



**Tuju Setia Berhad**

(Registration No. 202001005607 (1361927-V))  
(Incorporated in Malaysia under the Companies Act 2016)

**Interim Financial Report  
For The First Quarter Ended  
31 March 2021**

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The Directors are pleased to announce the unaudited financial results of the Group for the first quarter ended 31 March 2021.

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income<sup>(1)</sup> For the First Quarter Ended 31 March 2021

	Note	Interim Quarter		Period-To-Date	
		Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 <sup>(2)</sup> RM'000	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 <sup>(2)</sup> RM'000
Revenue		59,290	N/A	59,290	N/A
Cost of sales		(53,058)	N/A	(53,058)	N/A
<b>Gross profit</b>		6,232	N/A	6,232	N/A
Other income		815	N/A	815	N/A
Administrative and other operating expenses		(2,069)	N/A	(2,069)	N/A
Finance costs		(92)	N/A	(92)	N/A
<b>Profit before tax</b>		4,886	N/A	4,886	N/A
Tax expense	<b>B5</b>	(1,396)	N/A	(1,396)	N/A
<b>Profit after tax</b>		3,490	N/A	3,490	N/A
Other comprehensive income / (expenses)		-	N/A	-	N/A
<b>Profit and total comprehensive income for the period</b>		3,490	N/A	3,490	N/A
<i>Attributable to:</i>					
Equity holders of the Company		3,490	N/A	3,490	N/A
<b>Earnings per share</b>					
Basic/Diluted (sen) <sup>(3)</sup>	<b>B11</b>	1.10	N/A	1.10	N/A

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the prospectus of the Company dated 26 April 2021 ("**Prospectus**") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative period concerned.
- (3) Basic and diluted EPS is calculated based on the Profit after tax ("PAT") divided by the assumed number of Shares in issue. The assumed number of Shares in issue pursuant to the completion of the IPO is 316,828,700 shares as disclosed in Note B6. There are no dilutive instruments as at the end of the current quarter.

N/A - Not applicable

**Condensed Consolidated Statement of Financial Position<sup>(1)</sup>**  
**As At 31 March 2021**

	Note	Unaudited 31.03.2021 RM'000	Audited 31.12.2020 RM'000
<b>Assets</b>			
Property, plant and equipment		9,291	9,118
Right-of-use assets		20,817	21,959
<b>Total non-current assets</b>		<b>30,108</b>	<b>31,077</b>
Trade and other receivables		70,845	78,983
Contract assets		61,027	45,486
Current tax assets		357	-
Cash and cash equivalents		23,973	33,735
<b>Total current assets</b>		<b>156,202</b>	<b>158,204</b>
<b>Total assets</b>		<b>186,310</b>	<b>189,281</b>
<b>Equity</b>			
Share capital		37,893	^
Invested equity		-	1,500
Merger reserve		(36,393)	-
Retained earnings		48,150	52,660
<b>Total equity</b>		<b>49,650</b>	<b>54,160</b>
<b>Liabilities</b>			
Loans and borrowings	<b>B8</b>	3,443	3,363
Lease liabilities		2,405	3,046
Deferred tax liabilities		3,412	3,412
<b>Total non-current liabilities</b>		<b>9,260</b>	<b>9,821</b>
Trade and other payables		97,456	104,611
Loans and borrowings	<b>B8</b>	15,660	13,160
Lease liabilities		3,947	4,618
Contract liabilities		2,337	2,589
Current tax liabilities		-	322
Dividend payable	<b>A8</b>	8,000	-
<b>Total current liabilities</b>		<b>127,400</b>	<b>125,300</b>
<b>Total liabilities</b>		<b>136,660</b>	<b>135,121</b>
<b>Total equity and liabilities</b>		<b>186,310</b>	<b>189,281</b>
Number of shares in issue ('000) before Public Issue <sup>(2)</sup>		236,829	236,829
<b>Net asset per share attributable to owners of the Company (RM)<sup>(2)</sup></b>		<b>0.21</b>	<b>0.23</b>

^ denotes RM100

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) The net asset per share attributable to owners of the Company is calculated based on net asset divided by the number of shares of 236,828,600 in issue before the Public Issue.

