



UNION GAS HOLDINGS LIMITED

(Company Registration No. 201626970Z)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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Union Gas Holdings Limited
Unaudited Financial Statements and Dividend Announcement for the
Financial Year ended 31 December 2020

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Financial Year ended		
	31 December		
	2020	2019	Increase/ (decrease)
	S\$'000	S\$'000	%
Revenue	86,190	78,801	9.4
Cost of sales	(48,509)	(49,645)	(2.3)
Gross profit	37,681	29,156	29.2
Other income and gains	2,917	1,188	145.5
Marketing and distribution costs	(17,807)	(15,032)	18.5
Administrative expenses	(5,692)	(4,775)	19.2
Finance costs	(44)	(80)	(45.0)
Other expenses	(680)	(66)	930.3
Profit before income tax	16,375	10,391	57.6
Income tax expenses	(2,511)	(1,974)	27.2
Profit, net of tax and total comprehensive income	13,864	8,417	64.7

Note:

Certain comparative figures have been reclassified to conform to the current year's presentation.

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1(a)(ii) Notes to the statements of comprehensive income

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

	Group		
	Financial Year ended		
	31 December		
	2020	2019	Increase/ (decrease)
	S\$'000	S\$'000	%
Amortisation expenses	(1,025)	(679)	51.0
Depreciation of property, plant and equipment	(3,752)	(2,953)	27.1
Depreciation of right-of-use assets	(115)	(102)	12.7
Allowance for impairment of trade and other receivables charged	(511)	(58)	781.0
Impairment on intangible assets	(164)	–	n.m. ⁽¹⁾
Bad debts written-off	(2)	(7)	(71.4)
Foreign exchange losses, net	(2)	(1)	100.0
Gain on disposal of plant and equipment	255	116	119.8
Rental income	183	286	(36.0)
Other Income	457	459	(0.4)
Government grant income	1,898	171	1,009.9
Interest income	124	156	(20.5)
Interest expenses	(44)	(80)	(45.0)

Note:

⁽¹⁾ n.m. denotes not meaningful.

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1(b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group As at		Company As at	
	31/12/2020 S\$'000	31/12/2019 S\$'000	31/12/2020 S\$'000	31/12/2019 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	12,888	14,013	1	2
Right-of-use assets	73	119	73	86
Intangible assets	1,939	3,047	–	–
Investments in subsidiaries	–	–	24,501	20,000
Contract costs, non-current	2,498	2,490	–	–
Other assets, non-current	4,609	4,233	1,789	–
Total non-current assets	22,007	23,902	26,364	20,088
Current assets				
Inventories	712	408	–	–
Contract costs, current	697	858	–	–
Trade and other receivables	4,423	4,296	11,545	8,067
Other assets, current	4,781	5,416	161	17
Cash and cash equivalents	34,198	20,959	5,563	4,437
Total current assets	44,811	31,937	17,269	12,521
Total assets	66,818	55,839	43,633	32,609
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	24,725	24,718	24,725	24,718
Retained earnings	23,139	13,968	11,774	5,155
Other reserves	(7,677)	(7,678)	5	4
Total equity	40,187	31,008	36,504	29,877
Non-current liabilities				
Deferred tax liabilities	1,023	1,020	–	–
Lease liabilities, non-current	704	618	23	16
Provisions	300	300	–	–
Total non-current liabilities	2,027	1,938	23	16
Current liabilities				
Income tax payable	3,037	1,826	–	2
Trade and other payables	20,538	19,826	7,056	2,643
Lease liabilities, current	1,029	1,241	50	71
Total current liabilities	24,604	22,893	7,106	2,716
Total liabilities	26,631	24,831	7,129	2,732
Total equity and liabilities	66,818	55,839	43,633	32,609

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1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

	As at 31 December 2020		As at 31 December 2019	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	979	–	1,137	–
Amount repayable after one year	681	–	602	–

Details of any collaterals

As at 31 December 2020 and 31 December 2019, secured borrowings comprised finance leases which are covered by:

- (i) the lessors' charges over the leased plant and equipment of the Group; and
- (ii) corporate guarantee from the Company.

