



MEMIONTEC HOLDINGS LTD.
(Company Registration No. 201305845W)
(Incorporated in the Republic of Singapore)

PRESS RELEASE – For Immediate Release

Capitalising on Growth Momentum, Memiontec Achieves Record Revenue of S\$45.6 Million with Net Profit Growth of 17.7% in FY2021

- Proposed dividend of 0.209 Singapore cents per share for FY2021, which represents a growth rate of 13.0%, as compared to the dividend of 0.185 Singapore cents per share for FY2020
- Strong revenue growth of 31.9% to S\$45.6 million in FY2021
- Reflecting the Group's strong execution capabilities and technical expertise in the water industry, one of the projects completed during FY2021 was a membrane filtration system project at Tuas South Desalination Plant worth S\$33.2 million
- The Group's total assets stood at S\$35.5 million with cash and cash balances increasing to S\$15.5 million as at 31 December 2021
- As at 31 December 2021, the Group has an order book of S\$78 million and most of these projects, barring any unexpected developments, are expected to be substantially completed within the next two years

Current Reporting Period – Full Year Ended 31 December 2021

(S\$ million)	FY2021	FY2020	Change (%)
Revenue	45.6	34.6	+ 31.9
Gross profit	6.3	5.1	+ 23.6
Profit attributable to owners of the Company	1.5	1.3	+ 17.2
Earnings per share (Singapore cents)	0.70	0.61	+ 14.8

Singapore, 22 February 2022 – Memiontec Holdings Ltd (“Memiontec” or “明泰控股” or the “Company”, and together with its subsidiaries, the “Group”), a **total water solutions provider in Asia**, is pleased to announce that it has achieved a positive set of financial results for the full year ended 31 December 2021 (“FY2021”) with record revenue of S\$45.6 million, corresponding to a growth of 31.9% year-on-year.

Commenting on the FY2021 results, Memiontec’s Executive Director and CEO, Mr Tay Kiat Seng (郑吉成), said, *“Reflecting our strong execution capabilities and technical expertise in the water industry, our TSEPC business segment was the key revenue driver in FY2021 and as a result, we delivered record annual revenue with net profit growth and positive operating cash flows.”*



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With the growing demand for water in Asia, we are excited about the opportunities ahead in our core markets as we continue executing our multi-prong growth strategy via our synergistic business model."

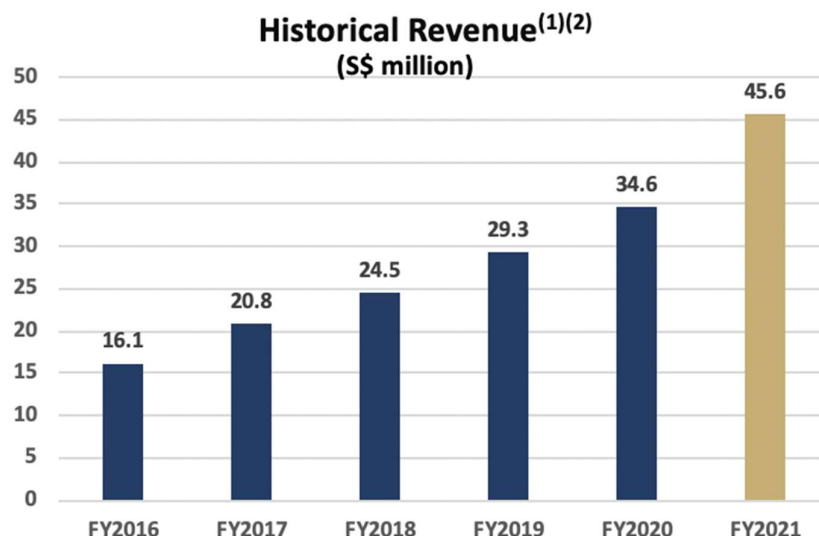
Mr Tay added, "On the back of our improved financial results, and consistent with our stated dividend policy, we are proposing a dividend payout of 0.209 Singapore cents per ordinary share for FY2021, which represents a dividend growth rate of 13.0% as compared to the dividend of 0.185 Singapore cents per ordinary share for FY2020."

