BUILDING MATERIALS EQUITY RESEARCH

PAN-UNITED CORPORATION LTD

SGX: P52
Bloomberg: PAN:SP
ISIN code: SG1A67000830

Country: Singapore
Industry: Building Materials

30 October 2026

RECOMMENDATION: HOLD

Current price: S$1.590
Target price: S$1.750
Issued shares: 702 million (19 Oct 2026)
Market capitalisation: S$1.11 billion
52-week range: S$1.000 - S$1.750

PRICE PERFORMANCE



COMPANY DESCRIPTION

Pan-United Corporation Ltd ("Pan-United") is a Singapore-based supplier of ready-mixed concrete ("RMC") and cement. It is Singapore's largest provider of RMC, supplying projects across both the public and private sectors. Its business activities include ground granulated blast furnace slag ("GGBS") manufacturing, cement storage and distribution, and technology services. Pan-United utilises its in-house research and development ("R&D") to develop advanced materials and deliver specialised concrete solutions, evolving into an innovation-led concrete corporation. Pan-United has supplied concrete to a range of prominent developments in Singapore which included Gardens by the Bay and Jewel Changi Airport. Its current projects include, but non-exhaustive, the Tuas Port Mega-Project, Changi Airport Terminal 5 and the Cross-Island Line.

SUMMARY

For H1 FY2026 ended 30 June 2026, Pan-United's revenue increased by 37.0% to S$549.6 million from S$401.1 million in H1 FY2025, supported by growth in its Concrete and Cement business. Profit before tax rose by 53.6% to S$41.4 million as revenue growth outpaced the increase in operating expenses. Profit after tax increased by 48.9% to S$31.3 million, while basic and diluted EPS rose to 4.38 cents and 4.37 cents, respectively, from 2.95 cents each. Pan-United declared an interim dividend of 1.50 cents per share, representing a 50.0% increase from 1.00 cent in H1 FY2025.

RECOMMENDATION

Our peer and historical valuation analyses indicate that Pan-United trades at a premium. At the current share price of S$1.590, Pan-United trades at a higher P/E multiple of 17.67x and P/B multiple of 3.79x, compared with the peer averages of 13.60x and 1.74x respectively. Its dividend yield of 3.14% is also below the peer average of 3.29%. Relative to its historical average P/E multiple of 13.17x, P/B of 1.97x and dividend yield of 4.18%, these measures suggest that investors have already been pricing in higher growth expectations. By averaging the estimated targeted prices, we derive an overall target price of S$1.114 which represents a downside potential of 29.9% from the current share price of S$1.590. However, we believe these valuations may understate Pan-United's fair value. In our view, Pan-United merits a premium because its scale and technical capabilities matter greatly to its customers. For a contractor undertaking a continuous pour, the supplier must meet the specified concrete grade and sustain deliveries throughout the pour. Pan-United's ability to meet both requirements gives it a competitive advantage on technically demanding projects. We expect continued earnings growth and higher dividends to support that premium as growth moderates.

Accordingly, we believe Pan-United's 52-week high of S$1.75 represents a more realistic target price, implying an upside potential of 10.1% from the current share price. Our target reflects our judgement that delivery of forecast earnings and dividends could support a return to the recent high. Potential catalysts, including additional construction supply contracts, increased usage of Pan-United's offerings, higher dividends and potential expansion in overseas markets could provide further support for the share price. Therefore, we initiate coverage on Pan-United with a HOLD recommendation. However, downside risks include weaker-than-expected construction demand, higher input costs and foreign exchange risk.

KEY FINANCIALS Year ended 31 Dec	Revenue (S$ million)	Earnings[1] (S$ million)	EPS[2] (cents)	P/E (x)	DPS (cents)	Dividend Yield (%)	NAV per share (cents)	P/B (x)
2024 Actual	812.3	40.9	5.84	27.2	3.00	1.89%	37.99	4.19
2025 Actual	898.4	50.7	7.24	22.0	4.50	2.83%	41.50	3.83
2026 Forecast	1,021.1	58.5	8.36	19.0	5.19	3.26%	n.a.	n.a.
2027 Forecast	1,076.3	61.4	8.77	18.1	5.45	3.43%	n.a.	n.a.

Note: P/E, P/B, and dividend yield based on current share price of S$1.590. n.a. = not available.
(1) Profit attributable to shareholders.
(2) Earnings Per Share.
Source: Pan-United, FPA

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COMPANY OVERVIEW

(I) CORPORATE PROFILE

Pan-United Corporation Ltd ("Pan-United") is a Singapore-based supplier of ready-mixed concrete ("RMC") and cement. It is Singapore's largest provider of RMC, supplying projects across both the public and private sectors. Its business activities include ground granulated blast furnace slag ("GGBS") manufacturing, cement storage and distribution, and technology services. Pan-United utilises its in-house research and development ("R&D") to develop advanced materials and deliver specialised concrete solutions, evolving into an innovation-led concrete corporation.

Pan-United offers more than 300 specialised concrete solutions, over 60% of which are low-carbon. Its offerings include concrete incorporating recycled materials, self-compacting concrete that removes the need for mechanical compaction and temperature-controlled concrete designed to manage heat and minimise cracking during large pours. These products address different construction requirements, including workability, durability and environmental performance.

Pan-United's key offering is the PanU CMC+ - an in-house developed concrete that mineralises carbon dioxide within it, making it a carbon sink while maintaining its compressive strength and durability. Pan-United also uses supplementary cementitious materials like GGBS to reduce reliance on the carbon-intensive Ordinary Portland Cement. In 2025, the Group introduced PanU Hi-Albedo - a low-carbon concrete designed to reflect more sunlight and reduce surface temperatures. It has been used in projects by National Parks Board and Land Transport Authority.

Pan-United has supplied concrete to a range of prominent developments in Singapore which included Gardens by the Bay and Jewel Changi Airport. Its current projects include, but non-exhaustive, the Tuas Port Mega-Project, Changi Airport Terminal 5 and the Cross-Island Line.

Through its subsidiary - AiR Digital Solutions, Pan-United applies artificial intelligence and Internet of Things technologies to optimise operations and coordinate time-sensitive concrete deliveries. AiR Digital has secured more than 20 customers in the RMC and logistics industries across Southeast Asia, North Asia and Australasia, extending its technology offering beyond the Group's own operations.

(II) BUSINESS OPERATIONS

Pan-United's core business comprises the manufacture and supply of RMC, supported by cement trading and distribution, slag production and related logistics activities. The Group is known to operate in Singapore, Malaysia and Vietnam.

Production and Delivery

The Group combines materials supply, concrete formulation, production and delivery to meet construction requirements. Concrete is produced by mixing cementitious materials, aggregates, water and admixtures according to the required specifications. Pan-United's in-house research and development capabilities support specialised formulations for different applications, including low-carbon concrete.

Production and delivery require close coordination with construction-site schedules. RMC is typically produced on a just-in-time basis and has a workable lifespan of approximately two hours, although specialised formulations can extend this period. Pan-United uses its proprietary AiR digital platform to optimise batching-plant operations and coordinate truck deliveries. This supports large, continuous concrete pours, where a steady supply is needed to maintain construction progress and concrete quality.

Concrete revenue depends on the volume supplied, realised selling prices and product mix. From an operating perspective, profitability also depends on production processes and delivery. Higher throughput can improve the utilisation of plants and logistics resources, while efficient scheduling can reduce idle time and wastage. Specialised products provide a means of differentiating the Group's offering through technical performance and environmental attributes.

Position in the Construction Supply Chain

Pan-United operates at the building-materials manufacturing and supply stage, connecting upstream material suppliers with downstream construction contractors. Its activities include sourcing and handling materials, developing concrete formulations, producing RMC and arranging delivery to construction sites.

Contractors incorporate the supplied concrete into buildings and infrastructure commissioned by developers, public agencies and other project owners. Pan-United's role therefore centres on providing construction inputs and technical solutions. Its value to customers lies in meeting material specifications and delivering the required quantities in line with construction schedules.

This position links the Group's demand to the execution of construction projects. Newly awarded construction contracts may support future demand, but concrete deliveries also depend on when these projects reach the relevant stages where concrete is needed.

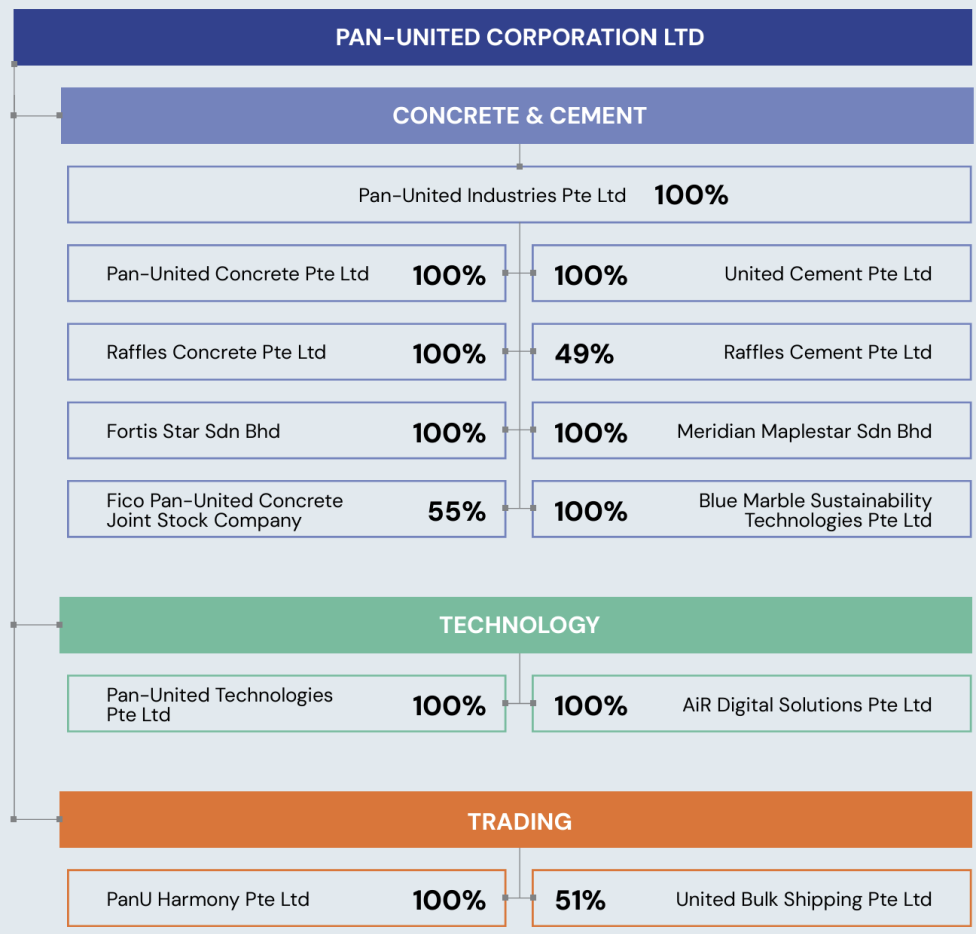
(III) CORPORATE STRUCTURE

Pan-United Corporation Ltd is the Group's parent company with its principal entities organised under three business categories: Concrete & Cement, Technology and Trading, as shown in **Exhibit 1**.

The Concrete & Cement business is organised under Pan-United Industries Pte Ltd, whose entities include Pan-United Concrete, Raffles Concrete and United Cement in Singapore, alongside Fortis Star and Meridian Maplestar in Malaysia. The Group also holds a 55% interest in Vietnam-based Fico Pan-United Concrete Joint Stock Company and owns Blue Marble Sustainability Technologies. Raffles Cement is 49%-owned but is consolidated as a subsidiary as Pan-United's "management has determined that it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity".

The Technology business comprises Pan-United Technologies and AiR Digital Solutions. The Trading business includes PanU Harmony and partially-owned United Bulk Shipping. The structure combines the Group's core concrete and cement operations with technology capabilities and supporting trading and shipping activities.

Exhibit 1: Pan-United Corporate Structure



Source: Pan-United, FPA

(IV) SUBSTANTIAL SHAREHOLDINGS

The top five largest shareholders are listed in **Exhibit 2**. Mr Ng Han Whatt, Mr Patrick Ng Bee Soon, Ms Ng Bee Bee and Ms Jane Kimberly Ng Bee Kiok are siblings. Ms Ng Bee Bee serves as Executive Chairman, while Mr Patrick Ng Bee Soon serves as Deputy Chairman and Executive Director, reflecting the Ng family's involvement in both ownership and executive leadership.

Exhibit 2: Pan-United Top Five Largest Shareholders

	Five Largest Shareholders	No. of shares	%
1	Ng Han Whatt, Jane Kimberly Ng Bee Kiok and Ng Bee Bee	398,250,000	56.86
2	Phillip Securities Pte Ltd	37,534,045	5.36
3	Patrick Ng Bee Soon	34,962,037	4.99
4	DBS Nominees (Private) Limited	33,603,699	4.80
5	HSBC (Singapore) Nominees Pte Ltd	13,869,300	1.98

The deemed interests of Mr Ng Han Whatt, Ms Ng Bee Bee and Ms Jane Kimberly Ng Bee Kiok include their shareholdings held as joint shareholders. Mr Patrick Ng Bee Soon has a deemed interest in the 135,000 shares held by his spouse Mrs Mandy Ng as shown in **Exhibit 3**.

Exhibit 3: Substantial Shareholders and Disclosed Interests

Substantial shareholders	Direct interest		Deemed interest		Total interest	
	No. of shares	%	No. of shares	%	No. of shares	%
Ng Han Whatt	6,750,000	0.96%	420,700,037	60.07%	427,450,037	61.03%
Patrick Ng Bee Soon	34,962,037	4.99%	135,000	0.02%	35,097,037	5.01%
Ng Bee Bee	-	-	408,375,002	58.31%	408,375,002	58.31%
Jane Kimberly Ng Bee Kiok	-	-	408,809,502	58.37%	408,809,502	58.37%

Source: Pan-United, FPA

INDUSTRY OUTLOOK

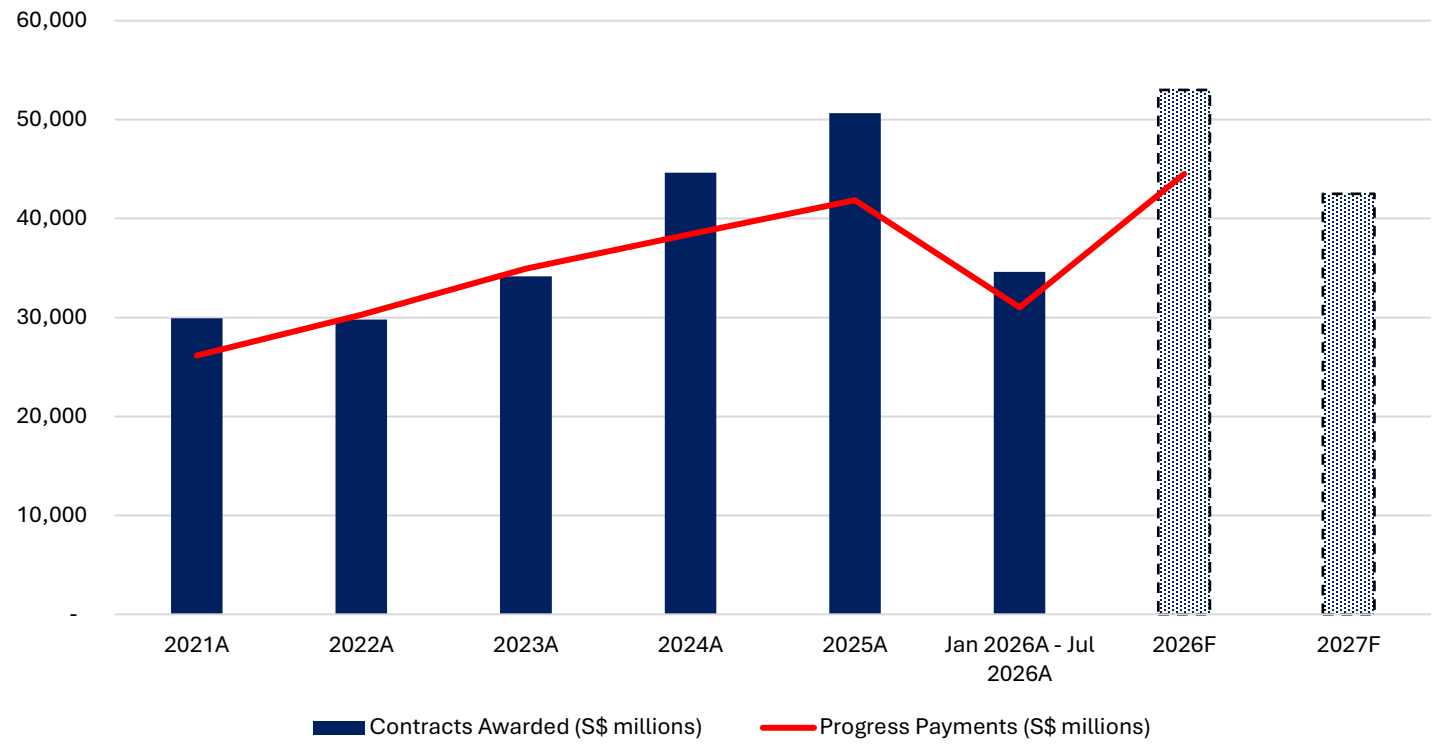
(I) SINGAPORE CONSTRUCTION INDUSTRY

Construction activity expected to remain resilient

Singapore's construction industry is expected to maintain a resilient outlook, supported by a substantial pipeline of public infrastructure and private-sector developments. The value of contracts awarded and certified progress payments data corresponds to BCA's construction demand and output respectively. According to the Building and Construction Authority ("BCA"), construction demand reached S$50.7 billion in 2025, driven primarily by institutional, residential and civil engineering projects. BCA forecasts construction demand of S$50 billion to S$56 billion in 2026 – comparably higher than the previous year. Meanwhile, construction output is projected to increase from S$41.9 billion in 2025 to between S$43 billion and S$46 billion in 2026.

