



United Envirotech Ltd

MEDIA RELEASE

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United Envirotech wins RMB220 million project to build membrane bioreactor plant in Dafeng City, China

- Second Build-Operate-Transfer (“BOT”) membrane bioreactor plant in Dafeng City, Jiangsu Province, China
- Phase 1 of project scheduled for completion within 9 months
- Strategic partnership with KKR to spur growth and further fortify the Group’s position as one of the top membrane based wastewater treatment technology providers

Singapore – 16 August 2011 – Mainboard-listed United Envirotech Ltd. (“United Envirotech”, “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 that it has been awarded a contract worth RMB220 million (approx. S\$42million) to develop a 50,000m³/day wastewater treatment plant for an industrial park in Dafeng City, Jiangsu Province, China. This project marks the second BOT investment that the Group has made in Dafeng City.

Scheduled for completion within 9 months, phase 1 of the project involves the construction of a 10,000m³/day membrane bioreactor plant. The Group will fund the investment through a combination of proceeds from the last share placement and bank financing.

Chairman and Chief Executive Officer of United Envirotech, Dr. Lin Yucheng, elaborates on the contract win: *“Our successful completion of our first project in Dafeng city has won us recognition for our technology and capability from the local authorities and positioned us favourably against other bidders for the project. We are confident in the prospects of Dafeng city as we have seen the tremendous progress made in Dafeng city over the years. The utilisation rate of our existing plant has been consistent and we have seen good return on our investment.”*

Earlier this month, the Group announced that it has entered into a purchase agreement with Kohlberg Kravis Roberts & Co. L.P. (together with its affiliates, “KKR”), a leading global investment firm with US\$ 61 billion in assets under management, for a US\$113.8 million convertible bond investment. The 2.5% coupon convertible bond investment will have five-year tenure and could be converted into equity shares at a conversion price of S\$0.450 per share.

Dr Lin. Yucheng comments on the KKR convertible bond investment: *“The strategic partnership with KKR highlights the importance of the high-growth water sector in China to both companies. By combining United Envirotech’s advanced membrane technology and strong track record in China, with KKR’s entrenched global network, strong operational capabilities and extensive local knowledge - together, we form a powerful platform to accelerate investments in developing critical infrastructure to contribute towards China’s push for clean, safe and affordable water.*



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We are excited about the opportunities ahead as we expect this partnership to spur our growth and further fortify our position as one of the top membrane based wastewater treatment technology providers.”

Industry Outlook

In recent years, China has placed strong emphasis on mitigating the environmental, economic, and social costs of unchecked development. This profound shift in priorities has elevated environmental sustainability to the top of the national agenda. China, according to official reports, intends to double the annual investment in water conservancy projects from US\$30.4b in 2010 to US\$60.8b in 2011 and sustain at this level of investment, annually for the next 10 years. With proven track record in China, the Group is confident of capturing the growth potential of the burgeoning water treatment industry.

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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 and the Taiwan Stock Exchange on the 22 October 2010.

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

Issued for and on behalf of United Envirotech Ltd.
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