**Condensed Consolidated Statement of Changes In Equity<sup>(1) (2)</sup>**  
**For the First Quarter Ended 31 March 2021**

	<i>Non-distributable</i>		<i>Distributable</i>		
	Share capital	Invested equity	Merger reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 31 December 2020/ 1 January 2021 (Audited)</b>	^	1,500	-	52,660	54,160
Profit and total comprehensive income for the period	-	-	-	3,490	3,490
Effects pursuant to the acquisition of a subsidiary	37,893	(1,500)	(36,393)	-	-
Distribution to the former shareholder of a subsidiary - Dividend		-	-	(8,000)	(8,000)
<b>At 31 March 2021 (Unaudited)</b>	<u>37,893</u>	<u>-</u>	<u>(36,393)</u>	<u>48,150</u>	<u>49,650</u>

^denotes RM100

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding corresponding period as there is no interim financial report prepared for the comparative period concerned.

**Condensed Consolidated Statement of Cash Flows<sup>(1)</sup>**  
**For the First Quarter Ended 31 March 2021**

	<b>Period-To-Date</b>	
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>31.03.2021</b>	<b>31.03.2020<sup>(2)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	4,886	N/A
<i>Adjustments for:</i>		N/A
Depreciation of property, plant and equipment	248	N/A
Depreciation of right-of-use assets	781	N/A
Finance costs	92	N/A
Finance income	(140)	N/A
Gain on disposal of property, plant and equipment	(8)	N/A
Gain on disposal of right-of-use assets	(573)	N/A
IPO expenses	279	N/A
<b>Operating profit before changes in working capital</b>	<b>5,565</b>	<b>N/A</b>
Change in trade and other receivables	8,231	N/A
Change in trade and other payables	(7,155)	N/A
Change in contract assets	(15,541)	N/A
Change in contract liabilities	(252)	N/A
<b>Cash used in operations</b>	<b>(9,152)</b>	<b>N/A</b>
Tax paid	(2,075)	N/A
<b>Net cash used in operating activities</b>	<b>(11,227)</b>	<b>N/A</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(425)	N/A
Interest received from fixed deposits	140	N/A
Proceeds from disposal of property, plant and equipment	11	N/A
Proceeds from disposal of right-of-use assets	1,150	N/A
<b>Net cash from investing activities</b>	<b>876</b>	<b>N/A</b>

**Condensed Consolidated Statement of Cash Flows<sup>(1)</sup> (cont'd)**  
**For the First Quarter Ended 31 March 2021**

	<b>Period-To-Date</b>	
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>31.03.2021</b>	<b>31.03.2020<sup>(2)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Change in pledged deposits	(2,042)	N/A
Proceeds from revolving credits	2,469	N/A
Interest paid on loans and borrowings	(92)	N/A
Payment of lease liabilities	(1,528)	N/A
Proceeds from term loans	142	N/A
Payment of IPO expenses	(372)	N/A
<b>Net cash used in financing activities</b>	<b>(1,423)</b>	<b>N/A</b>
<b>Net decrease in cash and cash equivalents</b>		
	(11,774)	N/A
Cash and cash equivalents at beginning of period	18,377	N/A
<b>Cash and cash equivalents at end of period</b>	<b>6,603</b>	<b>N/A</b>
Cash and cash equivalents comprised:		
Fixed deposits with licensed banks	15,270	N/A
Cash and bank balances	8,703	N/A
	23,973	N/A
Less: Bank overdraft	(2,372)	N/A
Pledged deposits	(14,998)	N/A
	<b>6,603</b>	<b>N/A</b>

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period as there is no interim financial report prepared for the comparative period concerned.

N/A - Not applicable



## **A. Notes to the Interim Financial Report**

### **A1. Basis of Preparation**

The interim financial report of Tuju Setia Berhad (“Tuju Setia” or “Company”) and its subsidiary (“Tuju Setia Group” or “Group”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134, *Interim Financial Reporting*, and Paragraph 9.22 as well as Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

This is the first interim financial report of unaudited condensed consolidated financial results for the first quarter ended 31 March 2021 being announced by the Group in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

### **A2. Significant Accounting Policies**

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Accountants’ Report as disclosed in the Prospectus except for the adoption of following Amendments to MFRSs:

#### ***Amendments to MFRSs effective for annual periods beginning on or after 1 January 2021***

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts*, MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

The application of these Amendments to MFRSs has no significant financial impact on the financial statements of the Group.

### **A3. Auditors’ Report**

The audited combined financial statements of the Group for the financial year ended 31 December 2020, 2019, 2018 and 2017 were not subject to any qualification.

### **A4. Seasonal or Cyclical Factors**

The business operations of the Group during the current quarter under review have not been materially affected by any seasonal or cyclical factors.

### **A5. Items or Incidence of an Unusual Nature**

There were no unusual items or incidence which may or has substantially affect the value of assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

## **A. Notes to the Interim Financial Report (cont'd)**

### **A6. Changes in Estimates**

There were no material changes in estimates that may have a material effect in the current quarter under review.

