



**TELADAN GROUP BERHAD**

(formerly known as Teladan Setia Group Berhad)

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

Incorporated in Malaysia

**INTERIM FINANCIAL REPORT  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED  
31 DECEMBER 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 FOURTH (4<sup>TH</sup>) QUARTER ENDED 31  
DECEMBER 2023<sup>(1)</sup>**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31.12.2023 RM'000	Preceding Year Corresponding Quarter 31.12.2022 RM'000	Current Year-To- Date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 RM'000
Revenue		72,287	46,038	275,079	253,146
Cost of sales		(57,732)	(43,111)	(213,000)	(185,277)
<b>Gross profit ("GP")</b>		14,555	2,927	62,079	67,869
Other operating income		702	1,355	2,611	2,219
Other operating expenses		(679)	2,589	(3,672)	(3,921)
Administrative expenses		(6,919)	(7,651)	(20,973)	(17,266)
Finance costs		(752)	1,620	(1,826)	(776)
<b>Profit before tax ("PBT")</b>	B12	6,907	840	38,219	48,125
Taxation	B5	(3,807)	(988)	(11,176)	(12,819)
<b>Profit/(Loss) after tax ("PAT/LAT")</b>		3,100	(148)	27,043	35,306
<b>Net profit/(loss) and Total comprehensive income/(expenses) for the financial period attributable to:</b>					
- Owners of the Company		3,156	(148)	27,101	35,306
- Non-controlling interest		(56)	-	(58)	-
<b>Earnings per share attributable to owners of the Company</b>					
• Basic EPS (sen) <sup>(2)</sup>	B10	0.39	(0.02)	3.35	4.38
• Diluted EPS (sen) <sup>(3)</sup>	B11	0.34	(0.02)	2.87	3.97

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31  
DECEMBER 2023<sup>(1)</sup> (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 31 DECEMBER 2023<sup>(1)</sup>**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at 31.12.2023 RM'000</b>	<b>As at 31.12.2022 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	33,939	19,597
Right-of-use assets	1,781	923
Inventories	338,000	392,831
Deferred tax assets	24	1,128
<b>Total non-current assets</b>	<b>373,744</b>	<b>414,479</b>
<b>Current Assets</b>		
Inventories	359,003	235,375
Trade and other receivables	61,736	18,193
Contract assets	16,293	33,991
Contract cost assets	31,320	30,184
Current tax assets	834	433
Cash and cash equivalents	83,728	132,674
<b>Total current assets</b>	<b>552,914</b>	<b>450,850</b>
<b>TOTAL ASSETS</b>	<b>926,658</b>	<b>865,329</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	399,325	398,243
Merger reserve	(318,369)	(318,369)
Retained profits	438,669	415,617
Non-controlling interest	42	-
<b>Total Equity</b>	<b>519,667</b>	<b>495,491</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Bank borrowings	295,473	269,384
Lease liabilities	632	1,214
Deferred tax liabilities	681	1,073
<b>Total non-current liabilities</b>	<b>296,786</b>	<b>271,671</b>
<b>Current liabilities</b>		
Trade and other payables	58,935	62,353
Contract liabilities	89	1,229
Bank borrowings	48,782	33,308
Lease liabilities	418	732
Current tax liabilities	1,981	545
<b>Total current liabilities</b>	<b>110,205</b>	<b>98,167</b>
<b>TOTAL LIABILITIES</b>	<b>406,991</b>	<b>369,838</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>926,658</b>	<b>865,329</b>
<b>NET ASSETS PER SHARE (RM)<sup>(2)</sup></b>	<b>0.64</b>	<b>0.61</b>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS  
AT 31 DECEMBER 2023<sup>(1)</sup> (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 809,693,679 (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 FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2023 <sup>(1)</sup>**

