

PAN-UNITED CORPORATION LTD

(Company Reg No: 199106524G)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT						
	4Q 2019	4Q 2018	+/(-) %	YTD 2019	YTD 2018	+/(-) %
	\$'000	\$'000		\$'000	\$'000	
Revenue	168,996	211,125	(20)	768,258	863,530	(11)
Other income	949	840	13	3,460	2,900	19
Raw materials, subcontract cost and other direct costs	(134,669)	(181,775)	(26)	(635,371)	(755,176)	(16)
Staff costs	(9,853)	(8,681)	14	(42,149)	(37,292)	13
Depreciation and amortisation expenses	(5,980)	(4,375)	37	(23,995)	(17,571)	37
Other expenses	(11,400)	(12,131)	(6)	(39,832)	(44,918)	(11)
Finance costs	(1,276)	(1,276)	-	(5,266)	(4,423)	19
	6,767	3,727	82	25,105	7,050	256
Share of results of associate	173	(470)	137	1,074	1,893	(43)
Profit before income tax from continuing operations	6,940	3,257	113	26,179	8,943	193
Income tax expense	(1,268)	(1,044)	21	(5,250)	(2,399)	119
Profit from continuing operations, net of tax	5,672	2,213	156	20,929	6,544	220
Discontinued operations						
Profit from discontinued operations, net of tax	-	-	nm	-	1,007	nm
Profit for the period, net of tax	5,672	2,213	156	20,929	7,551	177
Attributable to:						
Equity holders of the Company						
Profit from continuing operations, net of tax	5,421	2,033	167	20,511	6,072	238
Profit from discontinued operations, net of tax	-	-	nm	-	878	nm
	5,421	2,033	167	20,511	6,950	195
Non-controlling interests						
Profit from continuing operations, net of tax	251	180	39	418	472	(11)
Profit from discontinued operations, net of tax	-	-	nm	-	129	nm
	251	180	39	418	601	(30)
	5,672	2,213	156	20,929	7,551	177

nm: Not meaningful

The discontinued operations comprised the results from the Ports business, under Xinghua Port Holdings Ltd (Xinghua), which was de-merged on 7 February 2018, as a separate entity. The de-merger was effected through a capital reduction of the Company and a distribution in specie of all the shares in Xinghua, held by the Company, to its shareholders.

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

A. Profit before income tax is arrived at after crediting/(charging) the following:	4Q 2019	4Q 2018	+/(-)	YTD 2019	YTD 2018	+/(-)
	\$'000	\$'000	%	\$'000	\$'000	%
Interest income	86	111	(23)	380	351	8
Interest expense	(1,171)	(976)	20	(4,915)	(3,947)	25
Bad debts written-off	(16)	-	nm	(18)	-	nm
Impairment loss on trade receivables	(310)	(480)	(35)	(1,461)	(2,863)	(49)
Foreign exchange (loss)/gain	(326)	(98)	233	(524)	315	(266)
(Loss)/gain on disposal of property, plant and equipment	(172)	(10)	1,620	(164)	25	(756)
Write-off of property, plant and equipment	(731)	-	nm	(840)	(327)	157

B. The increase in interest expense was mainly due to the recognition of lease liabilities following the adoption of SFRS(l) 16 as disclosed in paragraph 5 of \$464,000 and higher interest expense from bank loans.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
	4Q 2019	4Q 2018	+/(-)	YTD 2019	YTD 2018	+/(-)
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period, net of tax	5,672	2,213	156	20,929	7,551	177
Other comprehensive income:						
Foreign currency translation	(380)	657	(158)	363	1,563	(77)
Fair value changes of derivatives	(1,708)	(287)	495	(785)	1,933	(141)
Fair value changes of other investments	(306)	-	nm	(306)	-	nm
Other comprehensive income for the period/year, net of tax	(2,394)	370	(747)	(728)	3,496	(121)
Total comprehensive income for the period/year	3,278	2,583	27	20,201	11,047	83
Attributable to:						
Equity holders of the Company	3,097	2,326	33	19,763	10,101	96
Non-controlling interests	181	257	(30)	438	946	(54)
period/year	3,278	2,583	27	20,201	11,047	83
Attributable to equity holders of the Company:						
Total comprehensive income from continuing operations, net of tax	3,097	2,326	33	19,763	7,116	178
Total comprehensive income from discontinued operations, net of tax	-	-	nm	-	2,985	nm
Total comprehensive income for the period/year attributable to equity holders of the Company	3,097	2,326	33	19,763	10,101	96