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Financial Year Ended 31 December	
	2020	2019
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	16,375	10,391
Adjustments for:		
Interest income	(124)	(156)
Interest expense	44	80
Depreciation of property, plant and equipment	3,752	2,953
Depreciation of right-of-use assets	115	102
Impairment on trade and other receivables	511	58
Impairment on intangible assets	164	—
Amortisation expenses	1,025	679
Gain on disposal of property, plant and equipment	(255)	(116)
Share-based payments	8	13
Operating cash flows before changes in working capital	21,615	14,004
Inventories	(304)	(110)
Contract costs	153	114
Trade and other receivables	(639)	(2,615)
Other assets	928	(3,504)
Trade and other payables	(1,003)	5,369
Net cash flows from operations	20,750	13,258
Income tax paid	(1,297)	(985)
Net cash flows from operating activities	19,453	12,273
Cash flows from investing activities		
Settlement of outstanding consideration for acquisition of subsidiary from related party in prior year	—	(920)
Proceeds from disposal of property, plant and equipment	455	246
Purchase of property, plant and equipment	(685)	(1,518)
Payment for intangible assets	(28)	(158)
Interest income received	124	156
Net cash flows used in investing activities	(134)	(2,194)
Cash flows from financing activities		
Dividends paid	(4,693)	(3,433)
Lease liabilities – principal portion paid	(1,343)	(1,321)
Interest expenses paid	(44)	(80)
Net cash flows used in financing activities	(6,080)	(4,834)
Net increase in cash and cash equivalents	13,239	5,245
Cash and cash equivalents, beginning balance	20,959	15,714
Cash and cash equivalents, ending balance	34,198	20,959

Note:

Certain comparative figures have been reclassified to conform to the current year's presentation.

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group	Other reserves					Total equity
	Share capital	Retained earnings	Merger reserve	Capital reserve	Share-based payment reserve	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2020	24,718	13,968	(11,000)	3,318	4	31,008
Total comprehensive income for the year	–	13,864	–	–	–	13,864
Dividends paid	–	(4,693)	–	–	–	(4,693)
Share-based payments	7 ⁽¹⁾	–	–	–	1	8
At 31 December 2020	24,725	23,139	(11,000)	3,318	5	40,187
At 1 January 2019	24,709	8,984	(11,000)	3,318	–	26,011
Total comprehensive income for the year	–	8,417	–	–	–	8,417
Dividends paid	–	(3,433)	–	–	–	(3,433)
Share-based payments	9 ⁽²⁾	–	–	–	4	13
At 31 December 2019	24,718	13,968	(11,000)	3,318	4	31,008

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The Company	Share capital	Retained earnings	Other reserve	
			Share-based payment reserve	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2020	24,718	5,155	4	29,877
Total comprehensive income for the year	–	11,312	–	11,312
Dividends paid	–	(4,693)	–	(4,693)
Share-based payments	7 ⁽¹⁾	–	1	8
At 31 December 2020	24,725	11,774	5	36,504
At 1 January 2019	24,709	3,705	–	28,414
Total comprehensive income for the year	–	4,883	–	4,883
Dividends paid	–	(3,433)	–	(3,433)
Share-based payments	9 ⁽²⁾	–	4	13
At 31 December 2019	24,718	5,155	4	29,877

Notes:

- ⁽¹⁾ On 8 June 2020, the Company allotted and issued 28,958 new ordinary shares (“**Shares**”) being the 2nd tranche awarded to the vesting of the share awards granted, under the Company’s Performance’s Share Plan (“**PSP**”) on 6 June 2019.
- ⁽²⁾ On 6 June 2019, the Company allotted and issued 37,958 Shares, being the 1st tranche awarded to eligible participants, under the Company’s PSP.

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Details of changes in the Company's share capital

	No. of ordinary shares	Amount S\$
Issued and paid-up share capital as at 30 June 2020 and 31 December 2020	228,929,780	24,725,537

There were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 31 December 2020, 30 June 2020 and 31 December 2019.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Number of ordinary shares	
	As at	
	31/12/2020	31/12/2019
Total number of issued shares excluding treasury shares	228,929,780	228,900,822

There were no treasury shares as at 31 December 2020, 30 June 2020 and 31 December 2019.

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable as the Company did not have any treasury shares as at 31 December 2020, 30 June 2020 and 31 December 2019.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company did not hold any subsidiary holdings as at 31 December 2020, 30 June 2020 and 31 December 2019.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditor of the Company.

