



Corporate Presentation FY2018 Results



Sponsor's Statement

*This presentation has been prepared by United Global Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (“**Sponsor**”), 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 presentation.*

This presentation has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this presentation, including the correctness of any of the statements or opinions made, or reports contained in this presentation.

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road #21-00 AIA Tower Singapore 048542, telephone (65) 6232 3210.

Who We Are

- Established in 1999, we are an independent lubricant manufacturer and trader based in Singapore and Indonesia.
- Specialist in automatic transmission fluids (“ATF”) with a comprehensive range of products catered to specific transmission needs.



Singapore



Indonesia

Our Brands and Products



Growing presence

- Acquired 95% of PT Pacific Lubritama Indonesia (PLI) in July 2017
- Entered into JV/strategic partnership with distributors in Taiwan, Myanmar and Australia.
- Added 13 countries to our extensive distribution network to over 30 countries



Indonesia plant



Warehousing facilities

Combined Strength

	Staff Strength	Blending capacity (mt/ year)	Storage Capacity (mt)	Warehouse Space (sqm)	Trucks
Singapore	78	60,000	1,500	>1,300	-
Indonesia	92	80,000	17,000	>4,000	13
Combined	170	140,000	18,500	>5,300	13

Competitive Strengths

1. Established track record as a **reliable** and **responsive** service provider
 - Ability to customize products and production volume at a reasonable price
 - Backed by blending and storage plants as well as laboratories in Indonesia and Singapore
2. Wide **distribution network** to over 30 countries
 - Formed strategic partnerships to strengthen relationship with distributors and suppliers
 - Leveraged on distribution network to diversify eg nanofibre
 - Diversified client base with exposure to automotive, industrial and marine sectors

Financial Highlights

Financial Highlights

Profit and Loss (US\$'000)	4Q2017	4Q2018	% Change	FY2017	FY2018	% Change
Revenue ¹	31,229	26,029	(16.7%)	99,825	108,472	8.7%
Gross profit	5,886	5,361	(8.9%)	18,507	20,480	10.7%
Other income ²	96	76	(20.8%)	1,714	301	(82.4%)
Key expenses:						
- Distribution cost	(767)	(697)	(9.1%)	(2,470)	(2,902)	17.5%
- Administrative exp ³	(2,279)	(1,443)	(36.7%)	(6,837)	(8,158)	19.3%
Net Profit (after tax)	2,542	2,615	2.9%	9,172	7,599	(17.2%)
Overall gross margin (%)	18.8	20.6	1.8pp	18.5	18.9	0.4 pp
Net profit margin (%)	8.1	10.0	1.9pp	9.2	7.0	(2.2 pp)

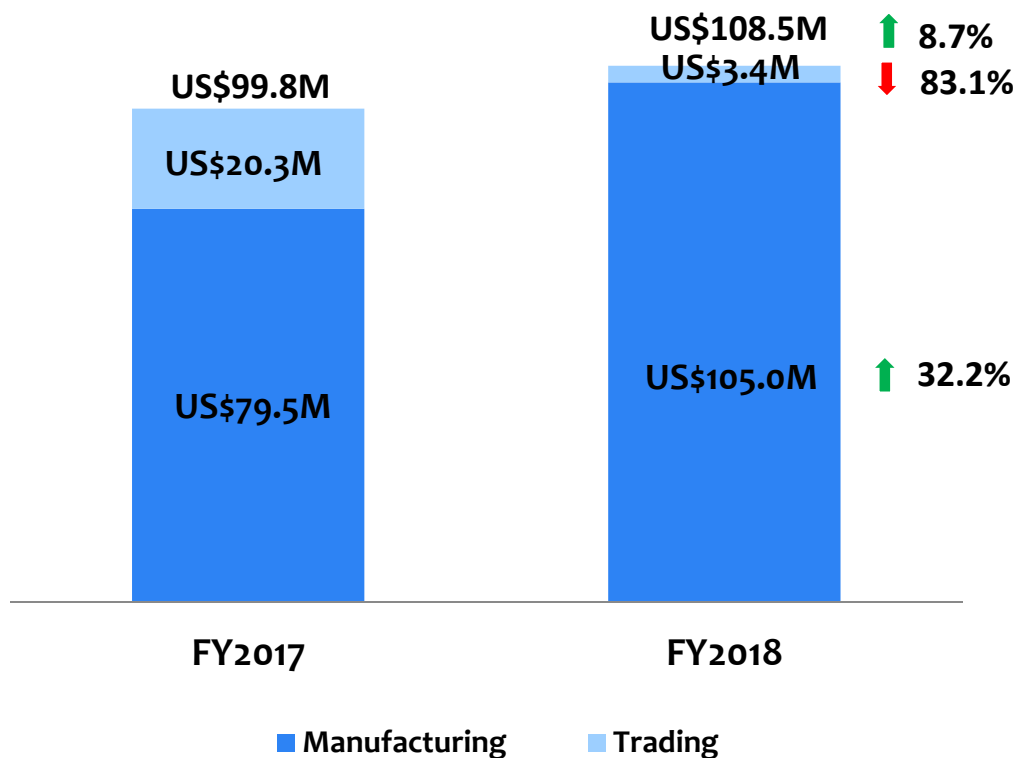
¹ FY2018 results included a 12-months contribution from PLI recorded under manufacturing segment

