UNION GAS HOLDINGS LIMITED
(Registration No.: 201626970Z)

Condensed interim financial statements

For the six-months ended 30 June 2026

UNION GAS HOLDINGS LIMITED

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Condensed interim consolidated statement of profit or loss and other comprehensive income
For the six-months ended 30 June 2026

	Note	6 months ended 30 June 2026 $'000	30 June 2025 $'000	Increase/ (decrease) %
Revenue	4	105,950	63,663	66.4
Cost of sales		(72,324)	(41,033)	76.3
Gross profit		33,626	22,630	48.6
Other income and gains		1,010	891	13.4
Marketing and distribution costs		(10,945)	(10,931)	0.1
Administrative expenses		(7,806)	(6,293)	24.0
Finance costs		(823)	(632)	30.2
Other expenses		(343)	(60)	N.M.
Profit before tax	6	14,719	5,605	N.M.
Income tax expense	7	(2,709)	(1,256)	N.M.
Profit for the period		12,010	4,349	N.M.
Other comprehensive income/(loss)				
Items that may be reclassified subsequently to profit or loss				
Changes in fair value of derivatives		2,704	(1,155)	N.M.
Exchange differences on translating foreign operations		(23)	(48)	(52.1)
Other comprehensive income/(loss) for the period		2,681	(1,203)	N.M.
Total comprehensive income for the period		14,691	3,146	N.M.
Profit/(loss) attributable to:				
Owners of the Company		12,018	4,358	N.M.
Non-controlling interests		(8)	(9)	(11.1)
		12,010	4,349	N.M.
Total comprehensive income/(loss) attributable to:				
Owners of the Company		14,701	3,158	N.M.
Non-controlling interests		(10)	(12)	(16.7)
		14,691	3,146	N.M.

Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)
For the six-months ended 30 June 2026

	6 months ended	
	30 June 2026	30 June 2025
	Cents	Cents
Basic and diluted earnings per share – Based on weighted average number of ordinary shares in issue	3.79	1.37

N.M.- Not meaningful

The accompanying notes form an integral part of these financial statements.

Condensed interim statements of financial position
As at 30 June 2026

	Note	Group 30 June 2026 $'000	Group 31 December 2025 $'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	47,356	45,608
Right-of-use assets	11	35,731	40,561
Investment property		90	90
Goodwill		1,906	1,906
Intangible assets		594	772
Contract costs, non-current		1,684	1,145
Trade and other receivables, non-current		4	3
Deferred tax assets		124	59
Other non-financial assets, non-current	12	16,467	19,200
Total non-current assets		103,956	109,344
Current assets			
Inventories		3,813	2,947
Contract costs, current		707	746
Trade and other receivables, current		32,653	32,425
Other non-financial assets, current	12	16,323	15,413
Derivative financial assets	13	211	–
Cash and cash equivalents		29,330	14,826
Total current assets		83,037	66,357
Total assets		186,993	175,701
EQUITY AND LIABILITIES			
Equity			
Share capital	14	99,122	99,122
Treasury shares	15	(160)	(88)
Retained earnings		69,045	60,201
Other reserves		(78,588)	(81,271)
Equity attributable to owners of the Company		89,419	77,964
Non-controlling interests		12	22
Total equity		89,431	77,986
Non-current liabilities			
Provisions		2,881	2,881
Deferred tax liabilities		2,688	2,869
Trade and other payables, non-current		72	77
Bank borrowings, non-current	16	5,985	6,179
Derivative financial liabilities, non-current	13	304	–
Lease liabilities, non-current	16	28,592	31,734
Total non-current liabilities		40,522	43,740
Current liabilities			
Income tax payable		4,422	3,112
Trade and other payables, current		41,086	35,156
Bank borrowings, current	16	1,627	4,170
Derivative financial liabilities, current	13	835	3,053
Lease liabilities, current	16	9,070	8,484
Total current liabilities		57,040	53,975
Total liabilities		97,562	97,715
Total equity and liabilities		186,993	175,701

The accompanying notes form an integral part of these financial statements.

