in the Announcement.

Query 1

What is the experience and track record of Praka Pte. Ltd. (“EnjinStarter”)?

Company’s response:

Praka Pte. Ltd. (known as “EnjinStarter”) is set up to serve as a launchpad for the ecosystem development within the Enjin platform. EnjinStarter is seed funded by Enjin Pte. Ltd. (“Enjin”), a leading blockchain company and are focused on building the ecosystem for Enjin and Efinity. EnjinStarter is also invested by some notable parties in the digital and blockchain industry including Shashwat Gupta from Altcoinbuzz, Gabby Dizon from Yield Guild Games (“YGG”) and Garlam Won from Momentum 6.

EnjinStarter is co-founded by Singaporean entrepreneur Prakash Somosundram (“Prakash”). Prakash has been involved in the digital and technology industry since 1999. His notable achievements include the trade sale of Yolk, a leading digital and marketing agency to WPP Plc which is listed on the London Stock Exchange and New York Stock Exchange and a constituent of the FTSE 100 Index.

Prakash has been active in blockchain and cryptocurrencies since 2016 and has been involved in various aspects including project development, acceleration and investment. Notably, Prakash served as adviser to Calfin Global Crypto Exchange (CGCX) which was acquired by Majic Wheels, Corp (OTC Pink: MJWL) in 2021.

Query 2

Please elaborate on the use of the NFTs or other tokens, and how it is envisaged to contribute to the Group’s revenue / bottom line?

Company’s response:

The token strategy (“tokenomics”), to be developed, will allow tokens and NFTs to be exchanged or connected with the current loyalty point system of the Group as well as other participating hotels, attractions, malls and shops, starting with Melaka.

Together with other digital initiatives, Hatten Land is undertaking a strategic shift towards a sustainable and green digital economy. The Company’s physical assets in Melaka are being re-purposed and the Company is initiating partnerships with industry experts to create digital assets, including NFTs, and increase value of the Company’s existing physical assets which, once realised, will correspondingly contribute to and enhance the profitability of the Group.

Query 3

What is Hatten's role in this agreement? Does Hatten have the expertise in this area?

Company's response:

The Company will own the digital assets to be created, including NFTs and tokens. With Hatten's substantial hospitality, tourism and property footprint in Malaysia, the tokenomics to be developed will allow such digital assets to be exchanged or connected with the current loyalty point system of the Group.

The reason for this partnership is to leverage and build upon the proven expertise, capability, and experience of EnjinStarter and its investors. Hatten Land partners with industry experts and all parties, including Hatten, contribute own expertise and resources to build an integrated and inclusive ecosystem together.

Query 4

Company announced it is unable to quantify the impact of this. What due diligence has Company and Board done prior to entering into the agreement? Would it change the risk profile of the issuer?

Company's response:

The Company has conducted due diligence assessments on the agreement entered with EnjinStarter, including:

- a. experience and track record of EnjinStarter, its founder and investors;
- b. financial impact to the Company, including cost benefit analysis; and
- c. risk exposure analysis and evaluation.

The Company is of the view that it is currently unable to reasonably ascertain the financial impact, as it is premature to ascertain the financial impact while the tokenomics are still under development.

The Board of the Company is currently of the view that it does not change the risk profile of the Company, due to the following factors:

- d. the Company intends to increase value of its existing physical assets and create new digital assets to be owned by the Company; and
- e. the Company does not expect the agreement entered with EnjinStarter to cause material increase to the Group's total operational costs and cash outflows in the foreseeable future.

Query 5

What are the projected costs expected to be borne by Hatten?

Company's response:

Due to commercial sensitivities, the Company is unable to disclose the details of development costs. However, as highlighted in the response to Query 4 above, the Company does not expect the agreement entered with EnjinStarter to cause material increase to the Group's total operational costs and cash outflows in the foreseeable future.

Query 6

Has the Company consulted its auditors on accounting and valuing the digital assets and tokens?

Company's response:

The Company will consult the auditor in due course to conclude relevant accounting treatments and the appropriate approach to value the digital assets and tokens, as and when developing the token system and tokenomics.

Query 7

Are the digital tokens construed as "securities/ capital markets products" and are regulated under the Securities and Futures Act ("SFA")?

Company's response:

The details of the tokens as defined in the agreement are still under development. The Company will ensure that the issue of such tokens will comply with all relevant legislation, including the Securities and Futures Act.

By Order of the Board
HATTEN LAND LIMITED

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

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

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

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.