



**PAN-UNITED CORPORATION LTD**

(Company Reg No: 199106524G)

**FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

**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.**

<b>CONSOLIDATED INCOME STATEMENT</b>						
	<b>4Q 2014</b>	<b>4Q 2013</b>	<b>+ / (-)</b>	<b>FY 2014</b>	<b>FY 2013</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Revenue</b>	201,058	186,261	8	763,197	727,396	5
Other income	773	1,279	(40)	3,515	4,064	(14)
Raw materials, subcontract cost and other direct costs	(159,495)	(144,954)	10	(593,027)	(557,095)	6
Staff costs	(10,753)	(8,845)	22	(38,156)	(34,146)	12
Depreciation expenses	(7,890)	(4,364)	81	(25,075)	(19,378)	29
Other expenses	(16,502)	(12,847)	28	(56,045)	(53,058)	6
Finance costs	(3,948)	(1,406)	181	(13,203)	(5,463)	142
	<u>3,243</u>	<u>15,124</u>		<u>41,206</u>	<u>62,320</u>	<u>(34)</u>
Share of results of associates	1,028	730	41	2,317	2,084	11
Profit before income tax	<u>4,271</u>	<u>15,854</u>	<u>(73)</u>	<u>43,523</u>	<u>64,404</u>	<u>(32)</u>
Income tax	344	(2,586)	nm	(7,727)	(12,299)	(37)
Profit for the period, net of tax	<u>4,615</u>	<u>13,268</u>	<u>(65)</u>	<u>35,796</u>	<u>52,105</u>	<u>(31)</u>
Profit attributable to:						
Equity holders of the Company	3,637	11,983	(70)	32,403	44,599	(27)
Non-controlling interests	978	1,285	(24)	3,393	7,506	(55)
	<u>4,615</u>	<u>13,268</u>	<u>(65)</u>	<u>35,796</u>	<u>52,105</u>	<u>(31)</u>

<b>A. Profit before income tax is arrived at after crediting/ (charging) the following:</b>	<b>4Q 2014</b>	<b>4Q 2013</b>	<b>+ / (-)</b>	<b>FY 2014</b>	<b>FY 2013</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Interest income	89	146	(39)	360	511	(30)
Interest expense	(3,910)	(1,358)	188	(13,016)	(4,920)	165
Dividend income from investments	-	302	nm	582	1,470	(60)
Impairment loss on trade receivables	(1,345)	(82)	nm	(1,353)	(2,223)	(39)
Foreign exchange gain/(loss)	26	764	(97)	(645)	1,187	nm
Fair value changes of held-for-trading investments	-	(24)	nm	-	(81)	nm
Write-back of impairment in value of other investments	342	(31)	nm	342	133	nm
Fair value changes of derivatives	-	(214)	nm	214	(214)	nm
Reversal of write-down/(write-down) of inventories	14	8	nm	(590)	8	nm
(Loss)/gain on disposal of property, plant and equipment	(51)	(23)	122	(81)	15	nm
Write-off of property, plant and equipment	(56)	(546)	(90)	(455)	(555)	(18)

**B. The Group's tax charge for the year ended 31 December 2014 included a reversal of tax provision of \$814,000 (year ended 31 December 2013: \$828,000) in respect of previous years.**

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>						
	<b>4Q 2014</b>	<b>4Q 2013</b>	<b>+ / (-)</b>	<b>FY 2014</b>	<b>FY 2013</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Profit for the period, net of tax</b>	4,615	13,268	(65)	35,796	52,105	(31)
<b>Other comprehensive income:</b>						
Foreign currency translation	3,005	1,319	nm	1,836	2,408	(24)
Fair value changes of derivatives	356	-	nm	(641)	-	nm
<b>Other comprehensive income for the period, net of tax</b>	<u>3,361</u>	<u>1,319</u>	(155)	<u>1,195</u>	<u>2,408</u>	(50)
<b>Total comprehensive income for the period</b>	<u>7,976</u>	<u>14,587</u>	(45)	<u>36,991</u>	<u>54,513</u>	(32)
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	6,299	13,097	(52)	32,898	44,548	(26)
Non-controlling interests	1,677	1,490	13	4,093	9,965	(59)
	<u>7,976</u>	<u>14,587</u>	(45)	<u>36,991</u>	<u>54,513</u>	(32)

