

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

Growth Strategy, Contracts Update, Project Pipeline, Management Appointment

Highlights

- ASX Listing: De.mem successfully lists on Australian Securities Exchange
- Growth Strategy: Positioned for growth with robust project pipeline
- Contract: Delivering Build Own Operate project
- Contract: Progressing Feasibility Study with Novaland Group
- Operations: Progressing Nanofiltration Membrane Pilot Manufacturing Plant
- Appointment: New Director of Manufacturing

Tuesday, 18 April 2017: Following the successful listing on the Australian Securities Exchange (“ASX”) on Friday 7 April 2017, Singapore-based waste water treatment company De.mem Limited (ASX:DEM) (“De.mem” or “the Company”) is delighted to update the market on the Company’s growth strategy, the Givaudan and Novaland contracts, its nanofiltration manufacturing plant, robust project pipeline and new management appointment.

Growth Strategy

Prior to the Company’s successful ASX listing De.mem had secured a number of reference projects in Singapore and Vietnam in the industrial, municipal and private customers from the electronics, oil and gas and food and beverage industries.

The Company’s growth strategy is based on:

- The successful in-field validation and deployment of the Company’s flagship product, the new Nanofiltration Membrane, developed at Nanyang Technological University (NTU) in Singapore, one of the leading research institutions in the industry, and other proprietary products;
- Pursuing additional contracts with existing customers;
- Successfully converting pipeline opportunities under both the Build Own Operate (“BOO”) and equipment sales revenue models;
- Targeting customers in industries where De.mem sees the strongest need and market potential for advanced waste water treatment e.g. speciality chemicals, oil and gas and mining sectors;
- Expanding into new countries such as Australia, Germany and China; and .
- Expanding its portfolio of proprietary products further, to address specific market needs within the industrial waste water treatment market

Progressing Givaudan Build Own Operate (“BOO”) Contract

De.mem continues to execute the Build Own Operate (“BOO”) contract with Givaudan, a large multinational corporation from the food ingredients industry. The contract was signed prior to De.mem’s IPO and the Company is pleased to advise the manufacturing of the respective containerised waste water treatment system has now been completed. Delivery to the customer’s factory will take place within the coming weeks and it is expected the waste water treatment will initiate in the current quarter Q2 CY2017.

Progressing Nanofiltration Membrane Pilot Manufacturing Plant

De.mem is progressing with the establishment of the new pilot manufacturing site for hollow fiber membranes – in particular, the nanofiltration membrane which the Company has licensed from Nanyang Technological University (NTU) in Singapore. It is expected the pilot manufacturing site will become operational within the coming weeks. The facility will be able to produce initial quantities of membranes and membrane modules, sufficient for the validation of the technology and smaller-scale industrial and residential projects. De.mem’s team has put in extensive efforts into preparing for the factory set up; including designing the factory, manufacturing process and equipment, obtaining all the necessary approvals for the production and putting together a comprehensive plan for the concurrent in-field validation and implementation of the new membrane.

Progressing Feasibility Study with Novaland Group

As announced to the ASX on 12 April 2017, the Company has been awarded a contract with Novaland Group in Vietnam to conduct a feasibility study regarding the treatment of water within one of Novaland’s residential developments in Ho Chi Minh City. The Company confirms that, while the value of the feasibility study contract is immaterial to the Company, De.mem is hopeful of pursuing further engagements following from this project.

Robust Project Pipeline

De.mem’s pipeline and bid activity remains strong across existing and target geographical markets including Singapore, Vietnam, Germany, Australia and China. The pipeline of opportunities comprises both BOO contracts and equipment sales.

BOO contracts are central to the De.mem business and represent long term, high margin, reoccurring revenue streams.

The Company will provide further updates in due course.

Appoints Director of Manufacturing

De.mem welcomes Mr. David Chua as Director of Manufacturing. In previous roles David has been responsible for the membrane manufacturing at Hyflux, a large Singaporean provider of water treatment systems, and Microdyn-Nadir Singapore Pte Ltd (a company of Mann+Hummel). David brings with him deep and relevant experience in the manufacturing of many different types of membrane technologies. David will be leading the expansion of De.mem’s membrane manufacturing capabilities.

De.mem Chief Executive Officer Andreas Kroell: “De.mem’s highly successful IPO will allow the Company to focus on building value for our shareholders. We are in a strong funding position to deliver on the Company’s regional project pipeline.

The ASX listing also complements De.mem’s international expansion plans, including into the Australian and Chinese marketplaces. De.mem has a strong product offering in waste water treatment applications which fits well into core industries such as industrial, mining and agricultural sectors as well as for municipal and residential water treatment applications.

The De.mem team is expanding to meet growing opportunity and we welcome Mr. David Chua as Director of Manufacturing. We have built a strong pipeline of business, are encouraged by our robust outlook and look forward to keeping our shareholders updated with developments as they arise.”



De.mem's containerised water treatment system on-site at a customer's factory

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About De.mem Limited

De.mem Limited (ASX:DEM) is a decentralised waste water treatment business that designs, builds, owns and operates customised and high-quality industrial waste water treatment systems for its clients. The Company presents its product offering in two industry segments (i) the industrial segment where De.mem provides systems and solutions to its customers in the electronics, plating, chemicals, oil & gas and the food & beverage industries and (ii) the municipal and residential segment. The Company has licensed a number of proprietary technologies from its partner in research & development, Singapore's Nanyang Technological University (NTU). De.mem is headquartered and has a manufacturing site in Singapore.