



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

**Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022**

**Pan-United Corporation Ltd**

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**Pan-United Corporation Ltd**

**Interim Consolidated Income Statement  
For the Six Months ended 30 June 2022**

	Note	Group		Change %
		1H 2022 \$'000	1H 2021 \$'000	
<b>Revenue</b>		338,073	276,584	22
Other income	4a	1,797	3,313	(46)
Raw materials, subcontract costs and other direct costs		(261,806)	(218,134)	20
Staff costs		(28,092)	(22,563)	25
Depreciation and amortisation expenses		(11,592)	(11,679)	(1)
Other expenses	4b	(23,442)	(18,035)	30
Finance costs		(1,024)	(1,171)	(13)
Share of results of associate		3,585	1,336	168
<b>Profit before income tax</b>	4	17,499	9,651	81
Income tax expense	5	(4,149)	(2,338)	77
<b>Profit for the period, net of tax</b>		13,350	7,313	83
<b>Attributable to:</b>				
Equity holders of the Company		13,469	6,958	94
Non-controlling interests		(119)	355	(134)
		13,350	7,313	83
Earnings per share for the period (cents per share)				
Basic	a	1.93	0.99	94
Diluted	b	1.92	0.99	94

**Notes**

- The calculation for the basic earnings per share is based on 699,304,325 (30 June 2021: 701,748,325) weighted average number of shares in issue during the period.
- The calculation for diluted earnings per share is based on 699,905,085 (30 June 2021: 701,849,357) weighted average number of shares in issue plus dilutive potential shares from share options during the period.

**Pan-United Corporation Ltd**

**Interim Consolidated Statement of Comprehensive Income  
For the Six Months ended 30 June 2022**

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	<b>Group</b>		
	<b>1H 2022</b>	<b>1H 2021</b>	<b>Change</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Profit for the period, net of tax</b>	<u>13,350</u>	<u>7,313</u>	83
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Foreign currency translation	(1,183)	(643)	(84)
Fair value changes of derivatives	<u>1,488</u>	<u>1,556</u>	(4)
<b>Other comprehensive income for the period, net of tax</b>	<u>305</u>	<u>913</u>	(67)
<b>Total comprehensive income for the period</b>	<u><u>13,655</u></u>	<u><u>8,226</u></u>	66
<b>Attributable to:</b>			
Equity holders of the Company	13,741	7,801	76
Non-controlling interests	<u>(86)</u>	<u>425</u>	(120)
<b>Total comprehensive income for the period</b>	<u><u>13,655</u></u>	<u><u>8,226</u></u>	66

**Pan-United Corporation Ltd**

**Interim Balance Sheets  
As at 30 June 2022**

	Note	Group		Company	
		30 Jun 22 \$'000	31 Dec 21 \$'000	30 Jun 22 \$'000	31 Dec 21 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	7	157,648	166,202	61	67
Intangible assets	8	6,102	6,651	370	370
Subsidiaries		-	-	92,752	92,552
Associate		5,843	4,335	-	-
Other investments	13	3	3	-	-
Other receivables	9	151	151	-	-
Deferred tax assets		1,221	1,240	-	-
		<b>170,968</b>	<b>178,582</b>	<b>93,183</b>	<b>92,989</b>
<b>Current assets</b>					
Inventories		25,789	23,673	-	-
Prepayments		1,838	1,620	65	60
Trade and other receivables	9	145,056	125,474	27,773	43,184
Other assets		4,567	2,869	-	-
Derivatives	13	1,807	328	1,807	328
Cash and cash equivalents		61,817	64,149	41,964	39,594
		<b>240,874</b>	<b>218,113</b>	<b>71,609</b>	<b>83,166</b>
<b>Current liabilities</b>					
Loans and borrowings	10	32,498	21,440	-	-
Lease liabilities		5,185	6,127	-	-
Payables and accruals	11	101,597	98,369	47,119	52,507
Provisions		1,342	1,342	-	-
Income tax payable		4,959	5,179	39	97
Derivatives	13	-	9	-	9
		<b>145,581</b>	<b>132,466</b>	<b>47,158</b>	<b>52,613</b>
<b>Net current assets</b>		<b>95,293</b>	<b>85,647</b>	<b>24,451</b>	<b>30,553</b>
<b>Non-current liabilities</b>					
Loans and borrowings	10	23,637	25,184	-	-
Lease liabilities		11,269	13,248	-	-
Deferred tax liabilities		6,564	6,321	-	-
Employee benefits liability		1,613	1,644	-	-
Provisions		4,342	4,353	-	-
		<b>47,425</b>	<b>50,750</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>		<b>218,836</b>	<b>213,479</b>	<b>117,634</b>	<b>123,542</b>
<b>Equity attributable to equity holders of the Company</b>					
Share capital	12a	12,645	12,645	12,645	12,645
Treasury shares	12b	(1,035)	(780)	(1,035)	(780)
Reserves		199,245	193,206	106,024	111,677
		<b>210,855</b>	<b>205,071</b>	<b>117,634</b>	<b>123,542</b>
Non-controlling interests		7,981	8,408	-	-
<b>Total equity</b>		<b>218,836</b>	<b>213,479</b>	<b>117,634</b>	<b>123,542</b>

