



HATTEN LAND LIMITED

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

**Unaudited Financial Statements and Dividend Announcement
For the Third Quarter ended 31 March 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 period ended 31 MARCH 2022

	Group Third Quarter Ended			Group 9 Months Ended		
	31.03.2022	31.03.2021 (Restated)	%	31.03.2022	31.03.2021 (Restated)	%
Notes	RM'000	RM'000		RM'000	RM'000	Change
Revenue	18,562	14,684	26.4	23,459	28,432	(17.5)
Cost of sales	(8,035)	(11,427)	(29.7)	(11,174)	(25,556)	(56.3)
Gross profit	10,527	3,257	N/M	12,285	2,876	N/M
Other operating income	489	17	N/M	509	183	N/M
Other income/ gains	346	2,337	(85.2)	18,500	16,215	14.1
Other items of expense						
Selling and marketing expenses	948	(477)	N/M	885	(1,835)	N/M
General and administrative expenses	(16,830)	(21,710)	(22.5)	(40,564)	(44,268)	(8.4)
Impairment loss on trade receivables-credit loss on revocation of sales	(4,389)	(9,273)	(52.7)	(12,011)	(16,563)	(27.5)
Other expenses	-	(466)	N/M	-	(471)	N/M
Finance costs	(12,709)	(9,972)	27.4	(31,623)	(34,982)	(9.6)
Share of results of the associated company	(139)	(473)	(70.6)	(451)	(473)	(4.7)
Loss before tax	(21,757)	(36,760)	(40.8)	(52,470)	(79,318)	(33.8)
Income (expense)/tax credit	(10,764)	-	N/M	(10,764)	179	N/M
Loss after tax	(32,521)	(36,760)	(11.5)	(63,234)	(79,139)	(20.1)
Other comprehensive income:						
<u>Items that may be reclassified subsequently to profit or loss</u>						
Currency translation differences arising on consolidation	9	(49)	N/M	9	(65)	N/M
Total comprehensive loss	(32,512)	(36,809)	(11.7)	(63,225)	(79,204)	(20.2)
Loss for the period attributable to:						
Owners of the Company	(32,519)	(36,760)	(11.5)	(63,232)	(79,139)	(20.1)
Non-controlling interests	(2)	-	N/M	(2)	-	N/M
	(32,521)	(36,760)	(11.5)	(63,234)	(79,139)	(20.1)
Total comprehensive loss for the period attributable to:						
Owners of the Company	(32,510)	(36,809)	(11.7)	(63,223)	(79,204)	(20.2)
Non-controlling interests	(2)	-	N/M	(2)	-	N/M
	(32,512)	(36,809)	(11.7)	(63,225)	(79,204)	(20.2)
(Loss) per share attributable to owners of the Company (RM cents per share)	(1.9)	(2.4)		(3.8)	(5.1)	