² FY2017 Other income includes a one-off gain of US\$1.4million from bargain purchase of acquisition PLI

³ FY2018 administrative expenses include a higher foreign exchange loss, mainly due to US\$0.9 million forex loss from our Indonesia plant due to weakening of IDR against USD.

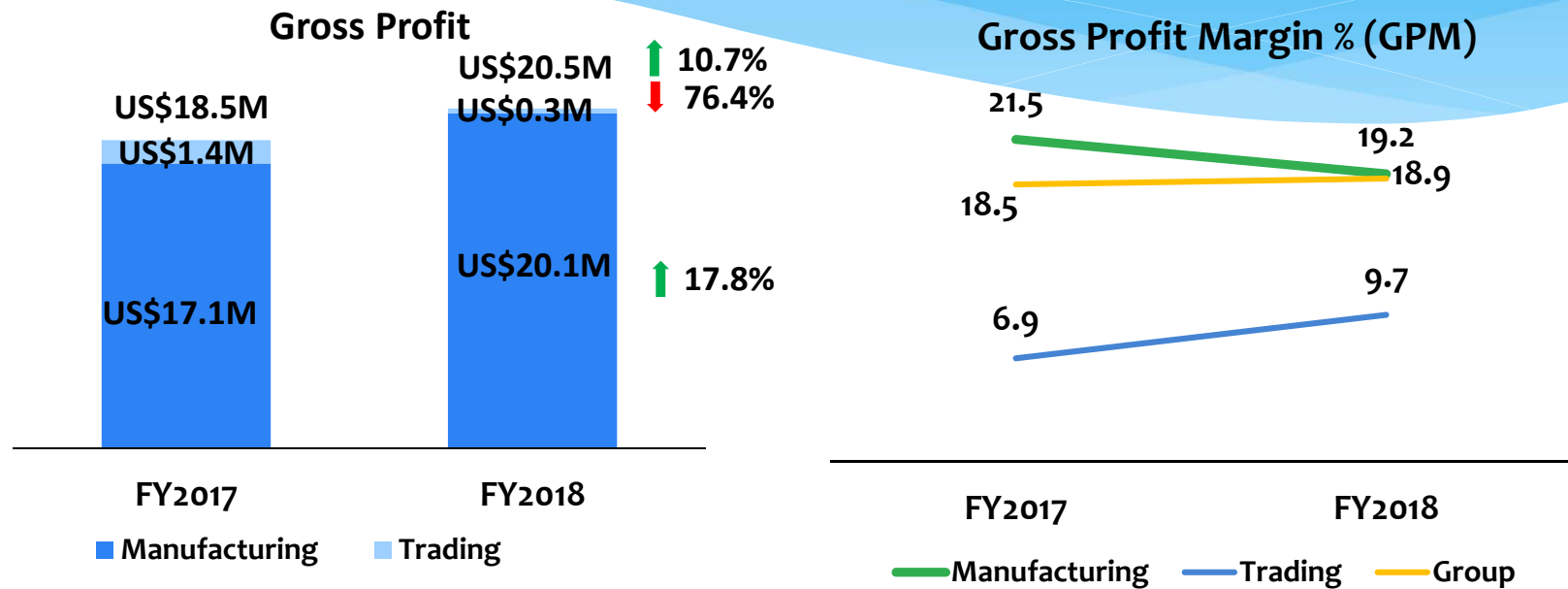
Segmental Review

Revenue



- **Manufacturing** revenue increased by 32.2% to US\$105.0M due to:
 - Increase in sales volume from Group's Singapore plant and 12 months contribution by PLI;
 - Despite a marginal decrease in Average Selling Price ("ASP")
- **Trading** revenue decreased by 83.1% to US\$3.4M due to:
 - Decrease in sales volume as a result of elimination of inter-group base oil and additives cross-selling from Singapore plant to PLI