**Pan-United Corporation Ltd**

**Interim Statements of Changes in Equity  
For the Six Months ended 30 June 2022**

	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
<b>Group</b>								
<b>2022</b>								
Balance at 1 January 2022	12,645	(780)	(1,709)	157,037	37,878	193,206	8,408	213,479
Total comprehensive income for the period	–	–	(1,216)	13,469	1,488	13,741	(86)	13,655
Share-based payment (share options)	–	–	–	–	76	76	–	76
Purchase of treasury shares	–	(1,275)	–	–	–	–	–	(1,275)
Reissuance of treasury shares	–	1,020	–	–	(72)	(72)	–	948
Dividends on ordinary shares	–	–	–	(7,706)	–	(7,706)	–	(7,706)
Dividends paid to non-controlling interests	–	–	–	–	–	–	(341)	(341)
<b>Balance at 30 June 2022</b>	<b>12,645</b>	<b>(1,035)</b>	<b>(2,925)</b>	<b>162,800</b>	<b>39,370</b>	<b>199,245</b>	<b>7,981</b>	<b>218,836</b>
<b>2021</b>								
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)
<b>Balance at 30 June 2021</b>	<b>12,645</b>	<b>(213)</b>	<b>(2,138)</b>	<b>148,538</b>	<b>38,126</b>	<b>184,526</b>	<b>8,407</b>	<b>205,365</b>

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**Interim Statements of Changes in Equity  
For the Six Months ended 30 June 2022 (continued)**

	Share capital (Note 12a) \$'000	Treasury shares (Note 12b) \$'000	Retained earnings \$'000	Other reserves \$'000	Total reserves \$'000	Total equity \$'000
<b>Company</b>						
<b>2022</b>						
Balance at 1 January 2022	12,645	(780)	73,799	37,878	111,677	123,542
Total comprehensive income for the year	–	–	561	1,488	2,049	2,049
Share-based payment (share options)	–	–	–	76	76	76
Purchase of treasury shares	–	(1,275)	–	–	–	(1,275)
Reissuance of treasury shares	–	1,020	–	(72)	(72)	948
Dividends on ordinary shares	–	–	(7,706)	–	(7,706)	(7,706)
<b>Balance at 30 June 2022</b>	<b>12,645</b>	<b>(1,035)</b>	<b>66,654</b>	<b>39,370</b>	<b>106,024</b>	<b>117,634</b>
<b>2021</b>						
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)
<b>Balance at 30 June 2021</b>	<b>12,645</b>	<b>(213)</b>	<b>57,193</b>	<b>38,126</b>	<b>95,319</b>	<b>107,751</b>