The value of contracts awarded and certified progress payments from 2021 to the present date, including the published forecast figures by BCA, are summarised in **Exhibit 4**.

Exhibit 4: Contracts Awarded & Progress Payments Certified



Source: BCA, SingStat, FPA

The construction industry's continued expansion was further reflected in the Ministry of Energy, Trade and Industry's ("METI") advance estimates released in October 2026. Singapore's construction sector expanded by 8.8% y-o-y in 3Q2026, accelerating from the 6.1% growth recorded in 2Q2026, supported by increased construction output across both public and private sectors. On a quarter-on-quarter seasonally adjusted basis, the sector grew by 3.4% in 3Q2026, reversing the 2.7% contraction in the preceding quarter. The sector also outperformed Singapore's overall GDP growth of 5.4% y-o-y in 3Q2026, reflecting sustained construction activity amid the ongoing industry upcycle.

Construction demand is expected to be supported by major developments including Changi Airport Terminal 5, the Marina Bay Sands expansion, Tengah General and Community Hospital, the Downtown Line 2 Extension and the Thomson-East Coast Line Extension. Looking further ahead, BCA forecasts average annual construction demand of S$39 billion to S$46 billion from 2027 to 2030, underpinned by ongoing works for Changi Airport Terminal 5, Housing & Development Board ("HDB") Build-To-Order ("BTO") developments, the redevelopment of National University Hospital at Kent Ridge, various junior colleges and the new Singapore University of Social Sciences City Campus.

Maybank Research's report highlighted a multi-year expansion in Singapore's construction sector, forecasting real growth of 7.0% in 2026 and 5.0% in 2027 with the project pipeline providing a favourable backdrop for concrete and cement demand although competition for labour, materials and machinery could increase construction costs. Nevertheless, construction demand could moderate from current elevated levels as major developments progress towards completion.

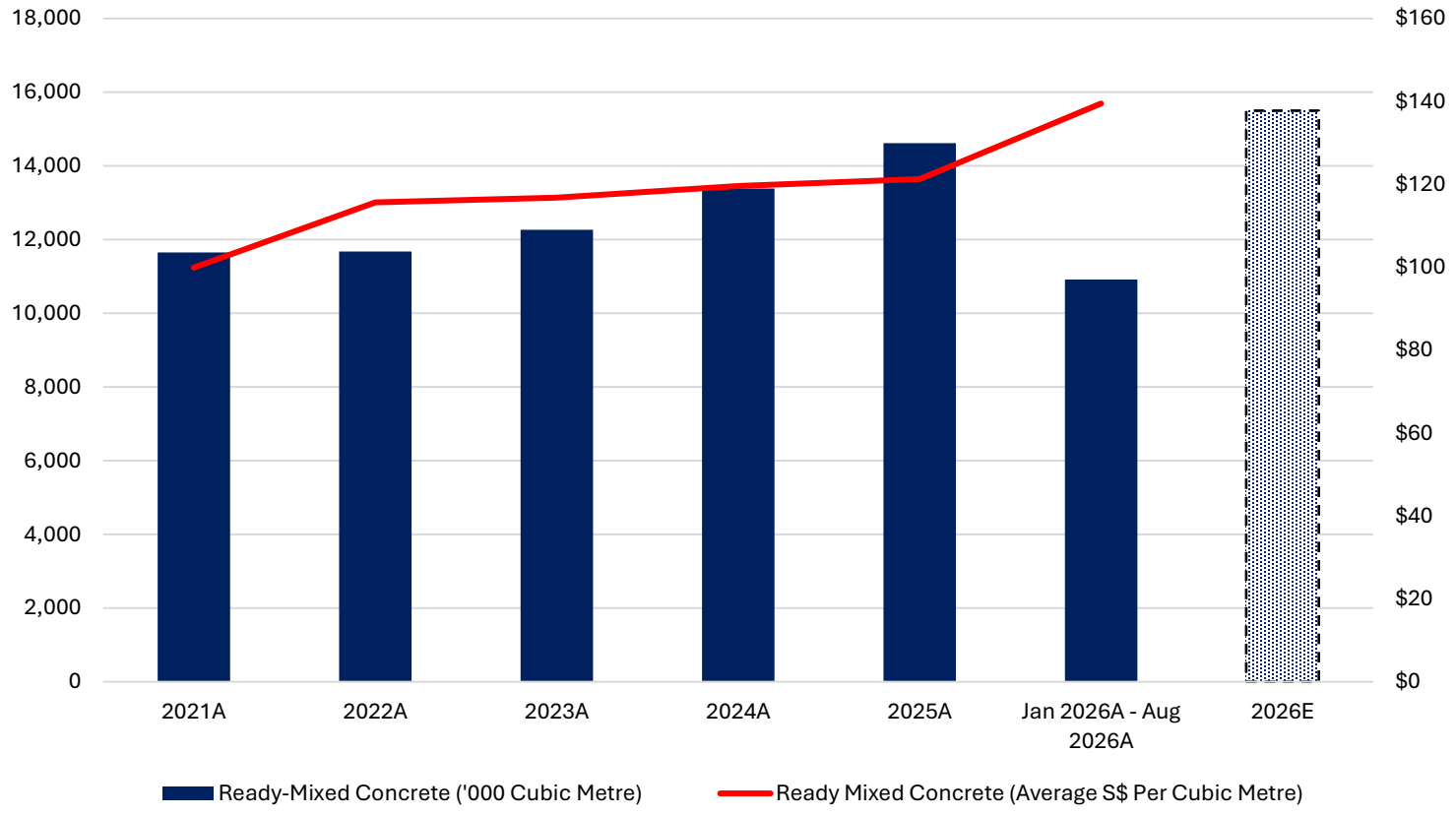
RMC demand supported by higher construction output

The expansion in construction activity has translated into higher demand for RMC. According to the Singapore Department of Statistics ("SingStat"), RMC consumption increased to approximately 14.6 million cubic metres in 2025 from 13.4 million cubic metres in 2024. The sustained construction pipeline is expected to provide favourable demand conditions for RMC suppliers over the medium term. In particular, large-scale infrastructure, transportation and residential developments are expected to require substantial concrete volumes throughout their construction phases.

RMC prices have increased alongside higher construction activity and operating costs. According to SingStat, the average market price of RMC increased yoy to S$141.2 per cubic metre in September 2026 from S$120.7 per cubic metre in September 2025. BCA estimates RMC volume in 2026 to be within 15.0 million to 16.0 million cubic metres, higher than 2025's RMC volume of 14.6 million cubic metres.

The RMC consumption and average market price is summarised in **Exhibit 5**.

Exhibit 5: RMC Consumption & Average Market Price



Source: BCA, SingStat, FPA

Looking ahead, concrete producers remain exposed to fluctuations in the prices of key raw materials, including cement, sand and granite aggregates, alongside energy, transportation and labour costs. Singapore's reliance on imported construction materials exposes producers to overseas supply conditions, freight costs and geopolitical developments. While sustained construction demand could support selling prices, producers may face margin pressure if increases in raw-material and operating costs cannot be fully passed on to customers. Consequently, cost management, reliable procurement arrangements and improvements in operational efficiency are expected to remain important determinants of profitability.

Sustainability and productivity to shape long-term industry development

Beyond cyclical construction demand, the industry is undergoing a gradual transition towards more sustainable materials and technologically advanced construction methods. BCA's Green Mark framework places increasing emphasis on reducing carbon throughout the building life cycle, encouraging the adoption of lower-carbon construction materials and more resource-efficient building practices. Singapore's carbon tax, which increased to S$45 per tonne of carbon dioxide in 2026 and 2027 and potentially reaching S$50 to S$80 per tonne by 2030, could further reinforce the industry's longer-term transition towards lower-emission materials and production processes.

Meanwhile, BCA continues to promote the adoption of Design for Manufacturing and Assembly, digital technologies and robotics to improve construction productivity and reduce reliance on manpower. These developments could encourage greater investment in production automation, material optimisation and integrated logistics solutions among construction-material suppliers. For established RMC producers such as Pan-United, the growing emphasis on sustainability and operational efficiency could create opportunities for product differentiation and productivity improvements.

Overall, Singapore's construction outlook remains favourable over the medium term supported by continued infrastructure spending and development projects, although construction demand may gradually normalise towards the end of the decade. However, potential increases in material costs, competitive pricing pressures and the possibility of excess production capacity following the current construction upcycle remain key considerations for the industry's longer-term prospects.

(II) OVERSEAS CONSTRUCTION INDUSTRY – MALAYSIA & VIETNAM

Construction activity in Malaysia and Vietnam provides a supportive backdrop for Pan-United's overseas operations.

In Malaysia, the Ministry of Finance estimates construction growth of 6.4% in 2026 and forecasts a further 5.7% expansion in 2027 as shown in **Exhibit 6**. Growth is expected to be supported by data-centre developments, major transport infrastructure projects and residential construction. These developments suggest continued opportunities for concrete and cement suppliers, although Pan-United's revenue growth will also depend on its project participation, selling prices and competitive position.

Exhibit 6: Ministry of Finance Malaysia Economic Outlook for 2027

3.1. GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY
at constant 2015 prices, Malaysia
RM million

Kind of Economic Activity	2023	2024	2025[2]	2026[3]	2027[4]
Agriculture	100,573 *(0.4)*	104,031 *(3.4)*	106,354 *(2.2)*	104,128 *(-2.1)*	104,656 *(0.5)*
Mining and quarrying	97,537 *(0.5)*	98,685 *(1.2)*	99,258 *(0.6)*	101,794 *(2.6)*	103,047 *(1.2)*
Manufacturing	366,817 *(0.7)*	382,060 *(4.2)*	399,363 *(4.5)*	423,951 *(6.2)*	441,208 *(4.1)*
Construction	56,616 *(5.9)*	66,594 *(17.6)*	74,709 *(12.2)*	79,525 *(6.4)*	84,049 *(5.7)*

Source: Ministry of Finance Malaysia

Vietnam's National Statistics Office reported that construction value added increased by 12.22% year-on-year in the first nine months of 2026, amid accelerated public investment and the implementation of large-scale projects. This indicates strong construction activity, although the reported growth rate is historical rather than a forecast for subsequent periods.

RECENT SHARE PRICE DEVELOPMENTS

Over the last 12 months, Pan-United's share price rose by 42.0% to S$1.59 on 30 October 2026 from S$1.12 on 30 October 2025, as shown in **Exhibit 7**. During the period, the share price traded between S$1.00 and S$1.75.

Exhibit 7: Last Twelve Months' Share Price Performance



Source: Yahoo Finance, FPA

On 3 November 2025, SGX market update highlighted construction-related stocks, which mentioned Pan-United for being in the SMID 2H25 leaderboard for net institutional inflow relative to current market capitalisation. Share price rose by 4.5% to S$1.17 on 3 November 2025 from S$1.12 on 31 October 2025.

On 21 November 2025, METI released the Economic Survey of Singapore for 3Q2025 and reported that construction-sector growth had slowed to 3.6% yoy in the latest quarter compared to 6.2% in 2Q2025 though the sector was forecasted to continue growing with expansion in public residential building and civil engineering works. Share price fell by 2.8% to S$1.04 on 21 November 2025 from S$1.07 on 20 November 2025.

On 11 December 2025, the Fed cut rates by 25 basis points to 3.50%–3.75%. Share price rose by 4.9% to S$1.08 on 12 December 2025 from S$1.03 on 10 December 2025.

On 2 January 2026, Pan-United announced that its technology subsidiary AiR Digital Solutions would debut its AI-powered solutions at the World of Concrete 2026 in Las Vegas, United States. Share price rose by 0.9% to S$1.17 on 2 January 2026 from S$1.16 on 31 December 2025.

On 12 January 2026, news of US Justice Department investigation involving Fed Chairman Jerome Powell renewed "sell America" trade as reported by Yahoo Finance. Share price rose by 4.3% to S$1.20 on 13 January 2026 from the previous Friday's closing price of S$1.15 on 9 January 2026.

On 29 January 2026, the Fed held rates at 3.50%–3.75% following three consecutive cuts, noting signs of stabilisation in unemployment rate and "somewhat elevated" inflation. Share price fell by 5.0% to S$1.15 on 30 January 2026 from S$1.21 on 29 January 2026.

On 24 February 2026, Pan-United released its full-year FY2025 results after market close. Revenue increased by 11% to S$898.4 million while profit attributable to shareholders rose by 24% to S$50.7 million. Pan-United also proposed final dividend of 3.5 Singapore cents, increasing total FY2025 dividends to 4.5 cents from the previous year's 3.0 cents. Share price rose by 12.5% to S$1.35 on 27 February 2026 from S$1.20 on 24 February 2026.

On 4 March 2026, Pan-United bought back 200,000 shares for S$1.363 per share. Share price rose by 5.8% to S$1.45 on 5 March 2026 from S$1.37 on 4 March 2026.

On 9 March 2026, Pan-United repurchased another 120,000 shares for S$1.372 per share. Share price rose by 8.6% to S$1.51 on 12 March 2026 from S$1.39 on 9 March 2026.

On 31 March 2026, US President Donald Trump escalated threats against Iran and its energy infrastructure. Share price fell by 5.5% to S$1.55 on 31 March 2026 from S$1.64 on 30 March 2026.

On 1 April 2026, President Trump signalled willingness to scale back US military involvement alongside reports of a phone call between an EU councillor and Iran's President. Share price rose by 6.5% to S$1.65 on 1 April 2026 from S$1.55 on 31 March 2026.

On 6 April 2026, Business Times reported hopes of a 45-day cease-fire between US and Iran. Pan-United also released its FY2025 annual report and AGM notice. Share price rose by 5.6% to S$1.71 on 6 April 2026 from the previous trading day's closing price of S$1.62 on 2 April 2026.

On 8 April 2026, the US and Iran agreed to a two-week ceasefire. Share price rose by 1.8% to S$1.71 on 8 April 2026 from S$1.68 on 7 April 2026.

On 17 April 2026, Pan-United published its responses to questions received from shareholders and the Securities Investors Association (Singapore) where it shared plans to incur capital expenditure in FY2026 to align with construction demand from ongoing and upcoming projects in Singapore, while focusing primarily on deploying PanU CMC+ in existing Singapore, Malaysia and Vietnam markets rather than entering into other Asian markets. Share price fell by 1.2% to S$1.64 on 17 April 2026 from S$1.66 on 16 April 2026.

On 23 April 2026 after market close, Pan-United announced the transfer of 54,000 treasury shares worth S$33,742.44 as per the Share Plan. In accordance with the approval obtained at the AGM, Independent Director Mr Soh Ee Beng, Lead Independent Director Mr Fong Yue Kwong and Independent Director Mr Chan Wan Hong were each granted 18,000 ordinary shares. Share price fell by 1.2% to S$1.61 on 24 April 2026 from S$1.63 on 23 April 2026.

On 5 May 2026, Pan-United shares traded ex-dividend for its 3.50 Singapore-cent final dividend. Share price fell by 4.4% to S$1.52 on 5 May 2026 from S$1.59 on 4 May 2026.

On 7 May 2026, Pan-United bought back 200,000 shares for S$1.535 per share. On 8 May 2026, Pan-United repurchased another 60,000 shares for S$1.556 per share. Share price rose by 8.6% over the two days to S$1.64 on 8 May 2026 from S$1.51 on 6 May 2026.

On 14 May 2026, President Trump and Chinese President Xi Jinping met in Beijing as part of Trump's state visit to China. Share price rose by 6.1% to S$1.73 on 14 May 2026 from S$1.63 on 13 May 2026.

On 26 May 2026, US military launched 'self-defence' strikes in Iran amid peace talks which cast doubt on the deal to end the Middle East war. Share price fell by 2.6% to S$1.49 on 26 May 2026 from S$1.53 on 25 May 2026.

On 28 May 2026, Pan-United bought back 200,000 shares for S$1.485 per share. On 29 May 2026, Pan-United repurchased another 64,600 shares for S$1.506 per share. Share price fell by 1.3% initially to S$1.47 on 28 May 2026 from S$1.49 on 26 May 2026 before rising by 2.0% the next day to S$1.50 on 29 May 2026.

At the start of June, Pan-United continued buying back shares as it purchased 100,000 shares at S$1.510 per share on 2 June and another 100,000 shares at S$1.492 on 3 June. Share price remained unchanged at S$1.50 on 2 June 2026 compared to the previous trading day, before falling by 0.7% to S$1.49 on 3 June 2026.

On 9 June 2026, AiR Digital Solutions achieved ISO/IEC 27001:2022 certification for its AI-powered operations management platform, which is an internationally-recognised standard for managing information security risks. Share price fell by 0.7% to S$1.47 on 9 June 2026 from S$1.48 on 8 June 2026.

On 22 June 2026, Pan-United bought back 80,000 shares at S$1.440 per share. Share price fell by 2.1% to S$1.43 on 22 June 2026 from the previous trading day's closing price of S$1.46 on 19 June 2026.

On 29 June 2026, Pan-United bought back 100,000 shares at S$1.362 per share. Share price remained unchanged at S$1.35 compared to the previous trading day's closing price on 26 June 2026.

On 23 July 2026, SGX published the 'Construction, Capital & Market Participation' market update that detailed Pan-United's YTD net institutional inflow of S$12.74 million and YTD net retail outflow of S$12.66 million, alongside other financial figures. Share price rose by 1.9% to S$1.62 on 23 July 2026 from S$1.59 on 22 July 2026.