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 31 MARCH 2022

	Note	<u>Group</u>		<u>Company</u>	
		31.03.2022 RM'000	30.06.2021 (Restated) RM'000	31.03.2022 RM'000	30.06.2021 RM'000
Assets					
Non-current assets					
Property, plant and equipment	11	33,725	27,889	-	-
Right-of-use assets		43,556	56,175	-	-
Investment in subsidiaries	12	-	-	710,739	710,739
Investment in associate company	13	22,136	22,587	-	-
Trade and other receivables	14	24,300	26,665	-	-
Intangible assets	16	1,571	-	-	-
		<u>125,288</u>	<u>133,316</u>	<u>710,739</u>	<u>710,739</u>
Current assets					
Development properties	15	443,503	437,462	-	-
Contract assets		6,024	5,383	-	-
Trade and other receivables	14	116,220	204,538	294,205	267,692
Prepayments		1,179	277	1,027	159
Cash and bank balances		5,493	7,834	808	175
		<u>572,419</u>	<u>655,494</u>	<u>296,040</u>	<u>268,026</u>
Disposal group assets classified as held for sales		472,042	465,767	-	-
Total assets		<u>1,169,749</u>	<u>1,254,577</u>	<u>1,006,779</u>	<u>978,765</u>
Liabilities					
Current liabilities					
Lease liabilities		1,456	12,378	-	-
Loans and borrowings	17	223,668	207,615	189,177	186,900
Income tax payable		44,765	26,895	-	-
Trade and other payables	18	165,017	250,533	18,560	5,988
Provisions		35,425	32,975	-	-
Contract liabilities		66,888	55,295	-	-
		<u>537,219</u>	<u>585,691</u>	<u>207,737</u>	<u>192,888</u>
Liabilities directly associated with disposal group classified as held-for-sale		476,672	484,902	-	-
		<u>1,013,891</u>	<u>1,070,593</u>	<u>207,737</u>	<u>192,888</u>
Net current assets		35,200	50,668	88,302	75,138
Non-current liabilities					
Other payables	18	31,051	-	-	-
Lease liabilities		41,696	48,278	-	-
Loans and borrowings	17	75,647	80,135	-	-
Deferred tax liabilities		-	1	-	-
		<u>148,394</u>	<u>128,414</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>1,162,285</u>	<u>1,199,007</u>	<u>207,737</u>	<u>192,888</u>
Net assets		<u>7,464</u>	<u>55,570</u>	<u>799,042</u>	<u>785,877</u>
Equity					
Share capital	19	313,147	298,044	1,345,806	1,330,548
Accumulated losses		(250,255)	(187,023)	(546,764)	(544,671)
Translation reserve		(424)	(449)	-	-
Merger reserve		(54,827)	(54,827)	-	-
Other reserve		(175)	(175)	-	-
		<u>7,466</u>	<u>55,570</u>	<u>799,042</u>	<u>785,877</u>
Non-controlling interest		(2)	-	-	-
Total equity		<u>7,464</u>	<u>55,570</u>	<u>799,042</u>	<u>785,877</u>
Total equity and liabilities		<u>1,169,749</u>	<u>1,254,577</u>	<u>1,006,779</u>	<u>978,765</u>

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

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the financial period ended 31 MARCH 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 January 2022	313,302	(217,736)	(433)	(54,827)	(175)	40,131	-	40,131
Loss for the period	-	(32,519)	-	-	-	(32,519)	(2)	(32,521)
<u>Other comprehensive loss</u>								
Currency translation on consolidation	-	-	9	-	-	9	-	9
Total comprehensive loss for the period	-	(32,519)	9	-	-	(32,510)	(2)	(32,512)
<u>Contributions by and distributions to owners</u>								
Shares issuance expenses	(155)	-	-	-	-	(155)	-	(155)
Total transactions with owners in their capital as owners	(155)	-	-	-	-	(155)	-	(155)
Balance as at 31 March 2022	313,147	(250,255)	(424)	(54,827)	(175)	7,466	(2)	7,464
At 1 January 2021	302,347	(65,283)	(15)	(79,513)	(3,397)	154,139	-	154,139
Effects of unwinding of acquisition	-	(3,002)	-	24,686	3,220	24,904	-	24,904
At 1 January 2021, as restated	302,347	(68,285)	(15)	(54,827)	(177)	179,043	-	179,043
Loss for the period	-	(36,760)				(36,760)	-	(36,760)
<u>Other comprehensive loss</u>								
Currency translation on consolidation	-		(49)	-	-	(49)	-	(49)
Total comprehensive loss for the year	-	(36,760)	(49)	-	-	(36,809)	-	(36,809)
Balance as at 31 March 2021	302,347	(105,045)	(64)	(54,827)	(177)	142,234	-	142,234

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (con't)
For the financial period ended 31 MARCH 2022

Company

	Share capital	(Accumulated losses)/ Retained earnings	Total equity
	RM'000	RM'000	RM'000
At 1 January 2022	1,345,806	(545,737)	800,069
Loss for the period	-	(872)	(872)
<u>Contributions by and distributions to owners</u>			
Shares issuance expenses	(155)	-	(155)
	(155)	-	(155)
Balance as at 31 March 2022	1,345,651	(546,609)	799,042
At 1 January 2021	1,334,851	(486,070)	848,781
Profit for the period	-	1,849	1,849
Balance as at 31 March 2021	1,334,851	(484,221)	850,630

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For financial year ended 31 MARCH 2022

