



## **Tuju Setia Berhad**

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

# **Interim Financial Report For The Second Quarter Ended 30 June 2021**

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The Directors are pleased to announce the unaudited financial results of the Group for the second quarter ended 30 June 2021.

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income<sup>(1)</sup> For the Second Quarter Ended 30 June 2021

	Note	Interim Quarter		Period-To-Date	
		Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000
Revenue		45,698	N/A	104,988	N/A
Cost of sales		(41,922)	N/A	(94,980)	N/A
<b>Gross profit</b>		<b>3,776</b>	<b>N/A</b>	<b>10,008</b>	<b>N/A</b>
Other income		104	N/A	919	N/A
Administrative and other operating expenses		(2,199)	N/A	(4,268)	N/A
Finance costs		(83)	N/A	(175)	N/A
<b>Profit before tax</b>		<b>1,598</b>	<b>N/A</b>	<b>6,484</b>	<b>N/A</b>
Tax expense	<b>B5</b>	(650)	N/A	(2,046)	N/A
<b>Profit after tax</b>		<b>948</b>	<b>N/A</b>	<b>4,438</b>	<b>N/A</b>
Other comprehensive income / (expenses)		-	N/A	-	N/A
<b>Profit and total comprehensive Income for the period</b>		<b>948</b>	<b>N/A</b>	<b>4,438</b>	<b>N/A</b>
<i>Attributable to:</i>					
Equity holders of the Company		948	N/A	4,438	N/A
<b>Earnings per share</b>					
Basic/Diluted (sen) <sup>(3)</sup>	<b>B11</b>	0.30	N/A	1.40	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 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 issued share capital of 316,828,700 ordinary shares after the completion of the Initial Public Offering 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 30 June 2021**

	Note	Unaudited 30.06.2021 RM'000	Audited 31.12.2020 RM'000
<b>Assets</b>			
Property, plant and equipment		9,231	9,118
Right-of-use assets		20,165	21,959
<b>Total non-current assets</b>		<u>29,396</u>	<u>31,077</u>
Trade and other receivables		74,688	78,983
Contract assets		66,229	45,486
Current tax assets		908	-
Cash and cash equivalents		84,331	33,735
<b>Total current assets</b>		<u>226,156</u>	<u>158,204</u>
<b>Total assets</b>		<u><u>255,552</u></u>	<u><u>189,281</u></u>
<b>Equity</b>			
Share capital		91,689	^
Invested equity		-	1,500
Merger reserve		(36,393)	-
Retained earnings		49,098	52,660
<b>Total equity</b>		<u><u>104,394</u></u>	<u><u>54,160</u></u>
<b>Liabilities</b>			
Loans and borrowings	<b>B8</b>	20,635	3,363
Lease liabilities		1,548	3,046
Deferred tax liabilities		3,412	3,412
<b>Total non-current liabilities</b>		<u>25,595</u>	<u>9,821</u>
Trade and other payables		102,771	104,611
Loans and borrowings	<b>B8</b>	16,955	13,160
Lease liabilities		3,211	4,618
Contract liabilities		2,626	2,589
Current tax liabilities		-	322
<b>Total current liabilities</b>		<u>125,563</u>	<u>125,300</u>
<b>Total liabilities</b>		<u>151,158</u>	<u>135,121</u>
<b>Total equity and liabilities</b>		<u><u>255,552</u></u>	<u><u>189,281</u></u>
Number of issued shares ('000)		316,829	316,829
<b>Net asset per share attributable to owners of the Company (RM)</b>		<u>0.33</u>	<u>0.17</u>

^ 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.