On 11 August 2026, the long-term Treasury yields rose as the 30-year Treasury yield reached approximately 5.24%. Share price fell by 2.0% to S$1.50 on 11 August 2026 from S$1.53 on 7 August 2026.

On 13 August 2026 after market close, Pan-United released its H1 FY2026 results: Revenue increased by 37% to S$549.6 million, while profit attributable to shareholders increased 49% to S$30.6 million. Share price rose by 1.3% to S$1.60 on 14 August 2026 from S$1.58 on 13 August 2026.

On 18 August 2026, Pan-United announced the transfer of 117,000 treasury shares worth S$112,846.50 as per the Share Option Scheme. Share price rose by 2.5% to S$1.65 on 18 August 2026 from S$1.61 on 17 August 2026.

On 20 August 2026, US Treasury increased the size of its bond buyback, causing long-term yields to fall temporarily. Share price rose by 1.4% to S$1.49 on 21 August 2026 from S$1.47 on 20 August 2026.

On 1 September 2026, Mr Ng Siew Quan was appointed as a Non-Executive Independent Director. Share price rose by 0.6% to S$1.58 on 1 September 2026 from S$1.57 on 31 August 2026.

On 16 September 2026, the US Fed raised interest rates by 0.25% to a range of 3.75% to 4.00%. Share price fell by 0.6% to S$1.67 on 16 September 2026 from S$1.68 on 15 September 2026.

On 8 October 2026, persistent pressure from oil prices and rising long-term bond yields gave rise to market weakness and prompted a broad market sell-off. Share price fell by 5.8% to S$1.62 on 8 October 2026 from S$1.72 on 7 October 2026.

On 12 October 2026, Pan-United bought back 143,000 shares at S$1.600 per share. Share price remained unchanged at S$1.60 on 12 October 2026 compared to the previous trading day's closing price on 9 October 2026.

On 13 October 2026, Pan-United bought back 155,500 shares at S$1.600 per share. Share price rose by 1.3% to S$1.62 on 13 October 2026 from S$1.60 on 12 October 2026.

On 19 October 2026, Pan-United bought back 100,000 shares at S$1.592 per share. Share price rose by 0.6% to S$1.57 on 19 October 2026 from the previous trading day's closing price of S$1.56 on 16 October 2026.

FINANCIAL ANALYSIS

In this section, we review Pan-United's financial performance for H1 FY2026 ended 30 June 2026.

(I) FINANCIAL REVIEW

Revenue:

Pan-United's total revenue rose by approximately 37.0% yoy to S$549.6 million in H1 FY2026 from S$401.1 million in H1 FY2025 as shown in **Exhibit 8**. External revenue from the 'Concrete and cement' ("C&C") and 'Trading and others' segments increased by 37.0% and 33.9% respectively.

Exhibit 8: Revenue Breakdown by Business Segments (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Concrete and cement - Total	396,888	543,853	146,965	37.03%
Eliminations - Intersegment sales	0	0	0	0
External sales	396,888	543,853	146,965	37.03%
Trading and others - Total	7,293	7,156	(137)	(1.88%)
Eliminations - Intersegment sales	(3,033)	(1,454)	1,579	(52.06%)
External sales	4,260	5,702	1,442	33.85%
Revenue including intersegment sales	404,181	551,009	146,828	36.33%
Eliminations - intersegment sales	(3,033)	(1,454)	1,579	(52.06%)
Revenue excl. intersegment sales	**401,148**	**549,555**	**148,407**	**37.00%**

Source: Pan-United, FPA

Pan-United's C&C segment accounted for 99.0% of its total revenue in H1 FY2026 while its 'Trading and others' segment contributed only 1.0% as shown in **Exhibit 9**, which was similar to H1 FY2025.

Exhibit 9: Business Segment Share of Revenue (H1 FY2025 vs H1 FY2026)

S$'000	Actual			
	H1 FY2025 (ended 30 Jun)	% of Revenue	H1 FY2026 (ended 30 Jun)	% of Revenue
Concrete and cement - External	396,888	98.94%	543,853	98.96%
Trading and others - External	4,260	1.06%	5,702	1.04%
Revenue excl. intersegment sales	401,148	100.00%	549,555	100.00%

Source: Pan-United, FPA

Total revenue in FY2025 had increased by 10.6% to S$898.4 million from S$812.3 million in FY2024 as shown in **Exhibit 10**, supported by robust construction activity in Singapore. Revenue had been increasing over the past 5 years from FY2021 to FY2025, with the largest increase of 20.1% in FY2022 due to the construction sector's recovery following COVID-19 disruptions and a healthy pipeline of projects, particularly in the public sector.

Exhibit 10: Revenue Breakdown by Business Segments (FY2021 – FY2025)

	Actual				
S$'000	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**
Concrete and cement - Total	572,153	684,835	756,636	798,186	889,805
Eliminations - Intersegment sales	0	0	0	0	0
External sales	572,153	684,835	756,636	798,186	889,805
Growth		*19.69%*	*10.48%*	*5.49%*	*11.48%*
Trading and others - Total	14,178	24,732	20,171	18,555	13,568
Eliminations - Intersegment sales	(772)	(6,306)	(2,669)	(4,444)	(4,937)
External sales	13,406	18,426	17,502	14,111	8,631
Growth		*37.45%*	*(5.01%)*	*(19.37%)*	*(38.83%)*
Revenue - External sales	**585,559**	**703,261**	**774,138**	**812,297**	**898,436**
Growth		*20.10%*	*10.08%*	*4.93%*	*10.60%*

Source: Pan-United, FPA

Singapore revenue from external customers increased by 38.7% to S$485.9 million in H1 FY2026 from S$350.2 million in H1 FY2025, while revenue from overseas markets from external customers increased by 25.0% to S$63.7 million in H1 FY2026 from S$50.9 million in H1 FY2025 as shown in **Exhibit 11**. Singapore remains to be Pan-United's largest geographical market, accounting for 88.4% of total revenue in H1 FY2026, while overseas markets contributed the remaining 11.6%.

Exhibit 11: Geographical Segmentation of Revenue from External Customers (H1 FY2025 vs H1 FY2026)

	Actual				H1 FY2025 vs H1 FY2026	
S$'000	H1 FY2025 (ended 30 Jun)	% of Revenue	H1 FY2026 (ended 30 Jun)	% of Revenue	Absolute Change	Change (%)
Singapore	350,213	87.30%	485,864	88.41%	135,651	38.73%
Others	50,935	12.70%	63,691	11.59%	12,756	25.04%
Total Revenue	**401,148**	**100.00%**	**549,555**	**100.00%**	**148,407**	**37.00%**

Source: Pan-United, FPA

Pan-United's Singapore revenue before intercompany eliminations increased by 8.5% to S$1.15 billion in FY2025 from S$1.06 billion in FY2024 while revenue from overseas markets grew by 7.1% to S$118.2 million from S$110.3 million as shown in **Exhibit 12**. Singapore remains to be the main contributor to Pan-United's total revenue, reflecting its substantial exposure to the domestic market. After intercompany eliminations of S$365.5 million, Pan-United's revenue amounted to S$898.4 million in FY2025.

Exhibit 12: Geographical Segmentation of Revenue (FY2021 – FY2025)

	Actual				
S$'000	FY2021	FY2022	FY2023	FY2024	FY2025
Singapore	754,155	904,130	1,012,523	1,056,402	1,145,723
Others	61,852	91,327	88,610	110,310	118,191
Intercompany eliminations	(230,448)	(292,196)	(326,995)	(354,415)	(365,478)
Revenue	**585,559**	**703,261**	**774,138**	**812,297**	**898,436**
Growth - Singapore		*19.89%*	*11.99%*	*4.33%*	*8.46%*
Growth - Others		*47.65%*	*-2.98%*	*24.49%*	*7.14%*

Source: Pan-United, FPA

Raw materials, subcontract costs and other direct costs:

Raw materials, subcontract costs and other direct costs increased by approximately 36.6% to S$414.2 million in H1 FY2026 from S$303.1 million in H1 FY2025 as shown in **Exhibit 13**. These costs as a percentage of revenue decreased slightly to 75.4% in H1 FY2026 from 75.6% in H1 FY2025.

Exhibit 13: Raw Materials, Subcontract Costs & Other Direct Costs (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Raw materials, subcontract costs and other direct costs	(303,118)	(414,193)	(111,075)	36.64%
% of revenue	*75.56%*	*75.37%*	-	-

Source: Pan-United, FPA

These costs as a percentage of revenue had been declining over the past five years to 76.2% in FY2025 from 81.6% in FY2021 as shown in **Exhibit 14**.

Exhibit 14: Raw Materials, Subcontract Costs & Other Direct Costs (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	585,559	703,261	774,138	812,297	898,436
Raw materials, subcontract costs and other direct costs	(477,857)	(570,562)	(613,142)	(636,540)	(684,888)
% of revenue	*81.61%*	*81.13%*	*79.20%*	*78.36%*	*76.23%*

Source: Pan-United, FPA

Gross profit:

Gross profit increased by 38.1% to S$135.4 million in H1 FY2026 from S$98.0 million in H1 FY2025 as shown in **Exhibit 15**. For this analysis, gross profit is calculated as revenue less raw materials, subcontract costs and other direct costs. Gross profit margin increased marginally as revenue grew slightly faster than the raw materials, subcontract costs and other direct costs.

Exhibit 15: Gross Profit (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Raw materials, subcontract costs and other direct costs	(303,118)	(414,193)	(111,075)	36.64%
Gross profit	98,030	135,362	37,332	38.08%
Gross profit margin	*24.44%*	*24.63%*	-	-

Source: Pan-United, FPA

Over the past five years, gross profit had been increasing to S$213.5 million in FY2025 from S$107.7 million in FY2021, while gross profit margin had also been increasing to 23.8% in FY2025 from 18.4% in FY2021 as shown in **Exhibit 16**.

Exhibit 16: Gross Profit (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	585,559	703,261	774,138	812,297	898,436
Raw materials, subcontract costs and other direct costs	(477,857)	(570,562)	(613,142)	(636,540)	(684,888)
Gross profit	107,702	132,699	160,996	175,757	213,548
Gross profit margin	*18.39%*	*18.87%*	*20.80%*	*21.64%*	*23.77%*

Source: Pan-United, FPA

Other income:

Other income increased by 15.8% to S$2.6 million in H1 FY2026 from S$2.2 million in H1 FY2025 as shown in **Exhibit 17**.

Exhibit 17: Other Income (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Other income	2,238	2,591	353	15.77%
% of revenue	*0.56%*	*0.47%*	-	-

Source: Pan-United, FPA

Other income decreased to S$3.1 million in FY2023 from S$5.7 million in FY2021, before increasing to S$4.3 million in FY2025 as shown in **Exhibit 18**.

Exhibit 18: Other Income (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	585,559	703,261	774,138	812,297	898,436
Other income	5,672	3,444	3,108	3,651	4,253
% of revenue	*0.97%*	*0.49%*	*0.40%*	*0.45%*	*0.47%*

Source: Pan-United, FPA

Among the components disclosed in Pan-United's financial statements, the initial decrease was due to the withdrawal of pandemic-related grants like the Jobs Support Scheme and lower agency and brokerage income, while the increase in later years was mainly due to higher interest income from financial assets as shown in **Exhibit 19**.

Exhibit 19: Breakdown of Disclosed Other Income Line Items (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Agency and brokerage income	805	834	687	660	565
(Loss)/gain on disposal of property, plant and equipment	77	159	0	0	0
Government grant	3,381	582	728	730	783
Interest income from financial assets	115	282	318	798	1,165

Source: Pan-United, FPA

Staff costs:

Staff costs increased by approximately 42.9% to S$48.4 million in H1 FY2026 from S$33.9 million in H1 FY2025 as shown in **Exhibit 20** due to increased business activity.

Exhibit 20: Staff Costs (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Staff costs	(33,902)	(48,444)	(14,542)	42.89%
% of revenue	*8.45%*	*8.82%*	-	-

Source: Pan-United, FPA

The ratio of staff costs to revenue had fluctuated but increased overall over the past five years to 7.9% in FY2025 from 7.3% in FY2021 as shown in **Exhibit 21**.

Exhibit 21: Staff Costs (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	585,559	703,261	774,138	812,297	898,436
Staff costs	(42,927)	(48,676)	(57,467)	(58,031)	(71,045)
% of revenue	*7.33%*	*6.92%*	*7.42%*	*7.14%*	*7.91%*

Source: Pan-United, FPA

Depreciation and amortisation expenses:

Depreciation and amortisation expenses increased by 36.1% to S$19.1 million in H1 FY2026 from S$14.0 million in H1 FY2025 as shown in **Exhibit 22**, in line with Pan-United's revenue growth.

Exhibit 22: Depreciation & Amortisation Expenses (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Depreciation and amortisation expenses	(14,022)	(19,080)	(5,058)	36.07%
% of revenue	*3.50%*	*3.47%*	-	-

Source: Pan-United, FPA

Reversal/(impairment loss) on financial assets:

Pan-United recorded an increase in net reversal of impairment loss on financial assets of S$507,000 to S$519,000 in H1 FY2026 from S$12,000 in H1 FY2025 as shown in **Exhibit 23**.

Exhibit 23: Reversal/(Impairment Loss) On Financial Assets (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Reversal/(impairment loss) on financial assets	12	519	507	4225.00%

Source: Pan-United, FPA

Impairment losses and reversals on financial assets fluctuated over the past 5 years with no clear directional trend as shown in **Exhibit 24**. These movements reflected changes in the assessment of expected credit losses which could include changes in outstanding receivable balances and customers' credit risk.

Exhibit 24: Reversal/(Impairment Loss) On Financial Assets (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Reversal/(impairment loss) on financial assets	237	(327)	(909)	(738)	523

Source: Pan-United, FPA

Other expenses:

Other expenses increased by approximately 18.7% to S$28.9 million in H1 FY2026 from S$24.4 million in H1 FY2025 as shown in **Exhibit 25**. The ratio of other expenses to revenue decreased slightly to 5.26% in H1 FY2026 from 6.08% in H1 FY2025.

Exhibit 25: Other Expenses (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Other expenses	(24,376)	(28,927)	(4,551)	18.67%
% of revenue	*6.08%*	*5.26%*	-	-

Source: Pan-United, FPA

The ratio of other expenses to revenue had fluctuated over the past five years and fell to 5.2% in FY2025 from 5.4% in FY2024 as shown in **Exhibit 26**. Lower equipment usage, maintenance and consumables expenses, short-term lease expenses and PPE write-off partly offset increases in other expense categories, as detailed in **Exhibit 27**.

Exhibit 26: Other Expenses (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	585,559	703,261	774,138	812,297	898,436
Other expenses	(28,288)	(34,922)	(37,046)	(44,127)	(46,669)
% of revenue	*4.83%*	*4.97%*	*4.79%*	*5.43%*	*5.19%*

Source: Pan-United, FPA

Among the components disclosed as shown in **Exhibit 27**, land rental and other related expenses rose to S$8.6 million from S$7.4 million, while utilities and telecommunication charges increased to S$10.0 million from S$8.9 million. Professional fees and write-offs of intangible assets also rose to S$2.3 million and S$1.3 million respectively. These increases were partially offset by lower equipment usage, maintenance and consumables expenses of S$13.0 million, compared with S$13.9 million in FY2024.

Exhibit 27: Disclosed Items under Other Expenses (FY2021 – FY2025)

	Actual				
S$'000	FY2021	FY2022	FY2023	FY2024	FY2025
Other expenses					
Usage of equipment, maintenance and consumables	7,245	10,792	11,357	13,894	12,979
Land rental and other related expenses	5,514	5,652	5,330	7,376	8,583
Expenses relating to short-term leases	1,209	1,421	1,303	1,422	437
Expenses relating to leases of low-value assets	19	33	50	40	25
Utilities and telecommunication charges	6,396	8,324	8,825	8,897	10,028
Impairment loss/(reversal of impairment loss) on financial assets	(237)	0	0	0	0
Marketing expenses	388	0	0	0	0
Professional fees	931	1,259	1,467	1,424	2,345
Impairment loss in associate	0	0	0	1,258	0
Write-off of property, plant and equipment	190	261	174	1,486	992
Write-off of intangible assets	2,139	403	597	91	1,348
Loss on disposal of property, plant and equipment	0	0	163	70	95
Loss on disposal of intangible assets	0	2	0	0	0
Insurance expenses	468	0	0	0	0
Auditors' remunerations					
- Audit fees to auditors of the Company and Deloitte network firm (2024: EY network firm)	0	306	270	350	280
- Non-audit fees to auditors of the Company and Deloitte network firm (2024: EY network firm)	78	109	29	27	22
- Other auditors	0	0	0	0	18

Source: Pan-United, FPA

Finance costs:

Finance costs decreased by approximately 8.7% to S$1.6 million in H1 FY2026 from S$1.8 million in H1 FY2025 as shown in **Exhibit 28**.

Exhibit 28: Finance Costs (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Finance costs	(1,763)	(1,610)	153	(8.68%)

Source: Pan-United, FPA

Finance costs increased in FY2025 to S$3.7 million from S$3.4 million in FY2024 as shown in **Exhibit 29**. The increase was primarily driven by interest expense on lease liabilities, which rose by 17.1% to S$1.8 million from S$1.6 million. Interest expense on financing increased by 2.3% to S$1.5 million from S$1.4 million, while bank charges declined by 16.9% to S$389,000 from S$468,000, partially offsetting the higher interest expenses. Interest on lease liabilities accounted for 49.9% of total finance costs in FY2025, followed by interest on financing at 39.5% and bank charges at 10.6%. Finance costs had generally been increasing over the past five years to S$3.7 million from S$2.3 million in FY2021.

