

## **PAN-UNITED CORPORATION LTD**

(Incorporated in the Republic of Singapore)

(Company Registration No. 199106524G)

### **ANNOUNCEMENT**

#### **SALE OF ONE PAIR OF TUG & BARGE**

The Board of Directors of Pan-United Corporation Ltd (the “Company” or the “Group”) wishes to announce that its wholly-owned subsidiary, Pan-United Shipping Pte Ltd (“Pan-United Shipping”) has completed the sale of a pair of tug and barge (the “Vessels”) to Top Siam Marine Co., Ltd (“TSM”) at a cash consideration of S\$4,050,000.00. The cash consideration was arrived at after arm’s length negotiations, on a willing-buyer, willing-seller basis. The Vessels were delivered to TSM on 7 November 2008.

#### **RATIONALE FOR THE TRANSACTION**

The sale of the Vessels is in line with the Group’s fleet renewal program. After the sale, the average age of the remaining seven pairs of tugs and barges is about three years. The fleet will increase by another seven pairs of new tugs and barges, scheduled for delivery over the next seven months.

#### **UTILISATION OF SALES PROCEEDS**

The proceeds from the divestment will be utilized as part of the Group’s general working capital funds.

#### **FINANCIAL EFFECTS**

The sale of the Vessels would result in a net gain of approximately S\$2.7 million.

**For illustrative purposes only, based on the Group’s audited consolidated financial statements as at 31 December 2007:**

#### **NTA**

Assuming that the sale of the Vessels had been effected at the end of the financial year ended 31 December 2007, the Group NTA would increase from 42.5 cents to 43.0 cents per share.

## EPS

Assuming that the sale of the Vessels had been effected at the beginning of the financial year, on 1 January 2007, the Group EPS would increase from:

- (i) 6.06 cents to 6.49 cents per share (basic)
- (ii) 6.03 cents to 6.46 cents per share (diluted)

## Relative Figures Computed Pursuant to Rule 1006 of the SGX-ST Listing Manual

Based on the latest announced consolidated financial statements of the Group for the year ended 31 December 2007, the relative figures computed pursuant to Rule 1006 of the Listing Manual are as follows:

<b>SGX-ST</b>		<b>Bases of Computation</b>	<b>Relative Figures</b>
<b>Rule 1006(a)</b>	<b>:</b>	<b>Net Asset Value Test</b>	
		The net asset value of the asset to be disposed of, compared with the Group's net asset value.	0.49%
<b>Rule 1006(b)</b>	<b>:</b>	<b>Net Profit Test</b>	
		The net profit attributable to the asset disposed of, compared with the Group's net profit.	5.72%
<b>Rule 1006(c)</b>	<b>:</b>	<b>Market Capitalisation Test</b>	
		The aggregate value of the consideration given or received, compared with the issuer's market capitalisation.	2.23%
<b>Rule 1006(d)</b>	<b>:</b>	<b>Securities Issue Test</b>	
		The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable

## INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the directors and/or the substantial shareholders of the Company have any interests, direct or indirect, in the transaction.

By Order of the Board

Loh Yeen Ying  
Company Secretary  
Date : 7 November 2008