

FOR IMMEDIATE RELEASE

Union Gas achieves HY2024 net profit of S\$5.2 million on the back of S\$61.3 million in revenue

- Declares interim dividend of 0.6 Singapore cents in respect of HY2024, reflecting business optimism

Financial Highlights (S\$ Million)	6 months ended 30 Jun		
	HY2024	HY2023	Change (%)
Segmental Revenue:			
– Liquefied Petroleum Gas (“LPG”)	51.9	53.3	(2.6)
– Natural Gas (“NG”)	2.3	2.8	(15.8)
– Diesel	7.1	8.2	(13.4)
Total Revenue	61.3	64.3	(4.6)
Gross Profit	22.1	21.8	1.4
Gross Profit Margin (%)	36.1	33.9	2.2% pt
Net profit	5.2	5.8	(10.2)

Note: Figures have been rounded.

SINGAPORE, 13 August 2024 – Leading fuel products provider, **Union Gas Holdings Limited** (优联燃气控股有限公司) (“**Union Gas**” or together with its subsidiaries, the “**Group**”), has posted net profit of S\$5.2 million on the back of S\$61.3 million for the six months ended 30 June 2024 (“**HY2024**”).

The Group’s HY2024 performance reflected weaker market conditions. Gross profit margin rose to 36.1% in HY2024 from 33.9% in the corresponding six months in 2023 (“**HY2023**”) as a result of lower direct material cost.

Foreign exchange gains and higher income from government grants lifted the Group’s other income and gains to S\$1.3 million in HY2024 from S\$1.1 million in HY2023, while overall expenses rose by approximately 6.7% in HY2024, mainly due to an increase in repair, maintenance and higher personnel costs.



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The Group remained on healthy financial footing with cash and cash equivalents of S\$9.9 million as at 30 June 2024 (S\$13.2 million as at 30 June 2023).

To demonstrate business confidence, the Group has maintained interim dividend in respect of HY2024 at 0.6 Singapore cent per share, which was the same as that declared in HY2023.

Segmental Review

On a segmental basis, the Group's **LPG Business**, which is its largest revenue generator, contributed sales of S\$51.9 million in HY2024, a slight dip from S\$53.3 million in HY2023, while revenue from its **NG Business** declined to S\$2.3 million from S\$2.8 million over the same period. The lower revenue from both segments was due to a decrease in sales volume because of lower demand from customers.

The Group's **Diesel Business** experienced a decrease in sales volume and also the impact of fluctuations in global energy prices, which led to lower average selling prices. As a result, revenue from this segment was S\$7.1 million in HY2024 from S\$8.2 million in HY2023.

Executive Director and Chief Executive Officer, Mr Teo Hark Piang (张学彬), said: *"We believe the long-term prospects of our business remain intact because the fuels we provide are essential across many industries. There are also new commercial customers that have popped up due to changing lifestyle trends. These include laundromats that use LPG to power their washers and driers, which have become a common sight in neighbourhoods as an increasing number of homeowners choose not to purchase these appliances in view of the shrinking size of flats.*

"We continue to work with our customers to develop win-win solutions to support them in overcoming difficulties that may arise from protracted geopolitical tensions and rising cost of operations. In addition, we continue to protect our profitability through dynamic pricing and by prudently managing controllable costs."

Outlook

Barring unforeseen circumstances, Union Gas remains optimistic about its business prospects because of the essential nature of the fuel products it provides. At the same time, the Group is watchful of any potential impact that geopolitical events may have on its business, including supply chain disruptions and volatility in direct material costs.

Over the years, the Group has introduced various measures to enhance its operational efficiency and productivity, while maintaining a lean organisation and tight cost structure to combat inflationary pressures. Union Gas acquires smaller LPG dealerships as part of its market consolidation strategies and to maintain its leading position.



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As a provider of energy solutions, Union Gas is constantly exploring potential new products that it can add to its business.

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About Union Gas

Union Gas Holdings Limited (优联燃气控股有限公司) (“**Union Gas**” or the “**Company**” , and together with its subsidiaries, the “**Group**”) is an established provider of fuel products in Singapore with over 40 years of operating track record. Its three key businesses comprise Liquefied Petroleum Gas (“LPG”), Natural Gas (“NG”), and Diesel.

Listed on the Mainboard of Singapore Exchange Securities Trading Limited, Union Gas is one of the leading suppliers of LPG in Singapore. The Group has a fleet of more than 200 delivery vehicles serving more than 200,000 domestic households as well as commercial entities such as hawker centres, eating houses, coffee shops and commercial central kitchens island-wide. The Group owns LPG storage depots as well as two out of four bottling LPG bottling plants in Singapore, giving it full control of the entire LPG supply chain from procurement of LPG to bottling, storage, distribution, wholesaling and retailing.

Union Gas sells and distributes diesel to retail customers at its “Cnergy” fuel station in 50 Old Toh Tuck Road and transports, distributes and bulk sells diesel to commercial customers. The Group also provides liquified NG and piped NG to industrial customers and distributes compressed NG primarily to natural gas vehicles via its fuel station as well as to industrial customers for their commercial use.

For more information, please visit www.uniongas.com.sg.

Issued for and on behalf of Union Gas Holdings Limited

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