



Pan-United Corporation Ltd
(Company Registration No. 199106524G)

Condensed Interim Financial Statements
For the Six Months ended 30 June 2021

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Pan-United Corporation Ltd

**Interim Consolidated Income Statement
For the Six Months ended 30 June 2021**

		Group		
	Note	1H 2021	1H 2020	Change
		\$'000	\$'000	%
Revenue		276,584	190,374	45
Other income	4a	3,313	5,344	(38)
Raw materials, subcontract cost and other direct costs		(218,134)	(154,372)	41
Staff costs		(22,563)	(13,920)	62
Depreciation and amortisation expenses		(11,679)	(12,006)	(3)
Other expenses	4b	(18,035)	(13,341)	35
Finance costs		(1,171)	(2,113)	(45)
Share of results of associate		1,336	319	319
Profit before income tax	4	9,651	285	nm
Income tax expense	5	(2,338)	(147)	nm
Profit for the period, net of tax		<u>7,313</u>	<u>138</u>	nm
Attributable to:				
Equity holders of the Company		6,958	277	nm
Non-controlling interests		355	(139)	nm
		<u>7,313</u>	<u>138</u>	nm
Earning per share for the period (cents per share)				
Basic	a	0.99	0.04	
Diluted	b	<u>0.99</u>	<u>0.04</u>	

Notes

- The calculation for the basic earnings per share is based on 701,748,325 (30 June 2020: 701,408,325) weighted average number of shares in issue during the period.
- The calculation for diluted earnings per share is based on 701,849,357 (30 June 2020: 701,534,634) weighted average number of shares in issue plus dilutive potential shares from share options during the period.

nm: Not meaningful

Pan-United Corporation Ltd

**Interim Consolidated Statement of Comprehensive Income
For the Six Months ended 30 June 2021**

	Group		
	1H 2021	1H 2020	Change
	\$'000	\$'000	%
Profit for the period, net of tax	<u>7,313</u>	<u>138</u>	nm
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Foreign currency translation	(643)	333	(293)
Fair value changes of derivatives	<u>1,556</u>	<u>1,392</u>	12
Other comprehensive income for the period, net of tax	<u>913</u>	<u>1,725</u>	(47)
Total comprehensive income for the period	<u><u>8,226</u></u>	<u><u>1,863</u></u>	342
Attributable to:			
Equity holders of the Company	7,801	1,796	334
Non-controlling interests	<u>425</u>	<u>67</u>	534
Total comprehensive income for the period	<u><u>8,226</u></u>	<u><u>1,863</u></u>	342

nm: Not meaningful

Pan-United Corporation Ltd

Interim Balance Sheets As at 30 June 2021

	Note	Group		Company	
		30 Jun 21	31 Dec 20	30 Jun 21	31 Dec 20
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	7	173,337	174,291	144	57
Intangible assets	8	6,078	6,467	370	370
Subsidiaries		-	-	92,552	92,552
Associate		4,143	3,677	-	-
Other investments	13	3	3	-	-
Other receivables	9	148	145	-	-
Deferred tax assets		932	976	-	-
		184,641	185,559	93,066	92,979
Current assets					
Inventories		19,033	23,908	-	-
Prepayments		1,514	1,596	46	91
Trade and other receivables	9	123,127	116,825	25,516	35,310
Other assets		2,201	6,867	-	-
Derivatives	13	456	-	456	-
Cash and cash equivalents		58,344	67,558	41,177	38,560
		204,675	216,754	67,195	73,961
Current liabilities					
Loans and borrowings	10	28,182	44,878	-	19,947
Lease liabilities		6,207	4,808	14	-
Payables and accruals	11	79,686	77,897	52,419	33,508
Deferred income		728	1,562	-	88
Provisions		988	1,090	-	-
Income tax payable		2,474	574	22	48
Derivatives	13	-	1,100	-	1,100
		118,265	131,909	52,455	54,691
Net current assets		86,410	84,845	14,740	19,270
Non-current liabilities					
Loans and borrowings	10	36,316	42,503	-	-
Lease liabilities		15,925	11,422	55	-
Deferred tax liabilities		7,320	7,345	-	-
Employee benefits liability		1,708	1,732	-	-
Provisions		4,417	4,402	-	-
		65,686	67,404	55	-
Net assets		205,365	203,000	107,751	112,249
Equity attributable to equity holders of the Company					
Share capital	12a	12,645	12,645	12,645	12,645
Treasury shares	12b	(213)	(295)	(213)	(295)
Reserves		184,526	182,339	95,319	99,899
		196,958	194,689	107,751	112,249
Non-controlling interests		8,407	8,311	-	-
Total equity		205,365	203,000	107,751	112,249

