



Company Registration No: 200306466G

Company Address: 10 Science Park Road #01-01 The Alpha Singapore 117684

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Immediate Release

United Envirotech Ltd records an increase of revenue by 26.4% to S\$83.8 million for the first quarter

- Revenue up by S\$17.5 million
- Recurring water treatment segment revenue increased 75.6% to S\$36 million
- Membrane sales increased to S\$9.5 million

Singapore, 31 July 2015 – Mainboard-listed United Envirotech Ltd, a leading membrane-based water treatment solutions provider reported a 26.4% increase year-on-year (yoy) in revenue of S\$17.5 million to S\$83.8 million for the first quarter ended 30 June 2015.

Financial Highlights

	1 April to 30 June 2015 (S\$ 'Mil)	1 April to 30 June 2014 (S\$ 'Mil)	Change (S\$ 'Mil)	Change (%)
- Engineering	38.3	38.4	(0.1)	(0.3)
- Treatment	36.0	20.5	15.5	75.6
- Membrane	9.5	7.4	2.1	28.4
Total Revenue	83.8	66.3	17.5	26.4
Net profit for the period	3.7	22.7	(19.0)	(83.7)
Adjusted for one-off items:				
One-off fees relating to the General Offer by CKM	6.5	-	6.5	N/m
One-off gain on disposal of AFS	-	(14.2)	(14.2)	N/m
Net profit adjusted for one-off items for the period	10.2	8.5	1.7	20.0



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Revenue from the recurring water segment increased 75.6% yoy, representing an increase of S\$15.5 million to S\$36 million. The group also benefited from 28.4% increase in membranes sales from S\$7.4 million to S\$9.5 million.

After adjustment for one-off items, the Group generated a net profit of S\$10.2 million as compared to S\$8.5 million for the last corresponding period ended 30 June 2014, representing an increase of S\$1.7 million or 20.0%. The adjustment for one-off items pertained to one-off expenses relating to the General Offer by CKM (Cayman) Company Limited and one-off gain on disposal of shares of Memstar Technology Limited.

Outlook

The outlook for the water treatment sector in China remains positive and vibrant given the recent increasing policy emphasis on enhanced water quality, strict enforcement and punitive measures for non-compliance.

Following the close of the Voluntary General Offer in April 2015, CITIC Environment Investment Group Co., Ltd ("CITIC Environment") and KKR China Water Investment Holdings Ltd ("KKR") are major shareholders of UEL.

CITIC Limited is one of the largest companies in the Hang Seng Index. Its businesses include financial services, resources and energy, manufacturing, engineering contracting, real estate and infrastructure, making us China's largest conglomerate enterprise. Taken together, its businesses are an excellent reflection of China's economy.

Over the past 35 years, CITIC has been a pioneer in China's economic reform. With leading market positions and expertise in the industries in which it operates, they are well-equipped to continue to capture opportunities arising from China's growth. They are committed to the highest standards of corporate governance, and will continue to strive to meet international best practice, and growth in shareholder value.

As of 31 December 2014, CITIC Limited had total assets of approximately HK\$ 6 trillion and total equity attributable to ordinary shareholders of HK\$418 billion.

For CITIC, the stewardship of natural resources and environmental protection are of great significance to China's sustainable development, and this is one of the strategic areas that CITIC plans to actively explore and develop. CITIC Environment's investment in UEL provides a powerful platform for developing China's water and wastewater treatment sector.

With CITIC's intention to channel all its future water treatment projects through UEL, the Company is poised to make a bigger impact in the water and wastewater treatment sector.

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About United Envirotech Ltd.

United Envirotech (“UEL”, “Group”) is a leading membrane technology-based integrated environmental solutions provider which specialised in the manufacturing of high quality membrane products and the application of membrane technologies for water and wastewater treatment and recycling. Its principal activities include design, fabrication, installation and commissioning of water and wastewater systems using its proprietary advanced membrane technologies such as the Membrane Bioreactor (MBR) technology. UEL has designed and built several of the largest industrial wastewater treatment plants in Asia using the MBR technology. UEL undertakes both turnkey and water investment projects (TOT/BOT/BOO), as well as provides treatment plant operation and maintenance services. Through its wholly-owned subsidiary, Memstar Pte Ltd, the Group is one of the largest PVDF hollow fibre membrane manufacturers in the world.

UEL serves a strong prominent customer base such as petrochemical giants like China Petrochemical Corporation (“Sinopec”), China National Petroleum Corporation (“CNPC”), China National Offshore Oil Corporation (“CNOOC”), industrial parks and municipalities.

In August 2011, KKR became a strategic investor of UEL after injecting a US\$113.8 million convertible bond investment and follow-on equity investment of US\$40 million in January 2013. KKR is a leading global investment firm with about US\$ 99.1 billion in assets under management as at March 2015.

In April 2015, CITIC joined KKR as a strategic investor of UEL and became its largest shareholder after making a joint voluntary unconditional offer with KKR. CITIC is one of China’s largest conglomerate and state owned enterprise which has its businesses in multiple sectors, including financial services and engineering contracting in China.

UEL was listed on SGX Mainboard on 22 April 2004.

For more information, please log on www.unitedenvirotech.com

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