Condensed interim statements of financial position (cont'd)
As at 30 June 2026

	Note	Company 30 June 2026 $'000	 31 December 2025 $'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	12,948	13,298
Right-of-use assets	11	6,083	6,171
Investments in subsidiaries		110,600	110,598
Total non-current assets		129,631	130,067
Current assets			
Trade and other receivables		2,444	2,960
Other non-financial assets		367	221
Cash and cash equivalents		654	2,126
Total current assets		3,465	5,307
Total assets		133,096	135,374
EQUITY AND LIABILITIES			
Equity			
Share capital	14	99,122	99,122
Treasury shares	15	(160)	(88)
Retained earnings		19,870	20,906
Total equity		118,832	119,940
Non-current liabilities			
Provision		105	105
Deferred tax liabilities		244	236
Bank borrowings, non-current	16	5,985	6,178
Lease liabilities, non-current	16	6,039	6,121
Total non-current liabilities		12,373	12,640
Current liabilities			
Income tax payable		85	79
Trade and other payables, current		1,210	2,036
Bank borrowings, current	16	372	463
Lease liabilities, current	16	224	216
Total current liabilities		1,891	2,794
Total liabilities		14,264	15,434
Total equity and liabilities		133,096	135,374

The accompanying notes form an integral part of these financial statements.

Condensed interim statements of changes in equity
For the six-months ended 30 June 2026

	------------------------------- Equity attributable to owners of the Company -------------------------------										
	Share capital $'000	Treasury shares $'000	Retained earnings $'000	Merger reserve $'000	Capital reserve $'000	Fair value reserve $'000	Translation reserve $'000	Total other reserves $'000	Subtotal $'000	Non-controlling interests $'000	Total equity $'000
Group											
Current period											
At 1 January 2026	99,122	(88)	60,201	(81,482)	3,318	(3,053)	(54)	(81,271)	77,964	22	77,986
Total comprehensive income/(loss) for the period	–	–	12,018	–	–	2,704	(21)	2,683	14,701	(10)	14,691
Purchase of treasury shares	–	(72)	–	–	–	–	–	–	(72)	–	(72)
Dividends paid (note 8)	–	–	(3,174)	–	–	–	–	–	(3,174)	–	(3,174)
At 30 June 2026	99,122	(160)	69,045	(81,482)	3,318	(349)	(75)	(78,588)	89,419	12	89,431
Previous period											
At 1 January 2025	99,122	(88)	54,365	(81,482)	3,318	2,294	(1)	(75,871)	77,528	38	77,566
Total comprehensive income/(loss) for the period	–	–	4,358	–	–	(1,155)	(45)	(1,200)	3,158	(12)	3,146
Dividends paid (note 8)	–	–	(3,175)	–	–	–	–	–	(3,175)	–	(3,175)
At 30 June 2025	99,122	(88)	55,548	(81,482)	3,318	1,139	(46)	(77,071)	77,511	26	77,537

The accompanying notes form an integral part of these financial statements.

Condensed interim statements of changes in equity (cont'd)
For the six-months ended 30 June 2026

	Share capital $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
Company				
Current period				
At 1 January 2026	99,122	(88)	20,906	119,940
Total comprehensive income for the period	–	–	2,138	2,138
Purchase of treasury shares	–	(72)	–	(72)
Dividends paid (note 8)	–	–	(3,174)	(3,174)
At 30 June 2026	99,122	(160)	19,870	118,832
Previous period				
At 1 January 2025	99,122	(88)	18,461	117,495
Total comprehensive income for the period	–	–	3,237	3,237
Dividends paid (note 8)	–	–	(3,175)	(3,175)
At 30 June 2025	99,122	(88)	18,523	117,557

The accompanying notes form an integral part of these financial statements.

UNION GAS HOLDINGS LIMITED

Condensed interim consolidated statement of cash flows
For the six-months ended 30 June 2026

