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News

Teladan Setia Debuts On Bursa's ACE Market

By **BusinessToday** - March 16, 2021

Melaka-based property developer, Teladan Setia Group Berhad (“Teladan Setia” or the “Group”) has successfully debuted on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) today.

The stock is categorised under the Property sector, carrying the stock name of TELADAN and stock code of 0230.

Teladan Setia is the largest initial public offering (“IPO”) in Malaysia in terms of amount raised so far in 2021. From this IPO exercise, the Group raised a total of RM77.3 million of which RM35.0 million (45.3%) of the proceeds will be allocated for land acquisition in Melaka. Meanwhile, RM33.1 million (42.8%) will be used as working capital for project development, RM4.0 million (5.2%) million for repayment of bank borrowings, and the balance RM5.2 million (6.7%) earmarked for listing expenses.

Melaka-based Teladan Setia is a property developer with a diversified portfolio of developments comprising landed, low-rise and high-rise residential properties, as well as landed shop houses, offices, and retail shops. Since the Group’s establishment in 1997, Teladan Setia has completed property projects with a total gross development value (“GDV”) of RM2.1 billion. It currently has an undeveloped landbank totalling approximately 73.9 acres and is in the process of acquiring another 145.2 acres of land. Most of the land is located in Melaka.

Teladan Setia’s Managing Director, Richard Teo Lay Ban said, “This is a momentous day for Teladan Setia as we reap the reward of years of relentless hard

work. Today, we officially begin our journey as a public listed entity. With the proceeds raised from the listing exercise as well as an elevated reputation and market presence, we are excited to embark on our next phase of growth.”

“With the efficient roll-out of the Covid-19 vaccination globally, Malaysia will record an economic recovery in 2021. We remain optimistic on the long-term outlook of the residential property sector in Melaka, supported by the state’s leading position in the manufacturing and tourism sectors.”

“In the past, our previous property development projects have received strong market acceptance from the local buyers. This is testament to our proven track record and extensive knowledge of the market’s needs. Moving forward, we aim to capitalise on this and continue to launch attractive projects that will be well-received.”

Over the next two years, the Group is scheduled to launch four projects with total GDV of RM995.2 million. These upcoming projects are landed residential units located in Melaka. Currently, the Group’s on-going developments are valued at a GDV of RM623.0 million.

He added, “Moreover, with the intention of strengthening our foothold as one of the top property developers in the state, we are also seizing the attractive opportunities available today for us to expand our landbank at an accelerated pace. The on-going acquisition of land parcels totalling 145.2 acres will enhance our total undeveloped landbank to 219.1 acres. This, together with new land acquisitions to be embarked on using the listing proceeds will put us in a competitive position to enhance our stronghold in Melaka.”

Based on its recently released 4th quarter results ended 31 December 2020 (“FY2020”), Teladan Setia recorded a full year revenue of 149.6 million. Meanwhile, net profit (“Profit After Tax”) stood at 25.3 million. Gross profit margin and net profit margin reMelaka-based property developer, Teladan Setia Group Berhad (“Teladan Setia” or the “Group”) has successfully debuted on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) today.

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Teladan Setia has adopted a dividend policy to distribute at least 20% of its annual net profits to shareholders.

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