



TELADAN GROUP BERHAD

(formerly known as Teladan Setia Group Berhad)

(Registration No.: 201901004975 (1314302-V))

Incorporated in Malaysia

**INTERIM FINANCIAL REPORT
FOR THE SECOND (2ND) QUARTER ENDED
30 JUNE 2023**

TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad)
(Registration No. 201901004975 (1314302-V))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE
2023⁽¹⁾**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30.06.2023 RM'000	Preceding Year Corresponding Quarter 30.06.2022 RM'000 Reclassified	Current Year-To- Date 30.06.2023 RM'000	Preceding Year Corresponding Period 30.06.2022 RM'000 Reclassified
Revenue		72,624	75,605	134,232	134,506
Cost of sales		(55,873)	(51,824)	(101,002)	(93,940)
Gross profit ("GP")		16,751	23,781	33,230	40,566
Other operating income		577	(168)	1,248	468
Other operating expenses		(796)	(586)	(1,684)	(1,102)
Administrative expenses		(5,010)	(3,313)	(9,954)	(6,699)
Finance costs		(303)	(777)	(530)	(1,546)
Profit before tax ("PBT")	B12	11,219	18,937	22,310	31,687
Taxation	B5	(3,186)	(4,697)	(5,971)	(7,978)
Profit after tax ("PAT")		8,033	14,240	16,339	23,709
Net profit and Total comprehensive income for the financial period attributable to:					
- Owners of the Company		8,033	14,240	16,339	23,709
Earnings per share attributable to owners of the Company					
• Basic EPS (sen) ⁽²⁾	B10	0.99	1.77	2.02	2.94
• Diluted EPS (sen) ⁽³⁾	B11	0.85	1.66	1.72	2.76

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE
2023⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share ("EPS") is calculated based on the Company's weighted average number of ordinary shares takes into account the weighted average effects of the conversion of warrants to ordinary shares during the financial period under review.
- (3) The calculation of diluted EPS has taken into consideration of the adjustment of weighted average number of ordinary shares in issue during the period for the dilutive effect of all potential ordinary shares.

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TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad)
(Registration No. 201901004975 (1314302-V))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023⁽¹⁾

	UNAUDITED	AUDITED
	As at 30.06.2023 RM'000	As at 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	28,203	19,597
Right-of-use assets	2,519	923
Inventories	274,442	392,831
Deferred tax assets	287	1,128
Total non-current assets	305,451	414,479
Current Assets		
Inventories	358,527	235,375
Trade and other receivables	48,493	18,193
Contract assets	24,989	33,991
Contract cost assets	24,840	30,184
Current tax assets	1,520	433
Cash and cash equivalents	113,291	132,674
Total current assets	571,660	450,850
TOTAL ASSETS	877,111	865,329
EQUITY AND LIABILITIES		
Equity		
Share capital	398,924	398,243
Merger reserve	(318,369)	(318,369)
Retained profits	431,956	415,617
Non-controlling interest	100	-
Total Equity	512,611	495,491
Liabilities		
Non-current liabilities		
Bank borrowings	271,081	269,384
Lease liabilities	882	1,214
Deferred tax liabilities	1,171	1,073
Total non-current liabilities	273,134	271,671
Current liabilities		
Trade and other payables	61,135	62,353
Contract liabilities	112	1,229
Bank borrowings	29,119	33,308
Lease liabilities	691	732
Current tax liabilities	309	545
Total current liabilities	91,366	98,167
TOTAL LIABILITIES	364,500	369,838
TOTAL EQUITY AND LIABILITIES	877,111	865,329
NET ASSETS PER SHARE (RM)⁽²⁾	0.63	0.61

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS
AT 30 JUNE 2023⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's weighted average number of ordinary shares of 808,520,336 (31 December 2022: 805,687,879).