	<b>Share capital RM'000</b>	<b>Merger reserve RM'000</b>	<b>Retained profits RM'000</b>	<b>Non- Controlling Interest RM'000</b>	<b>Total equity RM'000</b>
<b><u>Unaudited</u></b>					
<b>Balance as at 1.1.2023</b>	398,243	(318,369)	415,617	-	495,491
Net profit and total comprehensive income for the financial year	-	-	27,101	(58)	27,043
Issuance of ordinary shares pursuant to warrant exercised	1,082	-	-	-	1,082
Dividend	-	-	(4,049)	-	(4,049)
Total transactions with owners of the Company for the financial year	1,082	-	(4,049)	-	(2,967)
Changes in ownership interest in a subsidiary	-	-	-	100	100
<b>Balance as at 31.12.2023</b>	<b>399,325</b>	<b>(318,369)</b>	<b>438,669</b>	<b>42</b>	<b>519,667</b>
<b><u>Audited</u></b>					
<b>Balance as at 1.1.2022</b>	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)
<b>Balance as at 31.12.2022</b>	<b>398,243</b>	<b>(318,369)</b>	<b>415,617</b>	<b>-</b>	<b>495,491</b>

**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 FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2023<sup>(1)</sup>**

	<b>Current Year- To-Date 31.12.2023 RM'000</b>	<b>Preceding Corresponding Period 31.12.2022 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
<b>Profit before taxation</b>	<b>38,219</b>	<b>48,125</b>
Adjustments for:		
Depreciation of property, plant and equipment	974	965
Depreciation of right-of-use assets	879	231
Interest expense	1,727	683
Interest expense on lease liabilities	99	93
Interest income	(1,542)	(1,096)
Gain on bargain purchase	-	(44)
Gain on disposal of property, plant and equipment	(311)	(502)
Property, plant and equipment written off	151	5
Reassessment of lease liability	(21)	(8)
	<hr/>	<hr/>
<b>Operating profit before working capital changes</b>	<b>40,175</b>	<b>48,452</b>
<b>Change in working capital</b>		
Inventories	59,485	2,492
Trade and other receivables	(33,055)	17,295
Contract cost assets	10,160	27,790
Contract assets/liabilities	16,559	45,197
Trade and other payables	(2,513)	8,491
	<hr/>	<hr/>
	<b>50,636</b>	<b>101,265</b>
<b>Cash generated from operations</b>	<b>90,811</b>	<b>149,717</b>
Interest paid	(1,676)	(683)
Interest received	1,542	1,095
Tax paid	(10,232)	(16,384)
Tax refunded	196	712
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	<b>80,641</b>	<b>134,457</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(2,205)	(10,720)
Placement of fixed deposits	(596)	(983)
Additions to inventories - land held for property development	(70,551)	(26,544)
Deposit paid for acquisition of development land	(3,884)	(1,882)
Proceeds from disposal of property, plant and equipment	1,169	528
Net cash outflow on acquisition of a subsidiary	(1,826)	-
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(77,893)</b>	<b>(39,601)</b>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 31 DECEMBER 2023<sup>(1)</sup> (CONT'D)**

	<b>Current Year- To-Date 31.12.2023 RM'000</b>	<b>Preceding Corresponding Period 31.12.2022 RM'000</b>
<b>Cash Flows from Financing Activities</b>		
Dividend paid	(4,049)	(10,470)
Interest paid	(14,573)	(11,502)
Interest paid on lease liabilities	(99)	(93)
Net proceeds from issuance of ordinary shares	1,182	1,198
Drawdown from borrowings	12,617	3,522
Payment of transaction costs on borrowings	(1,082)	(568)
Repayment of		
- borrowings	(47,541)	(28,269)
- hire purchase	-	(253)
- lease liabilities	(692)	(192)
<b>Net cash used in financing activities</b>	<u>(54,237)</u>	<u>(46,627)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(51,489)	48,229
<b>Cash and cash equivalents at the beginning of the financial year</b>	<u>113,146</u>	<u>64,917</u>
<b>Cash and cash equivalents at the end of the financial year</b>	<u>61,657</u>	<u>113,146</u>
<b>Cash and cash equivalents at the end of the financial year comprise the followings:</b>		
Cash and bank balances	55,039	102,916
Fixed deposits placed with licensed banks	23,343	22,651
Short term investment	5,346	7,107
Balance as stated in the Statement of Financial Position	<u>83,728</u>	<u>132,674</u>
Less: Bank overdrafts	(1,948)	(2)
Less: Fixed deposits pledged with licensed banks	(19,982)	(19,388)
Less: Fixed deposits mature in more than three months	(141)	(138)
Balance for Statement of Cash Flows purposes	<u>61,657</u>	<u>113,146</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 101 *Presentation of Financial Statements – Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112 *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