Segmental Review



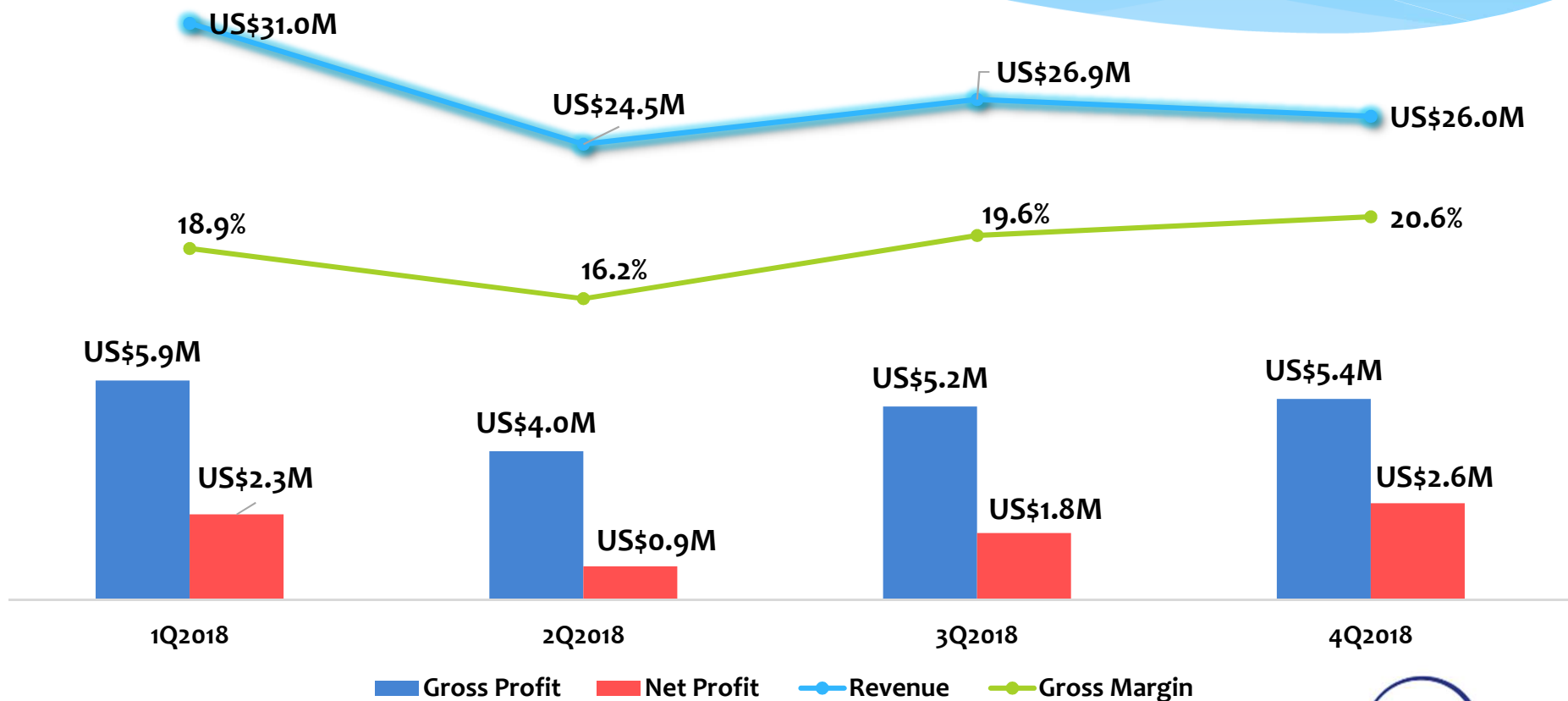
Manufacturing

- Gross profit increased by 17.8% to US\$20.1M; gross profit margin decreased by 2.3 pp to 19.2% mainly due to different product mix, more competitive pricing.