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-14 \$'000	31-Dec-13 \$'000	31-Dec-14 \$'000	31-Dec-13 \$'000
<b>Non-current assets</b>				
Vessels, property, plant and equipment	449,398	291,391	322	233
Subsidiaries	-	-	206,220	194,774
Associates	5,254	5,096	-	-
Other investments	1,903	2,341	-	11
Other receivables	90	169	-	-
Goodwill	23,974	2,345	-	-
Deferred tax assets	1,218	194	-	-
	<u>481,837</u>	<u>301,536</u>	<u>206,542</u>	<u>195,018</u>
<b>Current assets</b>				
Cash and short-term deposits	53,888	79,183	20,362	27,509
Trade and other receivables	169,526	157,502	1,523	2,440
Prepayments	3,280	2,980	165	357
Work-in-progress	1,002	470	-	-
Inventories	33,011	24,364	-	-
	<u>260,707</u>	<u>264,499</u>	<u>22,050</u>	<u>30,306</u>
<b>Current liabilities</b>				
Bank loans	25,520	45,953	-	7,000
Payables and accruals	136,840	120,898	1,754	2,715
Deferred income	3,937	3,706	-	-
Provisions	1,272	1,023	-	-
Income tax payable	5,792	8,106	12	68
	<u>173,361</u>	<u>179,686</u>	<u>1,766</u>	<u>9,783</u>
<b>Net current assets</b>	<u>87,346</u>	<u>84,813</u>	<u>20,284</u>	<u>20,523</u>
<b>Non-current liabilities</b>				
Bank loans	242,495	81,575	75,000	45,000
Deferred tax liabilities	7,983	6,529	-	-
Deferred income	1,299	1,454	-	-
Other liabilities	564	548	-	-
Provisions	3,550	2,850	-	-
Derivatives	641	214	641	214
	<u>256,532</u>	<u>93,170</u>	<u>75,641</u>	<u>45,214</u>
<b>Net assets</b>	<u>312,651</u>	<u>293,179</u>	<u>151,185</u>	<u>170,327</u>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	92,052	90,630	92,052	90,630
Treasury shares	(1,860)	-	(1,860)	-
Reserves	191,624	182,642	60,993	79,697
	<u>281,816</u>	<u>273,272</u>	<u>151,185</u>	<u>170,327</u>
Non-controlling interests	30,835	19,907	-	-
<b>Total equity</b>	<u>312,651</u>	<u>293,179</u>	<u>151,185</u>	<u>170,327</u>

## **Explanatory Notes to Balance Sheets**

The Group's subsidiary, Changshu Xinghua Port Co., Ltd (CXP), completed the acquisition of 90% equity interests in Changshu Changjiang International Port Co., Ltd (CCIP) on 24 March 2014. Following the completion, CCIP became a 90% owned subsidiary of CXP. Accordingly, its balance sheet was consolidated, which resulted mainly in an increase in vessels, property, plant and equipment, a goodwill of about \$22.0 million and non-current bank loans.

The increase in total bank loans was due mainly to new bank loans being drawn down for working capital and to finance the acquisition of CCIP, as well as the consolidation of the existing bank loans in the books of CCIP upon acquisition.

Trade receivables, inventories and trade payables were also higher due to higher level of activities.

**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 2014		As at 31 Dec 2013	
	<u>Secured</u> \$'000	<u>Unsecured</u> \$'000	<u>Secured</u> \$'000	<u>Unsecured</u> \$'000
<b>Amount repayable in one year or less, or on demand</b>	19,769	5,751	1,333	44,620
<b>Amount repayable after one year</b>	122,339	120,156	-	81,575

### **Details of any collateral**

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

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.