**Pan-United Corporation Ltd**

**Interim Consolidated Cash Flow Statement  
For the Six Months ended 30 June 2022**

	<b>Group</b>	
	<b>1H 2022</b>	<b>1H 2021</b>
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	17,499	9,651
Adjustments for:		
Depreciation expenses	10,819	11,257
Amortisation of intangible assets	773	422
Amortisation of upfront fees	44	24
Interest income	(72)	(63)
Interest expense	808	982
Gain on disposal of property, plant and equipment, net	(93)	(63)
Reversal of impairment loss on trade receivables	(45)	(50)
Provision	16	110
Write-off of property, plant and equipment	40	69
Write-off of intangible assets	10	-
Share-based payment expenses	76	56
Share of results of associate	(3,585)	(1,336)
Foreign exchange differences	(771)	(226)
<b>Operating cash flows before changes in working capital</b>	25,519	20,833
Changes in working capital:		
Increase in trade and other receivables	(19,537)	(6,255)
(Increase)/decrease in prepayments	(218)	82
(Increase)/decrease in inventories	(2,116)	4,875
(Increase)/decrease in other assets	(1,698)	4,666
Increase in payables, accruals, provisions and employee benefits liability	3,131	1,549
Decrease in deferred income	-	(834)
<b>Cash flows from operations</b>	5,081	24,916
Interest paid	(789)	(964)
Income tax paid	(4,107)	(419)
Interest received	72	63
<b>Net cash flows from operating activities</b>	257	23,596



**Pan-United Corporation Ltd**

**Interim Consolidated Cash Flow Statement  
For the Six Months ended 30 June 2022 (continued)**

	<b>Group</b>	
	<b>1H 2022</b>	<b>1H 2021</b>
	\$'000	\$'000
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(3,538)	(1,926)
Additions to intangible assets	(236)	(33)
Proceeds from disposal of property, plant and equipment	110	86
Dividend income from associate	2,077	870
	<hr/>	<hr/>
<b>Net cash flows used in investing activities</b>	<b>(1,587)</b>	<b>(1,003)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Proceeds from bank borrowings	61,365	48,066
Repayment of bank borrowings	(51,428)	(70,650)
Payment of principal portion of lease liabilities	(3,209)	(3,549)
Purchase of treasury shares	(1,275)	–
Proceeds from reissuance of treasury shares	948	26
Dividends paid to shareholders	(7,706)	(5,614)
Dividends paid to non-controlling interests	(341)	(329)
	<hr/>	<hr/>
<b>Net cash flows used in financing activities</b>	<b>(1,646)</b>	<b>(32,050)</b>
	<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,976)</b>	<b>(9,457)</b>
Cash and cash equivalents as at beginning of period	64,149	67,558
Effects of exchange rate changes on opening cash and cash equivalents	644	243
	<hr/>	<hr/>
<b>Cash and cash equivalents as at end of period</b>	<b>61,817</b>	<b>58,344</b>
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## **Pan-United Corporation Ltd**

### **Notes to the Condensed Interim Financial Statements For the Six Months ended 30 June 2022**

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#### **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 2022 comprise the Company and its subsidiaries (collectively, the Group).

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

#### **2. Basis of preparation**

The condensed interim financial statements for the six months ended 30 June 2022 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 2021. 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 2021.

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 2022**

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 Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

##### **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 2021.

**Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022**

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**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 2022.

**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:

	<b>Group</b>	
	<b>1H 2022</b>	<b>1H 2021</b>
	\$'000	\$'000
<b>(a) Other income</b>		
Gain on disposal of property, plant and equipment	93	63
Government grant	382	2,490
Interest income	72	63
Foreign exchange gain, net	–	121
<hr/>		
<b>(b) Other expenses</b>		
Usage of equipment, maintenance and consumables	12,386	8,957
Utilities and telecommunication charges	3,859	3,216
Reversal of impairment loss on trade receivables	(45)	(50)
Write-off of property, plant and equipment	40	69
Foreign exchange loss, net	86	–
<hr/>		

