

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2016 (“1H2016”)

*This announcement has been prepared by United Global Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

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.

The contact person for the Sponsor is Ms Lee Khai Yinn, at 1 Robinson Road #21-02 AIA Tower Singapore 048542, telephone (65) 6532 3829.

Background

United Global Limited (together with its subsidiary, the “**Group**”) was listed on Catalist of the SGX-ST on 8 July 2016. The Group is an established independent lubricant manufacturer and trader providing a wide range of high quality, well-engineered lubricants under its in-house brands such as “United Oil”, “U Star Lube”, “Bell1” and “HydroPure” as well as manufacturing lubricants for third-party principals’ brands. The Group’s other core business is in the trading of base oils, additives and lubricants. The Group supplies lubricant products globally to over 30 countries and territories and it mainly serves the automotive, industrial and marine sectors.

The Company was incorporated in Singapore on 15 September 2015 under the Companies Act as an exempted private company, under the name of “United Global Pte. Ltd.”. On 14 June 2016, the Company was converted into a public limited company and the name was changed to “United Global Limited”. Following the completion of the restructuring exercise (the “**Restructuring Exercise**”) as disclosed in the Company’s offer document dated 28 June 2016 (the “**Offer Document**”), the Company became the holding company of its subsidiary, United Oil Company Pte Ltd. Please refer to the Offer Document for further details on the Restructuring Exercise.

For the purpose of this announcement, the financial results of the Group for the half year ended 30 June 2016 (“**1H2016**”) and its comparative figures for the half year ended 30 June 2015 (“**1H2015**”) have been prepared on the assumption that the Group’s structure had been in place since 1 January 2015.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
HALF YEAR AND FULL YEAR ANNOUNCEMENTS

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.

CONSOLIDATED / COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

	Group		Change Increase/ (Decrease) %	Ref
	Unaudited 1H2016 US\$'000	Unaudited 1H2015 US\$'000		
Revenue	42,307	52,812	-19.9%	8.1.1
Cost of sales	(36,158)	(45,854)	-21.1%	8.1.2
Gross profit	6,149	6,958	-11.6%	8.1.2
Other income	30	108	-72.2%	8.1.3
Distribution cost	(746)	(1,178)	-36.7%	8.1.4
Administrative expenses	(2,115)	(2,263)	-6.5%	8.1.5
Finance costs	(58)	(84)	-31.0%	
Profit before tax	3,260	3,541	-7.9%	8.1.6
Income tax expense	(538)	(630)	-14.6%	8.1.7
Profit for the period, representing total comprehensive income for the period	2,722	2,911	-6.5%	
Attributable to:				
Equity holders of the Company	2,722	2,911	-6.5%	

1(a)(ii) Profit before income tax is arrived after charging / (crediting) the following:

Charging / (crediting):-	Unaudited 1H2016 US\$'000	Unaudited 1H2015 US\$'000	Change Increase / (Decrease) %
Commission income of sale of vessels	-	(44)	NM
Depreciation of property, plant and equipment	74	71	4.2
Foreign exchanges loss / (gain), net	19	(35)	NM
Interest income	(9)	(4)	125.0
Interest on bills payables and trust receipts	50	65	-23.1
Interest on term loan or revolving loans	8	19	-57.9
Underprovision of current tax in prior years	-	46	NM

NM : Not meaningful

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.

