MEDIA RELEASE

For Immediate Release

United Global delivers 1H2016 net profit of US$2.7 million

- ***Revenue dips 19.9% to US$42.3 million on lower average selling prices as well as marginal decrease in sales volume***
- ***Gross profit margin increases to 14.5% on improvement in both manufacturing and trading segments***
- ***Continues to explore expansion opportunities in Asia Pacific***
- ***Proposed interim dividend of 0.5 Singapore cent per ordinary share***

Six months ended 30 June (US$'000)	1H2016	1H2015	YoY Change
Revenue	42,307	52,812	(19.9%)
Gross Profit	6,149	6,958	(11.6%)
Profit Before Tax	3,260	3,541	(7.9%)
Profit For the Period Attributable to Equity Holders of the Company	2,722	2,911	(6.5%)
Earnings per share (US cent)*	1.1	1.2	(8.3%)

**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.*

SINGAPORE, 11 August 2016 – Catalist-listed **United Global Limited** ("**United Global**" or the "**Company**", together with its subsidiary, the "**Group**"), an established, Singapore-based independent lubricant manufacturer, reported a net profit attributable to equity holders of US$2.7 million for the half year ended 30 June 2016 ("**1H2016**").

This was achieved on the back of Group revenue of US$42.3 million, which decreased 19.9% as a result of a 16.7% drop in average selling price and a 3.8% dip in sales volume. As such, gross profit was 11.6% lower at US$6.2 million despite an improvement in gross profit margins to 14.5% in 1H2016, from 13.2% in 1H2015.

The Board of Directors is pleased to recommend an interim dividend of 0.5 Singapore cent per share.

Mr Jacky Tan, United Global's Executive Director and CEO, said: "The Group's fundamentals remain resilient, delivering profitability at improved margins notwithstanding the current challenging macro environment. We continue to seek to improve our operational efficiency as well as establish closer relationships with existing customers."

Segment Review

US$'000	1H2016	1H2015	YoY Change
Manufacturing			
Revenue	21,256	24,834	(14.4%)
Gross Profit	5,129	5,735	(10.6%)
Gross Profit Margin (%)	24.1	23.1	1.0 ppt
Trading			
Revenue	21,051	27,978	(24.8%)
Gross Profit	1,020	1,223	(16.6%)
Gross Profit Margin (%)	4.8	4.4	0.4ppt

Manufacturing

Revenue from the manufacturing segment decreased by 14.4% to US$21.3 million in 1H2016 due to a 10.7% decrease in average selling prices as a result of the drop in global crude oil and base oil prices as well as a marginal drop in sales volume of 4.1%.

Gross profit margin increased by 1 percentage point to 24.1% in 1H2016 on lower cost of raw materials. This helped to cushion the fall in gross profit of 10.6% to US$5.1 million in 1H2016.

Trading

Revenue from the trading segment decreased by 24.8% to US$21.1 million in 1H2016 mainly due to a 22.7% decline in average selling price, which was affected by a drop in global crude oil and base oil prices. Overall trading sales volume dipped by 2.7% mainly due to a decrease in purchases from PT Pacific Lubritama Indonesia on lower demand from the latter's OEM customers since third quarter of 2015, though this was partly offset by higher trading volume of lubricants.

Gross profit margin improved by 0.4 percentage point to 4.8% in 1H2016, with gross profit decreased by 16.6% to US$1.0 million in 1H2016.

Financial Position

The Group's financial position remains healthy. As at 30 June 2016, the Group had net assets of US$8.4 million, translating into a net asset value per share of 3.5 US cents, compared with 2.3 US cents as at 31 December 2015. Cash and cash equivalents decreased to US$8.6 million as at 30 June 2016, from US$9.2 million as at 31 December 2015.

Outlook

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.

United Global continues to explore specific opportunities within the core market in the Asia-Pacific region to further expand and diversify its business through investments, acquisitions and/or joint ventures with parties who can provide synergistic value to our existing business, and we will continue to focus on inorganic growth, such as exploring possible collaboration opportunities in Myanmar and Bangladesh as disclosed in our IPO Offer Document.

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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.

Issued on behalf of United Global Limited by:

Waterbrooks Consultants Pte Ltd

Tel: (+65) 6100 2228

Ho See Kim	(M): +65 9631 3602	seekim@waterbrooks.com.sg
Angeline Cheong	(M): +65 9666 0977	angeline@waterbrooks.com.sg

About United Global Limited (www.unitedgloballimited.com)

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.

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 a 44,000MT lubricant blending facility and an in-house laboratory in Singapore. 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 cooperations have also provided us with access to our partners' facilities in other countries.