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.

**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 352,700 new ordinary shares for cash at RM176,350 pursuant to the exercise of warrants. As at 31 December 2023, the outstanding unexercised number of warrants was 237,029,897.

**A8. Dividends paid**

In respect of the financial year ending 31 December 2023, a single-tier first interim dividend of RM0.005 per ordinary share amounting to RM4,048,887.61 was 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  
31.12.2023  
RM’000**

**Authorised and contracted for:**

- Land held for property development	43,689
- Property, plant and equipment	<u>1,054</u>

**A11. Material Subsequent Events**

On 2 January 2024, the Company announced that the listing of and quotation for the entire share capital and outstanding warrants 2021/2026 have been transferred from the ACE Market to the Main Market of Bursa Securities, marking the completion of the transfer.

**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  
31.12.2023  
RM’000**

**Transactions with a director:-**

Progress billing on sales of properties	<u>263</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**

	<b>INDIVIDUAL QUARTER</b>		<b>VARIANCE</b>	
	<b>UNAUDITED 3 months ended 31.12.2023 RM'000</b>	<b>UNAUDITED 3 months ended 31.12.2022 RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	72,287	46,038	26,249	57.02
PBT	6,907	840	6,067	722.26

The Group recorded a revenue of RM72.29 million for the current financial quarter ended 31 December 2023 (Q4 2023) as compared to RM46.04 million in the same quarter ended 31 December 2022 (Q4 2022), a increase of RM26.25 million. This quarter's revenue was mainly derived from Taman Desa Bertam Phase 3B and 4A, Taman Bertam Heights Phase 1B and 1A and Taman Impaina Kesang Phase 1A. The increase in revenue is mainly due to increase in revenue recognised from Taman Desa Bertam Phase 4A and 4B, Taman Bertam Heights Phase 1B and 1A and Taman Impiana Kesang Phase 1A.

The Group registered a PBT of RM6.91 million in Q4 2023 as compared to PBT of RM0.84 million in Q4 2022, which represents an increase of RM6.07 million. The increase in PBT was mainly due to higher revenue generated in Q4 2023.

**(b) Results for financial year-to-date**

	<b>CUMULATIVE QUARTER</b>		<b>VARIANCE</b>	
	<b>UNAUDITED 12 months ended 31.12.2023 RM'000</b>	<b>UNAUDITED 12 months ended 31.12.2022 RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	275,079	253,146	21,933	8.66
PBT	38,219	48,125	(9,906)	(20.58)

The Group recorded a revenue of RM275.08 million for the 12 months ended 31 December 2023 (Q4 YTD 2023), an increase of RM21.93 million from RM253.15 million for the 12 months ended 31 December 2022 (Q4 YTD 2022). The increase is mainly due to higher contributions from sales of completed projects of Taman Desa Bertam Phase 3B and ongoing projects of Taman Desa Bertam Phase 4A, Taman Bertam Heights Phase 1B and 1A and Taman Impiana Kesang Phase 1A. However, the increase is partially offset by lower contribution from completed project of Taman Desa Bertam Phase 2 and 3A and Bali Residences.

