



## MEDIA RELEASE

For Immediate Release

# United Global posts 18.3% rise in 3Q2018 revenue at US\$26.9M

- *Net profit down 38.3% at US\$1.8M mainly due to absence of one-off gain*
- *Net asset value per ordinary share rose to 10.6 US cents*

(US\$'000)	3Q2018	3Q2017	Change	9M2018	9M2017	Change
<b>Revenue</b>	26,942	22,781	18.3%	82,443	68,596	20.2%
<b>Gross Profit</b>	5,285	4,754	11.2%	15,119	12,621	19.8%
<b>Profit Before Tax</b>	2,254	3,385	(33.4%)	6,179	7,750	(20.3%)
<b>Net Profit Attributable to Shareholders</b>	1,846	2,991	(38.3%)	4,984	6,630	(24.8%)

**SINGAPORE, 9 November 2018** – 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, today posted a 18.3% increase in revenue to US\$26.9 million for the third quarter ended 30 September 2018 (“**3Q2018**”), boosted by contributions from both its core Manufacturing and Trading segments, which rose 16.0% and 131.8% respectively.

However, net profit attributable to shareholders decreased by 38.3% to US\$1.8 million mainly due to absence of gain on bargain purchase of US\$1.4 million from acquisition of PT Pacific Lubritama Indonesia (“**PLI**”) in 3Q2017 and wider foreign exchange losses in 3Q2018. Excluding the non-recurring gain on bargain purchase recorded in 3Q2017, net profit attributable to shareholders would have increased by 13.0% or US\$0.2 million from 3Q2017 to 3Q2018.

For the nine months ended 30 September 2018 (“9M2018”), the Group achieved a net profit attributable to shareholders of nearly US\$5.0 million on a 20.2% increase in Group revenue to US\$82.4 million.

***Said Mr Jacky Tan, United Global’s Executive Director and CEO, “Since the acquisition of our Indonesian unit, the Group has significantly expanded its combined blending capacities in Singapore and Indonesia, thereby raising our competitiveness and profile, and positioning us to tap on more opportunities.”***

### Segment Review

US\$'000	3Q2018	3Q2017	QoQ Change	9M2018	9M2017	YoY Change
<b>MANUFACTURING</b>						
Revenue	25,913	22,337	16.0%	80,273	49,345	62.7%
Gross Profit	5,153	4,712	9.4%	14,880	11,351	31.1%
Gross Profit Margin (%)	19.9	21.1	(1.2 ppt)	18.5	23.0	(4.5 ppt)
<b>TRADING</b>						
Revenue	1,029	444	131.8%	2,170	19,251	(88.7%)
Gross Profit	132	42	214.3%	239	1,270	(81.2%)
Gross Profit Margin (%)	12.8	9.5	3.3 ppt	11.0	6.6	4.4 ppt

### MANUFACTURING

In the latest third quarter of financial year ending 31 December 2018, revenue from the Group’s Manufacturing segment rose 16.0% to US\$25.9 million mainly due to an increase in sales volume from the Group’s Singapore plant, and higher average selling price achieved by its Indonesia plant brought about by a different product mix.

Despite a 9.4% rise in Manufacturing’s gross profit to US\$5.2 million, its gross profit margin declined by 1.2 percentage points due to a difference in product mix and more competitive pricing.

## **TRADING**

A rise in sales volume and average selling price led to a jump in Trading's revenue by 131.8% to US\$1.0 million in 3Q2018. Gross profit increased 214.3% to US\$132,000, generating a 3.3 percentage point increase in gross profit margin to 12.8%.

## **Financial Position**

The Group posted earnings per share of 0.6 US cent in 3Q2018 whilst net asset value per ordinary share rose to 10.6 US cents as at 30 September 2018. Cash and cash equivalents (excluding fixed deposits and restricted cash balances) stood at US\$5.2 million as at 30 September 2018.

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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.*

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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.