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Interim Statements of Changes in Equity
For the Six Months ended 30 June 2021

	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Share capital (Note 12a) \$'000	Treasury shares (Note 12b) \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Other reserves \$'000	Total reserves \$'000	\$'000	\$'000
Group								
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 period	—	—	(713)	6,958	1,556	7,801	425	8,226
Share-based payment (share options)	—	—	—	—	56	56	—	56
Reissuance of treasury shares	—	82	—	—	(56)	(56)	—	26
Dividends on ordinary shares	—	—	—	(5,614)	—	(5,614)	—	(5,614)
Dividends paid to non-controlling interests	—	—	—	—	—	—	(329)	(329)
Balance at 30 June 2021	12,645	(213)	(2,138)	148,538	38,126	184,526	8,407	205,365
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 period	—	—	127	277	1,392	1,796	67	1,863
Share-based payment (share options)	—	—	—	—	78	78	—	78
Reissuance of treasury shares	—	451	—	—	(290)	(290)	—	161
Balance at 30 June 2020	12,645	(506)	(1,116)	154,209	39,119	192,212	8,328	212,679

Pan-United Corporation Ltd

**Interim Statements of Changes in Equity
For the Six Months ended 30 June 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	–	–	(522)	1,556	1,034	1,034
Share-based payment (share options)	–	–	–	56	56	56
Reissuance of treasury shares	–	82	–	(56)	(56)	26
Dividends on ordinary shares	–	–	(5,614)	–	(5,614)	(5,614)
Balance at 30 June 2021	12,645	(213)	57,193	38,126	95,319	107,751
2020						
Balance at 1 January 2020	12,645	(957)	65,955	37,939	103,894	115,582
Total comprehensive income for the year	–	–	1,017	1,392	2,409	2,409
Share-based payment (share options)	–	–	–	78	78	78
Reissuance of treasury shares	–	451	–	(290)	(290)	161
Balance at 30 June 2020	12,645	(506)	66,972	39,119	106,091	118,230

Pan-United Corporation Ltd

**Interim Consolidated Cash Flow Statement
For the Six Months ended 30 June 2021**

	Group	
	1H 2021	1H 2020
	\$'000	\$'000
Cash flows from operating activities		
Profit before tax	9,651	285
Adjustments for:		
Depreciation expenses	11,257	11,761
Amortisation of intangible assets	422	245
Amortisation of upfront fees	24	65
Interest income	(63)	(119)
Interest expense	982	1,926
(Gain)/loss on disposal of property, plant and equipment, net	(63)	2
(Reversal of impairment)/impairment loss on trade receivables	(50)	477
Provision/(reversal of provisions)	110	(102)
Write-off of property, plant and equipment	69	166
Write-off of intangible assets	-	1
Share-based payment expenses	56	78
Share of results of associate	(1,336)	(319)
Foreign exchange differences	(226)	449
Operating cash flows before changes in working capital	20,833	14,915
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(6,255)	107,094
Decrease/(increase) in prepayments	82	(369)
Decrease/(increase) in inventories	4,875	(13,260)
Decrease/(increase) in other assets	4,666	(2,136)
Increase/(decrease) in payables, accruals, provisions and employee benefits liability	1,549	(38,226)
(Decrease)/increase in deferred income	(834)	888
Cash flows from operations	24,916	68,906
Interest paid	(964)	(1,926)
Income tax paid	(419)	(4,880)
Interest received	63	119
Net cash flows from operating activities	23,596	62,219

Pan-United Corporation Ltd**Interim Consolidated Cash Flow Statement
For the Six Months ended 30 June 2021 (continued)**