CONSOLIDATED / COMBINED STATEMENTS OF FINANCIAL POSITION

	Group		Ref	Company	
	Unaudited	Audited		Unaudited	Audited
	30.06.2016	31.12.2015		30.06.2016	31.12.2015
	US\$'000	US\$'000		US\$'000	US\$'000
<u>ASSETS</u>					
Current assets					
Cash and cash equivalents	8,625	9,209		20	#
Trade receivables	10,431	12,028		-	-
Other receivables	828	298		1,800	-
Inventories	4,489	3,302		-	-
Total current assets	24,373	24,837	8.2.1	1,820	#
Non-current assets					
Investment in a subsidiary	-	-		5,640	-
Property, plant and equipment	2,021	2,070		-	-
Club membership	61	61		-	-
Total non-current assets	2,082	2,131	8.2.2	5,640	-
TOTAL ASSETS	26,455	26,968		7,460	#
<u>EQUITY AND LIABILITIES</u>					
Current liabilities					
Bank borrowings	4,135	3,171		-	-
Trade payables	8,367	4,910		-	-
Other payables	1,381	8,830		20	-
Amount due to director	2,931	2,948		-	-
Current tax payable	1,201	1,391		-	-
Total current liabilities	18,015	21,250	8.2.3	20	-
Non-current liability					
Deferred tax liability, representing total non-current liability	78	78	8.2.4	-	-
Equity					
Share capital	5,640	2,484		5,640	#
Merger reserve	(3,156)	-		-	-
Retained earnings	5,878	3,156		1,800	-
Total equity	8,362	5,640	8.2.5	7,440	#
TOTAL EQUITY AND LIABILITIES	26,455	26,968		7,460	#

Denotes less than US\$1,000

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debts 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:

	Group	
	As at	As at
	30.06.2016	31.12.2015
	US\$'000	US\$'000
Amount repayable in one year or less, or on demand (secured and guaranteed)		
- Total bank borrowings	4,135	3,171

The Group does not have any unsecured borrowings and debt securities as at 30 June 2016 and 31 December 2015.

As at 30 June 2016 and 31 December 2015, the Group also does not have any borrowings and debt securities payable after one year.

Details of any collaterals:

Bank borrowings of US\$4.1 million as at 30 June 2016 (31 December 2015: US\$3.2 million) obtained by a subsidiary is secured by one or several of (i) fixed deposits, (ii) mortgage over a leasehold property at 14 Tuas Drive 2, Singapore 638647, (iii) joint and several personal guarantees provided by certain directors of the Company, and (iv) certain personal deposits, marketable securities and assets provided by certain directors of the Company.

- 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.

CONSOLIDATED / COMBINED STATEMENTS OF CASH FLOWS

	Group	
	Unaudited 1H2016 US\$'000	Unaudited 1H2015 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,260	3,541
Adjustments for:		
Depreciation of property, plant and equipment	74	71
Interest expense	58	84
Interest income	(9)	(4)
Operating cash flows before movements in working capital	<u>3,383</u>	3,692
Trade receivables	1,597	(361)
Other receivables	(530)	1,004
Trade payables	3,457	2,492
Other payables	(360)	527
Inventories	(1,187)	(675)
Cash generated from operations	<u>6,360</u>	6,679
Income tax paid	(728)	4
Interest received	9	(84)
Interest paid	(58)	1,032
Net cash generated from operating activities	<u>5,583</u>	7,631
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of property, plant and equipment	(114)	(18)
Net cash (used in) investing activity	<u>(114)</u>	(18)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	2,000	-
Repayment of bank borrowings	(1,036)	(3,720)
Repayment of amount due to director	(17)	(167)
Increase in pledged fixed deposits	(8)	(2)
Dividend paid	(7,000)	-
Net cash (used in) financing activities	<u>(6,061)</u>	(3,889)
Net (decrease) increase in cash and cash equivalents	(592)	3,724
Cash and cash equivalents at beginning of period	7,382	4,496
Cash and cash equivalents at end of period	<u>6,790</u>	8,220

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. (Continued)

	Group	
	Unaudited	Unaudited
	1H2016	1H2015
	US\$'000	US\$'000
Consolidated/ combined cash and cash equivalents are represented by:		
Cash and bank balances	6,790	8,220
Pledged fixed deposits	1,835	1,821
	8,625	10,041
Less: Restricted cash	(1,835)	(1,821)
Cash and cash equivalents per consolidated/ combined statements of cash flows	6,790	8,220

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.

