



**UNION STEEL HOLDINGS LIMITED**

友联钢铁控股有限公司

# UNION STEEL HOLDINGS LIMITED

## 3Q & 9M 2015 RESULTS

29 APRIL 2015



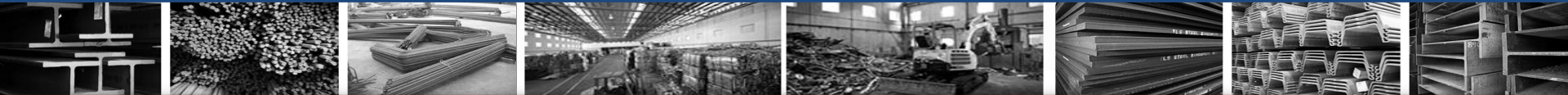
# About Union Steel

Founded in 1984, Union Steel Holdings Limited started operations as YLS Steel Pte Ltd which was involved in the trading of ferrous scrap metal. Today, it is one of the largest metal recycling companies in Singapore in terms of volumes handled.

The Group consists of five subsidiary companies engaged in :-

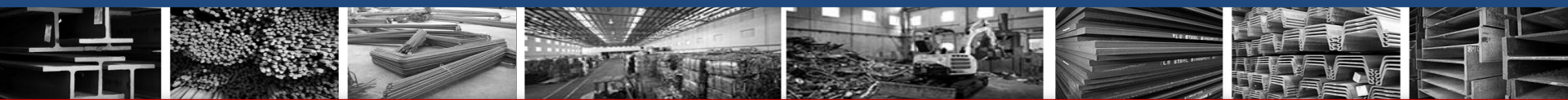
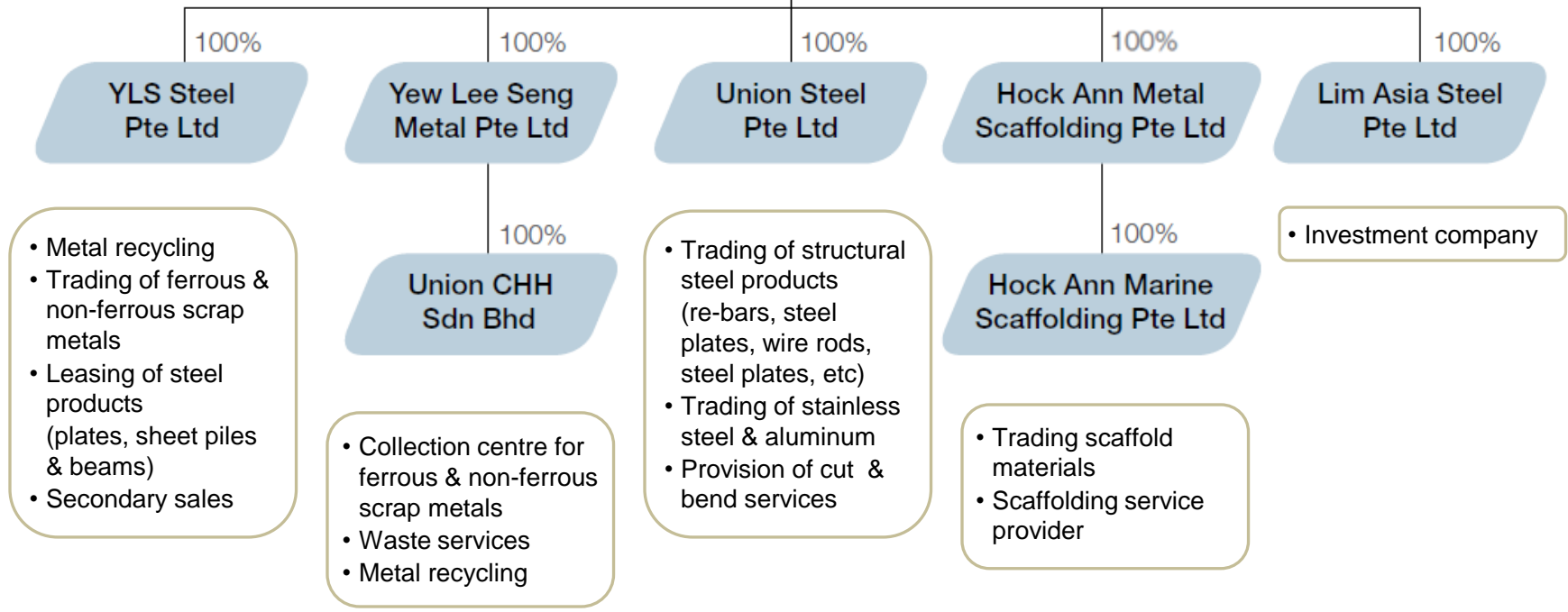
- (i) recycling of ferrous and non-ferrous scrap metal;
- (ii) trading of steel products and non-ferrous metal products;
- (iii) rental of sheet piles, steel plates and beams;
- (iv) provision of scaffolding services and related consultancy services, supply of scaffolding materials and skilled workers; and
- (v) industrial property investments.

