



MEDIA RELEASE

For Immediate Release

Spain-listed oil major Repsol acquires 40% stake in United Global's subsidiary for up to US\$46.5 million

- *Total consideration comprises an initial US\$36.5million and additional earnout of up to US\$10.0 million if United Oil achieves target for FY2023*
- *Proceed to be used for future business expansions, investments and acquisitions*

SINGAPORE, 30 September 2019 - United Global Limited (“United Global”, or the “Company” and together with its subsidiaries, the “Group”), a lubricants blender and manufacturer in Singapore and Indonesia, today announced that Repsol Downstream Internacional S.A. (“**Repsol Downstream**”), a subsidiary of Repsol S.A. (“**Repsol**”), an international oil and gas company listed on the Madrid Stock Exchange, has signed a share purchase agreement for the acquisition by Repsol (through Repsol Downstream) of a 40% equity stake, comprising 14,959,600 shares in the Company’s wholly-owned subsidiary, United Oil Company Pte. Ltd. (“**UOC**” or “**United Oil**”), for (i) an initial cash consideration of US\$36.5 million on an Enterprise Value cash-free and debt-free basis, which is subject to net debt and working capital adjustments at completion date; and (ii) a potential deferred consideration of US\$10.0 million based on the achievement of certain goals in 2023.

Repsol Downstream is principally engaged in the production and marketing of oil derivatives, while UOC and its subsidiaries (“**UOC Group**”) blends, manufactures and distributes lubricants in Singapore and Indonesia.

The agreement was reached on a willing-buyer, willing-seller basis, after taking into consideration, among others, the net assets of UOC Group, the strategic value of UOC Group to Repsol and vice versa, and the potential earnings quality of UOC Group.

United Global and Repsol intend to complete the agreement before the end of 2019 after obtaining the necessary approvals and fulfilling of the agreed conditions.

United Global believes that its strategic partnership with Repsol - a global energy company with a strong international brand and listed on the Madrid Stock Exchange, will reap new growth opportunities for both companies. Upon completion of Repsol's acquisition, UOC will cease to be wholly owned by the Company, and instead, will become a joint-controlled entity with Repsol.

Said Mr Jacky Tan, United Global's CEO, "After months of discussions and extensive due diligence, we are pleased that an oil major such as Repsol would decide to invest in the vision and growth of our Company. We are excited by the synergy between the two firms and the opportunities this would provide to, inter alia, accelerate our growth in this region and increase business volumes. As a 60% shareholder of this joint venture, we believe that this strategic partnership will bring significant economic value to United Global."

Moving ahead, UOC Group will manufacture and supply Repsol's brand of products in Singapore, Indonesia, Malaysia and Vietnam.

"We are very pleased to begin a cooperation with United Oil Company that I am sure will be very fruitful. Together we can expand our business through the strength of our brands and networks, offering quality products and service throughout the Asia-Pacific region," said Maria Victoria Zingoni, Repsol's Commercial Businesses and Chemicals Executive Managing Director.

"The Proposed Disposal will also enable United Global to partially realise the value of our investments in the UOC Group, which will in turn allow United Global to diversify into other activities for the Group's expansion into sustainable long-term businesses. We may do this by way of mergers and acquisitions, joint ventures, as well as establishing new lines of business," Mr Jacky Tan added.

Use of Proceeds

United Global intends to utilise the proceeds to fund future business expansions, investments and acquisitions when suitable opportunities arise.

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This media release has been prepared by United Global Limited (the “Company”) and its contents have 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

United Global is an established independent lubricant manufacturer of a wide range of high quality, well-engineered products under our in-house brands such as “United Oil” as well as for third-party principals. Our other core business is in the trading of base oils, additives and lubricants. We provide a wide range of lubricants and specialty fluids for the automotive, industrial and marine applications as well as metal working fluids, with a wide distribution network covering over 30 countries.

Started in 1999, the Group has established itself as a reliable and responsive service provider as well as a specialist in automatic transmission fluids. Our ability to customise products and production volume at a reasonable price has given us a competitive edge.

We own 2 blending facilities in Singapore and Indonesia with a combined capacity of 140,000MT. We were awarded the ISO 9001 certification for our quality management system in respect of the manufacture of lubricants by blending of base oils and additives.

Our strategic cooperation has also provided us with access to our partners’ facilities in other countries.

About Repsol S.A.

Repsol is a global energy company present throughout the whole energy value chain. The company employs more than 25,000 people and its products are sold in more than 90 countries, reaching 10 million customers. Repsol produces over 700,000 barrels of oil equivalent per day and has one of the most efficient refining systems in Europe. The company operates low-emissions electricity generation assets, including photovoltaic and offshore wind power projects. Repsol is pioneering development of mobility initiatives to create new solutions and energy sources for transportation.