

28 September 2021

The Manager
Market Announcements Office
Australian Stock Exchange

ELECTRONIC LODGEMENT

Dear Sir or Madam

Tuas Limited releases Appendix 4E and Financial Year Results

In accordance with the Listing Rules of the Australian Securities Exchange, Tuas Limited (ASX: TUA) encloses for immediate release the Appendix 4E and Financial Statements for the period 11 March 2020 (date of incorporation) to 31 July 2021.

Authorised for release by the Board of Tuas Limited.

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Tuas Limited

ABN 70 639 685 975

and its controlled entities

ASX Appendix 4E and Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Lodged with the ASX under Listing Rule 4.3A

Contents	Page
Details of the reporting period and the previous corresponding period	2
Results for announcement to the market	2
Consolidated statement of comprehensive income	3
Consolidated statement of financial position	4
Consolidated statement of changes in equity	5
Consolidated statement of cash flows	6
Condensed notes to the consolidated financial statements	7

Tuas Limited and its controlled entities

ASX Appendix 4E

Period from 11 March 2020 (date of incorporation) to 31 July 2021

Details of the reporting period and the previous corresponding period

The reporting period for this report is from 11 March 2020, being the date of incorporation of the Company, to 31 July 2021.

There is no prior corresponding period for the Company, this report covering the period between the date of incorporation and the end of the Company's first financial year.

Results for announcement to the market

Reported results	\$'000
Revenue	S\$34,307
Loss for the period	(\$\$32,567)
Loss for the period attributable to owners of the Company	(\$\$32,565)
Loss per share attributable to owners of the Company (basic)	(8.89 cents)
Loss per share attributable to owners of the Company (diluted)	(8.87 cents)
Loss before interest, tax, depreciation and amortisation	(\$\$2,448)

* All figures included in this report are in Singapore dollars, being the functional and reporting currency of Tuas Limited.

Dividends

Tuas Limited has not paid or declared any dividends during the period.

Net tangible assets

Net tangible asset backing per ordinary share S\$0.77

Details of entities over which control has been gained during the period

TPG Telecom Pte Ltd and its wholly owned subsidiary Tuas Solutions Sdn Bhd became wholly owned subsidiaries of Tuas Limited on 26 June 2020.

Since its acquisition, TPG Telecom Pte Ltd (on a consolidated basis including Tuas Solutions Sdn Bhd) contributed S\$34,127,630 in loss after tax to the total comprehensive loss of Tuas Limited.

Commentary on results

The Company has provided a commentary on the results in its Financial Results Commentary which accompanies this report.

Tuas Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Consolidated statement of comprehensive income

		11-Mar-20 to 31-Jul-21 S\$000
Revenue	<i>Note</i> 5	34,307
Network, carrier and hardware costs		(18,527)
Employee benefits expense		(9,008)
Other expenses		(9,220)
Loss before interest, tax, depreciation and amortisation		(2,448)
Depreciation		(25,918)
Amortisation of intangibles	10	(11,870)
Results from operating activities		(40,236)
Foreign exchange gain		2,424
Interest income		251
Finance expenses		(1,157)
Net financing income		1,518
Loss before income tax		(38,718)
Income tax benefit	7	6,151
Loss after tax		(32,567)
Items that may subsequently be reclassified to the income statement, net of tax:		
Foreign currency translation differences		2
Total other comprehensive income, net of tax		2
Total comprehensive loss for the period		(32,565)
Attributable to:		
Owners of the Company		(32,565)
Loss per share attributable to owners of the Company:		
Basic loss per share (cents)	12	(8.89)
Diluted loss per share (cents)		(8.87)

Tuas Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of
incorporation) to 31 July 2021

Consolidated statement of financial position

	<i>Note</i>	31-Jul-21 S\$000
Assets		
Cash and cash equivalents		61,035
Term deposits		33,548
Trade and other receivables and contract assets	8	6,989
Inventories		281
Prepayments and other assets		1,928
Total Current Assets		103,781
Plant and equipment	9	254,724
Right of use assets		3,299
Spectrum assets	10	117,081
Other intangible assets	10	4,433
Deferred tax assets		9,679
Prepayments and other assets		983
Total Non-Current Assets		390,199
Total Assets		493,980
Liabilities		
Trade and other payables		8,623
Lease liabilities		545
Deferred revenue		2,517
Employee benefits		746
Total Current Liabilities		12,431
Lease liabilities		2,354
Provisions		441
Total Non-Current Liabilities		2,795
Total Liabilities		15,226
Net Assets		478,754
Equity		
Share capital	11	525,000
Share based payment reserve		327
Common control reserve		(14,008)
Foreign currency translation reserve		2
Accumulated losses		(32,567)
Total Equity attributable to owners of the Company		478,754