CONSOLIDATED / COMBINED STATEMENTS OF CHANGES IN EQUITY

	Share capital US\$'000	Merger reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Group				
Balance at 1 January 2015	2,484	-	16,915	19,399
Profit for the period, representing total comprehensive income for the period	-	-	2,911	2,911
Balance at 30 June 2015	2,484	-	19,826	22,310
Balance at 1 January 2016	2,484		3,156	5,640
Profit for the period, representing total comprehensive income for the period	-	-	2,722	2,722
<i>-Transaction with owners, recognised directly in equity</i>				
Adjustment arising from the restructuring exercise	(2,484)	(3,156)	-	(5,640)
Issue of new Shares pursuant to the Restructuring exercise	5,640	-	-	5,640
Balance at 30 June 2016	5,640	(3,156)	5,878	8,362
Company				
Balance at 1 January 2016	#	-	-	#
Profit for the period, representing total comprehensive income for the period	-	-	1,800	1,800
<i>-Transaction with owners, recognised directly in equity</i>				
Issue of new Shares pursuant to the Restructuring exercise	5,640	-	-	5,640
Balance at 30 June 2016	5,640	-	1,800	7,440

Denotes less than US\$1,000

Note: There are no comparative figures for the Company as the Company was incorporated on 15 September 2015.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

The changes in share capital of the Company since the date of incorporation on 15 September 2015 up to 30 June 2016 are set out below:-

	Number of Issued Shares	Issued and paid-up share capital US\$
Issued and fully paid Share as at incorporation date of 15 September 2015	10	7
Issue of new shares pursuant to the Restructuring Exercise (before the share split)	8,000,402	5,640,044
Issued and fully paid Shares immediately after the Restructuring Exercise (before the Share Split)	8,000,412	5,640,051
After Share Split, Pre-placement issued and paid-up share capital as at 30 June 2016	240,012,360	5,640,051

Subsequent to the current financial period ended 30 June 2016, the Company issued 42,800,000 new ordinary shares via placement of shares pursuant to the initial public offering of the Company on 8 July 2016 (the "IPO").

United Global Performance Share Plan

The Company had on 14 June 2016 adopted the United Global Performance Share Plan ("PSP"). The Company has not granted any awards under the PSP as at the date of this announcement.

Save as disclosed above, the Company did not have any outstanding options, convertibles or treasury shares as at 30 June 2016. There are no comparative figures as at 30 June 2015 as the Company was incorporated on 15 September 2015.

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.

The total number of issued ordinary share (excluding treasury shares) as at 30 June 2016 was 240,012,360 (as at 31 December 2015: 10).

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period ended 30 June 2016.

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 Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

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.

Except as disclosed in item 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 31 December 2015 prepared for the purpose of the IPO as disclosed in the Offer Document. The financial statements have been accounted for using the principles of merger accounting where financial statement items of the merged entities for the reporting periods in which the common control combination occurs are included in the combined financial statement of the Group, as if the combination had occurred from the date when the merged entities first came under the control of the same shareholders.

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 the applicable new and revised Singapore Financial Reporting Standards ("FRS") and the Interpretations of Financial Reporting Standards ("Interpretations FRS") which became effective for the accounting periods beginning on or after 1 January 2016. The adoption of these new and revised FRS and Interpretations FRS has not resulted in material adjustments to the financial position, results of operations or cash flows of the Group for the current financial period ended 30 June 2016.

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.

	Group	
	1H2016	1H2015
Earnings per ordinary share for the financial period:-		
(i) Based on weighted average number of ordinary shares in issue (US\$ cents)	<u>1.1 cents</u>	<u>1.2 cents</u>
(ii) On fully diluted basis (US\$ cents)	<u>1.1 cents</u>	<u>1.2 cents</u>
Weighted average number of shares (in '000)	<u>240,012</u>	<u>240,012</u>

The basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2016 and 30 June 2015.

For comparative and illustrative purposes, the earnings per ordinary share for the financial period ended 30 June 2015 was computed based on the number of ordinary shares issued after share split of 240,012,360 which was completed on 14 June 2016.