	30 June 2026 $'000	30 June 2025 $'000
Cash flows from operating activities		
Profit before tax	14,719	5,605
Allowance for impairment of trade and other receivables	2	48
Amortisation of intangible assets	178	181
Bad debts written off	243	12
Depreciation of property, plant and equipment	4,074	3,348
Depreciation of right-of-use assets	5,108	3,275
Changes in fair value of derivative financial instruments, net	579	–
Gain on disposal of property, plant and equipment	(102)	(82)
Gain on remeasurement of right-of-use assets	–	(7)
Interest income	(125)	(64)
Interest expense	823	632
Reversal of impairment of intangible assets	–	(7)
Foreign currency translation adjustment	146	147
Operating cash flows before changes in working capital	25,645	13,088
Inventories	(866)	223
Contract costs	(500)	153
Trade and other receivables	(474)	(3,249)
Other non-financial assets	1,823	(3,112)
Trade and other payables	5,925	(2,101)
Net cash flows from operations	31,553	5,002
Income taxes paid	(1,645)	(1,434)
Net cash flows from operating activities	29,908	3,568
Cash flows from investing activities		
Acquisition of intangible assets	–	(49)
Proceeds from disposal of property, plant and equipment	340	193
Purchase of property, plant and equipment	(4,862)	(2,206)
Purchase of right-of-use assets	–	(48)
Interest income received	125	64
Net cash flows used in investing activities	(4,397)	(2,046)
Cash flows from financing activities		
Dividends paid	(3,174)	(3,175)
Purchase of treasury shares	(72)	–
Proceeds from bank borrowings	–	500
Repayment of bank borrowings	(2,737)	(2,392)
Repayment of lease liabilities	(4,201)	(1,690)
Interest expenses paid	(823)	(632)
Net cash flows used in financing activities	(11,007)	(7,389)
Net increase/(decrease) in cash and cash equivalents	**14,504**	**(5,867)**
Cash and cash equivalents at beginning of period	14,826	12,571
Cash and cash equivalents at end of period	29,330	6,704

The accompanying notes form an integral part of these financial statements.

Notes to the condensed interim financial statements
For the six-months ended 30 June 2026

1. General

Union Gas Holdings Limited (the “Company”) is incorporated in Singapore with limited liability. The Company is listed on the Mainboard of the Singapore Exchange Securities Trading Limited.

These condensed interim financial statements cover the Company and its subsidiaries (collectively, the “Group”). All financial information are presented in Singapore dollar (“$”) and have been rounded to the nearest thousand ($’000), unless when otherwise indicated.

The principal activities of the Company are those of investment holding.

The principal activities of the Group are disclosed in note 4 on segment information.

The registered office and principal place of business of the Company is located at 89 Defu Lane 10, Union Gas House, Singapore 539220.

The latest audited annual financial statements for the reporting year ended 31 December 2025 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

The financial information contained in these financial statements has neither been audited nor reviewed by the auditors.

2. Basis of presentation

These condensed interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee under the Accounting and Corporate Regulatory Authority. They are also in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

The accounting policies and methods of computation applied in these condensed interim financial statements are consistent with those of the latest audited annual financial statements. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position the Group since the latest audited annual financial statements. Accordingly, these financial statements are to be read in conjunction with the Group’s annual financial statements for the reporting year ended 31 December 2025. The Company’s separate financial statements have been prepared on the same basis.

Critical judgements, assumptions and estimation uncertainties

The estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when condensed interim financial statements are prepared. However, this does not prevent actual figures differing from estimates. The estimates and assumptions adopted in the preparation of these condensed interim financial statements are same as those disclosed in the Group’s annual financial statements for the reporting year ended 31 December 2025.

2. Basis of presentation (cont'd)

New and amended standards adopted by the Group

A number of amendments to SFRS(I) have become applicable for the current reporting year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the reporting period.

4. Financial information by operating segments

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the Group.

For better management focus, the Group is organised into the following operating segments:

- Gas fuel: (i) Bottling of liquefied petroleum gas ("LPG") and provision of LPG and LPG-related products and services to dealers, domestic households, industrial and commercial customers, (ii) sale and distribution of liquefied natural gas ("NG") and piped natural gas to commercial customers and (iii) retail sale of compressed natural gas ("CNG") through a CNG service station;

- Liquid fuel: Sale and distribution of diesel and petrol to industrial and commercial customers, and to vehicles through service stations and bulk sales of diesel; and

- Other operations include provision of corporate services, revenue from electric vehicle charging services and sale of industrial gases.

The segments are determined by the nature or risks and returns associated with each business segment and this defines the management structure as well as the internal reporting system. It also represents the basis on which management reports the primary segment information.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results is profit before tax.

