

## **PRESS STATEMENT/ SIARAN AKHBAR**

(FOR IMMEDIATE RELEASE)

### **TELADAN SETIA ACQUIRES 338-ACRE MELAKA LANDS FOR RM117.9 MILLION**

*Boosts total undeveloped landbank to 1,109 acres*

**Melaka, 6 September 2021** – Melaka-based property developer, Teladan Setia Group Berhad (“Teladan Setia” or the “Group”) (stock code: 0230) announced today the proposed acquisition of five parcels of land located in the district of Jasin in Melaka totalling 136.9 hectares (338.3 acres) for a cash consideration of RM117.9 million (“Proposed Acquisition”).

The Group’s wholly-owned subsidiary, Riverwell Resources Sdn. Bhd. (“RRSB”) entered into a sale and purchase agreement (“SPA”) with Bakat Muhibbah Sdn. Bhd. (“Vendor”) for the Proposed Acquisition, which is expected to be funded via a combination of internally generated funds, bank borrowings as well as proceeds from its recent initial public offering.

The five parcels of land are strategically located between Tiara Melaka Golf & Country Club and Orna Golf and Country Club, just after the north-east boundary of Central Melaka. They are also a few minutes drive away from the Melaka International Trade Centre (“MITC”).

To date, all of Teladan Setia’s developments have been in Melaka with most of them around the central region. With one of the lowest residential property overhangs in Malaysia, the Group continues to see great potential in the state and has been active in accumulating land. Just recently in April 2021, the Group announced the purchase of a 519.8-acre parcel of land in Jasin.

**Teladan Setia's Managing Director, Mr. Richard Teo Lay Ban (張禮萬)** said, "We are happy to continue the momentum of our landbank expansion as we capitalise on the current economic market environment of attractive land prices and low interest rates. Thanks to our strong cash position and healthy gearing ratio, we are able to make the most of the current opportunity and these landbank expansion efforts will sustain our pipeline developments well into the future."

In less than six months since the Group was listed on Bursa Malaysia, Teladan Setia has announced acquisitions of landbanks totalling 890.2 acres. At this juncture, the Group's undeveloped landbank stands at 1,109 acres.

"The five parcels of land are expected to be used for the development of gated and guarded townships. Due to the COVID-19 pandemic, people are spending significantly more time at home these days. Based on this, we believe landed properties with spacious living areas will continue to be highly sought after for the foreseeable future. Moreover, consumer buying patterns have recently been shifting towards lifestyle living and security. As such, we are diverting our focus on developments such as gated and guarded townships to meet the needs of today's consumers."

Barring any unforeseen circumstances and subject to approvals from the relevant authorities, the Proposed Acquisition is expected to be completed by the fourth quarter of 2021.

On 17 August 2021, Teladan Setia announced its second quarter ("2QFY21") and six months financial results for the period ended 30 June 2021 ("1HFY21"). The Group reported revenue of RM81.9 million for 1HFY21. Meanwhile, profit attributable to the owners of the Company ("Net Profit") stood at RM14.8 million. This translated to a net profit margin of 18.0%, which was 110 basis points higher than the 16.9% recorded in the full year ended 31 December 2020 ("FY20").

"We are delighted with the commendable financial performance in 1HFY21. Our team has done well to improve the efficiency of the Group that resulted in the net profit margin expansion. Moving forward, with homebuyers incentivised by various

Government initiatives and favourable borrowing costs as well as the expedited vaccination programme nationwide, we are cautiously optimistic about the recovery of the property market as we head towards the end of 2021,” Richard Teo concluded.

On a separate note, on 2 September 2021, the Group announced that 17 September 2021 will be the Entitlement Date for determining the names of shareholders who shall be eligible to receive the 3-for-10 bonus issue of warrants.

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### **About Teladan Setia Group Berhad**

Formed in 1997, Teladan Setia is a property developer with an established portfolio of landed, low-rise and high-rise residential properties as well as landed shop houses, offices, and retail shops in Melaka. The Group was listed on the ACE Market of Bursa Malaysia Securities Berhad on 16 March 2021.

Teladan Setia’s completed projects have received positive market acceptance which is a testament to its extensive knowledge and experience of the property market in Melaka. Its property projects have won numerous industry accolades over the years by continuously achieving quality excellence.

For more information, please log on to <https://www.teladansetia.com/>

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Released on behalf of Teladan Setia Group Berhad by Capital Front Investor Relations.

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