



HATTEN LAND LIMITED
(formerly known as VGO Corporation Limited)
(Company Registration No.: 199301388D)
(Incorporated in the Republic of Singapore)

Press Release
For Immediate Release

SGX-listed Hatten Land Reports RM10.8 Million Net Profit For 2Q FY2018

- **Unbilled sales of RM907 million underpinned by sales across its Melaka projects**

SINGAPORE / MELAKA, MALAYSIA, 12 February 2018 – Hatten Land Limited (惠勝置地有限公司) (“Hatten Land” or the “Group”) announced today a net profit for its second quarter and reported unbilled sales of RM907 million underpinned by sales across its Melaka projects.

The award-winning developer has moved to expand its portfolio of mixed-used development projects through the acquisition of two land parcels in Klebang, Melaka which will be developed into separate projects as announced in November 2017. Hatten Land believes demand will be robust, driven by new townships and the momentum of China’s Belt and Road Initiative.

For the three months ended 31 December 2017 (“2Q FY2018”), revenue dropped to RM43.4 million from RM113.8 million for the corresponding quarter a year ago (“2Q FY2017”) due to construction delays at Hatten City Phase 2, partially offset by higher contributions from sales at Harbour City and Hatten City Phase 1.

Gross profit (“GP”) for 2Q FY2018 amounted to RM34.6 million, 11.6% lower compared to RM39.1 million in 2Q FY2017. However, GP margin rose to 79.7% from 34.4% for the same corresponding periods, due to lower estimated gross development costs for Hatten City Phase 2 following the management’s review of the project development budget and re-allocation of gross development costs in Harbour City.

The Group ended 2Q FY2018 with a net profit of RM10.8 million, lower than the RM21.4 million achieved in 2Q FY2017, impacted by higher selling and distribution expenses as well as general and administrative expenses.

For the six months ended 31 December 2017 (“1H FY2018”), the Group generated RM99.9 million revenue, down from RM167.5 million a year ago (“1H FY2017”). Gross profit came to RM55.5 million from RM58.2 million for the corresponding periods.

Selling and distribution expenses increased by RM5.7 million to RM21.2 million in 1H FY2018 (1H FY2017: RM15.5 million) as the Group intensified sales and marketing efforts. General



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and administrative expenses for 1H FY2018 increased by RM2.0 million to RM20.0 million (1H FY2017: RM17.9 million), mainly attributable to one-off expenses.

As a result, Hatten Land posted a net profit of RM13.8 million for 1H FY2018 compared to RM23.2 million in 1H FY2017.

Dato' Colin Tan, Executive Chairman and Managing Director of Hatten Land, said: "Melaka now ranks as the second most visited state in Malaysia with 16.7 million tourists in 2017. The state's growth is anchored by mega infrastructure and tourism projects which will bolster the value of our properties and underpin future demand."

"The completion of Hatten City Phase 2 which is expected in 3Q FY2018 will allow for the immediate conversion of sales into billings. Furthermore, we enter 2H FY2018 with unbilled sales of RM907 million, which provides clear earnings visibility", added Dato' Colin Tan.

In FY2018, the Group remains on track to launch Harbour City Luxury Hotel, the last phase of its flagship Harbour City project.

The Group will continue to pursue value-accretive growth opportunities to enhance shareholders' value. Barring any unforeseen circumstances, the Directors are confident of the Group's positive financial performance for FY2018.

****End of Release ****

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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's current development portfolio comprises four integrated mixed-use development projects and one retail mall in Melaka, Malaysia. They are:

1. Hatten City Phase 1 (incorporating Elements Mall, SilverScape Residences, Hatten Place, and a tower block that has been taken up by DoubleTree by Hilton);
2. Hatten City Phase 2 (incorporating Imperio Mall and Imperio Residence);
3. Harbour City (incorporating a mall, a theme park and three hotels);
4. Satori (incorporating a retail mall, hotel and serviced residences); and
5. Vedro by the River (a retail mall).

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

*Hatten Land Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 26 January 2017 via a reverse take-over ("**RTO**"). The financial adviser for the RTO was UOB Kay Hian Private Limited (the "**Sponsor**").*

This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.

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