Review of Financial Results for FY2021

With a synergistic business model that encompasses the entire value chain in the water industry, the Group has 4 key business segments as follows:

- Total solutions with engineering, procurement and construction ("TSEPC") services;
- Operation, maintenance and service of water and wastewater treatment plants ("OMS");
- Sales and distribution of water treatment systems and trading ("SDS"); and
- Sales of water ("SOW") through transfer-own-operate-transfer ("TOOT") and build-own-operate-transfer ("BOOT") projects.

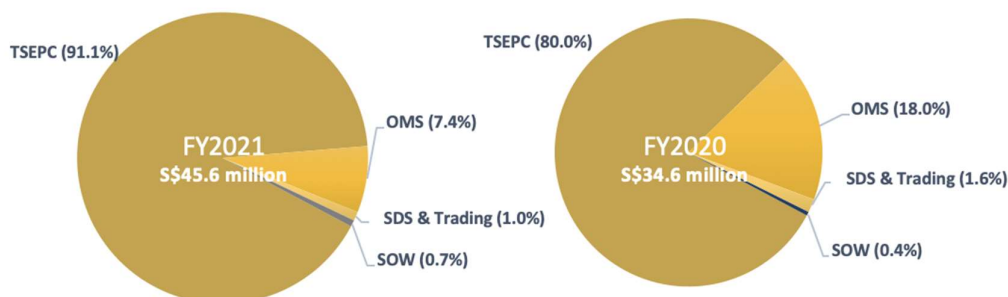
Revenue growth of 31.9% to S\$45.6 million: The revenue growth was mainly contributed by the Group's TSEPC business segment, which increased by S\$13.9 million to S\$41.6 million. Notably, the Group completed a membrane filtration system project at Tuas South Desalination Plant, the largest desalination plant in Singapore and South East Asia, with a contract value of S\$33.2 million during FY2021.



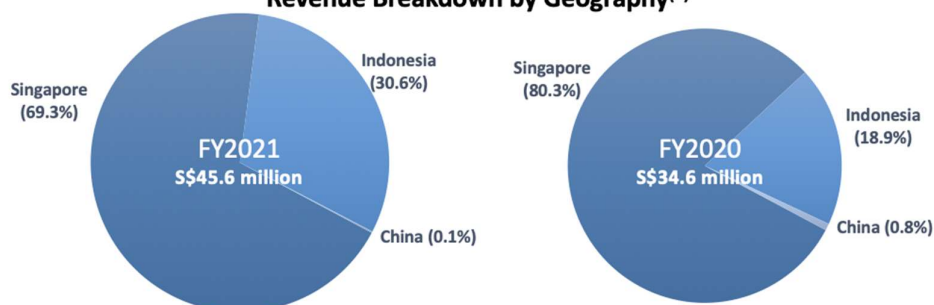
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Revenue Breakdown by Business Segments⁽²⁾



Revenue Breakdown by Geography⁽²⁾

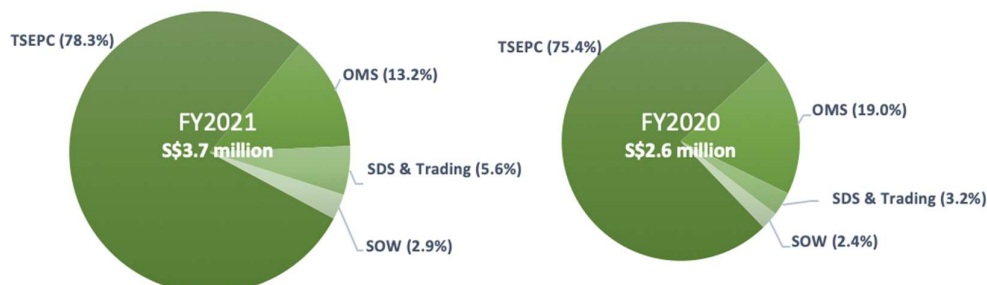


(1) Please refer to the Group's annual report for FY2020 issued on 26 March 2021, which can be downloaded via www.sgx.com and <http://memiontec.com/investor-relations/publications/>, for more information.

(2) Please refer to the Group's full year results announcement for FY2021 issued on 22 February 2022, which can be downloaded via www.sgx.com and <http://memiontec.com/announcements/>, for more information.

Gross profit growth of 23.6% to S\$6.3 million: While the Group's gross profit increased in FY2021, its gross profit margin dipped marginally by 0.9 percentage point to 13.9% in FY2021 mainly due to higher shipping, labour, safety and compliance costs resulting from the COVID-19 pandemic during the first half of FY2021, which was partially offset by higher gross margins attributed to certain municipal TSEPC projects in Indonesia.

