



United Envirotech Ltd

## MEDIA RELEASE

Company Registration No: 200306466G  
 Company Address: 10 Science Park Road #01-01 The Alpha Singapore 117684  
 Tel: (65) 6774 7298 Fax: (65) 6774 8920

### Immediate Release

## United Envirotech's net profit increases 182.4% to S\$3.1 million in 2QFY2010

- Revenue increased 25.2% to S\$11.3 million in 2QFY2010 on higher engineering and recurring income
- Order-book stood at S\$160.0 million as at 5 November 2009 to be delivered within 18 months
- To continue focus on membrane-based industrial wastewater treatment projects to generate higher profit margin and municipal wastewater investments to improve recurring income

**Singapore – 5 November 2009** – Mainboard-listed United Envirotech Ltd. (“United Envirotech”, “UEL”, “the Group”, or “联合环境技术有限公司”), a leading membrane-based water and wastewater treatment solutions provider, is pleased to announce an improved set of results in the three months ended 30 September 2009 (“2QFY2010”) with a 182.4% year-on-year (yoy) increase in net profit amounting S\$3.1 million. The Group also recorded a 25.2% yoy increase in revenue amounting S\$11.3 million. The improved set of results in 2QFY2010 was mainly due to higher engineering and recurring income for the period.

### 2QFY2010 Financial Review

Description (S\$'000)	2QFY2010	2QFY2009	(+/-) %	1HFY2010	1HFY2009	(+/-) %
Revenue	11,289	9,018	+25.2%	20,134	23,240	-13.7%
Materials purchased, consumables used and subcontractors' fees	(4,294)	(5,122)	-16.2%	(9,121)	(15,319)	-40.5%
Other operating expenses	(1,919)	(1,210)	+58.6%	(3,104)	(2,955)	+5.0%
Profit before income tax	3,457	1,290	+168.0%	4,780	2,771	+72.5%
Net profit for the period	3,112	1,102	+182.4%	4,210	2,467	+70.7%
Earnings per share (Sing cents)	0.78	0.28	+178.6%	1.06	0.67	+58.2%

Revenue from engineering projects accounted S\$8.1 million or 71.7% of 2QFY2010 revenue, while recurring income from wastewater treatment contributed S\$3.2 million or 28.3% of 2QFY2010 revenue.



**United Envirotech Ltd**

## **MEDIA RELEASE**

**Company Registration No: 200306466G**

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

**Tel: (65) 6774 7298 Fax: (65) 6774 8920**

In line with a higher proportion of revenue recognised from the design stage of the newly secured contracts as compared to a higher proportion of revenue recognised from the construction and installation of the projects during the previous period, the Group recorded a 16.2% yoy decrease in materials purchased, consumables used, and subcontractors' fees to S\$4.3 million in 2QFY2010 from S\$5.1 million in 2QFY2009.

Due to new contracts secured during the period, the Group incurred higher costs associated with design fees and pilot testing. As such, other operating expenses saw a 58.6% yoy increase to S\$1.9 million from S\$1.2 million in 2QFY2009.

The Group turned in a net profit for the period of S\$3.1 million in 2QFY2010, representing a 182.4% yoy increase. Earnings per share correspondingly increased yoy by 178.6% to Sing 0.78 cents, as compared to Sing 0.28 cents in 2QFY2009.

### **Strategy of Expanding into Water and Wastewater Investments**

With signs that the global economic environment is gradually moving towards the recovery phase, the Group expects the operating environment to improve in the few quarters ahead.

**Dr. Lin Yucheng, Chairman and Chief Executive Officer of United Envirotech, elaborates:**  
**“Despite the slower operating environment, we are pleased to be able to secure a slew of contracts over the past few months that are both sizeable in value and treatment capacity.**

**To date, we have a total of 7 water and wastewater investment projects with aggregate treatment capacity of over 650,000m<sup>3</sup> per day. On top of this, we managed to secure the contract from the Guangzhou municipal government to build the largest municipal MBR (Membrane Bioreactor) plant in China worth RMB264 million. It is a milestone project for us as it is also the largest MBR project ever undertaken by United Envirotech.**

**As we further strengthen our foothold in water and wastewater investments, we expect to replicate our success in MBR in the industrial sectors to the municipal sectors.”**

While the Group will continue to focus on its strength in membrane-based industrial wastewater treatment to generate higher profit margin, the Group intends to seek for opportunities to build or acquire more municipal wastewater investments to improve recurring income.



**United Envirotech Ltd**

## **MEDIA RELEASE**

**Company Registration No: 200306466G**  
**Company Address: 10 Science Park Road #01-01 The Alpha Singapore 117684**  
**Tel: (65) 6774 7298 Fax: (65) 6774 8920**

As at 5 November 2009, the Group has an order-book of S\$160.0 million to be delivered within 18 months.

**END**

### **About United Envirotech Ltd.**

United Envirotech ("UEL") is a leading membrane-based water and wastewater treatment and recycling solutions provider in China's chemical, petrochemical and industrial park sectors. Its principle 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.

The Group's membrane systems are also used in other industries such as pharmaceutical, food & beverage and textile & dye staff industries. UEL undertakes both turnkey and water investment projects (TOT/BOT/BOO), as well as provides treatment plant operation and maintenance services.

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") and Sembcorp Industries in Singapore etc.

UEL was listed on SGX Mainboard on 22 April 2004.

For more information, please log on [www.unitedenvirotech.com](http://www.unitedenvirotech.com)

---

**Issued for and on behalf of United Envirotech Ltd.**

**By Financial PR Pte Ltd**  
**For more information please contact:**  
**Kathy, ZHANG**  
**Rachel, HO**  
[Staff@financialpr.com.sg](mailto:Staff@financialpr.com.sg)  
**Tel: (65) 64382990 Fax: (65) 64380064**