

TELADAN GROUP BERHAD ("TELADAN" OR "THE COMPANY") [REGISTRATION NO.: 201901004975 (1314302-V)]

- MEMORANDUM OF UNDERSTANDING FOR THE ACQUISITION OF SHOP OFFICES BETWEEN RIVERWELL RESOURCES SDN. BHD. AND FAMILY STORE RESOURCES SDN. BHD.

1. INTRODUCTION

The Board of Directors of Teladan ("**Board**") is pleased to announce that Riverwell Resources Sdn. Bhd. ("**RRSB**"), an indirect wholly-owned subsidiary of Teladan, had on 13 September 2024 entered into a Memorandum of Understanding ("**MOU**") with Family Store Resources Sdn. Bhd. ("**FSRSB**") for the purpose of the proposed acquisition of twelve (12) units of Shop Offices to be built on RRSB's properties at its property development project known as Taman Gapam Perdana.

RRSB and FSRSB will hereinafter be referred jointly as "**Parties**".

2. INFORMATION OF RRSB AND FSRSB

RRSB is a private limited company incorporated in Malaysia on 21 April 2000 under the then Companies Act, 1965, having its registered address at No. 60-1, Jalan Lagenda 5, Taman 1 Lagenda, 75400 Melaka and place of business at Wisma Teladan, Lot 13253, Jalan Batu Berendam, 75350 Batu Berendam, Melaka. RRSB has a total issued share capital of RM1,000,000/- made up of 1,000,000 ordinary shares. RRSB is an indirect wholly-owned subsidiary of Teladan and the Directors of RRSB are Mr. Teo Lay Ban, Ms. Teo Siew May, Mr. Teo Lay Lee and Mr. Sia Ah Piew. The principal activity of RRSB is mainly in property development.

FSRSB is a private limited company incorporated in Malaysia on 25 November 2013 under the then Companies Act, 1965, having its registered address at 123B, Jalan 25, Taman Melaka Raya, 75000 Melaka and place of business at Gudang JKR 1336, Batu Berendam, Melaka. FSRSB has a total issued share capital of RM100,000/- made up of 100,000 ordinary shares. Directors of FSRSB are Mr. Tang Ah Kau and Mr. Chong Ter Woon. The principal activity of FSRSB is supermarket.

3. SALIENT TERMS OF THE MOU

The MOU will be effective for an initial period of twelve (12) months from 13 September 2024 notwithstanding the diverse dates the Parties may have signed the MOU. This MOU may be extended for such further period as may be agreed by the Parties in writing.

4. EFFECTS OF THE MOU

The MOU will not have any effect on the share capital and substantial shareholders' shareholdings of Teladan. The MOU is also not expected to have any material immediate effect on the earnings per share, net assets per share and gearing of Teladan Group for the financial year ending 31 December 2024, but is envisaged to contribute positively to the future earnings of Teladan Group.

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5. RATIONALE FOR THE MOU

RRSB is undertaking development on the Lands comprising three (3) pieces of vacant lands held under PN 71259, Lot 14716, PN 56855, Lot 14717 and PN 56854, Lot 14718, all in Mukim Ayer Panas, Daerah Jasin, Negeri Melaka measuring 27.92 hectares, 27.59 hectares and 31.99 hectares in area respectively (hereinafter collectively called "**the Lands**") into a mixed development of residential and commercial buildings. The MOU aims to kickstart and promote RRSB's upcoming residential development known as Taman Gapam Perdana, which will offer a tranquil and serene living experience amidst natural surroundings, which is also well-connected to major transportation routes, providing residents seamless connectivity to other parts of the city and by leveraging the possible presence of the Intended Purchaser in providing for the residents' convenient access to daily necessities and services. It is envisioned by the Parties that the introduction of the FRSB is about elevating the quality of life for both the residents and the surrounding community, providing everyday essentials right at the doorstep of the residents.

6. APPROVAL REQUIRED

The MOU is not subject to the approval of the shareholders of Teladan or any government authorities.

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders, chief executive of the Company and/or persons connected to them have any interest, direct or indirect, in the transaction.

8. DIRECTORS' STATEMENT

The Board and Management of Teladan is of the opinion that the execution of the MOU is in the best interest of the Company.

The announcement is dated 13 September 2024.