- 3. Where the figures have been audited or reviewed, the auditor's report (including any modifications or emphasis of a matter).**

Not applicable

- 3A. Where the latest financial statements are subject to and adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not applicable

- (b) Confirmation from the Board that the impact of all outstanding audit issue on the financial statements have been adequately disclosed.**

Not applicable

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Saved as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period ended 31 December 2020 as compared to its audited financial statements for the financial year ended 31 December 2019.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related interpretations to SFRS(I) that are relevant to the Group and effective for the financial period beginning on or after 1 January 2020. The adoption of these standards did not result in any changes to our Group's accounting policies and has no material effect on the financial statements reported for the current or prior years.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: (a) based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	Financial year ended	
	31/12/2020	31/12/2019
Profit, net of tax (S\$'000)	13,864	8,417
Weighted average number of ordinary shares ('000)	228,917	228,884
Earnings per share ("EPS") – Based on weighted average number of ordinary shares in issue (cents)	6.06	3.68
EPS – On a fully diluted basis (cents)	6.06	3.68

EPS is calculated based on profit and net of tax divided by the weighted average number of ordinary shares.

The dilutive effect from unreleased share awards is not material.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	Group		Company	
	As at		As at	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net assets value per ordinary share (cents)	17.55	13.55	15.95	13.05
Number of ordinary shares used in computation of net asset value per ordinary share ('000)	228,930	228,901	228,930	228,901

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group's performance

Revenue

Full year revenue increased by approximately S\$7.39 million or 9.4% from S\$78.80 million in FY2019 to S\$86.19 million in FY2020, mainly due to an increase revenue from retail liquefied petroleum gas ("**LPG**") business ("**LPG Business**"). This was partially offset by decrease in revenue from our diesel business ("**Diesel Business**") and natural gas ("**NG Business**").

LPG Business

a) Retail LPG - Domestic

The revenue from our Retail LPG Business increased by approximately S\$8.64 million or 28.4% from S\$30.45 million in FY2019 to S\$39.09 million in FY2020. The increase was mainly due the Covid-19 restrictions and measures imposed by the Singapore Government ("**Covid-19 Restriction and Measures**") which led to more home cooking.

b) Retail LPG - Commercial

The revenue contributed from Retail LPG – Commercial increased by approximately S\$6.89 million or 30.7% from S\$22.43 million in FY2019 to S\$29.32 million in FY2020. The increase was mainly due to the expansion of our commercial business segment from the supply of LPG to eating houses, coffee shops and commercial central kitchens.

Diesel Business

Revenue from the Diesel Business decreased by approximately S\$7.17 million or 29.9% from S\$23.96 million in FY2019 to S\$16.79 million in FY2020. This decrease was mainly due to a decrease in sales volume as our customers travelled and drove less in view of the Covid-19 Restriction and Measures as there were lesser work commutes and personal travel.

NG Business

Revenue from the NG Business decreased by approximately S\$0.98 million or 50.0% from S\$1.96 million in FY2019 to S\$0.98 million in FY2020. This decrease was mainly due to a decrease in Compressed NG revenue as economic activities slowed down in view of the Covid-19 Restriction and Measures. However, this decrease was partially offset by revenue from the new NG Business from Piped NG.

Cost of Sales

Cost of sales decreased by approximately \$1.14 million or 2.3% from S\$49.65 million in FY2019 to S\$48.51 million in FY2020 and this was mainly due:

- (i) a decrease in direct materials cost by approximately S\$2.63 million from FY2019 arising from the decrease in volume and average cost of: (i) diesel purchased; and (ii) Compressed NG purchase. This was partially offset by the increase in purchase volume and average cost of bottled LPG cylinder of Retail LPG purchased for both Domestic and Commercial;
- (ii) This was partially offset by an increase in overhead costs by approximately S\$1.49 million from FY2019 mainly due to the increase in (i) amortisation expenses; (ii) license and professional fees; (iii) servicing fees; and (iv) depreciation due to expansion to supply LPG to eating houses, coffee shops and commercial central kitchens.

Gross Profit

In line with the above, gross profit increased by approximately S\$8.52 million or 29.2% from S\$29.16 million in FY2019 to S\$37.68 million in FY2020, mainly due to an increase in group revenue. Gross profit margin increased from 37.0% in FY2019 to 43.7% in FY2020.

Other Income and Gains

Other income and gains increased by approximately S\$1.73 million or 145.5% from S\$1.19 million in FY2019 to S\$2.92 million in FY2020, mainly due to pay-outs recognised from the Job Support Scheme of approximately \$1.53 million.