**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 2022 and 2021 are:

	<b>Group</b>	
	<b>1H 2022</b>	<b>1H 2021</b>
	\$'000	\$'000
Current income tax	3,596	2,168
Deferred income tax	553	170
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Income tax expense recognised in profit or loss	4,149	2,338
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**Pan-United Corporation Ltd**

**Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022**

**6. Net asset value per share**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 22</b>	<b>31 Dec 21</b>	<b>30 Jun 22</b>	<b>31 Dec 21</b>
Net asset value per ordinary share (in cents)	30.2	29.3	16.8	17.7

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 2022, the Group had additions to property, plant and equipment of \$3,854,000 (30 June 2021: \$11,375,000).

Included in the additions to property, plant and equipment is additions to right-of-use assets of \$296,000 (30 June 2021: \$9,424,000).

**8. Intangible assets**

During the six months ended 30 June 2022, the Group had additions to intangible assets of \$236,000 (30 June 2021: \$33,000).

**9. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 22</b>	<b>31 Dec 21</b>	<b>30 Jun 22</b>	<b>31 Dec 21</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>				
Trade receivables	140,247	122,264	–	–
Amounts due from subsidiaries	–	–	27,772	43,183
Refundable deposits	2,784	2,888	1	1
Sundry receivables	2,025	322	–	–
	<b>145,056</b>	<b>125,474</b>	<b>27,773</b>	<b>43,184</b>
<b>Non-current</b>				
Refundable deposits	151	151	–	–
<b>Total trade and other receivables</b>	<b>145,207</b>	<b>125,625</b>	<b>27,773</b>	<b>43,184</b>
<b>Add: Cash and cash equivalents</b>	<b>61,817</b>	<b>64,149</b>	<b>41,964</b>	<b>39,594</b>
<b>Total financial assets carried at amortised cost</b>	<b>207,024</b>	<b>189,774</b>	<b>69,737</b>	<b>82,778</b>

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**Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022**

**9. Trade and other receivables (continued)**

Trade and other receivables (current) increased by \$19.6 million to \$145.1 million as at 30 June 2022, primarily due to the increase in revenue.

**10. Loans and borrowings**

	<b>Group</b>	
	<b>30 Jun 22</b>	<b>31 Dec 21</b>
	\$'000	\$'000
<b>Current</b>		
Secured	9,361	8,895
Unsecured	23,137	12,545
	32,498	21,440
<b>Non-current</b>		
Secured	8,801	10,368
Unsecured	14,836	14,816
	23,637	25,184
Total loans and borrowings (excluding lease liabilities)	56,135	46,624

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

**11. Payables and accruals**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 22</b>	<b>31 Dec 21</b>	<b>30 Jun 22</b>	<b>31 Dec 21</b>
	\$'000	\$'000	\$'000	\$'000
<b>Payables and accruals</b>				
Trade payables	83,076	79,236	–	–
Other payables	5,606	5,328	313	169
Accruals	12,915	13,805	1,736	2,455
Amount due to subsidiaries	–	–	45,070	49,883
Total payables and accruals	101,597	98,369	47,119	52,507
Less: Sales tax payables	(1,250)	(821)	(253)	(84)
Add: Loans and borrowings (Note 10)	56,135	46,624	–	–
Add: Lease liabilities	16,454	19,375	–	–
Total financial liabilities carried at amortised cost	172,936	163,547	46,866	52,423

Pan-United Corporation Ltd

Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022

12. Share capital and treasury shares

	Group and Company			
	30 Jun 22		31 Dec 21	
	No. of shares units	\$'000	No. of shares units	\$'000
<b>(a) Share capital</b>				
<b>Issued and fully paid     ordinary shares</b>				
At the beginning and end of period	701,995,825	12,645	701,995,825	12,645
	Group and Company			
	2022		2021	
	No. of shares units	\$'000	No. of shares units	\$'000
<b>(b) Treasury shares</b>				
At 1 January	2,232,600	780	342,000	295
Reissued for cash:				
- On exercise of employee share options	(2,921,500)	(1,020)	(94,500)	(82)
Purchase of treasury shares	3,380,400	1,275	–	–
At 30 June	2,691,500	1,035	247,500	213
<b>Total number of issued shares excluding treasury shares</b>				
At 30 June	699,304,325		701,748,325	

The total number of issued shares excluding treasury shares as at 31 December 2021 was 699,763,225.