<b>CONSOLIDATED CASH FLOW STATEMENTS</b>	<b>4Q 2014</b>	<b>4Q 2013</b>	<b>FY 2014</b>	<b>FY 2013</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>				
Profit before income tax	4,271	15,854	43,523	64,404
Adjustments for				
Depreciation expenses	7,890	4,364	25,075	19,378
Dividend income from other investments	-	(302)	(582)	(1,470)
Interest expense, net	3,821	1,212	12,656	4,409
Loss on disposal of other investments	-	-	1	-
Loss/(gain) on disposal of property, plant and equipment	51	23	81	(15)
Write-off of property, plant and equipment	56	546	455	555
(Reversal of write-down)/write-down of inventories	(14)	(8)	590	(8)
Write-back of impairment in value of other investments	(342)	31	(342)	(133)
Reversal of provisions	-	(54)	-	(54)
Fair value changes of held-for-trading investments	-	24	-	81
Fair value changes of derivatives	-	214	(214)	214
Share-based payment expenses	110	87	366	249
Share of results of associates	(1,028)	(730)	(2,317)	(2,084)
Foreign exchange differences	(1,612)	148	(2,487)	(1,237)
Operating cash flows before working capital changes	13,203	21,409	76,805	84,289
(Increase) Decrease in:				
Trade and other receivables	(1,300)	9,541	(7,390)	(3,907)
Prepayments	(53)	140	(160)	(454)
Inventories and work-in-progress	(4,702)	2,525	(9,740)	(3,089)
Increase (Decrease) in				
Payables, accruals and provisions	(423)	3,475	(12,392)	11,346
Deferred income	(5,414)	(3,426)	76	(752)
Cash flow generated from operating activities	1,311	33,664	47,199	87,433
Interest paid	(3,910)	(1,358)	(13,016)	(4,920)
Income tax paid	(471)	(1,212)	(9,611)	(14,224)
Interest received	89	146	360	511
Net cash flows (used in)/generated from operating activities	(2,981)	31,240	24,932	68,800
<b>Cash flows from investing activities</b>				
Acquisition of vessels, property, plant and equipment	(3,982)	(7,161)	(28,579)	(30,260)
Acquisition of non-controlling interests	-	-	-	(100,980)
Acquisition of other investments	-	-	-	(312)
Net cash outflow on acquisition of a subsidiary	-	-	(47,364)	-
Capital refund from other investments	331	99	331	263
Capital reduction of an associate	-	-	-	481
Proceeds from disposal of property, plant and equipment	29	5	116	270
Proceeds from disposal of other investments	-	-	460	14,780
Dividend income from associates	-	-	2,194	1,973
Dividend income from other investments	-	302	582	1,470
Net cash flows used in investing activities	(3,622)	(6,755)	(72,260)	(112,315)
<b>Cash flows from financing activities</b>				
(Repayment of)/proceeds from bank borrowings, net	(7,516)	(9,356)	45,629	52,038
Proceeds from issuance of share capital	-	217	1,216	1,969
Purchase of treasury shares	(2,447)	-	(2,447)	-
Proceeds from reissuance of treasury shares	388	-	388	908
Dividends paid to shareholders	-	-	(23,877)	(22,364)
Dividends paid to non-controlling interests	(83)	-	(611)	(764)
Net cash (used in)/from financing activities	(9,658)	(9,139)	20,298	31,787
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(16,261)</b>	<b>15,346</b>	<b>(27,030)</b>	<b>(11,728)</b>
<b>Cash and cash equivalents as at beginning of period</b>	<b>68,360</b>	<b>63,731</b>	<b>79,183</b>	<b>90,361</b>
<b>Effects of exchange rate changes on opening cash</b>	<b>1,789</b>	<b>106</b>	<b>1,735</b>	<b>550</b>
<b>Cash and cash equivalents as at end of period</b>	<b>53,888</b>	<b>79,183</b>	<b>53,888</b>	<b>79,183</b>

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.