	Group	
	1H 2021	1H 2020
	\$'000	\$'000
Cash flows from investing activities		
Additions to property, plant and equipment	(1,926)	(2,427)
Additions to intangible assets	(33)	(61)
Proceeds from disposal of property, plant and equipment	86	50
Dividend income from associate	870	–
Net cash flows used in investing activities	(1,003)	(2,438)
Cash flows from financing activities		
Proceeds from bank borrowings	48,066	32,384
Repayment of bank borrowings	(70,650)	(46,059)
Payment of principal portion of lease liabilities	(3,549)	(3,599)
Proceeds from reissuance of treasury shares	26	161
Dividends paid to shareholders	(5,614)	–
Dividends paid to non-controlling interests	(329)	–
Net cash flows used in financing activities	(32,050)	(17,113)
Net (decrease)/increase in cash and cash equivalents	(9,457)	42,668
Cash and cash equivalents as at beginning of period	67,558	49,646
Effects of exchange rate changes on opening cash and cash equivalents	243	582
Cash and cash equivalents as at end of period	58,344	92,896

Cash and cash equivalents decreased by \$9.2 million, from \$67.5 million as at 31 December 2020 to \$58.3 million as at 30 June 2021. This was primarily driven by the net repayment of borrowings of \$22.6 million, repayment of lease liabilities as well as dividends paid to shareholders and non-controlling interests, and partially offset by the net cash flows generated from operating activities of \$23.6 million.

Pan-United Corporation Ltd

Notes to the Condensed Interim Financial Statements For the Six Months ended 30 June 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 interim financial statements as at and for the six months ended 30 June 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 coal trading, bulk shipping and agency operations (Note 14).

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2020. 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 annual financial statements for the year ended 31 December 2020.

The condensed interim 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 period, 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 interim 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 Interim Financial Statements
For the Six Months ended 30 June 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.

Management is of the opinion that there is no instance of application of judgement which is expected to have a significant impact on the amounts recognised in the Group's condensed interim financial statements for the six months ended 30 June 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 tax

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

	Group	
	1H 2021	1H 2020
	\$'000	\$'000
(a) Other income		
Gain on disposal of property, plant and equipment	63	—
Interest income	63	119
Foreign exchange gain, net	121	460
(b) Other expenses		
(Reversal of impairment)/impairment loss on trade receivables	(50)	477
Write-off of property, plant and equipment	69	166
Loss on disposal of property, plant and equipment	—	2
Interest expense	982	1,926

**Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 2021**

5. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense for the six months ended 30 June 2021 and 2020 are:

	Group	
	1H 2021	1H 2020
	\$'000	\$'000
Current income tax	2,168	217
Deferred income tax	170	(70)
Income tax expense recognised in profit or loss	<u>2,338</u>	<u>147</u>

6. Net asset value per share

	Group		Company	
	30 Jun 21	31 Dec 20	30 Jun 21	31 Dec 20
Net asset value per ordinary share (in cents)	28.1	27.7	15.4	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 six months ended 30 June 2021, the Group had additions to property, plant and equipment of \$11,375,000 (30 June 2020: \$3,691,000).

Included in the additions to property, plant and equipment is additions to right-of-use assets of \$9,424,000 (30 June 2020: \$1,051,000).

8. Intangible assets

As at 30 June 2021, intangible assets include goodwill of \$2,125,000 (31 December 2020: \$2,125,000).

The Group performed its annual impairment test in December 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. The key assumptions used in the value-in-use calculations were disclosed in the annual consolidated financial statements for the year ended 31 December 2020. There were no indicators of impairment as at 30 June 2021.

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**Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 2021**

9. Trade and other receivables

	Group		Company	
	30 Jun 21	31 Dec 20	30 Jun 21	31 Dec 20
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	117,129	113,273	–	–
Amounts due from subsidiaries	–	–	25,216	35,005
Refundable deposits	2,601	1,690	1	1
Sundry receivables	3,397	1,862	299	304
	123,127	116,825	25,516	35,310
Non-current				
Refundable deposits	148	145	–	–
Total trade and other receivables	123,275	116,970	25,516	35,310
Add: Cash and cash equivalents	58,344	67,558	41,177	38,560
Total financial assets carried at amortised cost	181,619	184,528	66,693	73,870

Trade and other receivables (current) increased by \$6.3 million to \$123.1 million as at 30 June 2021, mainly due to the increase in revenue.