	2022 No. of options units	2021 No. of options units
<b>(c) Share options</b>		
Number of shares that may be issued on exercise of share options outstanding at the end of the period		
At 30 June	11,385,300	13,222,000

The Company acquired 3,380,400 (30 June 2021: Nil) of its ordinary shares by way of on-market purchases and held them as treasury shares during the six months ended 30 June 2022. There were no new shares issued during the six months ended 30 June 2022.

During the six months ended 30 June 2022, 2,921,500 (30 June 2021: 94,500) 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 2022.

Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022

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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 22 \$'000	31 Dec 21 \$'000
<b>Group and Company</b>		
<b>Financial asset:</b>		
Derivatives:		
- Forward currency contracts	1,464	328
- Currency option contracts	343	–
	1,807	328
<b>Financial liability:</b>		
Derivatives:		
- Currency option contracts	–	9
	–	9

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 22 \$'000	31 Dec 21 \$'000
<b>Group</b>		
<b>Financial asset:</b>		
Held through fair value through other comprehensive income:		
- Unquoted equity investment	3	3
	3	3

**Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022**

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

Except as indicated above, no other 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 ended 30 June 2022 and 30 June 2021 are as follows:

	<b>Group</b>	
	<b>1H 2022</b>	<b>1H 2021</b>
	\$'000	\$'000
Singapore	444,963	361,493
Others	45,272	32,813
Eliminations	(152,162)	(117,722)
Total	338,073	276,584
	338,073	276,584



Pan-United Corporation Ltd

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For the Six Months ended 30 June 2022

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 ended 30 June 2022 and 30 June 2021.

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<b>1H 2022</b>					
<b>Revenue</b>					
External sales	330,818	7,255	–	–	338,073
Inter-segment sales	–	1,622	–	(1,622)	–
Total revenue	330,818	8,877	–	(1,622)	338,073
<b>Results</b>					
Segment results	31,207	374	(5,339)	–	26,242
Interest income	72	–	–	–	72
Depreciation expenses	(10,668)	(1)	(150)	–	(10,819)
Amortisation of intangible assets	(97)	–	(676)	–	(773)
Interest expense	(808)	–	–	–	(808)
Share of results of associate	–	–	3,585	–	3,585
Profit/(loss) before tax	19,706	373	(2,580)	–	17,499
Income tax expense	(3,558)	(53)	(538)	–	(4,149)
Profit/(loss) for the period	16,148	320	(3,118)	–	13,350
<b>Attributable to:</b>					
Equity holders of the Company	16,442	145	(3,118)	–	13,469
Non-controlling interests	(294)	175	–	–	(119)
	16,148	320	(3,118)	–	13,350

Pan-United Corporation Ltd

Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<b>1H 2021</b>					
<b>Revenue</b>					
External sales	272,029	4,555	–	–	276,584
Inter-segment sales	–	–	–	–	–
Total revenue	272,029	4,555	–	–	276,584
<b>Results</b>					
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
<b>Attributable to:</b>					
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

Pan-United Corporation Ltd

Notes to the Condensed Interim Financial Statements  
For the Six Months ended 30 June 2022

14. Segment information (continued)

(b) Business segments (continued)