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 30.06.2016	As at 31.12.2015	As at 30.06.2016	As at 31.12.2015
Net asset value (US\$'000)	8,397	5,640	7,440	#
Number of ordinary share in issue (in '000)	240,012	240,012	240,012	240,012
Net asset value per ordinary share (US\$ cents)	3.5 cents	2.3 cents	3.1 cents	NM

– Less than US\$1,000

NM – Not meaningful

For comparative and illustrative purposes, the net assets value per ordinary share for the financial year ended 31 December 2015 was computed based on the number of ordinary shares issued after share split of 240,012,360 which was completed on 14 June 2016.

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

8.1.1 *Revenue*

<u>Revenue</u>	1H2016		1H2015		Change Increase/ (Decrease) %
	US\$'000	%	US\$'000	%	
Manufacturing	21,256	50.2	24,834	47.0	(14.4)
Trading	21,051	49.8	27,978	53.0	(24.8)
Total	42,307	100.0	52,812	100.0	(19.9)

	Change in sales volume	Change in average selling price
	%	%
Manufacturing	(4.1)	(10.7)
Trading	(2.7)	(22.7)
Group	(3.8)	(16.7)

Note : The percentage changes in the table above refer to comparisons between 1H2015 and 1H2016.

For 1H2016, revenue decreased by US\$10.5 million or 19.9%, from US\$52.8 million in 1H2015 to US\$42.3 million in 1H2016. This was due to a decrease in revenue from the manufacturing business segment of US\$3.6 million or 14.4% and the trading business segment of US\$6.9 million or 24.8%.

Manufacturing

Revenue from the manufacturing business segment decreased mainly due to a decrease in selling prices as a result of the drop in global crude oil and base oil prices. Besides, the Group also recorded a marginal decrease in sales volume from our manufacturing business segment in 1H2016 compare to 1H2015.

Trading

The drop in revenue from the trading business segment mainly was a result of a decrease in selling price of base oils and also slight decrease in overall trading sales volume. The decrease in the selling price of base oils was mainly due to the drop in global crude oil and base oil prices. Traded volume of base oils decreased but was partly offset by higher trading volume of lubricants. The traded volume of base oils decreased mainly due to a decrease in purchases from PT Pacific Lubritama Indonesia ("PLI"), as a result of lower demand from PLI's OEM customers since third quarter of 2015.

8.1.2 Cost of Sales and Gross Profit

	1H2016		1H2015		Change Increase/ (Decrease)
<u>Gross profit</u>	US\$'000	%	US\$'000	%	%
Manufacturing	5,129	83.4	5,735	82.4	(10.6)
Trading	1,020	16.6	1,223	17.6	(16.6)
Total	6,149	100.0	6,958	100.0	(11.6)

	1H2016	1H2015
<u>Gross profit margin</u>	%	%
Manufacturing	24.1	23.1
Trading	4.8	4.4
Group	14.5	13.2

Cost of sales decreased by US\$9.7 million or 21.1%, from US\$45.9 million in 1H2015 to US\$36.2 million in 1H2016. This was mainly due to a decrease in the cost of raw materials which is in line with the decrease in revenue.

Our overall gross profit decreased by US\$0.8 million or 11.6%, from US\$7.0 million in 1H2015 to US\$6.2 million in 1H2016. The decrease in gross profit was due to decrease in gross profits in both the manufacturing and trading business segments as a result of lower revenue.

Our overall gross profit margins improved by 1.3 percentage point, from 13.2% in 1H2015 to 14.5% in 1H2016 due to improvement in gross profit margins in both the manufacturing and trading business segments. Our gross profit margin in the manufacturing business segment improved by 1.0 percentage point, from 23.1% in 1H2015 to 24.1% in 1H2016, as a result of lower cost of raw materials. The Group recorded a 0.4 percentage point increase in gross profit margin in our trading business segment, from 4.4% in 1H2015 to 4.8% in 1H2016.

8.1.3 Other Income

Other income decreased by US\$0.1 million or 72.2%, from US\$0.1 million in 1H2015 to approximately US\$30,000 in 1H2016, mainly due to a decrease in non-recurring commission income for sale of vessels.

8.1.4 Distribution Cost

Our distribution cost decreased by US\$0.4 million or 36.7%, from US\$1.2 million in 1H2015 to US\$0.8 million in 1H2016, mainly due to a decrease in freight and transportation costs.