	Group		Group	
	Third Quarter Ended 31.03.2022	31.03.2021 (Restated)	9 Months Ended 31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Loss before tax	(20,253)	(36,760)	(50,966)	(79,318)
Adjustments for:				
Share of results of associated company	139	473	450	473
Depreciation of property, plant and equipment	259	274	751	712
Depreciation of right-of-use assets	4,098	8,256	12,506	25,243
Gain on disposal of property, plant and equipment	(817)	-	(1,073)	(45)
Loss/(gain) on disposal of right-of-use assets	-	-	(155)	(62)
Interest income	455	772	(5,691)	(9,775)
Interest expense	12,709	9,972	31,623	34,982
Impairment loss on trade receivables-credit loss on revocation of sales	4,389	-	12,011	-
Unrealised foreign exchange (gain)/loss	44	5,810	395	(6,212)
Amortisation of capitalised transaction costs	-	-	-	91
Operating cash flows before working capital changes	1,023	(11,203)	(149)	(33,911)
Changes in operating assets and liabilities				
Intangible assets	(1,571)	-	(1,571)	-
Development properties	3,662	3,456	(5,534)	8,904
Contract assets	(642)	-	(642)	-
Contract liabilities	19,704	(4,183)	11,593	(2,408)
Trade and other receivables	42,939	15,548	70,144	72,462
Trade and other payables	(65,841)	864	(61,945)	(32,045)
Cash flow generated (used in)/from operations	(726)	4,482	11,896	13,002
Interest paid	(12,710)	(6,086)	(31,623)	(24,373)
Interest received	(455)	(772)	5,691	9,775
Income tax paid	(625)	(622)	(1,035)	(2,193)
Net cash flows used in operating activities	(14,516)	(2,998)	(15,071)	(3,789)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	817	-	1,073	45
Proceeds from right-of-use assets	-	-	155	60
Increase in pledged fixed deposit	1	310	1	1,264
Additions to property, plant and equipment	(4,523)	(658)	(6,857)	(923)
Net cash flows generated (used in)/from investing activities	(3,705)	(348)	(5,628)	446
Cash flows from financing activities				
Repayment of lease liabilities	(810)	(1,184)	(8,133)	(2,511)
Proceeds/(repayment) of term loans and medium term note	12,818	(815)	11,270	(3,271)
Proceeds from placement shares	-	-	15,259	-
Shares issuance expenses	(155)	-	(155)	(284)
Net cash flows from/(used in) financing activities	11,853	(1,999)	18,241	(6,066)
Net decrease in cash and cash equivalents	(6,368)	(5,345)	(2,458)	(9,409)
Cash and cash equivalents at the beginning of the period	11,746	17,624	7,834	21,466
Effects of exchange rate changes on cash and cash equivalents	(4)	(4)	(2)	218
Cash and cash equivalents at the end of the period	5,374	12,275	5,374	12,275
Cash and bank balances	5,493	12,275	5,493	12,275
Less: Included in disposal group classified as held-for-sale	(119)	-	(119)	-
Cash and cash equivalents as per above	5,374	12,275	5,374	12,275

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 31 March 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 nine months ended 31 March 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.

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 nine-month ended 31 March 2022, the Group incurred a net loss of RM63.4 million. As at 31 March 2022, the Group's total loans and borrowings amounted to RM299.3 million, of which RM223.7 million were classified as current liabilities and exceeded the Group's cash and bank balances of RM5.5 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. The estimated market value of the development properties as at 30 June 2021 is approximately RM680,350,000 (excluding the development properties of GMSB). 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 fixed on 19 July 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 hearing has been fixed on 13 July 2022 and MRSB is currently preparing the documents for the hearing;

- (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 and 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.
- (g) On 11 April 2022, the Company entered into placements agreements with ten placees to allot and issue a total of 121,954,000 new ordinary shares in the capital of the Company at an issue price of S\$0.041 for each share for net proceeds of S\$4,982,114. The Company has completed the allotment and issuance of 121,954,000 new ordinary shares on 22 April 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 January 2022 to 31 March 2022 ("3Q 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. Accordingly, no business or geographical segment information is presented.