Segment results consist of costs directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4. Financial information by operating segments (cont'd)

4A. Information about reportable segment profit or loss, assets and liabilities (cont'd)

Group	Gas fuel $'000	Liquid fuel $'000	Others $'000	Total $'000
6 months ended 30 June 2026				
Revenue	53,784	51,715	451	105,950
Segment results				
Profit/(loss) before tax	13,058	2,676	(1,015)	14,719
Income tax expense	(2,062)	(560)	(87)	(2,709)
Profit/(loss) for the period	10,996	2,116	(1,102)	12,010
Other segment information				
Allowance for impairment of trade and other receivables	(2)	–	–	(2)
Amortisation of intangible assets	(178)	–	–	(178)
Depreciation of property, plant and equipment	(3,446)	(537)	(91)	(4,074)
Depreciation of right-of use assets	(1,863)	(3,237)	(8)	(5,108)
Finance costs	(317)	(506)	–	(823)
Segment assets and liabilities				
Total assets	142,371	38,930	5,692	186,993
Total liabilities	62,096	33,984	1,482	97,562
Additions				
Property, plant and equipment	(2,567)	(2,914)	(749)	(6,230)
Right-of-use assets	(535)	(78)	–	(613)
Contract costs	(1,098)	–	–	(1,098)

4. Financial information by operating segments (cont'd)

4A. Information about reportable segment profit or loss, assets and liabilities (cont'd)

Group	Gas fuel $'000	Liquid fuel $'000	Others $'000	Total $'000
6 months ended 30 June 2025				
Revenue	53,783	9,497	383	63,663
Segment results				
Profit/(loss) before tax	6,641	(344)	(692)	5,605
Income tax (expense)/benefit	(1,236)	67	(87)	(1,256)
Profit/(loss) for the period	5,405	(277)	(779)	4,349
Other segment information				
Allowance for impairment of trade and other receivables	(48)	–	–	(48)
Amortisation of intangible assets	(181)	–	–	(181)
Depreciation of property, plant and equipment	(3,199)	(64)	(85)	(3,348)
Depreciation of right-of use assets	(1,958)	(1,308)	(9)	(3,275)
Finance costs	(515)	(117)	–	(632)
Reversal of impairment of intangible assets	7	–	–	7
Segment assets and liabilities				
Total assets	131,282	21,527	5,956	158,765
Total liabilities	63,975	15,847	1,406	81,228
Additions				
Property, plant and equipment	(1,480)	(354)	(842)	(2,676)
Right-of-use assets	(1,136)	(12,014)	–	(13,150)
Intangible assets	(49)	–	–	(49)
Contract costs	(437)	–	–	(437)

4. Financial information by operating segments (cont'd)

4B. Geographical information

	Group 6 months ended			
	Revenue		Non-current assets	
	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Singapore	105,721	63,414	101,288	97,884
Indonesia	229	249	2,544	2,441
	105,950	63,663	103,832	100,325

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. Non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any deferred tax assets.

4C. Information on major customers

There were no external customers that had contributed more than 10% of the Group's revenue.

4D. Disaggregation of revenue from contracts with customers

	Group 6 months ended	
	30 June 2026 $'000	30 June 2025 $'000
Sale of gas fuel	53,784	53,783
Sale of liquid fuel	51,715	9,497
Others	451	383
	105,950	63,663

5. Significant related party transactions

	Group 6 months ended	
	30 June 2026 $'000	30 June 2025 $'000
Sale of liquid fuel	437	–
Sale of motor vehicles	28	–
Purchase of electricity	(24)	(21)

6. Profit before tax

Profit before tax has been arrived at after crediting/(charging) the following:

	Group 6 months ended 30 June 2026 $'000	Group 6 months ended 30 June 2025 $'000
Allowance for impairment of trade and other receivables	(2)	(48)
Amortisation of intangible assets	(178)	(181)
Bad debts written off	(243)	(12)
Depreciation of property, plant and equipment	(4,074)	(3,348)
Depreciation of right-of-use assets	(5,108)	(3,275)
Employee expenses	(11,994)	(11,683)
Foreign exchange (loss)/gain, net	(98)	27
Gain on disposal of property, plant and equipment	102	82
Gain on remeasurement of right-of-use assets	–	7
Government grant income	95	187
Interest expense	(823)	(632)
Interest income	125	64
Rental income from properties	198	148
Reversal of impairment of intangible assets	–	7

7. Income tax expense

The Group calculates income tax using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax in the condensed interim consolidated statement of profit or loss are:

	Group 6 months ended 30 June 2026 $'000	Group 6 months ended 30 June 2025 $'000
Current tax expense	2,955	1,610
Deferred tax benefit	(246)	(354)
	2,709	1,256

8. Dividends

Dividends declared and paid

	Rate per share			
	30 June 2026 Cents	30 June 2025 Cents	30 June 2026 $'000	30 June 2025 $'000
Final tax exempt (1-tier) dividend in respect of previous reporting year	1.00	1.00	3,174	3,175