Exhibit 29: Breakdown of Finance Cost Items (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Interest expense on financing	1,488	1,803	2,426	1,417	1,450
Interest expense on lease liabilities	407	332	615	1,562	1,829
Bank charges	402	426	372	468	389
Finance costs	2,297	2,561	3,413	3,447	3,668

Source: Pan-United, FPA

Share of results of associate:

Pan-United's share of results of associate increased by approximately 35.4% to S$999,000 in H1 FY2026 from S$738,000 in H1 FY2025 as shown in **Exhibit 30**. This contribution arose from Pan-United's 10% ownership interest in PT. Lanna Harita Indonesia, an Indonesian coal-mining company.

Exhibit 30: Share of Results of Associate (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Share of results of associate	738	999	261	35.37%

Source: Pan-United, FPA

Pan-United's share of results of associate had generally been decreasing over the past five years to S$1.2 million in FY2025 from S$5.3 million in FY2021 as shown in **Exhibit 31**. The decline reflected PT. Lanna's lower profit after tax of S$11.8 million in FY2025 compared with S$52.7 million in FY2021.

Exhibit 31: Share of Results of Associate (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue (Associate)	230,701	339,370	243,169	215,656	178,971
Profit after tax	52,745	58,777	27,648	24,561	11,841
Share of results of associate	5,275	5,878	2,765	2,456	1,184

Source: Pan-United, FPA

Profit before tax:

Pan-United's profit before tax increased by 53.6% to S$41.4 million in H1 FY2026 from S$27.0 million in H1 FY2025 as shown in **Exhibit 32**. Profit before tax grew faster than revenue as the S$148.4 million increase in revenue exceeded the combined S$135.2 million increase in raw materials, subcontract costs and other direct costs, staff costs, depreciation and amortisation expenses and other expenses. This was further supported by higher other income, increased impairment reversals, increased contributions from Pan-United's associate and lower finance costs, which widened the profit before tax margin to 7.5% from 6.7%.

Exhibit 32: Profit Before Tax (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Other income	2,238	2,591	353	15.77%
Raw materials, subcontract costs and other direct costs	(303,118)	(414,193)	(111,075)	36.64%
Staff costs	(33,902)	(48,444)	(14,542)	42.89%
Depreciation and amortisation expenses	(14,022)	(19,080)	(5,058)	36.07%
Reversal/(impairment loss) on financial assets	12	519	507	4225.00%
Other expenses	(24,376)	(28,927)	(4,551)	18.67%
Finance costs	(1,763)	(1,610)	153	(8.68%)
Share of results of associate	738	999	261	35.37%
Profit before tax	**26,955**	**41,410**	**14,455**	**53.63%**
Profit before tax margin	*6.72%*	*7.54%*	-	-

Source: Pan-United, FPA

Pan-United's profit before tax had been consistently increasing over the past five years from S$23.9 million in FY2021 to S$65.6 million in FY2025 as shown in **Exhibit 33**. Profit before tax margin had also been increasing from 4.1% in FY2021 to 7.3% in FY2025, indicating higher cost efficiency alongside increased revenue.

Exhibit 33: Profit Before Tax (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	585,559	703,261	774,138	812,297	898,436
Other income	5,672	3,444	3,108	3,651	4,253
Raw materials, subcontract costs and other direct costs	(477,857)	(570,562)	(613,142)	(636,540)	(684,888)
Staff costs	(42,927)	(48,676)	(57,467)	(58,031)	(71,045)
Depreciation and amortisation expenses	(21,429)	(21,729)	(22,703)	(24,190)	(32,556)
Reversal/(impairment loss) on financial assets	237	(327)	(909)	(738)	523
Other expenses	(28,288)	(34,922)	(37,046)	(44,127)	(46,669)
Finance costs	(2,297)	(2,561)	(3,413)	(3,447)	(3,668)
Share of results of associate	5,275	5,878	2,765	2,456	1,184
Profit before tax	**23,945**	**33,806**	**45,331**	**51,331**	**65,570**
Profit before tax margin	*4.09%*	*4.81%*	*5.86%*	*6.32%*	*7.30%*

Source: Pan-United, FPA

Income tax:

Income tax expense increased by approximately 70.4% to S$10.1 million in H1 FY2026 from S$6.0 million in H1 FY2025 as shown in **Exhibit 34**. Both current income tax and deferred income tax rose by approximately 68.4% and 73.4% respectively.

Exhibit 34: Income Tax Expense (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Current income tax	3,541	5,964	2,423	68.43%
Deferred income tax	2,409	4,177	1,768	73.39%
Income tax expense	5,950	10,141	4,191	70.44%

Source: Pan-United, FPA

Income tax expense had been increasing over the past five years to S$14.3 million in FY2025 from S$4.2 million in FY2021 as shown in **Exhibit 35** which presents the major components of the income tax expense derivation.

Exhibit 35: Major Components of Income Tax Expense (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Current income tax					
Current income taxation	5,420	6,500	9,971	9,389	11,599
(Over)/under provision in respect of previous years	(6)	(27)	(104)	203	(172)
Deferred income tax					
Origination and reversal of temporary differences	(1,205)	(287)	(741)	830	2,512
Under/(over) provision in respect of previous years	(50)	(177)	413	(238)	500
Provision for withholding tax on undistributed earnings of foreign associate	99	50	114	(33)	(173)
Income tax expense attributable to continuing operations	4,258	6,059	9,653	10,151	14,266
Income tax expense attributable to discontinued operation	(43)	299	-	-	-
Income tax expense recognised in profit or loss	4,215	6,358	9,653	10,151	14,266

Source: Pan-United, FPA

Based on the domestic tax rates applicable in the countries where Pan-United operates, tax on FY2025 profit before tax of S$65.6 million amounted to S$11.8 million. The upward adjustments were S$2.2 million from non-deductible expenses, S$683,000 relating to deferred tax assets that were not recognised and S$328,000 of prior-year under-provisions. These were partially offset by tax reductions of S$166,000 from partial tax exemptions and incentives, S$345,000 from income not subject to taxation, and S$214,000 worth of benefits from previously unabsorbed capital allowances and unutilised tax losses.

Following these adjustments, income tax expense amounted to S$14.27 million, representing an effective tax rate of 21.8%, compared with 19.8% in FY2024 as shown in **Exhibit 36**.

Exhibit 36: Reconciliation Between Income Tax Expense and Accounting Profit (FY2021 – FY2025)

	Actual				
S$'000	FY2021	FY2022	FY2023	FY2024	FY2025
Profit before tax from continuing operations	23,945	33,806	45,331	51,331	65,570
Loss before tax from discontinued operation	(873)	(4,907)	(1,147)	0	0
Profit before tax	23,072	28,899	44,184	51,331	65,570
Tax at the domestic rates applicable to profits in the countries where the Group operates	3,868	4,738	7,670	9,368	11,782
Adjustments:					
Non-deductible expenses	1,169	1,985	1,560	842	2,198
Effect of partial tax exemption and tax incentives	(133)	(159)	(164)	(174)	(166)
Income not subject to taxation	(458)	(33)	(29)	(246)	(345)
Under/(over) provision in respect of previous years	(56)	(204)	309	(35)	328
Deferred tax assets not recognised	300	297	323	628	683
Benefits from previously unabsorbed capital allowances and unutilised tax losses	(475)	(266)	(16)	(232)	(214)
Income tax expense recognised in profit or loss	4,215	6,358	9,653	10,151	14,266
Effective tax rate, including discontinued operations	*18.27%*	*22.00%*	*21.85%*	*19.78%*	*21.76%*

Source: Pan-United, FPA

Profit after tax:

Pan-United's profit after tax had increased by 48.9% to S$31.3 million in H1 FY2026 from S$21.0 million in H1 FY2025 as shown in **Exhibit 37**. Net profit margin had increased to 5.7% in H1 FY2026 from 5.2% in H1 FY2025. The effective tax rate also increased to approximately 24.5% in H1 FY2026 from 22.1% in H1 FY2025.

Exhibit 37: Net Profit Margin & Effective Tax Rate (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Profit before tax	26,955	41,410	14,455	53.63%
Tax expense	(5,950)	(10,141)	(4,191)	70.44%
Profit after tax	**21,005**	**31,269**	**10,264**	**48.86%**
Net profit margin	*5.24%*	*5.69%*	-	-
Effective tax rate	*22.07%*	*24.49%*	-	-

Source: Pan-United, FPA

Pan-United's profit after tax had been consistently increasing over the past five years to S$51.3 million in FY2025 from S$19.7 million in FY2021 as shown in **Exhibit 38**. Net profit margin had also been increasing to approximately 5.7% in FY2025 from 3.4% in FY2021. Despite fluctuations over the past five years, the effective tax rate was higher at 21.8% in FY2025 compared with 17.8% in FY2021.

Exhibit 38: Net Profit Margin & Effective Tax Rate from Continuing Operations (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Profit before tax (from continuing operations)	23,945	33,806	45,331	51,331	65,570
Tax expense	(4,258)	(6,059)	(9,653)	(10,151)	(14,266)
Profit after tax	**19,687**	**27,747**	**35,678**	**41,180**	**51,304**
Net profit margin	*3.36%*	*3.95%*	*4.61%*	*5.07%*	*5.71%*
Effective tax rate	*17.78%*	*17.92%*	*21.29%*	*19.78%*	*21.76%*

Source: Pan-United, FPA

Earnings per share (EPS):

Pan-United's basic EPS increased to 4.38 cents in H1 FY2026 from 2.95 cents in H1 FY2025 while diluted EPS increased to 4.37 cents from 2.95 cents as shown in **Exhibit 39**.

Exhibit 39: Basic & Diluted EPS (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Profit after tax	21,005	31,269	10,264	48.86%
Less: Non-controlling interests	393	649	256	65.14%
Profit attributable to shareholders of the company	20,612	30,620	10,008	48.55%
Weighted average number of ordinary shares for basic EPS ('000)	698,043	699,444	1,402	0.20%
Basic EPS (cents)	**2.95**	**4.38**	**1.42**	**48.26%**
Weighted average number of ordinary shares for diluted EPS ('000)	699,584	700,137	553	0.08%
Diluted EPS (cents)	**2.95**	**4.37**	**1.43**	**48.44%**

Source: Pan-United, FPA

Pan-United's basic EPS had been increasing consistently to 7.25 cents in FY2025 from 2.67 cents in FY2021 while diluted EPS increased to 7.24 cents from 2.67 cents as shown in **Exhibit 40**.

Exhibit 40: Basic & Diluted EPS (FY2021 – FY2025)

S$'000	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Profit attributable to shareholders of the company	18,686	23,350	34,297	40,855	50,714
Weighted average number of ordinary shares for basic EPS ('000)	699,763	698,583	695,817	698,354	699,434
Basic EPS (cents)	**2.67**	**3.34**	**4.93**	**5.85**	**7.25**
Weighted average number of ordinary shares for diluted EPS ('000)	699,992	699,624	696,850	699,527	700,481
Diluted EPS (cents)	**2.67**	**3.34**	**4.92**	**5.84**	**7.24**

Source: Pan-United, FPA

Dividend per share (DPS):

Pan-United increased its interim DPS by 50.0% to 1.50 cents in H1 FY2026 from 1.00 cent in H1 FY2025 as shown in **Exhibit 41**.

Exhibit 41: Interim Dividend Payout (H1 FY2025 vs H1 FY2026)

S$ cents	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Interim dividend	1.00	1.50	0.50	50.00%
DPS	**1.00**	**1.50**	**0.50**	**50.00%**

Source: Pan-United, FPA

DPS had been increasing consistently to 4.50 cents in FY2025 from 1.60 cents in FY2021 as shown in **Exhibit 42**. Pan-United has been maintaining a semi-annual dividend payment schedule comprising an interim dividend typically paid in August or September and a final dividend paid in May. Dividends attributable to FY2025 comprised an interim dividend of 1.0 cent and a final dividend of 3.5 cents.

Exhibit 42: Dividend Per Share (FY2021 – FY2025)

S$ cents	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Interim dividend	0.50	0.50	0.50	0.70	1.00
Final dividend	1.10	1.30	1.80	2.30	3.50
DPS	**1.60**	**1.80**	**2.30**	**3.00**	**4.50**

Source: Pan-United, FPA

Dividend payout ratio

Pan-United's dividend payout ratio increased slightly to 34.3% in H1 FY2026 from 33.9% in H1 FY2025 as shown in **Exhibit 43.**

Exhibit 43: Dividend Payout Ratio (H1 FY2025 vs H1 FY2026)

S$ cents	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Basic EPS	2.95	4.38	1.42	48.26%
DPS	1.00	1.50	0.50	50.00%
Payout ratio	*33.87%*	*34.26%*	-	-

Source: Pan-United, FPA

Pan-United's dividend payout ratio was 62.1% in FY2025 which was higher than 51.3% in FY2024 as shown in **Exhibit 44**. The payout ratio declined from 59.9% in FY2021 to 53.9% in FY2022 and 46.7% in FY2023, as earnings growth outpaced dividend increases. It subsequently rose to 51.3% in FY2024 and 62.1% in FY2025 as Pan-United increased its dividends.

Exhibit 44: Dividend Payout Ratio (FY2021 – FY2025)

S$ cents	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Basic EPS	2.67	3.34	4.93	5.85	7.25
DPS	1.60	1.80	2.30	3.00	4.50
Payout ratio	*59.92%*	*53.85%*	*46.66%*	*51.28%*	*62.06%*

Source: Pan-United, FPA

Pan-United's financial performance for H1 FY2025 and H1 FY2026 is summarised in **Exhibit 45**.

Exhibit 45: Pan-United's Financial Performance (H1 FY2025 vs H1 FY2026)

S$'000	Actual		H1 FY2025 vs H1 FY2026	
	H1 FY2025 (ended 30 Jun)	H1 FY2026 (ended 30 Jun)	Absolute Change	Change (%)
Revenue	401,148	549,555	148,407	37.00%
Other income	2,238	2,591	353	15.77%
Raw materials, subcontract costs and other direct costs	(303,118)	(414,193)	(111,075)	36.64%
Staff costs	(33,902)	(48,444)	(14,542)	42.89%
Depreciation and amortisation expenses	(14,022)	(19,080)	(5,058)	36.07%
Reversal/(impairment loss) on financial assets	12	519	507	4225.00%
Other expenses	(24,376)	(28,927)	(4,551)	18.67%
Finance costs	(1,763)	(1,610)	153	(8.68%)
Share of results of associate	738	999	261	35.37%
Profit before tax	**26,955**	**41,410**	**14,455**	**53.63%**
Tax expense	(5,950)	(10,141)	(4,191)	70.44%
Profit after tax	**21,005**	**31,269**	**10,264**	**48.86%**
Less: Non-controlling interest	393	649	256	65.14%
Profit attributable to shareholders of the company	**20,612**	**30,620**	**10,008**	**48.55%**
Weighted average number of ordinary shares for EPS ('000)	**698,043**	**699,444**	**1,402**	**0.20%**
Weighted average number of ordinary shares for diluted EPS ('000)	**699,584**	**700,137**	**553**	**0.08%**
Basic EPS (cents)	**2.95**	**4.38**	**1.42**	**48.26%**
Diluted EPS (cents)	**2.95**	**4.37**	**1.43**	**48.44%**
DPS (cents)	**1.00**	**1.50**	**0.50**	**50.00%**
Dividend payout ratio	***33.87%***	***34.26%***	-	-

Source: Pan-United, FPA

FINANCIAL PROJECTIONS

(I) REVENUE PROJECTIONS

We forecast Pan-United's Singapore Concrete and Cement ("C&C") revenue by applying estimated RMC consumption, Pan-United's market share and an industry selling-price benchmark published by BCA. We adopt full-year FY2026 RMC consumption of 15.5 million cubic metres, representing the midpoint of BCA's forecast range of 15–16 million cubic metres. After deducting actual consumption of approximately 8.1 million cubic metres in H1 FY2026, we estimate H2 FY2026 consumption at 7.4 million cubic metres. Applying market share of 40% and a selling price of S$141.20 per cubic metre, based on September's industry price, Singapore C&C revenue is estimated to be S$418.1 million for H2 FY2026 as shown in **Exhibit 46**.

Exhibit 46: Pan-United's Singapore C&C Revenue Derivation (H2 FY2026)

(million cubic metres)	H2 FY2026
FY2026 RMC volume forecast	15.50
Less: actual January-June volume	8.10
H2 FY2026 forecast volume	**7.40**
Pan-United's market share	40%
Pan-United's estimated sales volume	**2.96**
Assumed H2 FY2026 RMC selling price based on September's industry price (S$/Cubic Metre)	141.2
Pan-United's H2 Singapore C&C Revenue (S$ million)	418.1

Source: BCA, SingStat, Pan-United, FPA

For forecasting purposes, we assume that overseas external revenue is attributable entirely to the C&C segment, while Trading and Others revenue is generated domestically. This simplifying assumption reflects the relatively small contribution of Trading and Others to group revenue and may differ from the actual geographical allocation.

We project overseas Concrete and Cement revenue with reference to construction-sector growth in Malaysia and Vietnam as a proxy. For Malaysia, we adopt the Ministry of Finance's growth estimates of 6.4% for 2026 and 5.7% for 2027. For Vietnam, we use the 12.22% construction growth reported by the National Statistics Office for 9M2026 as the assumed growth rate for both forecast periods; its continuation into 2027 represents our assumption rather than an official forecast.

Applying equal country weights produces overseas revenue growth assumptions of 9.31% for H2 FY2026 and 8.96% for FY2027.

$$\text{Overseas revenue growth for H2 FY2026} = \frac{6.40\% + 12.22\%}{2} \approx 9.31\%$$

$$\text{Overseas revenue growth for FY2027} = \frac{5.70\% + 12.22\%}{2} \approx 8.96\%$$

Applying 9.31% to H2 FY2025 overseas revenue of S$46.2 million, H2 FY2026 revenue is projected to be S$50.5 million. Together with H1 FY2026 actual revenue of S$63.7 million, this results in FY2026 overseas C&C revenue of S$114.2 million. Applying 8.96% to this amount, we project FY2027 revenue to be S$124.5 million. These estimates assume that all overseas revenue relates to C&C and make no separate adjustments for selling prices, market share, product mix or exchange-rate movements.