5.2. Disaggregation of Revenue

	Group Third Quarter Ended		Group 9 Months Ended	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue from sale of development properties in Malaysia				
- recognised at a point in time	18,491	11,272	20,247	22,879
- recognised over time	71	3,412	3,212	5,553
	18,562	14,684	23,459	28,432

6. Loss before tax

	Group		Group	
	Third Quarter Ended		9 Months Ended	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Loss for the period is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	259	274	751	712
Depreciation of right-of-use assets	4,098	8,256	12,506	25,243
Gain on disposal of property, plant and equipment	(817)	-	(1,073)	(45)
Loss on disposal of right-of-use assets	-	-	(155)	(62)
Interest expense	12,709	9,972	31,623	34,982
Interest income	455	772	(5,691)	(9,775)
Impairment loss on trade receivables-credit loss on revocation of sales	4,389	-	12,011	-
Unrealised foreign exchange (gain)/loss	(319)	237	395	(6,212)

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	
	Third Quarter Ended		9 Months Ended	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Current income tax				
- Current year	-	-	-	-
- Under/(over) provision in respect of prior years	10,764	-	10,764	(179)
	<u>10,764</u>	<u>-</u>	<u>10,764</u>	<u>(179)</u>
Income tax expense recognised in profit or loss	10,764	-	10,764	(179)

The under provision in respects of prior years was mainly due to one of its subsidiaries received a notice of additional assessment for the year of assessment 2017 to 2019 from the Inland Revenue Board of Malaysia ("IRB"). The notice of additional assessment was raised by IRB in relation to certain expenses which were not tax deductible for the year of assessment 2017 to 2019.

13. Investment in associate company

	Group	
	31.03.22	30.06.21
	RM'000	RM'000
Unquoted equity shares, at cost		
Balance at beginning of financial period/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 period/year	(451)	-
	<u>22,136</u>	<u>22,587</u>

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 31 March 2022, a balance of cash consideration of RM261,000 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	
	31.03.22	30.06.21 (Restated)	31.03.22	30.06.21
	RM'000	RM'000	RM'000	RM'000
Current:				
Trade receivables	47,925	77,817	-	-
Amount due from related parties	11,675	79,236	-	-
Amount due from subsidiaries	-	-	294,205	267,470
Refundable Deposits	2,069	2,454	-	-
GST recoverable	1,374	15	-	-
Other receivables	53,177	45,016	-	222
	<u>116,220</u>	<u>204,538</u>	<u>294,205</u>	<u>267,692</u>
Non-current:				
Trade receivables	23,672	26,054	-	-
Refundable Deposits	628	611	-	-
	<u>24,300</u>	<u>26,665</u>	<u>-</u>	<u>-</u>
Total Trade and other receivables (current and non-current)	<u>140,520</u>	<u>231,203</u>	<u>294,205</u>	<u>267,692</u>

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. During the previous financial year, certain trade receivables were reclassified from current to non-current due to the continuing challenges affecting the property market in Melaka, Malaysia and the uncertainties brought by the COVID-19 pandemic. Accordingly, the Group recognised modification loss on certain trade receivables due to change in expected timing in collecting the cash flows.

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

	31.03.22	Group 30.06.21 (Restated)
	RM'000	RM'000
Completed Development properties	409,931	405,423
Development properties under construction	7,772	6,239
Properties for development representing land carried at cost	25,800	25,800
	443,503	437,462

In the financial year ended 30 June 2021 ("FY2021"), the Group has engaged an independent valuer to conduct a valuation on the development properties held by the Group.

Based on the valuations, the estimated market value of the development properties as at 30 June 2021 held by the Group is approximately RM680,350,000, excluding the development properties of Gold Mart Sdn Bhd. The valuations were performed by Sr Stanley Toh Kim Seng (V-927) from Laurelcap Sdn. Bhd. with recognized and relevant professional qualification and with relevant experience in the location and category of the property being valued.

In arriving at the Market Value of the Subject Properties, two (2) approaches namely the Comparison Approach and Income Approach were adopted by way of Term & Reversion Approach in valuing the completed project, whilst the Income Approach by way of "Residual Method" was adopted in valuing the development properties construction project.

Impairment loss on development properties

During the financial period, an impairment loss on development properties is nil (2021: RM4,500,000) was recognized in the Group's profit or loss to write-down the properties for development properties.