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TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR
THE SECOND (2ND) QUARTER ENDED 30 JUNE 2023 ⁽¹⁾**

	Share capital RM'000	Merger reserve RM'000	Retained profits RM'000	Non- Controlling Interest RM'000	Total equity RM'000
<u>Unaudited</u>					
Balance as at 1.1.2023	398,243	(318,369)	415,617	-	495,491
Net profit and total comprehensive income for the financial period	-	-	16,339	-	16,339
Issuance of ordinary shares pursuant to warrant exercised	681	-	-	-	681
Acquisition of additional shares in existing subsidiary company	-	-	-	100	100
Balance as at 30.06.2023	398,924	(318,369)	431,956	100	512,611
<u>Audited</u>					
Balance as at 1.1.2022	397,045	(318,369)	390,781	-	469,457
Net profit and total comprehensive income for the financial year	-	-	35,306	-	35,306
Issuance of ordinary shares pursuant to conversion of warrant	1,198	-	-	-	1,198
Dividend	-	-	(10,470)	-	(10,470)
Total transactions with owners of the Company for the financial year	1,198	-	(10,470)	-	(9,272)
Balance as at 31.12.2022	398,243	(318,369)	415,617	-	495,491

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

**TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad
(Registration No. 201901004975 (1314302-V))**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2023⁽¹⁾**

	Current Year- To-Date 30.06.2023 RM'000	Preceding Corresponding Period 30.06.2022 RM'000 Reclassified
Cash Flows from Operating Activities		
Profit before taxation	22,310	31,687
Adjustments for:		
Depreciation of property, plant and equipment	332	439
Depreciation of right-of-use assets	482	86
Interest expense	426	1,526
Interest expense on lease liabilities	55	19
Interest income	(713)	(382)
Gain on disposal of property, plant and equipment	(150)	(82)
	<hr/>	<hr/>
Operating profit before working capital changes	22,742	33,293
Change in working capital		
Inventories	8,579	(12,877)
Trade and other receivables	(16,319)	14,303
Contract cost assets	10,646	28,270
Contract assets/liabilities	7,886	(29,840)
Trade and other payables	849	4,421
	<hr/>	<hr/>
	11,641	4,277
Cash generated from operations	34,383	37,570
Interest paid	(420)	(1,526)
Interest received	713	382
Tax paid	(6,372)	(4,740)
Tax refunded	17	-
	<hr/>	<hr/>
Net cash from operating activities	28,321	31,686
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(1,787)	(3,006)
Placement of fixed deposits	(248)	(345)
Additions to inventories - land held for property development	(5,489)	(27,013)
Deposit paid for acquisition of development land	(7,981)	-
Proceeds from disposal of property, plant and equipment	150	82
Net cash outflow on acquisition of a subsidiary	(1,826)	-
	<hr/>	<hr/>
Net cash used in investing activities	(17,181)	(30,282)

**TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2023⁽¹⁾ (CONT'D)**

	Current Year- To-Date 30.06.2023 RM'000	Preceding Corresponding Period 30.06.2022 RM'000 Reclassified
Cash Flows from Financing Activities		
Dividend paid	-	(5,637)
Interest paid	(7,168)	(3,760)
Interest paid on lease liabilities	(55)	(19)
Issuance of shares	781	-
Drawdown from borrowings	2,730	-
Payment of transaction costs on borrowings	(671)	-
Repayment of		
- borrowings	(27,884)	(10,470)
- hire purchase	-	(122)
- lease liabilities	(386)	(88)
Net cash used in financing activities	<u>(32,653)</u>	<u>(20,096)</u>
Net decrease in cash and cash equivalents	(21,513)	(18,692)
Cash and cash equivalents at the beginning of the financial period	<u>113,146</u>	<u>64,917</u>
Cash and cash equivalents at the end of the financial period	<u>91,633</u>	<u>46,225</u>
Cash and cash equivalents at the end of the financial period comprise the followings:		
Cash and bank balances	79,093	36,117
Fixed deposits placed with licensed banks	22,943	21,978
Short term investment	11,255	7,019
Balance as stated in the Statement of Financial Position	<u>113,291</u>	<u>65,114</u>
Less: Bank overdrafts	(1,883)	-
Less: Fixed deposits pledged with licensed banks	(19,637)	(18,751)
Less: Fixed deposits mature in more than three months	(138)	(138)
Balance for Statement of Cash Flows purposes	<u>91,633</u>	<u>46,225</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

PART A - EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad) (“TG” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements.

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.

A2. Summary of Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the audited report and combined financial statements for the financial year ended 31 December 2022, except for the adoption of the following new amendments to MFRSs relevant to the current operations of the Group:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)

- Amendments to MFRS 3 *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 116 *Property, Plant and Equipment – Property, Plant and Equipment - Proceeds before Intended Use*
- Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to MFRS Standards 2018–2020

The adoption of the above-mentioned accounting standards, amendments and interpretations do not have any material impact to the financial position and performance of the Group.