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS	Group		Company	
	31-Dec-19 \$'000	31-Dec-18 \$'000	31-Dec-19 \$'000	31-Dec-18 \$'000
Non-current assets				
Property, plant and equipment	189,603	180,052	201	248
Intangible assets	5,659	4,888	370	370
Subsidiaries	-	-	92,552	92,552
Associate	3,388	3,078	-	-
Other investments	155	407	152	404
Trade and other receivables	168	665	-	-
Deferred tax assets	871	679	-	-
	<u>199,844</u>	<u>189,769</u>	<u>93,275</u>	<u>93,574</u>
Current assets				
Inventories	22,364	22,293	-	-
Prepayments	1,958	1,825	80	305
Trade and other receivables	159,686	149,389	28,466	22,487
Derivatives	-	423	-	423
Other assets	8,605	10,259	-	-
Cash and short-term deposits	49,646	47,894	28,388	27,681
	<u>242,259</u>	<u>232,083</u>	<u>56,934</u>	<u>50,896</u>
Current liabilities				
Loans and borrowings	57,829	62,274	-	-
Lease liabilities	6,621	-	-	-
Payables and accruals	83,710	76,442	14,284	17,760
Deferred income	324	5,244	-	-
Provisions	1,441	1,163	-	-
Income tax payable	6,095	2,021	114	32
Derivatives	362	-	362	-
	<u>156,382</u>	<u>147,144</u>	<u>14,760</u>	<u>17,792</u>
Net current assets	<u>85,877</u>	<u>84,939</u>	<u>42,174</u>	<u>33,104</u>
Non-current liabilities				
Loans and borrowings	49,064	64,192	19,867	19,787
Lease liabilities	15,624	-	-	-
Deferred tax liabilities	6,858	7,704	-	-
Other liabilities	-	539	-	-
Provisions	3,598	3,949	-	-
	<u>75,144</u>	<u>76,384</u>	<u>19,867</u>	<u>19,787</u>
Net assets	<u>210,577</u>	<u>198,324</u>	<u>115,582</u>	<u>106,891</u>
Equity attributable to equity holders of the Company				
Share capital	12,645	12,645	12,645	12,645
Treasury shares	(957)	(957)	(957)	(957)
Reserves	190,628	179,852	103,894	95,203
	<u>202,316</u>	<u>191,540</u>	<u>115,582</u>	<u>106,891</u>
Non-controlling interests	8,261	6,784	-	-
Total equity	<u>210,577</u>	<u>198,324</u>	<u>115,582</u>	<u>106,891</u>

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (continued)

Explanatory Notes to Balance Sheets

Property, plant and equipment increased mainly due to the recognition of right-of-use assets arising from the adoption of SFRS(I) 16 Leases.

Lease liabilities recognised as at 31 December 2019 was due to the recognition of lease liabilities arising from the adoption of SFRS(I) 16 Leases.

As at 31 December 2019, the Group's net gearing (including lease liabilities) was 0.38 times. Assuming SFRS(I) 16 Leases was not adopted, the net gearing would be reduced to 0.27 times as compared to 0.40 times as at 31 December 2018.

1(b)(ii) In relation to the aggregate amount of group's borrowings and debts securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	As of 31-Dec-2019		As of 31-Dec-2018	
	<u>Secured</u> \$'000	<u>Unsecured</u> \$'000	<u>Secured</u> \$'000	<u>Unsecured</u> \$'000
Amount repayable in one year or less, or on demand	24,611	39,839	21,086	41,188
Amount repayable after one year	29,969	34,719	14,603	49,589

