

FOR IMMEDIATE RELEASE

## Union Gas' FY2023 earnings leap 134.6% to S\$12.2m; proposes 196.0% higher dividend than FY2022

- *Performance attributed to cost control measures and consistent performance from the LPG segment, significant growth from the NG segment and partially offset by slower sales of Diesel.*
- *Proposes final dividend of 0.88 Singapore cent per share, which together with the interim dividend of 0.60 Singapore cent per share, brings total dividend for FY2023 to 1.48 Singapore cents, 196.0% higher than the dividend per share paid in respect of FY2022.*

Financial Highlights (S\$ Million)	12 months ended 31 Dec		
	2023	2022	Change (%)
Revenue from:			
- Liquefied Petroleum Gas ("LPG")	106.4	105.6	0.8
- Diesel	16.3	25.3	(35.6)
- Natural Gas ("NG")	6.2	3.9	59.0
<b>Total Revenue</b>	<b>128.9</b>	<b>134.8</b>	(4.4)
<b>Gross Profit</b>	<b>48.8</b>	<b>35.2</b>	38.7
<b>Gross Profit Margin (%)</b>	<b>37.9</b>	<b>26.1</b>	11.8% pts
<b>Net profit</b>	<b>12.2</b>	<b>5.2</b>	134.6
<b>Earnings Per Share ("EPS") (Singapore cents) #</b>	<b>3.85</b>	<b>1.64</b>	134.8
<b>Net Asset Value ("NAV") per share (Singapore cents)*</b>	<b>21.6</b>	<b>18.3</b>	18.0

# Calculated based on weighted average number of ordinary shares of 317,767,000 and 317,687,000 ordinary shares for FY2023 and FY2022 respectively.

\* Calculated based on 317,767,000 ordinary shares in issue as at 31 December in 2023 and in 2022.

**SINGAPORE, 28 February 2024** – Union Gas Holdings Limited (优联燃气控股有限公司) ("Union Gas", the "Company" together with its subsidiaries, the "Group"), has more than doubled its earnings to S\$12.2 million in the 12 months ended 31 December 2023 ("FY2023") compared to S\$5.2 million in the corresponding 12 months in 2022 ("FY2022").

The stellar performance was due to the Group's cost control measures, improved operational efficiencies, as well as a decrease in direct material costs and lower international fuel prices. The cost

of sales reduced by 19.6% and led to a higher gross profit margin of 37.9% as compared to 26.1% in FY2022 despite a slight 4.4% year-on-year (“YoY”) fall in revenue to S\$128.9 million in FY2023.

The Group’s **LPG segment**, which is its largest revenue generator, achieved consistent performance and contributed to a slight increase in sales to S\$106.4 million in FY2023 from S\$105.6 million in FY2022. The **NG segment** booked YoY revenue growth of 59.0% to S\$6.2 million driven by an increased volume from existing customers. Growth from the two aforementioned segments was partially offset by lower revenue from the **Diesel segment**, which declined 35.6% YoY to S\$16.3 million, mainly due to lower selling prices arising from a fall in fuel prices and a decrease in sales volume.

**Executive Director and Chief Executive Officer, Mr Teo Hark Piang (张学彬)**, said: “*Our strong earnings performance in FY2023 reflected the success of our business strategies and cost management measures, which enabled our Group to cushion against the volatility of international fuel prices seen in recent years.*”

As at 31 December 2023, the Group was on stronger financial footing with cash and cash equivalents of S\$13.2 million (S\$12.2 million as at 31 December 2022) and lower gearing at 24.7% in FY2023 (FY2022: 42.5%). The healthy balance sheet shows that the Group is financially sound and well-positioned to navigate any challenges ahead.

#### **Dividend**

In line with the healthy set of results, the Board of directors has proposed a final dividend of 0.88 Singapore cent per ordinary share, which together with the interim dividend of 0.60 Singapore cent per ordinary share, brings the total dividend per share for the year to 1.48 Singapore cents in respect of FY2023. This is 196.0% higher than the dividend per share paid in respect of FY2022 and reflects the Group’s commitment to return value to shareholders based on business performance.

#### **Outlook**

Union Gas expects the outlook for its business to remain positive as it continues to serve the needs of the Singapore market for essential energy products. As one of the largest suppliers of LPG in the city-state, the Group’s full control of the LPG supply chain gives it the ability to tap on opportunities along the supply chain at the opportune time.

The Group is mindful that direct material costs may continue to be volatile due to the ongoing conflicts in Eastern Europe, the Middle East and the Red Sea. It will conduct regular reviews on operational productivity while streamlining its organisation structure to improve management control and efficiency.

In other developments, Union Gas had announced the inking of a strategic memorandum of understanding (“**MOU**”) with Hong Kong-based Deltrix Limited in December 2023. Together, the parties intend to explore opportunities to accelerate and strengthen the development of electric



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Co. Reg. No.: 201626970Z

vehicle (“EV”) charging infrastructure across Singapore, Japan and the Southeast Asia region. The partnership may also hasten the Group’s plans to convert its existing Energy fuel station at 50 Old Toh Tuck Road from supplying compressed NG and diesel into an adaptable multi-fuel and energy facility with potential battery storage systems and EV charging infrastructure.

**Mr Teo** added: *“We are very excited about the MOU with Deltrix as it paves the way for Union Gas to broaden its products and services to the green energy space and pursue further diversification into alternative fuel products.”*

The Group remains on the lookout for potential synergistic partnerships that will enable it to expand its traditional segments as well as other complementary gas and energy segments both locally and regionally.

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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 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](http://www.uniongas.com.sg).

**Issued for and on behalf of Union Gas Holdings Limited**

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