8.1.5 Administrative Expenses

Our administrative expenses decreased by US\$0.2 million or 6.5%, from US\$2.3 million in 1H2015 to US\$2.1 million in 1H2016, mainly due to a decrease in staff payroll costs.

8.1.6 Profit before Tax (“PBT”)

Our PBT decreased by US\$0.3 million or 7.9%, from US\$3.6 million in 1H2015 to US\$3.3 million in 1H2016, mainly due to lower revenue and gross profit and partially offset by a lower distribution costs.

8.1.7 Income Tax Expenses

Income tax expense decreased by approximately US\$0.1 million from US\$0.6 million in 1H2015 to US\$0.5 million in 1H2016. This was mainly due to lower PBT in 1H2016.

Review of Statements of Financial Position

8.2.1 Current Assets

Current assets comprise cash and cash equivalents, trade receivables, other receivables and inventories.

As at 30 June 2016, current assets amounted to US\$24.4 million or 92.1% of our total assets. Trade receivables was the largest component of our current assets, accounting for US\$10.4 million or 42.8% of our current assets. Inventories accounted for US\$4.5 million or 18.4% of our current assets, and comprised raw materials, finished products and work-in-progress. Other receivables amounted to US\$0.8 million or 3.4% of our current assets, and comprised prepayments, deposits and advances to suppliers. The remaining balance of current assets comprised cash and cash equivalents of US\$8.6 million.

Current assets decreased by US\$0.4 million from US\$24.8 million as at 31 December 2015 to US\$24.4 million as at 30 June 2016. The decrease was mainly due to a decrease in (i) trade receivables of US\$1.6 million which was in line with the lower revenue in 1H2016 and (ii) cash and cash equivalents of US\$0.6 million. The decrease was partially offset by an increase in (i) inventories of US\$1.2 million due to higher raw materials purchased toward the end of 30 June 2016 and (ii) other receivables of US\$0.5 million mainly due to prepayment of IPO related expenses.

8.2.2 Non-Current Assets

Non-current assets comprise property, plant and equipment, and club membership.

As at 30 June 2016, non-current assets amounted to US\$2.1 million or 7.9% of our total assets.

Property, plant and equipment amounted to US\$2.0 million or 97.1% of our non-current assets, comprising mainly leasehold property, machinery and equipment, motor vehicles, renovation, and construction in progress. Club membership amounted to US\$0.1 million or 2.9% of our non-current assets.

Non-current assets remain largely unchanged from the balance as at 31 December 2015.

8.2.3 Current Liabilities

Current liabilities comprise short-term bank borrowings, trade payables, other payables, amount due to director and current tax payable.

As at 30 June 2016, current liabilities amounted to US\$18.0 million or 99.6% of our total liabilities.

Current liabilities decreased by US\$3.2 million from US\$21.2 million as at 31 December 2015 to US\$18.0 million as at 30 June 2016. The decrease was mainly due to the payment of dividend of US\$7.0 million which was declared for FY2015. The decrease was partially offset by an increase in (i) bank borrowings of US\$1.0 million and (ii) trade payables which of US\$3.5 million was mainly due to higher purchases of raw materials.

8.2.4 Non-Current Liability

Non-current liability comprises deferred tax liability. As at 30 June 2016, deferred tax liability amounted to US\$0.1 million, which is unchanged from the balance as at 31 December 2015.

8.2.5 Equity

As at 30 June 2016, equity amounted to US\$8.4 million which comprises share capital, merger reserve and retained earnings. The increase in equity was due to recognition of profit for the period of US\$2.7 million.

Review of Statements of Cash Flows

In 1H2016, we generated net cash from operating activities before changes in working capital of US\$3.4 million. Net cash generated from working capital amounted to US\$3.0 million. This was mainly due to a reduction in trade receivables of US\$1.6 million and an increase in trade payables of US\$3.5 million and partially offset by an increase in inventories of US\$1.2 million.

