



PAN-UNITED CORPORATION LTD

(Incorporated in the Republic of Singapore)
(Company Registration No: 199106524G)

RESPONSES TO QUESTIONS RECEIVED FROM SHAREHOLDERS PRIOR TO THE COMPANY'S ANNUAL GENERAL MEETING

The Board of Directors of Pan-United Corporation Ltd (the "Company", and together with its subsidiaries, the "Group") wishes to provide the following information in response to questions received from shareholders of the Company prior to the upcoming annual general meeting for its financial year ended 31 December 2023 to be held on Friday, 26 April 2024 at 10.00 am at Suntec Singapore Convention & Exhibition Centre, Meeting Room 331, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593.

Questions from shareholders

1. **Please explain why finance costs rose by nearly \$1 million (page 42 of Annual Report) despite loans and borrowings declining by more than half (page 44) in FY2023.**

The breakdown of the finance costs is shown under Note 7 on page 65 of the Annual Report. Interest expense on loans and borrowings increased by \$623,000 due to the higher interest rate environment in FY2023. Interest expense on lease liabilities increased by \$283,000 due to the additions of right-of-use assets.

7. Finance costs

	Group	
	2023	2022
	\$'000	\$'000
Interest expense on loans and borrowings	2,426	1,803
Interest expense on lease liabilities (Note 21)	615	332
Bank charges	372	426
	3,413	2,561

2. **Please comment on the average selling prices (ASPs) the company has been able to achieve for its ready-mix concrete in Singapore for the first three months of the year.**

According to the latest figures reported by the Building and Construction Authority (BCA) published in April 2024, the selling price for ready-mix concrete (RMC) for the first three months of the year was about \$118.00 per cubic metre (m³). Due to market sensitivities, we do not provide guidance on ASPs.

3. **Does the company have a healthy order book for the year ahead?**

BCA projected Singapore's total construction demand in 2024 to range between \$32.0 billion and \$38.0 billion, compared to preliminary estimate of \$33.8 billion in 2023. BCA estimated that the volume of RMC to reach between 12.0 million m³ and 13.0 million m³ in 2024, compared to 12.27 million m³ in 2023. Our business should track the overall performance of the construction sector.

By order of the Board

Kevin Cho
Company Secretary
19 April 2024