### **A7. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy backs, share cancellations, share held as treasury shares and resale of treasury shares for the current quarter under review.

### **A8. Dividend**

The dividend payable of RM8.00 million is in respect of the financial year ended 31 December 2020 payable to the former shareholder of a subsidiary.

### **A9. Segmental Reporting**

The Group is solely engaged in the provision of construction services, the only business segment. All the Group's operations are carried out in Malaysia.

### **A10. Significant Events Subsequent to the End of the Interim Financial Period**

Save as disclosed below, there are no other significant events subsequent to the end of the interim financial period:

As disclosed in Note B6, the Company has undertaken an Initial Public Offering ("IPO") to list its shares on the Main Market of Bursa Malaysia Securities Berhad.

The Prospectus was launched on 26 April 2021 and the Company's Shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 19 May 2021.

### **A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter under review.

### **A12. Fair Value of Financial Instruments**

There were no material gains or losses arising from fair value changes for all financial assets and liabilities for the current quarter under review.

## A. Notes to the Interim Financial Report (cont'd)

### A13. Performance bond guarantees

Save as disclosed below, there is no indirect and/or material performance bond guarantee incurred by the Group, which may have a substantial impact on the financial position of the Group as at the end of the current quarter and up to the date of this report:

	<b>Unaudited 31.03.2021 RM'000</b>
Performance bond guarantees by a subsidiary for construction projects	<u>54,580</u>

### A14. Capital Commitments

Save as disclosed below, there were no other material capital commitments as at the end of the current quarter:

	<b>Unaudited 31.03.2021 RM'000</b>	<b>Audited 31.12.2020 RM'000</b>
Authorised and contracted for:		
Motor vehicle	-	124
Site equipment	<u>-</u>	<u>-</u>
Authorised but not contracted for:		
Site equipment	<u>-</u>	<u>-</u>

## **B. Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

### **B1. Group Performance Review**

The Group recorded revenue of RM59.29 million, gross profit of RM6.23 million and profit before tax of RM4.89 million. The Group's revenue for the current quarter is mainly derived from on-going projects resulting in gross profit of RM6.23 million. The profit before tax of RM4.89 million include gain on disposal of right-of-use asset of RM0.573 million and IPO expenses for the quarter of RM0.279 million.

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2021 announced by the Company in compliance with the Listing Requirements.

### **B2. Comparison with Immediate Preceding Quarter Results**

There are no comparative figures for the immediate preceding corresponding quarter and period as this is the first interim financial report for the first quarter ended 31 March 2021 being announced by the Group in compliance with the Listing Requirements of Bursa Securities.

### **B3. Prospects for the Financial Year Ending 31 December 2021**

Notwithstanding the recent spike in COVID-19 infection and the imposition of the third MCO expanded to the whole country from 12 May 2021 to 7 June 2021, the Board of Directors expect the financial performance to remain profitable in the current financial year ending 31 December 2021. As at 31 March 2021, the Group has balance unbilled order book of RM953.08 million. In May 2021, the Group has secured additional RM308.8 million of new contracts making the latest balance unbilled order book of RM1.26 billion.

Nonetheless, the Group will continue to monitor the impact of the COVID-19 Pandemic and take appropriate and timely measure to ensure the stability of its business operations and financial position.

### **B4. Profit Forecast**

The Group did not issue any profit forecast or guarantee during the current quarter under review and the financial period to date.

## B. Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

### B5. Tax Expense

	Interim Quarter		Period-To-Date	
	Unaudited 31.03.2021 <sup>(1)</sup> RM'000	Unaudited 31.03.2020 <sup>(2)</sup> RM'000	Unaudited 31.03.2021 <sup>(1)</sup> RM'000	Unaudited 31.03.2020 <sup>(2)</sup> RM'000
Current tax expense				
Current period	1,396	N/A	1,396	N/A
Deferred tax expense	-	N/A	-	N/A
	<u>1,396</u>	<u>N/A</u>	<u>1,396</u>	<u>N/A</u>
Effective tax rate <sup>(3)</sup> (%)	28.57	N/A	28.57	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

Notes:

- (1) Tax expense is recognised based on management's best estimate.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period as there is no interim financial report prepared for the comparative period concerned.
- (3) The effective tax rate for the current quarter under review is higher than the statutory tax rate mainly due to adjustments for non-tax-deductible expenses.