STATEMENT OF CHANGES IN EQUITY	Attributable to equity holders of the Company							Non-controlling interests	Total Equity
	Share capital	Treasury shares	Capital reserve	Foreign currency translation	Accumulated profits	Other reserves	Total reserves		
GROUP	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2014	90,630	-	3,000	(4,577)	254,102	(69,883)	182,642	19,907	293,179
Total comprehensive income for the period	-	-	-	(1,170)	28,766	-	27,596	2,416	30,012
Acquisition of subsidiary	-	-	-	-	-	-	-	7,410	7,410
Cost of share-based payment (share options)	-	-	-	-	-	256	256	-	256
Issuance of shares under share option plan	1,422	-	-	-	-	(206)	(206)	-	1,216
Fair value changes of derivatives	-	-	-	-	-	(997)	(997)	-	(997)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(528)	(528)
Dividends on ordinary shares	-	-	-	-	(23,877)	-	(23,877)	-	(23,877)
Balance at 30 September 2014	92,052	-	3,000	(5,747)	258,991	(70,830)	185,414	29,205	306,671
Total comprehensive income for the period	-	-	-	2,306	3,637	-	5,943	1,677	7,620
Adjustment on acquisition of subsidiary	-	-	-	-	-	-	-	36	36
Cost of share-based payment (share options)	-	-	-	-	-	110	110	-	110
Purchase of treasury shares	-	(2,447)	-	-	-	-	-	-	(2,447)
Reissuance of treasury shares	-	587	-	-	-	(199)	(199)	-	388
Fair value changes of derivatives	-	-	-	-	-	356	356	-	356
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(83)	(83)
Balance at 31 December 2014	92,052	(1,860)	3,000	(3,441)	262,628	(70,563)	191,624	30,835	312,651
Balance at 1 January 2013	88,323	(1,054)	3,000	(4,526)	231,867	1,240	231,581	40,798	359,648
Total comprehensive income for the period	-	-	-	(1,165)	32,616	-	31,451	8,475	39,926
Cost of share-based payment (share options)	-	-	-	-	-	162	162	-	162
Issuance of shares under share option plan	2,051	-	-	-	-	(299)	(299)	-	1,752
Reissuance of treasury shares	-	1,054	-	-	-	(146)	(146)	-	908
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(764)	(764)
Dividends on ordinary shares	-	-	-	-	(22,364)	-	(22,364)	-	(22,364)
Premium paid on acquisition of non-controlling interest	-	-	-	-	-	(70,888)	(70,888)	-	(70,888)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(30,092)	(30,092)
Balance at 30 September 2013	90,374	-	3,000	(5,691)	242,119	(69,931)	169,497	18,417	278,288
Total comprehensive income for the period	-	-	-	1,114	11,983	-	13,097	1,490	14,587
Cost of share-based payment (share options)	-	-	-	-	-	87	87	-	87
Issuance of shares under share option plan	256	-	-	-	-	(39)	(39)	-	217
Balance at 31 December 2013	90,630	-	3,000	(4,577)	254,102	(69,883)	182,642	19,907	293,179

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.