Exhibit 47: Pan-United's Overseas C&C Revenue Derivation (FY2026 & FY2027)

	Actual					Forecast		
S$'000	FY2024	H1 FY2025	H2 FY2025	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Overseas C&C Revenue	85,976	50,935	46,223	97,158	63,691	50,526	114,217	124,451
Growth - YoY	-	-	-	*13.01%*	*25.04%*	*9.31%*	*17.56%*	*8.96%*

Source: Pan-United, FPA

Combining our domestic and overseas estimates, we project total C&C revenue of S$468.6 million in H2 FY2026, bringing FY2026 revenue to S$1.01 billion, an increase of 13.8% yoy.

We project Singapore C&C revenue to increase by 5.0% in FY2027, referencing Maybank Research's forecast for Singapore's construction-sector growth in 2027. Therefore, total C&C revenue is projected to be S$1.07 billion in FY2027. This approach assumes that domestic C&C revenue grows broadly in line with construction activity, with no separate adjustment for selling prices or market share.

For Trading and Others, we assume annual revenue remains at the FY2025 level of S$8.6 million in both FY2026 and FY2027, following declines in recent years. After accounting for H1 FY2026 revenue of S$5.7 million, this implies H2 FY2026 revenue of S$2.9 million. Overall, we forecast Pan-United revenue of S$1.02 billion in FY2026 and S$1.08 billion in FY2027, representing yoy growth of 13.7% and 5.4% respectively as shown in **Exhibit 48**.

Exhibit 48: Projected Revenue for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Concrete and cement - Total	756,636	798,186	889,805	543,853	468,648	1,012,501	1,067,649
Eliminations - Intersegment sales	0	0	0	0	0	0	0
External sales	756,636	798,186	889,805	543,853	468,648	1,012,501	1,067,649
Growth - YoY	*10.48%*	*5.49%*	*11.48%*	*37.03%*	*-4.92%*	*13.79%*	*5.00%*
Trading and others - External sales	17,502	14,111	8,631	5,702	2,929	8,631	8,631
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Growth - YoY	*10.08%*	*4.93%*	*10.60%*	*37.00%*	*-5.17%*	*13.66%*	*5.40%*

Source: Pan-United, FPA

(II) EARNINGS PROJECTION

We begin by forecasting the raw material, subcontract costs and other direct costs to derive the gross profit for FY2026 and FY2027.

Raw material, subcontract costs and other direct costs:

We project raw materials, subcontract costs and other direct costs at 75.4% of revenue for H2 FY2026 and FY2027, maintaining the ratio recorded in H1 FY2026. This assumes that the improved cost ratio, which declined from 79.2% in FY2023 to 75.4% in H1 FY2026, is sustained without further improvement over the forecast period. Applying this ratio to projected revenue yields costs of S$355.4 million for H2 FY2026. Including H1 FY2026 costs of S$414.2 million, we forecast full-year costs of S$769.6 million in FY2026 and S$811.2 million in FY2027 as shown in **Exhibit 49**.

Exhibit 49: Projected Raw Material, Subcontract Costs & Other Direct Costs for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Raw material, subcontract costs and other direct costs	**(613,142)**	**(636,540)**	**(684,888)**	**(414,193)**	**(355,422)**	**(769,615)**	**(811,179)**
% of revenue	*(79.20%)*	*(78.36%)*	*(76.23%)*	*(75.37%)*	*(75.37%)*	*(75.37%)*	*(75.37%)*

Source: Pan-United, FPA

Gross profit:

For our analysis, gross profit is calculated as revenue less raw materials, subcontract costs and other direct costs. Based on our assumption that costs remain at 75.4% of revenue, we project a gross profit margin of 24.6% for H2 FY2026 and FY2027, consistent with H1 FY2026, which yields projected gross profit of S$116.2 million for H2 FY2026, S$251.5 million for FY2026 and S$265.1 million for FY2027 as shown in **Exhibit 50**.

Exhibit 50: Projected Gross Profit for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Raw material, subcontract costs and other direct costs	(613,142)	(636,540)	(684,888)	(414,193)	(355,422)	(769,615)	(811,179)
Gross profit	**160,996**	**175,757**	**213,548**	**135,362**	**116,155**	**251,517**	**265,101**
Gross profit margin	*20.80%*	*21.64%*	*23.77%*	*24.63%*	*24.63%*	*24.63%*	*24.63%*

Source: Pan-United, FPA

Staff costs:

We project staff costs at 8.8% of revenue for H2 FY2026 and FY2027, maintaining the ratio recorded in H1 FY2026. This assumes that staff costs vary proportionately with revenue. Accordingly, we forecast staff costs of S$41.6 million for H2 FY2026, bringing full-year FY2026 costs to S$90.0 million after including actual H1 FY2026 costs of S$48.4 million. Staff costs are subsequently projected to increase to S$94.9 million in FY2027 in line with forecast revenue growth as shown in **Exhibit 51**.

Exhibit 51: Projected Staff Costs for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Staff costs	**(57,467)**	**(58,031)**	**(71,045)**	**(48,444)**	**(41,570)**	**(90,014)**	**(94,875)**
% of revenue	*(7.42%)*	*(7.14%)*	*(7.91%)*	*(8.82%)*	*(8.82%)*	*(8.82%)*	*(8.82%)*

Source: Pan-United, FPA

Depreciation and amortisation expenses:

We project depreciation and amortisation expenses at 3.5% of revenue for H2 FY2026 and FY2027, maintaining the ratio recorded in H1 FY2026. This approach uses revenue as a proxy for the scale of Pan-United's asset requirements to meet sales demand. Applying this ratio to projected revenue, we derive depreciation and amortisation expenses of S$16.4 million for H2 FY2026 and S$37.4 million for FY2027 as shown in **Exhibit 52**.

Exhibit 52: Projected Depreciation & Amortisation Expenses for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Depreciation and amortisation expenses	**(22,703)**	**(24,190)**	**(32,556)**	**(19,080)**	**(16,373)**	**(35,453)**	**(37,367)**
% of revenue	*(2.93%)*	*(2.98%)*	*(3.62%)*	*(3.47%)*	*(3.47%)*	*(3.47%)*	*(3.47%)*

Source: Pan-United, FPA

Reversal or impairment loss on financial assets:

We assume no net reversal or impairment loss on financial assets in H2 FY2026 and FY2027, given the variability of this item and limited visibility over future credit losses and recoveries as shown in **Exhibit 53**. Accordingly, our FY2026 forecast retains the reversal of S$519,000 recognised in H1 FY2026, while no contribution or charge is projected for FY2027. This is a neutral forecasting assumption and does not imply the absence of credit risk.

Exhibit 53: Reversal or Impairment Loss on Financial Assets for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Reversal/(impairment loss) on financial assets	**(909)**	**(738)**	**523**	**519**	**0**	**519**	**0**

Source: Pan-United, FPA

Other expenses:

We project other expenses at 5.3% of revenue for H2 FY2026 and FY2027, maintaining the ratio recorded in H1 FY2026. This assumes that other expenses vary proportionately with revenue. We derive projected other expenses of S$24.8 million for H2 FY2026. Including actual H1 FY2026 expenses of S$28.9 million, we forecast full-year expenses of S$53.7 million in FY2026, increasing to S$56.7 million in FY2027 in line with projected revenue growth as shown in **Exhibit 54**.

Exhibit 54: Projected Other Expenses for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Other expenses	**(37,046)**	**(44,127)**	**(46,669)**	**(28,927)**	**(24,822)**	**(53,749)**	**(56,652)**
% of revenue	*4.79%*	*5.43%*	*5.19%*	*5.26%*	*5.26%*	*5.26%*	*5.26%*

Source: Pan-United, FPA

Operating profit:

We derive operating profit from gross profit by deducting staff costs, depreciation and amortisation expenses, other expenses and adjusting for any impairment losses or reversals on financial assets. We project operating profit of S$33.4 million in H2 FY2026, which increases the full-year FY2026 forecast to S$72.8 million from S$63.8 million in FY2025 as shown in **Exhibit 55**. For FY2027, we project operating profit to rise further to S$76.2 million.

Exhibit 55: Operating Profit for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Gross profit	160,996	175,757	213,548	135,362	116,155	251,517	265,101
Staff costs	(57,467)	(58,031)	(71,045)	(48,444)	(41,570)	(90,014)	(94,875)
Depreciation and amortisation expenses	(22,703)	(24,190)	(32,556)	(19,080)	(16,373)	(35,453)	(37,367)
Reversal/(impairment loss) on financial	(909)	(738)	523	519	0	519	0
Other expenses	(37,046)	(44,127)	(46,669)	(28,927)	(24,822)	(53,749)	(56,652)
Operating profit	42,871	48,671	63,801	39,430	33,390	72,820	76,206

Source: Pan-United, FPA

Other income:

The other income comprises the government grant, interest income on financial assets and foreign exchange gains if any. For government grants, we assume the same amount in H1 FY2026 for our forecast years. We also assume no foreign exchange gains or losses for our forecast years

We assume Pan-United's effective interest rate will move in line with any changes in the US Fed Funds Rate. Morgan Stanley[1]'s economists expect two quarter point rate hikes in December 2026 and March 2027. As such, we assume a 25 basis point rate hike in December 2026 to 4.00% to 4.25% and another 25 basis point rate hike in March 2027. The projected weighted-average rate is 3.73% for FY2026 and 4.33% for FY2027 as shown in **Exhibit 56**.

Exhibit 56: Breakdown of US Fed Funds Rate for FY2026 & FY2027

Fin Year	Date	Lower bound	Upper bound	Average Rate
		2025		
FY2025	January 2025	4.25%	4.50%	4.38%
	February 2025	4.25%	4.50%	4.38%
	March 2025	4.25%	4.50%	4.38%
	April 2025	4.25%	4.50%	4.38%
	May 2025	4.25%	4.50%	4.38%
	June 2025	4.25%	4.50%	4.38%
	July 2025	4.25%	4.50%	4.38%
	August 2025	4.25%	4.50%	4.38%
	September 2025	**4.00%**	**4.25%**	**4.13%**
	October 2025	**3.75%**	**4.00%**	**3.88%**
	November 2025	3.75%	4.00%	3.88%
	December 2025	**3.50%**	**3.75%**	**3.63%**
	Pan-United FY2025	-	-	**4.21%**

Fin Year	Date	Lower bound	Upper bound	Average Rate
		2026		
FY2026	January 2026	3.50%	3.75%	3.63%
	February 2026	3.50%	3.75%	3.63%
	March 2026	3.50%	3.75%	3.63%
	April 2026	3.50%	3.75%	3.63%
	May 2026	3.50%	3.75%	3.63%
	June 2026	3.50%	3.75%	3.63%
	July 2026	3.50%	3.75%	3.63%
	August 2026	3.50%	3.75%	3.63%
	September 2026	**3.75%**	**4.00%**	**3.88%**
	October 2026	3.75%	4.00%	3.88%
	November 2026	3.75%	4.00%	3.88%
	December 2026	**4.00%**	**4.25%**	**4.13%**
	Pan-United FY2026	-	-	**3.73%**

Fin Year	Date	Lower bound	Upper bound	Average Rate
		2027		
FY2027	January 2027	4.00%	4.25%	4.13%
	February 2027	4.00%	4.25%	4.13%
	March 2027	**4.25%**	**4.50%**	**4.38%**
	April 2027	4.25%	4.50%	4.38%
	May 2027	4.25%	4.50%	4.38%
	June 2027	4.25%	4.50%	4.38%
	July 2027	4.25%	4.50%	4.38%
	August 2027	4.25%	4.50%	4.38%
	September 2027	4.25%	4.50%	4.38%
	October 2027	4.25%	4.50%	4.38%
	November 2027	4.25%	4.50%	4.38%
	December 2027	4.25%	4.50%	4.38%
	Pan-United FY2027	-	-	**4.33%**

Source: Federal Reserve Bank of New York, FPA

Based on the fed funds rate forecast, we derive the projected weighted average fed funds rate and its corresponding proportion of change as shown in **Exhibit 57**.

Exhibit 57: Proportion of Change for Interest Income for FY2026 and FY2027

	FY2025	FY2026	FY2027
Weighted Average Fed Funds Rate	4.21%	3.73%	4.33%
Proportion of change		*(11.39%)*	*16.20%*

Source: FPA

[1] Morgan Stanley is a global investment bank.

We assume Pan-United's effective interest rate will move in line with any changes in the Fed Funds Rate. We then estimate cash & cash equivalents for FY2026 and FY2027. We derive this by adding projected earnings and subtracting expected dividend payments for each year. As a simplifying assumption, we use operating profit as a proxy for net profit. Dividend payments are then estimated by applying Pan-United's FY2025 payout ratio of approximately 62.1% to operating profit. The resulting balance represents the annual increase in retained cash, which we add to the prior year's cash & cash equivalents to arrive at our projected cash balance.

Our cash & cash equivalents projections are summarised in **Exhibit 58**.

Exhibit 58: Projected Cash & Cash Equivalents for FY2026 and FY2027

	Forecast	
S$'000	H2 FY2026	FY2027
Cash and cash equivalents at beginning of period	86,206	98,873
Add: Operating profit	33,390	76,206
Less: Dividend payment	(20,723)	(47,295)
(62.06% of operating profits)		
Cash and cash equivalents at the end of period	98,873	127,783

Source: Pan-United, FPA

To estimate interest income, we divide FY2025 interest income of S$1.2 million by FY2025 cash and cash equivalents of S$99.8 million, giving an implied annual rate of 1.17%. Assuming this rate changes proportionally to the US fed funds rate, the effective interest rate declines by 11.4% to 1.0% in FY2026 and increases by 16.2% to 1.2% in FY2027. Therefore, we project annual interest income to decrease to S$1.0 million in FY2026 and increase to S$1.5 million in FY2027 as shown in **Exhibit 59**.

Exhibit 59: Projected Interest Income from Financial Assets for FY2026 and FY2027

	Actual	Forecast	
S$'000	FY2025	FY2026	FY2027
Cash & cash equivalents	99,787	98,873	127,783
Interest income	1,165	1,023	1,536
Effective interest rate	*1.17%*	*1.03%*	*1.20%*
Proportion of change		*(11.39%)*	*16.20%*

Source: Pan-United, FPA

We project other income by estimating interest income from financial assets separately and applying assumptions to the remaining components. Government grants are forecasted at S$1.0 million in FY2026 by annualising the H1 FY2026 amount and holding the amount constant in FY2027. Agency and brokerage income and other income items are maintained at their FY2025 levels of S$2.3 million. As the H1 FY2026 financial statements do not separately disclose agency and brokerage income, this component is presented together with other undisclosed income; the H1 FY2026 amount is calculated as total other income less disclosed government grants and interest income. H2 FY2026 estimates are derived by deducting H1 actual amounts from the full-year forecasts. Therefore, we project other income to increase to S$4.3 million in FY2026 and S$4.9 million in FY2027 as shown in **Exhibit 60**.

Exhibit 60: Projected Other Income for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Agency, brokerage and other income[1]	2,062	2,123	2,305	1,961	344	2,305	2,305
Government grant	728	730	783	505	505	1,010	1,010
Interest income from financial assets	318	798	1,165	125	898	1,023	1,536
Other income	3,108	3,651	4,253	2,591	1,747	4,338	4,851

Source: Pan-United, FPA

[1]Calculated as the residual for undisclosed other income line items; the full-year forecast retains FY2025 agency and brokerage income of S$565,000 and other undisclosed other income items of S$1.7 million.

Finance costs:

Pan-United's finance costs consist of (i) interest expense on financing, (ii) interest expense on lease liabilities and (iii) bank charges.

(i) Interest expense on financing

The secured bank loans are backed by mortgages over certain assets of foreign subsidiaries.

a) The current secured bank loan of S$8,127,000 as of 30 Jun 2026. The loan is denominated in Malaysia Ringgit. Pan-United did not disclose the range of its interest rate in its H1 FY2026 financial statements but did state in the FY2025 Annual Report that it bears interest of 5.21% to 5.51% per annum as of 31 Dec 2025.

b) The current unsecured bank loan is S$12,858,000 as of 30 Jun 2026. Pan-United's finance team has clarified that the unusually high unsecured borrowing is temporary and would not incur additional interest expense. Therefore, we refer to the previous amount of S$2,188,000 stated as of 31 Dec 2025 for our projections. The loan is denominated in Malaysia Ringgit. Pan-United did not disclose the range of its interest rate in its H1 FY2026 financial statements but had stated in the FY2025 Annual Report that it bears interest of 4.50% to 5.17%per annum as of 31 Dec 2025.

For our projections, we hold both secured and unsecured bank loans at the balance of S$8,127,000, reported as of 30 Jun 2026, and S$2,188,000, reported as of 31 Dec 2025, assuming that repayments are offset by refinancing or new borrowings.

CIMB Investment Bank's forecasts Bank Negara Malaysia's Overnight Policy Rate ("OPR") to be held unchanged at 2.75% through 2026, increase by 25 basis points (0.25%) to 3.00% in March 2027 and held unchanged for the rest of 2027.

Therefore, we forecast Pan-United's interest rate on its loans to follow the same trend as CIMB Investment Bank's OPR forecast. For modelling purposes, we used the midpoint of the ranges stipulated with Pan-United's current secured bank loan's annual interest rate to be 5.36% in FY2026 and weighted-average of 5.57% in FY2027, as shown in **Exhibit 61** as well as Pan-United's current unsecured bank loan's annual interest rate to be 4.84% in FY2026 and weighted-average of 5.04% in FY2027 as shown in **Exhibit 62**.