Declared or paid interim dividends are as follows:

	30 June 2026	30 June 2025
Name of dividend	Interim tax exempt (1-tier) dividend	Interim tax exempt (1-tier) dividend
Type	Cash	Cash
Dividend rate	0.48 Singapore cent	0.48 Singapore cent
Book closure date	15 October 2026	15 October 2025
Date payable or paid	29 October 2026	29 October 2025
Name of dividend	Special tax exempt (1-tier) dividend	–
Type	Cash	–
Dividend rate	0.32 Singapore cent	–
Book closure date	9 December 2026	–
Date payable or paid	23 December 2026	–

9. Net assets value

	Group		Company	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Net assets value per ordinary share (cents)	28.17	24.41	37.44	37.02
Number of ordinary shares used in computation of net asset value per ordinary share ('000)	317,392	317,545	317,392	317,545

10. Property, plant and equipment

During the reporting period ended 30 June 2026, the Group acquired assets amounting to $6,230,000 (31 December 2025: $10,588,000) mainly attributable to leasehold properties, plant and equipment and motor vehicles, and disposed of assets with carrying value amounting to $238,000 (31 December 2025: $282,000).

11. Right-of-use assets

During the reporting period ended 30 June 2026, the Group acquired right-of-use assets amounting to $613,000 (31 December 2025: $22,913,000) and disposed of assets with carrying value amounting to $35,000 (31 December 2025: Nil).

12. Other non-financial assets

Other non-financial assets mainly relate to prepaid advance rebates to customers and deferred customer retention costs.

13. Derivatives financial assets/(liabilities)

	Group	
	30 June 2026 $'000	31 December 2025 $'000
Assets – Contracts with positive fair values		
Foreign currency forward contracts – cash flow hedges	211	–
Liabilities – Contracts with negative fair values		
Commodities futures contracts – cash flow hedges	1,139	3,053

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date with the gain or loss recognised immediately in profit or loss except where the derivatives qualify for cash flow hedge accounting, in which case any resultant gain or loss is recognised in other comprehensive income.

14. Share capital

	No. of shares issued '000	Share capital $'000
Group and Company		
At 1 January 2025, 31 December 2025 and 30 June 2026	317,767	99,122

	30 June 2026 No. of shares '000	31 December 2025 No. of shares '000	30 June 2025 No. of shares '000
Group and Company			
Total number of issued shares, including treasury shares	317,767	317,767	317,767
Treasury shares	(375)	(222)	(222)
Total number of issued shares, excluding treasury shares	317,392	317,545	317,545

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

There were no outstanding convertibles or subsidiary holdings held by the Company as at 30 June 2026 and 30 June 2025.

15. Treasury shares

	No. of shares	Treasury shares
	’000	$’000
Company		
At 1 January 2025 and 31 December 2025	222	88
Repurchased during the period	153	72
At 30 June 2026	375	160

During the reporting period ended 30 June 2026, the Company acquired 153,000 of its own shares by way of on-market purchases.

As at 30 June 2026, the number of treasury shares held by the Company represented 0.12% (30 June 2025: 0.07%) of the total number of issued shares (excluding treasury shares).

No treasury shares were sold, transferred, disposed, cancelled and/or used during the reporting period ended 30 June 2026 (31 December 2025: Nil).

16. Borrowings and debt securities

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	$’000	$’000	$’000	$’000
Repayable within one year				
Secured	1,614	1,448	372	359
Unsecured	1,255	3,811	–	104
	2,869	5,259	372	463
Repayable after one year				
Secured	7,971	7,539	5,985	6,178
	10,840	12,798	6,357	6,641

As end of reporting period, the Group’s and the Company’s obligations under leases that are related to right-of-use assets are $34,434,000 (31 December 2025: $37,769,000) and $6,263,000 (31 December 2025: $6,337,000), respectively.

The borrowings are secured by charges over the leased property and plant and equipment of the Group and covered by corporate guarantees from the Company.

17. Capital commitments

Estimated amounts committed at end of reporting period for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	30 June 2026	31 December 2025
	$’000	$’000
Commitments for purchase of property, plant and equipment	1,370	1,094

18. Incorporation of subsidiaries

On 26 May 2026, the Group incorporated two wholly-owned subsidiaries, UE Development Pte. Ltd. and UG Property Development Pte. Ltd. in Singapore, each with an issued and paid-up share capital of $1,000.