In the preceding corresponding period as at 30.06.2022, the sales commission which related to sales of properties are to be reclassified from other operating expenses to cost of sales. As a result of which, the reclassification of RM2.6 million were to made in Group’s statement of profit or loss and other comprehensive income.

PART A - EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)

A2. Summary of Significant Accounting Policies (Cont’d)

The financial effects of the abovementioned preceding corresponding period, the reclassification in certain comparative amounts to conform with the current year’s financial statements presentation of the Group are as follows:

- (i) Impact on the Group’s statements of cash flow as at 30 June 2022

	As per previously reported RM’000	Reclassification RM’000	As reclassified RM’000
Change in working capital			
Inventories	14,757	(27,634)	(12,877)
Contract cost assets	-	28,270	28,270
Contract assets/liabilities	(29,204)	(636)	(29,840)

- (ii) Impact on the Group’s statements of profit or loss and other comprehensive income for the preceding corresponding period ended 30 June 2022

	As per previously reported RM’000	Reclassification RM’000	As reclassified RM’000
<u>Individual quarter</u>			
Cost of sales	(50,433)	(1,391)	(51,824)
Other operating expenses	(1,977)	1,391	(586)
<u>Cumulative quarter</u>			
Cost of sales	(91,303)	(2,637)	(93,940)
Other operating expenses	(3,739)	2,637	(1,102)

**PART A - EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL
REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)**

A3. Auditors’ report on preceding annual financial statements

The audited report and financial statements of TSG for the financial year ended 31 December 2022 was not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by seasonal and cyclical effects.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no material exceptional items during the current financial quarter under review.

A6. Material changes in Accounting Estimates

There were no material exceptional items during the current financial quarter under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter except for the following:

Warrants

During the current financial period, the Company issued 589,300 new ordinary shares for cash at RM294,650 pursuant to the exercise of warrants. As at 30 June 2023, the outstanding unexercised number of warrants was 237,831,097.

A8. Dividends paid

There were no dividends paid during the financial quarter under review.

A9. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

**PART A - EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL
REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)**

A10. Capital commitments

**UNAUDITED
As at
30.06.2023
RM’000**

Authorised and contracted for:

- Land held for property development	88,769
- Capital Work in Progress	<u>9,328</u>

A11. Material Subsequent Events

There were no material events subsequent to the end of the current financial quarter.

A12. Changes in the composition of the Group

Save as disclosed in A7, there were no other material changes in the composition of the Group for the current financial quarter under review.

A13. Contingent assets and contingent liabilities

There were no contingent assets and contingent liabilities as at the date of this interim report.

A14. Related party transactions

**UNAUDITED
As at
30.06.2023
RM’000**

Transactions with a director:-

Progress billing on sales of properties	<u>140</u>
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Transactions with director’s spouse:-

Renovation package on sale of properties	<u>40</u>
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Transactions with a company that director has interest:-

Provision of online investor relation services	<u>12</u>
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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

(a) Results for current quarter

	INDIVIDUAL QUARTER		VARIANCE	
	UNAUDITED 3 months ended 30.06.2023 RM'000	UNAUDITED 3 months ended 30.06.2022 RM'000	RM'000	%
Revenue	72,624	75,605	(2,981)	(3.94)
PBT	11,219	18,937	(7,718)	(40.76)

The Group recorded a revenue of RM72.62 million for the current financial quarter ended 30 June 2023 (Q2 2023) as compared to RM75.61 million in the same quarter ended 30 June 2022 (Q2 2022), a decrease of RM2.99 million. This quarter's revenue was mainly derived from Taman Desa Bertam Phase 3A and 3B, Taman Bertam Heights Phase 1B and Bali Residences. The decrease in revenue is mainly due to absent of sales of a piece of land held for development.

The Group registered a PBT of RM11.22 million in Q2 2023 as compared to PBT of RM18.94 million in Q2 2022, which represents a decrease of RM7.72 million. The decrease in PBT was mainly due to decrease of gross profit margin and an increase in administrative expenses in Q2 2023.