Exhibit 61: Breakdown of Pan-United's Secured Bank Loan Interest Rate for FY2026 & FY2027

Fin Year	Date	Interest Rate
	2026	
FY2026	January 2026	5.36%
	February 2026	5.36%
	March 2026	5.36%
	April 2026	5.36%
	May 2026	5.36%
	June 2026	5.36%
	July 2026	5.36%
	August 2026	5.36%
	September 2026	5.36%
	October 2026	5.36%
	November 2026	5.36%
	December 2026	5.36%
	Pan-United FY2026	**5.36%**
	2026	
FY2027	January 2027	5.36%
	February 2027	5.36%
	March 2027	**5.61%**
	April 2027	5.61%
	May 2027	5.61%
	June 2027	5.61%
	July 2027	5.61%
	August 2027	5.61%
	September 2027	5.61%
	October 2027	5.61%
	November 2027	5.61%
	December 2027	5.61%
	Pan-United FY2026	**5.57%**

Source: Pan-United, FPA

Exhibit 62: Breakdown of Pan-United's Unsecured Bank Loan Interest Rate for FY2026 & FY2027

Fin Year	Date	Interest Rate
	2026	
FY2026	January 2026	4.84%
	February 2026	4.84%
	March 2026	4.84%
	April 2026	4.84%
	May 2026	4.84%
	June 2026	4.84%
	July 2026	4.84%
	August 2026	4.84%
	September 2026	4.84%
	October 2026	4.84%
	November 2026	4.84%
	December 2026	4.84%
	Pan-United FY2026	**4.84%**
	2026	
FY2027	January 2027	4.84%
	February 2027	4.84%
	March 2027	**5.09%**
	April 2027	5.09%
	May 2027	5.09%
	June 2027	5.09%
	July 2027	5.09%
	August 2027	5.09%
	September 2027	5.09%
	October 2027	5.09%
	November 2027	5.09%
	December 2027	5.09%
	Pan-United FY2026	**5.04%**

Source: Pan-United, FPA

Interest expense on current secured bank loan for FY2026 and FY2027	=	S$8,127,000 x 5.36% + S$8,127,000 x 5.57%
	=	S$435,607.20 + S$452,538.45
	=	S$888,145.65
Interest expense on current unsecured bank loan for FY2026 and FY2027	=	S$2,188,000 x 4.84% + S$2,188,000 x 5.04%
	=	S$105,789.80 + S$110,348.13
	=	S$216,137.93
Interest expense on financing for FY2026	=	S$435,607.20 + S$105,789.80
	=	S$541,397.00
Interest expense on financing for FY2027	=	S$452,538.45 + S$110,348.13
	=	S$562,886.58

Applying these rates to the assumed constant loan balances, we estimate interest expense on financing to be S$541,397 in FY2026 and S$562,887 in FY2027. Our interest expense calculation forms our forecasting baseline as estimates based solely on period-end borrowing balances and disclosed interest-rate ranges do not fully reconcile with historical financing costs, while detailed intra-period borrowing movements and the composition of financing expenses are not available.

Interest expense on lease liabilities:

We project lease liabilities by adding estimated new lease obligations to opening balances and deducting principal repayments. Right-of-use asset additions are used as a proxy for new lease obligations. For H2 FY2026, we assume additions and principal repayments of S$7.3 million and S$5.6 million, respectively, matching the amounts recorded in H1 FY2026. We annualise these amounts for FY2027, assuming additions of S$14.6 million and principal repayments of S$11.2 million, with no other movements forecast. Accordingly, closing lease liabilities are projected at S$41.2 million for FY2026 and S$44.7 million for FY2027 as shown in **Exhibit 63**.

Exhibit 63: Projected Lease Liabilities for FY2026 & FY2027

S$'000	Actual	Forecast	
	H1 FY2026	H2 FY2026	FY2027
Lease liabilities at the start of the period	38,327	39,505	41,222
Additions to right-of-use assets	7,296	7,296	14,592
Payment of principal portion	(5,579)	(5,579)	(11,158)
Undisclosed adjustments	(539)	0	0
Lease liabilities at the end of the period	**39,505**	**41,222**	**44,656**

Source: Pan-United, FPA

We apply an estimated annual interest rate of 4.63%, derived from FY2025 lease interest expense divided by average opening and closing lease liabilities to the corresponding average forecast balances. This assumes a broadly unchanged financing rate across the lease portfolio, including new leases, and results in projected lease interest expense of S$1.8 million in FY2026 and S$2.0 million in FY2027 as shown in **Exhibit 64**.

Exhibit 64: Projected Interest Expense on Lease Liabilities for FY2026 & FY2027

S$'000	Actual			Forecast	
	FY2023	FY2024	FY2025	FY2026	FY2027
Average lease liabilties	25,137	38,299	39,509	39,775	42,939
Interest expense on lease liabilities	**615**	**1,562**	**1,829**	**1,841**	**1,988**
Annual effective rate	*2.45%*	*4.08%*	*4.63%*	*4.63%*	*4.63%*

Source: Pan-United, FPA

We assume bank charges remain at the FY2025 level of S$389,000 annually in FY2026 and FY2027. This reflects our assumption of broadly stable banking arrangements and fee levels over the forecast period.

Based on these assumptions, total finance costs are projected to decline to S$2.8 million in FY2026 from S$3.7 million in FY2025, primarily reflecting lower estimated bank borrowing costs as shown in **Exhibit 65**. Finance costs are subsequently forecast to increase to S$2.9 million in FY2027, driven by higher borrowing rates and an increase in average lease liabilities.

Exhibit 65: Projected Finance Costs for FY2026 & FY2027

S$'000	Actual			Forecast	
	FY2023	FY2024	FY2025	FY2026	FY2027
Interest expense on financing	2,426	1,417	1,450	541	563
Interest expense on lease liabilities	615	1,562	1,829	1,841	1,988
Bank charges	372	468	389	389	389
Finance costs	**3,413**	**3,447**	**3,668**	**2,772**	**2,940**

Source: Pan-United, FPA

Share of results of associate:

We project Pan-United's share of results of associate at S$1.0 million in H2 FY2026, matching the contribution recorded in H1 FY2026 as shown in **Exhibit 66**. This assumes that the associate's earnings contribution remains stable in the second half, bringing the projected full-year contribution to S$2.0 million, compared with S$1.2 million in FY2025. For FY2027, we maintain the contribution at S$2.0 million, assuming no change in Pan-United's ownership interest and a stable level of underlying profitability at the associate.

Exhibit 66: Projected Share of Results of Associate for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Share of results of associate	2,765	2,456	1,184	999	999	1,998	1,998

Source: Pan-United, FPA

Profit before tax:

Based on our revenue and expense projections, we forecast Pan-United's profit before tax to increase by 16.5% to S$76.4 million in FY2026 from S$65.6 million in FY2025, comprising S$41.4 million recorded in H1 FY2026 and a projected S$35.0 million in H2 FY2026 as shown in **Exhibit 67**. For FY2027, we project profit before tax to rise by a further 4.9% to S$80.1 million.

Exhibit 67: Projected Profit Before Tax for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Revenue	774,138	812,297	898,436	549,555	471,577	1,021,132	1,076,280
Other income	3,108	3,651	4,253	2,591	1,747	4,338	4,851
Raw materials, subcontract costs and other direct costs	(613,142)	(636,540)	(684,888)	(414,193)	(355,422)	(769,615)	(811,179)
Staff costs	(57,467)	(58,031)	(71,045)	(48,444)	(41,570)	(90,014)	(94,875)
Depreciation and amortisation expenses	(22,703)	(24,190)	(32,556)	(19,080)	(16,373)	(35,453)	(37,367)
Reversal/(impairment loss) on financial assets	(909)	(738)	523	519	0	519	0
Other expenses	(37,046)	(44,127)	(46,669)	(28,927)	(24,822)	(53,749)	(56,652)
Finance costs	(3,413)	(3,447)	(3,668)	(1,610)	(1,162)	(2,772)	(2,940)
Share of results of associate	2,765	2,456	1,184	999	999	1,998	1,998
Profit before tax	**45,331**	**51,331**	**65,570**	**41,410**	**34,974**	**76,384**	**80,115**

Source: Pan-United, FPA

Income tax expense:

We project income tax expense by applying the FY2025 effective tax rate of approximately 21.8% to forecast profit before tax for FY2026 and FY2027. This assumes that the Group's overall effective tax burden remains broadly consistent with FY2025, incorporating both current and deferred tax expense without forecasting these components separately. Accordingly, the income tax expense is projected at S$16.6 million in FY2026 and S$17.4 million in FY2027 as shown in **Exhibit 68**. After deducting actual income tax expense of S$10.1 million recorded in H1 FY2026, the implied expense for H2 FY2026 is S$6.5 million, representing an effective tax rate of approximately 18.5% for the second half.

Exhibit 68: Projected Income Tax Expense for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Profit before tax	45,331	51,331	65,570	41,410	34,974	76,384	80,115
Effective tax rate	*21.3%*	*19.8%*	*21.8%*	*24.5%*	*18.5%*	*21.8%*	*21.8%*
Income tax expense	**(9,653)**	**(10,151)**	**(14,266)**	**(10,141)**	**(6,478)**	**(16,619)**	**(17,431)**

Source: Pan-United, FPA

Profit after tax:

After deducting projected income tax expense from profit before tax, we forecast Pan-United's profit after tax to increase to S$59.8 million in FY2026 from S$51.3 million in FY2025 as shown in **Exhibit 69**. This comprises actual profit after tax of S$31.3 million in H1 FY2026 and projected S$28.5 million in H2 FY2026. For FY2027, we project profit after tax to grow to S$62.7 million, supported by higher projected earnings before tax and an unchanged assumed effective tax rate of approximately 21.8%.

Exhibit 69: Projected Profit After Tax for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Profit before tax	45,331	51,331	65,570	41,410	34,974	76,384	80,115
Income tax expense	(9,653)	(10,151)	(14,266)	(10,141)	(6,478)	(16,619)	(17,431)
Profit after tax	**35,678**	**41,180**	**51,304**	**31,269**	**28,496**	**59,765**	**62,684**

Source: Pan-United, FPA

Profit attributable to shareholders of the company:

We project profit attributable to shareholders of the Company by deducting profit attributable to non-controlling interests from the Group's forecast profit after tax, with no contribution assumed from discontinued operations. Non-controlling interests are forecasted at approximately 2.1% of profit after tax, consistent with the proportion recorded in H1 FY2026. This assumes broadly stable ownership interests and relative earnings contributions from partly owned subsidiaries. Accordingly, profit attributable to non-controlling interests is projected at S$1.2 million in FY2026 and S$1.3 million in FY2027 as shown in **Exhibit 70**. Profit attributable to shareholders is therefore forecasted to increase by 15.4% to S$58.5 million in FY2026 from S$50.7 million in FY2025, before rising by a further 4.9% to S$61.4 million in FY2027.

Exhibit 70: Projected Profit Attributable to Shareholders of the Company for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Profit after tax	35,678	41,180	51,304	31,269	28,496	59,765	62,684
(Loss)/profit from discontinued operation, net of tax	(1,147)	0	0	0	0	0	0
Non-controlling interests	(234)	(325)	(590)	(649)	(591)	(1,240)	(1,301)
Non-controlling interests ratio	*0.7%*	*0.8%*	*1.2%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*
Profit attributable to shareholders of the company	**34,297**	**40,855**	**50,714**	**30,620**	**27,905**	**58,525**	**61,383**

Source: Pan-United, FPA

Basic & diluted EPS:

We project basic and diluted EPS by dividing forecast profit attributable to shareholders by the respective weighted average share counts. We hold the basic and diluted share counts constant at approximately 699.4 million and 700.1 million respectively, matching the levels reported in H1 FY2026. This assumes no material change in the ordinary share count or the dilutive effect of outstanding share awards over the forecast period. Based on projected profit attributable to shareholders of S$58.5 million in FY2026 and S$61.4 million in FY2027, basic EPS is forecast at 8.37 cents and 8.78 cents, respectively, while diluted EPS is projected at 8.36 cents and 8.77 cents as shown in **Exhibit 71**.

Exhibit 71: Projected Basic & Diluted EPS for FY2026 & FY2027

	Actual				Forecast		
S$'000	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Profit attributable to shareholders of the company	34,297	40,855	50,714	30,620	27,905	58,525	61,383
Weighted average number of ordinary shares for basic EPS ('000)	695,817	698,354	699,434	699,444	699,444	699,444	699,444
Basic EPS (cents)	4.93	5.85	7.25	4.38	3.99	8.37	8.78
Weighted average number of ordinary shares for diluted EPS ('000)	696,850	699,527	700,481	700,137	700,137	700,137	700,137
Diluted EPS (cents)	4.92	5.84	7.24	4.37	3.99	8.36	8.77

Source: Pan-United, FPA

Dividends attributable to the financial year:

We project DPS by applying the assumed annual dividend payout ratio of approximately 62.1%, consistent with FY2025, to forecast basic EPS. Based on projected basic EPS of 8.37 cents in FY2026 and 8.78 cents in FY2027, we derive DPS of 5.19 cents and 5.45 cents respectively as shown in **Exhibit 72**. After deducting the interim dividend of 1.50 cents, the implied final dividend for FY2026 is 3.69 cents per share.

Exhibit 72: Projected DPS for FY2026 & FY2027

	Actual				Forecast		
S$ cents	FY2023	FY2024	FY2025	H1 FY2026	H2 FY2026	FY2026	FY2027
Basic EPS	4.93	5.85	7.25	4.38	3.99	8.37	8.78
Dividend payout ratio	*46.66%*	*51.28%*	*62.06%*	*34.26%*	*92.57%*	*62.06%*	*62.06%*
DPS	**2.30**	**3.00**	**4.50**	**1.50**	**3.69**	**5.19**	**5.45**

Source: Pan-United, FPA

Our projections are summarised in **Exhibit 73**.

Exhibit 73: Forecasted Financial Performance for FY2026 & FY2027

	Actual			Forecast	
S$'000	FY2023	FY2024	FY2025	FY2026	FY2027
Revenue	774,138	812,297	898,436	1,021,132	1,076,280
Other income	3,108	3,651	4,253	4,338	4,851
Raw materials, subcontract costs and other direct	(613,142)	(636,540)	(684,888)	(769,615)	(811,179)
Staff costs	(57,467)	(58,031)	(71,045)	(90,014)	(94,875)
Depreciation and amortisation expenses	(22,703)	(24,190)	(32,556)	(35,453)	(37,367)
Reversal/(impairment loss) on financial assets	(909)	(738)	523	519	0
Other expenses	(37,046)	(44,127)	(46,669)	(53,749)	(56,652)
Finance costs	(3,413)	(3,447)	(3,668)	(2,772)	(2,940)
Share of results of associate	2,765	2,456	1,184	1,998	1,998
Profit before tax	45,331	51,331	65,570	76,384	80,115
Tax expense	(9,653)	(10,151)	(14,266)	(16,619)	(17,431)
Profit after tax	35,678	41,180	51,304	59,765	62,684
Less: Non-controlling interest	(234)	(325)	(590)	(1,240)	(1,301)
Profit attributable to shareholders of the	34,297	40,855	50,714	58,525	61,383
Weighted average number of ordinary shares for basic EPS ('000)	695,817	698,354	699,434	699,444	699,444
Weighted average number of ordinary shares for diluted EPS ('000)	696,850	699,527	700,481	700,137	700,137
Basic EPS (cents)	**4.93**	**5.85**	**7.25**	**8.37**	**8.78**
Diluted EPS (cents)	**4.92**	**5.84**	**7.24**	**8.36**	**8.77**
DPS (cents)	**2.30**	**3.00**	**4.50**	**5.19**	**5.45**
Dividend payout ratio	***46.66%***	***51.28%***	***62.06%***	***62.06%***	***62.06%***

VALUATION ANALYSIS

(I) PEER COMPARISON ANALYSIS

A peer comparison analysis was conducted to review how Pan-United is faring against its industry peers. Differences in geographical exposure, business models and product offerings may limit the effectiveness of comparing with Pan-United. Pan-United was compared against its peers in terms of price-to-earnings ("P/E") multiple, price-to-book ("P/B") multiple and dividend yield.

Below are the selected peer companies to compare with Pan United:

I. Hong Leong Asia Ltd.

Hong Leong Asia Ltd. is a Singapore-listed industrial group with two core businesses: Building Materials and Powertrain Solutions. Its building materials operations supply RMC, precast concrete products and cement in Singapore and Malaysia through businesses including Island Concrete, HL Building Materials and Tasek. Through China Yuchai International, it also manufactures engines and develops electric and hybrid powertrain solutions, principally in China.

II. BRC Asia Limited

BRC Asia Limited is a Singapore-listed provider of prefabricated steel reinforcement solutions for the construction industry. Its products include cut-and-bend reinforcing bars, welded wire mesh and prefabricated reinforcement cages used in reinforced-concrete structures. Its fabrication services help contractors reduce on-site labour requirements and improve construction productivity.

III. Holcim Ltd

Holcim Ltd is a Switzerland-headquartered building materials group listed on the SIX Swiss Exchange. Its portfolio includes cement, aggregates, RMC and building systems covering applications such as walling, flooring and roofing. Following the spin-off of its North American business into Amrize in June 2025, Holcim's operations span Europe, Latin America, Asia, the Middle East and Africa.

IV. Malayan Cement Berhad

Malayan Cement Berhad is a Bursa Malaysia-listed building materials producer forming the Malaysian operations of YTL Cement Group. Its principal activities include the manufacture and supply of cement, RMC, aggregates and drymix products. The group operates an extensive network of cement plants, grinding facilities, terminals and concrete batching plants serving construction customers across Peninsular Malaysia.