The Group registered a PBT of RM38.22 million in Q4 YTD 2023 as compared to PBT of RM48.13 million in Q4 YTD 2022, which represents a decrease of RM9.91 million. The decrease in PBT was mainly due to lower gross profit generated and an increase in administrative expenses in Q4 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 31.12.2023 RM'000	UNAUDITED Preceding Quarter 30.09.2023 RM'000	RM'000	%
Revenue	72,287	68,560	3,727	5.44
PBT	6,907	9,002	(2,095)	(23.27)

The Group recorded revenue of RM72.29 million for the current financial quarter ended 31 December 2023 as compared to RM68.56 million in the preceding quarter ended 30 September 2023, an increase of RM3.73 million during the current financial quarter. The increase in revenue is mainly due to an increase in revenue recognised from the ongoing projects of Taman Impiana Kesang Phase 1A, Taman Bertam Heights Phase 1B and 1A and Taman Desa Bertam Phase 4A.

The Group registered a PBT of RM6.91 million in the current financial quarter under review, a decrease of RM2.09 million from PBT of RM9.00 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 next Financial Year**

In FY23, Teladan Group Berhad (formerly known as Teladan Setia Group Berhad) (“Teladan” or “Group”) launched new properties with an accumulated Gross Development Value (“GDV”) of RM516.7 million.

Simultaneously, the Group received positive market responses for its ongoing projects, Taman Desa Bertam Phase 4A, Taman Bertam Heights Phase 1B and 1A, as well as Taman Impiana Kesang Phase 1A, all of which have garnered favourable take-up rates of 76.6%, 98.9%, 93.7% and 78.1%, respectively.

Contributed by the sales from Teladan’s completed, ongoing, and newly launched projects, the Group reported an encouraging total property sale totalling RM245.3 million in FY23.

Looking ahead, the Group is optimistic about Malaysia’s property development market in light of the government’s commitment to promoting homeownership, improving housing affordability, and its focus on mega infrastructure projects. Moreover, catalysts to improve the property sector in 2024 include Bank Negara Malaysia’s decision to maintain its key policy rate at 3.00%. The stability of the key policy rate is expected to improve market sentiments while providing borrowers relief with stable borrowing costs.

Nonetheless, Teladan remains mindful of the prevailing market uncertainties that could impact consumer confidence. As such, the Group adopts a prudent approach in implementing well-strategised property rollouts to align with homebuyers’ needs.

The Group has substantial undeveloped landbanks of approximately 1,071.5 acres in Melaka as at 31 December 2023. This sizable land inventory allows the Group to continually explore new development opportunities and unlock significant commercial value over the long term.

Teladan is planning to launch its maiden development outside of Melaka in 2024. Located in Seri Kembangan, Selangor, the high-rise serviced apartment project is in close proximity to a train station and a shopping mall and is slated to have a GDV of RM497.82 million.

By capitalising on its robust landbank inventory, prudent management practices, and strategic property development initiatives, Teladan is positive about sustaining a healthy financial performance under 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**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Unaudited Current Year- Quarter 31.12.2023 RM'000</b>	<b>Audited Preceding Year Corresponding Quarter 31.12.2022 RM'000</b>	<b>Unaudited Current Year- To-Date 31.12.2023 RM'000</b>	<b>Audited Preceding Year Corresponding Period 31.12.2022 RM'000</b>
Income tax expense:				
- Current year	3,766	1,767	11,374	13,608
- Prior years	115	-	(910)	(10)
Deferred tax expense:				
- Current year	(695)	(1,011)	121	(1,011)
- Prior years	621	232	591	232
<b>Total tax expense</b>	<b>3,807</b>	<b>988</b>	<b>11,176</b>	<b>12,819</b>
Effective tax rate (%)	55.12	117.62	29.24	26.63

**Notes:**

- (1) The applicable Malaysian income tax rate is 24% for the financial period ended 31 December 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 and under provision of deferred tax expense in prior years.
- (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.