Details of any collateral

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

Included in secured borrowings are lease liabilities which are secured over right-of-use assets included under property, plant and equipment.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED CASH FLOW STATEMENTS	4Q 2019 \$'000	4Q 2018 \$'000	YTD 2019 \$'000	YTD 2018 \$'000
Cash flows from operating activities				
Profit before income tax from continuing operations	6,940	3,257	26,179	8,943
Profit from discontinued operations	-	-	-	1,485
Adjustments for				
Depreciation expenses	5,829	4,310	23,615	18,182
Amortisation of intangible assets	151	65	380	234
Amortisation of upfront fees	32	(211)	130	(211)
Interest income	(86)	(111)	(380)	(351)
Interest expense	1,171	976	4,915	3,947
Net loss/(gain) on disposal of property, plant and equipment	172	10	164	(25)
Bad debts written off	16	-	18	-
Impairment loss on trade receivables	310	480	1,461	2,863
Write-down of inventories	-	-	-	62
Net gain on disposal of intangible assets	-	-	-	(29)
Reversal of provisions	(18)	(17)	(50)	(215)
Write-off of property, plant and equipment	731	-	840	327
Write-off of intangible assets	-	-	22	-
Fair value changes of derivatives	-	-	-	(117)
Share-based payment expenses	(19)	(82)	71	51
Share of results of associate	(173)	470	(1,074)	(2,078)
Foreign exchange differences	55	415	211	(1,001)
Operating cash flows before working capital changes	15,111	9,562	56,502	32,067
Decrease/(Increase) in				
Trade and other receivables	763	(5,143)	(11,279)	(13,621)
Prepayments	556	1,355	(133)	889
Inventories and work-in-progress	(4,127)	(1,284)	(71)	11,999
Other assets	1,627	(843)	1,654	(5,628)
Increase/(Decrease) in				
Payables, accruals and provisions	(3,279)	(164)	7,616	(17,275)
Deferred income	324	5,244	(4,920)	(120)
Cash flows from operations	10,975	8,727	49,369	8,311
Interest paid	(1,171)	(976)	(4,915)	(3,947)
Income tax paid	(61)	(355)	(2,214)	(2,723)
Interest received	86	111	380	351
Net cash flows from operating activities	9,829	7,507	42,620	1,992
Cash flows from investing activities				
Additions to property, plant and equipment	(1,487)	(1,257)	(4,779)	(11,424)
Additions to intangible assets	(1,173)	(323)	(1,173)	(811)
Proceeds from disposal of property, plant and equipment	60	30	71	67
Net cash outflow on de-merger of subsidiaries	-	-	-	(3,820)
Proceeds from disposal of intangible assets	-	-	-	42
Dividend income from associate	271	552	764	2,543
Net cash flows used in investing activities	(2,329)	(998)	(5,117)	(13,403)
Cash flows from financing activities				
Proceeds from bank borrowings	12,251	63,394	76,984	108,161
Repayment of bank borrowings	(25,169)	(59,323)	(96,419)	(106,400)
Payment of lease liabilities	(1,610)	-	(6,492)	-
Proceeds from dilution of investment in a subsidiary	-	3	-	3
Dividends paid to shareholders	-	-	(9,112)	(5,607)
Dividend paid to non-controlling interests	-	-	(497)	(667)
Net cash flows (used in)/from financing activities	(14,528)	4,074	(35,536)	(4,510)
Net (decrease)/increase in cash and cash equivalents	(7,028)	10,583	1,967	(15,921)
Cash and cash equivalents as at beginning of period/year	57,193	37,342	47,894	63,133
Effects of exchange rate changes on opening cash and cash equivalents	(519)	(31)	(215)	682
Cash and cash equivalents as at end of period/year	49,646	47,894	49,646	47,894

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY	Attributable to equity holders of the Company						Non-controlling interests	Total Equity	
	Share capital	Treasury shares	Foreign currency translation reserve	Retained earnings	Other reserves	Reserves of disposal group classified as held for sale			
						Total reserves			
GROUP	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 1 January 2019	12,645	(957)	(1,586)	142,479	38,959	-	179,852	6,784	198,324
Total comprehensive income for the period	-	-	653	15,090	923	-	16,666	257	16,923
Cost of share-based payment (share options)	-	-	-	-	90	-	90	-	90
Dividends on ordinary shares	-	-	-	(9,112)	-	-	(9,112)	-	(9,112)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(497)	(497)
Balance at 30 September 2019	12,645	(957)	(933)	148,457	39,972	-	187,496	6,544	205,728
Total comprehensive income for the period	-	-	(310)	5,421	(1,960)	-	3,151	181	3,332
Reclassification to fair value reserve	-	-	-	54	(54)	-	-	-	-
Cost of share-based payment (share options)	-	-	-	-	(19)	-	(19)	-	(19)
Issuance of redeemable preference shares	-	-	-	-	-	-	-	1,536	1,536
Balance at 31 December 2019	12,645	(957)	(1,243)	153,932	37,939	-	190,628	8,261	210,577
Balance at 1 January 2018, as previously reported	151,799	(957)	(6,925)	148,242	(179)	36,914	178,052	39,015	367,909
Effect on adoption of SFRS(I)	-	-	6,228	(6,228)	-	-	-	-	-
Total comprehensive income for the period	-	-	(1,469)	4,039	2,220	2,985	7,775	689	8,464
Cost of share-based payment (share options)	-	-	-	-	133	-	133	-	133
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(667)	(667)
Dividends on ordinary shares	-	-	-	(5,607)	-	-	(5,607)	-	(5,607)
Distribution in specie	-	-	-	-	37,154	(39,899)	(2,745)	(32,513)	(35,258)
Capital reduction	(139,154)	-	-	-	-	-	-	-	(139,154)
Balance at 30 September 2018	12,645	(957)	(2,166)	140,446	39,328	-	177,608	6,524	195,820
Total comprehensive income for the period	-	-	580	2,033	(287)	-	2,326	257	2,583
Cost of share-based payment (share options)	-	-	-	-	(82)	-	(82)	-	(82)
Proceeds from dilution of investment in a subsidiary	-	-	-	-	-	-	-	3	3
Balance at 31 December 2018	12,645	(957)	(1,586)	142,479	38,959	-	179,852	6,784	198,324