Exhibit 74: Peer Comparison Analysis

Company	Currency	Stock Symbol	Price (S$) as at 30 Oct '26	Market Cap (S$ million)	Diluted EPS (cents)	P/E	DPS (cents)	Dividend Yield (%)	NAV per share (S$)	P/B
Pan-United Corporation Ltd	SGD	P52	1.590	1,112.1	9.00	17.67 x	5.00	3.14%	0.42	3.79 x
Peer companies:										
Hong Leong Asia Ltd	SGD	H22	2.300	1,835.7	20.00	11.50 x	6.00	2.61%	1.67	1.38 x
BRC Asia Limited	SGD	BEC	4.170	1,144.0	38.00	10.97 x	22.00	5.28%	1.93	2.16 x
Holcim Limited	CHF	HOLN	108.377	59,945.8	519.34*	20.87 x	264.33	2.44%	44.02	2.46 x
Malayan Cement Berhad	MYR	3794	1.656	2,759.2	14.98	11.06 x	4.71	2.85%	1.70	0.97 x
Peer average						**13.60 x**		**3.29%**		**1.74 x**

CHF/SGD = 1.5549
MYR/SGD = 0.3142

**Adjusted to remove effect from divestment-related charges and non-cash currency translation loss.*

Source: SGX Stock Screener, respective companies, FPA

(a) P/E multiple

Based on the results in **Exhibit 74**, Pan-United is currently trading at a P/E multiple of 17.67x which is lower than the peer average P/E multiple of 13.60x. This suggests that Pan-United is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S$1.224 if Pan-United is to trade at the peer average P/E of 13.60x as follows:

Estimated target price (P/E multiple) = Peer average P/E × TTM diluted EPS

= 13.60 × S$0.0900

≈ S$1.224

The estimated target price of S$1.224 represents a downside potential of 23.0% from the current share price of S$1.590.

(b) P/B multiple

Based on the results in **Exhibit 74**, Pan-United is currently trading at a P/B multiple of 3.79x which is higher than the peer average P/B multiple of 1.74x. This suggests that Pan-United is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S$0.732 if Pan-United is to trade at the peer average P/B of 1.74x as follows:

Estimated target price (P/B multiple) = Peer average P/B × NAV per share

= 1.74 × S$0.42

≈ S$0.732

The estimated target price of S$0.732 represents a downside potential of 53.9% from the current share price of S$1.590.

(c) Dividend yield

Based on the results in **Exhibit 74**, Pan-United's dividend yield of 3.14% is less attractive than the peer average yield of 3.29%. This suggests that Pan-United is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S$1.519 if Pan-United is to trade at the peer average yield of 3.29% as follows:

$$\text{Estimated target price (Dividend yield)} = \frac{\text{Current yield}}{\text{Peer average yield}} \times \text{Current share price}$$

$$= \frac{3.14\%}{3.29\%} \times \text{S\$1.590}$$

$$\approx \text{S\$1.519}$$

The estimated target price of S$1.519 represents a downside potential of 4.5% from the current share price of S$1.590.

(d) Target price

From our analysis, Pan-United seems to be overvalued in terms of its P/E multiple, P/B multiple and dividend yield. By averaging our target prices based on P/E multiple, P/B multiple and dividend yield, we derive an overall target price of S$1.158 as follows:

$$\text{Target price} = \frac{1}{3} \times [\text{Estimated target price (P/E multiple)} + \text{Estimated target price (P/B multiple)} + \text{Estimated target price (Dividend yield)}]$$

$$= \frac{1}{3} \times [\text{S\$1.224} + \text{S\$0.732} + \text{S\$1.519}]$$

$$\approx \text{S\$1.158}$$

The overall target price of S$1.158 represents a downside potential of 27.2% from the current share price of S$1.590

(II) HISTORICAL VALUATION

We also performed a valuation analysis using Pan-United's historical P/E multiple, P/B multiple and dividend yield over the past few years (H2 FY2021 – H1 FY2026) as shown in **Exhibit 75.**

Exhibit 75: Historical Share Price and Valuation Metrics

Period	Results release date ("RPD")	Share price (RPD + 3 days)	Diluted EPS (cents)	TTM EPS (cents)	P/E multiple	DPS (cents)	TTM DPS (cents)	Dividend yield	NAV per share (cents)	P/B multiple
H1 FY2026	13 Aug '26	1.650	4.37	8.67	19.04x	1.50	5.00	3.03%	42.30	3.90
H2 FY2025	24 Feb '26	1.350	4.30	7.24	18.64x	3.50	4.50	3.33%	41.50	3.25
H1 FY2025	13 Aug '25	1.100	2.95	6.13	17.94x	1.00	3.30	3.00%	37.63	2.92
H2 FY2024	25 Feb '25	0.625	3.19	5.85	10.69x	2.30	3.00	4.80%	37.99	1.65
H1 FY2024	30 Jul '24	0.525	2.66	5.59	9.39x	0.70	2.50	4.76%	34.53	1.52
H2 FY2023	07 Feb '24	0.420	2.93	5.21	8.07x	1.80	2.30	5.48%	33.32	1.26
H1 FY2023	10 Aug '23	0.380	2.27	3.68	10.31x	0.50	1.80	4.74%	31.25	1.22
H2 FY2022	09 Feb '23	0.400	1.41	3.34	11.99x	1.30	1.80	4.50%	30.26	1.32
H1 FY2022	03 Aug '22	0.450	1.92	3.60	12.50x	0.50	1.60	3.56%	30.15	1.49
H2 FY2021	22 Feb '22	0.350	1.68	2.67	13.12x	1.10	1.60	4.57%	29.31	1.19
Maximum					**19.04x**			**5.48%**		**3.90x**
Minimum					**8.07x**			**3.00%**		**1.19x**
Average (excl. values ≤ 0)					**13.17x**			**4.18%**		**1.97x**

Source: Yahoo Finance, Pan-United, FPA

(a) P/E multiple

As shown in **Exhibit 75**, Pan-United's historical average P/E multiple was 13.17x which is lower than its current P/E multiple of 17.67x. This suggests that Pan-United is overvalued at the current share price. Based on the historical average P/E multiple of 13.17x and TTM diluted EPU of S$0.0900, we estimate a target price of S$1.185 as follows:

Estimated target price (Historical P/E multiple) = Historical average P/E × TTM diluted EPU

= 13.17 × S$0.0900

≈ S$1.185

The target price of S$1.185 represents a downside potential of 25.5% from the current share price of S$1.590.

(b) P/B multiple

As shown in **Exhibit 75**, Pan-United's historical average P/B multiple was 1.97x which is lower than its current P/B multiple of 3.79x. This suggests that Pan-United is overvalued at the current share price. Based on the historical average P/B multiple of 1.97x and NAV per share of $0.42, we estimate a target price of S$0.829 as follows:

$$\begin{aligned}\text{Estimated target price (Historical P/B multiple)} &= \text{Historical average P/B} \times \text{NAV per share} \\ &= 1.97 \times \text{S\$0.42} \\ &\approx \text{S\$0.829}\end{aligned}$$

The target price of S$0.829 represents a downside potential of 47.9% from the current share price of S$1.590.

(c) Dividend yield

As shown in **Exhibit 75**, Pan-United's historical average dividend yield was 4.18%, which is more attractive than its current dividend yield of 3.14%. This suggests that Pan-United is overvalued at the current share price. Based on the historical average dividend yield of 4.18% and current dividend yield of 3.14%, we estimate a target price of S$1.197 as follows:

$$\begin{aligned}\text{Estimated target price (Historical dividend yield)} &= \frac{\text{Current yield}}{\text{Historical average yield}} \times \text{Current share price} \\ &= \frac{3.14\%}{4.18\%} \times \text{S\$1.590} \\ &\approx \text{S\$1.197}\end{aligned}$$

The target price of S$1.197 represents a downside potential of 24.7% from the current share price of S$1.590.

(d) Target price

From our analysis, Pan-United seems to be overvalued in terms of its historical average P/E multiple, P/B multiple and dividend yield. By averaging our estimated target prices, we derive a target price of S$1.070 as follows:

$$\begin{aligned}\text{Target price} &= \frac{1}{3} \times [\text{Estimated target price (H. P/E multiple)} + \text{Estimated target price (H. P/B multiple)} + \text{Estimated target price (H. dividend yield)}] \\ &= \frac{1}{3} \times [\text{S\$1.185} + \text{S\$0.829} + \text{S\$1.197}] \\ &\approx \text{S\$1.070}\end{aligned}$$

The target price of S$1.070 represents a downside potential of 32.7% from the current share price of S$1.590.

POTENTIAL CATALYSTS

(I) ADDITIONAL MAJOR SUPPLY CONTRACTS

Singapore's construction pipeline presents opportunities for Pan-United to secure further concrete supply contracts. Additional major supply contracts like the progressive development of the Greater Southern Waterfront could create additional concrete supply opportunities. Potential sources of future supply commitments could strengthen revenue visibility beyond existing commitments and support future delivery volumes, which would be a catalyst for Pan-United. Given Pan-United's recent capital investments, its operations should be well-equipped to handle the capacity needed to meet increased demand should such opportunities arise, without incurring higher costs that could squeeze its margins.

(II) INCREASED INDUSTRY ADOPTION OF LOW-CARBON AND SPECIALISED RMC SOLUTIONS

Pan-United's product development capabilities provide opportunities to capture demand for concrete that meets specific performance and environmental requirements. We see potential for wider adoption of Pan-United's specialised RMC solutions which would support customer acquisition and increase its market share. Earnings upside could emerge if product differentiation translates into a more favourable competitive positioning for Pan-United, allowing it to command stronger pricing power or effectively defend its margins when faced with increased costs.

(III) HIGHER DIVIDEND PAYOUTS COULD ENHANCE SHAREHOLDER RETURNS

Pan-United increased its total dividend from 3.0 Singapore cents per share in FY2024 to 4.5 cents in FY2025. Further earnings growth, supported by stronger cash conversion, could create scope for additional dividend increases. Higher dividends could support its valuation by improving the dividend yield at prevailing prices and signalling management's confidence in cash generation. The scope for increases will depend on working-capital requirements, capital expenditure and the liquidity required to support day-to-day operations.

(IV) BUSINESS OPPORTUNITIES IN OVERSEAS MARKET

Pan-United's operations in Malaysia and Vietnam provide opportunities to expand earnings beyond Singapore. Pan-United highlighted new residential, commercial and infrastructure projects secured by its Malaysian subsidiary Fortis Star, alongside a pipeline of developments served by FiCO Pan-United in Vietnam. Stronger overseas revenue contributions could strengthen earnings quality through increased diversification of its revenue sources. Sustained growth in overseas earnings, accompanied by satisfactory returns on investment, could be a potential catalyst that reduces reliance on Singapore's construction cycle.

INVESTMENT RECOMMENDATION

We expect Pan-United's earnings to continue growing in FY2027, although at a slower pace than in FY2026. Singapore's pipeline of infrastructure and building projects should support demand for RMC as contractors progress from site preparation to structural works. Its operations in Malaysia and Vietnam provide a further source of growth.

Our peer and historical valuation analyses indicate that Pan-United trades at a premium. At the current share price of S$1.590, Pan-United trades at a higher P/E multiple of 17.67x and P/B multiple of 3.79x, compared with the peer averages of 13.60x and 1.74x respectively. Its dividend yield of 3.14% is also below the peer average of 3.29%. Relative to its historical average P/E multiple of 13.17x, P/B of 1.97x and dividend yield of 4.18%, these measures suggest that investors have already been pricing in higher growth expectations. By averaging the estimated targeted prices, we derive an overall target price of S$1.114 as follows:

$$\text{Target price} = \frac{1}{2} \times [\text{Estimated target price (Peer Comparison)} + \text{Estimated target price (Historical Valuation)}]$$

$$= \frac{1}{2} \times [\text{S\$1.158} + \text{S\$1.070}]$$

$$\approx \text{S\$1.114}$$

The target price of S$1.114 represents a downside potential of 29.9% from the current share price of S$1.590. However, we believe these valuations may understate Pan-United's fair value. In our view, Pan-United merits a premium because its scale and technical capabilities matter greatly to its customers. For a contractor undertaking a continuous pour, the supplier must meet the specified concrete grade and sustain deliveries throughout the pour. Pan-United's ability to meet both requirements gives it a competitive advantage on technically demanding projects. We expect continued earnings growth and higher dividends to support that premium as growth moderates.

Accordingly, we believe Pan-United's 52-week high of S$1.75 represents a more realistic target price, implying an upside potential of 10.1% from the current share price. Our target reflects our judgement that delivery of forecast earnings and dividends could support a return to the recent high.

Potential catalysts, including additional construction supply contracts, increased usage of Pan-United's offerings, higher dividends and potential expansion in overseas markets could provide further support for the share price. Therefore, we initiate coverage on Pan-United with a HOLD recommendation.

However, there are risks to our target price which we discuss on the next page.

RISKS TO TARGET PRICE

(I) PROJECT DELAYS AND WEAKER-THAN-EXPECTED CONSTRUCTION DEMAND

Pan-United's concrete sales depend on the pace of construction activity and customers' delivery requirements. Delays arising from financing constraints, changes in project schedules or labour shortages could postpone concrete deliveries and revenue recognition. A broader slowdown in construction activity could reduce supply opportunities and lead to capacity under-utilisation.

(II) HIGHER INPUT COSTS AND SUPPLY DISRUPTIONS

Pan-United is exposed to changes in its material input cost for cement, aggregates, supplementary cementitious materials and water. Higher freight and energy costs could increase procurement expenses. The impact on profitability would depend on the Group's purchasing arrangements and ability to pass cost increases to customers. Where selling prices adjust more slowly than input costs, margins could narrow despite healthy sales volumes. Supply interruptions could also require alternative sourcing at higher prices, while countermeasures like larger inventory buffers would increase working-capital requirements.

(III) OVERSEAS EXECUTION AND FOREIGN-EXCHANGE RISK

Pan-United's operations in Malaysia and Vietnam expose the Group to local construction demand, competitive conditions and operating requirements. Slower project execution or weaker customer demand could reduce returns from overseas business. Pan-United also faces currency exchange rate risk when overseas earnings and net assets are translated into Singapore dollars. A depreciation of the Malaysian ringgit or Vietnamese dong against the Singapore dollar could reduce their reported contribution, even if business performance remains stable.

CORPORATE GOVERNANCE

(I) BOARD OF DIRECTORS

As at 1 September 2026, the Board comprises six directors:

- Ms Ng Bee Bee: Executive Chairman
- Mr Patrick Ng Bee Soon: Deputy Chairman, Executive Director
- Mr Fong Yue Kwong: Lead Independent Director
- Mr Soh Ee Beng: Non-Executive Independent Director
- Mr Chan Wan Hong: Non-Executive Independent Director
- Mr Ng Siew Quan Non-Executive Independent Director

Ms Ng Bee Bee was appointed Executive Chairman on 15 July 2024, following her tenure as Pan-United's CEO from March 2011 to July 2024. She previously served as Executive Director from January 2004 to February 2011. Ms Ng was previously an Independent Non-Executive Director of NTUC Enterprise Co-operative Ltd and currently serves as an Independent Non-Executive Director of Singapore Technologies Engineering Ltd. Ms Ng holds a Bachelor of Arts (Honours) degree from the University of Western Ontario, Canada.

Mr Patrick Ng Bee Soon has served as Deputy Chairman since March 2011, having previously been CEO from January 2004 to February 2011. Mr Ng serves as an Executive Director of Zhuhai Harbour (Singapore) Company, Limited. Mr Ng holds a Bachelor of Science degree from the University of Oregon, United States.

Mr Fong Yue Kwong joined the Board in March 2020 as a Non-Executive Independent Director and was redesignated as the Lead Independent Director in July 2024. He has over 40 years of experience in ports, marine supply bases and logistics industries in Singapore and Asia, particularly China. Mr Fong also served as the first President of the corporatised Jurong Port in 2001. Mr Fong holds a Bachelor of Engineering (Mechanical) degree from the University of Canterbury, New Zealand and an MBA from the University of East Asia, Macau.

Mr Soh Ee Beng has served as a Non-Executive Independent Director since December 2018. Mr Soh has more than 25 years of investment-banking experience which includes mergers and acquisitions, initial public offerings and equity fundraising. His has held senior leadership roles at several international banks including N M Rothschild & Sons (Singapore) Ltd, HSBC, Houlihan Lokey, BNP Paribas Peregrine (Singapore) Ltd and ING Bank N.V.. He currently serves as Senior Executive Director of UOB Kay Hian Pte Ltd and Independent Director of Cortina Holdings Limited. Mr Soh holds a Bachelor of Accountancy degree with First Class Honours from Nanyang Technological University, Singapore.

Mr Chan Wan Hong has served as a Non-Executive Independent Director since July 2024. Mr Chan's legal career includes appointments such as Director at Atlas Asia Law Corporation and Partner/Senior Partner of Dentons Rodyk LLP. He currently serves as Senior Director at FC Legal Asia LLC, Independent Non-Executive Director of Centurion Corporation Limited and Independent Director of Multi-Chem Limited. Mr Chan holds a Bachelor of Laws (Honours) degree from the National University of Singapore and is an Advocate and Solicitor of Singapore.

Mr Ng Siew Quan joined the Board on 1 September 2026. Mr Ng was a partner at PricewaterhouseCoopers LLP where he previously served as the Corporate Governance Leader and Asia Pacific Leader of its entrepreneurial and private business practice. He retired from PwC in June 2026. Mr Ng holds a Bachelor of Accountancy degree from Nanyang Technological University, is a Chartered Accountant of Singapore and is a Senior Accredited Director of the Singapore Institute of Directors. Mr Ng oversaw Pan-United's internal audit engagement until February 2026.