<b>COMPANY</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Accumulated profits</b>	<b>Other reserves</b>	<b>Total reserves</b>	<b>Total Equity</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2014	90,630	-	78,692	1,005	79,697	170,327
Total comprehensive income for the period	-	-	160	-	160	160
Cost of share-based payment (share options)	-	-	-	256	256	256
Issuance of shares under share option plan	1,422	-	-	(206)	(206)	1,216
Fair value changes of derivatives	-	-	-	(997)	(997)	(997)
Dividends on ordinary shares	-	-	(23,877)	-	(23,877)	(23,877)
<b>Balance at 30 September 2014</b>	<b>92,052</b>	<b>-</b>	<b>54,975</b>	<b>58</b>	<b>55,033</b>	<b>147,085</b>
Total comprehensive income for the period	-	-	5,693	-	5,693	5,693
Cost of share-based payment (share options)	-	-	-	110	110	110
Purchase of treasury shares	-	(2,447)	-	-	-	(2,447)
Reissuance of treasury shares	-	587	-	(199)	(199)	388
Fair value changes of derivatives	-	-	-	356	356	356
<b>Balance at 31 December 2014</b>	<b>92,052</b>	<b>(1,860)</b>	<b>60,668</b>	<b>325</b>	<b>60,993</b>	<b>151,185</b>
Balance at 1 January 2013	88,323	(1,054)	64,309	1,240	65,549	152,818
Total comprehensive income for the period	-	-	12,427	-	12,427	12,427
Cost of share-based payment (share options)	-	-	-	162	162	162
Issuance of shares under share option plan	2,051	-	-	(299)	(299)	1,752
Reissuance of treasury shares	-	1,054	-	(146)	(146)	908
Dividends on ordinary shares	-	-	(22,364)	-	(22,364)	(22,364)
<b>Balance at 30 September 2013</b>	<b>90,374</b>	<b>-</b>	<b>54,372</b>	<b>957</b>	<b>55,329</b>	<b>145,703</b>
Total comprehensive income for the period	-	-	24,320	-	24,320	24,320
Cost of share-based payment (share options)	-	-	-	87	87	87
Issuance of shares under share option plan	256	-	-	(39)	(39)	217
<b>Balance at 31 December 2013</b>	<b>90,630</b>	<b>-</b>	<b>78,692</b>	<b>1,005</b>	<b>79,697</b>	<b>170,327</b>

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 2014 ended 31 Dec 2014	4Q 2013 ended 31 Dec 2013
Issued and fully paid ordinary shares:		
As at beginning of period	561,818,660	559,330,160
Add: Shares issued during the period - exercise of share options	-	387,000
Less: Purchase of treasury shares	(2,840,000)	-
Add: Transfer of treasury shares to employees to fulfill obligations under the Pan-United Share Option Scheme	681,000	-
As at end of period	559,659,660	559,717,160

During the quarter ended 31 December 2014, the Company purchased 2,840,000 of its ordinary shares by way of on-market purchases for a total consideration of S\$2.45 million, and held them as treasury shares. The Company subsequently transferred 681,000 treasury shares to employees pursuant to the Pan-United Share Option Scheme.

	As at 31-Dec-14	As at 31-Dec-13
The number of shares that may be issued on exercise of share options outstanding at the end of the year	6,113,500	6,435,000

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-14	As at 31-Dec-13
Total number of issued shares	561,818,660	559,717,160
Treasury shares	(2,159,000)	Nil
Total number of issued shares excluding treasury shares	559,659,660	559,717,160

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.

During the quarter ended 31 December 2014, 681,000 treasury shares were transferred to employees pursuant to the Pan-United Share Option Scheme.



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

The figure 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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements as at 31 December 2013, except as disclosed in note 5 below.

**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 all the applicable new/revised Financial Reporting Standards (FRS) that become effective for accounting periods beginning 1 January 2014. The adoption of these new/revised FRS does not have any material impact to the Group financial statements.

**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 ordinary share for the period based on equity holders of the company	Quarter ended 31 December			Year to date ended 31 December		
	2014	2013	Change	2014	2013	Change
Based on weighted average number of ordinary shares in issue (in cents)	0.6	2.1	-71%	5.8	8.0	-28%
On a fully diluted basis (in cents)	0.6	2.1	-71%	5.8	8.0	-28%

**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.**

	Group	Company
Net asset value per ordinary share based on Issued share capital at 31 December 2014 (In cents)	50.4	27.0
Net asset value per ordinary share based on Issued share capital at 31 December 2013 (In cents)	48.8	30.4

- 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 Full Year 2014 Performance**

The Group consolidated the results of Changshu Changjiang International Port Co., Ltd (CCIP) from 1 April 2014, following the completion of the acquisition of an effective 77% interest in CCIP on 24 March 2014.

