

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 relation to Company’s announcement dated 7 July 2021 in respect of the Proposed Disposal of Land by Prolific Revenue Sdn Bhd (“**PRSB**”) (“**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

The announcement states that in terms of the valuation of the Land, the Company had relied on similar land sale which has been completed as a reference. Based on such reference, the Consideration is higher than the value of completed land sales in terms of price per square feet. Please disclose when such reference of ‘similar land sale’ took place?

Company’s Response

The Company had taken into consideration similar land sales which have been completed as shown in the list below:

	Date	Size (Acres)	PSF (RM)
Land 1	Jan 2021	5.3	30.00
Land 2	Jul 2020	10.6	53.84
Land 3	Oct 2019	6.0	55.00
Land 4	Aug 2019	5.2	40.00
Land 5	Aug 2019	5.3	54.00
Land 6	May 2019	5.2	40.06
Land Sale		9.34	63.04

Please refer to Appendix 1 for further details.

Query 2

Given that the Consideration of RM25.8 million is lower than the book value of the Land of RM28.5 million, and the Company is expecting to recognize a loss on disposal of approximately RM2.7 million arising from the Proposed Disposal, why did the Board not commission a valuation?

Company's Response

As explained in the Query 1, the Company had made reference to similar land sales which have been completed. Furthermore, the Consideration is higher than the value of completed land sales in terms of price per square feet as disclosed in Query 1 above. There are also not many buyers available during this pandemic period in Malaysia. As such, the Board is of the view that such references provide a good indication of the market value of the Land and therefore sufficient in light of the opportunity to raise funds arising from the Proposed Disposal in the current economic environment whereby there may be limited number of buyers in the market.

Query 3

The Proposed Disposal is to help raise funds at this prevailing time, and to generate cash inflow expeditiously to cater to the financial needs of the Company. The Company intends to use the sales proceeds for general working capital purposes such as operating expenses, repayment of borrowings and financing for existing development projects. Please provide the Board of Directors' assessment of the Group's ability to continue operating as a going concern and the bases for the said assessment.

Company's Response

Based on the Group's various initiatives to strengthen its financial position as explained in the Group's unaudited financial results for third quarter ended 31 March 2021 announcement released on 12 May 2021 and the recent extension for the repayment of the US\$25 million guaranteed secured bonds announced on 9 June 2021, the Board is of the view that the Group is able to continue to operate as a going concern.

By Order of the Board
HATTEN LAND LIMITED

Dato' Tan June Teng, Colin
Executive Chairman and Managing Director
9 July 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 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.

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.

Appendix 1:

