



Pan-United Corporation Ltd

(Company Registration No. 199106524G)

Condensed Consolidated Financial Statements
For the Six Months and Full Year ended 31 December 2021

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Pan-United Corporation Ltd

**Condensed Consolidated Income Statement
For the Six Months and Full Year ended 31 December 2021**

		Group					
	Note	2H 2021 \$'000	2H 2020 \$'000	Change %	FY2021 \$'000	FY2020 \$'000	Change %
Revenue		310,288	214,650	45	586,872	405,024	45
Other income	4a	2,394	2,000	20	5,707	7,344	(22)
Raw materials, subcontract costs and other direct costs		(241,699)	(165,822)	46	(459,833)	(320,194)	44
Staff costs		(24,986)	(18,627)	34	(47,549)	(32,547)	46
Depreciation and amortisation expenses		(11,659)	(11,834)	(1)	(23,338)	(23,840)	(2)
Other expenses	4b	(23,692)	(17,504)	35	(41,727)	(30,845)	35
Finance costs		(1,164)	(1,384)	(16)	(2,335)	(3,497)	(33)
Share of results of associate		3,939	(30)	nm	5,275	289	nm
Profit before income tax	4	13,421	1,449	nm	23,072	1,734	nm
Income tax expense	5	(1,877)	(73)	nm	(4,215)	(220)	nm
Profit for the period/year, net of tax		11,544	1,376	nm	18,857	1,514	nm
Attributable to:							
Equity holders of the Company		11,728	759	nm	18,686	1,036	nm
Non-controlling interests		(184)	617	(130)	171	478	(64)
		11,544	1,376	nm	18,857	1,514	nm
Earnings per share for the period/year (cents per share)							
Basic	a	1.68	0.11	nm	2.67	0.15	nm
Diluted	b	1.68	0.11	nm	2.67	0.15	nm

Notes

- The calculation for the basic earnings per share is based on 699,763,225 (31 December 2020: 701,653,825) weighted average number of shares in issue during the year.
- The calculation for diluted earnings per share is based on 699,991,529 (31 December 2020: 701,767,825) weighted average number of shares in issue plus dilutive potential shares from share options during the year.

nm: Not meaningful

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**Condensed Consolidated Statement of Comprehensive Income
For the Six Months and Full Year ended 31 December 2021**

	Group					
	2H 2021 \$'000	2H 2020 \$'000	Change %	FY2021 \$'000	FY2020 \$'000	Change %
Profit for the period/year, net of tax	11,544	1,376	nm	18,857	1,514	nm
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Foreign currency translation	544	(626)	187	(99)	(293)	66
Fair value changes of derivatives	(137)	(2,130)	94	1,419	(738)	nm
Fair value changes of other investments	-	(152)	100	-	(152)	100
Remeasurement of employee benefits obligation	350	(74)	nm	350	(74)	nm
Other comprehensive income for the period/year, net of tax	757	(2,982)	125	1,670	(1,257)	nm
Total comprehensive income for the period/year	12,301	(1,606)	nm	20,527	257	nm
Attributable to:						
Equity holders of the Company	12,300	(1,891)	nm	20,101	(95)	nm
Non-controlling interests	1	285	(100)	426	352	21
Total comprehensive income for the period/year	12,301	(1,606)	nm	20,527	257	nm

nm: Not meaningful

Pan-United Corporation Ltd

**Condensed Balance Sheets
As at 31 December 2021**

	Note	Group		Company	
		31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	7	166,202	174,291	67	57
Intangible assets	8	6,651	6,467	370	370
Subsidiaries		-	-	92,552	92,552
Associate		4,335	3,677	-	-
Other investments	13	3	3	-	-
Other receivables	9	151	145	-	-
Deferred tax assets		1,240	976	-	-
		178,582	185,559	92,989	92,979
Current assets					
Inventories		23,673	23,908	-	-
Prepayments		1,620	1,596	60	91
Trade and other receivables	9	125,474	116,825	43,184	35,310
Other assets		2,869	6,867	-	-
Derivatives	13	328	-	328	-
Cash and cash equivalents		64,149	67,558	39,594	38,560
		218,113	216,754	83,166	73,961
Current liabilities					
Loans and borrowings	10	21,440	44,878	-	19,947
Lease liabilities		6,127	4,808	-	-
Payables and accruals	11	98,369	77,897	52,507	33,508
Deferred income		-	1,562	-	88
Provisions		1,342	1,090	-	-
Income tax payable		5,179	574	97	48
Derivatives	13	9	1,100	9	1,100
		132,466	131,909	52,613	54,691
Net current assets		85,647	84,845	30,553	19,270
Non-current liabilities					
Loans and borrowings	10	25,184	42,503	-	-
Lease liabilities		13,248	11,422	-	-
Deferred tax liabilities		6,321	7,345	-	-
Employee benefits liability		1,644	1,732	-	-
Provisions		4,353	4,402	-	-
		50,750	67,404	-	-
Net assets		213,479	203,000	123,542	112,249
Equity attributable to equity holders of the Company					
Share capital	12a	12,645	12,645	12,645	12,645
Treasury shares	12b	(780)	(295)	(780)	(295)
Reserves		193,206	182,339	111,677	99,899
		205,071	194,689	123,542	112,249
Non-controlling interests		8,408	8,311	-	-
Total equity		213,479	203,000	123,542	112,249

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Condensed Statements of Changes in Equity
For the Full Year ended 31 December 2021

	Attributable to equity holders of the Company						Non-controlling interests	Total Equity
	Share capital (Note 12a)	Treasury shares (Note 12b)	Foreign currency translation reserve	Retained earnings	Other reserves	Total reserves		
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021								
Balance at 1 January 2021	12,645	(295)	(1,425)	147,194	36,570	182,339	8,311	203,000
Total comprehensive income for the year	-	-	(284)	18,966	1,419	20,101	426	20,527
Share-based payment (share options)	-	-	-	-	28	28	-	28
Purchase of treasury shares	-	(705)	-	-	-	-	-	(705)
Reissuance of treasury shares	-	220	-	-	(139)	(139)	-	81
Dividends on ordinary shares	-	-	-	(9,123)	-	(9,123)	-	(9,123)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(329)	(329)
Balance at 31 December 2021	12,645	(780)	(1,709)	157,037	37,878	193,206	8,408	213,479
2020								
Balance at 1 January 2020	12,645	(957)	(1,243)	153,932	37,939	190,628	8,261	210,577
Total comprehensive income for the year	-	-	(182)	977	(890)	(95)	352	257
Share-based payment (share options)	-	-	-	-	(44)	(44)	-	(44)
Reissuance of treasury shares	-	662	-	-	(435)	(435)	-	227
Dividends on ordinary shares	-	-	-	(7,715)	-	(7,715)	-	(7,715)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(302)	(302)
Balance at 31 December 2020	12,645	(295)	(1,425)	147,194	36,570	182,339	8,311	203,000

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**Condensed Statements of Changes in Equity
For the Full Year ended 31 December 2021**

	Share capital (Note 12a) \$'000	Treasury shares (Note 12b) \$'000	Retained earnings \$'000	Other reserves \$'000	Total reserves \$'000	Total Equity \$'000
Company						
2021						
Balance at 1 January 2021	12,645	(295)	63,329	36,570	99,899	112,249
Total comprehensive income for the year	-	-	19,593	1,419	21,012	21,012
Share-based payment (share options)	-	-	-	28	28	28
Purchase of treasury shares	-	(705)	-	-	-	(705)
Reissuance of treasury shares	-	220	-	(139)	(139)	81
Dividends on ordinary shares	-	-	(9,123)	-	(9,123)	(9,123)
Balance at 31 December 2021	12,645	(780)	73,799	37,878	111,677	123,542
2020						
Balance at 1 January 2020	12,645	(957)	65,955	37,939	103,894	115,582
Total comprehensive income for the year	-	-	5,089	(890)	4,199	4,199
Share-based payment (share options)	-	-	-	(44)	(44)	(44)
Reissuance of treasury shares	-	662	-	(435)	(435)	227
Dividends on ordinary shares	-	-	(7,715)	-	(7,715)	(7,715)
Balance at 31 December 2020	12,645	(295)	63,329	36,570	99,899	112,249

Pan-United Corporation Ltd

**Condensed Consolidated Cash Flow Statement
For the Full Year ended 31 December 2021**

	FY2021 \$'000	FY2020 \$'000
Cash flows from operating activities		
Profit before income tax	23,072	1,734
Adjustments for		
Depreciation expenses	22,396	23,290
Amortisation of intangible assets	942	550
Amortisation of upfront fees	119	131
Interest income	(139)	(451)
Interest expense	1,932	3,123
Gain on disposal of property, plant and equipment	(70)	(6)
Reversal of impairment loss on trade receivables	(237)	(277)
Reversal of provisions	-	(44)
Write-off and impairment of property, plant and equipment	590	263
Write-off and impairment of intangible assets	2,139	415
Share-based payment transactions	28	(44)
Share of results of associate	(5,275)	(289)
Foreign exchange differences	14	444
Operating cash flows before working capital changes	45,511	28,839
(Increase)/Decrease in		
Trade and other receivables	(8,418)	43,161
Prepayments	(24)	10
Inventories	235	(1,544)
Other assets	3,998	1,738
Increase/(Decrease) in		
Payables, accruals and provisions	20,556	(5,857)
Deferred income	(1,562)	1,238
Cash flows from operations	60,296	67,585
Interest paid	(1,895)	(3,088)
Income tax paid	(997)	(5,338)
Interest received	139	451
Net cash flows from operating activities	57,543	59,610
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,510)	(6,168)
Additions to intangible assets	(3,265)	(1,773)
Proceeds from disposal of property, plant and equipment	141	191
Dividend income from associate	4,617	-
Net cash flows used in investing activities	(4,017)	(7,750)
Cash flows from financing activities		
Proceeds from bank borrowings	68,908	71,661
Repayment of bank borrowings	(109,491)	(91,487)
Repayment of lease liabilities	(6,667)	(6,024)
Purchase of treasury shares	(705)	-
Proceeds from reissuance of treasury shares	81	227
Dividends paid to shareholders	(9,123)	(7,715)
Dividends paid to non-controlling interests	(329)	(302)
Net cash flows used in financing activities	(57,326)	(33,640)
Net (decrease)/increase in cash and cash equivalents	(3,800)	18,220
Cash and cash equivalents as at beginning of year	67,558	49,646
Effects of exchange rate changes on opening cash and cash equivalents	391	(308)
Cash and cash equivalents as at end of year	64,149	67,558

Pan-United Corporation Ltd

Notes to the Condensed Consolidated Financial Statements As at and for the Six Months and Full Year ended 31 December 2021

1. Corporate information

Pan-United Corporation Ltd (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange.

The registered office and principal place of business of the Company is located at 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987.

These condensed consolidated financial statements as at and for the six months and full year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of investment holding. The principal activities of the Group are the supply of ready-mix concrete, cement, granite, aggregates, slag and refined petroleum products, as well as trading of raw materials, bulk shipping and agency operations (Note 14).

2. Basis of preparation

The condensed consolidated financial statements for the six months and full year ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statement for the period ended 30 June 2021.

The condensed consolidated financial statements are presented in Singapore Dollars (SGD or \$), which is the Company's functional currency, and all values are rounded to the nearest thousand (\$'000), except when otherwise indicated.

2.1 New accounting standards effective on 1 January 2021

The accounting policies adopted and methods of computation are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.2 Use of judgements and estimates

In preparing the condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

2.2 Use of judgements and estimates (continued)

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.

Except for the assessment on the impairment of goodwill, management is of the opinion that there is no other instance of application of judgement which is expected to have a significant impact on the amounts recognised in the Group's condensed consolidated financial statements for the six months and full year ended 31 December 2021.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities are as follow:

Impairment of goodwill

Management assesses for indicators of impairment of goodwill at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which goodwill is allocated. The value-in-use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

3. Seasonal operations

The Group's operations were not significantly affected by seasonal or cyclical factors during the period.

4. Profit before income tax

The following items have been included in arriving at profit before income tax:

	Group		Group	
	2H 2021	2H 2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
(a) Other income				
Gain on disposal of property, plant and equipment	7	8	70	6
Government grant	891	706	3,381	5,094
Interest income	76	332	139	451
(b) Other expenses				
Reversal of impairment loss on trade receivables	(187)	(754)	(237)	(277)
Write-off and impairment of property, plant and equipment	521	97	590	263
Write-off and impairment of intangible assets	2,139	414	2,139	415
Foreign exchange loss, net	840	872	719	412

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

5. Income tax expense

The Group calculates the income tax expense using the tax rate that would be applicable to the total annual earnings. The major components of income tax expense for the six months and full year ended 31 December 2021 and 2020 are:

	Group		Group	
	2H 2021	2H 2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Current income tax	2,700	(379)	4,868	(162)
Deferred income tax	(823)	452	(653)	382
Income tax expense recognised in profit or loss	1,877	73	4,215	220

6. Net asset value per share

	Group		Company	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
Net asset value per ordinary share (in cents)	29.3	27.7	17.7	16.0

Net asset value per ordinary share is computed based on the total number of issued shares excluding treasury shares.