The Group's revenue rose 5% year-on-year (yoy) to \$763.2 million, led by all three divisions. Total cargoes handled at Changshu Xinghua Port Co., Ltd (CXP) and CCIP rose 22% yoy from higher finished steel products, export machinery & equipment, and pulp throughput. Higher trading activities were recorded in Shipping division. The revenue growth in BBR division was driven by higher sales volume of ready-mixed concrete and cement.

The earnings before interest, tax and depreciation was 8% lower yoy as improved contribution from the Port division helped to partially cushion the impact of compressed margins and rising costs the Group faced during the year. The higher expenses came mainly from direct material cost from the BBR division and wages, as well as operating overheads due to the ramp up of production capacity at our Indonesian quarry.

With the increased stake in CXP, the acquisition of CCIP and the capacity expansion of our Indonesian quarry, interest costs and depreciation expenses also rose accordingly. As a result, the Group reported a 27% yoy decline in its net attributable profit after tax to shareholders.

- 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.**

The steady construction output forecast of \$35-37 billion for 2015 by the Building and Construction Authority of Singapore (BCA) will largely be driven by institutional and civil engineering projects. BCA has forecast RMC demand to be flat.

For the Port division, the Group is optimistic of reaping further operational synergies from the enlarged facilities. The Port division is expected to see continued cargo volume growth from firmer global steel demand, increased pulp throughput and new cargoes such as export equipment/machinery.

The Shipping division will continue to focus on improving vessel utilization by stepping up the level of trading activity.

**11 If a decision regarding dividend has been made:**

**(a) Current Financial Period Report On**

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

The Board proposes a final dividend of 2.75 cents per ordinary share in respect of the financial year ended 31 December 2014.

Name of dividend:	Interim, paid	Final, proposed
Dividend type:	Cash	Cash
Dividend rate:	S\$ 0.015 per ordinary share (One-tier tax exempt)	S\$ 0.0275 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:	Interim, paid	Final, paid
Dividend type:	Cash	Cash
Dividend rate:	S\$ 0.015 per ordinary share (One-tier tax exempt)	S\$ 0.0275 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 8 May 2015.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 30 April 2015 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 30 April 2015 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 30 April 2015 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.

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

**14 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 2014  
Business Segments

	<b>Basic Building Resources \$'000</b>	<b>Shipping \$'000</b>	<b>Port \$'000</b>	<b>Others \$'000</b>	<b>Eliminations \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>						
External sales	612,057	70,201	80,939	-	-	763,197
Inter-segment sales	-	10,291	-	-	(10,291)	-
Total revenue	612,057	80,492	80,939	-	(10,291)	763,197
<b>Results</b>						
Segment results	37,769	7,624	37,019	(3,475)	-	78,937
Interest income	83	4	218	55	-	360
Depreciation expenses	(10,010)	(5,788)	(9,019)	(258)	-	(25,075)
Interest expense	(200)	-	(11,560)	(1,256)	-	(13,016)
Share of results of associates	-	-	2,317	-	-	2,317
Profit/(loss) before income tax	27,642	1,840	18,975	(4,934)	-	43,523
Income tax	(3,423)	(366)	(3,926)	(12)	-	(7,727)
Profit/(loss)for the year	24,219	1,474	15,049	(4,946)	-	35,796
<b>Attributable to:</b>						
Equity holders of the Company	24,185	566	12,598	(4,946)	-	32,403
Non-controlling interests	34	908	2,451	-	-	3,393
	24,219	1,474	15,049	(4,946)	-	35,796
<b>Balance Sheet</b>						
Investments in associates	-	-	5,254	-	-	5,254
Additions to non-current assets	24,634	2,171	1,553	221	-	28,579
Segment assets	302,883	51,326	359,434	28,901	-	742,544
Segment liabilities	102,703	9,433	241,144	76,613	-	429,893

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

14 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. (continued)