16. Intangible assets

	Group	
	31.03.2022 RM'000	30.06.2021 RM'000
Development cost	1,571	-
	<u>1,571</u>	<u>-</u>

Development cost incurred to-date relates to development costs for cost of building the metaverse and digital platforms. As of 31 March 2022, the development is still in progress and not completed yet.

During the financial period ended 31 March 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	
	31.03.22 RM'000	30.06.21 (Restated) RM'000	31.03.22 RM'000	30.06.21 RM'000
<u>Amount repayable within one year</u>				
Secured	<u>223,668</u>	<u>207,615</u>	<u>189,177</u>	<u>186,900</u>
<u>Amount repayable after one year</u>				
Secured	<u>75,647</u>	<u>80,135</u>	<u>-</u>	<u>-</u>
Total	<u>299,315</u>	<u>287,750</u>	<u>189,177</u>	<u>186,900</u>

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	
	31.03.22	30.06.21	31.03.22	30.06.21
		(Restated)		
Current:	RM'000	RM'000	RM'000	RM'000
Trade payables	10,596	11,294	503	696
Deposits received	10,469	8,338	-	-
Accruals - third parties	76,442	74,421	2,598	2,630
Accruals - directors	400	376	400	376
Amount due to related parties	-	41,220	661	657
Amount due to director	1,781	1,144	-	-
Amount due to subsidiaries	-	-	14,024	595
Rental payables	53,326	47,691	-	-
Amount due to creditors under scheme arrangement	-	31,159	-	-
Amount due to associated company	261	998	261	998
Other payables	11,742	33,892	113	36
	<u>165,017</u>	<u>250,533</u>	<u>18,560</u>	<u>5,988</u>
Non- Current:				
Amount due to creditors under scheme arrangement	31,051	-	-	-
	<u>31,051</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total trade and other payables (current and non-current)	<u>196,068</u>	<u>250,533</u>	<u>18,560</u>	<u>5,988</u>

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 know 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			
	31.03.22		30.06.21	
	No. of shares '000	RM'000	No. of shares '000	RM'000
<u>Issued and fully paid ordinary shares</u>	1,735,169	313,147	1,595,169	298,044

The total number of issued shares excluding treasury shares as at 31 March 2022 was 1,735,169,228 (30 June 2021: 1,595,169,228). There has been no change in the total number of issued shares excluding treasury shares since the previous period reported on.

The Company did not hold any treasury shares and subsidiary holdings as at 31 March 2022, 30 June 2021 and 31 March 2021.

As at 31 March 2022, the Company has outstanding warrants of 40,000,000 (31.03.2021: Nil) convertible into 40,000,000 ordinary shares representing approximately 2.3% of the total number of issued shares as at 31 March 2022.

20. Subsequent events

On 11 April 2022, the Company entered into placement agreements (“Placement Agreement”) with ten Placees (the “Placees”). Pursuant to the Placement Agreement, the Company agrees to allot and issue a total of 121,954,000 new ordinary shares in the capital of the Company at an issue price of S\$0.041 for each share for an aggregate consideration of S\$5,000,114. The allotment and issue of 121,954,000 new ordinary shares has been completed on 22 April 2022.

Save for the above event, there are no other known subsequent events which would lead to adjustment to this set of condensed interim consolidated financial statements.

21. Comparative figures and retrospective restatements

On 28 December 2021, the Company’s direct wholly owned subsidiary, Hatten MS Pte Ltd (“HMS”) has entered into a termination agreement with Dato’ Tan June Teng Colin @ Chen Junting, Dato’ Tan Ping Huang Edwin @ Chen Binghuang and Yap Wei Shen (the “Vendors”) in respect of the mutual agreement by the Vendors and HMS to unwind the acquisition of Velvet Valley Sdn Bhd (“VVS”). Please refer to the Company’s announcement dated 28 December 2021 for further details. The unwinding has been completed on 18 January 2022.