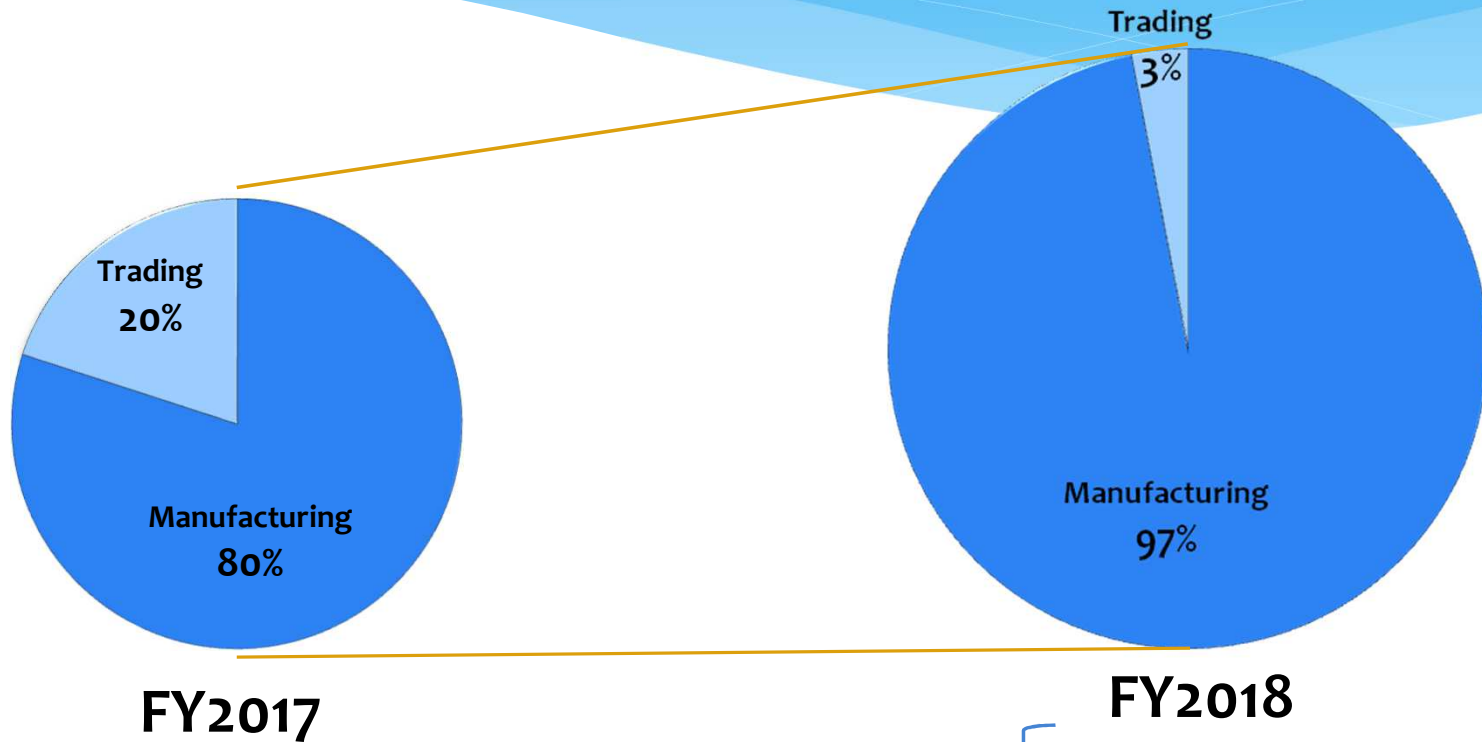
Trading

- Gross profit decreased by 76.4% to US\$333,000; gross profit margin increased by 2.9 pp to 9.7%.

Quarterly Financials



Segmental Review



Majority of revenue in FY2018 derived from Manufacturing segment post PLI acquisition

Balance Sheet

US\$'000	As at 31 December 2017	As at 31 December 2018
Financial Position		
Non-current assets	13,167	14,523
Current assets	43,508	45,172
Non-current liabilities	840	931
Current liabilities	22,178	21,401
Shareholders' equity	32,770	36,452

Other Indicators

	As at 31 December 2017	As at 31 December 2018
NAV per share	10.4 US cents	11.5 US cents
Gross Gearing Ratio	0.3 times	0.2 times
Net Gearing Ratio	Net Cash	Net Cash
	FY2017	FY2018
Earnings per share*	3.1 US cents	2.4 US cents

**Based on weighted average number of shares of 316,211,000 for FY2018 and 297,911,000 for FY2017*

Dividends

- The Board recommends a final dividend of **0.5 Singapore cent** per ordinary share.
- Coupled with interim dividend of **0.5 Singapore cent** paid out earlier in September 2018, the total dividend for FY2018 is **1.0 Singapore cent**.
- Approximately **30% of FY2018 net profits** will be distributed as dividends.

Company Updates & Strategy

Company Updates

- **Dec 2018:** Entered into 45% joint venture with Mr Chee Choon Ming Philip (55%) for trading of petrol and related products in the Philippines. The joint venture company, United Fuels Alliance, supplies fuels exclusively to Philippines.

Company Updates

JV with M-TechX



- Launched nano-fibre products in 3Q2018
- To widen product range and expand into new markets

Our Strategy

Focus on premium markets

- Developed new in-house brand “Ichiro”

M&A & JVs

- Acquisition of PLI
- Partnering distributors in Myanmar, Taiwan and Australia

Diversification

- JV with M-TechX to manufacture nano-fibres

Thank You