Marketing and Distribution Costs

Marketing and distribution costs increased by approximately S\$2.78 million or 18.5% from S\$15.03 million in FY2019 to S\$17.81 million in FY2020 mainly due to increases in: (i) delivery charges by \$1.47 million; (ii) call centre charges by \$0.42 million; and (iii) personnel costs by \$0.54 million.

Administrative Expenses

Administrative expenses increased by approximately S\$0.91 million or 19.0% from S\$4.78 million in FY2019 to S\$5.69 million in FY2020 mainly due to the increase in personnel costs driven by business expansion and greater business activities.

Income Tax Expense

Income tax expense increased by approximately S\$0.54 million or 27.2% from S\$1.97 million in FY2019 to S\$2.51 million in FY2020 mainly due to a higher profit before tax.

Profit after tax

As a result of the above, our profit after tax increased by approximately S\$5.44 million or 64.7% from S\$8.42 million in FY2019 to S\$13.86 million in FY2020.

Review of Group's Financial Position

Non-Current Assets

Non-current assets decreased by approximately S\$1.89 million or 7.9% from S\$23.90 million as at 31 December 2019 to S\$22.01 million as at 31 December 2020. The decrease was mainly due to depreciation, amortisation expenses and impairment on intangible assets incurred for FY2020.

Current Assets

Current assets increased by approximately S\$12.87 million or 40.3% from S\$31.94 million as at 31 December 2019 to S\$44.81 million as at 31 December 2020. This was mainly due to increases in: (i) Cash and cash equivalents of approximately S\$13.24 million, and (ii) inventories of approximately S\$0.30 million. However, these increases were offset by a decrease in Other assets of approximately S\$0.64 million.

Non-current liabilities

Non-current liabilities increased by approximately S\$0.09 million or 4.6% from S\$1.94 million as at 31 December 2019 to S\$2.03 million as at 31 December 2020. This increase was mainly due to an increase in finance lease liabilities.

Current Liabilities

Current liabilities increased by approximately S\$1.71 million or 7.5% from S\$22.89 million as at 31 December 2019 to S\$24.60 million as at 31 December 2020, mainly due to the following:

Income tax payable increased by approximately S\$1.21 million or 66.1% from S\$1.83 million as at 31 December 2019 to S\$3.04 million as at 31 December 2020, which is in line with an increase in tax provision for higher profit before tax.

Trade and other payables increased by approximately S\$0.71 million, which was in line with increase of business volume.

Equity Attributable to Owners of Our Company

The increase in equity by approximately S\$9.18 million or 29.6% from S\$31.01 million as at 31 December 2019 to S\$40.19 million as at 31 December 2020 was mainly due to the net profit in FY2020. This was partially offset by dividends paid to shareholders.

Review of Group's Cash Flows

In FY2020, our net cash flow generated from operating activities amounted to S\$19.45 million. We generated operating cash flows before changes in working capital of S\$21.62 million which was decreased by net working capital outflows of S\$0.87 million and partially offset by taxes paid of S\$1.30 million. The net working capital outflow was mainly due to: (i) an increase in trade and other receivables by S\$0.64 million; (ii) a decrease in trade and other payables by S\$1.00 million; and (iii) an increase in inventories by S\$0.30 million. This was partially offset by an increase in: (i) other assets by S\$0.93 million; and (ii) contract costs by S\$0.15 million.

Net cash flows used in investing activities amounted to approximately S\$0.13 million were mainly due to: (i) purchase of LPG manifold system and motor vehicles of S\$0.69 million; and (ii) payment for intangible assets of S\$0.28 million. This was partially offset by proceeds from disposal of LPG manifold system and motor vehicles of S\$0.46 million and interest income received of S\$0.12 million.

Net cash flows used in financing activities amounted to S\$6.08 million in FY2020, mainly due to payment of dividends to shareholders of approximately S\$4.69 million, repayment of lease liabilities of S\$1.34 million and interest payment of S\$0.04 million.

- 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The COVID-19 pandemic has affected each of the Group's businesses and business segments differently. The Group will continue to monitor the development closely, align its marketing activities and adapt its operations accordingly.

On 17th June 2020, the Group signed a Memorandum of Understanding ("**MOU**") with Union Energy Corporation Pte. Ltd. ("**UEC**") which sets out a framework for a potential acquisition of various assets by the Group from UEC ("**Potential Acquisition**"). The MOU is subject to further negotiations and the parties entering into a definite sale and purchase agreement. The Group sees the Potential Acquisition both as strategic and complementary to its existing business.

