

(Company Registration Number: 200306466G)

INCREASE IN INVESTMENT IN UNITED ENVIROTECH (DAFENG) CO LTD

The Board of Directors of United Envirotech Ltd ("the Company") is pleased to announce that the Company has increased its investment in its wholly-owned subsidiary, United Envirotech (Dafeng) Co Ltd ("Dafeng") by an additional USD 2 million. Subsequent to the increase, the total paid up capital of Dafeng is USD 12 million.

The additional investment of USD 2 million in the capital of Dafeng is funded from the proceeds received from the previous issuance of convertible bonds and ordinary shares to KKR China Water Investment Holdings Limited ("KKR").

That above transaction is not expected to have any material effect on the net tangible assets per share or earnings per share of the Company for the financial year ending 31 March 2014.

None of the directors or substantial shareholders of the Company has an interest, direct or indirect in the above transaction.

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua Company Secretary

31 July 2012