7. Property, plant and equipment

During the year ended 31 December 2021, the Group had additions to property, plant and equipment of \$15,738,000 (31 December 2020: \$8,433,000).

Included in the additions to property, plant and equipment are additions to right-of-use assets of \$9,803,000 (31 December 2020: \$1,345,000).

8. Intangible assets

Intangible assets comprise goodwill, developed technology, product development and club memberships.

The Group's goodwill arises from the acquisition of equity interests in PT. Pacific Granitama ("PTPG"). The Group performed the annual impairment test for goodwill at year end and when circumstances indicated that the carrying amount may be impaired. The Group's impairment test for goodwill is based on value-in-use calculations. An impairment loss on goodwill amounting to \$2,125,000 (31 December 2020: \$220,000) is recognised for the full year ended 31 December 2021. Additional impairment loss amounting to \$400,000 (31 December 2020: Nil) have been recognised to write-down the carrying value of the property, plant and equipment allocated to the PTPG cash-generating unit as at 31 December 2021.

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Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

9. Trade and other receivables

	Group		Company	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	122,264	113,273	–	–
Amounts due from subsidiaries	–	–	43,183	34,951
Refundable deposits	2,888	1,690	1	1
Sundry receivables	322	1,862	–	358
	125,474	116,825	43,184	35,310
Non-current				
Refundable deposits	151	145	–	–
Total trade and other receivables	125,625	116,970	43,184	35,310
Add: Cash and cash equivalents	64,149	67,558	39,594	38,560
Total financial assets carried at amortised cost	189,774	184,528	82,778	73,870

Trade and other receivables (current) increased by \$8.7 million during the year to \$125.5 million as at 31 December 2021, mainly due to the increase in revenue.

10. Loans and borrowings

	Group		Company	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	\$'000	\$'000	\$'000	\$'000
Current				
Secured	8,895	10,805	–	–
Unsecured	12,545	34,073	–	19,947
	21,440	44,878	–	19,947
Non-current				
Secured	10,368	12,600	–	–
Unsecured	14,816	29,903	–	–
	25,184	42,503	–	–
Total loans and borrowings (excluding lease liabilities)	46,624	87,381	–	19,947

Certain short and long-term bank loans are secured by mortgages over certain assets of foreign subsidiaries.

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Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

10. Loans and borrowings (continued)

The decrease in loan and borrowings is mainly due to net repayment of bank borrowings amounting to \$40.6 million in 2021.

As at 31 December 2021, the Group's net gearing was at 0.01 times as compared to 0.18 times as at 31 December 2020.

11. Payables and accruals

	Group		Company	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	\$'000	\$'000	\$'000	\$'000
Payables and accruals				
Trade payables	79,236	66,148	—	—
Other payables	5,328	6,625	169	227
Accruals	13,805	5,124	2,455	929
Amount due to subsidiaries	—	—	49,883	32,352
Total payables and accruals	98,369	77,897	52,507	33,508
Less: Sales tax payables	(821)	(1,724)	(84)	(42)
Add: Loans and borrowings (Note 10)	46,624	87,381	—	19,947
Add: Lease liabilities	19,375	16,230	—	—
Total financial liabilities carried at amortised cost	163,547	179,784	52,423	53,413

12. Share capital and treasury shares

	Group and Company			
	31 Dec 21		31 Dec 20	
	No. of shares	\$'000	No. of shares	\$'000
	units		units	
(a) Share capital				
Issued and fully paid				
ordinary shares				
At the beginning and end of year	701,995,825	12,645	701,995,825	12,645

Pan-United Corporation Ltd

Notes to the Condensed Consolidated Financial Statements
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12. Share capital and treasury shares (continued)