As a results, certain line items have been amended on the statement of financial position, statement of Comprehensive Income and related notes to the financial statements for the previous financial year ended 30 June 2021 and previous financial period ended 31 March 2021. The financial statements were restated during the financial period as follows:

	As previously reported RM'000	Adjustment RM'000	As restated RM'000
Statement of Financial Position			
Non-current assets			
Property, plant and equipment	40,074	(12,185)	27,889
Right-of-use assets	56,529	(354)	56,175
Trade and other receivables	27,627	(962)	26,665
Current assets			
Development properties	481,473	(44,011)	437,462
Trade and other receivables	179,022	25,516	204,538
Prepayments	272	5	277
Cash and bank balances	8,070	(236)	7,834
Liabilities			
Current liabilities			
Lease liabilities	12,461	(83)	12,378
Loans and borrowings	217,592	(9,977)	207,615
Income tax payable	28,257	(1,362)	26,895
Trade and other payables	268,166	(17,633)	250,533
Provisions	34,455	(1,480)	32,975
Contract liabilities	55,955	(660)	55,295
Non-current liabilities			
Lease liabilities	48,473	(195)	48,278
Loans and borrowings	81,020	(885)	80,135
Other payables	34,057	(34,057)	-
Equity			
Accumulated losses	(193,220)	6,197	(187,023)
Merger reserve	(79,513)	24,686	(54,827)
Other reserve	(3,397)	3,222	(175)

As previously reported RM'000	Adjustment RM'000	As restated RM'000
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Statement of Comprehensive

Income

For the financial period ended 31 March 2021

	As previously reported RM'000	Adjustment RM'000	As restated RM'000
Revenue	28,349	83	28,432
Cost of sales	25,556	-	25,556
Other operating income	183	-	183
Other income/gains	20,557	(4,342)	16,215
Selling and marketing expenses	1,879	(44)	1,835
General and administrative expenses	46,216	(1,948)	44,268
Impairment loss on trade receivables - credit loss on revocation of sales	16,563	-	16,563
Other expenses	471	-	471
Finance costs	35,968	(986)	34,982
Share of results of the associated comp	473	-	473
Loss before tax	78,037	1,281	79,318
Income tax credit/(expenses)	179	-	179
Loss for the financial period	77,858	1,281	79,139

In view of the above changes, consequential restatements were made to the Consolidated Statement of Cash Flows.

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 realising 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.**

Review of Group performance for the third quarter ended 31 March 2022 ("3Q FY2022") as compared to the third quarter ended 31 March 2021 ("3Q FY2021")

Revenue and Gross profit

The Group recorded revenue of RM18.6 million for 3Q FY2022, which was RM3.9 million higher than 3Q FY2021. The increase in revenue was due to the higher sales generated from the completed projects. The increase was partially offset by the absent of revenue recognized from Harbour City project in accordance with the percentage of completion method.

The Group recorded gross profit of RM 10.5 million for 3Q FY2022, which was RM7.3 million higher than 3Q FY2021. The higher gross profit was largely due to lower discount, lower sales commission and absence of one-off write off of development cost arising from one of its subsidiaries in Australia due to the termination of option agreement for the land acquisition in 3Q FY2021.

Other income/gains

Other income/gains decreased by RM1.9 million in 3Q FY2022 as compared to 3Q FY2021 was due mainly to lower overdue interest income from the purchasers, lower gain on disposal of assets during the quarter and there was a late payment interest on sale of land in 3Q FY2021.

Selling and marketing expenses

Selling and marketing expenses decreased by RM1.4 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 RM6.4 million mainly attributable to (i) lower depreciation charges from property, plant and equipment and depreciation of right of use assets due to the disposal and lease term completed, (ii) decline in operating expenses arising from the cost cutting measures implemented by the Group, and (iii) unrealized foreign exchange loss in 3Q FY2022. The decrease partially offset by the increase related expenses incurred for the Group's corporate exercises and new business initiatives and tax penalty from IRB with regards to the under provision of prior years' tax as explained in Section E note 7.

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

The decrease in the impairment loss on trade receivables – credit loss on revocation of sales was mainly due to lower revocation of sales from purchasers in 3Q FY2022 as compared to 3Q FY2021.

Finance costs

Finance costs increased by RM2.7 million mainly due to lower interest expense in 3Q FY2021 arising from moratorium period granted in 3Q FY2021.

Income (expenses)/tax credit

Income tax expenses increased by RM10.7 million mainly due to the receipt of notice of additional assessment for the year of assessment 2017 to 2019 from the IRB by one of its subsidiaries as explained in Section E note 7.

