

Immediate Release

**United Envirotech to Acquire Memstar's Business and Assets
for S\$293.4 Million**

- **Strengthen UEL and Memstar's market position and competitiveness**
- **Synergistic partnership to create compelling value for shareholders**
- **Acquisition to be funded through shares and cash**

Singapore and Taiwan, 29 July 2013 – Main board-listed United Envirotech Ltd. (“UEL”) and Memstar Technology Ltd. (“Memstar”), jointly announced today that UEL has entered into a sale & purchase agreement to acquire a 100% stake in Memstar Pte. Ltd. (“MPL”), a wholly owned subsidiary of Memstar, and certain assets from Memstar, for a total consideration of S\$293.4 million.

UEL is a leading membrane-based water treatment solution provider. UEL's principle activities involve the provision of water treatment solutions using its proprietary advanced membrane technologies, such as the Membrane Bioreactor (MBR) technology and the Continuous Membrane Filtration (CMF) technology.

Memstar is one of the leading manufacturers and suppliers of polyvinylidene fluoride (“PVDF”) hollow fibre membrane and membrane products, with a global presence. Listed on SGX Mainboard in 2007, Memstar is equipped with strong R&D capabilities and has manufacturing facilities in Singapore and China. It's membrane products have been used extensively by UEL in its water and wastewater treatment projects. Memstar's superior product quality is recognized by international customers from Asia, the Middle East, Europe and the United States.

The acquisition will make the combined entity a vertically integrated water solutions provider with enhanced competitiveness to capture the opportunities in the fast growing membrane-based water and wastewater treatment industry, leveraging on both Memstar's proprietary membrane technologies and UEL's strong engineering and marketing capabilities in China and the global market. UEL had previously acquired a 13.2% stake in Memstar, in January 2013.

Dr Lin Yucheng, Chairman and CEO of UEL said, “The transaction marks a new milestone for both companies. Memstar has been a long term supplier and partner of UEL and we believe that the combination of the two companies will ensure higher quality water treatment solutions and sharpen our competitive edge to give better service and bring better value to our customers. We look forward to working closely with the Memstar management team to capture the enormous growth opportunities, particularly in China's environmental and water treatment sector. ”



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Dr. Ge Hailin, CEO of Memstar commented, “We are delighted by the combination of the two companies. I strongly believe that this transaction will create a win-win situation for both UEL and Memstar. Our membrane manufacturing business will benefit from UEL’s strong customer networks and extensive water plant portfolio in China and we can significantly strengthen UEL’s R&D capabilities especially in the fast growing membrane-based water treatment market. We believe this synergistic alliance will yield compelling value for both of our shareholders.”

25% of the consideration will be satisfied by way of approximately S\$73.4 million in cash and the balance 75%, or S\$220.1 million, through the issuance of approximately 200.1 million UEL shares, at S\$1.10 per share.

The transaction will be subject to the approval of the shareholders of both UEL and Memstar. Each company will despatch a circular detailing the investment to its shareholders, followed by an extraordinary general meeting to be held on a date to be determined. For more information on the acquisition, shareholders may refer to the SGXNET announcement released on July 29 2013.

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About Memstar Technology Ltd.

Memstar (“MTL”) specialises in the research and development, manufacture and application of polyvinylidene fluoride (“PVDF”) hollow fibre membrane, membrane products and systems and is also a water and wastewater treatment solutions provider. Headquartered in Singapore, MTL is equipped with strong R&D capabilities and has technologically advanced manufacturing facilities located in Singapore, Guangzhou and Mianyang, China. MTL is one of the few manufacturers of high performance PVDF hollow fibre membranes in the world and one of the leading manufacturers and suppliers of PVDF hollow fibre membrane and membrane products.

Memstar Pte Ltd (“MPL”) is the wholly-owned subsidiary of MTL.

For more information, please visit: www.memstar.com.sg

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.

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.

For more information, please visit: www.unitedenvirotech.com

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