	Group and Company			
	2021		2020	
	No. of shares units	\$'000	No. of shares units	\$'000
(b) Treasury shares				
At 1 January	342,000	295	1,110,000	957
Reissued for cash:				
- On exercise of employee share options	(94,500)	(82)	(522,500)	(451)
At 30 June	247,500	213	587,500	506
Reissued for cash:				
- On exercise of employee share options	(203,000)	(138)	(245,500)	(211)
Purchase of treasury shares	2,188,100	705	—	—
At 31 December	2,232,600	780	342,000	295
Total number of issued shares excluding treasury shares				
At 31 December	699,763,225		701,653,825	
			2021	2020
			No. of	No. of
			options	options
			units	units
(c) Share options				
Number of shares that may be issued on exercise of share options outstanding at the end of the year				
At 31 December			14,444,800	14,025,700

The Company acquired 2,188,100 (31 December 2020: Nil) of its ordinary shares by way of on-market purchases and held them as treasury shares during the six months ended 31 December 2021. There were no new shares issued during the six months ended 31 December 2021.

During the year ended 31 December 2021, 297,500 (31 December 2020: 768,000) treasury shares were transferred to employees pursuant to the Pan-United Share Option Scheme.

There were no subsidiary holdings as at the end of 31 December 2021.

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

13. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of assets and liabilities measured at fair value at the end of the reporting period using significant observable inputs other than quoted prices (Level 2):

	31 Dec 21 \$'000	31 Dec 20 \$'000
Group and Company		
Financial asset:		
Derivatives:		
- Forward currency contracts	328	–
	<hr/>	<hr/>
Financial liability:		
Derivatives:		
- Forward currency contracts	–	1,100
- Currency option contracts	9	–
	<hr/>	<hr/>
	9	1,100
	<hr/>	<hr/>

The following table shows an analysis of assets measured at fair value at the end of the reporting period using significant unobservable inputs (Level 3):

	31 Dec 21 \$'000	31 Dec 20 \$'000
Group		
Financial asset:		
Held through fair value through other comprehensive income:		
- Unquoted equity instruments	3	3
	<hr/>	<hr/>

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

14. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- (a) The Concrete and Cement segment supplies mainly cement, granite, aggregates, ready-mix concrete, slag and refined petroleum products to the construction industry, with operations in Singapore, Vietnam, Malaysia and Indonesia.
- (b) The Trading and Shipping segment relates to trading of raw materials, bulk shipping and agency operations.
- (c) Others relate to companies which are of investment holding in nature.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

(a) Geographical information

Revenue information based on the geographical location of customers respectively for the six months and full year ended 31 December 2021 and 31 December 2020 are as follows:

	Group		Group	
	2H 2021	2H 2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Singapore	420,777	263,595	782,270	496,716
Others	30,352	42,143	63,165	79,505
Eliminations	(140,841)	(91,088)	(258,563)	(171,197)
Total	310,288	214,650	586,872	405,024

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Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

14. Segment information (continued)

(b) Business segments

The following tables present revenue and results information regarding the Group's business segments for the six months and full year ended 31 December 2021 and 31 December 2020.

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
2H 2021					
Revenue					
External sales	301,437	8,851	—	—	310,288
Inter-segment sales	—	772	—	(772)	—
Total revenue	301,437	9,623	—	(772)	310,288
Results					
Segment results	25,216	389	(3,590)	—	22,015
Interest income	75	—	1	—	76
Depreciation expenses	(10,994)	(1)	(144)	—	(11,139)
Amortisation of intangible assets	(85)	—	(435)	—	(520)
Interest expense	(950)	—	—	—	(950)
Share of results of associate	—	—	3,939	—	3,939
Profit/(loss) before tax	13,262	388	(229)	—	13,421
Income tax expense	(1,049)	(79)	(749)	—	(1,877)
Profit/(loss) for the period	12,213	309	(978)	—	11,544
Attributable to:					
Equity holders of the Company	12,595	111	(978)	—	11,728
Non-controlling interests	(382)	198	—	—	(184)
	12,213	309	(978)	—	11,544

Pan-United Corporation Ltd

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
2H 2020					
Revenue					
External sales	206,855	7,795	—	—	214,650
Inter-segment sales	—	1,063	—	(1,063)	—
Total revenue	206,855	8,858	—	(1,063)	214,650
Results					
Segment results	17,034	505	(3,361)	—	14,178
Interest income	332	—	—	—	332
Depreciation expenses	(11,385)	(1)	(144)	—	(11,530)
Amortisation of intangible assets	(42)	—	(262)	—	(304)
Interest expense	(1,063)	—	(134)	—	(1,197)
Share of results of associate	—	—	(30)	—	(30)
Profit/(loss) before tax	4,876	504	(3,931)	—	1,449
Income tax expense	187	(52)	(208)	—	(73)
Profit/(loss) for the period	5,063	452	(4,139)	—	1,376
Attributable to:					
Equity holders of the Company	4,641	257	(4,139)	—	759
Non-controlling interests	422	195	—	—	617
	5,063	452	(4,139)	—	1,376