Profit by Operations





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Net profit growth of 17.7% to S\$1.5 million: Overall, the Group recorded a net profit of S\$1.5 million in FY2021, as compared to S\$1.3 million in FY2020.

Improved balance sheet with cash and bank balances of S\$15.5 million as at 31 December 2021: As at 31 December 2021, the Group's net current assets stood at S\$17.1 million while total equity increased by 6.5% to S\$18.2 million.

Net cash generated from operating activities of S\$2.9 million in FY2021: The Group generated improved operating cash flows in FY2021 which was mainly attributed to more collections from customers and progress claims for works performed up to 31 December 2021.

Net cash used in investing activities amounted to S\$0.9 million in FY2021, due higher amounts incurred for capital expenditure on the expansion of headquarter office in Singapore, and additional equity injection of S\$0.6 million in a joint venture company incorporated for the execution of a BOOT project in Pekan Baru, Indonesia.

Net cash used in financing activities amounted to S\$1.9 million in FY2021, mainly attributed to repayments to directors, borrowings and lease liabilities (including interests) of S\$1.6 million and distribution of dividends of S\$0.4 million.

Consequently, the Group's overall cash and cash balances increased to S\$15.5 million as at 31 December 2021.

Positive market trends and prospects in Southeast Asia: The Group presently has an order book of S\$78 million as at 31 December 2021, with our Indonesian projects, which generally have higher gross margins, accounting for approximately half of the order book. Most of these projects, barring any unexpected developments, are expected to be substantially completed within the next 2 years.

In Singapore, the government's emphasis on environmental, social and sustainability could accelerate demand for water treatment and water efficiency projects. It is expected that there will be a pipeline of public tenders by Public Utilities Board of Singapore in 2022 of fairly good-size, with such contracts having both stable cash flow and low credit risk.

As for Indonesia, the need for clean water and wastewater treatment remains pressing, and the Indonesian government may speed up the development of water supply infrastructure at the local community and provincial levels⁽¹⁾. This offers further opportunities for more TSEPC contracts and BOOT projects.



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The Group will seize opportunities in the regional countries with strong demand for water treatment, through investments, acquisitions and/or collaboration with reputable players in the water treatment industry for recurring income.

As a process, engineering and total solutions group with strong track records in both municipal and private sectors, the Group will strive towards securing a fair share of the demand for these projects.

(1) <https://www.asiaglobalonline.hku.hk/in-indonesia-water-can-be-a-public-and-private-good>

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This press release is to be read in conjunction with Memiontec's results announcement for FY2021 released on 22 February 2022, which can be downloaded via www.sgx.com and <http://memiontec.com/announcements/>.



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About Memiontec Holdings Ltd.

(Bloomberg Code: MHL:SP / SGX Code: SYM.SI)

Memiontec Holdings Ltd. ("**Memiontec**" or the "**Company**", and together with its subsidiaries, the "**Group**") is a Singapore-based one-stop total solutions water treatment company with over 20 years of experience in water and wastewater management services across Singapore, Indonesia and the PRC.

Through the use of membrane, ion exchange, physical, chemical and biological processes and leveraging its in-house design, engineering, fabrication and assembly capabilities, Memiontec develops reliable, compact, cost-effective, innovative and space-efficient customised water and wastewater treatment solutions across the entire value chain in the water industry.

Serving both municipalities and diverse industries in Asia as a one-stop total solution water treatment company for more than 20 years, Memiontec has developed strong working relationships with both public and private sector customers in the region such as the Public Utilities Board (PUB), Obayashi Singapore, Pokka Corporation Singapore, Petrochemical Corporation of Singapore, PDAM (national water agency of Indonesia), PT Jakpro (Jakarta state-owned infrastructure developer), PT PP, PT Abipraya Brantas, Sinarmas, Lippo, etc.

For more information, please visit <http://memiontec.com/>

Issued on behalf of Memiontec Holdings Ltd. by 8PR Asia Pte Ltd.

Media & Investor Contacts:



Mr. Alex TAN
Mobile: +65 9451 5252
Email: alex.tan@8prasia.com

*This press release has been prepared by Memiontec Holdings Ltd. (the "**Company**") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This press release has not been examined or approved by the SGX-ST and SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.