Tuas Limited and its controlled entities

Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Consolidated statement of changes in equity

	<i>Note</i>	Share Capital	Share based payment reserves	Common control reserves	Foreign currency translation reserves	Accumulated losses	Total
		S\$000	S\$000	S\$000	S\$000	S\$000	S\$000
At 11 March 2020 (date of incorporation)		-	-	-	-	-	-
Loss for the period		-	-	-	-	(32,567)	(32,567)
<i>Other comprehensive income:</i>							
Foreign currency translation differences		-	-	-	2	-	2
Total comprehensive loss for the period		-	-	-	2	(32,567)	(32,565)
Transactions with owners of the Company							
Shares issued during the period	11	525,000	-	-	-	-	525,000
Effect of acquisition of a subsidiary under common control		-	-	(14,008)	-	-	(14,008)
Equity-settled share- based payment		-	327	-	-	-	327
Total transactions with owners of the Company		525,000	327	(14,008)	-	-	511,319
Balance at 31 July 2021		525,000	327	(14,008)	2	(32,567)	478,754

Tuas Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Consolidated statement of cash flows

	11-Mar-20 To 31-Jul-21 S\$000
Cash flows from operating activities	
Cash receipts from customers	38,656
Cash paid to suppliers and employees	<u>(44,942)</u>
Cash used in operating activities	(6,286)
Interest received	<u>251</u>
Net cash used in operating activities	(6,035)
Cash flows from investing activities	
Cash acquired from acquisition of a subsidiary under common control	56,025
Investment in term deposits	(33,548)
Acquisition of plant and equipment	(45,268)
Acquisition of other intangible assets	<u>(89)</u>
Net cash used in investing activities	(22,880)
Cash flows from financing activities	
Proceeds from issue of share capital	88,449
Repayment of lease liabilities	(669)
Finance costs paid	<u>(303)</u>
Net cash from financing activities	87,477
Effect of exchange rate fluctuations	<u>2,473</u>
Cash and cash equivalents at 31 July 2021	<u>61,035</u>

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 1 Reporting entity

Tuas Limited (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is C/-Suite 49, 61-65 Glencoe Street, Sutherland 2232. The consolidated financial statements as at, and for the period from 11 March 2020 (date of incorporation) to 31 July 2021, comprise the accounts of the Company and its subsidiaries (together referred to as the 'Group'). The Group is a for-profit entity and is primarily involved in the development of a mobile network and provision of mobile telecommunications services in the Singapore market.

Note 2 Basis of preparation of financial report

This preliminary financial report for the period from 11 March 2020 (date of incorporation) to 31 July 2021 has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board and the *Corporations Act 2001*.

The preliminary financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the any public announcements made by Tuas Limited during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by TPG Telecom Pte Ltd ("TPG Singapore") and the same as those applied by TPG Telecom Limited in its 2019 Annual Report, except for the adoption of new accounting standards, namely the application of AASB 16 Leases. The Group is of a kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) instrument 2016/191 dated 24 March 2016 and, in accordance with that instrument, all financial information has been rounded to the nearest thousand dollars unless otherwise stated.

The Group's primary operations are those of TPG Singapore and accordingly, all figures included in this report are in Singapore dollars, also being the functional and reporting currency of Tuas Limited.

Note 3 Estimates

Preparation of the preliminary financial report in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Note 4 Demerger from TPG Telecom Limited

The Company demerged on 13 July 2020 from TPG Telecom Limited ("TPG") which was subsequently renamed to TPG Corporation Limited.

Prior to the demerger, on implementation of the Demerger Scheme,

- TPG Singapore became a wholly owned subsidiary of Tuas Limited on 26 June 2020.