10. Loans and borrowings

	Group		Company	
	30 Jun 21	31 Dec 20	30 Jun 21	31 Dec 20
	\$'000	\$'000	\$'000	\$'000
Current				
Secured	9,590	10,805	–	–
Unsecured	18,592	34,073	–	19,947
	28,182	44,878	–	19,947
Non-current				
Secured	11,389	12,600	–	–
Unsecured	24,927	29,903	–	–
	36,316	42,503	–	–
Total loans and borrowings (excluding lease liabilities)	64,498	87,381	–	19,947

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

Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 2021

10. Loans and borrowings (continued)

The decrease in loan and borrowings is mainly due to a net repayment of \$22.6 million in borrowings for 1H2021.

As at 30 June 2021, the Group's net gearing was at 0.14 times as compared to 0.18 times as at 31 December 2020.

11. Payables and accruals

	Group		Company	
	30 Jun 21	31 Dec 20	30 Jun 21	31 Dec 20
	\$'000	\$'000	\$'000	\$'000
Payables and accruals				
Trade payables	67,446	66,148	–	–
Other payables	4,186	6,625	184	227
Accruals	8,054	5,124	1,123	929
Amount due to subsidiaries	–	–	51,112	32,352
Total payables and accruals	79,686	77,897	52,419	33,508
Less: Sales tax payables	(1,273)	(1,724)	(73)	(42)
Add: Loans and borrowings (Note 10)	64,498	87,381	–	19,947
Add: Lease liabilities	22,132	16,230	69	–
Total financial liabilities carried at amortised cost	165,043	179,784	52,415	53,413

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**Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 2021**

12. Share capital and treasury shares

	Group and Company			
	30 Jun 21		31 Dec 20	
	No. of shares units	\$'000	No. of shares units	\$'000
(a) Share capital				
Issued and fully paid ordinary shares				
At the beginning and end of period	701,995,825	12,645	701,995,825	12,645
	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
Total number of issued shares excluding treasury shares				
At 30 June	701,748,325		701,408,325	

The total number of issued shares excluding treasury shares as at 31 December 2020 was 701,653,825.

	2021 No. of options units	2020 No. of options units
(c) Share options		
Number of shares that may be issued on exercise of share options outstanding at the end of the period		
At 30 June	13,222,000	13,905,900

There were no share buyback and no new shares issued during the six months ended 30 June 2021.

During the six months ended 30 June 2021, 94,500 (30 June 2020: 522,500) treasury shares were transferred to employees pursuant to the Pan-United Share Option Scheme.

There were no subsidiary holdings as at the end of 30 June 2021.

Notes to the Condensed Interim Financial Statements
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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):

	30 Jun 21 \$'000	31 Dec 20 \$'000
Group and Company		
Financial asset:		
Derivatives:		
- Forward currency contracts	456	–
Financial liability:		
Derivatives:		
- Forward currency contracts	–	1,100

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):

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

**Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 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 coal trading, 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 period ended 30 June 2021 and 30 June 2020 are as follows:

	Group	
	1H 2021	1H 2020
	\$'000	\$'000
Singapore	361,493	233,121
China	—	4,181
Others	32,813	33,181
Eliminations	(117,722)	(80,109)
Total	276,584	190,374

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**Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 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 period ended 30 June 2021 and 30 June 2020.

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
30 June 2021					
Revenue					
External sales	272,029	4,555	—	—	276,584
Inter-segment sales	—	—	—	—	—
Total revenue	272,029	4,555	—	—	276,584
Results					
Segment results	24,875	250	(4,212)	—	20,913
Interest income	63	—	—	—	63
Depreciation expenses	(11,105)	(1)	(151)	—	(11,257)
Amortisation of intangible assets	(45)	—	(377)	—	(422)
Interest expense	(961)	—	(21)	—	(982)
Share of results of associate	—	—	1,336	—	1,336
Profit/(loss) before tax	12,827	249	(3,425)	—	9,651
Income tax expense	(2,102)	(36)	(200)	—	(2,338)
Profit/(loss) for the period	10,725	213	(3,625)	—	7,313
Attributable to:					
Equity holders of the Company	10,504	79	(3,625)	—	6,958
Non-controlling interests	221	134	—	—	355
	10,725	213	(3,625)	—	7,313