N/A - Not applicable

## **B. Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

### **B6. Status of Corporate Proposals**

In conjunction with the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad, the Company acquired the entire issued share capital of a subsidiary, Pembinaan Tuju Setia Sdn Bhd for a purchase consideration of RM37,892,576 and undertook an Initial Public Offering (“IPO”) of 107,000,000 ordinary shares (“Shares”) at an IPO price of RM0.70 per Share comprising:

(I) Public Issue of 80,000,000 new ordinary shares (“Issue Shares”) in the following manner:

- 15,842,000 Issue Shares to the Malaysian public;
- 6,336,000 Issue Shares to the eligible directors, employees and persons who have contributed to the success of the Group;
- 26,139,000 Issue Shares to selected investors by way of private placement; and
- 31,683,000 Issue Shares to selected Bumiputera investors approved by the Ministry of International Trade and Industry by way of private placement;

and

(II) Offer for sale of 27,000,000 existing Shares to selected investors by way of private placement.

Upon the completion of the Public Issue, the enlarged issued share capital of the Company is RM93,892,676 comprising 316,828,700 shares.

The Prospectus was launched on 26 April 2021 and the Company’s shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 19 May 2021.

Save as disclosed above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

## B. Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

### B7. Utilisation of Proceeds Raised from Public Issue

The total gross proceeds of RM56.00 million from the Public Issue is intended to be used in the following manner:

<b>Purposes</b>	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance Unutilised</b>	<b>Estimated time frame for use (from the Listing date)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Capital expenditure				
– Purchase of construction machinery and equipment, and BIM system software	24,000	-	24,000	Within 24 months
– Purchase of land and construction of storage facilities	8,000	-	8,000	Within 36 months
Working capital	19,000	-	19,000	Within 12 months
Estimated IPO expenses	5,000	1,916	3,084	Within 3 months
<b>Total</b>	<b>56,000</b>	<b>1,916</b>	<b>54,084</b>	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus.

### B8. Borrowings

The details of the borrowings of the Group are as follows:

	<b>Unaudited 31.03.2021 RM'000</b>	<b>Audited 31.12.2020 RM'000</b>
<b>Non-current</b>		
Term loans	3,443	3,363
<b>Current</b>		
Term loans	726	665
Revolving credits	12,562	10,094
Bank overdraft	2,372	2,401
	15,660	13,160
<b>Total borrowings</b>	<b>19,103</b>	<b>16,523</b>

All the borrowings are secured and denominated in Ringgit Malaysia.

## **B. Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

### **B9. Material Litigations**

There are no litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

### **B10. Dividends Payable**

No dividend has been declared or recommend for payment by the Board of Directors of the Company during the current quarter and financial year-to-date.

### **B11. Earnings Per Share**

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

	<b>Interim Quarter</b>		<b>Period-To-Date</b>	
	<b>Unaudited 31.03.2021 RM'000</b>	<b>Unaudited 31.03.2020<sup>(1)</sup> RM'000</b>	<b>Unaudited 31.03.2021 RM'000</b>	<b>Unaudited 31.03.2020<sup>(1)</sup> RM'000</b>
Profit attributable to owners of the Company	3,490	N/A	3,490	N/A
Assumed number of shares in issue ('000) <sup>(2)</sup>	316,829	N/A	316,829	N/A
<b>Earnings per share</b>				
Basic/Diluted (sen) <sup>(2)</sup>	1.10	N/A	1.10	N/A

^denotes RM100

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period as there is no interim financial report was prepared for the comparative period concerned.
- (2) Basic and diluted EPS is calculated based on the PAT divided by the assumed number of shares in issue. The assumed number of shares in issue pursuant to the completion of the IPO is 316,828,700 shares as disclosed in Note B6. There are no dilutive instruments as at the end of the current quarter.

N/A - Not applicable



## **B. Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

### **B12. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income<sup>(1)</sup>**

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

	Interim Quarter		Period-To-Date	
	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 <sup>(2)</sup> RM'000	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 <sup>(2)</sup> RM'000
Interest income	(140)	N/A	(140)	N/A
Interest expense	92	N/A	92	N/A
IPO expenses	279	N/A	279	N/A
Depreciation of property, plant and equipment	248	N/A	248	N/A
Depreciation of right-of-use assets	781	N/A	781	N/A
Gain on disposal of property, plant and equipment	(8)	N/A	(8)	N/A
Gain on disposal of right-of-use assets	(573)	N/A	(573)	N/A

Save as disclosed above, the other disclosure items as required under Paragraph 16 of Appendix 9B of the Listing Requirements are not applicable.

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period as there is no interim financial report prepared for the comparative period concerned.

N/A - Not applicable

### **B13. Derivative Financial Instruments**

The Group has not entered into any derivatives as at the date of this interim financial report.

### **B14. Authorisation for Issue**

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution of the Directors on 25 May 2021.

By Order of the Board  
Company Secretary  
25 May 2021