- (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

COMPANY	Share capital	Treasury shares	Retained earnings	Other reserves	Total reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2019	12,645	(957)	56,244	38,959	95,203	106,891
Total comprehensive income for the period	-	-	(646)	923	277	277
Cost of share-based payment (share options)	-	-	-	90	90	90
Dividends on ordinary shares	-	-	(9,112)	-	(9,112)	(9,112)
Balance at 30 September 2019	12,645	(957)	46,486	39,972	86,458	98,146
Total comprehensive income for the period	-	-	19,415	(1,960)	17,455	17,455
Reclassification to fair value reserve	-	-	54	(54)	-	-
Cost of share-based payment (share options)	-	-	-	(19)	(19)	(19)
Balance at 31 December 2019	12,645	(957)	65,955	37,939	103,894	115,582
Balance at 1 January 2018	151,799	(957)	53,320	(179)	53,141	203,983
Total comprehensive income for the period	-	-	423	2,220	2,643	2,643
Cost of share-based payment (share options)	-	-	-	133	133	133
Dividends on ordinary shares	-	-	(5,607)	-	(5,607)	(5,607)
Distribution in specie	-	-	-	37,154	37,154	37,154
Capital reduction	(139,154)	-	-	-	-	(139,154)
Balance at 30 September 2018	12,645	(957)	48,136	39,328	87,464	99,152
Total comprehensive income for the period	-	-	8,108	(287)	7,821	7,821
Cost of share-based payment (share options)	-	-	-	(82)	(82)	(82)
Balance at 31 December 2018	12,645	(957)	56,244	38,959	95,203	106,891

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, shares buy-backs, exercise of shares options or warrants conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the corresponding period of the immediately preceding financial year.

	4Q 2019 ended 31-Dec-19	4Q 2018 ended 31-Dec-18
Issued share capital		
Issued and fully paid ordinary shares: As at beginning and end of period	701,995,825	701,995,825
Treasury shares		
As at beginning and end of period	1,110,000	1,110,000
Total number of issued shares excluding treasury shares	700,885,825	700,885,825

There were no share buyback and no new shares issued during the quarter ended 31 December 2019.

	As at 31-Dec-19	As at 31-Dec-18
The number of shares that may be issued on exercise of share options outstanding at the end of the period	14,578,400	12,898,800

1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.

	As at 31-Dec-19	As at 31-Dec-18
Total number of issued shares	701,995,825	701,995,825
Treasury shares	1,110,000	1,110,000
Total number of issued shares excluding treasury shares	700,885,825	700,885,825

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

There were no sales, transfers, disposals, cancellations and/or use of treasury shares for the quarter ended 31 December 2019.

1(d)(v) **Subsidiary holdings.**

There were no subsidiary holdings as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed by our auditors, Messrs Ernst & Young LLP.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualification of emphasis of matter).

Not applicable.

4 Where the same accounting policies and methods of computation as in the issuers' most recently audited annual financial statements have been applied.

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2018.

5 If there are any changes in accounting policies and methods of computation, including any required by an accounting standard, what has changed as well as the reasons for and the effect of the change.

The Group has adopted the new Singapore Financial Reporting Framework (International) (SFRS(I)) 16 Leases that is effective for the financial period beginning 1 January 2019. Under SFRS(I) 16, a lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The accounting for lessors has not changed significantly.

