

Teladan Setia to revitalise Melaka's property sector with IPO proceeds

By Cheah Chor Sooi | 18 hours ago | in Markets, Top



WHETHER the real estate sector will ride out the storm after a turbulence 2020 is as good as anybody's guess.

But this surely does not deter Melaka-based property developer, Teladan Setia Group Bhd to enter into an underwriting agreement with M&A Securities Sdn Bhd for its upcoming initial public offering (IPO) on the ACE Market of Bursa Malaysia Securities Bhd.

Established since 1997, Teladan Setia has an established portfolio of landed, low-rise and high-rise residential properties as well as landed shop houses, offices, and retail shops in Melaka.

To date, the group has completed projects worth a total gross development value (GDV) of RM2.1 bil.

Funds raised from the listing exercise will enable the company to pursue its business expansion plans, according to Teladan Setia's managing director Richard Teo Lay Ban.

"We will remain focused on developing affordable and value-for-money landed residential properties in Melaka," he pointed out during the underwriting agreement signing ceremony in Kuala Lumpur.

"We aim to solidify our position as one of the top property developers in Melaka by leveraging on the positive market acceptance of our property projects as well as our extensive knowledge and experience of the property industry in Melaka."

To further enhance our market presence, Teladan Setia is allocating a significant sum of the IPO proceeds to acquire more land and for working capital to partly fund its on-going projects and future developments that are already in place.

"These are exciting times for the company as we head towards a defining chapter in our corporate journey," said Teo. "Becoming a public listed entity has been on our minds, and we are glad to be one step closer to the goal."

Teladan Setia's IPO exercise entails a public issue of 161.060 million new shares and an offer for sale of 40.800 million existing shares by way of private placement to selected investors.

Of the total 161.060 million new shares, 40.265 million will be allocated to the Malaysian public via balloting; eligible directors, employees and persons who have contributed to the success of the group (10.469 million shares); private placement for selected investors (29.796 million shares) while the remaining 80.530 million new shares will be placed out to Bumiputera investors approved by the Ministry of International Trade and Industry.

Teladan Setia is scheduled to be listed on the ACE Market of Bursa Securities by March 2021 with M&A Securities as the adviser, sponsor, underwriter, and placement agent for the IPO exercise. – Dec 23, 2021