The decrease in trade receivables is in line with the decrease in revenue, and the increase in trade payables and inventories mainly due to the higher purchases of raw materials towards the end of 1H2016. The Group paid income tax of US\$0.7 million in 1H2016. The net cash generated from operating activities amounted to US\$5.6 million.

Net cash used in financing activities of US\$6.1 million in 1H2016 was mainly due to the dividends payment of US\$7.0 million and repayment of bank borrowings of US\$1.0 million, partially offset by proceeds from bank borrowings of US\$2.0 million.

As a result of the above, there was a net decrease of US\$0.6 million in our cash and cash equivalents, from US\$7.4 million as at 1 January 2016 to US\$6.8 million as at 30 June 2016.

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

Not applicable. There was no forecast or prospect statements previously disclosed to shareholders.

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.

Our Group's businesses depend on markets and economic conditions in the Asia-Pacific region. The growth in the Asia-Pacific economies is expected to decelerate slightly to about 5.3% during 2016 to 2017, according to the latest Regional Economic Outlook for Asia and Pacific, published by the International Monetary Fund on 3 May 2016. We will continue to focus on addressing consumer's changing needs in our Asia-Pacific region markets, improving our operational efficiency and establishing closer relationships with existing customers.

Today, our markets are concentrated in the Asia-Pacific region. We continue to explore specific opportunities within our core market in the Asia-Pacific region to further expand and diversify our business through investments, acquisitions and/or joint ventures with parties who can provide synergistic value to our existing business. In addition, we will continue to focus on inorganic growth, including exploring possible collaboration opportunities in new markets, such as Myanmar and Bangladesh.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

1H2016	
Name of Dividend	Interim
Dividend Type	Cash
Dividend per share	0.5 Singapore cents per ordinary share
Tax rate	Tax exempt (one-tier)
Total number of issued shares (excluding treasury shares)	282,812,360
Total amount payable	S\$ 1.4 million

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Not applicable as the Company was incorporated on 15 September 2015.

(c) Date payable

5 September 2016.

(d) Books closure date

22 August 2016.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. If the group has obtained 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.

Other than the Restructuring Exercise and interested person transactions (“IPT”) as disclosed on pages 62, 113 to 116 of the Offer Document dated 28 June 2016 and below, there were no additional IPT of S\$100,000 and above during 1H2016.

During 1H2016, the Group has recorded (i) sales to PLI of US\$14.5 million and (ii) purchases from PLI of US\$6.6 million. The Group has an existing general mandate from shareholders for IPT in relation to (i) sale of base oils, additives and lubricants to PLI and (ii) purchase of processed additives and lubricants from PLI (“**Shareholders’ Mandate**”) which has been effective since 8 July 2016, upon the IPO. The details of the Shareholders’ Mandate are set out in pages 117 to 126.

14. Use of IPO proceeds

The following table sets out the breakdown of the use of proceeds from the IPO as at the date of announcement:

	Purpose of IPO Proceeds	Intended Amount S\$'000	Amount Utilised S\$'000	Balance S\$'000
1	Expansion of business via investments, acquisitions and strategic alliances	7,400	-	7,400
2	General working capital including expanding into new and existing geographical markets	1,800	(1,800)	-
3	Listing expenses	1,500	(1,200)	300
	Gross Proceeds	10,700	(3,000)	7,700

The above utilisation is in accordance with the intended use of proceeds of IPO as stated in the Offer Document dated 28 June 2016.

The Company will continue to make periodic announcement via SGXNET on the utilisation of the balance of the gross proceeds from the IPO as and when such proceeds are materially disbursed.

15. Confirmation by the board pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial results for the six-month financial period ended 30 June 2016 to be false or misleading in any material aspect.

16. Confirmation by the directors and executive officers pursuant to Rule 720(1) of the Catalist Rules

The Board of Directors hereby confirms that all required undertakings pursuant to Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers in the format set out in Appendix 7H of the Catalist Rules.

BY ORDER OF THE BOARD OF DIRECTORS

Tan Thuan Hor
Executive Director / Chief Executive Officer

11 August 2016