Net loss for the financial period

As a result of the aforementioned, the Group reported a loss after tax in 3Q FY2022 of RM32.5 million as compared to a loss of RM36.8 million in 3Q FY2021.

Review for the financial position of the Group as at 31 March 2022 as compared to 30 June 2021

Total assets

Total assets as at 31 March 2022 was RM1,169.8 million as compared to RM1,254.6 million as at 30 June 2021, a decrease of RM84.8 million mainly due to:

Property, plant and equipment

Property, plant and equipment increased by RM5.8 million mainly due to the renovation cost incurred and purchase of property, plant and equipment for our new business. The increase was partially offset by the depreciation charge during the financial period.

Right-of-use assets

Right-of-use assets decreased by RM12.6 million mainly due to depreciation charges and disposal of motor vehicles during the financial period.

Prepayments

Prepayment increased by RM0.9 million mainly due increase in prepaid operating expenses and prepayment to suppliers.

Intangible assets

Intangible assets increased by RM1.6 million mainly due to the development cost incurred for the new business during the financial period. The development costs relate to development costs capitalised for cost of building the metaverse and digital platforms.

Trade and other receivables

Decrease in trade and other receivables mainly due to revocation of sales and better collections during the financial period.

Total Liabilities

Total liabilities as at 31 March 2022 was RM1,162.3 million as compared to RM1,199.0 million as at 30 June 2021, a decrease of RM36.7 million mainly due to:

Lease liabilities

The decrease in lease liabilities due to the repayment made during the financial period.

Income tax payable

The increase of the tax payable due to the additional tax expenses arising from under provision of prior years' tax as explained in Section E note 7.

Contract liabilities

The increase in contract liabilities mainly due to the revocation of sale from purchasers and the decrease in progress billing during the financial period.

Total equity

The decrease in total equity of RM48.1 million from RM55.6 million as at 30 June 2021 to RM7.5 million as at 31 March 2022 mainly due to the loss incurred during the financial period, partially offset by the allotment and issuance of 140,000,000 ordinary shares in the capital of the company.

C. Consolidated Statement of Cash Flows (3Q FY2022)

The Group reported net decrease in cash and cash equivalents mainly due to payment made to suppliers, repayment to the term loans and lease liabilities and purchase of property plant and equipment and additional working capital incurred for the new business lines in the Group.

As a result of the above, the Group recorded a cash and cash equivalent of RM5.4 million as at 31 March 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 Q3 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.

Property Development

For the Group’s property-related business activities, we are cautiously optimistic of the sustained recovery of our business activities in the endemic phase as 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.

According to the latest valuations conducted during the pandemic, the Group’s properties are valued at RM680,350,000 (excluding the development properties of GMSB).

In April 2022, the Malacca government, through Tourism Melaka, has introduced the ‘Melaka For Malaysian 1.0’ campaign to further revive the tourism sector and attract more tourists to the state with plans to organise 61 tourism events this year, of which 12 of them are major events. More recently, it was reported that the Melaka police expected a 50% increase from the average of 45,000 vehicles entering the state at three toll plazas ahead of the Aidilfitri celebration.

Our retail malls are expected to benefit from the pent-up demand and become comparable to the Dataran Pahlawan Melaka Megamall, located within 2km radius of most of the Group’s retail malls. Dataran Pahlawan Melaka Megamall has seen an increased occupancy of over 87%, as a result of 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 travelers.

In addition, we believe that the properties managed by the Group will benefit from more tourism activities with increased interstate travel and overseas travellers. Notably, during the pandemic, the hospitality properties managed by the Group have performed quite resiliently.

Re-purposing our Malls for Phygital Experience

The Group announced on 13 April 2022 the rebranding of Element Mall to ELEMENT X, which will be positioned as Southeast Asia’s first large-scale integrated Esports experiential hub, Metaverse gateway and themed award-winning hotel accommodation.

Accelerating our digital roadmap, the Group announced two separate collaborations with leading Esports organisations, with Kitamen Holdings Sdn. Bhd. (“KITAMEN”) and MELAKA ESPORTS ASSOCIATION (“MEA”) in Malaysia. There are plans for MEA and KITAMEN to organise various Esports events and official Esports tournaments at ELEMENT X throughout the year.

