

MEDIA RELEASE

For Immediate Release

United Global's lubricants JV propels Group's net profit up 92% to US\$3.2M

- Group posted revenue of US\$2.7M compared to US\$83K y-o-y
- Its UOC lubricants JV contributed to a 53.1% jump in the Group's share of profits, to US\$3.5M
- Outlook for the lubricants business for the next 12 months remains challenging

| (US\$'000) | 1H2021 | 1H2020 | Change |
|--|--------|--------|--------|
| Revenue | 2,718* | 83 | >100% |
| Gross Loss | (155) | (133) | NM** |
| Share of Profit of Joint Ventures | 3,410 | 2,276 | 49.8% |
| Profit Before Tax | 3,218 | 1,682 | 91.3% |
| Net Profit Attributable to Shareholders | 3,219 | 1,677 | 91.9% |

* Revenue generated from manufacturing nano-fibre oil absorbent materials for joint venture company, M-TechX United Pte Ltd, and one-off sale of gasoil.

** NM: Not meaningful

SINGAPORE, 11 August 2021 – Catalyst-listed **United Global Limited** (“**United Global**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), an established, independent lubricants manufacturer in Singapore and Indonesia, today reported a 91.9% jump in net profit attributable to shareholders to approximately US\$3.2 million for the first six months ended 30 June 2021 (“**1H2021**”), which was mainly due to increase in the share of profit from our 60%-owned lubricants joint venture business.

Review of Lubricants Business - United Oil Company Pte Ltd (“**UOC**”), a 60%/40% joint venture with Repsol Downstream Internacional S.A. (“**Repsol Downstream**”)

| (US\$'000) | 1H2021 | 1H2020 | Change |
|--------------------------------|--------|--------|---------|
| Revenue | 66,162 | 33,967 | 94.8% |
| Gross Profit | 14,640 | 8,370 | 74.9% |
| Gross Profit Margin (%) | 22.1 | 24.6 | 2.5 ppt |
| Profit For the Period | 6,587 | 3,832 | 71.9% |

In the 1H2021, the UOC joint venture's profit for the period jumped 71.9% to US\$6.6 million, on revenue of US\$66.2 million, which increased by 94.8%.

Sales was boosted by an increase in sales volume and higher average selling price achieved. This resulted in a 74.9% increase in gross profit to US\$14.6 million, despite a lower gross profit margin.

Overall, the gross profit margin generated by the Lubricants business dipped by 2.5 percentage points to 22.1% in 1H2021, largely due to higher raw materials costs achieved.

Financial Position

For the half-year ended 30 June 2021, the Group's earnings per share doubled to 1.0 US cent, whilst net asset value per ordinary share rose to 31.7 US cents. The Group's cash position continues to be healthy, with total cash and cash equivalents amounting to US\$17.4 million.

Said Mr Jacky Tan, United Global's Executive Director and CEO, “We are pleased with the sustained recovery of our lubricants business in the first half of FY2021. However, we are expecting tougher business conditions ahead, particularly with the resurgence of Covid-19 variants in the region.”

“Notwithstanding, we remain vigilant and will continue to be disciplined particularly in the areas of managing our business costs and receivables. We are also actively seeking opportunities to diversify our revenue streams and to propel and transform the Group towards long-term sustainability.”

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This media release has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor").

This media release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this media release, including the correctness of any of the statements or opinions made or reports contained in this media release.

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About United Global Limited (www.unitedgloballimited.com)

United Global Limited (the "**Company**", together with its subsidiaries, the "**Group**") was listed on Catalist of the SGX-ST on 8 July 2016. The Group is an established, independent lubricants manufacturer providing a wide range of high quality, well-engineered lubricants under its in-house brands such as "United Oil", as well as a host of third-party brands. Through its 60%-owned United Oil Company, a joint-control venture between the Company and Madrid-listed oil major Repsol, the Group manufactures a wide range of lubricants, which are distributed throughout its extensive network covering more than 40 countries.

United Global also has four other business pillars, namely United Supply Chain, which involved in logistics or shipping businesses; United Innovations, which is mainly engaged in the manufacturing of nano-fibre oil absorbent materials; United Fuels, which is involved in the trading of petrol related products, and United Renewables which looks for opportunities in materials recycling and sustainability.