

UNITED ENVIROTECH LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200306466G)
(the “**Company**”)

- (1) **PRE-CONDITIONAL VOLUNTARY OFFERS BY ROTHSCHILD (SINGAPORE) LIMITED FOR AND ON BEHALF OF CKM (CAYMAN) COMPANY LIMITED, FOR UNITED ENVIROTECH LTD.; AND**
- (2) **PROPOSED PLACEMENT OF 30,303,031, 60,606,061 OR 90,909,091 ORDINARY SHARES IN THE CAPITAL OF UNITED ENVIROTECH LTD. AT THE PLACEMENT PRICE OF S\$1.65 PER SHARE**

APPOINTMENT OF ERNST & YOUNG CORPORATE FINANCE PTE LTD AS INDEPENDENT FINANCIAL ADVISOR

1. INTRODUCTION

The Board of Directors of the Company (the “**Directors**”) refers to the announcement made by the Company (the “**Announcement**”) on 12 November 2014 relating to:

- (a) the pre-conditional voluntary offers (the “**Offers**”) by Rothschild (Singapore) Limited for and on behalf of CKM (Cayman) Company Limited (the “**Offeror**”) for:
 - (i) all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”) other than those already owned, controlled or agreed to be acquired by the Offeror in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 15 of The Singapore Code on Take-overs and Mergers (the “**Code**”); and
 - (ii) all the convertible bonds (the “**Convertible Bonds**”) due 2016 held by KKR China Water Investment Holdings Limited (“**KKRCW**”) in accordance with Rule 19 of the Code; and
- (b) the proposed placement of 30,303,031, 60,606,061 or 90,909,091 ordinary shares (the “**Placement Shares**”) in the capital of the Company at the placement price of S\$1.65 per Placement Share to the Offeror (the “**Proposed Placement**”).

Capitalised terms not otherwise defined in this announcement shall bear the same meaning as in the Announcement. As stated in the Announcement, each of the Shareholders and the Bondholder should note that the Offers will not be made unless and until satisfaction or waiver (as the case may be) of the Offer Pre-Conditions have occurred. Accordingly all references to the Offers in this announcement refer to the possible offers which will only be made if and when the Offer Pre-Conditions are satisfied or waived (as the case may be).

2. INDEPENDENT FINANCIAL ADVISER

The Company wishes to announce that it has appointed Ernst & Young Corporate Finance Pte Ltd (“**EYCF**”) as:

- (a) the independent financial adviser to advise the Directors who are considered independent under the Code (“**Independent Directors**”) for the purposes of the Offers on the Offers;
- (b) the independent financial adviser to advise the Directors on whether the terms of the Key Management Shareholders’ Agreements¹ are fair and reasonable; and
- (c) the independent financial adviser to advise the Directors on whether the Proposed Placement of the Placement Shares to the Offeror is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders (“**IFA Opinion For The Placement**”).

With respect to the Offers and the Key Management Shareholders’ Agreements, the circular containing the advice of EYCF to the Independent Directors on the Offers and the Key Management Shareholders’ Agreements and the recommendation of the Independent Directors on the Offers will be sent to Shareholders within 14 days of the date of despatch of the Offer Document to be issued by the Offeror in connection with the Offers.

With respect to the Proposed Placement, the circular containing the terms of the Proposed Placement and the IFA Opinion For The Placement will be despatched by the Company to Shareholders in due course.

IN THE MEANTIME, SHAREHOLDERS AND THE BONDHOLDER ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES OR CONVERTIBLE BONDS HELD BY THEM (AS THE CASE MAY BE) OR OTHERWISE REFRAIN FROM TAKING ANY ACTION IN RELATION TO THE SHARES OR CONVERTIBLE BONDS HELD BY THEM (AS THE CASE MAY BE) WHICH MAY BE PREJUDICIAL TO THEIR INTERESTS, UNTIL THEY OR THEIR PROFESSIONAL ADVISERS HAVE CONSIDERED THE INFORMATION AND THE RECOMMENDATIONS OF THE INDEPENDENT DIRECTORS AS WELL AS THE ADVICE OF EYCF SET OUT IN THE RELEVANT CIRCULARS TO BE ISSUED IN DUE COURSE, AND HAVE SOUGHT APPROPRIATE INDEPENDENT ADVICE WHEN DEALING IN THEIR SHARES OR CONVERTIBLE BONDS (AS THE CASE MAY BE).

3. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (other than those relating to the Offeror and KKRCW) are fair and accurate and that, where appropriate, no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

¹ As defined in the announcement dated 12 November 2014 by Rothschild, for and on behalf of the Offeror, in relation to the Offers.

By Order of the Board

Dr Chong Weng Chiew

Executive Director

19 November 2014