**Condensed Consolidated Statement of Changes In Equity<sup>(1)</sup>  
For the Second Quarter Ended 30 June 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	-	-	-	4,438	4,438
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)
New shares issued by the Company for the Public Issue	56,000	-	-	-	56,000
New shares issuance expenses for the Public Issue	(2,204)	-	-	-	(2,204)
<b>At 30 June 2021 (Unaudited)</b>	<u>91,689</u>	<u>-</u>	<u>(36,393)</u>	<u>49,098</u>	<u>104,394</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 Second Quarter Ended 30 June 2021**

	Period-To-Date	
	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	6,484	N/A
<i>Adjustments for:</i>		N/A
Depreciation of property, plant and equipment	505	N/A
Depreciation of right-of-use assets	1,570	N/A
Finance costs	175	N/A
Finance income	(216)	N/A
Gain on disposal of property, plant and equipment	(8)	N/A
Gain on disposal of right-of-use assets	(572)	N/A
IPO expenses	965	N/A
<b>Operating profit before changes in working capital</b>	<b>8,903</b>	N/A
Change in trade and other receivables	3,911	N/A
Change in trade and other payables	(1,839)	N/A
Change in contract assets	(20,742)	N/A
Change in contract liabilities	37	N/A
<b>Cash used in operations</b>	<b>(9,730)</b>	N/A
Tax paid	(3,275)	N/A
<b>Net cash used in operating activities</b>	<b>(13,005)</b>	<b>N/A</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(640)	N/A
Interest received from fixed deposits	216	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>737</b>	<b>N/A</b>

**Condensed Consolidated Statement of Cash Flows<sup>(1)</sup> (cont'd)**  
**For the Second Quarter Ended 30 June 2021**

	Period-To-Date	
	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000
<b>Cash flows from financing activities</b>		
Change in pledged deposits	(5,146)	N/A
Dividend paid	(8,000)	N/A
(Repayment of)/Proceeds from revolving credits	(1,352)	N/A
Interest paid on loans and borrowings	(175)	N/A
Payment of lease liabilities	(3,241)	N/A
(Repayment of)/Proceeds from term loans	22,390	N/A
Proceeds from issuance of shares	56,000	N/A
Payment of IPO expenses	(2,786)	N/A
<b>Net cash from financing activities</b>	<b>57,690</b>	<b>N/A</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		
	<b>45,422</b>	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>63,799</b>	<b>N/A</b>
Cash and cash equivalents comprised:		
Fixed deposits with licensed banks	18,375	N/A
Cash and bank balances	65,956	N/A
	84,331	N/A
Less: Bank overdraft	(2,430)	N/A
Pledged deposits	(18,102)	N/A
	<b>63,799</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 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 interim financial report of unaudited condensed consolidated financial results for the second quarter ended 30 June 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 financial statements of the Group for the financial year ended 31 December 2020 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

Other than the issuance of new shares pursuant to the Company's Initial Public Offering and listing on the Main Market of Bursa Securities as disclosed below, there were no issuance and repayment of debt and equity securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter under review.

<b>Issued and Fully Paid-up</b>	<b>Number of Shares ('000)</b>	<b>RM'000</b>
As at 31 March 2021	236,829	37,893
Issuance of new shares	80,000	56,000
Share issuance expenses	-	(2,204)
As at 30 June 2021	<u>316,829</u>	<u>91,689</u>

### A8. Dividends

The dividend paid of RM8.00 million is in respect of the financial year ended 31 December 2020 payable to the former shareholder of a subsidiary and it was paid on 15 April 2021.

### 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

There were no material events subsequent to the end of the current quarter and financial period under review that have not been reflected in the interim financial report.

### 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 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 30.06.2021 RM'000</b>
Performance bond guarantees by a subsidiary for construction projects	<u>71,195</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 30.06.2021 RM'000</b>	<b>Audited 31.12.2020 RM'000</b>
Authorised and contracted for:		
Motor vehicle	-	124
Site equipment	<u>2,784</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**

For the current financial quarter, the Group recorded revenue of RM45.70 million, gross profit of RM3.78 million and profit before tax of RM1.60 million. The Group's revenue for the current quarter is mainly derived from on-going projects. The profit before tax of RM1.60 million include IPO expenses for the quarter of RM0.686 million.