Pan-United Corporation Ltd

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
FY2021					
Revenue					
External sales	573,466	13,406	—	—	586,872
Inter-segment sales	—	772	—	(772)	—
Total revenue	573,466	14,178	—	(772)	586,872
Results					
Segment results	50,091	639	(7,802)	—	42,928
Interest income	138	—	1	—	139
Depreciation expenses	(22,099)	(2)	(295)	—	(22,396)
Amortisation of intangible assets	(130)	—	(812)	—	(942)
Interest expense	(1,911)	—	(21)	—	(1,932)
Share of results of associate	—	—	5,275	—	5,275
Profit/(loss) before tax	26,089	637	(3,654)	—	23,072
Income tax expense	(3,151)	(115)	(949)	—	(4,215)
Profit/(loss) for the year	22,938	522	(4,603)	—	18,857
Attributable to:					
Equity holders of the Company	23,099	190	(4,603)	—	18,686
Non-controlling interests	(161)	332	—	—	171
	22,938	522	(4,603)	—	18,857

Pan-United Corporation Ltd

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
FY2020					
Revenue					
External sales	388,111	16,913	—	—	405,024
Inter-segment sales	—	1,785	—	(1,785)	—
Total revenue	388,111	18,698	—	(1,785)	405,024
Results					
Segment results	32,345	932	(5,320)	—	27,957
Interest income	421	—	30	—	451
Depreciation expenses	(22,991)	(2)	(297)	—	(23,290)
Amortisation of intangible assets	(77)	—	(473)	—	(550)
Interest expense	(2,749)	—	(374)	—	(3,123)
Share of results of associate	—	—	289	—	289
Profit/(loss) before tax	6,949	930	(6,145)	—	1,734
Income tax expense	134	(98)	(256)	—	(220)
Profit/(loss) for the year	7,083	832	(6,401)	—	1,514
Attributable to:					
Equity holders of the Company	6,960	477	(6,401)	—	1,036
Non-controlling interests	123	355	—	—	478
	7,083	832	(6,401)	—	1,514

Pan-United Corporation Ltd

Notes to the Condensed Consolidated Financial Statements
As at and for the Six Months and Full Year ended 31 December 2021

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
31 December 2021					
Balance Sheet					
Segment assets	335,248	2,753	47,708	—	385,709
Investment in associate	—	—	4,335	—	4,335
Intangible assets	1,487	—	5,164	—	6,651
Total assets	336,735	2,753	57,207	—	396,695
Segment liabilities	131,814	551	4,227	—	136,592
Loans and borrowings	46,624	—	—	—	46,624
Total liabilities	178,438	551	4,227	—	183,216
Other segment information					
Additions to non-current assets	16,483	2	2,518	—	19,033
31 December 2020					
Balance Sheet					
Segment assets	342,911	2,706	46,552	—	392,169
Investment in associate	—	—	3,677	—	3,677
Intangible assets	2,900	—	3,567	—	6,467
Total assets	345,811	2,706	53,796	—	402,313
Segment liabilities	108,096	886	2,950	—	111,932
Loans and borrowings	67,434	—	19,947	—	87,381
Total liabilities	175,530	886	22,897	—	199,313
Other segment information					
Additions to non-current assets	8,548	2	1,656	—	10,206

15. Subsequent events

There are no known subsequent events which have led to the adjustments to this set of condensed financial statements.

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed consolidated statement of financial position of the Group as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year ended 31 December 2021 and selected explanatory notes have not been audited or reviewed by our auditors.

2. Review of Year to date performance of the Group

In FY2021, the Group recorded a 45% year-on-year (yoy) increase in revenue to \$586.9 million. Revenue for the Group's Concrete and Cement (C&C) business grew 48% yoy to \$573.5 million with the recovery of construction activities in Singapore.

Accordingly, higher raw materials, subcontract cost and other direct costs were recorded, in line with the higher revenue. Staff cost and Other Expenses have also increased due to manpower challenges from a tighter labour market and the increase in business activities.

Other income fell 22% due to a decrease in government grants from the Singapore government's Covid-19 support scheme.

