HATTEN LAND LIMITED
(UNDER JUDICIAL MANAGEMENT)
(Incorporated in the Republic of Singapore)
(Company Registration No. 199301388D)

LETTER FROM ACRA IN RELATION TO COMPLIANCE WITH ACCOUNTING STANDARDS UNDER SECTION 201(5) OF THE COMPANIES ACT

The Judicial Managers of Hatten Land Limited (under judicial management) (the "**Company**", and together with its subsidiaries, the "**Group**") wish to announce that the Company had received a letter of final findings (the "**Letter**") from the Accounting and Corporate Regulatory Authority ("**ACRA**") on 20 January 2025 in relation to the Company's audited financial statements for the financial year ended 30 June 2022 ("**FY2022 FS**").

Pursuant to ACRA's Financial Reporting Surveillance Programme, ACRA had reviewed the Company's FY2022 FS to ascertain its compliance with accounting standards under Section 201(5) of the Companies Act 1967 (the "**Companies Act**").

The Letter was issued following a series of queries and responses between the Company and ACRA in relation to the Company's FY2022 FS. In the Letter, ACRA had concluded that:

(a) the Company's FY2022 FS had not complied with paragraphs 5.5.17, 5.5.18, B5.5.55 and B5.5.22 of Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 9 (*Financial Instruments*) because the Group did not measure expected credit loss ("**ECL**") for its trade receivables as at 30 June 2021 and 2022 in an unbiased manner, taking into account a range of possible outcomes; and

(b) the Group had restated the FY2022 FS comparatives included in the Company's audited financial statements for the financial year ended 30 June 2023 ("**FY2023 FS**") due to a change in measurement basis for repossessed property inventories from historical cost to fair value on repossession date as the new deemed cost. In relation to this, the Company's FY2023 FS had not complied with paragraphs 117 and 118 of SFRS(I) 1-1 (*Presentation of Financial Statements*) because the Group did not disclose about such change in measurement basis.

In the Letter, pursuant to ACRA's final findings from the review of the Company's FY2022 FS:

(i) ACRA had noted that the Group has agreed to take into consideration the collateral property values in determining ECL for its trade receivables and make retrospective adjustments in the Company's audited financial statements for the financial year ended 30 June 2024 ("**FY2024 FS**"); and

(ii) ACRA had requested that the Group includes the necessary disclosures on the key inputs used in determining the new deemed cost in the Company's FY2024 FS.

The Company will incorporate the required adjustments and disclosures in the FY2024 FS, and will disclose in the FY2024 FS that the financials have been remediated pursuant to findings from the review of the FY2022 FS.

The shares in the Company have been suspended since 6 August 2024. Although the Company's shares are under suspension, shareholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the shares of the Company. Shareholders and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares in the Company.

Submitted by the Judicial Managers

For and on behalf of the Company
Tan Wei Cheong
Joint and Several Judicial Manager

3 April 2025

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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