The Government implemented the third Movement Control Order ("MCO") from 12 May 2021 to 31 May 2021, Full Movement Control Order ("FMCO") nationwide from 1 June 2021 to 14 June 2021 followed by the implementation of Phase 1 National Recovery Plan ("NRP") from 15 June 2021 to the end of the current financial quarter. The Group's operations were impacted by the movement controls mentioned above which resulted in lower revenue recognized for the quarter under review.

For the current financial year-to-date ended 30 June 2021, the Group recorded revenue of RM104.99 million, gross profit of RM10.01 million and profit before tax of RM6.49 million. The revenue for the six months period under review is contributed by the on-going projects. The profit before tax for the financial year-to-date ended 30 June 2021 of RM6.49 million include gain on disposal of right-of-use asset of RM0.573 million and IPO expenses of RM0.965 million.

No comparative figures for the preceding year's quarter and year-to-date are available as this the second interim financial report on the consolidated results for the second quarter ended 30 June 2021 announced by the Company in compliance with the Listing Requirements.

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

For the current financial quarter, the Group recorded revenue of RM45.70 million as compared to revenue of RM59.29 million in the preceding quarter. The decline in revenue in the current quarter is mainly due to business operation having been disrupted by the various movement controls as mentioned above. Correspondingly, the Group recorded profit before tax of RM1.60 million for this current financial quarter as compared to RM4.89 million in the preceding quarter. The profit before tax for this current financial quarter include IPO expenses of RM0.686 million as compared to RM0.279 million in the preceding quarter.

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

Notwithstanding the COVID-19 pandemic and the imposition of the various movement controls, the Board of Directors expects the financial performance to remain profitable in the current financial year ending 31 December 2021. As at 30 June 2021, the Group has balance unbilled order book of RM1.21 billion.

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 30.06.2021 <sup>(1)</sup> RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000	Unaudited 30.06.2021 <sup>(1)</sup> RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000
<b>In respect of current period:</b>				
Income tax expenses	650	N/A	2,046	N/A
Effective tax rate <sup>(3)</sup> (%)	41.67	N/A	31.54	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 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 and year-to-date under review is higher than the statutory tax rate mainly due to adjustments for non-tax-deductible expenses such as IPO 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:

Purposes	Proposed Utilisation	Actual Utilisation	Balance Unutilised	Estimated time frame for use (from the Listing date)
	RM'000	RM'000	RM'000	
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	4,291	709	Within 3 months
<b>Total</b>	<b>56,000</b>	<b>4,291</b>	<b>51,709</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:

	Unaudited 30.06.2021 RM'000	Audited 31.12.2020 RM'000
<b>Non-current</b>		
Term loans	20,635	3,363
<b>Current</b>		
Term loans	5,783	665
Revolving credits	8,742	10,094
Bank overdraft	2,430	2,401
	16,955	13,160
<b>Total borrowings</b>	<b>37,590</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:

	Interim Quarter		Period-To-Date	
	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(1)</sup> RM'000	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(1)</sup> RM'000
Profit attributable to owners of the Company	948	N/A	4,438	N/A
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>	0.30	N/A	1.40	N/A

Notes:

- (1) This is the 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 issued share capital of 316,828,700 ordinary shares after the completion of the Initial Public Offering 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 charging / (crediting):

	Interim Quarter		Period-To-Date	
	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 <sup>(2)</sup> RM'000
Interest income	(76)	N/A	(216)	N/A
Interest expense	83	N/A	175	N/A
IPO expenses	686	N/A	965	N/A
Depreciation of property, plant and equipment	257	N/A	505	N/A
Depreciation of right-of-use assets	789	N/A	1,570	N/A
(Gain)/Loss on disposal of property, plant and equipment	-	N/A	(8)	N/A
(Gain)/Loss on disposal of right-of-use assets	1	N/A	(572)	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 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 23 August 2021.

By Order of the Board  
Company Secretary  
23 August 2021