The Group recognises its existing operating lease arrangements as ROU assets with corresponding lease liabilities and measures lease liabilities based on the remaining lease payments discounted using the incremental borrowing rate as at the date of initial application, 1 January 2019. The Group applied the practical expedient to recognise amounts of ROU assets equal to its lease liabilities on 1 January 2019 and recognition exemptions for short-term leases and leases of low value items in accordance with SFRS(I) 16. The Group presents ROU assets as part of property, plant and equipment.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for the preference dividends.

Earnings per share from continuing operations attributable to equity holders of the Company	Quarter ended 31 December			Year to date ended 31 December		
	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>
Based on weighted average number of ordinary shares in issue (in cents)	0.77	0.29	166%	2.93	0.87	237%
On a fully diluted basis (in cents)	0.77	0.29	166%	2.93	0.87	237%

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on (b) immediately preceding financial year.**

	<u>Group</u>	<u>Company</u>
Net asset value per ordinary share based on Issued share capital at 31 December 2019 (in cents)	28.9	16.5
Net asset value per ordinary share based on Issued share capital at 31 December 2018 (in cents)	27.3	15.3

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Financial Year 2019 Performance

In FY2019, the Group's Concrete and Cement (C&C) business recorded a 13% year-on-year (yoy) increase in revenue to \$617.3 million, primarily arising from the improved performance of the ready-mix concrete (RMC) business in Singapore. On the Group level, revenue came in at \$768.3 million, an 11% yoy decrease compared to the prior corresponding period, due to lower sales volume and selling prices from the Trading business.

The EBITDA from continuing business increased from \$28.2 million to \$53.6 million, largely attributed to the improvement in the C&C business. Assuming SFRS(I) 16 Leases was not adopted, EBITDA would have been \$46.6 million.

Depreciation and amortisation expenses increased by \$6.4 million yoy due mainly to the recognition of right-of-use assets following the adoption of SFRS(I) 16 Leases as disclosed in paragraph 5.

The Group recorded a net attributable profit of \$20.5 million from continuing business, up from \$6.1 million in FY2018.

The Ports business, under Xinghua Port Holdings Ltd, was de-merged as a separate entity on 7 February 2018. The results of the Ports business and its comparatives are presented separately in the income statement under "Discontinued Operations".

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

Not applicable.

10 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.

Based on the Building and Construction Authority's (BCA) report on 8 January 2020, the total construction demand in Singapore is expected to remain strong, ranging between S\$28 billion and S\$33 billion in 2020. Public sector demand will make up more than half of the projected demand. Construction demand for 2020 is expected to be anchored by civil engineering projects, such as Cross Island MRT Line Phase 1, Changi Airport Terminal 5 infrastructure works, Changi Airport new taxiway and berth facilities at Jurong Port and Tanjong Pagar Terminal. The RMC demand is forecasted by the BCA to increase from estimated 12.5 million m³ in 2019 to 14 – 15 million m³ in 2020. However, the expected staggered return of foreign construction workers arising from the Covid-19 outbreak may affect local construction activities in the next few months.

11 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.

The Board proposes a final dividend of 1.1 cents per ordinary share in respect of the financial year ended 31 December 2019.

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 29 May 2020.

(d) Record date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 18 May 2020 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 18 May 2020 will be registered before entitlements to the proposed final dividend are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 18 May 2020 will be entitled to the proposed final dividend.

12 If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13 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.

14 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.

Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS (Q1, Q2 & Q3) or HALF-YEAR AND FULL YEAR RESULTS

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for immediately preceding period.

12 Months ended 31 December 2019

Business Segments from continuing operations

	Concrete & cement \$'000	Trading & shipping \$'000	Others \$'000	Eliminations \$'000	Total \$'000
Revenue					
External sales	617,328	150,930	-	-	768,258
Inter-segment sales	-	4,210	-	(4,210)	-
Total revenue	<u>617,328</u>	<u>155,140</u>	<u>-</u>	<u>(4,210)</u>	<u>768,258</u>
Results					
Segment results	58,271	2,482	(7,118)	-	53,635
Interest income	249	-	131	-	380
Depreciation expenses	(23,338)	(2)	(275)	-	(23,615)
Amortisation of intangible assets	(32)	-	(348)	-	(380)
Interest expense	(4,311)	-	(604)	-	(4,915)
Share of results of associate	-	-	1,074	-	1,074
Profit/(loss) before tax from continuing operations	<u>30,839</u>	<u>2,480</u>	<u>(7,140)</u>	<u>-</u>	<u>26,179</u>
Income tax expense	(4,738)	(204)	(308)	-	(5,250)
Profit/(loss) from continuing operations, net of tax	<u>26,101</u>	<u>2,276</u>	<u>(7,448)</u>	<u>-</u>	<u>20,929</u>
Attributable to					
Equity holders of the Company	25,998	1,961	(7,448)	-	20,511
Non-controlling interests	103	315	-	-	418
	<u>26,101</u>	<u>2,276</u>	<u>(7,448)</u>	<u>-</u>	<u>20,929</u>
Balance Sheet					
Investment in associate	-	-	3,388	-	3,388
Additions to non-current assets	5,622	-	944	-	6,566
Segment assets	<u>392,948</u>	<u>6,411</u>	<u>42,744</u>	<u>-</u>	<u>442,103</u>
Segment liabilities	<u>203,461</u>	<u>3,949</u>	<u>24,116</u>	<u>-</u>	<u>231,526</u>

Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS (Q1, Q2 & Q3) or HALF-YEAR AND FULL YEAR RESULTS

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for immediately preceding period.

12 Months ended 31 December 2018

Business Segments from continuing operations

	Concrete & cement \$'000	Trading & shipping \$'000	Others \$'000	Eliminations \$'000	Total \$'000
Revenue					
External sales	545,710	317,820	-	-	863,530
Inter-segment sales	-	651	-	(651)	-
Total revenue	<u>545,710</u>	<u>318,471</u>	<u>-</u>	<u>(651)</u>	<u>863,530</u>
Results					
Segment results	30,260	3,952	(5,995)	-	28,217
Interest income	221	-	130	-	351
Depreciation expenses	(17,078)	-	(259)	-	(17,337)
Amortisation of intangible assets	(59)	-	(175)	-	(234)
Interest expense	(3,318)	-	(629)	-	(3,947)
Share of results of associate	-	-	1,893	-	1,893
Profit/(loss) before tax from continuing operations	<u>10,026</u>	<u>3,952</u>	<u>(5,035)</u>	<u>-</u>	<u>8,943</u>
Income tax expense	(1,530)	(267)	(602)	-	(2,399)
Profit/(loss) from continuing operations, net of tax	<u>8,496</u>	<u>3,685</u>	<u>(5,637)</u>	<u>-</u>	<u>6,544</u>
Attributable to					
Equity holders of the Company	8,525	3,184	(5,637)	-	6,072
Non-controlling interests	(29)	501	-	-	472
	<u>8,496</u>	<u>3,685</u>	<u>(5,637)</u>	<u>-</u>	<u>6,544</u>
Balance Sheet					
Investment in associate	-	-	3,078	-	3,078
Additions to non-current assets	12,371	5	962	-	13,338
Segment assets	<u>376,788</u>	<u>3,410</u>	<u>41,654</u>	<u>-</u>	<u>421,852</u>
Segment liabilities	<u>189,660</u>	<u>12,310</u>	<u>21,558</u>	<u>-</u>	<u>223,528</u>

- 16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

None.

- 17 A breakdown of sales.

Sales breakdown as follows:-

	Group		+ / (-) %
	2019 \$'000	2018 \$'000	
Continuing Operations			
Sales reported for first half year	406,805	433,293	(6)
Operating profit after tax before deducting non-controlling interests reported for first half year	9,265	689	1,245
Sales reported for second half year	361,453	430,237	(16)
Operating profit after tax before deducting non-controlling interests reported for second half year	11,664	5,855	99

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

	Group	
	2019 \$'000	2018 \$'000
Ordinary - interim	3,505	-
Ordinary - final	7,715	5,607
Total	11,220	5,607

The final ordinary dividend for FY2019 is estimated basing on the latest issued share capital less treasury shares comprising 701,408,325 shares.

19 Disclosure of persons occupying a managerial position in the issuer or any of its principal subsidiaries who is a 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	56	Brother of: Ng Han Whatt and Jane Kimberly Ng Bee Kiok (substantial shareholders); Ng Bee Bee (Chief Executive Officer and substantial shareholder).	Deputy Chairman (Appointed on 1 March 2011) Duties: To focus on the Group's overall growth strategy.	N.A.
Ng Bee Bee	52	Sister of: Ng Han Whatt and Jane Kimberly Ng Bee Kiok (substantial shareholders); Patrick Ng Bee Soon (Deputy Chairman).	Chief Executive Officer (Appointed on 1 March 2011) Duties: Overall management of the Group.	N.A.

BY ORDER OF THE BOARD

Kevin Cho
Company Secretary
18 February 2020