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**Notes to the Condensed Interim Financial Statements
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14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
30 June 2020					
Revenue					
External sales	181,256	9,118	—	—	190,374
Inter-segment sales	—	722	—	(722)	—
Total revenue	181,256	9,840	—	(722)	190,374
Results					
Segment results	15,311	427	(1,959)	—	13,779
Interest income	89	—	30	—	119
Depreciation expenses	(11,607)	(1)	(153)	—	(11,761)
Amortisation of intangible assets	(34)	—	(211)	—	(245)
Interest expense	(1,686)	—	(240)	—	(1,926)
Share of results of associate	—	—	319	—	319
Profit/(loss) before tax	2,073	426	(2,214)	—	285
Income tax expense	(53)	(46)	(48)	—	(147)
Profit/(loss) for the period	2,020	380	(2,262)	—	138
Attributable to:					
Equity holders of the Company	2,319	220	(2,262)	—	277
Non-controlling interests	(299)	160	—	—	(139)
	2,020	380	(2,262)	—	138

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**Notes to the Condensed Interim Financial Statements
For the Six Months ended 30 June 2021**

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
30 June 2021					
Balance Sheet					
Segment assets	327,308	2,301	49,486	—	379,095
Investment in associate	—	—	4,143	—	4,143
Intangible assets	2,855	—	3,223	—	6,078
Total assets	330,163	2,301	56,852	—	389,316
Segment liabilities	116,553	763	2,137	—	119,453
Loans and borrowings	64,498	—	—	—	64,498
Total liabilities	181,051	763	2,137	—	183,951
Other segment information					
Additions to non-current assets	11,227	—	181	—	11,408
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 interim financial statements.

Other Information Required by Listing Rule Appendix 7.2

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

The condensed interim consolidated statement of financial position of the Group as at 30 June 2021 and the related interim consolidated profit or loss and other comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six months period ended 30 June 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 1H2021, the Group recorded a revenue of \$276.6 million, a 45% year-on-year (yoy) increase. With the resumption in construction activities in Singapore, our Concrete and Cement (C&C) business saw a 50% yoy increase in revenue to \$272.0 million, as compared to 1H2020 where construction activities were suspended during the Circuit Breaker period. The trading business recorded lower revenue compared to 1H2020 due to lower trading volumes.

The raw materials, subcontract costs and other direct costs had also increased in tandem with the higher revenue recorded. With the increase in business activities, staff cost including variable compensation expenses and other expenses, such as maintenance and rental, had also normalised to pre-Covid levels.

Other income had decreased by 38% yoy due to lower government grants.

The Group's EBITDA increased to \$20.9 million in 1H2021, from \$13.8 million in 1H2020.

Interest expense had reduced by 49% yoy due mainly to repayment of bank borrowings.

Consequently, the Group recorded a net attributable profit of \$7.0 million in 1H2021, up from \$0.3 million in 1H2020.

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) projects Singapore's total construction demand in 2021 to range between \$23.0 billion and \$28.0 billion. The construction activity in 2021 continue to be healthy and driven mainly by the public sector. The surge in Delta variant cases and a tightening of border control measures have restricted workers from South Asian nations from entering Singapore, which exacerbates the manpower shortage issue in Singapore. In addition, supply of raw materials may be further disrupted if lockdowns in the neighbouring countries are extended.

In Malaysia, the government implemented a nationwide Movement Control Order since May 2021 amid an increase in Covid-19 cases in the country. As shared by the Finance minister during an interview with Bloomberg, Malaysia will lower its economic growth outlook for 2021 to around 4.0% (currently at 6.0% to 7.5%) due to movement restrictions against Covid-19.

In Vietnam, the government has tightened restrictions in most part of the country amid a recent surge in Covid-19 cases, including in Ho Chi Minh City, which resulted in the suspension of all non-urgent construction activities. While Vietnam's gross domestic product is expected to grow about 6.7% in 2021, this would be highly dependent on the pace of the vaccine rollout.

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

Dividend type: Cash

Dividend rate: S\$0.005 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? No.

(c) Date payable

The interim dividend will be paid on 9 September 2021.

(d) Record date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 1 September 2021 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 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 by 5.00 p.m. on 1 September 2021 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 1 September 2021 will be entitled to the dividend.

Other Information Required by Listing Rule Appendix 7.2

6. **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.

7. **Negative confirmation pursuant to Rule 705(5).**

CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim condensed financial statements for the period ended 30 June 2021 to be false or misleading in any material aspect.

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.

BY ORDER OF THE BOARD

Kevin Cho
Company Secretary
3 August 2021