	Concrete and Cement \$'000	Trading and Shipping \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<b>30 June 2022</b>					
<b>Balance Sheet</b>					
Segment assets	345,028	3,422	51,447	–	399,897
Investment in associate	–	–	5,843	–	5,843
Intangible assets	1,584	–	4,518	–	6,102
<b>Total assets</b>	<b>346,612</b>	<b>3,422</b>	<b>61,808</b>	<b>–</b>	<b>411,842</b>
Segment liabilities	134,083	762	2,026	–	136,871
Loans and borrowings	56,135	–	–	–	56,135
<b>Total liabilities</b>	<b>190,218</b>	<b>762</b>	<b>2,026</b>	<b>–</b>	<b>193,006</b>
<b>Other segment information</b>					
Additions to non-current assets	4,014	2	74	–	4,090
<b>31 December 2021</b>					
<b>Balance Sheet</b>					
Segment assets	335,248	2,753	47,708	–	385,709
Investment in associate	–	–	4,335	–	4,335
Intangible assets	1,487	–	5,164	–	6,651
<b>Total assets</b>	<b>336,735</b>	<b>2,753</b>	<b>57,207</b>	<b>–</b>	<b>396,695</b>
Segment liabilities	131,814	551	4,227	–	136,592
Loans and borrowings	46,624	–	–	–	46,624
<b>Total liabilities</b>	<b>178,438</b>	<b>551</b>	<b>4,227</b>	<b>–</b>	<b>183,216</b>
<b>Other segment information</b>					
Additions to non-current assets	16,483	2	2,518	–	19,003

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**

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**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 2022 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 ended 30 June 2022 and selected explanatory notes have not been audited or reviewed by our auditors.

**2. Review of Year to date performance of the Group**

In 1H2022, the Group recorded a 22% year-on-year (yoy) increase in revenue to \$338.1 million, primarily driven by the Concrete and Cement (C&C) business, supported by the recovery of the construction industry in Singapore and higher selling prices for ready-mix concrete.

Costs of key raw materials such as cement, granite and sand had risen further in 1H2022, in tandem with increasing commodity prices. This led to an increase in raw materials, subcontract costs and other direct costs. The Group also saw an increase in other expenses, especially energy costs in recent months. Additionally, with the tight skilled labour market situation in Singapore, staff cost had also increased. Notwithstanding this, our investments in technology have helped to mitigate the cost increases by improving the overall operational efficiency.

Without the governments grants from the Singapore government's Covid-19 support scheme, other income decreased by 46%, from \$3.3 million in 1H2021 to \$1.8 million.

The Group's EBITDA was at \$26.2 million, up from \$20.9 million in 1H2021 and the EBITDA margin remained comparable yoy.

Together with a higher share of results from associate of \$3.6 million, the Group recorded a net attributable profit of \$13.5 million in 1H2022 compared to \$7.0 million in 1H2021.

**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 construction sector in Singapore has recovered to pre-Covid levels and construction work is progressing at a steady pace.

For the medium term, the Building and Construction Authority (BCA) has projected that the total construction demand in Singapore from 2023 to 2026 will reach between \$25 billion and \$32 billion per year. This can be mainly attributed to the sustained level of construction projects awarded in 2021, as well as the steady level of construction demand expected for 2022.

Nonetheless, the high cost of construction materials, energy prices and tight demand for manpower will continue to pose a challenge to the Singapore's construction sector.

In Malaysia, even though the construction sector is expected to register an annual growth of 6.2% between 2023 and 2026, it continues to operate in a challenging environment, with the rising raw materials costs and interest rates. Large-scale infrastructure projects continue to be awarded and tendered at a gradual pace.

Over in Vietnam, the construction sector is projected to expand by 10.4% in 2022. This will be mainly driven by major infrastructure projects such as the construction of the North-South Expressway connecting Hanoi and Ho Chi Minh City, in addition to increasing foreign direct investments into Vietnam.

**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? Yes.

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

**(c) Date payable**

The interim dividend will be paid on 26 August 2022.

**(d) Record date**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 18 August 2022 at 5.00 p.m. for the preparation of dividend warrants. Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632, by 5.00 p.m. on 18 August 2022 will be registered before entitlements to the dividend are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 18 August 2022 will be entitled to the dividend.

**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 condensed interim financial statements for the period ended 30 June 2022 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 2022