

Hatten Land Outlines Initiatives to Fortify its Business Resiliency Amid the COVID-19 Pandemic

- **The Group's business operations in Melaka have been adversely affected by the COVID-19 pandemic with Malaysia's Movement Control Order and the substantial reduction in tourism arrivals**
- **The Group has implemented various initiatives to balance near-term priorities to generate savings and conserve financial resources**
- **Two subsidiaries under the Group will be undergoing strategic restructuring to better align with the current business climate**

SINGAPORE, 2 July 2020 – Hatten Land Limited (惠勝置地有限公司) (“Hatten Land” or the “Company” and together with its subsidiaries, the “Group”), the leading developer in the Malaysian city of Melaka, announced today various initiatives to fortify the resiliency of its property development business in light of the ongoing pressures of the business exacerbated by the COVID-19 pandemic.

The outbreak of COVID-19 has led to precautionary and containment measures implemented by governments across Asia to prevent the transmission of COVID-19. As a result, the Group's operations in Singapore and Malaysia were mainly closed during the Circuit Breaker period (7 April 2020 to 1 June 2020) and Movement Control Order (from 18 March 2020 to 9 June 2020) respectively.

As a tourism state, Melaka's economic condition has been affected with a significant reduction in international and domestic tourist arrivals. In addition, the precautionary and containment measures for COVID-19 within Melaka has also affected consumer expenditure and purchases of big ticket items such as properties locally.

Against the backdrop of weakening economic prospects and with the Group's property portfolio located primarily in Melaka, the business impact has been particularly distinct for the Group. In response to the challenging business environment, the Company has implemented various initiatives such as salary adjustments and reduction of non-essential expenses to balance near-term priorities to generate immediate savings and conserve financial resources.

In addition the Group is undertaking strategic restructuring for its two subsidiaries, MDSA Resources Sdn Bhd and MDSA Ventures Sdn Bhd, to strengthen their balance sheet and restructure its legacy contractual obligations to achieve a more sustainable capital structure in line with the current business climate.

Dato' Colin Tan, Executive Chairman and Managing Director of Hatten Land, said: “While we are confident of Melaka's long term prospects as a destination for historical, medical and wellness tourism, the COVID-19 pandemic has affected the dynamics of our business model.

Hence, we are announcing strategic initiatives and restructuring to reset our cost structure and fortify our business resiliency with measured and purposeful steps. As a result, we believe the Company will be better positioned for growth when consumer demand recovers and starts to normalise.

Moving ahead, we look forward to the ongoing support from our property buyers and stakeholders. At the same time, we are executing our business strategy to further enhance our business agility and improve our growth prospects.”

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About Hatten Land Limited

Hatten Land Limited 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 conglomerate Hatten Group, which is a leading brand in Malaysia with core businesses in property development, property investment, hospitality, retail and education.

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.

For more information, visit: www.hattenland.com.sg

This press release 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 Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assume 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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