12 Months ended 31 December 2013  
Business Segments

	Basic Building Resources \$'000	Shipping \$'000	Port \$'000	Others \$'000	Eliminations \$'000	Total \$'000
<b>Revenue</b>						
External sales	598,805	59,577	69,014	-	-	727,396
Inter-segment sales	244	4,719	-	-	(4,963)	-
Total revenue	599,049	64,296	69,014	-	(4,963)	727,396
<b>Results</b>						
Segment results	53,672	7,731	29,174	(4,389)	-	86,188
Interest income	45	1	252	213	-	511
Fair value loss on held for trading investments	-	-	-	(81)	-	(81)
Depreciation expenses	(7,942)	(5,225)	(5,935)	(276)	-	(19,378)
Interest expense	(183)	-	(4,522)	(215)	-	(4,920)
Share of results of associates	-	-	2,084	-	-	2,084
Profit/(loss) before income tax	45,592	2,507	21,053	(4,748)	-	64,404
Income tax	(6,186)	(275)	(5,691)	(147)	-	(12,299)
Profit/(loss) for the year	39,406	2,232	15,362	(4,895)	-	52,105
<b>Attributable to:</b>						
Equity holders of the Company	38,340	1,595	9,559	(4,895)	-	44,599
Non-controlling interests	1,066	637	5,803	-	-	7,506
	39,406	2,232	15,362	(4,895)	-	52,105
<b>Balance Sheet</b>						
Investments in associates	-	-	5,096	-	-	5,096
Additions to non-current assets	27,672	1,115	1,463	10	-	30,260
Segment assets	273,408	58,693	197,123	36,811	-	566,035
Segment liabilities	110,078	6,552	102,974	53,252	-	272,856

- 15 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.

- 16 A breakdown of sales.

Sales breakdown as follows:-

	Group		
	2014 \$'000	2013 \$'000	+ / (-) %
Sales reported for first half year	366,431	357,021	3%
Operating profit after tax before deducting non-controlling interests reported for first half year	21,824	24,194	-10%
Sales reported for second half year	396,766	370,375	7%
Operating profit after tax before deducting non-controlling interests reported for second half year	13,972	27,911	-50%

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

	Group	
	2014 \$'000	2013 \$'000
Ordinary - Interim	8,427	8,390
Ordinary - final	15,391	15,450
Total	23,818	23,840

The final ordinary dividend for FY2014 is estimated basing on the latest issued share capital less treasury shares comprising 559,659,660 shares.

**18 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	51	Brother of: Henry Ng Han Whatt (substantial shareholder); Ng Bee Bee, (Chief Executive Officer and substantial shareholder); and Jane Kimberly Ng Bee Kiok (Executive Director 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	47	Sister of: Henry Ng Han Whatt (substantial shareholder); Patrick Ng Bee Soon (Deputy Chairman and substantial shareholder); and Jane Kimberly Ng Bee Kiok (Executive Director and substantial shareholder).	Chief Executive Officer (Appointed on 1 March 2011)  Duties: Overall management of the Group.	N.A.
Jane Kimberly Ng Bee Kiok	53	Sister of: Henry Ng Han Whatt (substantial shareholder); Patrick Ng Bee Soon (Deputy Chairman and substantial shareholder); and Ng Bee Bee (Chief Executive Officer and substantial shareholder).	Executive Director (Appointed on 12 April 2009)  Duties: Oversees the area of administration, finance, legal and human resource.	N.A.
Norman Lem Fee Mon	49	Spouse of: Ng Bee Bee (Chief Executive Officer and substantial shareholder).  Brother-in-law of: Henry Ng Han Whatt (substantial shareholder); Patrick Ng Bee Soon (Deputy Chairman and substantial shareholder); and Jane Kimberly Ng Bee Kiok (Executive Director and substantial shareholder).	General Manager (Appointed on 12 April 1999)  Duties: Oversees the aggregates arm of Pan-United Industries Pte Ltd.	N.A.

BY ORDER OF THE BOARD

Lynn Wan Tiew Leng  
Company Secretary  
25 February 2015