

ASX RELEASE | De.mem Limited (ASX:DEM)

De.mem receives first commercial order for domestic water filters in Singapore

26 February 2019: Water and wastewater services and technology company De.mem Limited (ASX:DEM) (the "Company") is pleased to report a maiden commercial order for the first 50 domestic "point of use" water filters from an established Singapore-based distributor of water filtration products.

While not material in revenue terms, it is a major milestone for the Company as it confirms the commercial acceptance of the product and the underlying technology into a very large market for residential water filters in the Asia-Pacific region.

The market for domestic 'point of use' filter systems is estimated at US\$19.9 billion annually worldwide during 2018¹. The Asia-Pacific region accounts for the largest share, followed by North America and Europe.

De.mem introduced this Singapore-manufactured proprietary product line in Q3 2018 so the time to first commercial sales is very noteworthy. The filters come as cartridges which contain proprietary hollow fiber membrane technology to treat tap or municipal water prior to domestic consumption. They are installed as a 'point of use' solution, e.g., under a kitchen sink where they purify water prior to it leaving the domestic tap.

Hollow fiber membrane technology is the key process step in removing large amounts of suspended solids, and nearly all bacteria (the De.mem hollow fiber ultrafiltration membranes are tested to '6 log reduction' – which means that a number of 1,000,000 (one million) microbes is reduced to only 1 (one) after filtration) and viruses from the water.

The membrane cartridge can also be combined with more traditional treatment processes for pre- and/or post filtration into a complete system, to ensure highest output quality. The system does not require additional pressure or pumps and uses standard tap pressure. This ensures convenience for the end user and ease of installation.

With the first order received, De.mem domestic filter products are now commercially available to consumers in Singapore and this first order provides a valuable reference point for resellers in other countries. The Company intends to broaden sales channels through more distribution partnerships throughout the Asia-Pacific. A number of opportunities are being aggressively pursued.

De.mem CEO Andreas Kroell commented: "This first commercial order is a real coup for De.mem and confirms the commercial readiness of the technology, with our focus now moving towards rapid commercial deployment, starting in Singapore. We are currently working on securing further partnerships in other countries in the Asia-Pacific region."

¹ Source: Markets and Markets



This product line implies an important add-on to our industrial and municipal product offering. The revenue streams from the domestic water filters are expected to give us recurring, stable income on top of our existing business."

While still small in financial value, this initial order again proves the value of our unique technology portfolio in the water and wastewater treatment sector, a huge growth market."



Image: De.mem Ultrafiltration domestic point-of use filter cartridges

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About De.mem Limited

De.mem Limited (ASX:DEM) is a Singaporean-Australian decentralised water and waste water treatment business that designs, builds, owns and operates turn-key water and waste water treatment systems for its clients. The Company operates in the industrial segment providing systems and solutions to customers from the mining, electronics, chemicals, oil & gas and the food & beverage industries and in the municipal and residential segments. De.mem makes use of a portfolio of proprietary hollow fibre membrane technologies,



which are commercialized as a key component within the Company's water and waste water treatment systems. Some of the technologies were originally developed by the De.mem's partner in research & development, Singapore's Nanyang Technological University (NTU), and exclusively licensed to the Company. Those include a revolutionary low-pressure hollow fibre nanofiltration membrane and a hollow fibre forward osmosis membrane for de-watering or concentration of liquids. Through its wholly owned subsidiary De.mem-Akwa Pty Ltd (formerly: Akwa-Worx Pty Ltd), De.mem has a strong presence in Australia. De.mem-Akwa has a market reputation for building high quality Australian-made water and waste water treatment systems and has long-term customers in the Australian mining, infrastructure and food & beverage industries. To learn more please visit: www.demembranes.com

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of De.mem Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.