(b) Results for financial year-to-date

	CUMULATIVE QUARTER		VARIANCE	
	UNAUDITED 6 months ended 30.06.2023 RM'000	UNAUDITED 6 months ended 30.06.2022 RM'000	RM'000	%
Revenue	134,232	134,506	(274)	(0.20)
PBT	22,310	31,687	(9,377)	(29.59)

The Group recorded a revenue of RM134.23 million for 6 months ended 30 June 2023 (Q2 YTD 2023), a decrease of RM0.28 million from RM134.51 million for the 6 months ended 30 June 2022 (Q2 YTD 2022). The decrease is mainly due to lower contribution from sales of completed projects of Bali Residences, Taman Desa Bertam Phase 2 and Phase 3A. However, the decrease is partially offset by higher contribution from ongoing projects of Taman Desa Bertam Phase 3B and Taman Bertam Heights Phase 1B and newly launched projects of Taman Desa Bertam Phase 4A.

The Group registered a PBT of RM22.31 million in Q2 YTD 2023 as compared to PBT of RM31.69 million in Q2 YTD 2022, which represents a decrease of RM9.38 million. The decrease in PBT was mainly due to a decrease of gross profit margin and an increase in administrative expenses in Q2 YTD 2023.

PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER		VARIANCE	
	UNAUDITED Current Quarter 30.06.2023 RM'000	UNAUDITED Preceding Quarter 31.03.2023 RM'000	RM'000	%
Revenue	72,624	61,608	11,016	17.88
PBT	11,219	11,091	128	1.15

The Group recorded revenue of RM72.62 million for the current financial quarter ended 30 June 2023 as compared to RM61.61 million in the preceding quarter ended 31 March 2023, an increase of RM11.01 million during the current financial quarter. The increase in revenue is mainly due to an increase in revenue recognised from the completed project of Bali Residences and Taman Desa Bertam Phase 3A and on-going development of Taman Desa Bertam Phase 3B2 and Taman Impiana Kesang Phase 1A, which achieved percentage of completion of 67.03% and 18.47%

The Group registered a PBT of RM11.22 million in the current financial quarter under review, an increase of RM0.13 million from PBT of RM11.09 million in the preceding quarter.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects and Outlook for current Financial Year

The Malaysian property development market continues to receive strong support from the Malaysian Government, as evidenced by the implementation of the Malaysian Home Ownership Initiative (“i-Miliki”), Housing Credit Guarantee Scheme under the revised budget 2023, as well as the strategic measures outlined in the 12th Malaysia Plan, all aimed at promoting homeownership.

In Q2FY23, Teladan Group Berhad (formerly known as Teladan Setia Group Berhad) (“Teladan” or “Group”) launched properties worth an accumulated gross development value (“GDV”) of RM130.0 million, namely Taman Desa Bertam Phase 4B and Taman Bertam Heights Phase 1A.

In 1HFY23, Teladan reported an encouraging total property sale of RM101.0 million. This was mainly contributed by sales from completed, ongoing as well newly launched projects.

The performance is attributable to the positive market responses received for its ongoing projects, namely Taman Desa Bertam Phase 3B1 and Taman Bertam Heights Phase 1B as well as the newly launched projects, Taman Desa Bertam Phase 4A and Taman Bertam Heights Phase 1A, which have garnered a take-up rate of 92.5%, 98.6%, 2.8% and 2.0%, respectively.

Nonetheless, Teladan remains cognisant of the prevailing market headwinds posed by inflationary pressures and interest rate hikes that could dampen consumer sentiments. Teladan remains prudent in implementing well-strategised property rollouts, precisely meeting the needs of the market.

Additionally, the Group is actively acquiring strategic land parcels with the potential for future development, aiming to unlock significant commercial value. As at 30 June 2023, Teladan’s total undeveloped landbank stood at 983.4 acres.

Leveraging on Teladan’s strong landbank inventory, prudent management practices, and strategic property development rollouts, the Group is optimistic about maintaining a healthy financial performance in the current business landscape.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Variance of Actual Profit from Forecast Profit

There is no issue of any profit forecast or profit guarantee in the current financial quarter under review.

B5. Income tax expenses

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year- Quarter 30.06.2023 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2022 RM'000	Unaudited Current Year- To-Date 30.06.2023 RM'000	Unaudited Preceding Year Corresponding Period 30.06.2022 RM'000
Income tax expense:				
- Current year	2,701	4,697	5,032	7,978
Deferred tax expense:				
- Current year	485	-	939	-
Total tax expense	3,186	4,697	5,971	7,978
Effective tax rate (%)	28.40	24.80	26.76	25.18

Notes:

- (1) The applicable Malaysian income tax rate is 24% for the financial period ended 30 June 2023. The Company's effective tax rate for the current quarter and financial year under review is higher than the statutory tax rate primarily due to non-allowable expenses.
- (2) Income tax expenses are recognised based on management's estimate.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B6 Status of Corporate Proposals

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report.