The Group's EBITDA increased to \$42.9 million in FY2021, as compared to \$27.9 million in FY2020.

The Group has generated strong cash flows for the year, resulting in lower bank borrowings and reduced interest expense by 38% yoy.

Coupled with higher share of results of associate of \$5.3 million in FY2021, the Group recorded a net attributable profit of \$18.7 million, up from \$1.0 million in FY2020.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Building and Construction Authority (BCA) projected that the total construction demand in Singapore will reach between \$27.0 billion and \$32.0 billion in 2022, with demand for ready-mix concrete rising to 12.5 to 14.0 million cubic metres. The public sector is expected to contribute about 60% of the construction demand, with infrastructure and civil engineering works such as the Cross Island MRT Line (Phase 1), Sengkang-Punggol LRT depot expansion as well as the berth and jetty facilities at Tuas Terminal and Jurong Island.

Private sector construction demand in 2022 is anticipated to be comparable with that of 2021, supported by an increase in commercial and institutional construction demand as hotels and attractions undergo refurbishment and older commercial premises are earmarked for redevelopment. Private residential construction demand is expected to moderate amid a more cautious market condition.

Nevertheless, the operating environment of the Singapore construction sector is expected to remain challenging with the ongoing manpower constraints, along with higher raw material costs as well as volatile freight costs and energy prices.

In Malaysia, the outlook of the construction sector will likely remain muted amid rising costs, labour shortages, and weaker demand for construction services, even as GlobalData expects the sector to grow by 6.8% annually between 2022 and 2025. The anticipated large scale infrastructure projects for the construction sector remain yet to be tendered or awarded.

Vietnam's construction sector is expected to grow by 7.9% in 2022, according to an analyst at Fitch Solutions. This is 0.3% lower than the 8.2% growth rate recorded in 2021, due to the low base effect from 2020. The strong recovery in Vietnam construction is likely to be supported by the government's recent five-year plan, amendments to construction and investment laws, several large-scale infrastructure projects and rising investor interest.

Other Information Required by Listing Rule Appendix 7.2

5. If a decision regarding dividend has been made:

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes.

Name of dividend:	Interim, paid	Final, proposed
Dividend type:	Cash	Cash
Dividend rate:	S\$0.005 per ordinary share (One-tier tax exempt)	S\$0.011 per ordinary share (One-tier tax exempt)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes.

Name of dividend:	Final, paid
Dividend type:	Cash
Dividend rate:	S\$0.008 per ordinary share (One-tier tax exempt)

(c) Date payable

The final dividend, if approved at the forthcoming Annual General Meeting, will be paid on 13 May 2022.

(d) Record date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 4 May 2022 at 5.00 p.m. for the preparation of dividend warrants. Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632 by 5.00 p.m. on 4 May 2022 will be registered before entitlements to the dividend are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 4 May 2022 will be entitled to the dividend.

6. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Group	
	2021 \$'000	2020 \$'000
Ordinary - Interim	3,509	—
Ordinary - Final	7,700	5,614
Total	11,209	5,614

7. If the Group has obtained a general mandate from shareholders for interested person transactions ('IPT'), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions.

Other Information Required by Listing Rule Appendix 7.2

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the SGX Listing Manual.

CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

9. Disclosure of persons occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any director, and/ or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Patrick Ng Bee Soon	58	Brother of: Ng Han Whatt (substantial shareholder); Jane Kimberly Ng Bee Kiok (Non-Executive Director and substantial shareholder); and Ng Bee Bee (Chief Executive Officer and substantial shareholder).	Deputy Chairman (Appointed on 1 March 2011)	N.A.
Ng Bee Bee	54	Sister of: Ng Han Whatt (substantial shareholder); Jane Kimberly Ng Bee Kiok (Non-Executive Director and substantial shareholder); and Patrick Ng Bee Soon (Deputy Chairman).	Chief Executive Officer (Appointed on 1 March 2011) Duties: Overall management of the Group.	N.A.
Jane Kimberly Ng Bee Kiok	60	Sister of: Ng Han Whatt (substantial shareholder); Patrick Ng Bee Soon (Deputy Chairman); and Ng Bee Bee (Chief Executive Officer and substantial shareholder).	Non-Executive Director (Re-appointed on 22 March 2021)	N.A.

BY ORDER OF THE BOARD

Kevin Cho
Company Secretary
22 February 2022