

Tuju Setia aims to raise RM56.0 million from Main Market IPO

- *Construction services company to expand competencies and capacity in constructing high-rise buildings, as well as design & construction of hospitals and healthcare facilities*
- *Orderbook of RM953.1 million to sustain profitability till 2024; tender book amounts to approximately RM4.0 billion*
- *Applications for Tuju Setia's IPO open on 26 April, close on 5 May 2021*
- *Sets dividend policy of 25% of Group's profit after tax (PAT)*

Kuala Lumpur, Malaysia, 26 April 2021 - Construction services company Tuju Setia Berhad (Tuju Setia, the Group, 忠誠集團) aims to raise RM56.0 million from its Initial Public Offering (IPO) on the Main Market of Bursa Malaysia Securities Berhad (Bursa Securities).

Tuju Setia's IPO involves a public issuance of 80.0 million new shares priced at RM0.70 apiece, along with an offer for sale of 27.0 million existing shares.

Of the targeted RM56.0 million IPO proceeds, RM32.0 million will be allocated for capital expenditure. This would be to purchase new construction machinery and equipment, and Building Information Modelling (BIM) system software to upskill design and construction activities. Additionally, the Group would acquire land and construct new storage facilities for better organisation and utilisation of machinery & equipment and improve efficiency of maintenance works.

A further RM19.0 million will be allocated for working capital, and RM5.0 million to defray listing expenses.

At the IPO prospectus launch today, Tuju Setia Berhad Managing Director Mr. Wee Eng Kong stated the IPO will enhance Tuju Setia's current core competencies and improve the Group's capacity in constructing high-rise buildings, and design & construction of hospitals and healthcare facilities. Since its commencement in 2006, Tuju Setia has completed 18 high-rise projects of up to 51 levels with an aggregated contract value of approximately RM2.2 billion.

TUJU SETIA

“Tuju Setia’s track record as a main contractor and builder of choice is built on our core values of selecting reputable clientele, having strong technical expertise and achieving quality accreditations.

These strong fundamentals enabled Tuju Setia to persevere despite the challenging 2020. Not only did we achieve meaningful progress in our existing projects, but also won new mandates from trusted developers. In fact, over the past 12 months and as recently as March 2021, we secured four new contracts to build high-rise buildings, bringing our order book to RM953.1 million which would sustain our earnings till 2024.

This IPO will ignite our next growth chapter, as the funds raised will be focused on enhancing our core construction competencies, as well as positioning us better to undertake new projects from our tender book of approximately RM4.0 billion.”

Mr. Wee Eng Kong (“黄永光”)
Managing Director of Tuju Setia Berhad

Tuju Setia’s orderbook comprises of projects such as Mutiara Central Office Suites (Cheras), Riana Dutamas - Phase 2 (Segambut), The Pulse Residence (Bandar Puteri Puchong) and 121 Residences (Petaling Jaya), PPAM Sofiya Residensi (Desa ParkCity), Emerald Hills - Phase 3 and 4 (Cheras), TUAL Residence (Setia Alam) and the Kajang Women and Children Hospital.

The Group’s clientele includes reputable property developers, corporations and the public sector, the likes of S P Setia Berhad, IJM Berhad, Bandar Raya Developments Berhad, Perdana ParkCity Sdn Bhd, UEM Sunrise Berhad, Symphony Life Berhad, GuocoLand (Malaysia) Berhad and the Malaysian Public Works Department (JKR).

Mr. Wee added, “We believe this is the best time for us to proceed with our proposed IPO, and are excited as we are possibly slated to be the first company to be listed on the Main Market of Bursa Securities.

Notably, we will also be implementing a dividend policy to distribute 25% of our annual net profit to reward the shareholders of Tuju Setia and to show our appreciation for their confidence in our growth prospects.”

Of the 80.0 million new shares, 15.9 million shares will be made available for application by the Malaysian public via balloting, and 6.3 million shares will be made available for application by the Group’s eligible directors, employees and persons who have contributed

TUJU SETIA

to the success of the Group. While 31.7 million shares will be made available by way of private placement to selected bumiputera investors approved by the Ministry of International Trade and Industry. The balance 26.1 million new shares, together with 27.0 million existing offer-for-sale shares, will be placed out to selected investors by way of private placement.

With the prospectus launched, applications for Tuju Setia's IPO will open today and close on Thursday, 5 May 2021 at 5:00 p.m. Barring unforeseen circumstances, Tuju Setia is slated to list on the Main Market of Bursa Malaysia on 19 May 2021.

Alliance Investment Bank Berhad is the principal adviser to Tuju Setia's IPO exercise, as well as joint underwriter and joint placement agent, together with CIMB Investment Bank Berhad.

--

TUJU SETIA

About Tuju Setia Berhad (<https://tujusetia.my/>)

Tuju Setia, through its subsidiary Pembinaan Tuju Setia Sdn Bhd (PTS), is involved in the provision of construction services as a main contractor, with experience in commercial, residential, and institutional buildings mainly in Klang Valley. PTS has core expertise in the construction of high-rise buildings and design & construction of hospitals, which includes procurement and installation of Group I medical equipment.

Notable non-residential projects completed include Setia Walk, Setia Sky Residences (Celeste & Divina Tower), TWY Mont Kiara, Geo Bukit Rimau, Top Glove Corporate Office Tower, Menara TCM, and St. Joseph's Institution International School Malaysia (previously known as Tropicana International School). Completed residential projects include Mentari Court, Grand Medini Residence, and Idaman Residence.

PTS is a Grade G7 contractor registered with the Construction Industry Development Board (CIDB) of Malaysia, allowing it to undertake projects with unlimited value. PTS is also registered with CIDB under category B29 which permits it to undertake construction of hospitals and healthcare facilities, and holds the Sijil Perolehan Kerja Kerajaan that enables its participation in tenders for Government projects.

PTS is accredited with ISO 9001:2015 Quality Management System for the provision of project management for construction of buildings and engineering works. PTS has also obtained the QCLASSIC and CONQUAS quality certifications, as well as the SHASSIC assessment for health and safety performance.

Issued for and on behalf of TUJU SETIA BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd

For media enquiries, please contact:

Mr. Tee Wei Keat

E: weikeat@aquilas.com.my

T: 03-2711 1391 / 012-309 5448

For investor enquiries, please contact:

Ms. Julia Pong

E: julia@aquilas.com.my

T: 03-2711 1391 / 012-390 9258