



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

De.mem Signs New Service Agreement

3 August 2020: Australian-Singaporean water and waste water treatment company De.mem (ASX:DEM) (“De.mem” or “the Company”) is pleased to announce a new service contract for the operations & maintenance of water treatment facilities, with potential ongoing sales of related consumables and chemicals.

New Contract

The initial contract is for a two-year period, with an annual value of approx. A\$200,000, for an Australian real estate/ infrastructure customer. De.mem will operate & maintain a Reverse Osmosis-membrane based water treatment plant and potentially also sell pumps, chemicals and consumables to this customer on an ongoing basis.

Recurring Revenue Growth

While not material to the overall revenues of the group, this new contract is an important milestone for De.mem because it adds to the Company’s recurring revenues through both operations & maintenance and potential consumables sales.

The Company continues to grow its recurring revenues, up from 38% in CY 2018 and 54% in CY 2019 to 67% in the first half of CY 2020.

Commentary

De.mem CEO Andreas Kroell said: “We are pleased that our business has continued to trade strongly, despite the global COVID19 pandemic, and this is largely due to the resilience of our recurring revenues and our high quality, well diversified customer base.

This new service contract is another good example of continued growth in our recurring revenue streams.

We are proven as a high-quality service provider for water treatment plant operations & maintenance in many sites across the mining, food & beverage and municipal & residential sectors. Our service business provides stable, recurring and long-term revenue streams to De.mem. We look forward to growing our services offering and overall recurring revenues further through 2020.”

This announcement has been authorized for release by the Company’s CEO, Andreas Kroell, on behalf of the Board.

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De.mem Limited (ASX:DEM) is a decentralised water and wastewater treatment business that designs, builds, owns and operates turnkey water and wastewater treatment systems for some of the world's largest companies in the mining, electronics, chemical, oil & gas, and food & beverage industries. Its systems also provide municipalities, residential developments and hotels/resorts across the Asia Pacific with a reliable supply of clean drinking water.

De.mem's technology to treat water and wastewater is among the most advanced globally. The Company is headquartered in Australia and has international locations in Singapore, Germany and Vietnam. It is commercialising an array of innovative proprietary technologies from its research and development partner, Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research. Technologies uniquely offered by De.mem include a revolutionary low-pressure hollow fibre nanofiltration membrane that uses less electricity and is cheaper to operate than conventional systems, as well as a new Forward Osmosis membrane deployed in de-watering applications or the concentration of liquids.

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.