

MEDIA RELEASE

Astaka Holdings announces joint development project with Straits Perkasa for commercial mix-used development

- Located in Taman Setia Indah, the Group will seek to leverage on its expertise in luxury living to develop a quality mix-used property in the popular township of Johor Bahru
- The joint development project with Straits Perkasa has a gross development value of RM160 million and will be developed across 2 acres of freehold land
- This is the second MOU signed by the Group since the start of 2022, demonstrating the Group's intention to establish itself as a prominent integrated property developer in Johor

Johor Bahru/Singapore, 27 January 2022 – Astaka Holdings Limited (“**Astaka**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that it has entered a non-binding memorandum of understanding (“**MOU**”) through subsidiary Astaka Padu Sdn. Bhd. (“**APSB**”), with Straits Perkasa Services Sdn. Bhd. (“**SPSSB**”) for a potential collaboration for a mix-used development project in Johor, Malaysia.



Signing Ceremony (From Left to Right): Mr Khong Chung Lun (Chief Executive Officer, APSB), Mr Daing Abd. Rahim Bin Daing A. Rahman (Director, APSB), Mr Ang Swee Hau (Director, SPSSB) and Mr Kenny Ang Wee Keat (Director, SPSSB)

The stipulated land for development, owned by SPSSB, is located in the popular Johor Bahru township of Taman Setia Indah. The joint development, if undertaken, will comprise of a mix-used development spanning across 2 acres of freehold land with an estimated gross development value of RM160 million. The development will be within the vicinity of Taman Mount Austin, a vibrant township in Johor Bahru, which is renowned for its vast selection of restaurants and bubble tea shops. It is also in close proximity to prominent amenities such as Austin Heights Water & Adventure Park, Eco Palladium, IKEA Tebrau and Tebrau Sport & Recreation Centre.

SPSSB is a company incorporated in Malaysia and based in Johor Bahru. Started in 1991, it has built its reputation in the Malaysian marine and shipping industry through its mooring services and is the registered and beneficial owner of the subject land.

This is the second MOU signed by the Group for the development of real estate projects since the start of 2022. Prior to this MOU, the Group had also entered into a non-binding MOU with DMR Holdings Sdn. Bhd. for joint development projects with a total land area of 42 acres and an estimated gross development value of RM1 billion. Having established itself as a premium residential developer with its award-winning residential project, The Astaka @ One Bukit Senyum, the Group will look to leverage on its expertise to bring a high-quality lifestyle and living development to this popular and growing township.

Outlook

The local property market will begin to recover in the first half of 2022, with increased buying interest in both the primary and secondary markets, and the Malaysian economy is projected to grow at an estimate of 5.5% to 6.5% in 2022, as compared to 4.5% in 2021¹. In addition, the elimination of the Real Property Gains Tax (“RPGT”) for property disposals has also provided an additional boost to the property market, especially for long-term property owners looking to upgrade and empty nesters looking to downsize².

The pandemic has also changed the demand for residential spaces. The implementation of the lockdown restrictions and normalisation of hybrid work arrangements have resulted in homebuyers demanding for residential developments in established areas with good connectivity and amenities for convenience². The strategic location of the development, with its close proximity to various key amenities and highways, will add to the ease of convenience for these home-seekers.

¹ New Straits Times - The local property market will begin to recover in the first half of this year, according to Juwai IQI (<https://www.nst.com.my/property/2022/01/759963/local-property-market-will-begin-recover-first-half-year-according-juwai-iqui>)

² New Straits Times - RPGT exemption for property disposals is expected to increase activity in the secondary market (<https://www.nst.com.my/property/2022/01/760900/rpgt-exemption-property-disposals-expected-increase-activity-secondary>)

Commenting on the collaboration, Mr. Khong Chung Lun, Executive Director and CEO of Astaka Holdings Limited said, **“We are excited to announce this potential joint development project with SPSSB, which is also the Group’s second MOU for potential joint development project for the year. We have been closely monitoring the local market and identified Taman Setia Indah as a township in Johor Bahru with great potential. It is located within the vicinity of Taman Mount Austin, a popular destination in Johor Bahru with a growing population. Through this collaboration, we look forward to developing a high-quality living and lifestyle development that will cater to the demand of the local township. Owing to the prime location of this project where population is dense, we will look towards targeting young families and also those who are looking to upgrade their properties.**

With the 2 MOUs in quick succession, we have some good momentum towards potential joint development projects in Johor. Moving forward, we will continue to identify suitable opportunities for developing high-quality projects across Johor to grow the Group further.”

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About Astaka Holdings Limited

Singapore Exchange-listed Astaka Holdings Limited is an integrated property developer in the Iskandar region of Johor, Malaysia.

Through its 99.99%-owned subsidiary, Astaka Padu Sdn Bhd, the Group has developed the first phase of One Bukit Senyum, a mixed development which comprises twin towers of service apartments (The Astaka @ One Bukit Senyum) and the Johor Bahru City Council's headquarters (Menara MJB). The remaining phase of One Bukit Senyum will comprise of a shopping mall, grade A office tower, five-star hotel, serviced apartments and residences. The entire property development project has an estimated gross development value of RM5.3 billion with an allowable gross floor area of 6.2 million square feet.

Astaka Holdings Limited places great emphasis on and aims to deliver quality properties by implementing strict quality assurance procedures at various stages of the property development projects. Due to its commitments, the Group has been widely recognised and received numerous awards for its existing project, such as Best Luxury Condo Development (South Malaysia), Best Condo Development (Malaysia), Best Residential High-Rise Development and Best Residential High-Rise Development (Malaysia).

For more information, please visit: <http://www.astaka.com.my>

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This press release has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made, or reports contained in this press release.

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