On 28 April 2023, the Company announced that it proposed to undertake the following:

- (i) Proposed transfer of the listing of and quotation for the entire issued share capital and the outstanding warrants of the Company from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Proposed Transfer”); and
- (ii) Proposed amendments to the Constitution of the Company to facilitate the implementation of the Proposed Transfer (“Proposed Amendments”)

The application for the Proposed Transfer has been submitted to Securities Commission on 8 June 2023.

The Proposed Amendments had been approved by the shareholders at the Fourth Annual General Meeting held on 9 June 2023. The revised Constitution will be adopted with effect from the date the Company is transferred from the ACE Market to Main Market of Bursa Malaysia Securities Berhad pursuant to the Proposed Transfer.

As of the date of this report, the Proposed Transfer is pending the approvals from relevant authorities.

B7. Bank borrowings

	<u>UNAUDITED</u> As at 30.06.2023 RM'000	<u>UNAUDITED</u> As at 30.06.2022 RM'000
Non-current:		
Term loans	271,081	289,624
	<u>271,081</u>	<u>289,624</u>
Current:		
Term loans	27,236	27,083
Bank overdraft	1,883	-
	<u>29,119</u>	<u>27,328</u>
Total bank borrowings	<u>300,200</u>	<u>316,707</u>

The borrowings are denominated in Ringgit Malaysia.

B8. Material litigation

There were no material litigation involving the Group as at 30 June 2023.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Dividend proposed

No dividend has been proposed for the current financial quarter under review.

B10. Earnings per share

The basic and diluted earnings per share for the current financial quarter and financial year to date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year- Quarter 30.06.2023	Preceding Year Corresponding Quarter 30.06.2022	Current Year- To-Date 30.06.2023	Preceding Year Corresponding Period 30.06.2022
Net profit for the period (RM'000)	8,033	14,240	16,339	23,709
Weighted average number of ordinary shares for basic earning per ordinary share computation ('000)	808,768	805,298	808,520	805,298
Basic EPS (sen) ⁽¹⁾	0.99	1.77	2.02	2.94

Notes:

- (1) Basic earnings per share ("EPS") is calculated based on the Company's weighted average number of ordinary shares takes into account the weighted average effects of the conversion of warrants to ordinary shares during the financial period under review.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Diluted EPS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year-Quarter 30.06.2023	Preceding Year Corresponding Quarter 30.06.2022	Current Year-To-Date 30.06.2023	Preceding Year Corresponding Period 30.06.2022
Net profit for the period (RM'000)	8,033	14,240	16,339	23,709
Weighted average number of ordinary shares for basic earnings per ordinary share computation ('000)	808,768	805,298	808,520	805,298
Effects of dilution from conversion of warrants to ordinary shares ('000)	137,925	52,232	139,000	52,232
Weighted average number of ordinary shares for diluted earnings per ordinary share computation ('000)	946,693	857,530	947,520	857,530
Diluted EPS (sen) ⁽¹⁾	0.85	1.66	1.72	2.76

Notes:

- ⁽¹⁾ The calculation of diluted EPS has taken into consideration of the adjustment of weighted average number of ordinary shares in issue during the period for the dilutive effect of all potential ordinary shares.

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**TELADAN GROUP BERHAD (formerly known as Teladan Setia Group Berhad
(Registration No. 201901004975 (1314302-V))**

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B12. Notes to the Statement of Profit or Loss and Other Comprehensive Income

Profit before tax is arrived after charging/(crediting):

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year-Quarter 30.06.2023 RM'000	Preceding Year Corresponding Quarter 30.06.2022 RM'000	Current Year-To-Date 30.06.2023 RM'000	Preceding Year Corresponding Period 30.06.2022 RM'000
Depreciation of property, plant and equipment	156	240	332	439
Depreciation of right-of-use assets	241	44	482	86
Interest expense	226	767	426	1,526
Interest expense on lease liabilities	28	9	55	19
Interest income	(225)	(158)	(713)	(382)
Gain on disposal of property, plant and equipment	-	(82)	(150)	(82)

BY ORDER OF THE BOARD

**TELADAN GROUP BERHAD
(formerly known as Teladan Setia Group Berhad)**

18 AUGUST 2023