

**MEDIA RELEASE**

**For Immediate Release**

## **United Global posts US\$2.1M in 1Q2019 net profit on revenue of US\$23.8M**

- *Gross profit margin improves by 1.0ppt to 19.9% lifted by manufacturing segment*

(US\$'000)	1Q2019	1Q2018	Change
<b>Revenue</b>	23,846	30,972	(23.0%)
<b>Gross Profit</b>	4,739	5,853	(19.0%)
<b>Gross Profit Margin</b>	19.9%	18.9%	1.0 ppt
<b>Profit Before Tax</b>	2,657	2,843	(6.5%)
<b>Net Profit Attributable to Shareholders</b>	2,146	2,227	(3.6%)

**SINGAPORE, 15 May 2019** – Catalyst-listed **United Global Limited** (“**United Global**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), an established, independent lubricant manufacturer and trader in Singapore and Indonesia, reported today that its net profit attributable to shareholders for the first quarter reached US\$2.1 million for the period ended 31 March 2019 (“1Q2019”).

Group revenue for the three months retreated by 23.0% to US\$23.8 million, affected by lower manufacturing output, and mitigated by a significant rise in trading volume. However, gross profit margin improved by 1.0 percentage point (“ppt”) to 19.9% lifted by the manufacturing segment.

## Segment Review

US\$'000	1Q2019	1Q2018	Change
<b>MANUFACTURING</b>			
Revenue	19,947	30,249	(34.1%)
Gross Profit	4,662	5,776	(19.3%)
Gross Profit Margin (%)	23.4	19.1	4.3 ppt
<b>TRADING</b>			
Revenue	3,899	723	>100%
Gross Profit	77	77	-
Gross Profit Margin (%)	2.0	10.7	(8.7 ppt)

### **MANUFACTURING**

In the latest first quarter, the Group's Manufacturing segment recorded a 34.1% decrease in revenue to US\$19.9 million, as a result of lower sales volume from its Indonesian subsidiary, which was partially offset by an increase in average selling price.

The Manufacturing segment achieved higher gross profit margin year-on-year, which rose by 4.3 percentage points to 23.4%, boosted by lower raw material costs.

### **TRADING**

Trading sales volume surged during the period, generating revenue of US\$3.9 million in the first quarter, up 439.3% over 1Q2018. However, gross profit margin saw a 8.7 percentage point decline to 2.0%, resulting in flat trading gross profit of US\$77,000.

### **Financial Position**

In its latest quarter, the Group achieved earnings per share of 0.7 US cents whilst net asset value per ordinary share rose to 12.3 US cents, from 11.5 US cents as at 31 December 2018. Cash and cash equivalents (excluding fixed deposits and restricted cash balances) rose from US\$8.9 million to US\$9.4 million.

***Said Mr Jacky Tan, United Global's Executive Director and CEO, "The Group is focusing on driving efficiency in our Indonesian subsidiary, and has made significant headway in the restructuring of its sales team, beginning with the appointment of a new General Manager of our Indonesia plant in March 2019. Meanwhile, we have announced that our***

***MOU with Repsol has been extended for another six months till October 2019, as both parties needed more time to carry out the feasibility study. Regardless, the Group continues to focus on expanding our existing lubricants business organically in the region, as well as explore synergistic partnerships and joint ventures, and opportunities to diversify our revenue streams.”***

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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**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this media release.*

*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](http://www.unitedgloballimited.com))***

**United Global Limited** (“**United Global**” or the “**Company**”, together with its subsidiaries, the “**Group**”) 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.