This acquisition has been recognised as a common control transaction. The Group applied the predecessor values method, without any step-up to fair value. All the assets and liabilities acquired were recognised at book value and no goodwill was created or recognised. The book value of the assets acquired and the liabilities assumed as at the demerger date are set out below:

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 4 Demerger from TPG Telecom Limited (continued)

Identifiable assets acquired and liabilities assumed	S\$000
Cash and cash equivalents	56,025
Trade and other receivables	1,794
Inventories	109
Prepayments and other assets	4,005
Plant and equipment	229,575
Intangible assets	132,348
Right of use assets	513
Trade and other payables	(1,910)
Employee benefits and provisions	(228)
Provisions	(212)
Lease liabilities	(477)
Deferred income	(771)
Deferred tax assets	1,773
Net identifiable assets acquired	422,544

The Group's financial statements include TPG Singapore's results from the date of acquisition.

- TPG transferred its investment in shares at a value of S\$1 and convertible notes of S\$436,552,176 issued by TPG Singapore to Tuas Limited at par, this is the deemed consideration for the net identifiable assets acquired. The difference of \$14,008,187 has been recognised in the common control reserve. In addition, TPG provided equity capital to Tuas prior to implementation of Demerger Scheme.
- Tuas Limited issued 463,909,021 shares to the value of S\$525,000,011 to TPG shareholders on implementation of the Demerger Scheme.

Note 5 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a product or service to a customer, i.e. when the customer can benefit from the goods or service and decide how to use them.

The Group determines various performance obligations under a contract, allocates the total contract price amongst the performance obligations based on their standalone selling prices, and recognises revenue when the performance obligations are satisfied, i.e. upon delivery of goods sold, and activation of subscription plans.

Mobile Revenue

Performance obligations that arise from contracts with customers comprise the rendering of telecommunications services including provision of data, voice, SMS, roaming and other services. The Group recognises revenue as services are provided over time, i.e. when the customer simultaneously receives and consumes the benefits provided to them. Billings are made in advance, with each billing cycle being 30 days. Invoices are made available to the customers electronically via the TPG Singapore online customer portal or mobile application when they login to their accounts.

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 5 Revenue (continued)

Project revenue

Revenue derived from technologies and system solution projects are recognised when, or as, performance obligations are satisfied through the transfer of control of a good or service to the customer. For a performance obligation satisfied over time, the Group adopts the cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, to recognise the revenue as this measure faithfully depicts the transfer of control to the customer.

Invoicing is based on a series of performance related milestones. When a milestone is reached, the customer will provide the Company with a statement to certify the progress. At this point, any amount previously recognised as a contract asset will be reclassified to trade receivables upon invoicing to the customer. If the milestone payment exceeds the revenue recognised to date, then the Company recognises a contract liability for the difference.

Payment terms for these contracts are based on payment milestones over the duration of the contract where a 30-day payment term is given to customers.

a. Major product categories:

The following table provides a breakdown of revenue by major product categories.

	S\$000
Mobile revenue	31,330
Project revenue	1,769
Other	1,208
Total	34,307

b. Contract balances

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the end of the current reporting period. These amounts are transferred to Trade receivables when the rights become unconditional and have been invoiced.

Deferred revenue liability primarily relates to the advance consideration received from customers for which revenue will be recognised on fulfilment of performance obligations under the customer contracts.

c. Remaining performance obligations

The Group has applied the practical expedient of not disclosing information about the amount of the transaction price allocated to the remaining (unfulfilled) performance obligation where the Group has a right to consideration in an amount that corresponds directly with the value to the customer of the Group's performance completed to date, or the contract duration is less than one year.

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 6 Segment reporting

The Group determines and presents operating segments based on the information that is internally provided to the Board, which acts as the Group's chief operating decision maker.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses.

The Group's mobile operations in Singapore represents the only reportable segment. The chief operating decision maker for this segment is the CEO and Board of TPG Singapore. There are no inter-segment transactions.

Geographic Information

All the Group's revenues are derived from the Singapore based entity.

A geographic analysis of the Group's non-current assets is set out below. Non-current assets exclude deferred tax assets.

Country	S\$000
Singapore	380,500
Others	20
Results from segment activities	380,520

Note 7 Income tax

	S\$000
Current tax expense	-
Deferred tax expense: Origination and reversal of temporary differences including the recognition of tax losses	6,151
Income tax benefit	6,151
Loss before income tax	(38,718)
Income tax benefit using Singapore tax rate of 17%	6,581
Different tax rates in other jurisdictions	180
Non-deductible and non-assessable items	(947)
Non-taxable income	337
Income tax benefit	6,151

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of
incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 8 Trade and other receivables and contract assets

	S\$000
Trade receivables	1,902
Other receivables	312
Bank deposits held as guarantees	4,775
	<u>6,989</u>