Pan-United has four Board Committees to facilitate effective management. They are the Executive Committee, Nominating Committee, Remuneration Committee and Audit Committee. Each committee is governed by clear terms of reference which have been approved by the Board.

Executive Committee:

- Ms Ng Bee Bee: Chairman
- Mr Patrick Ng Bee Soon: Member
- Mr Ken Loh Kah Soon: Member

Nominating Committee:

- Mr Soh Ee Beng: Chairman
- Mr Patrick Ng Bee Soon: Member
- Mr Fong Yue Kwong: Member

Remuneration Committee:

- Mr Fong Yue Kwong: Chairman
- Mr Soh Ee Beng: Member
- Mr Chan Wan Hong: Member

Audit Committee:

- Mr Soh Ee Beng: Chairman
- Mr Fong Yue Kwong: Member
- Mr Chan Wan Hong: Member

(II) REMUNERATION

In FY2025, Executive Chairman Ms Ng Bee Bee received total remuneration of S$723,048 while Deputy Chairman Mr Patrick Ng Bee Soon received S$341,406 as shown in **Exhibit 76**. Neither executive director received directors' fees or share awards.

Among the non-executive directors, Mr Soh Ee Beng and Mr Fong Yue Kwong received total remuneration of S$126,550 and S$125,550, respectively, each including share awards valued at S$19,050 while Mr Chan Wan Hong received S$75,500 in directors' fees.

Exhibit 76: Pan-United Directors' Remuneration Table

	Cash based				Share based	Total
Name	Directors' Fees	Base/ Fixed Salary[1]	Variable/ Bonuses[1]	Benefits/ Allowances	Share Awards	
Executive Directors						
Ng Bee Bee	–	$387,528	$301,920	$33,600	–	$723,048
Patrick Ng Bee Soon	–	$190,656	$150,750	–	–	$341,406
Non-Executive Directors						
Soh Ee Beng	$107,500	–	–	–	$19,050	$126,550
Fong Yue Kwong	$106,500	–	–	–	$19,050	$125,550
Chan Wan Hong	$75,500	–	–	–	–	$75,500

Source: Pan-United

CEO Mr Ken Loh Kah Soon received cash remuneration of S$1,756,532 in FY2025 as shown in **Exhibit 77**. Separately, he was granted 100,000 share awards under the PUC Share Plan, with a disclosed fair value of S$0.536 per share.

Exhibit 77: Pan-United CEO's Remuneration Table

Name	Base/Fixed Salary[1]	Variable/Bonuses[1]	Benefits/Allowances	Total Cash benefits
Ken Loh Kah Soon	$649,992	$1,070,540	$36,000	$1,756,532

Source: Pan-United

Pan-United disclosed total remuneration of S$2.8 million for its top five key management personnel, but withheld individual names and remuneration breakdowns, citing confidentiality and competitive considerations.

SUSTAINABILITY INFORMATION

Pan-United's FY2025 Sustainability Report outlines the Group's environmental, social and governance ("ESG") strategies, performance and targets for the financial year ended 31 December 2025. The report covers its operations across Singapore, Malaysia and Vietnam, unless otherwise stated, and was prepared with reference to the Global Reporting Initiative ("GRI") Standards. The Group is also progressively incorporating International Financial Reporting Standards (IFRS) S2 climate-related disclosures and the relevant provisions of IFRS S1 into its reporting. Its sustainability approach focuses on decarbonisation through low-carbon concrete solutions and operational improvements, alongside employee welfare, responsible business conduct and supply chain management.

Sustainability governance:

Pan-United's Board holds ultimate responsibility for sustainability governance, including approving the Group's sustainability strategy and annually reviewing material ESG topics and associated risks. The Audit Committee supports the Board in integrating sustainability considerations into business decisions and reviewing performance against targets. Senior management advises the Board on sustainability initiatives and climate-related risks and opportunities, while overseeing the Sustainability Core Team as shown in **Exhibit 78**. This multidisciplinary team develops and implements initiatives across areas including concrete innovation, technology, electrification, renewable energy, sustainable materials, workplace safety, supply chain management and cybersecurity.

Exhibit 78: Pan-United's Sustainability Governance Structure



Source: Pan-United

The Group reviews its sustainability targets annually. However, as disclosed in its FY2025 Sustainability Report, sustainability and climate-related metrics are not explicitly incorporated into senior management remuneration. Pan-United intends to continue refining its sustainability targets and evaluating the potential integration of climate-related metrics into remuneration.

Stakeholder engagement:

Pan-United engages with five principal stakeholder groups: customers, investors and shareholders, employees, regulators and government agencies, and suppliers and subcontractors. Engagement channels include customer feedback, investor meetings, employee training and feedback, and regular discussions with regulators and suppliers. These interactions address matters such as product quality, financial and sustainability performance, employee welfare, workplace safety and regulatory compliance, as summarised in **Exhibit 79**.

Exhibit 79: Pan-United's Stakeholder Engagement

Stakeholders	Areas of Interest	Our Commitment	Engagement Channels	Frequency of Engagement
Customers	• Product quality and safety • Customer satisfaction	• To keep up with changing customer demands and ensure the highest levels of customer service	• Customer feedback • Meetings	• Ongoing
Investors/ Shareholders	• Group financial performance • Group sustainability performance	• To provide semi-annual announcements and investor-related information • Updates through our Annual Report, Sustainability Report, notices, letters to shareholders • General meetings	• Annual General Meetings • Extraordinary General Meetings • Corporate website • Social media • Email • Press releases	• Annual • Ad-hoc • Ongoing
Employees	• Employee welfare and satisfaction • Workplace health and safety • Training and career development	• Employee health screenings and wellness talks • Employee training and development • Flexible working arrangements	• Staff feedback • Training programmes • Internal emails • Employee intranet • Internal newsletter	• Ongoing
Regulators/ Government	• Regulatory compliance (including sustainability-related requirements and labour standards compliance) • SGX-listing requirements	• Collaboration and knowledge sharing on environmental issues	• Regular meetings	• Ongoing
Suppliers/ Sub-contractors	• Product quality and delivery schedules • Health and safety	• Regular engagement to exchange feedback and concerns	• Meetings • Emails	• Ongoing

Source: Pan-United

In FY2025, the Group's engagement placed greater emphasis on whole-life carbon and reducing embodied carbon during the early design stages of construction projects. Pan-United maintained dialogue with government agencies and collaborated with organisations including A*STAR and Enterprise Singapore. It also engaged investors through sessions accompanying financial results announcements, the SGX-SIAS Corporate Connect platform and other briefings.

Materiality assessment:

Pan-United refreshed its materiality assessment in FY2025, considering evolving stakeholder expectations, sustainability trends, changes in the business environment and developments among global and regional peers. Senior management and key business leaders conducted the assessment under Board oversight, guided by the GRI Standards, particularly GRI 3: Material Topics 2021.

The review reduced the Group's material topics from 13 to 12. The six environmental topics comprise sustainable products, waste management, water management, GHG emissions, energy management and biodiversity. The three social topics cover occupational health and safety; employee engagement, diversity and inclusion; and community impact. The three governance topics comprise corporate governance, sustainable supply chain management and data security.

"Product Quality and Safety" was removed as a standalone material topic. Management explained that Pan-United supplies concrete as an intermediary material, with end-consumer safety risks being more properly addressed through downstream construction practices and regulatory building standards.

(I) ENVIRONMENTAL

Environmental sustainability is closely linked to Pan-United's core concrete and cement operations. The Group's approach centres on reducing the environmental impact of its products and operations through lower-carbon concrete solutions, resource efficiency and responsible management of energy, water and waste. The following subsections examine its environmental priorities, initiatives and performance.

1. Sustainable Products and Resource Management

Pan-United's environmental strategy centres on developing low-carbon concrete and improving resource efficiency. The Group offers more than 300 specialised concrete solutions, over 60% of which are low-carbon, and aims to offer only low-carbon concrete by 2030. Its initiatives include substituting Ordinary Portland Cement with supplementary cementitious materials, incorporating recycled concrete aggregates and washed copper slag, and using carbon mineralisation technology in PanU CMC+. The Group also provides independently verified Environmental Product Declarations to help customers assess the environmental impact of its products.

In Singapore, recycled materials accounted for 8.0% of concrete production inputs in FY2025, compared with 8.3% in FY2024, falling short of the 10% target. Management attributed this partly to reduced availability of washed copper slag following a decline in licensed recyclers and changes in industry practices. Pan-United retained its 10% target for FY2026. Meanwhile, waste generated from Singapore operations declined from 2.4% to 1.3% of total input materials, below the 2.5% threshold. All waste generated from these operations was diverted from disposal and recycled, compared with 58% in FY2024.

The Group's water consumption increased to 1,505 megalitres in FY2025 from 1,359 megalitres in FY2024 alongside increased business activity as shown in **Exhibit 80**. Water intensity edged up from 1.67 to 1.68 megalitres per S$1 million of revenue, exceeding the target of 1.65. The proportion of recycled water consumed declined from 13.5% to 5.3%. Water-management initiatives include using NEWater in Singapore and a closed-loop cooling system supported by rainwater harvesting at the Malaysian slag grinding plant. The Group retained its water-intensity target of 1.65 for FY2026.

Exhibit 80: Water Management Performance Table

	Performance Data	
Group	**FY2024**	**FY2025**
Water intensity (Mega litres / million SGD Group revenue)	1.67	1.68
Water consumption (mega litres)		
- Public utility boards / Third-party providers	1,176	1,425
- Recycled water (NEWater)	183	80
Total	1,359	1,505
Proportion of recycled water consumed (as a % of total water consumption)	13.5%	5.3%

Source: Pan-United

2. GHG Emissions and Energy Management

Pan-United's combined Scope 1 and Scope 2 emissions increased by 1.8% to 52,240 tonnes of carbon dioxide equivalent ("tCO_2e") in FY2025, from 51,331 tCO_2e in FY2024, as shown in **Exhibit 81**. Scope 1 emissions increased by 4.9%, which management attributed to higher business activity, while Scope 2 emissions decreased by 2.6%. Despite the increase in absolute emissions, revenue-based emissions intensity declined from 63 to 58 tCO_2e per S$1 million of revenue.

Exhibit 81: Emissions Performance Table

Group[1]	FY2024	FY2025
Scope 1[2] (tCO_2e)	29,898	31,368
Scope 2[3] (tCO_2e)	21,433	20,872
Total Scope 1 and 2 emissions (tCO_2e)	**51,331**	**52,240**
Emissions intensity (tCO_2e/million SGD Group Revenue)	**63**	**58**

Source: Pan-United

Total energy consumption increased by 8.2% to 594,843 gigajoules ("GJ") in FY2025, while revenue-based energy intensity declined by approximately 2.2%. Initiatives include electrification trials for vehicles and operational equipment, and variable frequency drives to improve electricity efficiency at the Malaysian slag grinding plant. Solar panels installed at that plant were awaiting regulatory approval at the reporting date and were expected to generate up to 600,000 kWh annually once operational. Pan-United targets renewable-energy use of at least 1,000 GJ annually by FY2027.

The Group had not yet established absolute or intensity-based GHG emissions reduction targets. It engaged an external consultant in FY2025 to quantify its Scope 3 emissions, with the aim of calculating material categories within the following two years. These disclosures distinguish its product-development commitments from quantified emissions-reduction targets for the Group.

3. Climate Resilience

Pan-United expanded its climate scenario assessment to cover Singapore, Malaysia and Vietnam, using FY2025 as the baseline and considering 1.5°C and above-3°C pathways across 2030, 2040 and 2050. Identified physical risks include rising temperatures, flooding and water stress, which could affect workforce productivity, operations and material availability. Transition risks include emissions and waste regulations, alongside changes in demand for low-carbon products. Responses include operational decarbonisation, resource recycling and investment in low-carbon concrete. Quantitative scenario analysis remained underway, with findings intended for a subsequent report.

4. Biodiversity

Pan-United assesses biodiversity risks when developing manufacturing facilities and establishes batching plants on appropriately designated land following due diligence. Its approach includes compliance with applicable requirements concerning tree removal, wildlife protection and effluent discharge. The Group reported that it had not identified significant biodiversity risks at existing sites and intends to continue monitoring these risks and integrating life-cycle biodiversity assessments across its plants.

(II) SOCIAL

Pan-United's social sustainability approach focuses on the people who support and are affected by its operations, including employees, customers and local communities. Its priorities include maintaining a safe workplace, developing employees' capabilities and delivering products and services that meet customer requirements. The following subsections review the Group's workforce practices, occupational health and safety, and community engagement.

1. Occupational Health and Safety

Pan-United manages workplace safety through its Workplace Safety and Health (WSH) management system, which covered 883 employees and 1,231 non-employees as at 31 December 2025. Four business units maintained ISO 45001 certification, while all Singapore entities remained certified under the bizSAFE programme. Safety measures include regular risk assessments, operational training, contractor inspections and incident investigations. During FY2025, the Group introduced additional engineering controls, including 360-degree cameras on wheel loaders, proximity sensors on tipper trucks and silo vehicle alert systems to mitigate operational hazards.

The Group recorded zero work-related fatalities, high-consequence injuries and work-related ill health cases in FY2025. However, work-related injuries increased to 26 from 16 in FY2024, comprising six employee injuries and 20 contractor injuries, as shown in **Exhibit 82**. Consequently, Pan-United did not achieve its target of reducing work-related injuries by 25%. Management noted that employees were encouraged to report incidents regardless of severity from FY2025, which contributed to greater visibility of incidents. For FY2026, the Group targets zero fatalities and a 30% reduction in its Workplace Injury Rate from the FY2025 baseline of 1,230 injuries per 100,000 workers. It also plans to introduce accident frequency and severity rates measured against hours worked to improve performance monitoring.

Exhibit 82: Pan-United's Workplace Safety Performance

	FY2024			FY2025		
	Singapore	Others	Group	Singapore	Others	Group
Number of work-related injuries						
• Employees	4	1	5	5	1	6
• Contractors	9	2	11	20	0	20
Number of work-related ill health						
• Employees	1	0	1	0	0	0
• Contractors	14	0	14	0	0	0
Number of high-consequence work-related injuries						
• Employees	0	0	0	0	0	0
• Contractors	0	0	0	0	0	0
Number of work-related fatalities						
• Employees	1	0	1	0	0	0
• Contractors	0	0	0	0	0	0

Source: Pan-United

2. *Employee Engagement, Diversity and Inclusion*

Pan-United promotes merit-based recruitment, equal employment opportunities and employee development through structured training and career reviews. As at 31 December 2025, the Group employed 883 full-time employees, of whom approximately 20% were female. Women represented 29% of senior management and 31% of managers. The Group reported no incidents of discrimination during FY2025. Employee welfare measures include parental leave, insurance coverage and healthcare benefits, with specific provisions varying across its operations in Singapore, Malaysia and Vietnam.

Training programmes cover technical and operational competencies, workplace safety, sustainability, leadership and cybersecurity. Nevertheless, average training hours per employee declined by 15.7% to 13.4 hours in FY2025 from 15.9 hours in FY2024, falling short of the targeted 5% increase. The Group has retained its target of increasing average training hours per employee by 5% for FY2026, alongside its commitment to providing fair and equal opportunities based on merit.

3. *Community Impact*

Pan-United's community initiatives focus on education, sustainable construction and inclusive public spaces. In FY2025, the Group hosted students from Nan Hua Primary School at its Innovation Centre, contributed to the Singapore University of Technology and Design's Net Zero Design course and co-sponsored Nanyang Technological University's Bridge Design Competition for the third consecutive year. Its concrete was also used in the A Whale of a Tale inter-generational playground at the National Museum of Singapore and Scientia, a public art bench incorporating low-carbon concrete and waste materials at the Central Public Library. Other initiatives included a beach clean-up involving employees and their families.

(III) GOVERNANCE

Sound governance provides the foundation for Pan-United's sustainability efforts by supporting accountability, ethical conduct and responsible business practices. Beyond the Board oversight discussed earlier, this section examines how the Group manages sustainability-related responsibilities in its day-to-day operations, including business conduct, supply chain practices and data protection.

1. Governance and Transparency

Pan-United's governance framework is overseen by the Board and supported by policies addressing ethical business conduct, risk management and data security. Its Employee Code of Conduct adopts a zero-tolerance approach towards bribery, extortion and other corrupt practices. In FY2025, all employees completed Code of Conduct training. The Group aims to maintain 100% annual training completion and regularly review its governance policies to address emerging risks and regulatory developments.

2. Sustainable Supply Chain Management

Pan-United's approach to sustainable supply chain management focuses on responsible sourcing, supplier engagement and managing environmental, material sourcing and regulatory risks. The Group seeks to work with suppliers that demonstrate responsible resource use, environmental stewardship and compliance with local regulations. It also collaborates with suppliers to improve their environmental and social practices. During FY2025, Pan-United continued incorporating sustainability considerations into procurement policies and supplier assessments. However, its framework remains under development, with the Group aiming to formalise the integration of sustainability into procurement policies and establish targets by FY2027.

3. Data Security

Pan-United has appointed a Data Protection Officer to oversee compliance with data protection regulations. Its data protection measures include policies aligned with Singapore's Personal Data Protection Act, regular security reporting and assessments conducted as part of its enterprise risk management process. Pan-United has also implemented a range of cybersecurity controls which include multifactor authentication, DDoS protection and data encryption, endpoint detection and response, and a 24/7 Security Operations Centre. These are supported by simulated phishing exercises, penetration tests, vulnerability assessments, disaster recovery testing and security tabletop exercises.

In FY2025, Pan-United reported zero substantiated complaints concerning breaches of customer privacy and zero leaks, thefts or losses of customer data, meeting its targets for the year. The Group remains committed to maintaining zero incidents of customer data leakage, theft or loss while updating its security measures to address evolving cybersecurity risks.

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