In November 2020 the Group expanded its NG Business to include piped natural gas in addition to its existing compressed natural gas. The Group expects to grow the piped natural gas business.

The Group will continue to explore and evaluate other strategic opportunities and complementary businesses to diversify, strengthen and grow the business locally and overseas.

11. Dividend

(a) Dividend declared (recommended) for the current financial period reported on

Yes.

Name of dividend	Interim dividend
Dividend type	Cash
Dividend per ordinary share	0.50 Singapore cent
Date of payment	24 September 2020

The board of directors of the Company (the “**Board**”) is proposing a final dividend in respect of FY2020 (the “**Dividend**”), as follows:

Name of dividend	Final dividend
Dividend type	Cash
Dividend per ordinary share	2.53 Singapore cent

The dividend is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting to be held in April 2021.

(b) Dividend declared (recommended) for the corresponding period of the immediately preceding financial year

Name of dividend	Interim dividend
Dividend type	Cash
Dividend per ordinary share	0.30 Singapore cent
Date of payment	13 September 2019

Name of dividend	Final dividend
Dividend type	Cash
Dividend per ordinary share	1.55 Singapore cent
Date of payment	30 July 2020

(c) Whether the dividend is before tax, net of tax, or tax exempt.

Tax exempt (one-tier).

(d) Date payable

To be announced at a later date.

(e) Record Date

To be announced at a later date.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable. The Board is recommending to declare the dividend in respect of FY2020.

- 13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Our Group has a general mandate for IPTs ("**Shareholders' Mandate**") set out in the following table, which has been renewed and approved at the Annual General Meeting held on 26 June 2020.

Name of Interested Person	Aggregate value of all interested person transactions (excluding transaction of less than S\$100,000 each and transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Catalist Rules) during FY2020 (S\$'000)	Aggregate value of all interested person transactions (including transaction of less than S\$100,000 each) during FY2020 under Shareholders' Mandate pursuant to Rule 920 of the Catalist Rules (S\$'000)
Purchase of bottled LPG by the Group from Summit Gas Systems Pte. Ltd.	—	24,879
Purchase of bottled LPG by the Group from Semgas Supply Pte. Ltd.	—	4,000
Purchase of LPG manifold systems, pipings and storage licences from the Mandated Interested Persons	—	1,996
Provision of maintenance services by Mandated Interested Persons to the Group in relation to the repair and maintenance of lorries and the provision and installation of all spare parts on the lorries (including but not limited to tyres, bolts and nuts for lorries)	—	110
Sale of diesel at the Group's fuel station by the Group to the Mandated Interested Persons	—	37
Sale of diesel in bulk by the Group to Mandated Interested Persons	—	794
Purchase of electricity by the Group from Mandated Interested Persons	—	195
The provision of maintenance and support services by Mandated Interested Persons to any member of the Group	—	1,251
The provision of delivery services by Mandated Interested Persons to the Group	—	1,635
Provision of IT Infrastructure services to Sembas	—	276

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H of the Catalist Rules) in accordance with Rule 720(1) of the Catalist Rules.

15. 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	Allocation of Proceeds as re-allocated on 3 August 2018 (“Re-Allocation”) (S\$’000)	Proceeds utilised as at 13 August 2020 (S\$’000)	Proceeds utilised from 13 August 2020 to the date of this announcement (S\$’000)	Balance of Proceeds as at the date of this announcement (S\$’000)
Acquisition of dealers for the Retail LPG Business	4,143	3,066	8	1,069
Diversification into the supply and retail of piped natural gas to customers in the services and manufacturing industries in Singapore	1,000	-	-	1,000
General working capital	724	-	174	550
Listing expenses	1,633	1,633	-	-
	<u>7,500</u>	<u>4,699</u>	<u>182</u>	<u>2,619</u>

Details of working capital used:	S\$’000
Professional fees (auditors, tax agent and company secretary)	71
Directors’ fees	103
Total	<u>174</u>

