

Hatten Land's FY2020 Results Impact by COVID-19 Pandemic; Focused on Strategic Initiatives to Fortify Business Resiliency

- Continual focus on monetising the Group's property inventories and assets to bolster the Group's balance sheet together with cost containment measures
- Hatten Land has recently signed an agreement with expected net proceeds of USD\$59.76 million for the Harbour City transaction
- Exploring opportunities with its newly acquired associate, ECXX, to monetise its real estate properties through ECXX's blockchain based securities exchange platform that offer various asset-based digital securities

SINGAPORE, 28 August 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, has announced its full year results ended 30 June 2020 ("FY2020").

Reflecting the impact of the COVID-19 pandemic on its business activities, ranging from lower property sales to delay in project construction progress and impairment losses, the Group reported a net loss after tax of approximately RM231.0 million in FY2020, notwithstanding a profitable first half of FY2020. The loss after tax in FY2020 included non-recurring items of impairment losses and write down of RM102.0 million, financial impact arising from the adoption of new accounting policy SFRS(I) 16 Leases of RM53.0 million and credit loss for the revocation of sales from the purchasers of RM40 million, in aggregate amounting to RM195 million .

Against the backdrop of weak market and consumer sentiments and in response to the challenging business environment, the management team has implemented various strategic initiatives to preserve cash, bolster its balance sheet and fortify its business resiliency.

To generate immediate savings and conserve financial resources, Hatten Land has implemented various costs containment measures such as salary adjustments and reduction of non-essential expenses to balance near-term priorities.

In addition, the Group has embarked on 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.

In August 2020, Hatten Land announced a new strategic investor, Tayrona Capital Pte Ltd for the Harbour City project in Melaka, which is expected to generate net proceeds of US\$59.76 million for the Company, subject to the completion of the transaction.

Recently, Hatten Land has completed the acquisition of a 20% stake in ECXX Global Pte Ltd (“ECXX”) which has obtained approval from the Monetary Authority of Singapore (“MAS”) for admission to the Fintech Sandbox Express under a Recognised Market Operator (RMO) regime. With the approval from the MAS, ECXX targets to launch a blockchain based securities exchange platform, ecxx.co, that offer various asset-based digital securities, such as real estate, private equity, to institutional and accredited non-individual investors. Hatten Land will work with ECXX to explore the opportunities to monetise its real estate properties through this platform.

Dato’ Colin Tan, Executive Chairman and Managing Director of Hatten Land, said: *“For the first six months of the financial year, the Group had fared reasonably well with a positive operating profit. The Group’s businesses were then hit severely by the unprecedented COVID-19 pandemic. We have taken immediate steps to decisively address the challenges in our operating environment. While focusing on unlocking value of our quality property assets, we are aggressively managing costs and substantially reducing non-essential expenditures.*

Our proactive approach highlights our commitment to our stakeholders and the actions we are taking should help us to navigate the current challenging and uncertain times.

Moving ahead, we will continue to be vigilant and focused on our objectives for business resiliency and growth.”

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This document is to be read in conjunction with Hatten Land’s exchange filings on 28 August 2020, which can be downloaded via www.sgx.com.

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

Issued on behalf of Hatten Land Limited by 8PR Asia Pte Ltd.

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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 press release has not been examined or approved by the SGX-ST and the SGX-ST assume no responsibility for the contents of this press release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

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