



**United Envirotech Ltd**

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 water treatment revenue jumps 117.0% to S\$20.2 million for 3Q2014**

- **EBITDA from recurring water treatment business segment increased 140.9% to S\$10.6 million for 3Q2014**
- **Revenue of S\$64.3 million and net profit of S\$9.3 million for 3Q2014**

**Singapore, 13 February 2014** – Mainboard-listed United Envirotech Ltd. (“United Envirotech” or “the Group”), a leading membrane-based water treatment solutions provider, recorded a net profit of S\$9.3 million for its third quarter ended 31 December 2013 (“3Q2014”) on the back of 23.0% increase in revenue to S\$64.3 million. Net profit for the nine months of financial year 2014 (“9M2014”) reached S\$22.8 million.

Revenue from the recurring water treatment business segment, jumped 117.2% year-on-year (“yoy”) from S\$9.3 million to S\$20.2 million. Earnings before interest, tax, depreciation and amortization (“EBITDA”) for the recurring water treatment business segment increased 140.9% from S\$4.4 million a year ago to S\$10.6 million for 3Q2014.

Finance costs for 3Q2014 increased 32.8% yoy to S\$4.7 million largely due to the finance costs relating to the convertible bonds and interest expense on the bond issued during the period. During the quarter under review, other operating expenses increased 89.7% yoy to S\$10.2 million largely due to higher operating expenses incurred for the operation and maintenance of new treatment plants and increase in share option expense.



**United Envirotech Ltd**

Company Registration No: 200306466G

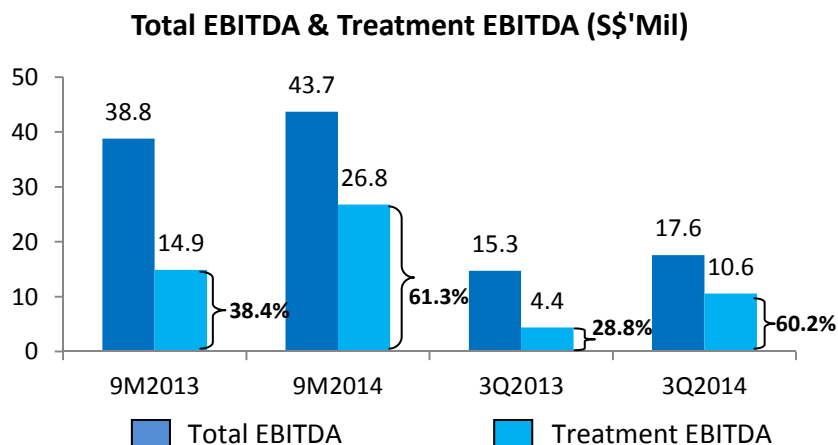
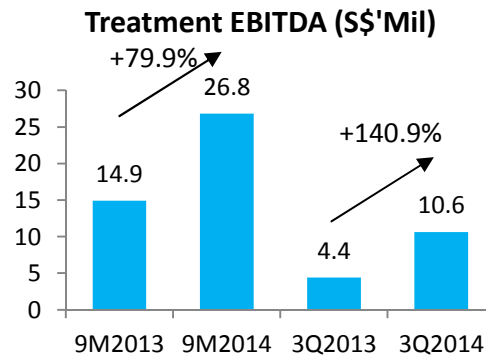
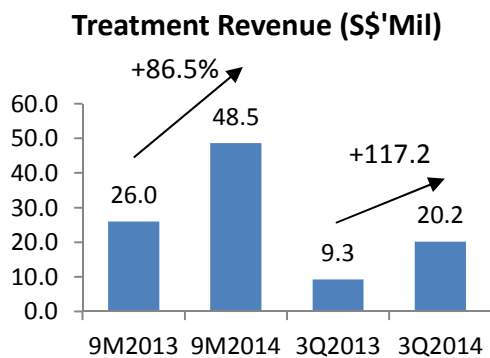
Company Address: 10 Science Park Road #01-01 The Alpha Singapore 117684

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

**Financial Highlights**

(S\$ 'Mil)	3Q 2014	3Q 2013	Change (%)	9M 2014	9M 2013	Change (%)
<b>Revenue</b>	64.3	52.3	23.0	160.3	138.2	16.0
- <b>Engineering</b>	44.1	43.0	2.6	111.8	112.2	(0.36)
- <b>Treatment</b>	20.2	9.3	117.2	48.6	26.0	86.5
<b>Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")</b>	17.6	15.3	15.0	43.7	38.8	12.7
<b>Net profit for the period</b>	9.3	9.1	2.3	22.8	23.4	(2.5)

**Significant Improvements from Recurring Water Treatment Business Segment**





**United Envirotech Ltd**

**Company Registration No: 200306466G**

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

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

### **Outlook**

The Group continues to expand its stable and recurring treatment income and it believes that there are opportunities for TOT/BOT/BOO investment projects in China. The Group will actively seek suitable engineering and investment projects.

During the Extraordinary General Meeting on the 12 February 2014, the Group has sought approval from its shareholders for the acquisition of the business, assets and principal subsidiary of Memstar Technology Limited (“Memstar”). Post-acquisition, the Group will become a vertically integrated water solutions provider with the ability to offer one-stop solutions to its customers.

**“With the in-house R&D capabilities and technical expertise in membrane, we are able to respond timely and provide technical advice and after sales services to our customers. This will give us a competitive edge to procure more large-scale projects going forward.**

**Apart from securing a stable supply of membrane for our projects, we also foresee good sales prospect from the recurring replacement demand of membranes and the international Original Equipment Manufacturing (“OEM”) market. This would potentially be another source of recurring income for the Group.”**

**Dr Lin Yucheng, Chairman and CEO**

**- END -**



**United Envirotech Ltd**

**Company Registration No: 200306466G**

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

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

## **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 principal 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 stuff 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.

In August 2011, KKR became a strategic investor of UEL after injecting a US\$113.8 million convertible bond investment and follow-on equity investment of US\$40 million. KKR is a leading global investment firm with about US\$78.3 billion in assets under management as at end March 2013.

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:**

**Jasmine, LEONG**

**Yit Sung, NGO**

**[Staff@financialpr.com.sg](mailto:Staff@financialpr.com.sg)**

**Tel: (65) 64382990 Fax: (65) 64380064**