



United Envirotech Ltd

(Company Registration Number: 200306466G)

United Envirotech and CNOOC signed Framework Agreement to Set Up a JV to invest RMB 1 billion for an integrated wastewater treatment facility for CNOOC's Petrochemical Hub in Guangdong, PRC

The Board of Directors of United Envirotech Ltd. ("UEL" or "Company") is pleased to announce that the Company has signed a Framework Agreement (Agreement) on 26 March, 2015 with China National Offshore Oil Corporation (CNOOC) to set up a 49%:51% joint venture (JV) company in China.

The CNOOC Group is the largest producer of offshore crude oil and natural gas in China and is one of the largest independent oil and gas exploration and production companies in the world. The Group mainly engages in exploration, development, production and sale of oil and natural gas.

The main businesses of the JV is to provide comprehensive services including investment, consultation, design, construction and operation of wastewater treatment, recycling and desalination facilities to meet the water treatment needs arising from CNOOC Group's existing and upcoming RMB 40 billion new petrochemical complex at Huizhou City in China's Guangdong Province. There are more than 19 direct and associated CNOOC companies located in the complex. The JV is expected to invest RMB 1 billion to construct a new wastewater treatment facility for the new complex and to acquire and integrate some existing treatment facilities.

UEL was awarded the Engineering Procurement Construction (EPC) contract to construct the wastewater treatment plant for the first phase of CNOOC Huizhou's petrochemical complex in 2007. The wastewater treatment plant was based on UEL's advanced membrane bioreactor (MBR) technology and has been treating refinery wastewater from CNOOC's refinery located on the complex. UEL has been providing operating and maintenance (O&M) service for the plant since 2009.

"We worked closely with CNOOC during the construction of Phase 1 of the petrochemical complex, which was CNOOC's first and largest on-shore investment then. The new integrated wastewater treatment facility will provide a total wastewater solution for the petrochemical complex. The successful construction and operation of the first MBR plant has demonstrated our technical capability. This Agreement will strengthen our partnership with CNOOC and we believe our JV will be able to provide holistic and long term services to the CNOOC Group to meet their total water needs." Said Dr Lin Yucheng, Chairman and CEO of United Envirotech Ltd.

This is the third major JV the Company has set up with strategic partners in recent months. On 9 October 2014, UEL entered into a JV agreement with Chengdu Xingrong Investment Co. Ltd (成都兴蓉投资股份有限公司), a Shenzhen Stock Exchange Listed China water SOE with market capitalization of over RMB17 billion (SGD3.7 billion) to undertake membrane-based water and wastewater treatment projects. On 24 November, 2014, the Company inked a JV agreement with Beijing Drainage Group Co. Ltd, the leading water player in Beijing city with asset more than RMB 15 billion(SGD3.3 billion) to set up a membrane product assembly plant in Beijing. The Company will continue with the strategy to work with partners to expand its market exponentially.

The design and construction of the new wastewater treatment facility is expected to be completed within 2 years and the acquisition of the existing treatment facilities will be done in phases.

None of the Directors and controlling Shareholders has any interest, direct and indirect (other than through their shareholdings in the Company) in the project.

For and on behalf of the Board

Dr Lin Yucheng
Chairman and CEO
27 March 2015