

Pan-United reports 9% higher core PATMI; ups final dividend for FY2013

- ◆ Improved performance due to BBR and port operations and higher attributable profits from increased beneficial interest in CXP
- ◆ Group expects steady demand for basic building materials and port volume growth in FY2014
- ◆ Proposed final dividend of 2.75 S¢/share is higher than FY2012's 2.5 S¢/share

SINGAPORE ◆ 25 February 2014

For immediate release

Pan-United Corporation Ltd (PanU, the Group or 泛联集团), an integrated resource development and logistics group in Asia, recorded a revenue of \$727.4 million in FY2013, a 2% increase year-on-year (y-o-y).

Revenue generated by higher sales volume for its cement and ready-mixed concrete (RMC), as well as higher utilisation at CXP, were partly offset by a reduction in trading revenue under the shipping division during the year.

With higher revenue, coupled with the Group's increased effective shareholding in Changshu Xinghua Port Co., Ltd (CXP) from 51.3% to 85.5% in September 2013, net attributable profit (PATMI) rose to \$44.6 million, 4% higher y-o-y. Excluding the \$2.2 million vessel disposal gains recognised in FY2012, the Group's FY2013 core PATMI rose 9% y-o-y.

Ms May Ng (黄美美), the Group's Chief Executive Officer, said: "The Group has, over the years, consistently re-invested its earnings to grow our core businesses for sustainable profit growth. In addition, the strong cashflow generated from our operations allows us to distribute higher dividends as our earnings grow. We are pleased to propose a final dividend of 2.75 S¢ for FY2013, a step up from FY2012."

The Group generated positive net cashflow from operations of \$68.8 million in FY2013, up 26% from \$54.7 million in FY2012. PanU's net gearing edged up to 0.16 times as at end December 2013.

Ms Ng added: "The acquisition of Changshu Changjiang International Port Co., Ltd announced last week is part of the Group's growth plans for the next phase. Although the new investment will take time to be fully realised, we are positive that it will enhance shareholder value in the medium term.

"This year, we expect steady demand for cement, RMC and aggregates with projected construction demand¹, based on construction output, remaining high at \$34-36 billion compared to FY2013's estimated \$33 billion."

¹ Source: *Building and Construction Authority news release: "Construction demand for 2014 to remain strong", 9 January 2014.*



ABOUT THE COMPANY

www.panunited.com.sg ♦ SGX mainboard listing: December 1993

Pan-United Corporation Ltd (PanU), one of Asia's modern and dynamic enterprises, has an integrated building materials resource business and a shipping arm, and also owns and operates Changshu Xinghua Port (CXP) in Changshu, Jiangsu Province, China.

In September 2013, the Group increased its beneficial interest in CXP from 51.3% to 85.5%. Following the move, the Group decided to reinvest profits from the Port division for long-term growth. In line with this strategy, PanU announced on 19 February 2014 that CXP had entered into an agreement to acquire a 90% interest in Changshu Changjiang International Port Co., Ltd (CCIP), a port located adjacent to CXP.

The Group's Basic Building Resources division is the largest cement and ready-mixed concrete (RMC) supplier in Singapore and also one of the leading aggregates quarry operators in Southeast Asia. It supplies these basic building materials to both public and private sector projects in Singapore. The division has operations in Singapore, Vietnam, Malaysia and Indonesia.

The Shipping division operates a fleet of young tugboats and barges, which ply Southeast Asia, shipping and supplying coal, gypsum, sand and aggregates.

Under the Group's Port & Logistics division, CXP has grown rapidly to become one of China's top 10 river ports. CXP, with its latest acquisition of CCIP, will create an enlarged port whose overall handling capacity will rise by 60% to 16.0 million tons per annum and berth length will increase by 67% to 2.8km.

FOR FURTHER ENQUIRIES

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