The Group delivers high quality products and reliable customer service to a global network of over hundreds of suppliers and customers, in countries such as Singapore, Malaysia, India, Indonesia, Vietnam, China, Korea and Bangladesh.



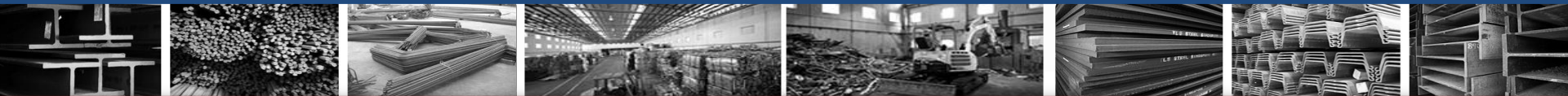
# Group Structure

**Union Steel Holdings Limited**



# Overview of Financial Performance

- 9M2015 net profit was \$848K, despite a \$670K loss in 3Q2015
- 3Q2015 revenue was 17.9% lower at \$31.0 million, due to lower revenues from the recycling and trading business segments, and decreased contributions from the Malaysia entity
- 9M2015 revenue was 4.5% higher as contributions from the Malaysia entity offset a decrease in revenue from the recycling and trading business segments
- Net cash generated from operating activities in 9M2015 was \$18.0 million; net cash used in investing activities was \$4.1 million, net cash used in financing activities was \$14.4 million as the Group repaid bills payable and bank borrowings





# 3Q and 9M2015 Financial Highlights

(Three and nine months ended 31 March 2015)



# 3Q 2015 Financial Highlights

	3Q 2015 (\$ million)	3Q 2014 (\$ million)	% Change
Revenue	31.0	37.7	-17.9%
Gross Profit	2.0	3.3	-37.4%
Gross Profit Margin (%)	6.6%	8.6%	-2.0 ppts
Other Income	1.5	1.8	-18.5%
Profit before Tax	(0.7)	0.9	N.M.
Profit after Tax	(0.7)	1.1	N.M.
Profit after Tax attributable to Equity Holders	(0.7)	1.0	N.M.



# 9M2015 Financial Highlights

	9M2015 (\$ million)	9M2014 (\$ million)	% <i>Change</i>
Revenue	105.9	101.3	+4.5%
Gross Profit	9.2	10.2	-9.9%
Gross Profit Margin (%)	8.7%	10.1%	-1.4 <i>ppts</i>
Other Operating Income	4.4	6.3	-28.7%
Profit before Tax	1.1	3.2	-64.7%
Profit after Tax	0.8	2.8	-70.1%
Profit after Tax attributable to Equity Holders	0.8	2.4	-65.1%
EPS (cents)	0.22	0.62	
NAV per share (cents)	22.80	22.87	



# Balance Sheet Highlights

**31 Mar 2015**  
(\$ million)

**30 Jun 2014**  
(\$ million)

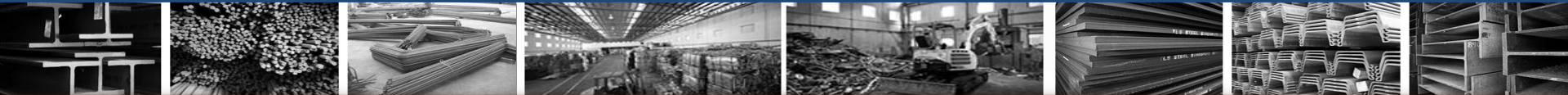
<b>Current Assets</b>	<b>87.8</b>	100.6
<b>Current Liabilities</b>	<b>49.8</b>	57.5
<b>Total Assets</b>	<b>155.3</b>	168.3
<b>Total Liabilities</b>	<b>65.5</b>	78.2
- <i>Bank Borrowings</i>	49.6	62.8
<b>Total Equity</b>	<b>89.8</b>	90.1
- <i>Shareholders Equity</i>	89.8	90.1
- <i>Non-controlling Interests</i>	-	-
<b>Cash &amp; Cash Equivalents</b>	<b>33.3</b>	33.7
<b>Net Gearing Ratio</b>	<b>0.55</b>	0.70





# Outlook & Strategy

- Overall industry outlook expected to remain challenging with muted steel prices and lacklustre market conditions
- Recent strengthening of the US Dollar has added to uncertainty and volatility in the market.
- The Group will stay vigilant in managing stockpile levels and exercise prudence in capital management and expenditure.



# Forward Looking Statements

This presentation and pertaining discussions may contain statements that are forward looking concerning the business and future performance of Union Steel Holdings Limited and its subsidiaries. These statements are based on current conditions and information and involve assumptions, risks and uncertainties of the future. As such, these statements are not to be regarded as projections of the company's future performance. You are cautioned not to put undue reliance on this presentation as actual performance and results could differ materially from what is represented in its content.

