ASTAKA HOLDINGS LIMITED
(Company Registration No.: 200814792H)
(Incorporated in the Republic of Singapore)

MEDIA RELEASE

Astaka Holdings and DMR Holdings to jointly develop 42 acres of land in Johor with estimated GDV of RM1 billion

- To be completed in phases over 5 years, the joint development projects comprise of mixed commercial developments and a light industrial park spread over key locations in Johor
- The joint projects mark the Group's first foray into industrial development, having built its reputation in residential and commercial developments
- This reiterates the Group's commitment towards propelling Astaka as a prominent integrated property developer in Johor

Johor Bahru/Singapore, 24 January 2021 – Astaka Holdings Limited ("**Astaka**" or the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that it has entered into a non-binding memorandum of understanding (**"MOU"**) through subsidiary Astaka Padu Sdn. Bhd. (**"APSB"**), with DMR Holdings Sdn. Bhd. (**"DMR Holdings"**) for a potential collaboration to jointly undertake land development projects in Johor, Malaysia.



Signing Ceremony (From Left to Right): Ms Ang Siew Peng (Financial Controller, Astaka), Mr Allen Khong Chung Lun (Executive Director and Chief Executive Officer, Astaka), Ms Daeng Fatin Zulaika Binti A. Malek (Executive Director, DMR Holdings), Mr Abdul Hakim Bin Kamaludin (Head of Property, DMR Holdings)

Building on the recent launch of the latest show units from its flagship residential development, The Astaka @ One Bukit Senyum, the Group will be looking to jointly develop 42 acres of land across various key cities in Johor, including Iskandar Puteri, Tampoi and Pengerang. The development sites are also within close vicinity to prominent establishments, with the proposed site in Iskandar Puteri located near LEGOLAND Malaysia and Kota Iskandar Development, the administrative center of the Johor Government. With a total estimated gross development value of RM1 billion, the joint development projects are expected to be completed over the span of 5 years and comprise of mixed commercial developments and a light industrial park development.

The light industrial park project also marks the Group's first venture into industrial development. The Group has already made its mark as a premium property developer in the Southeast Asia region, with The Astaka @ One Bukit Senyum being awarded the Best Luxury Condo/Apartment Development Award. The Menara MBJB, a 15-storey Grade A office tower, was also developed to be the headquarters for the Johor Bahru City Council.

These new projects to be jointly developed with DMR Holdings highlights the Group's intentions and commitment to become a prominent integrated property developer by expanding further on the portfolio of property developments and also by diversifying into industrial developments.

Outlook

The Malaysian property market has begun to recover. While the pandemic has resulted in behavioural shifts in terms of space demands, demand for office spaces in Asia Pacific is expected to increase for 2022[1]. The gradual reopening has also highlighted the need for businesses to incorporate an omnichannel strategy[2], with retailers looking to increase and build their physical presence as consumers' demand for interactive and innovative retail spaces in this era of experiential retail[3]. This is expected to drive up demand for retail spaces as online retailers, such as Taobao and Lazada, looking to create a physical presence in Malaysia[3].

While the Omicron variant threatens to disrupt the recovery of the Malaysian economy yet again, the government has been actively monitoring the situation and taking necessary steps to avoid

[1] World Property Journal - Asia Pacific Commercial Investment to Increase 15 Percent in 2022 (https://www.worldpropertyjournal.com/real-estate-news/china/shanghai-real-estate-news/real-estate-news-asia-pacific-property-investment-predictions-for-2022-china-property-investment-trends-for-2022-jll-asia-pacific-property-reports-ant-12894.php)
[2] The Star Malaysia – Retail segment poised for a better 2022 (https://www.thestar.com.my/business/business-news/2021/11/06/retail-segment-poised-for-a-better-2022)
[3] The Star Malaysia – Retailers seen to increase physical store presence (https://www.thestar.com.my/business/business-news/2022/01/04/retailers-seen-to-increase-physical-store-presence)

implementing another full lockdown[4]. In the recent United States-Asean Business Council (US-ABC) meeting[5], which was also attended by multinational corporations such as Amazon and Johnson & Johnson, the authorities also expressed their commitment to provide a conducive economic climate and business ecosystem.

Commenting on the collaboration, Mr. Khong Chung Lun, Executive Director and CEO of Astaka Holdings Limited said, "**We are excited to announce the potential joint development projects with DMR Holdings. Having closely monitored the Malaysian economy for the past few months, we foresee this to be the appropriate time for us to execute our plans for expansion. While the pandemic has disrupted the global economies, we have continued to identify suitable opportunities to grow the Group in a well calibrated manner. These joint development projects, if undertaken, will allow both parties to synergise resources, network and expertise to help the Group establish itself as a prominent integrated property developer in Johor.**

We would like to sincerely thank DMR Holdings for their faith in us and for their strong vote of confidence for this collaboration.

Moving forward, we will continue to monitor the market closely and identify suitable projects to bring greater value to our customers and shareholders."

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[4] The Straits Times – Covid-19 infectivity rate inches up in Malaysia as Omicron threat looms (https://www.straitstimes.com/asia/se-asia/covid-19-infectivity-rate-inches-up-in-malaysia-as-omicron-threat-looms)
[5] Malay Mail – Azmin: Malaysia to continue redoubling efforts to provide conducive economic climate (https://www.malaymail.com/news/malaysia/2022/01/20/azmin-malaysia-to-continue-redoubling-efforts-to-provide-conducive-economic/2036527)

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 is currently developing One Bukit Senyum, a mixed development which comprises twin towers of service apartments (The Astaka @ One Bukit Senyum), a Johor Bahru City Council's headquarters (Menara MBJB), as well as phase two of One Bukit Senyum, which is comprised 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 Catalist.*

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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