(i) Proposed Acquisition

- (a) On 31 January 2023, the Company announced that Asal Harta Sdn Bhd (“AHSB”), a wholly-owned subsidiary of the Company, entered into a conditional Sale and Purchase Agreement (“SPA”) with Mega Mastika Sdn Bhd (“MMSB”) for the proposed acquisition of one piece of leasehold land measuring approximately 7.54 acres in area expiring on 28 November 2111, forming part of the Master Land held under PN 56725, Lot 11357, Kawasan Bandar XLII, Daerah Melaka Tengah, Negeri Melaka measuring 9.98 hectares in total land area for a total purchase consideration of RM48.54 million. The proposed acquisition is expected to be completed at the end of year 2024.
- (b) On 17 January 2024, the Company announced that AHSB agreed to grant MMSB a further extension of time for twelve (12) months to satisfy the Conditions Precedent (“Extension Sought”). Save for the Extension Sought, all other terms and conditions as stated in the SPA remain unchanged.

(ii) Proposed Transfer

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

- (a) 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
- (b) 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 Securities Commission Malaysia had, vide its letter dated 28 November 2023, approved the Proposed Transfer. Whilst Bursa Malaysia Securities Berhad had, vide its letter dated 18 December 2023, approved the Proposed Transfer under the “Property” sector.

Subsequently, the Proposed Transfer was completed on 2 January 2024, and the Proposed Amendments took effect on the same day.



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

**B7. Bank borrowings**

	<u>UNAUDITED</u>	<u>AUDITED</u>
	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000
<b>Non-current:</b>		
Term loans	295,473	269,384
	<u>295,473</u>	<u>269,384</u>
<b>Current:</b>		
Term loans	46,834	33,307
Bank overdraft	1,948	1
	<u>48,782</u>	<u>33,308</u>
<b>Total bank borrowings</b>	<u>344,255</u>	<u>302,692</u>

The borrowings are denominated in Ringgit Malaysia.

**B8. Material litigation**

There were no material litigation involving the Group as at 31 December 2023.

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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)**

**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:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year-Quarter 31.12.2023</b>	<b>Preceding Year Corresponding Quarter 31.12.2022</b>	<b>Current Year-To-Date 31.12.2023</b>	<b>Preceding Year Corresponding Period 31.12.2022</b>
Net profit/(loss) for the period (RM'000)	3,156	(148)	27,101	35,306
Weighted average number of ordinary shares for basic earning per ordinary share computation ('000)	809,694	806,751	809,043	805,687
Basic EPS (sen) <sup>(1)</sup>	0.39	(0.02)	3.35	4.38

**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**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year-Quarter 31.12.2023</b>	<b>Preceding Year Corresponding Quarter 31.12.2022</b>	<b>Current Year-To-Date 31.12.2023</b>	<b>Preceding Year Corresponding Period 31.12.2022</b>
Net profit/(loss) for the period (RM'000)	3,156	(148)	27,101	35,306
Weighted average number of ordinary shares for basic earnings per ordinary share computation ('000)	809,694	806,751	809,043	805,687
Effects of dilution from conversion of warrants to ordinary shares ('000)	123,986	141,604	133,871	84,217
Weighted average number of ordinary shares for diluted earnings per ordinary share computation ('000)	933,680	943,355	942,914	889,904
Diluted EPS (sen) <sup>(1)</sup>	0.34	(0.02)	2.87	3.97

**Notes:**

- <sup>(1)</sup> 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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**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):

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year-Quarter 31.12.2023 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.12.2022 RM'000</b>	<b>Current Year-To-Date 31.12.2023 RM'000</b>	<b>Preceding Year Corresponding Period 31.12.2022 RM'000</b>
Depreciation of property, plant and equipment	467	278	974	965
Depreciation of right-of-use assets	174	101	879	231
Interest expense	809	(156)	1,727	683
Interest expense on lease liabilities	20	63	99	93
Interest income	(403)	(452)	(1,542)	(1,096)
Gain on bargain purchase	-	(44)	-	(44)
Gain on disposal of property, plant and equipment	(118)	(421)	(311)	(502)
Property, plant and equipment written off	150	5	151	5
Reassessment of lease liability	(6)	(8)	(21)	(8)

**BY ORDER OF THE BOARD**

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

**27 FEBRUARY 2024**