19. Acquisition of subsidiaries

On 31 July 2026, the Company acquired 100% of the issued and paid-up share capital of Henry Gas Engineering and Distribution Pte. Ltd. ("HGED") and Henry Gas Pte. Ltd.("HGPL"), both incorporated in Singapore, for a cash consideration of $4,094,000 each. Both HGED and HGPL are principally engaged in the retail sale of liquefied petroleum gas.

20. Review of performance of the Group

Review of the Group's performance

Revenue

Revenue increased by $42.29 million or 66.4% from $63.66 million for the half year ended 30 June 2025 ("**HY2025**") to $105.95 million for the half year ended 30 June 2026 ("**HY2026**"), due to increase in revenue from liquid fuel business and other businesses.

Gas fuel business

Revenue from the gas fuel business remained consistent at $53.78 million in both HY2026 and HY2025.

Liquid fuel business

Revenue from the liquid fuel business increased by $42.22 million or 444.4% to $51.72 million in HY2026 from $9.50 million in HY2025. This increase was attributed to higher sales volume and the introduction of a new income stream from service station at Dunman Road and newly opened service station at Queensway.

Other businesses

Revenue from other businesses consists of sale from electric vehicle charging services and sale of industrial gases. Revenue increased by $0.07 million or 18.4 % to $0.45 million in HY2026 from $0.38 million in HY2025, mainly due to higher sales volumes from electric vehicle charging services business.

Cost of sales

Cost of sales increased by $31.29 million or 76.3% to $72.32 million in HY2026 from $41.03 million in HY2025, mainly due to higher material consumption cost which was in line with the increase in revenue and partially offset by realised gain on commodities futures contracts in HY2026.

Gross profit

Gross profit increased by $11.00 million or 48.6% to $33.63 million in HY2026 from $22.63 million in HY2025, mainly driven by an increase in revenue.

20. Review of performance of the Group (cont'd)

<u>Review of the Group's performance (cont'd)</u>

Other income and gains

Other income and gains increased by $0.12 million or 13.4% to $1.01 million in HY2026 from $0.89 million in HY2025, mainly due to higher gain on disposal of property, plant and equipment and rental income.

Administrative expenses

Administrative expenses increased by $1.52 million or 24.0% to $7.81 million in HY2026 from $6.29 million in HY2025 mainly due to an increase in bank charges and depreciation of property, plant and equipment.

Finance costs

Finance costs increased by $0.19 million or 30.2% to $0.82 million in HY2026 from $0.63 million in HY2025 mainly due to an increase of interest expense for lease liabilities, partially offset by decrease of interest expense for bank borrowings.

Income tax expense

Income tax expense increased by $1.45 million or 115.7% to $2.71 million in HY2026 from $1.26 million in HY2025 as a result of higher profit.

Profit for the period

As a result of the above, profit for the period increased by $7.66 million or 176.2% to $12.01 million in HY2026 from $4.35 million in HY2025.

<u>Review of the Group's financial position</u>

Non-current assets

Non-current assets decreased by $5.38 million or 4.9% to $103.96 million as at 30 June 2026 from $109.34 million as at 31 December 2025. The decrease was mainly due to decrease in carrying value of right-of-use assets, intangible assets and non-financial assets. This was offset by increase in carrying value of property, plant and equipment, contract costs and deferred tax assets.

Current assets

Current assets increased by $16.68 million or 25.1% to $83.04 million as at 30 June 2026 from $66.36 million as at 31 December 2025. The increase was mainly due to increase in inventories, trade and other receivables, non-financial assets, derivative financial assets and cash and cash equivalents.

Non-current liabilities

Non-current liabilities decreased by $3.22 million or 7.4% to $40.52 million as at 30 June 2026 from $43.74 million as at 31 December 2025. The decrease was mainly due to decrease in deferred tax liabilities, bank borrowings and lease liabilities. This was offset by increase in derivative financial liabilities.

20. Review of performance of the Group (cont'd)

Current liabilities

Current liabilities increased by $3.06 million or 5.7% to $57.04 million as at 30 June 2026 from $53.98 million as at 31 December 2025. The increase was mainly due to increase in trade and other payables arising from higher purchase volumes of liquid fuel which is in line with higher sales volume, as well as increase in income tax payable and lease liabilities. This was offset by decrease in bank borrowings and derivative financial liabilities.