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

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Retail LPG- Domestic \$'000	Retail LPG - Commercial \$'000	Diesel and Natural Gas \$'000	Others \$'000	Total \$'000
<u>Group</u> <u>2020</u>					
External revenue	<u>39,091</u>	<u>29,323</u>	<u>17,776</u>	<u>–</u>	<u>86,190</u>
Segment results					
Profit/(loss) before income tax	10,935	5,456	3,973	(3,989)	16,375
Income tax expense	<u>(1,507)</u>	<u>(557)</u>	<u>(447)</u>	<u>-</u>	<u>(2,511)</u>
Profit/(loss), net of tax	<u>9,428</u>	<u>4,899</u>	<u>3,526</u>	<u>(3,989)</u>	<u>13,864</u>
<u>Other segment information</u>					
Amortisation expense	(898)	(127)	–	–	(1,025)
Depreciation expense	(1,258)	(1,844)	(682)	(83)	(3,867)
Finance costs	(41)	–	(2)	(1)	(44)
Impairment on Intangible assets	-	(164)	-	-	(164)
Allowance for impairment of trade and other receivables reversal/(charged)	<u>-</u>	<u>(522)</u>	<u>11</u>	<u>–</u>	<u>(511)</u>
Statement of Financial Position					
Total assets	<u>25,981</u>	<u>23,902</u>	<u>9,284</u>	<u>7,651</u>	<u>66,818</u>
Total liabilities	<u>(9,244)</u>	<u>(12,883)</u>	<u>(3,293)</u>	<u>(1,211)</u>	<u>26,631</u>
Additions:					
Property, plant and equipment	1,472	1,355	–	–	2,827
Right-of-use assets	–	–	–	69	69
Intangible assets	81	–	–	–	81
Contract costs	<u>–</u>	<u>771</u>	<u>–</u>	<u>–</u>	<u>771</u>

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	Retail LPG- Domestic	Retail LPG - Commercial	Diesel and Natural Gas	Others	Total
<u>2019</u>					
External revenue	<u>30,451</u>	<u>22,434</u>	<u>25,916</u>	<u>–</u>	<u>78,801</u>
Segment results					
Profit/(loss) before income tax	5,381	4,412	3,787	(3,189)	10,391
Income tax expense	(923)	(476)	(573)	(2)	(1,974)
Profit/(loss), net of tax	<u>4,458</u>	<u>3,936</u>	<u>3,214</u>	<u>(3,191)</u>	<u>8,417</u>
<u>Other segment information</u>					
Amortisation expense	(592)	(87)	–	–	(679)
Depreciation expense	(1,254)	(1,036)	(698)	(67)	(3,055)
Finance costs	(71)	–	(6)	(3)	(80)
Allowance for impairment of trade and other receivables reversal/(charged)	<u>1</u>	<u>(33)</u>	<u>(26)</u>	<u>–</u>	<u>(58)</u>
Statement of Financial Position					
Total assets	<u>16,137</u>	<u>22,177</u>	<u>12,973</u>	<u>4,552</u>	<u>55,839</u>
Total liabilities	<u>(8,510)</u>	<u>(12,582)</u>	<u>(3,056)</u>	<u>(683)</u>	<u>(24,831)</u>
Additions:					
Property, plant and equipment	762	4,796	9	–	5,567
Right-of-use assets	95	–	–	–	95
Intangible assets	140	18	–	–	158
Contract costs	<u>–</u>	<u>1,016</u>	<u>–</u>	<u>–</u>	<u>1,016</u>

- 17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to section 8 of this announcement for the review of the performance of the Group.

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18. A breakdown of sales as follows:

	Group		
	Financial Year Ended		
	31 December		
	2020	2019	Increase
	S\$'000	S\$'000	%
(a) Sales reported for first half year	43,186	34,368	25.7
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	6,990	3,955	76.7
(a) Sales reported for second half year	43,004	44,433	(3.2)
(b) Operating profit after tax before deducting non-controlling interests reported for second half year	6,874	4,462	54.1

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	Financial Year Ended	
	31 December	
	2020	2019
	S\$'000	S\$'000
Interim	1,145	687
Final	5,792 ⁽¹⁾	3,548
Total	6,937	4,235

Note:

- (1) The proposed dividend in respect of FY2020 is subject to shareholders' approvals at the forthcoming Annual General Meeting.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.

Name of relative	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Woo Yang ("Mr. TWY")	31	Son of Mr Teo Kiang Ang, the non-executive chairman and the controlling shareholder of the Company, and brother of Mr Teo Hark Piang, the executive director and chief executive officer of the Company.	Mr TWY was appointed as Business Development Director on 1 October 2019. He is responsible for business operations in connection with CNG, Diesel and LPG (Sungas) as well as procurement and marketing activities of the Group.	No changes in duties and position held during the year.

BY ORDER OF THE BOARD

Teo Hark Piang

Executive Director and Chief Executive Officer
 25 February 2021