In May 2022, the Group entered into a 10-year Collaboration Agreement with Focus Media Sports (Shanghai) Co., Ltd, a subsidiary of China’s largest commercial media group to build an Immersive Esports Hub that offers first-of-its-kind immersive, Esport and phygital intelligent sporting experience in Southeast Asia. As one of the anchor tenants at ELEMENT X that occupies more than 90,000 square feet of retail space, the Group is expected to generate long term rental income and operating income, such as entry ticket sales and other relevant income, from Immersive Esports Hub.

Blockchain related activities

In January 2022, despite multiple challenges from Covid and border control measures which resulted in supply chain and logistics disruptions, the Group has started its trial operation of cryptomining, with various partners as announced by the Group. The three-months trial phase that ended in March 2022 has been successful with average site uptime of over 99% achieved throughout the trial period.

Since April 2022, the Group has entered into the phase of expansion and gained momentum in partnering with established crypto mining operators who are attracted by the Group's large-scale, high-quality mining facilities and collaborative business model. During the expansion phase, the Group aims to target new opportunities with existing and new business partners to utilise top-end crypto mining rigs to expand and scale up the Group's crypto mining operations.

Barring unforeseen circumstances, we expect the Group's performance in the financial year ending 30 June 2022 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 3Q FY2022 as the Group is in a loss position during the financial period.

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 period ended 31 March 2022.

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

The Company and its subsidiaries have incorporated the following wholly-owned subsidiary, details set out below:

<i>Held by Hatten Energy Holdings Pte. Ltd:</i> Hatten Energy (M) Sdn Bhd (“HEMSB”)	Malaysia	10 February 2022	RM1.00, comprising 1 ordinary share issued at RM1.00 per shares
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On 28 March 2022, one of its subsidiary companies has changed its name from Hatten Wellness China Pte. Ltd to Hatten Renewable Assets Pte. Ltd.

On 30 March 2022, the Company’s wholly owned subsidiary, Hatten Technology (S) Pte Ltd has disposed a subsidiary, Hatten Technology Sdn. Bhd. to a wholly-owned subsidiary of the Company, Hatten Edge Pte. Ltd. at the consideration of RM1.00, comprising 1 ordinary share issued at RM1.00 per shares

On 28 December 2021, the Company’s direct wholly owned subsidiary, Hatten MS Pte Ltd (“HMS”) has entered into a termination agreement with Dato’ Tan June Teng Colin @ Chen Junting, Dato’ Tan Ping Huang Edwin @ Chen Binghuang and Yap Wei Shen (the “Vendors”) in respect of the mutual agreement by the Vendors and HMS to unwind the acquisition of Velvet Valley Sdn Bhd (“VVSB”). Please refer to the Company’s announcement dated 28 December 2021 for further details. The unwinding has been completed on 18 January 2022.

12. Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual.

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the third quarter ended 31 March 2022 to be false or misleading in any material aspect.

13. 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.

14. Use of proceeds

Warrant proceeds

On 8 November 2021, the Company raised proceeds of approximately S\$1.92 million from the exercise of 40,000,000 Warrants at the exercise price of S\$0.048 per Warrant. The intended use of the proceeds of approximately S\$1.92 million are as follows:

Use of proceeds	Amount allocated S\$	Amount Utilised S\$	Amount Unutilised S\$
To fund new business initiatives of the Group	1,344,000	(1,344,000)	-
Working capital purposes *	576,000	(576,000)	-
Total	1,920,000	(1,920,000)	-

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

November Placement proceeds

The Company raised net proceeds of approximately S\$1,183,000 from the placement completed on 22 November 2021. Please refer to the Company's announcement dated 1 November 2021 for further details. The intended use of the net proceeds of approximately S\$1,183,000 are as follows:

Use of proceeds	Amount allocated S\$	Amount Utilised S\$	Amount Unutilised S\$
To fund new business initiatives of the Group	828,100	(828,100)	-
Working capital purposes *	354,900	(354,900)	-
Total	1,183,000	(1,183,000)	-

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

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	(352,804)	3,134,676
Working capital purposes *	1,494,634	(59,338)	1,435,296
Total	4,982,114	(412,142)	4,569,972

* 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
Director
14 May 2022

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