Equity attributable to owners of the Company

The increase in equity, attributable to owners of the Company by $11.46 million or 14.7% to $89.42 million as at 30 June 2026 from $77.96 million as at 31 December 2025 was mainly due to other comprehensive income and increase in fair value reserve of derivatives in HY2026.

Review of the Group's cash flows

In HY2026, net cash flow generated from operating activities amounted to $29.91 million after adding net working capital inflows of $5.91 million and deducting taxes paid of $1.65 million from operating cash flows before changes in working capital of $25.65 million.

Net cash flows used in investing activities amounted to $4.40 million mainly due to purchase of property, plant and equipment of $4.86 million. This was partially offset by (i) proceeds from disposal of property, plant and equipment of $0.34 million and (ii) interest income received $0.12 million.

Net cash flows used in financing activities amounted to $11.00 million mainly due to (i) repayment of bank borrowings and lease liabilities of $6.94 million, (ii) payment of dividends to shareholders of $3.17 million, (iii) interest payment of $0.82 million and (iv) purchase of treasury shares of $0.07 million.

21. Forecast, or a prospect statement

Not applicable.

22. Significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group the next operating period and the next 12 months

Union Gas expects to end FY2026 strongly. This is underpinned by the outstanding HY2026 results and expectations of full-year revenue contribution from its Dunman Road service station and approximately 11 months of sales from its Queensway service station. The Group's EV charging business has also grown steadily as compared to FY2025. In addition, its bread-and-butter Gas Fuel business segment, which has been central to the Group's business for over 40 years, has continued to deliver consistent results. Looking ahead to 2027, the Group will be opening two more service stations in Marsiling, and in Jurong West, bringing its retail network to five service stations across the island.

With its HY2026 results as a strong validation of its strategy to expand its service station network, the Group will be actively looking for more suitable locations to plant its "Cnergy" brand while continuing to explore opportunities to grow its other business segments. At the same time, the Group is mindful of macro events that may have an impact on its business, including tensions in the Middle East, which have led to rising energy prices and other related business costs. To mitigate these challenges, Union Gas will continue to be disciplined in managing its costs and expenses while improving operational efficiencies.

23. Interested person transactions

No IPT mandate has been obtained at the Annual General Meeting held on 29 April 2026.

The aggregate value of all interested person transactions for HY2026 were as follows:

Name of Interested Person	Aggregate value of all interested person transactions (excluding transaction of less than $100,000 each and transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Mainboard Rules) during HY2026 $'000	Aggregate value of all interested person transactions (including transaction of less than $100,000 each) during HY2026 under Shareholders' Mandate pursuant to Rule 920 of the Mainboard Rules $'000
Sale of liquid fuel to Trans-Cab Logistics Pte. Ltd.	420	–

24. Confirmation of directors and executive officers' undertakings pursuant to Listing Rule 720(1) ((in the format set out in Appendix 7.7) under Rule 720(1))

The Company confirms that it has procured undertakings from all its directors and executive officers in compliance with Rule 720(1).

25. Use of proceeds

The Company raised gross proceeds from the IPO of approximately S$7.50 million (the "Gross Proceeds"). As at the date of this announcement, the Gross Proceeds have been utilised and reallocated as per the Company's announcement on 3 August 2018 ("Re-Allocation") as follows:

Use of Proceeds	**Gross Proceeds as re-allocated on 3 August 2018 ("Re-Allocation")** $'000	**Proceeds utilised as at 14 April 2026** $'000	**Proceeds utilised from 14 April 2026 to the date of this announcement** $'000	**Balance of Proceeds as at the date of this announcement** $'000
Acquisition of dealers for the Retail LPG Business	4,143	(4,143)	–	–
Diversification into the supply and retail of piped natural gas to customers in the services and manufacturing industries in Singapore	1,000	(961)	(39)	–
General working capital	724	(724)	–	–
Listing expenses	1,633	(1,633)	–	–
	7,500	(7,461)	(39)	–

The above utilisation of Gross Proceeds is in accordance with the intended use as stated in the Company's offer document dated 13 July 2017 and the Re-Allocation.

26. Confirmation by the board

On behalf of the directors of the Company, we, the undersigned directors, do hereby confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors that may render the interim financial statements to be false or misleading in any material aspect.

On behalf of the board of directors

Teo Hark Piang
Executive Director and Chief Executive Officer

Yee Chia Hsing
Lead Independent Director

Singapore
13 August 2026