



United Envirotech Ltd

## MEDIA RELEASE

Company Registration No: 200306466G

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# United Envirotech boosts China presence with 40.0% stake in Maxrise Envirogroup for RMB100 million

- Maxrise holds equity interests in 4 wastewater treatment plants at an aggregate treatment capacity of 170,000 m<sup>3</sup>/day
- Acquisition presents opportunities for Group to expand its portfolio of water treatment plants and to establish presence in new geographical regions in China

**Singapore – 31 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 acquired a 40.0% stake in Maxrise Envirogroup Limited (“Maxrise”) for RMB100 million (approx. S\$18.9 million<sup>1</sup>). Through the acquisition, the Group will hold equity interests of 4 water treatment plants in Bazhou, Mengzhou and Jiangle cities, China. Upon completion of the second phase of expansion for the Mengzhou Shengfang municipal wastewater treatment plant at 25,000 m<sup>3</sup>/day; the aggregate treatment capacity of the 4 water treatment plants will reach 170,000 m<sup>3</sup>/day.

The other 60.0% of the Maxrise is held by Memstar Technology Ltd. (“Memstar”), an SGX- listed company that specializes in the manufacture and application of hollow fiber membranes and membrane products.

**Chairman and Chief Executive Officer of United Envirotech, Dr. Lin Yucheng, elaborates on the acquisition:** *“Maxrise Envirogroup is a strategic investment as it presents opportunities for the Group to expand its portfolio of water treatment plants and establish presence in 3 new cities in China. We look forward to potential upgrading and recycling prospects in these plants using our membrane technology. I believe there will be significant synergy between the Group and Memstar in developing efficient and cost-effective membrane technology based solutions.*”

*“In addition to ongoing operations, the Group will continue to keep a look out for strategic business alliances that will expand the existing portfolio and enhance profitability.”*

Assuming that the acquisition was completed on the Group’s financial year ended 31 March 2011, the NTA per share for FY2011 will stand at 29.45 Singapore cents compared with 29.15 Singapore cents registered before the acquisition.

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<sup>1</sup> Based on RMB/S\$ exchange rate of 5.30



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The acquisition will be funded by a combination of bank borrowings, internal resources and proceeds from the fund raising exercise.

**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 and the Taiwan Stock Exchange on the 22 October 2010.

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

### **About Maxrise Envirogroup Ltd.**

Maxrise Envirogroup ("Maxrise") is a company incorporated in Hong Kong, which owns 100% of Maxrise Water. Maxrise is majority held (60%) by Memstar Technology Ltd.. The principal activity of Max is investment holding.

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**Issued for and on behalf of United Envirotech Ltd.**  
**By Financial PR Pte Ltd**

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