Note 9 Plant and equipment

	Plant and equipment S\$000	Office furniture and fittings S\$000	Work In Progress S\$000	Total S\$000
Cost				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	130,195	371	103,887	234,453
Additions	6,230	1,444	42,763	50,437
Transfer	120,683	-	(120,683)	-
Disposal	(5)	(311)	-	(316)
Balance at 31 July 2021	257,103	1,504	25,967	284,574
Depreciation				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	(4,720)	(158)	-	(4,878)
Additions	(24,916)	(210)	-	(25,126)
Disposal	3	151	-	154
Balance at 31 July 2021	(29,633)	(217)	-	(29,850)
Carrying amounts				
At 11 March 2020 (date of incorporation)	-	-	-	-
At 31 July 2021	227,470	1,287	25,967	254,724

a. Recognition and measurement

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes all expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials, associated labour, and the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets form part of the cost of the asset.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of
incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 9 Plant and equipment (Continued)

Any gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the item being disposed and are recognised net within other expenses in the income statement.

b. Subsequent costs

Subsequent costs are added to existing assets if it is probable that future economic benefits will flow to the Group.

c. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful life of each part of an item of plant and equipment.

The estimated useful lives used in the current period are as follows:

- Plant and equipment 3 – 10 years
- Office furniture and fittings 10 years

The residual value, the useful life and the depreciation method applied to an asset are assessed at least annually.

d. Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets, including plant and equipment, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cashflows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. CGUs are determined according to the lowest level of groups of assets that generate largely independent cashflows.

An impairment loss is recognised whenever the carrying amount of the asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in the income statement unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of other assets in the CGU on a pro rata basis.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 10 Intangible assets

	Spectrum licences S\$000	Other intangibles S\$000	Work In Progress S\$000	Total S\$000
Cost				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	129,630	4,981	344	134,955
Additions	551	121	364	1,036
Transfer	-	708	(708)	-
Balance at 31 July 2021	130,181	5,810	-	135,991
Amortisation and Impairment				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	(2,419)	(188)	-	(2,607)
Amortisation for the year	(10,681)	(1,189)	-	(11,870)
Balance at 31 July 2021	(13,100)	(1,377)	-	(14,477)
Carrying amounts				
At 11 March 2020 (date of incorporation)	-	-	-	-
At 31 July 2021	117,081	4,433	-	121,514

a. Recognition and measurement
Intangible assets with definite useful lives:

Spectrum licences

Spectrum licences are stated at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets comprise software, licences other than spectrum licences, operating costs that are incurred in developing or acquiring income producing assets, and capitalised interest related to the acquisition of intangible assets. Other intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses.

b. Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

c. Amortisation

Unless otherwise stated, amortisation is charged to the income statement on a straight-line basis, over the estimated useful lives of intangible assets. Intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date following the same policy as detailed in Note 9(d).

The estimated useful lives used in both the current and comparative periods are as follows:

Spectrum licences	Amortised over useful lives of 159 months.
Other intangible assets with finite useful lives	Amortised over useful lives of 60 months.

TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of
incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 11 Share capital

	Ordinary shares	S\$000
Balance at 11 March 2020 (date of incorporation)	12	-
Ordinary shares issued during the year	463,909,009	525,000
Balance as at 31 July 2021	463,909,021	525,000

463,909,021 shares were issued to shareholders of TPG Telecom Limited resulting from demerger of the Group from TPG Telecom Limited (Refer note 4)

Note 12 Loss per share

Basic loss per share

	Cents
Basic loss per share	<u>(8.89)</u>
	S\$000
Loss attributable to owners of the Company used in calculating basic loss per share	<u>(32,565)</u>
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	<u>366,195,813</u>

Diluted loss per share

	Cents
Diluted loss per share	<u>(8.87)</u>
	S\$000
Loss attributable to owners of the Company used in calculating diluted loss per share	<u>(32,565)</u>
Weighted average number of ordinary shares used as the denominator in calculating diluted loss per share	<u>367,104,474</u>

Note 13 Capital commitments

Contracted but not provided for in the financial statements	<u>7,630</u>
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TUAS Limited and its controlled entities
Preliminary Financial Report for the period from 11 March 2020 (date of
incorporation) to 31 July 2021

Condensed notes to the consolidated financial statements

Note 14 Subsequent events

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Note 15 Unaudited financial information

The information contained in this preliminary financial report is based on accounts which are in the process of being audited.